



For Immediate Release: June 24, 2014 Contact: Eric Brooks, 415-756-8844

Communities, Organizations Celebrate Key Victory Over Bill Crafted to Destroy Community Based Clean Energy

Sacramento, June 24, 2014 – Environmental, consumer, social justice, business and labor organizations along with scores of California communities, today hailed the California Senate Energy Committee's rejection of the key poison pill provision of AB 2145, a bill they call the "Utility Monopoly Power Grab of 2014". They stated that if this section had passed and been signed into law, AB 2145 would have dangerously undermined California's ability to reduce greenhouse gas emissions and to create thousands of local clean energy jobs. In the past two months, over two hundred organizations, and local governments and government agencies, have registered vehement opposition to AB 2145.

Authored by Assemblymember, and former monopoly utility PR executive Steven Bradford (D-Gardena), the bill would have halted any further launches of not-for-profit community-based clean energy programs provided for by California's Community Choice law (AB 117), passed in 2002. Over a dozen such programs are in the works and poised to compete with the utilities by offering greener and lower priced electricity to customers. Two counties, Marin and Sonoma, are already doing so. Community Choice is underway or under exploration in San Francisco, San Diego, Monterey, Santa Barbara, San Luis Obispo, and in Alameda and Santa Cruz Counties, among other local jurisdictions.

Existing law enables Community Choice programs to automatically enroll all of their electricity customers at launch in order to gain enough group consumer buying power to purchase and generate greener electricity at lower bulk rates, and thereby compete with the monopoly utilities on price. Once enrolled, any customer may "opt out" and switch back to the utility at no cost. Community Choice programs depend on this automatic enrollment structure to ensure banks and investors that they will have enough customer revenue to repay start up financing.

The section that was struck from Bradford's bill would have turned the enrollment process on its head, and forced all customers to proactively sign up on their own, one at a time, with no ability to be joined together with other customers at the program start. Because this "opt in" requirement would have made group start-up financing impossible, it would have halted the launch of any further Community Choice programs in the state.

Opponents say that the bill still contains onerous anti-competitive provisions that unfairly hamstring Community Choice programs by placing restrictions on them that are not required of the big monopoly utilities. For example a new amendment to the bill would drastically limit the geographic size of Community Choice programs, when the monopolies have no such size restrictions. Opponents are following the progress of the bill as it approaches the Senate Environmental Quality committee and will push for the removal of the remaining anti-competitive language.

Ann Hancock, Executive Director of the Climate Protection Campaign (which led the effort to launch Sonoma Clean Power) stated, "This is a great day! This David vs. Goliath victory shows that regardless of how much money the utilities spend to undermine Community Choice, they continue to fail. We suggest that they invest in making sure their customers have a safe, efficient energy distribution system instead of fighting competition and choice."

Colin Miller, Program Manager for Bay Localize and the Local Clean Energy Alliance said, "Once again people power has prevailed over the interests of polluting fossil fuel energy corporations. We've got more work to do, but this victory puts us back on course to hire thousands of Californians to build thousands of megawatts of local community based clean energy and efficiency installations."

Eric Brooks, an advocate who has worked for the last ten years to launch San Francisco's Community Choice program, CleanPowerSF, said "Now California can get back to the business of meeting our clean energy objectives on schedule, so that we can dramatically lower our greenhouse gas emissions and help to more rapidly reverse the climate crisis. The fossil fuel utilities need to heed this outcome and end their incessant attacks on Community Choice."