

# Community Choice Aggregation

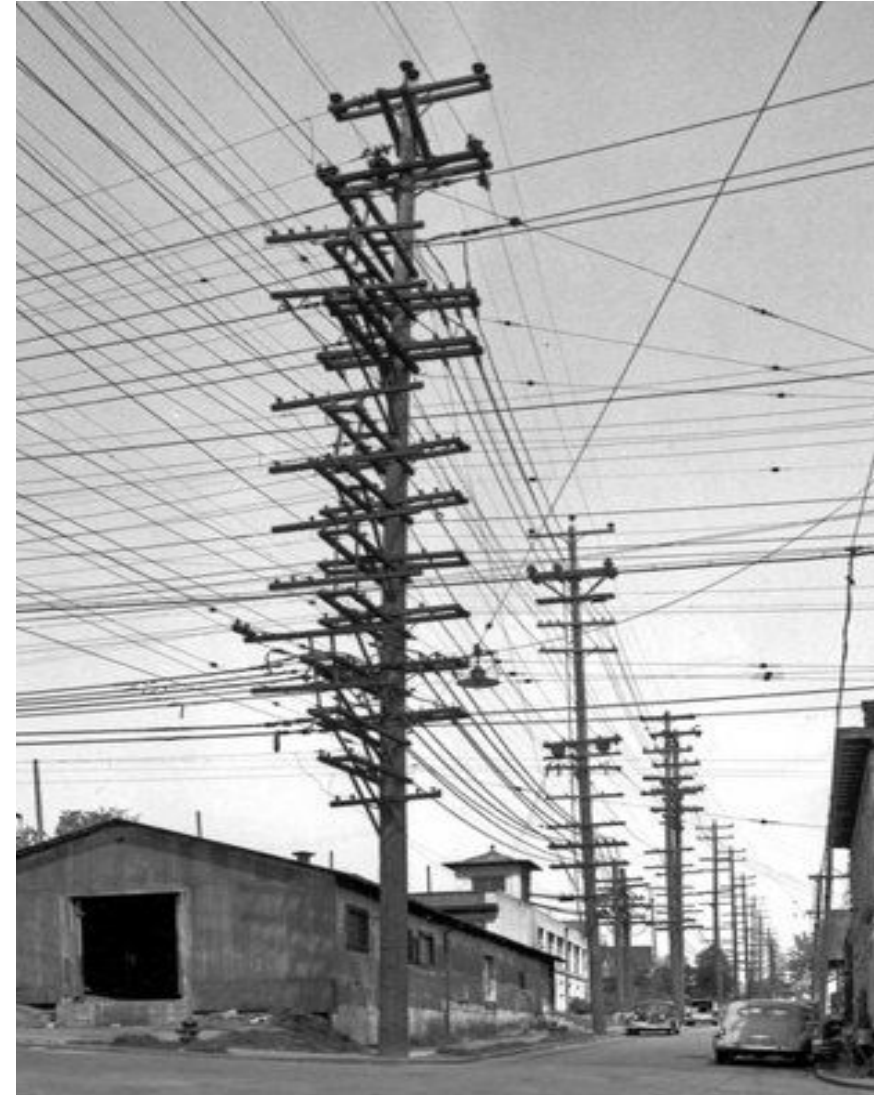
**A Local Government Tool to  
Boost the Economy and Green the Grid**

March 4-6, 2019  
Boulder/Denver, CO



# The Evolution of the Grid

- The full stack monopoly utility of 100 years ago made sense
- One-size-fits-all: safe, reliable and affordable energy for everyone
- Mission accomplished - But times are changing
- Technology is enabling distributed energy resources and other energy innovations
- People and communities want - and can - have choice



# US Energy Trends

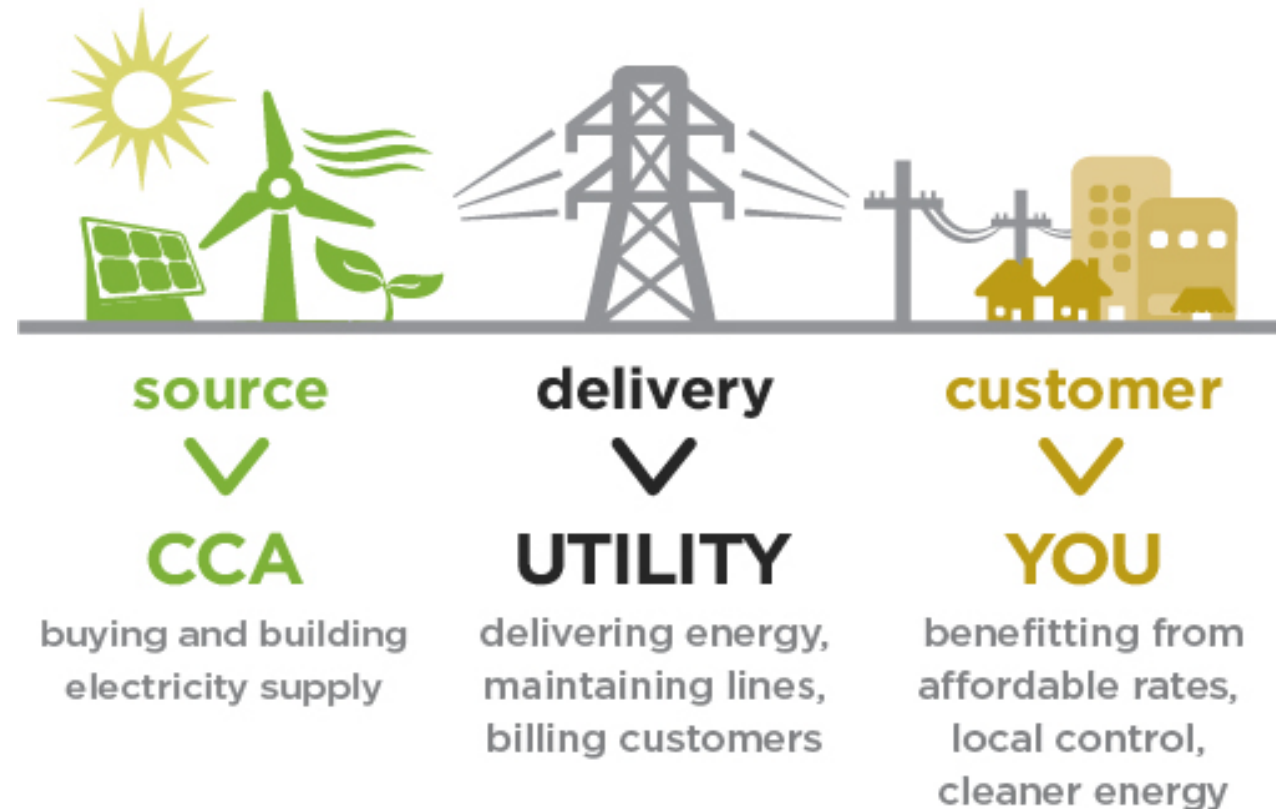
- Growing interest in residential energy choice/electric competition
- Growing public interest in renewable and clean power options
- Cost of renewable power is at historic lows
- Local governments in search of cost efficient ways to comply with climate action goals and state mandates
- Communities are increasingly concerned about energy resilience
- Acknowledgement that the traditional utility model is becoming outdated
- Advancements in energy innovation can be implemented locally



# What is Community Choice Aggregation?

*Often called “public power-light” CCA is a shared-service model between local government(s) and the investor-owned utility that allows municipalities to pool their electrical load for the purpose of reducing costs, greening the grid and boosting local economies.*

## How Community Choice Aggregation Works





# CCA is Not Anti-Utility; It's a Partnership



- CCA is a form of public power but not full municipalization - often called “Muni-Lite”
- The CCA handles power supply decisions, power contracting, and rate setting.
- Utility handles power transmission and distribution and manages the grid.
- Utility continues to provide customer services such as meter reading and billing, outage support and capital improvements.
- CCAs do not require public subsidies; they are self supporting through redirected electric generation revenues.
- The utility is kept whole through exit fees/cost recovery charge and service fees.
- CCA is a pro-community effort that allows for local control while allowing the utilities to continue to do what they do best.

# CCA is on the Move Across the US

## Authorized in 8 States:

- California
- Illinois
- Massachusetts
- New Jersey
- New York
- Ohio
- Rhode island
- Virginia

## Legislation Introduced:

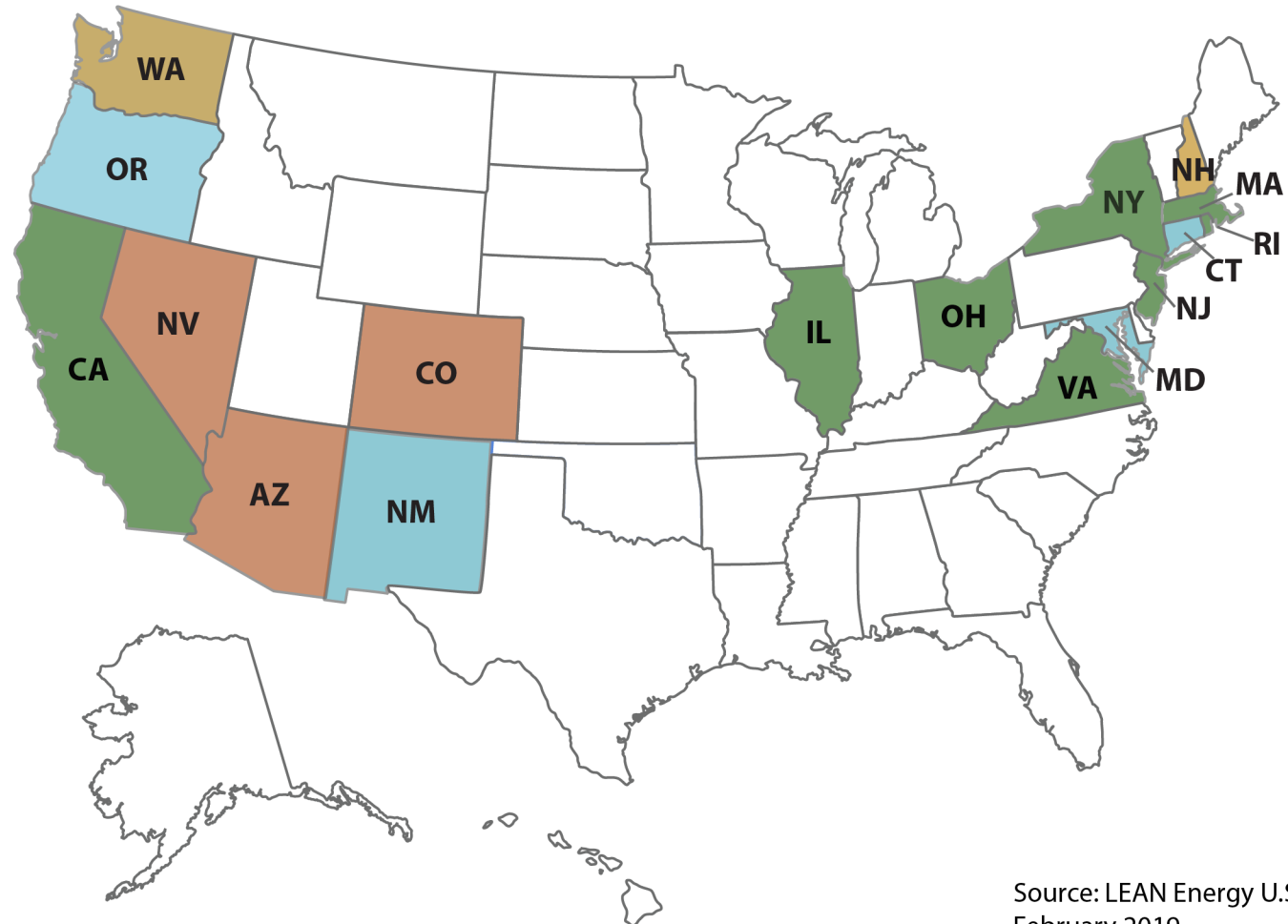
- Connecticut
- Maryland
- New Mexico
- Oregon

## Watch List/Potential:

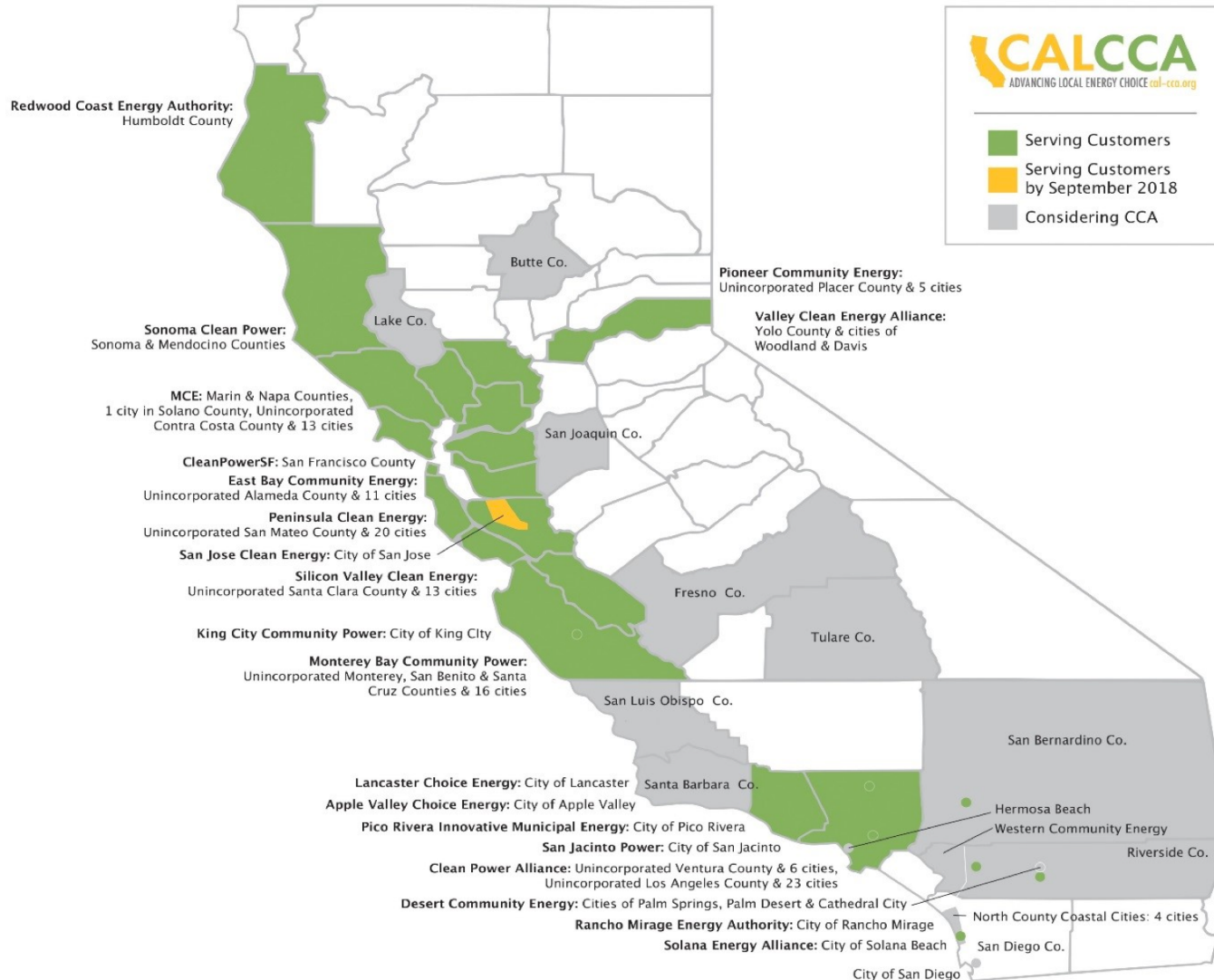
- Arizona
- Colorado
- Nevada

## Inquiries Received:

- New Hampshire
- Washington



# Massive Growth in CA since 2014



2010 – One CCA  
2013 – Three CCAs  
2018 – Nineteen CCAs!

The CUPC projects that nearly 85% of the State will be served by non-IOU providers like CCA and DA by 2025



# Primary CCA Benefits



## Enhanced Energy Choice

- Communities can decide how green they want to go
- Customers have a choice in electricity providers and power options

## Affordable Energy Bills

- 3% to 10% average savings around the country
- Local rate setting

## Accelerated Carbon Reduction

- Most California CCAs are exceeding State's aggressive RPS
- Many communities are already 100% carbon free through CCA

## Locally Driven, Community Energy Projects

- Economic development /Local jobs creation
- Local energy production
- Community resilience

# How CCA Works



1. State passes **enabling legislation** and develops program **regulations**
2. Local governments participate by passing an **ordinance** to form a CCA authority.
3. As an **opt-out program**, the CCA becomes the default electricity provider and handles required customer noticing/enrollment.
4. Customers **always have the choice** to return to bundled utility service.
5. Customers continue to pay their bill and receive power through the utility.
6. Cities continue to receive **franchise fees**; CCAs do not affect franchise agreements.
7. CCAs are **governed locally** and **managed professionally**, similar to other municipal services such as public power, sewer and water.
8. CCAs are required to comply with state and local laws and the **Public Utilities Commission** continues to play a role.

# CCAs Reach 100% Renewable Faster

We promised local renewables. Now we're delivering.

MCE's installed local, renewable energy projects total over 19 megawatts. Learn more about where this energy comes from.

## MCE Solar One, The Bay Area's Largest Public-Private Solar Partnership

⚡ 10.5 MW    🏠 3,900 annually    📍 Richmond

MCE Solar One was conceived by the Richmond community to integrate renewable energy and solar facilities in the Chevron Modernization Project. MCE teamed up with RichmondBUILD – which has successfully graduated hundreds of students and placed an impressive 80% of its graduates into well paying jobs – to train and hire its skilled, local graduates for the project.



### Environmental and Local Benefits:

- Expected to eliminate 3,234 metric tons of carbon dioxide in one year, equivalent to taking more than 680 fossil fueled cars off of the road annually\*
- Repurposed 60 acres of a remediated brownfield site
- Supported 341 jobs
- Maximized local economic benefits by requiring 50% local resident workforce and engaging Richmond-based contractors and supplier

For press inquiries, please contact Kalicia Pivrotto, Marketing Manager, at: [kpivrotto@mceCleanEnergy.org](mailto:kpivrotto@mceCleanEnergy.org).



Portland, OR ▼

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## Ten Southern California Municipalities Commit to 100 Percent Renewable Electricity

Community choice energy program will power 9 cities and Ventura County with 100% renewables in 2019

Thursday, November 1, 2018

### Contact:

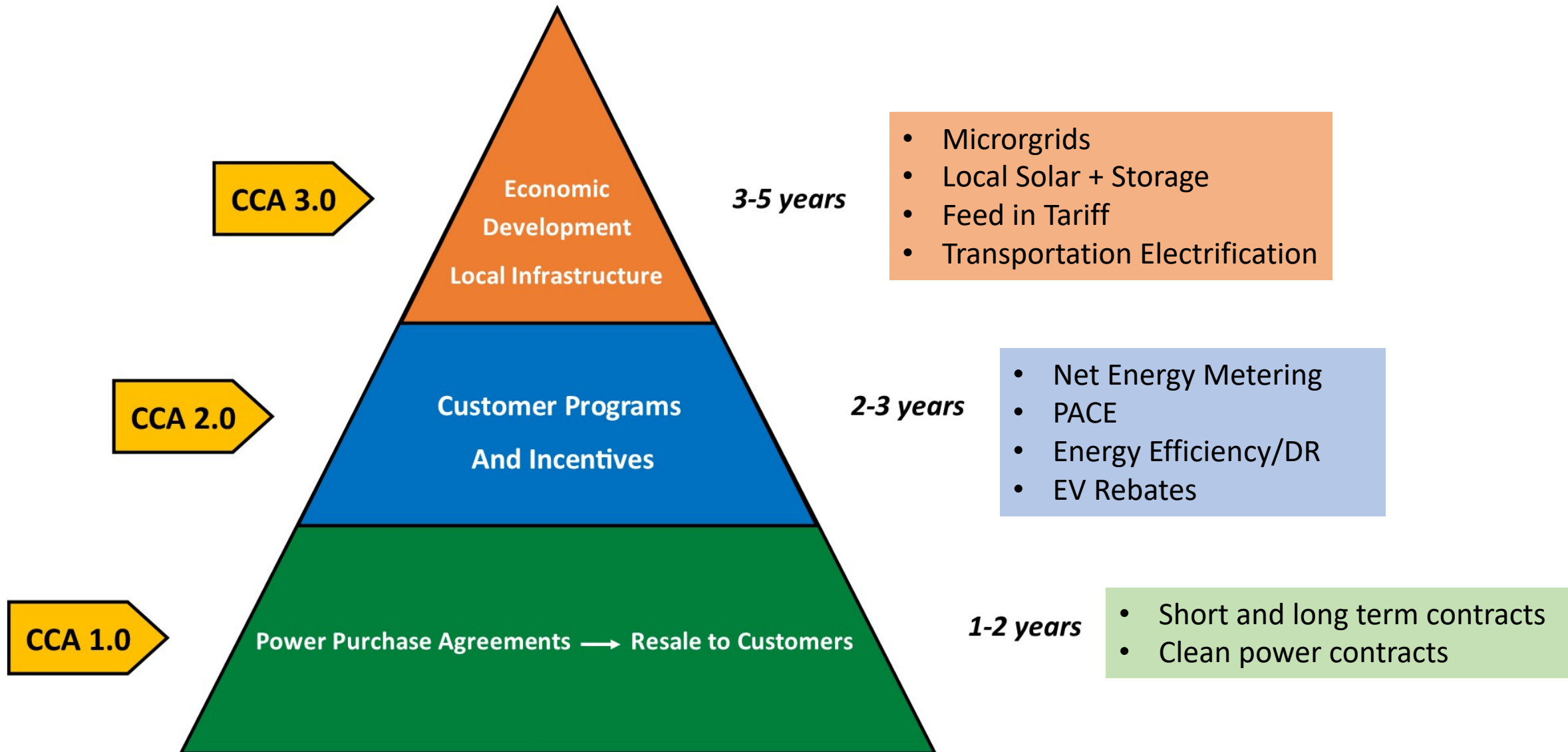
Stephanie Steinbrecher, 415-977-5736, [stephanie.steinbrecher@sierraclub.org](mailto:stephanie.steinbrecher@sierraclub.org)

**VENTURA, CA** -- A total of nine cities and one county have opted to power their communities with 100 percent renewable electricity through Clean Power Alliance, a new Community Choice Aggregation (CCA) program in Los Angeles and Ventura Counties.

The cities of Culver City, Ojai, Oxnard, Rolling Hills Estates, [Santa Monica](#), South Pasadena, Thousand Oaks, [Ventura](#), and West Hollywood, as well as unincorporated [Ventura County](#), have each set a 100 percent renewable electricity default through the CCA. This means all residential, business, and municipal customers will be automatically powered entirely by



# CCAs Create a Path for Local Innovation



# Examples of Local CCA Projects

**Airport Microgrid**



**Advanced Energy Rebuild**



**Electric Bus Fleet Conversion**



**Community Solar on Brownfield Site**



**EV Rebates and Incentives**



**Off-Shore Wind**



# CCA Results in California



<b>METRIC</b>	<b>RESULT (as of Q4 2018)</b>
<b># CCA Accounts</b>	<b>3.8 million accounts serving 9 million+ customers</b>
<b>On-Bill Savings in 2018</b>	<b>\$90.2 Million</b>
<b>NEW Renewable Generation</b>	<b>2500 MW</b> - 1360 MW solar, 741 MW wind, 12 MW biogas, 360 MW storage
<b>Carbon Emissions Reduced</b>	<b>Expected to exceed 2 million metric tons</b>
<b>Average % Renewable (2018)</b>	<b>45% (CA IOU average = 26%-30%)</b>



# Examples of Commercial CCA Customers



TESLA



# Considerations for New States

- Market structure/regulatory framework
- Utility reputation/customer satisfaction
- Ability to compete on price
- Local value beyond rate discounts
- Exit fees/departing load costs
- Resource adequacy – fair transition that avoids duplicative/costly requirements
- Open access transmission is essential in the absence of an RTO
- Access to credit and customer electrical data
- Market for renewable and carbon free resources



Now is the time to take control of your  
energy future...

*CCA is the path forward.*

***Thank you!***

Shawn Marshall, Executive Director

[shawnmarshall@leanenergyus.org](mailto:shawnmarshall@leanenergyus.org)

[www.leanenergyus.org](http://www.leanenergyus.org)