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Broad Based Coalition of Schools, Universities and Businesses Applaud Success of Senate Bill 695

*The California State Legislature passed and Governor Schwarzenegger signed SB 695 which will
reinstate limited customer choice in the electricity market*

Sacramento- The California Alliance for Choices in Energy Solutions (CACES), a broad-based group of schools, universities, healthcare professionals and businesses, applaud the California State Legislature and Governor Schwarzenegger for passing and signing into law SB 695, which will reinstate limited customer choice in the electricity market. The bill, authored by Senator Kehoe, was signed on October 11th.

“Customer choice allows us to manage our electricity purchases as well as permits us to devote more resources to our educational mission,” Michael Rochman, Managing Director of the School Project for Utility Rate Reduction, a CACES Coalition member said. “The passage of Senate Bill 695 is a huge step in the right direction and we applaud Senator Kehoe, the rest of the California Legislature and Governor Schwarzenegger for passing and signing this important piece of legislation.”

In 2001, the California Legislature passed AB1X which among other things directed the California Public Utilities Commission to suspend Direct Access or “customer choice” in the electricity market. SB 695 sets forth a rational path to transition out of the energy framework created by AB 1X and move toward creating a competitive power market for customers in California.

“We are pleased with the Governor’s decision to sign SB 695 into law. California businesses are ready to once again have a choice for electricity supply. Competitive organized energy markets provide a host of benefits that leverage technology and knowledge to improve equipment and process efficiency, energy commodity risk management and price control, and energy information utilization to name a few,” said George Waidelich, Vice President Energy Operations at Safeway inc. “SB 695 is a huge step in helping California companies compete in the global economy and manage their carbon footprint, and we thank Senator Kehoe and her colleagues for undertaking such an important issue and seeing it through.”

SB 695 allows the reinstatement of customer choice up to a capped threshold and phased in over 3 to 5 years. It enjoyed broad based support from CACES members, utilities and consumer groups.

“We believe that a well-designed retail electricity market will provide opportunity and choice for retailers, manufacturers, schools, and cities to engage in new electric supply options that manage customer energy cost and mitigate risk while providing “greener” electricity alternatives that contribute to the health of the state,” said Delaney Hunter, spokesperson for the CACES coalition.

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