

# Western Riverside Council of Governments

## **Community Choice Aggregation Program Summary overview**

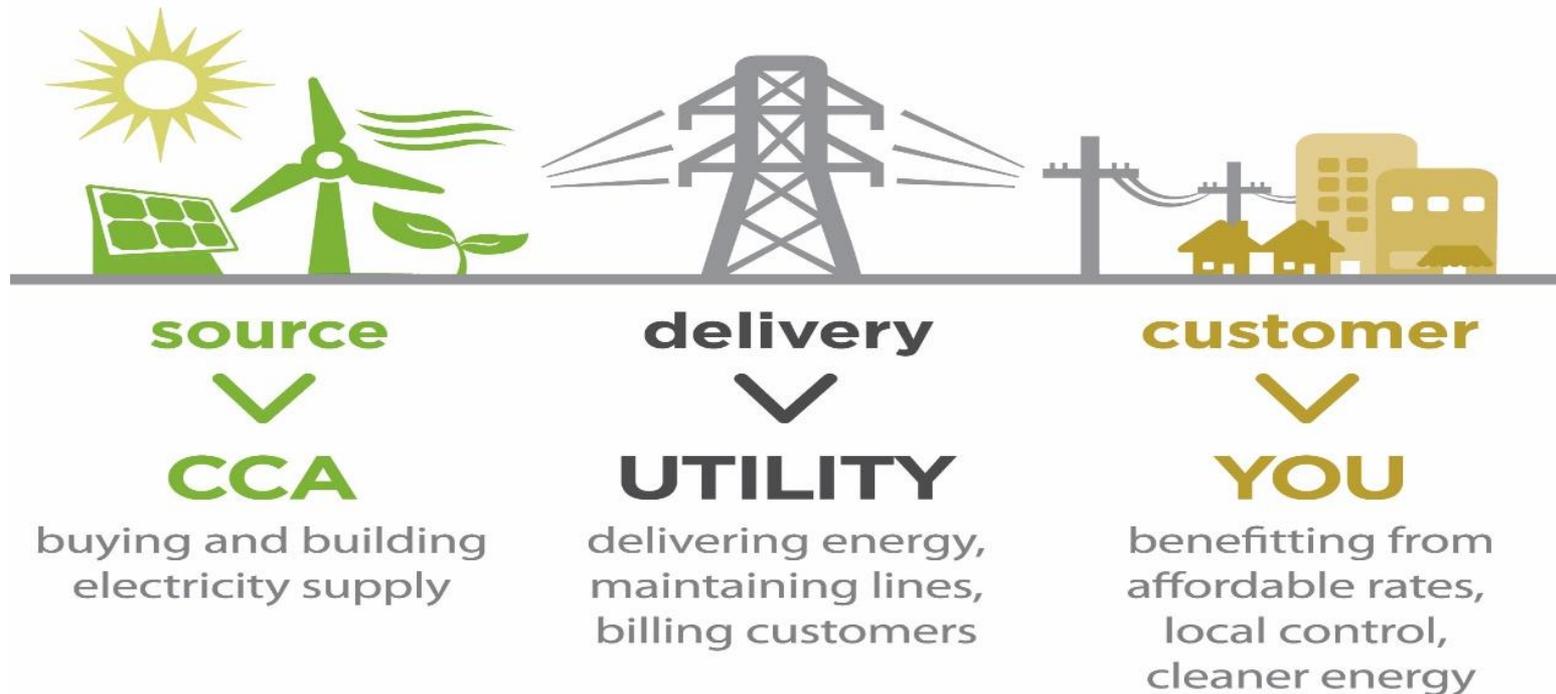
City of Norco City Council Meeting  
August 16, 2017



# What is Community Choice Aggregation (CCA)?

- AB 117 allows local governments to provide electricity to customers as an alternative to the current energy provider (SCE)

## How Local Energy Aggregation Works



## Why are jurisdictions participating in CCA's?

- Provides customers with choices
- Lower rates and greener mix if desired
- Creates local control over programs, rates, power supply/generation options
- Creates favorable economic development opportunities by offering energy at reduced rates



# CCA status in California

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## Operational CCAs

MCE Clean Energy (includes Marin and Napa County and parts of Contra Costa Solana Counties)  
Sonoma Clean Power (includes Mendocino County)  
Lancaster Choice Energy  
Clean Power San Francisco  
Peninsula Clean Energy (San Mateo County)  
Redwood Coast Energy Authority (Humboldt County)  
Silicon Valley Clean Energy (Santa Clara County)  
Town of Apple Valley

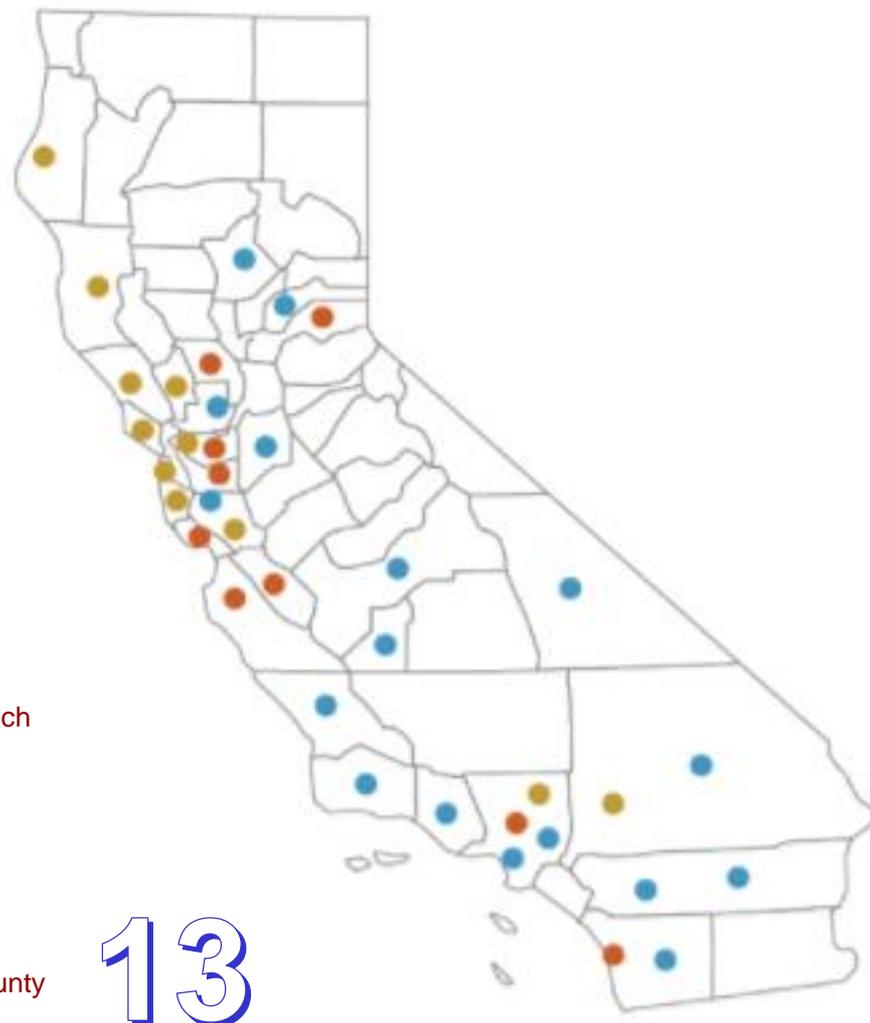
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## 2017/2018 Launch

City of San Jacinto  
City of Solano Beach  
East Bay Community Energy (Alameda County)  
Los Angeles Community Choice  
Monterrey Bay Community Power  
Sierra Valley Energy (Placer County)  
Valley Clean Energy Alliance (Yolo County, Cities of Davis and Woodland)

## Exploring

Butte County  
City of Hermosa Beach  
City of Pico Rivera  
City of San Jose  
Fresno County  
Inyo County  
Kings County  
Nevada County  
Riverside County  
San Luis Obispo County  
San Diego County  
San Joaquin County  
Tri-County (San Luis Obispo, Santa Barbara, and Ventura Counties)



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## Do CCAs save money for consumers?

- Marin and Sonoma County (SCP) residents saved \$6 million in utility costs combined in 2014  
  
City of San Rafael saved \$47,000 in its municipal facility utility costs the first year (3% savings from PG&E)
- SCP was net positive in 60 days. After 18 months, reserve built up to \$36 million
- For WRCOG region, feasibility study indicates that savings to consumers could be up to approximately \$30 million annually depending on the number of jurisdictions participating



# Feasibility Study for Inland Counties

## Coachella Valley

11 jurisdictions

108,000 accounts

## San Bernardino County

25 jurisdictions

518,000 accounts

## Western Riverside

18 jurisdictions

335,000 accounts



## What was examined in the Study?

- CVAG, SBCOG, WRCOG profiles
- Energy use and customers
- Load analysis
- Combined savings
- Implementation / start-up costs
- Governance structures
- Operational structure options
- Economic impact
- Greenhouse gas reductions



## The Bottom Line

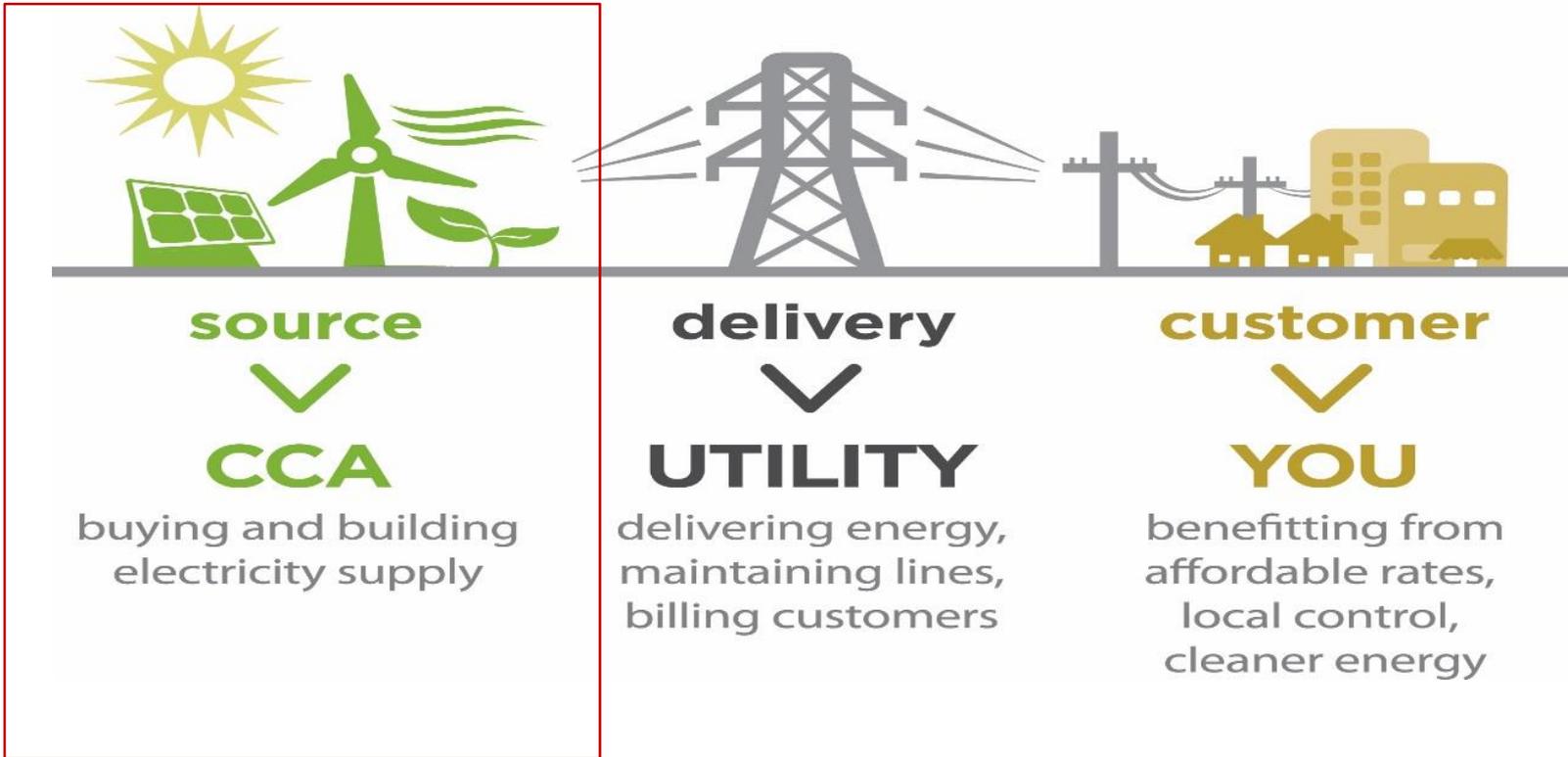
Using conservative numbers and assumptions, the Feasibility Study indicates a CCA being favorable for a range of geographic scenarios.

- Savings for both counties combined (1st full year):
  - **4.9% savings with a 33% renewable mix** (compared to SCE's current 28% renewable mix) CVAG = 4.4% WRCOG = 4.4% SBCOG = 4.6%
  - **3.8% savings with a 50% renewable mix** (11.2% lower than SCE's 50% Green Rate)
  - **5.7% higher with a 100% renewable mix** (9.4% lower than SCE's 100% Green Rate)



# How will it work?

## How Local Energy Aggregation Works



## How will it work? *(notification to customers)*

- Per state law, CCA is an “opt out” program
- CCA required to notify consumers 2 times prior to program launch and 2 times after program launch
  - provides consumers an opportunity to opt out if they wish
  - after that, customers can still opt out at any time



# How will it work? (your utility bill)



**SOUTHERN CALIFORNIA  
EDISON**  
An EDISON INTERNATIONAL Company

P.O. Box 300  
Rosemead, CA  
91772-0001  
www.sce.com

## Your electricity bill

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For billing and service inquiries call 1-800-974-2356, **1** Customer account X-XX-XXX-XXXX

Date bill prepared: Mar 31 '17 1234 LANCASTER STREET  
LANCASTER, CA 93536-6203

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### Your account summary

Previous Balance	\$134.59
Payment Received 03/10	-\$134.59
Balance forward	\$0.00
Your new charges	\$115.38
<b>\$ Total amount you owe by Apr 19 '17</b>	<b>\$115.38</b>

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### Summary of your billing detail

Service account	Service address	Billing period	Your rate	New charges
<b>2</b> X-XXX-XXXX-XX	1234 LANCASTER STREET LANCASTER, CA	Feb 28 '17 to Mar 29 '17	DOMESTIC (SCE)	<b>4</b> \$79.02
<b>3</b> X-XXX-XXXX-XX	1234 LANCASTER STREET LANCASTER, CA	Feb 28 '17 to Mar 29 '17	DOMESTIC	<b>5</b> \$36.36
				<b>6</b> <b>\$115.38</b>

# How will it work? (your utility bill)



**ENERGY STATEMENT**  
www.pge.com/MyEnergy

**1** Account No: 1023456789-0  
Statement Date: 04/09/2017  
Due Date: 04/30/2017

## Service For:

MICHAEL JOSEPH  
281 TALON DR  
FORT BRAGG, CA 95437

## Your Account Summary

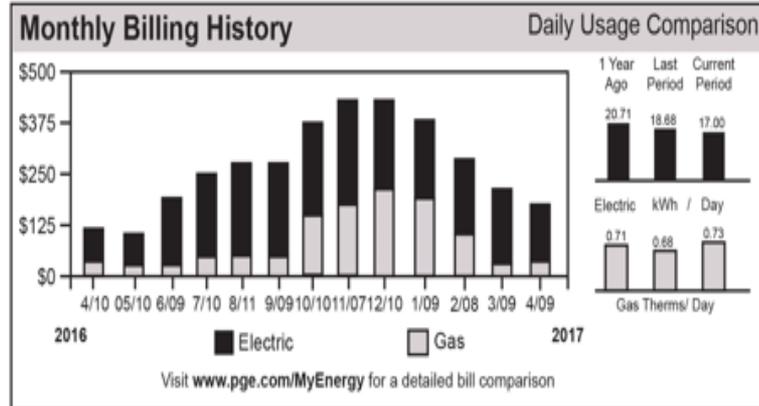
Credit Balance on Previous Statement	\$257.34
Payment(s) Received Since Last Statement	-257.34
Previous Unpaid Balance	0.00
<b>2</b> Current PG&E Electric Delivery Charges	<b>\$81.02</b>
<b>3</b> Sonoma Clean Power Electric Generation Charges	<b>34.05</b>
Current Gas Charges	92.65
<b>4</b> <b>Total Amount Due by 04/30/2017</b>	<b>\$207.72</b>

## Questions about your bill?

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

## Local Office Address

100 N. MAIN ST  
FORT BRAGG, CA 95437



**1**

## Account Number

This PG&E account number is needed to sign up for EverGreen service or to opt out and return to PG&E. Just use the 10 digits before the dash.

**2**

## PG&E Electric Delivery Charges

This is PG&E's charge for the delivery of electricity. It includes transmission, distribution, and a variety of other fees. It does NOT include generation charges if you're an SCP customer.

**3**

## Sonoma Clean Power (SCP) Electric Generation Charges

This is SCP's charge for generation - the cost of producing the electricity you use.

## Important Messages

Your charges on this page are separated into delivery charges from PG&E and generation or procurement charges from an energy provider other than PG&E. These two charges are for different services and are not duplicate charges.

## **How will it work?** *(price monitoring and continued notification to customers)*

- Annual statement to customers
  - Prepared mutually by the CCA and the utility
  - Provides comparison of energy bills



## What is WRCOG currently working on?

1. Developed template JPA and Bylaws for a CCA for western Riverside County
  - Stand-alone agency
  - CCA decision-making body
2. WRCOG would provide initial services to the CCA through contract
  - CCA board can determine at its discretion whether to continue to contract with WRCOG or "go it alone."
3. Hired a local marketing firm (The Creative Bar) to develop CCA name, logo, branding, and marketing strategy
4. Hiring contractors (The Energy Authority and EES Consulting) to assist with CCA implementation
5. Meeting with member jurisdictions to discuss



## **Next steps and draft timetable** *(working draft subject to change)*

1. Develop and begin implementing marketing strategy – **July 2017**
2. Determine who is “in” – **On-going**
3. Form new JPA to house the CCA – **On-going**
4. Establish initial governing board – **November / December 2017**
5. Jurisdictions pass ordinances to join – **November 2017 and beyond**
6. Develop implementation plan for CPUC filing – **December 2017**
7. Transmit opt-out notices to CCA customers – **May to July 2018**
8. Potential launch Phase 1 (5 to 6 jurisdictions) – **July 2018**



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# **2016 TUMF Nexus Study**

City of Norco  
August 16, 2017



2016 TUMF Nexus Study  
August 16, 2017

## Need for the TUMF Program

- To provide a supplemental revenue stream to augment the shortfall from traditional funding sources (State/federal funding)
- To ensure that new development pays its fair share towards providing the needed infrastructure improvements
- To mitigate the traffic impacts from new development on the regional system of highways and arterials
- State/Federal revenue is increasingly more competitive
- State/Federal revenue is also constrained



## Benefits of the TUMF Program

- The TUMF is a supplemental revenue source that is leveraged against traditional funding sources, such as State and Federal funding
- The TUMF Program has contributed funding to the completion of more than 90 projects
- \$400 Million in direct TUMF funds have been leveraged with \$600 Million to result in \$1 Billion in total construction funding
- Participation in TUMF allows member jurisdictions to continue to receive their Measure A dollars



# How does the TUMF Program take advantage of local jurisdiction expertise?

## WRCOG administers the TUMF Program:

- Prepares Nexus Study (technical and legal anchor for TUMF) and sets fees
- Receives and allocates fees to partner agencies (jurisdictions, RCTC, RTA, RCA)

## Jurisdictions and agencies implement the TUMF Program:

- Collect fees from new development
- Remit fees to WRCOG
- Prioritize and program projects through Zone process utilizing local expertise
- Construct projects
- Zones have final say on projects funded by TUMF



## What does the Nexus Study actually do?

- Sets the maximum allowable fee that can be charged by land use type
- Specifies the list of projects that can be funded by the TUMF Program
- July 10, 2017: WRCOG Executive Committee approved the 2016 TUMF Nexus Study



## 2016 TUMF Nexus Study Process

- WRCOG responded to each comment received on the draft Nexus Study
- 6 letters of support were submitted (KWC Engineers, NAIOP, Corona Chamber of Commerce, The New Home Company, Menifee Valley Chamber of Commerce, City of Menifee)
- Study was updated with passage of SB 1 and SB 132 to reflect additional funding for Nexus Study projects
- Staff met with many member jurisdictions to discuss any concerns and outstanding questions



## **TUMF Schedule** (once Ordinance/Resolution is adopted)

<b>Land Use Type</b>	<b>Effective date of Ordinance – June 30, 2019</b>	<b>July 1, 2019 – June 30, 2020</b>	<b>July 1, 2020</b>
Single-Family Residential	<b>\$8,873</b>	<b>\$9,146</b>	<b>\$9,418</b>
Multi-Family Residential	<b>\$6,134</b>	<b>\$6,134</b>	<b>\$6,134</b>
Industrial	<b>\$1.77</b>	<b>\$1.77</b>	<b>\$1.77</b>
Retail	<b>\$7.50</b>	<b>\$7.50</b>	<b>\$7.50</b>
Service	<b>\$4.56</b>	<b>\$4.56</b>	<b>\$4.56</b>
Class A & B	<b>\$2.19</b>	<b>\$2.19</b>	<b>\$2.19</b>



## Next Steps

- Each member jurisdiction is adopting the updated TUMF Ordinance
- Staff is scheduling meetings with each member jurisdictions to discuss any TUMF related items, including projects with TUMF funding
- WRCOG will hold workshops for member jurisdiction staff and stakeholders to discuss the 2016 TUMF Nexus Study and fee schedule



## TUMF eligible projects

- 6<sup>th</sup> Street / I-15 Interchange
- Hamner Avenue (Schleisman Avenue to Hidden Valley)
- 2<sup>nd</sup> Street (River Road to I-15)
- California Avenue (Arlington Avenue to 5<sup>th</sup> Street)



## TUMF eligible projects

- Prior to receiving SB 132 funding, City requesting funding for the construction phase of the Hamner Avenue Bridge (\$6 million TUMF)
- As the project is now fully funded by SB 132, the City can reallocate the programmed TUMF to another TUMF project in Norco
- WRCOG staff recommendation is for the City to reallocate the programmed TUMF to Hamner Avenue in the vicinity of the bridge
- Hamner Avenue (5<sup>th</sup> Street to 3<sup>rd</sup> Street) has TUMF funding (\$900k) allocated for widening

