

BOMA Achieves Major Energy Cost Savings for Members; Critical Peak Pricing Proposal Dead, for now...

On April 21, 2005, the California Public Utilities Commission (CPUC) unanimously passed its Decision to not impose mandatory Critical Peak Pricing for commercial customers in the summer of 2005. BOMA strongly argued against the rate proposal, and with this victory, has saved our members {indeed, our industry} lots of money that was at risk in summer energy rates – which could have escalated to five times higher than current rates. Please be sure that your owners and investors understand the value of this achievement! (Complete testimony is available at <http://www.bomasf.org/state.html>, by clicking on the state-wide issues.)

Background

Recently, BOMA San Francisco greatly expanded its advocacy efforts and began aiming to modify the structure of Utility Rates.

After discussing the considerable impact utility costs have on member operations, and the potential damaging impact of several proposals coming before the CPUC, BOMA San Francisco's Board of Directors determined it was important to expand upon the efforts we've already been making in the legislative arena, and to move to have a voice in CPUC regulatory proceedings. While this is a new and complicated arena for us, our participation demonstrates the seriousness with which BOMA takes its responsibility to protect member interests.

Our first regulatory efforts were designed to derail the Critical Peak Pricing proposal that would have cost members and their tenants up to five times current electricity usage costs at "critical peak" times. That battle has been won, for now. Our second major effort in this arena is to attempt to achieve rate parity across all classes of electricity consumers. Currently, commercial customers provide a huge rate subsidy to residential customers.

We will keep you updated on these and other advocacy efforts. This particular victory is just the latest demonstration of the value BOMA brings to our industry. The money BOMA has saved every building operator in the state of California by defeating this proposal is far greater than the dues any building pays for BOMA membership. We hope you will stand with us in our continued utility advocacy efforts, and indeed, with all of our legislative and regulatory initiatives.

If you want to become more involved, we would welcome your call! Thank you.

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