

State's energy market

Editor - I want to make clear that the California Public Utilities Commission (CPUC) is charged with ensuring that California's energy market is designed in the best way possible. We are continuing to refine our programs to ensure that energy is available when and where it is needed, and we are coordinating closely with the California Independent System Operator Corp. on the design of wholesale electricity markets.

We have a commitment to pursue policies that will promote a viable and workably competitive wholesale generation sector. Only once these policies are in place will we be able to consider reopening direct access. We will ensure that any program designed to reinstitute retail competition be guided by sound legal principles, carefully safeguarding relevant public policy interests. We will conduct this process in a careful and balanced manner, taking into account any lessons to be learned from previous efforts to bring competition to electric retail markets.

And, finally, the Legislature did not kill direct access in 2001, it suspended it. Once the state Department of Water Resources stops buying power for consumers, which will happen in a few years, direct access will return. When it does, we want to make sure it truly protects residential consumers. To do otherwise would be irresponsible and could produce the very type of chaotic market structure neither you nor the CPUC wants.

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