From: Gould, Angela@Energy

To: Barkalow, Gina@Energy; Justin Pannu;

cc: Herrera, Gabe@Energy; Zocchetti, Kate@Energy;

Chisholm, Emily@Energy;

Subject: RE: Public comments on POU Regs **Date:** Tuesday, April 23, 2013 10:01:00 AM

Justin,

Gina is correct that POUs are local government entities and are different in that way from retail sellers. POUs are also covered by different sections of the Public Utilities Code than retail sellers, although many sections covering the POUs state that the rules they adopt should be "consistent with" those for retail sellers.

Angie Gould

RPS Program California Energy Commission 916-654-4881 angela.gould@energy.ca.gov

From: Barkalow, Gina@Energy

Sent: Tuesday, April 23, 2013 9:44 AM

To: Justin Pannu

Cc: Gould, Angela@Energy

Subject: RE: Public comments on POU Regs

Hi Justin,

I am copying Angie Gould who is heading the POU regulation process at the Energy Commission in case she needs to correct me on anything below or has more to add.

It is recognized that POUs are different from retail sellers and that is part of why they are not regulated by the CPUC, etc..

I believe part of the argument about how POUs are different has to do with the POU Governing Board structure. POUs have elected officials and are quasi-governmental agencies (I hope I am describing this correctly and Angie please correct me if I am off) which makes them different from retail sellers. The POU officials review and approve contract agreements, so there is already some

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JUL 18 2013

governmental oversight there.

Not sure if that helps, but it is my understanding of how the POUs are different....

Gina

Gina Barkalow CA Energy Commission Renewables Portfolio Standard - Verification (916) 654-4057

From: Justin Pannu [mailto:JPannu@noblesolutions.com]

Sent: Monday, April 22, 2013 3:24 PM

To: Barkalow, Gina@Energy

Subject: Public comments on POU Regs

Hi Gina,

I am not sure who is heading the POU regs, Noble didn't submit comments but verbally mentioned at the public workshop that POU and PUC regs should be aligned to the extent possible to have a uniform and consistent product with which all market participants can engage in. I just noticed that some comments made by SMUD and other muni's suggested that POU's are different from IOU's and thus some of the regulations should be different. However, none of the comments gave any argument as to how ESP's and CCA (non-iou retail sellers) differ from POU's and yet we still are able procure consistent with PUC decisions. Instead, there is a stronger argument for the opposite. ESP's and CCA are more closely aligned with POU's than they are with IOU's in their procurement strategies/needs. The Muni's argument falls apart here.

Justin