



DRA

*Division of Ratepayer Advocates
California Public Utilities Commission*

505 Van Ness Avenue
San Francisco, California 94102
Tel: 415-703-2381
Fax: 415-703-2057

JOSEPH P. COMO
Acting Director

<http://dra.ca.gov>

April 9, 2013

Honorable V. Manual Pérez
California State Assembly
State Capitol, Room 4112
Sacramento, CA 95814

Honorable Steven Bradford
California State Assembly
State Capitol, Room 5136
Sacramento, CA 95814

RE: AB 177 (Pérez, Bradford) – Support

Dear Assemblymember Pérez and Assemblymember Bradford,

DRA (Division of Ratepayer Advocates) is the independent consumer advocate within the California Public Utilities Commission (CPUC). DRA's statutory mandate is to obtain the lowest possible rate for utility service consistent with reliable and safe service levels. DRA also advocates for customer and environmental protections in connection with utility service.

DRA supports your AB 177 which would require the investor-owned electric utilities to procure all available demand side and clean, eligible renewable energy resources to achieve the State's goals to reduce emissions of greenhouse gases and meet the state's resource adequacy goals in the most cost-effective manner possible. This bill also requires the CPUC to consult with the State Energy Resources Conservation and Development Commission (Energy Commission) to identify all potentially achievable cost-effective electricity efficiency savings, demand response resources and eligible renewable energy resources, and to establish procurement targets to be met by each utility that are over-and-above any separate procurement targets or mandates.

DRA strongly supports California's demand side and eligible renewable resource goals. AB 177 would help the State achieve these goals by establishing a coordinated approach to energy procurement that integrates the State's various separate energy planning processes to ensure that California can achieve its renewable energy and greenhouse gas reduction objectives while simultaneously ensuring reliability of the electricity grid.

In order to help ensure the intent of AB 177 is satisfied, DRA suggests AB 177 be amended to require that the electricity efficiency and demand response energy savings used to establish procurement targets adopted pursuant to P.U. Code Section 454.55, be incorporated into the Energy Commission's Integrated Energy Policy Report (IEPR) and the CPUC's Long Term Procurement Plan (LTPP) proceedings. This amendment would establish a vital linkage between demand side energy savings procurement targets and a reduction in the amount of procurement needed on the supply side, as identified in the LTPP and IEPR proceedings. This linkage will

help ensure that the energy savings generated from ratepayer-funded energy efficiency and demand response programs are fully counted in the CPUC's and CEC's procurement proceedings, thus ensuring that demand side and eligible resource goals are actually achieved.

DRA looks forward to working with you on our suggested changes. If you have any questions or would like to discuss this matter further, please call DRA's Deputy Director Matthew Marcus, at (916) 327-3455 or me at (415) 703-2381.

Respectfully,

Joseph P. Como, Acting Director
Division of Ratepayer Advocates

By
Matthew Marcus
Deputy Director