

Community Choice Energy

**A Local Energy Model to Green the Grid, Provide Customer Choice
and Boost Local Economies**

May 13, 2015

Midcoast Community Council

Presented by:

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County



CCE In Context

Authorized by CA Assembly Bill 117 in 2002

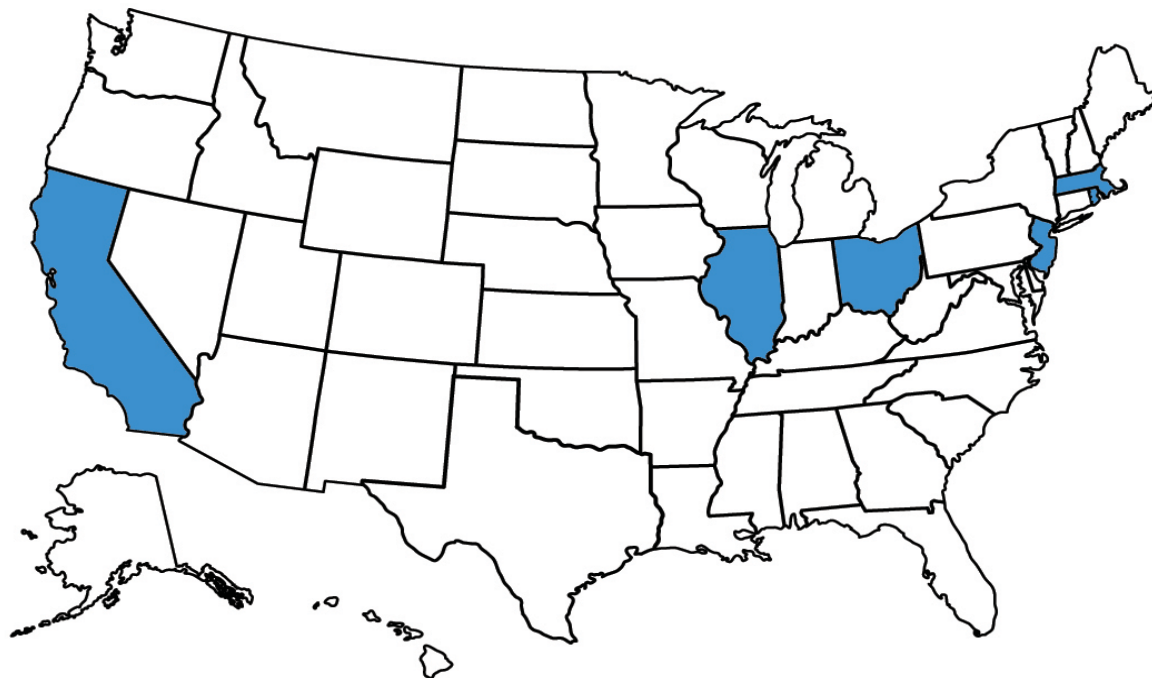
CCE allows communities to pool their electricity demand in order to purchase and potentially develop power on behalf of local residents, businesses, and municipal facilities.

CCEs in 6 States

- California
- Illinois
- Massachusetts
- New Jersey
- Ohio
- Rhode Island

Under Consideration

Utah, New York,
Delaware,
Minnesota

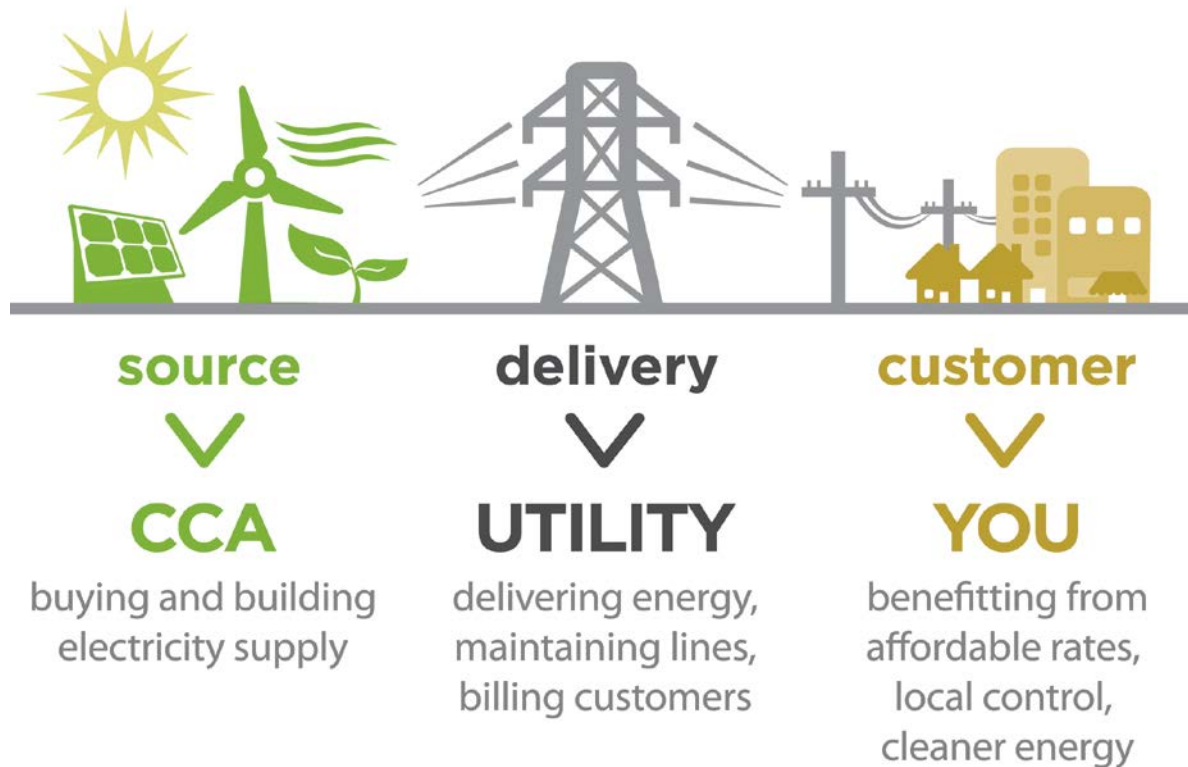


How Does It Work?

CCE leverages the market power of group purchasing and local control.

CCE allows communities to pool their electricity demand in order to purchase and potentially develop power on behalf of local residents, businesses, and municipal facilities.

How Local Energy Aggregation Works



Why is CCE So Powerful?

- Responsive to *local* environmental and economic goals
- Offers consumers a choice where none currently exists
- Revenue supported, not taxpayer subsidized
- Stable, often cheaper, electricity rates
- Allows for rapid switch to cleaner power supply and significant GHG reductions
- Provides funding source for energy efficiency and innovative energy programs like energy storage and EV charging stations


Basic Program Features

“CCE: The Biggest Change You’ll Never Notice”

- Joint Powers Agency in San Mateo County: Local governments participate by passing an ordinance
- Utility (PG&E) continues to provide consolidated billing, customer service, line maintenance
- CCE electric generation charges appear as a new section of customer bill; all other charges are the same
- CCE becomes default electric provider. Customers receive a *minimum 4 opt-out notices over 120 days and can return to PG&E service any time.*
- CPUC certifies CCE Plan; oversees utility/ CCE relationship and other requirements.



Sample Energy Bill – Marin Clean Energy



ENERGY STATEMENT
www.pge.com/MyEnergy

Account No: 1234567890-1
Statement Date: 10/01/2013
Due Date: 10/22/2013

Service For:
MARY SMITH
1234 STREET AVENUE
SAN RAFAEL, CA
94804

Questions about your bill?
24 hours per day, 7 days per week
Phone: 1-866-743-0335
www.pge.com/MyEnergy

Local Office Address
750 LINDARO STREET, STE 160
SAN RAFAEL, CA 94901

Your Account Summary


Amount Due on Previous Statement	82.85
Payments Received Since Last Statement	82.85
Previous Unpaid Balance	\$0.00
Current PG&E Electric Delivery Charges	\$39.32
MCE Electric Generation Charges	\$42.81
Current Gas Charges	\$27.20
Total Amount Due	\$109.33
Total Amount Due	\$109.33

Page 1

Important Messages

Your charges on this page are separated into deliver other than PG&E. These two charges are for differ

Electric power line safety PG&E cares about your antennas at least 10 feet away from overhead power away, call 9-1-1 and then PG&E at 1-800-743-5000



ENERGY STATEMENT
www.pge.com/MyEnergy

Account No: 1234567890-1
Statement Date: 10/01/2013
Due Date: 10/22/2013

Details of MCE Electric Generation Charges
10/01/2013 – 11/01/2013 (31 billing days)
SERVICE FOR: 1234 STREET AVENUE
Service Agreement ID: 0123456789 ESP Customer Number: 0123456789

10/01/2013 – 11/01/2013

Rate Schedule:		RES-1
DEEP GREEN - TOTAL	508.000000 kWh @ \$0.0100	\$5.08
GENERATION - TOTAL	508.000000 kWh @ \$0.07400	\$37.59
	Net charges	\$42.67

Energy Surcharge \$0.14

Total MCE Electric Generation Charges **\$42.81**

Service Information
Total Usage 508.000000 kWh

For questions regarding charges on this page, please contact:
MCE
781 LINCOLN AVE STE 320
SAN RAFAEL CA 94901
1-888-632-3674
www.mceCleanEnergy.com

Additional Messages
For questions regarding your charges on this page, please contact your Third Party Energy Service Provider.

Page 2

Case Study – Marin Clean Energy



- May 2010: service starts for Phase I customers
- Service area includes Marin County, unincorporated Napa County, and the cities of Benicia, El Cerrito, Richmond and San Pablo
- 17-Member Board of Directors
- 177 MW new renewable energy in development for MCE customers, including 20 MW of local solar (enough clean power for 85,000 homes)
- 131 million pounds of GHG reductions to date (2010-2013 reporting periods)
- 1,800 jobs created/supported by MCE; most in construction sector

2015 MCE Residential Cost Comparison



508 kWh
E-1/Res-1

	PG&E 22%	MCE Light Green 50%	MCE Deep Green 100%	MCE Local Solar 100%
Delivery	\$44.37	\$44.37	\$44.37	\$44.37
Generation	\$49.50	\$40.13	\$45.21	\$72.14
PG&E Fees	-	\$6.27	\$6.27	\$6.27
Total Cost	\$93.87	\$90.77	\$95.85	\$122.78

- Delivery rates stay the same
- Generation rates vary by service option
- PG&E adds exit fees on CCA customer bills
- Even with exit fees, total cost for Light Green is less than PG&E

2015 MCE Commercial Cost Comparison

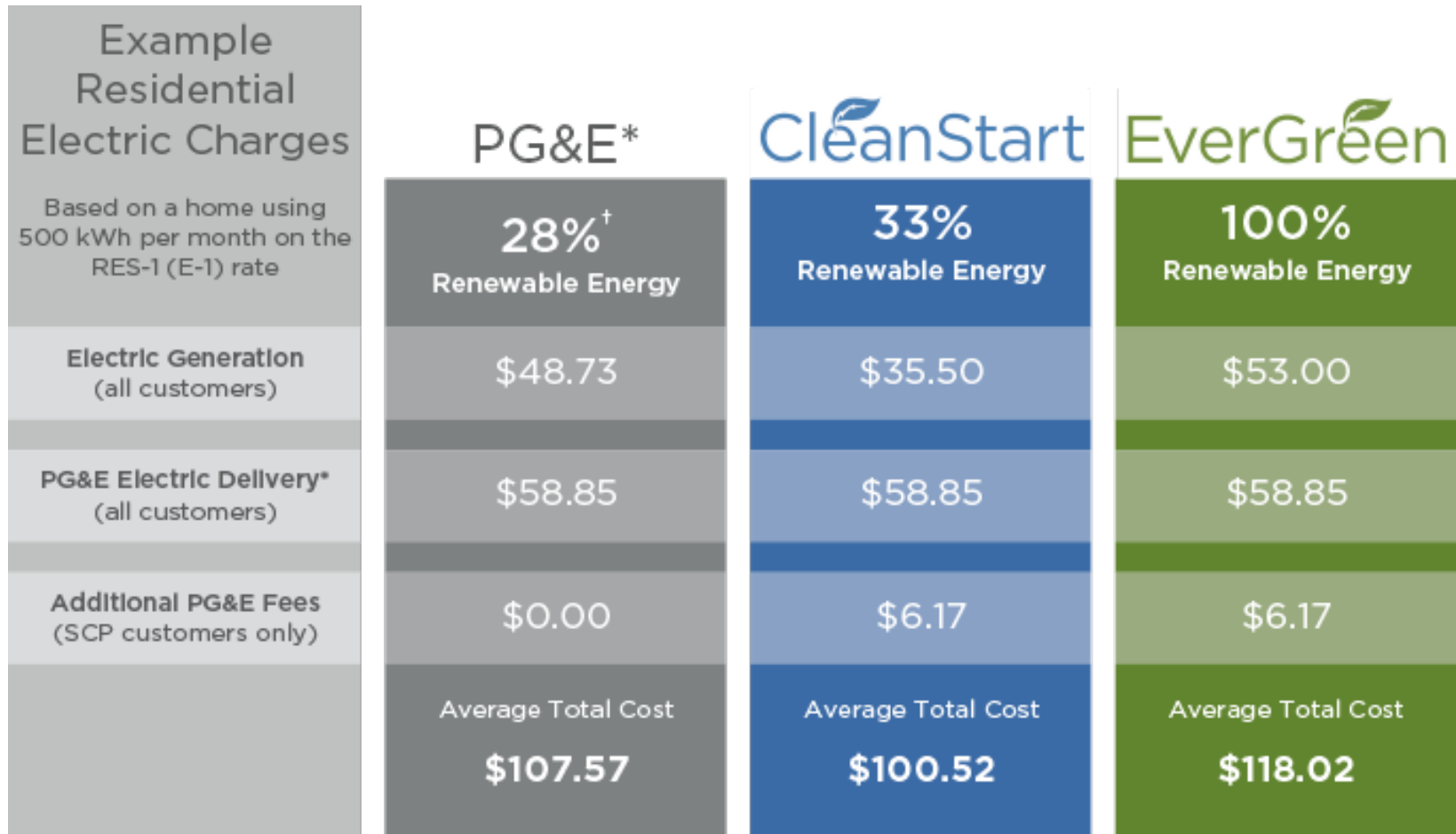


1,405 kWh A-1/Com-1	PG&E 22%	MCE Light Green 50%	MCE Deep Green 100%	MCE Local Solar 100%
Delivery	\$154.70	\$154.70	\$154.70	\$154.70
Generation	\$142.54	\$111.00	\$125.05	\$199.51
PG&E Fees	-	\$15.45	\$15.45	\$15.45
Total Cost	\$297.24	\$281.15	\$295.20	\$369.66

- Delivery rates stay the same
- Generation rates vary by service option
- PG&E adds exit fees on CCA customer bills
- Even with exit fees, total cost for Light Green and Dark Green is less than PG&E

- May/December 2014: service starts for 22,000 commercial customers; December roll out to 140,000 residential customers
- SCP has 11% opt out rate so far, and projects about 15% over time.
- SCP customers are saving \$6M in first year of program
- 100% renewable product sourced from Calpine/local geo-thermal plant
- 70MWs plus 12.5 MW new solar project with County water agency for solar on floating docks in irrigation holding pond

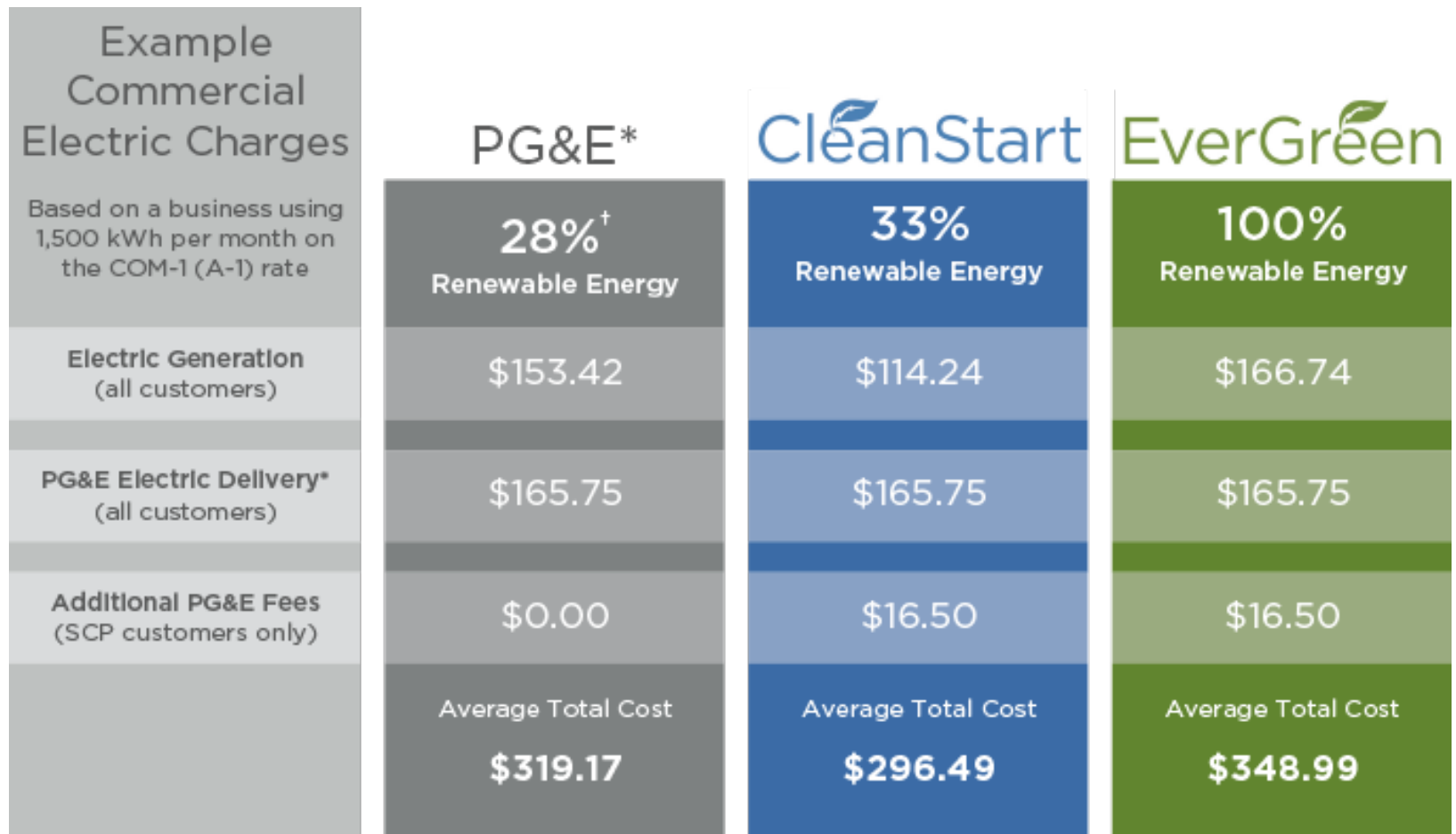
2015 Residential Cost Comparison



*PG&E fees are calculated by Sonoma Clean Power using rate data provided by PG&E effective on January 1, 2015.

†Based on 2014 forecasted data, as reported by PG&E. The Power Content comparison, linked at left, contains 2013 actual data for PG&E.

2015 Commercial Cost Comparison



*PG&E fees are calculated by Sonoma Clean Power using rate data provided by PG&E effective on January 1, 2015.

†Based on 2014 forecasted data, as reported by PG&E. The Power Content comparison, linked at left, contains 2013 actual data for PG&E.

CCE: What are the Risks...

And how are they mitigated?



Rate Competition/Market Fluctuation: Power market expertise and well crafted power RFPs are essential; Long and short term contracts; Diversified supply portfolio and “value add” programs.



Customer Opt-Out: Competitive rates are a must; Articulate additional consumer and community benefits; Opt-outs in CA typically in 10%-20% range.



Political: Align CCE to local policy objectives; Appeal to both progressive and conservative minds by making the environmental AND business case; Robust community engagement



Regulatory/Legislative: PUC decisions may adversely affect CCE, and proposed bills (eg: AB 2145) can change the original statute; Participate in the regulatory and legislative process.

Momentum Around the Bay

Operational:

County of Marin,
Unincorporated Napa
County, County of Sonoma,
City of Richmond, City of
Benicia, City of San Pablo

Moving Ahead:

San Mateo County, Alameda
County, Monterey
Bay/Santa Cruz/San Benito
Counties, Cities
Sunnyvale/Mountain
View/Cupertino, Santa Clara
County

Early Investigations:

Santa Clara Unincorporated,
City of Los Altos
Contra Costa County

On hold:

San Francisco City/County



CCE in San Mateo County

- Countywide Technical Study (all 20 cities participating)
- Residential, Business, and City Outreach
- Countywide Advisory Committee
 - First meeting May 28
- Back to Board of Supervisors/City Councils in Fall 2015



CCE Technical Study: What Will We Learn?

- Overall size of the program (megawatt hours and peak demand levels)
- Forecasted demand into the future
- Resource availability and other compliance issues
- Ability to be rate competitive
- Development of different power supply scenarios and their impact on GHGs, jobs created, etc.
- Robust risk analysis

Opportunities for engagement

- Join our mailing list to receive updates
- Monthly advisory committee meetings – Open to public
- Follow us on Twitter @ SMCCLeanPower
- Tell your neighbors!



For More Information

Visit us: green.smcgov.org

Contact us:

sustainability@smcgov.org

