

# Electricity Market – Open



## Direct Access (DA) gets set to Expand

There are 2 types of SCE, PG&E and SDG&E electricity customers. Those companies **already** in DA and saving **10–20%**, and those companies that are **NOT**.

### Here are a few examples of DA estimated savings:

- 1 – A company's SCE invoice = **\$21,400**. Their annual spend = \$260,000 and est. annual savings = **\$59,000**.
- 2 – A company's SCE invoice = **\$44,000**. Their annual spend = \$540,000 and est. annual savings = **\$98,000**.
- 3 – A company's SCE invoice = **\$115,000**. Their annual spend = 1,371,000 and est. annual savings = **\$244,000**.

This is why companies like Google and the University of California, and many thousands of other electricity accounts are already purchasing cheaper power in DA.

## HERE'S DIRECT ACCESS (DA) MADE SIMPLE

### How does it work?

Nothing changes in DA, except the billing. It's the same electricity delivered through the same utility lines with the same utility services, but instead of paying fully bundled utility tariff "generation" costs, DA companies purchase wholesale generation from ESPs.

### Will my utility lose money if I switch to a DA supplier?

**No they won't.** Regulated utilities PG&E, SCE and SDG&E do not profit on the sale of electricity to their customers, but rather they profit from delivering electricity through their transmission and distribution systems. They continue charging these same fees for these same delivery services for the DA program.

How long has DA been available? DA started in 2001, but quickly imposed a 10% CAP to limit the number of DA participants in the program. A 12% CAP exists today.

How are any vacancies filled? To fill any vacancies that become available under the CAP, utilities create annual "wait lists" which randomly provide priority numbers to companies.

## The Good News

On April 21, 2015, California Senate Bill SB286 passed a Senate Utilities and Communications Committee, 11-0. This indicates the legislature's desire to support both individual choice (**increase the CAP**) and renewable energy.

### Here are two important points to take away:

- 1- SB286, is designed to **"increase"** the current Direct Access CAP and allow more companies into the program. This is good news for you.
- 2- Only companies which are on their utility's Wait List are eligible to enter Direct Access when openings occur. From a strategic perspective then, all **non-DA** companies should participate in their utility's annual DA lottery and Wait List.

### Steps to take to get on the Wait List:

There is a Six-Month Notice to Transfer utility form that we complete and submit to the utility (June 8<sup>th</sup> – 12<sup>th</sup>). We gather the information from your utility invoice, have you sign it, and then we submit the form. The utility uses these forms to create their "Wait List" for 2016.

### Why Bmark Energy?

- 1- We understand the utility DA process and we will prepare and submit your Notice to Transfer form in order for your company to join your utility's wait list.
- 2- Once admitted into DA, we work with multiple ESPs (energy providers) to assist in reviewing, evaluating and selecting which supplier and rate option best serves your company's needs. (more suppliers = more opportunities)
- 3- We have had numerous successes placing companies into the DA program this past year.

We have been alerting California companies to regulatory-utility changes and lowering energy costs for over 22 years. Yet, we find there are still many companies unaware of the DA opportunity and Senate Bill SB286 which is designed to increase the DA cap, allowing greater DA access.

There is no cost to enter DA, but again, if a company is NOT on their utility's wait list, this opportunity is lost.

Contact Us and we will help you with the process.

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