



Community Choice Aggregation

Sierra
Community
Energy

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How CCAs Function in Electricity Distribution

- Assembly Bill 117 was enacted in 2002. The bill authorized California cities and counties to develop local agencies to serve the aggregated electrical loads within their jurisdictions. Cities, counties and joint power authorities (JPA) may establish a CCA.
- CCA's purchase electricity and manage power supply portfolios.
- CCA's have the option to determine the source of electricity and the mix of sources (non-renewable and renewable).
- CCA's may offer multiple options to consumers as to the mix of sources.
- Host utilities (PG&E, Liberty) provide transmission, system maintenance, billing and customer service.
- Local governing bodies can create a CCA with approval from Board of Supervisors and/or Council Members.

Responsibilities

- Supply electricity to customers and coordinate functions with host utilities.
- Energy supply and portfolio management. The CCA determines the energy needed to fulfill the electric load. Three components of the energy portfolio are:
 - Electricity supply requirements. Purchasing can come from multiple sources or a central market operated by the California Independent System Operator (CalISO)
 - Generating capacity: All electricity serving entities are required to maintain levels of capacity to meet demand to ensure the stability of the grid managed by CalISO.
 - Renewable Energy: Renewable Portfolio Standards (RPS) require all electric serving entities to include minimum levels of renewable energy in their energy supply portfolio.

Responsibilities

- Utility Interface and customer billing:
 - CCA customers are billed by the host utility
 - Host utility provides meter data
 - CCA uses it's rate structure to compute energy charges and transmits the billing data back to the host utility.
 - Customers pay the host utility.
 - Host utility is responsible for collection of payments

Potential Benefits of CCA

- Lower electricity cost
- Economic growth: Cost savings will most likely be returned to the local economy. Supporting local business and adding tax revenue
- Local control over exposure to supply cost volatility.
- Job creation from staffing requirements and potential investment in local energy generating projects.
- Environmental benefits if the CCA expands use of renewables
- The California Public Utilities Commission (CPUC) collects public goods funds for public purpose programs from fees added to all electric bills. The funds are dispersed for energy efficiency programs, renewable energy, public interest research and services for low income customers. There's no correlation of where they are collected vs. dispersed. A CCA may have more influence in acquiring the funds for their service area.
- A CCA can focus on energy needs unique to our county.

Potential Concerns of CCA

- Power Charge Indifference Adjustment (PCIA) is a charge sanction by the CPUC to offset costs of the host utility caused by the formation of a CCA. Host utilities have long term electricity purchasing contracts. The PCIA is an offset to cover host utility losses on un-needed contracts.
- Potential regulatory changes to solve unanticipated issues related to CCA's.
- A CPUC spokesperson was recently quoted in the Sacramento Bee expressing caution about new energy programs by referring to telephone deregulation in the last century.

CCA's within the PG&E service area

- Clean Powers SF
- East Bay Community Energy
- Marin Clean Energy
- Monterey Bay Community Power
- Peninsula Clean Energy
- Pioneer Community Energy
- Redwood Coast Energy Authority
- Silicon Valley Clean Energy
- Sonoma Clean Power
- Valley Clean Energy

Local CCA examples

- Marin Clean Energy offers four rate plans
 - PG&E (opt out): Includes 33% renewables with an average residential cost of \$104.04/month
 - MCE Light Green: 55% renewables with an average residential cost of \$101.43/month
 - MCE Deep Green: 100% renewables with an average residential cost of \$105.94/month
 - MCE Local Solar: 100% local renewables with an average residential cost of \$134.80/month

Local CCA examples

- Pioneer Community Energy (Placer County JPA)
 - Overall projected savings 9% over PG&E
 - Residential 7.5%
 - Commercial 8-9%
 - Agriculture 7.5-11%
 - Street & Outdoor lighting 9%
 - These saving increased significantly after a March 2018 PG&E increase was approved by the CPUC. Pioneer's board decided to maintain their current rates.

Recommendations

- BOS should create a formal staff group to develop CCA.
- BOS should work with the CAO to determine which EDC department should manage the CCA.
- EDC should join the California Community Choice Association (\$1500) as an affiliate member
<https://cal-cca.org/>
- A discussion should happen with other nearby CCA's about joining forces.
- Contact Local Energy Aggregation Network aka LEAN ENERGY U.S. Shawn Marshall, CEO. 415-786-9118.
shawnmarshall@leanenergyus.org. A non-profit organization that helps counties/cities create CCA's.
- SMUD and PG&E have departments interested in supporting CCA's once they are established.
- Consider naming the CCA Sierra Community Energy