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Alliance for Retail Energy Markets Gives a Standing Ovation for passage of Senate Bill 695

Governor Schwarzenegger signs Senate Bill 695 which reinstates customer choice in California's electricity market

Sacramento, October 11, 2009 - The Alliance for Retail Energy Markets (AREM) today applauded the California State Legislature and Governor Schwarzenegger for passing and signing into law, Senate Bill (SB) 695, which will reinstate customer choice in California's electricity market and provide customers with the opportunity to shop for the best combination of price, products and customer service.

The bill, authored by Senator Kehoe and co-authored by Senator Rod Wright was signed on October 11, 2009. The legislation reopens, with limits, a marketplace that was suspended in 2001 when the California Legislature passed AB1X which, among other things, directed the California Public Utilities Commission to suspend Direct Access or "customer choice" in the electricity market.

SB 695 presents a logical and realistic transition from the energy market structure created by AB 1X and advances us toward an expanding competitive power market for customers in California.

"The passage of SB 695 enables California businesses to gain greater control over one of our largest cost - energy - allowing us to place greater focus on building our businesses and creating more California-based jobs," said Glenn Barrett of SUPERVALU, Inc.

SB 695 allows the reinstatement of customer choice up to a capped amount of energy usage and will be phased in over 3 to 5 year period, commencing no later than July 1, 2010. Passage of this law enjoyed broad based support from business interests struggling with a flagging economy, utilities, energy service providers, and consumer interest groups.

"We are extremely pleased that the California Legislature has approved law that will, once again, allow business customers to make their own choices when it comes to the management of their energy needs", said Andrea Morrison, President of AREM.

AREM is a not-for-profit corporation that advocates for continued development of successful customer choice in retail energy markets. The Alliance brings together many of the nation's leading retail energy suppliers, including Constellation NewEnergy, Direct Energy, RRI Energy and Sempra Energy Solutions, who, collectively, serve the majority of the competitively served electric load in California.

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