

* * * ORGANIZATION LETTERHEAD * * *

The Honorable Alex Padilla, Chair, Senate Energy, Utilities & Communications Committee
State Capitol, Room 4038
Sacramento, CA 95814-4900

RE: AB 2145 – OPPOSE

Dear Senator Padilla and Committee Members:

On behalf of **XXXX Organization**, I would like to express our strong opposition to California Assembly Bill 2145 (AB 2145), the Utility Monopoly Power Grab of 2014, which would essentially reverse the Community Choice Aggregation law (AB 117) passed in 2002.

Many communities, individuals, and businesses in our region strongly support Community Choice programs as a tool to foster healthy competition, to increase the development of energy efficiency and new local renewable power resources, to achieve substantial reductions in greenhouse gas emissions, to stimulate local economies and businesses, and to create new local living wage union jobs. Community Choice programs support State energy and economic development goals, and State law should facilitate the expansion of such programs by local governments.

In the northern California service territory there has been no choice of provider for electricity consumers for over 100 years. The investor-owned utility enjoys a “natural monopoly” in its service territory; its customers are captive ratepayers.

AB 2145 upends the process through which Community Choice programs enroll customers, preventing cities and counties from grouping customers together at program startup in order to buy and generate energy at lower bulk rates, in the same way that any public power district does. Eliminating this group buying power would make it impossible for communities to compete on electricity prices with the monopoly utilities. The result would be that no city or county in California would be able to establish a new Community Choice program.

AB 2145 follows in the footsteps of AB 976 in 2011/12, correctly vetoed by Governor Brown, and Proposition 16 in 2010, smartly defeated by the California electorate. AB 2145 represents a direct attack on the intent of AB 117 just as it is beginning to bear fruit in Marin and Sonoma Counties, and as a dozen other Counties throughout California, including Alameda County, are actively exploring Community Choice programs.

XXXX Organization therefore urges you to help the State achieve its clean energy and economic development goals by strongly opposing AB 2145.

Sincerely,

cc:

Honorable Members, Senate Energy, Utilities and Communications Committee

Kellie Smith, Chief Consultant, Senate Energy, Utilities and Communications Committee

Kerry Yoshida, Policy Consultant, Senate Republican Caucus

The Honorable Steven Bradford, Chair, Assembly Utilities and Commerce Committee