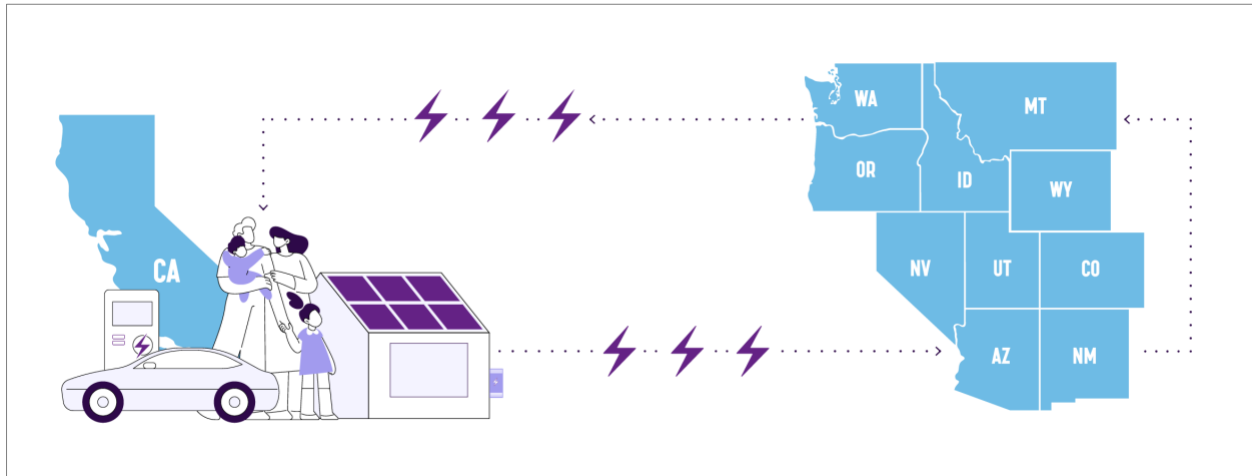


Local Power Prospers with a Larger Grid



SB 540 Increases DER Value

Californians are increasingly adopting distributed energy resources (DERs), like solar, electric vehicles, batteries, and smart appliances, which lower energy costs, improve reliability, and help decarbonize our homes and businesses.

Senate Bill 540 allows California utilities to participate in a broader western electricity market while preserving California's clean energy policies. This increases the value of DERs by giving locally produced power access to more buyers across the west.

One study found **regional market participation could increase revenues for California solar by up to 43%**. By improving the value of all California energy, including from DERs, a regional market supports both existing systems and further investment in local clean energy.

In addition, the governance of the Regional Organization envisioned under SB 540 gives **Community Choice Aggregators and DERs more representation and influence in policy development than they currently have under CAISO or any other market in the country**, while respecting state goals.

Status Quo Harms California

If SB 540 doesn't pass, a competing Eastern market (Markets+) will draw Western utilities away from the markets California participates in (EIM and EDAM), fragmenting the grid, reducing efficiency, and lowering sales and prices for California generators—including local DERs—and undermining our clean energy goals.

This fractured system could cost Californians \$617 million per year in missed electricity system savings—savings ratepayers can't afford to lose.