



April 1, 2010



## California's Expanded Direct Access Program: Notice of Intent is Due April 16, 2010

### Applicable to Industrial and Commercial Energy Consumers

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#### Our Recommendation:

Submit a Notice of Intent (NOI) to your utility on 9 am, April 16, 2010

If accepted by the utility, the NOI provides a cost-free placeholder. You will have no less than 60 days before you must submit a direct access service request (DASR)

During this period, you can evaluate whether direct access (DA) is cost-effective in light of such factors as exit fees and market pricing

#### Direct Access Main Points:

On March 15, 2009, the California Public Utilities Commission ("CPUC") issued its decision on expanded direct access

The CPUC approved a phase-in period of 4 years with an annual load cap on new DA

Expanded DA applies to the 3 California IOUs – PG&E, SCE, and SDG&E

There is a customer enrollment process whereby an NOI must be submitted beginning April 16, 2010 to reserve DA service

If approved by the utility, the customer will have 60 days to submit a DASR

Once the cap is fully subscribed, no further NOIs will be accepted

Many observers believe that the NOIs submitted on April 16 will instantly fill the cap (there will be a waiting list, however)

Depending on the utility, exit fees need to be closely evaluated to determine whether DA is economic

There are numerous details regarding the program, enrollment process, and utility tariffs that should be thoroughly reviewed and evaluated

If an NOI is not submitted, the customer remains on utility service

The next chance to move to DA probably won't be until the open

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