



December 18, 2009



California Public Utilities Commission Moves Forward on Rulemaking to Restore Direct Access Electricity Purchasing for Some Industrial and Commercial Customers: Comments Due January 5, 2010.

Author: [Travis Ritchie](#)

On December 17, 2009, the California Public Utilities Commission (“Commission”) issued a ruling that modified and sets forth the scope of issues to be determined in the rulemaking proceeding that will implement Senate Bill (SB) 695 relating to direct access.

The rulemaking will, among other things, allow a phase-in for nonresidential end-use customers to purchase electricity directly from non-utility sources. The phased-in restoration of so-called “Direct Access” or “Customer Choice” electricity purchasing offers the potential for industrial and commercial customers to secure an important business advantage by locking in favorable electricity rates from non-utility suppliers.

In its ruling, the Commission discussed the scope of an initial sub-phase of the proceeding that will address issues necessary to implement a partial reopening of direct access by April 11, 2010, the statutory deadline provided by SB 695. Substantive comments for the sub-phase are due [January 5, 2010](#), and the Commission will hold a workshop on [January 11, 2011](#). The Commission explained the issues to be dealt with in the sub-phase:

Whether minimum three-year commitment and six-month notice requirements that currently apply to pre-existing direct access customers will also apply to any bundled customers electing direct access service for the first time. How to ensure that energy service providers of direct access are subject to procurement-related requirements on the same basis as investor-owned utilities (“IOUs”).

Newsletter Editors

[Craig A. Moyer](#)

Partner

CMoyer@manatt.com

310.312.4353

[David L. Huard](#)

Partner

Dhuard@manatt.com

415.291.7430

Our Practice

The Energy, Environment & Natural Resources lawyers at Manatt have one of our firm’s fastest-growing practices. That growth reflects our depth of experience and skill in dealing with the interaction of increasingly complex environmental and energy regulations that confront every company doing business in the United States. Our attorneys blend a sophisticated legal understanding with a practical business perspective to enhance the competitive flexibility of all our clients ...[more](#)

[Practice Group](#)

[Overview](#)

[Practice Group](#)

[Members](#)

Info & Resources

Whether to allow new direct access customers a waiver of the interval meter installation requirements pending the "Advanced Meter Initiative" that will deploy advanced meters to residential and commercial/industrial customers.

[Subscribe](#)
[Unsubscribe](#)
[Newsletter Disclaimer](#)
[Manatt.com](#)

The sub-phase will likely address the fundamental aspect of the Commission's phase-in of direct access. **Industrial and commercial businesses should act promptly to monitor and engage in the Commission rulemaking process before January 5, 2009, to ensure that they will have an opportunity to comment on the proposed rules for the reopening of direct access.**

Click [here](#) for the Commission Ruling.

Click [here](#) for the Manatt newsletter on SB 695

[back to top](#)

For additional information on this issue, contact:



[David L. Huard](#) Co-Chair of the Firm's Energy, Environment and Natural Resources practice group, and partner responsible for the Climate Change Solutions group, Mr. Huard specializes in commercial, administrative and appellate law and maintains offices in Los Angeles and San Francisco.



[Stephen K. Gardner](#) Stephen Gardner has been practicing energy law for more than 30 years. He primarily provides counseling to industrial and commercial energy consumers on energy contracts, regulation, utility tariffs, purchasing, hedging and derivatives, dispute resolution and litigation, and appears before state public utility and energy commissions.



[Randall W. Keen](#) Mr. Keen's practice focuses on implementation of California's landmark greenhouse gas reduction mandates under AB 32, energy issues before the California Public Utilities Commission, public contracting, administrative law (including administrative hearings and writs), and legislative and statutory analysis.



[Travis Ritchie](#) Mr. Ritchie is an Associate in the firm's Energy, Environment & Natural Resources Practice Group. His practice focuses on environmental and regulatory issues including water law, energy law, and administrative law.

ATTORNEY ADVERTISING pursuant to New York DR 2-101(f)

Albany | Los Angeles | New York | Orange County | Palo Alto | Sacramento | San Francisco | Washington, D.C.

© 2009 Manatt, Phelps & Phillips, LLP. All rights reserved.