

November 27, 2017

TO: California Public Utilities Commission

RE: Response to Customer Choice Workshop

Dear CPUC Commissioners,

The Berkeley Climate Action Coalition (BCAC) submits the following comments with respect to the CPUC's October 31 Customer Choice workshop. BCAC is a coalition of over 750 organizations and individuals who work in partnership with the City of Berkeley to implement its Climate Action Plan. BCAC strongly supports the creation of East Bay Community Energy (EBCE), Alameda County's Community Choice program. The City of Berkeley projects that participation in this program will be the single most effective tool for reducing the City's greenhouse gas emissions. For this and other reasons, BCAC is invested in the success of Community Choice, wary of ongoing investor-owned utilities' (IOU) efforts to undermine it and concerned that the CPUC's renewed interest in electricity market deregulation is unwarranted and counterproductive.

We believe that EBCE, in and of itself, will offer residents and businesses in Alameda County a meaningful "choice" concerning where they get their electricity. In addition to having the option to continue service with PG&E, customers will have two or more EBCE products to choose from, at least one of which will offer a lower rate than PG&E. Opening the market to additional electricity retailers introduces unnecessary uncertainty and complexity that, we are concerned, could undermine EBCE.

As a government agency following in the footsteps of existing Community Choice programs with a proven track record for reliability, affordability and GHG reduction, EBCE's value proposition is strong. To ensure that CCAs can continue to operate successfully, in accord with the 2002 enabling legislation, the CPUC should commit itself to reforming grossly uncompetitive mechanisms such as the Power Charge Indifference Adjustment, that make it increasingly difficult for CCAs to do what the legislature and the majority of Californians want them to do—provide cleaner electricity and local, democratic control.

The CPUC is responsible for ensuring a level playing field for CCAs, but its rulings and statements in recent years suggest that it sees its mission as ensuring that the IOUs continue to thrive by shifting costs to CCA customers. BCAC is concerned that this "Customer Choice" proceeding is an effort to cast CCAs in a negative light, assigning blame to CCAs for the complexities that have arisen in the electricity market since CCAs' entry. Rather than starting from scratch and putting at risk fifteen years of CCA momentum, BCAC calls upon the CPUC to embrace CCAs as the already chosen "customer choice" available to Californians.

We submit that the CPUC is asking the wrong question. Instead of asking, "What changes should be made to the electricity market model" (a question that was answered in 2002 with Community Choice),

it should be asking what transparency and equity policies should be implemented to level the playing field such that CCAs can carry out their mandate?

CCAs are fast becoming the leading provider of electricity in California. They shouldn't be penalized for their success.

On behalf of the Berkeley Climate Action Coalition,

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