



# Community Choice Aggregation Program Summary **Overview**

NORCO COMMUNITY TOWN HALL MEETING

January 22, 2017

# What is Community Choice Aggregation (CCA)?

## ANSWER

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

## HOW LOCAL ENERGY AGGREGATION WORKS



**source**

**delivery**

**customer**



**CCA**

Buying and building  
electricity supply

**UTILITY**

Delivering energy,  
maintaining lines,  
billing customers

**YOU**

Benefitting from  
affordable rates, local  
control, cleaner  
energy

# Why are jurisdictions participating in CCA's?

## ANSWER

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



# The concept is NOT new

## 9 OPERATIONAL CCA'S

- 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)
- Pico Rivera Innovative Municipal Energy**
- Redwood Coast Energy Authority (Humboldt County)
- Silicon Valley Clean Energy (Santa Clara County)
- Town of Apple Valley**

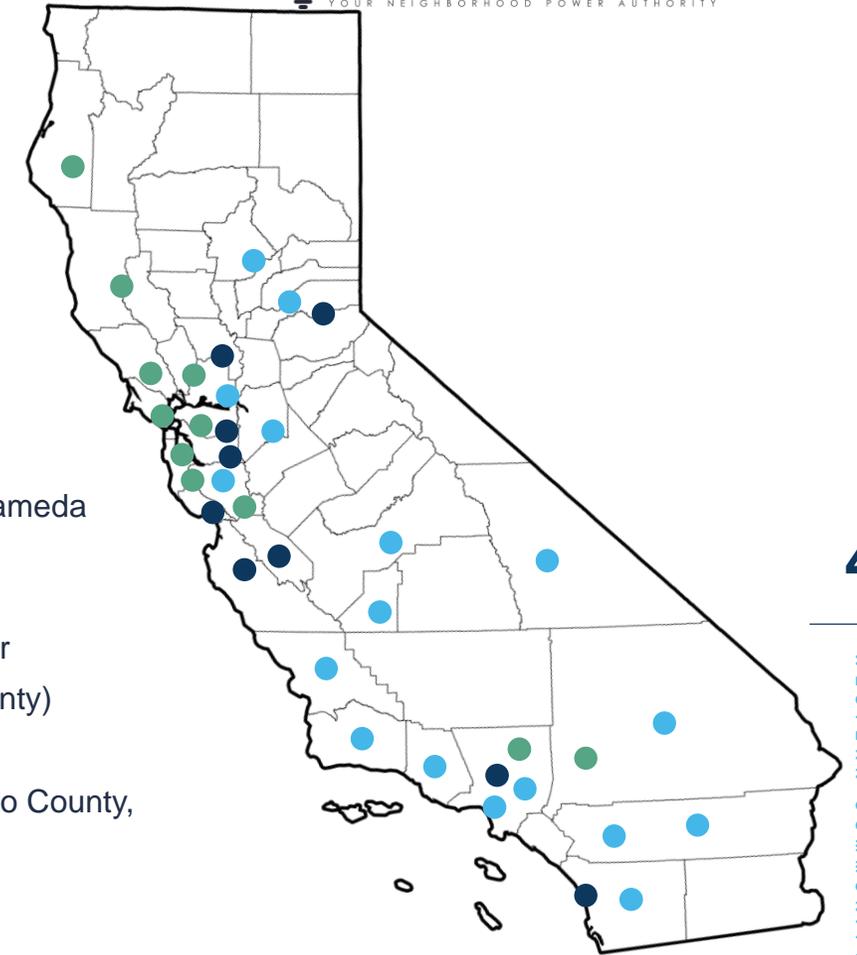
## 9 2018 LAUNCH

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

## 13 EXPLORING

- Butte County
- City of Hermosa Beach
- City of Pico Rivera
- City of San Jose
- Fresno County

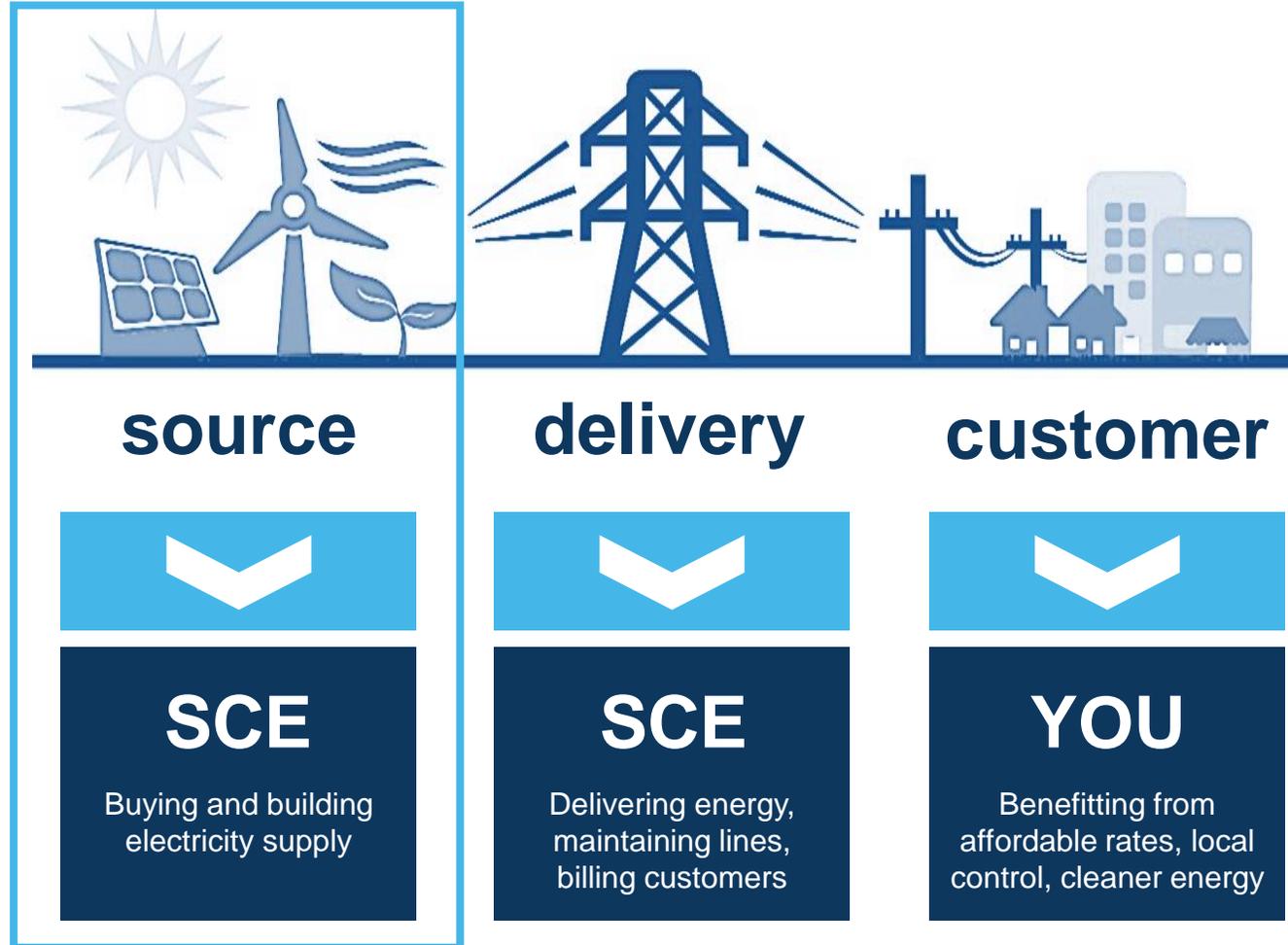
- Inyo County
- Kings County
- Nevada County
- WRCOG**



- San Luis Obispo County
- San Diego County
- San Joaquin County
- Tri-County (San Luis Obispo, Santa Barbara, and Ventura Counties)

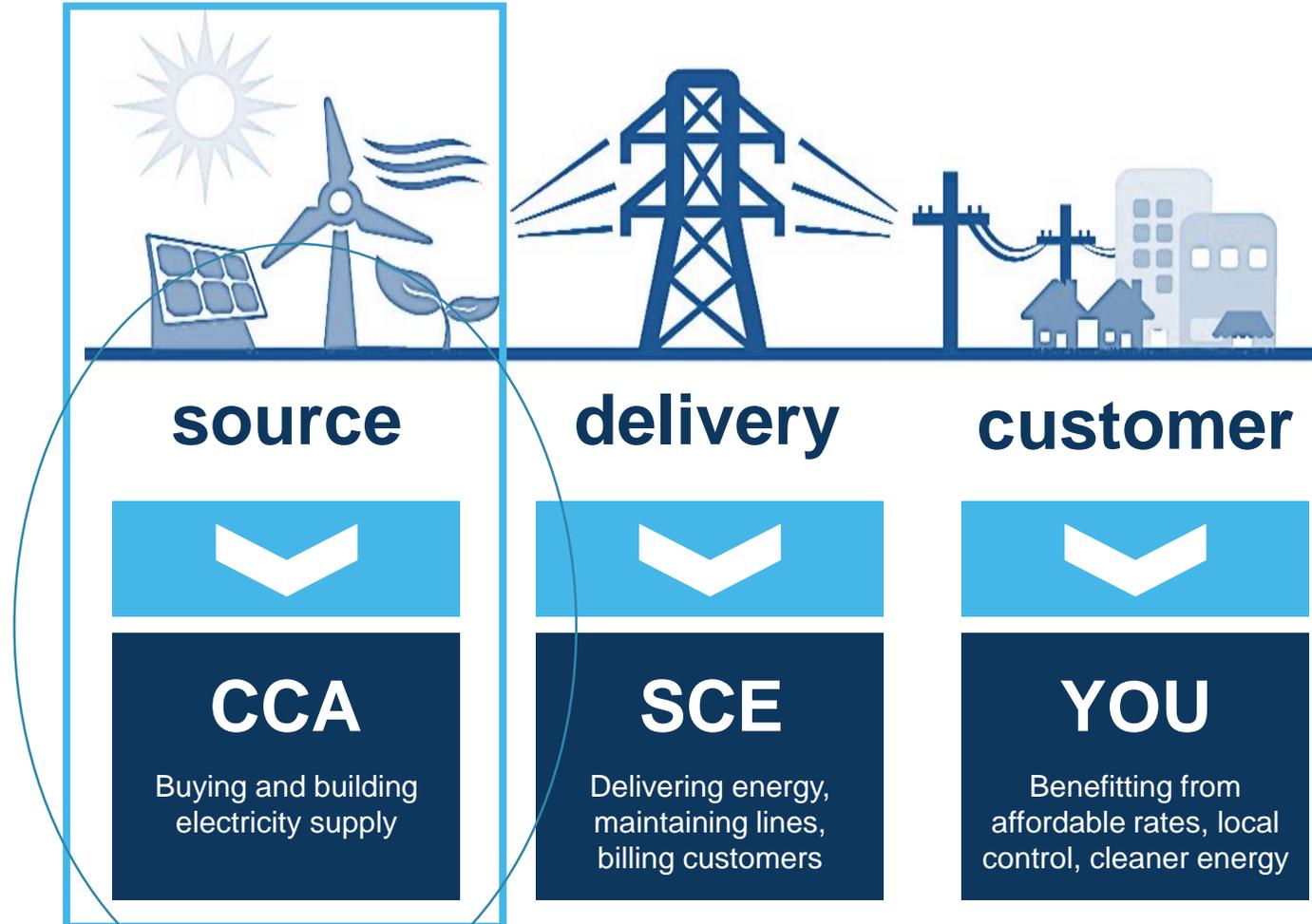
# Current process for how electricity gets to **you?**

## HOW LOCAL ENERGY AGGREGATION WORKS



# What would a CCA do?

## HOW LOCAL ENERGY AGGREGATION WORKS





## Do CCA's save money for consumers?

### ANSWER

- 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 WCE (our) region, feasibility study indicates that savings to consumers could be up to approximately \$30 million annually depending on the number of jurisdictions participating

# What are the potential residential savings?

## ANSWER

### ~2% Savings – Residential

\$16.83 per year = **\$2,474,336** for 147,000 residential units

\$16.83 per year = ~\$120,000 for Norco residential units

### ~4% Savings – Residential

\$33.66 per year = **\$4,948,673** for 147,000 residential units

\$33.66 per year = ~\$241,000 for Norco residential units



# What would my bill look like if I was a CCA customer?

## ANSWER



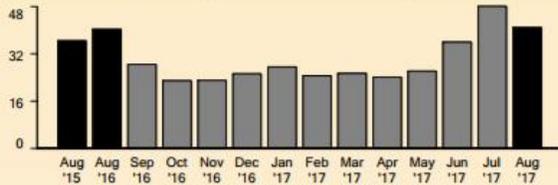
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### Your daily average electricity usage (kWh)

2 Years ago: 36.52      Last year: 40.32      This year: 40.97



### Your daily average electricity usage (kWh)

2 Years ago: 22.55      Last year: 23.06      This year: 20.85



~2% savings  
Includes PCIA charges

### Details of your new charges

Your rate: D-SDP-O  
Billing period: Jul 31 '17 to Aug 29 '17 (29 days)

#### Delivery charges

Basic charge	29 days x \$0.03100	\$0.90
Energy-Summer		
Tier 1 (100% of baseline)	470 kWh x \$0.08219	\$38.63
Tier 2 (101% to 400%)	718 kWh x \$0.16729	\$120.11
DWR bond charge	1,188 kWh x \$0.00549	\$6.52
A/C cycling discount		-\$34.97

#### Your Delivery charges include:

- \$18.10 transmission charges
- \$98.06 distribution charges
- \$0.01 nuclear decommissioning charges
- \$12.78 conservation incentive adjustment
- \$18.08 public purpose programs charge
- \$12.09 new system generation charge

#### Generation charges

Western Community Energy Generation		
Tier 1 (100% of baseline)	470 kWh x \$	\$34.44
Tier 2 (101% to 400%)	718 kWh x \$	\$52.61
Subtotal of your new charges		
State tax	1,188 kWh X \$	\$0.34
<b>Your new charges</b>		<b>\$217.86</b>

#### Your Generation charges include:

- -\$0.40 competition transition charge

#### Your overall energy charges include:

- \$2.00 franchise fees

### Details of your new charges

Your rate: D-SDP-O  
Billing period: Oct 27 '17 to Nov 29 '17 (33 days)

#### Delivery charges

Basic charge	33 days x \$0.03100	\$1.02
Energy-Winter		
Tier 1 (100% of baseline)	356 kWh x \$0.08173	\$29.10
Tier 2 (101% to 400%)	332 kWh x \$0.16658	\$55.30
DWR bond charge	688 kWh x \$0.00549	\$3.78

#### Your Delivery charges include:

- \$10.47 transmission charges
- \$57.25 distribution charges
- \$0.01 nuclear decommissioning charges
- \$0.31 conservation incentive adjustment
- \$10.07 public purpose programs charge
- \$7.00 new system generation charge

#### Generation charges

Western Community Energy Generation		
Tier 1 (100% of baseline)	356 kWh x \$	\$26.09
Tier 2 (101% to 400%)	332 kWh x \$	\$24.33
Subtotal of your new charges		
State tax	688 kWh X \$	\$0.20
<b>Your new charges</b>		<b>\$139.81</b>

#### Your Generation charges include:

- -\$0.23 competition transition charge

#### Your overall energy charges include:

- \$1.28 franchise fees



## The bottom line

Using conservative numbers and assumptions, the Feasibility Study for our region 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%  
**WCE** = 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? Must all residents and businesses participate?

### ANSWER

- No. Customers can opt-out / join at any time.
- Per state law, CCA is an “opt out” program – once City joins, it is joining on behalf of its residents and businesses
- 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

RESIDENTIAL			
DOMESTIC / D-CARE			
2017 Schedule D-CARE	SCE	AVCE Core Choice (35% Renewable)	AVCE More Choice (50% Renewable)
Generation Rate (\$/kWh)	\$0.07477	\$0.06443	\$0.06443
SCE Delivery Rate (\$/kWh)	\$0.05830	\$0.05830	\$0.05830
Surcharges (\$/kWh)	N/A	\$0.00034	\$0.00034
Total Costs (\$/kWh)	\$0.13307	\$0.12307	\$0.12307
More Choice Premium	N/A	N/A	\$2.00
<b>Average Monthly Bill (\$)</b>	<b>\$82.50</b>	<b>\$76.30</b>	<b>\$78.30</b>

Monthly Usage: 620 kWh  
Rates are current as of June 1, 2017  
\*This comparison illustrates the estimated electricity costs for a typical Schedule D residential CARE customer within the jurisdiction of the Town of Apple Valley with an average monthly consumption of 620 kilowatt-hours (kWh). This comparison is based on billed usage from December 1, 2015 to November 30, 2016 for all applicable SCE D-CARE service accounts within the jurisdiction of the Town of Apple Valley and AVCE's published rates as of April 1, 2017.

RESIDENTIAL			
DOMESTIC / D			
2017 Schedule D	SCE	AVCE Core Choice (35% Renewable)	AVCE More Choice (50% Renewable)
Generation Rate (\$/kWh)	\$0.07477	\$0.06443	\$0.06443
SCE Delivery Rate (\$/kWh)	\$0.12926	\$0.12377	\$0.12377
Surcharges (\$/kWh)	N/A	\$0.01359	\$0.01359
Total Costs (\$/kWh)	\$0.20403	\$0.20179	\$0.20179
More Choice Premium	N/A	N/A	\$2.00
<b>Average Monthly Bill (\$)</b>	<b>\$146.09</b>	<b>\$144.48</b>	<b>\$146.48</b>

Monthly Usage: 716 kWh  
Rates are current as of June 1, 2017  
\*This comparison illustrates the estimated electricity costs for a typical Schedule D residential customer within the jurisdiction of the Town of Apple Valley with an average monthly consumption of 716 kilowatt-hours (kWh). This comparison is based on billed usage from December 1, 2015 to November 30, 2016 for all applicable SCE Schedule D (non-CARE) service accounts within the jurisdiction of the Town of Apple Valley and AVCE's published rates as of April 1, 2017.

# Will I be able to compare CCA vs. SCE rates?

## ANSWER

- Yes
- Annual statement provided to customers
  - Prepared mutually by the CCA and the utility (SCE)
  - Provides comparison of energy bills
  - Annual rate comparisons will be posted on WCE's website

# What are additional CCA benefits?

## ANSWER

- **Enhance existing SCE Programs:**
  1. Income Qualified Programs
  2. Comprehensive Mobile/Manufactured Home Program
  3. CARE and FERA program outreach and incentives
  4. Demand Response outreach programs
  5. Flex Alert outreach
  6. Commercial/Municipal Direct Install Programs
- **Develop new Energy programs, initiative pilots:**
  1. Incentive and support electric vehicle (EV) and EV infrastructure deployment
  2. Develop and pilot Innovative energy measures/projects:
    - a) Energy Storage (Batteries)
    - b) Thermal Storage (Ice, natural gas)
    - c) Existing building Weatherization products
  3. Micro-grid development/support
  4. Zero Net Energy incentives/development/support
  5. School and Community Energy outreach/education programs
  6. LED Holiday Light Exchange Programs
  7. Residential LED Light exchange program

## How do cities **join**?

### ANSWER

- Council action to join the JPA
- Council holds public hearing for CCA ordinance

## What are City staff **impacts**?

### ANSWER

- Provide information at front counters
- Direct any phone calls to WCE staff

## What happens **next**?

### ANSWER

- Once a few cities have joined the JPA (~2.2 m MWh)
- Staff begins to engage outreach to the Community
- Conduct 1<sup>st</sup> WCE Board meeting
- Adopt Implementation Plan at 2<sup>nd</sup> WCE Board meeting
- Staff submits Plan to CPUC



# What is WRCOG currently working on?

## ANSWER

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



# Next steps and draft timetable

July 2017	DEVELOP AND BEGIN IMPLEMENTING MARKETING STRATEGY
Ongoing	DETERMINE WHO IS "IN"
Ongoing	FORM NEW JPA HOUSE AND THE CCA
Jan. 2018+	JURISDICTIONS PASS ORDINANCE TO JOIN
Feb. 2018	ESTABLISH INITIAL GOVERNING BOARD
March 2018	DEVELOP IMPLEMENTATION PLAN FOR CPUC FILING
June – August 2018	TRANSMIT OPT-OUT NOTICES TO CCA CUSTOMERS
August 2018	POTENTIAL LAUNCH PHASE 1 (5 TO 6 JURISDICTIONS)



JULY						
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

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