



Community Choice Aggregation En Banc February 1, 2017



Staff Presentation

Community Choice Aggregation

(CCA)

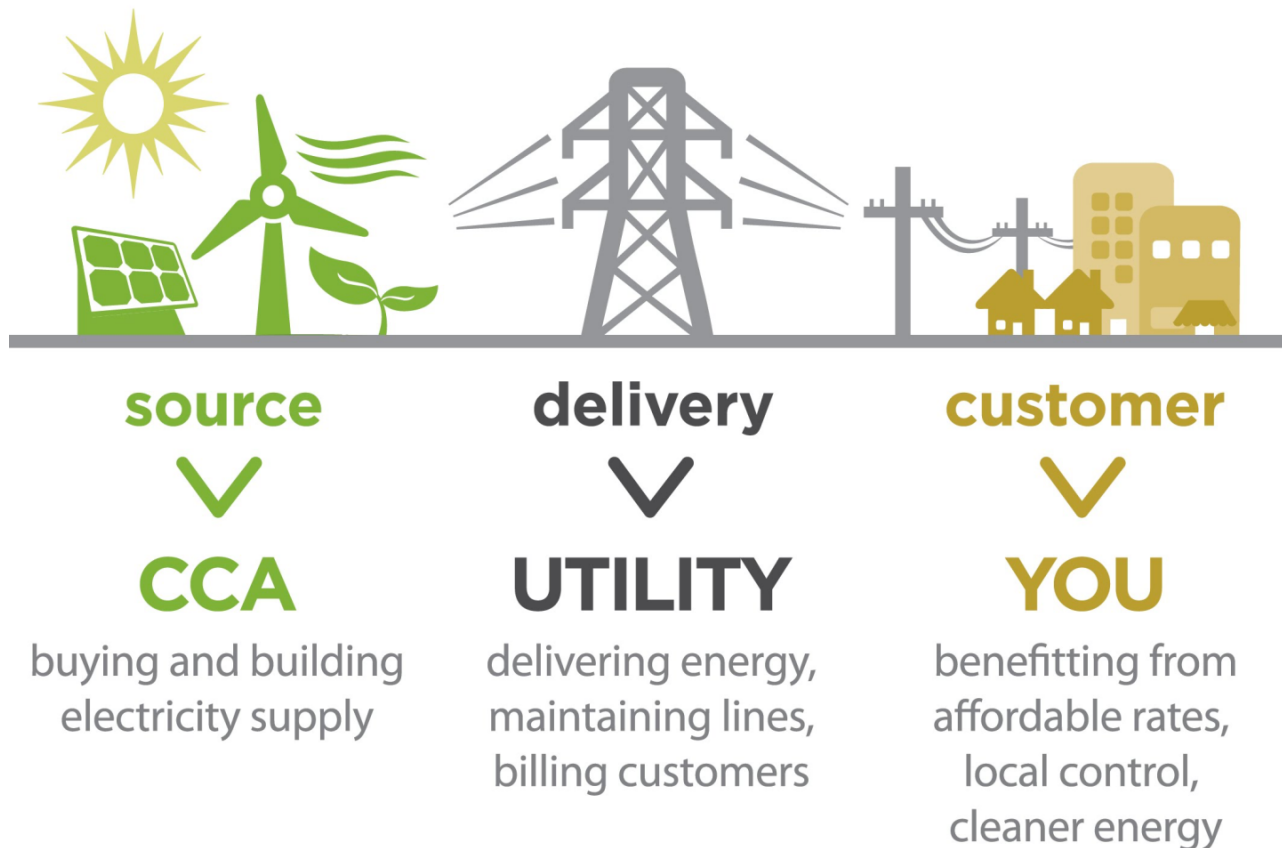
February 1, 2017
By Suzanne Casazza, Energy Division



What is Community Choice Aggregation?

Community Choice Aggregators (CCAs) are local government agencies that purchase and may develop power on behalf of residents, businesses, and municipal facilities within a local or sub-regional area.

How Local Energy Aggregation Works



*Image from LEAN Energy: <http://www.leanenergyus.org/what-is-cca/>



CCA History

- Authorized by AB 117 (2002)
- Expanded by SB 790 (2011)
 - Required the CPUC to open a Rulemaking and create a Code of Conduct (D. 12-12-036)
- Marin Clean Energy (MCE) begins serving customers (2010)



Why are communities interested in CCA?

- Offers local control over power mix and rates
- Proof of concept exists in mature and expanding CCAs



Operational CCAs

- MCE (formerly Marin Clean Energy)
- Sonoma Clean Power
- Clean Power SF
- Lancaster Choice Energy
- Peninsula Clean Energy





Soon-to-be Operational and Potential Future CCAs

Soon-to-be Operational:

- Silicon Valley Clean Energy
- Apple Valley Choice Energy
- Redwood Coast Energy Authority
- Hermosa Beach Choice Energy

Prospective:

- Santa Barbara
- Pico Rivera
- San Jacinto
- LA County
- Placer County

Exploring / Program Evaluation:

- Monterey
- Santa Clara
- Alameda
- Lake County
- Salinas
- San Diego

Statewide CCA Activities



- **Operational CCAs**
 - MCE Clean Energy (*includes Napa County, parts of Contra Costa and Solano Counties*)
 - Sonoma Clean Power
 - Lancaster Choice Energy
 - Clean Power San Francisco
 - Peninsula Clean Energy (*San Mateo County*)

- **2017 Launch**
 - Santa Clara County / *Silicon Valley Clean Energy*
 - Alameda County / *East Bay Community Energy*
 - Humboldt County / *Redwood Community Energy*
 - Mendocino County (*as member of Sonoma Clean Energy*)
 - Los Angeles County (*Phase 1*)
 - Placer County
 - Yolo County--*City of Davis / Valley Clean Energy Alliance*
 - Town of Apple Valley

- **Exploring / In Process**
 - Butte County
 - City of Hermosa Beach
 - City of Pico Rivera
 - City of San Jacinto
 - City of San Jose
 - Contra Costa County
 - Fresno County
 - Kings County
 - Monterey County*
 - Riverside County
 - San Benito County*
 - San Bernardino County
 - San Diego County
 - San Joaquin County
 - San Luis Obispo County**
 - Santa Barbara County**
 - Santa Cruz County*
 - Solano County
 - Tulare County
 - Ventura County**
- *Monterey Bay Tri-County
**Central Coast Tri-County

(<http://www.leanenergyus.org/cca-by-state/california/>)

CCA Activity Today in PG&E's Service Territory



Existing (Currently serving customers)
Invested (Financial commitment)
Interested (CCA program evaluation)
Prospective (Proximity/Exploratory)
Core (Remaining PG&E territory)

- By 2025-2030, PG&E could only serve half the load in its service territory

Community Choice Aggregator Load Information*

Community Choice Aggregators	Customer Accounts 2016	Peak Load 2016	Annual Load 2016 (GWh)	Annual Load Projected 2017 (GWh)
MCE	255,000	520 MW	2,102	2,743
Sonoma Clean Power	235,000	512 MW	2,330	2,550
Lancaster Choice Energy	52,000	132 MW	590	595
Clean Power SF	73,000	93 MW	220	520
Peninsula Clean Energy	300,000	660 MW	1,400	3,800
Silicon Valley Clean Energy	243,000		0	2,600**
Apple Valley Choice Energy	29,000		0	235**
Redwood Coast Energy Authority	60,000		0	730**

*Data reported by CalCCA, the CCA trade association.

**Green rows are projected for a 2017 launch



The CPUC's Roles with CCAs

- Certify Implementation Plans
- Review and approve the annual Joint Rate Mailer
- Authorize Non-Bypassable Charges that affect CCA rates, such as Public Purpose Charges. Sets the Power Charge Indifference Adjustment (PCIA) to assure bundled customer indifference
- Adjudicate complaints via expedited complaint process established in the CCA Code of Conduct
- Authorizes CCA energy efficiency program funding
- Administers Renewables Portfolio Standard (RPS) requirements for CCAs
- Oversees Time of Use pilots, which some CCAs have expressed interest in participating in
- Administer Resource Adequacy requirements



CCA Obligations Before the CPUC*

- **Resource Adequacy (RA) requirements (PU Code Section 380)**
 - System, Local, and Flexible RA
 - Annual Filings
 - Monthly Filings
- **Renewables Portfolio Standard (RPS)**
 - CCAs are subject to the same RPS requirements as IOUs
 - CPUC “accepts” CCAs’ RPS plans
- **Integrated Resource Planning (IRP) (PU Code Section 452.52)**
 - CCAs must submit IRP proposal for CPUC certification
- **Energy Storage requirements (AB 2514)**
 - Storage projects to meet 1% of the peak load

*This list is curated for the purposes of the En Banc discussion and is not exhaustive of all CCA obligations before the CPUC.



CCA Obligations before the CPUC* (continued)

Resource Adequacy (RA)

- For the annual filings, Load Serving Entities (LSEs) are required to make an annual System, Local, and Flexible compliance showing for the coming year.
- For the System showing, LSEs are required to demonstrate that they have procured 90% of their System RA obligation for the five summer months the coming compliance year.
- Additionally each LSE must demonstrate that they meet 90% of its Flexible requirements and 100% of its local requirements for each month of the coming compliance year. For the monthly filings LSEs must demonstrate they have procured 100% of their monthly System and Flexible RA obligation. Additionally, on a monthly basis from July through December, LSEs must demonstrate they have met their revised (due to load migration) local and flexible obligation.



CCA Obligations before the CPUC* (continued)

Renewables Portfolio Standard

- Requires investor-owned utilities, electric service providers, and community choice aggregators to increase procurement from eligible renewable energy resources to 50% of total procurement by 2030.

Integrated Resource Planning (IRP)

- PU Code Section 452.52:
 - (3) The plan of a community choice aggregator shall be submitted to its governing board for approval and provided to the commission for certification, consistent with paragraph (5) of subdivision (a) of Section 366.2, and shall achieve the following:
 - (A) Economic, reliability, environmental, security, and other benefits and performance characteristics that are consistent with the goals set forth in paragraph (1) of subdivision (a).
 - (B) A diversified procurement portfolio consisting of both short-term and long-term electricity and electricity-related and demand reduction products.
 - (C) The resource adequacy requirements established pursuant to Section 380.

Energy Storage

- Storage projects to meet 1% of the peak load
- Contracts by 2020
- In place by 2024



CCA Interest and Participation in Other CPUC Programs

- Energy Efficiency (EE)
MCE currently administers its own EE program. Other CCAs are exploring the administration of their own EE programs.
- Time of Use (TOU) Rates
CCAs have expressed interest in participating in TOU default rate pilots.



Opportunity for Informal Comment

- There is an opportunity for the public to provide informal written comments regarding this En Banc.
- The public can submit any written comments by February 23, 2017 in letter form via email to:
suzanne.casazza@cpuc.ca.gov and
mitchell.shapson@cpuc.ca.gov.