

# Community Choice in Santa Barbara County



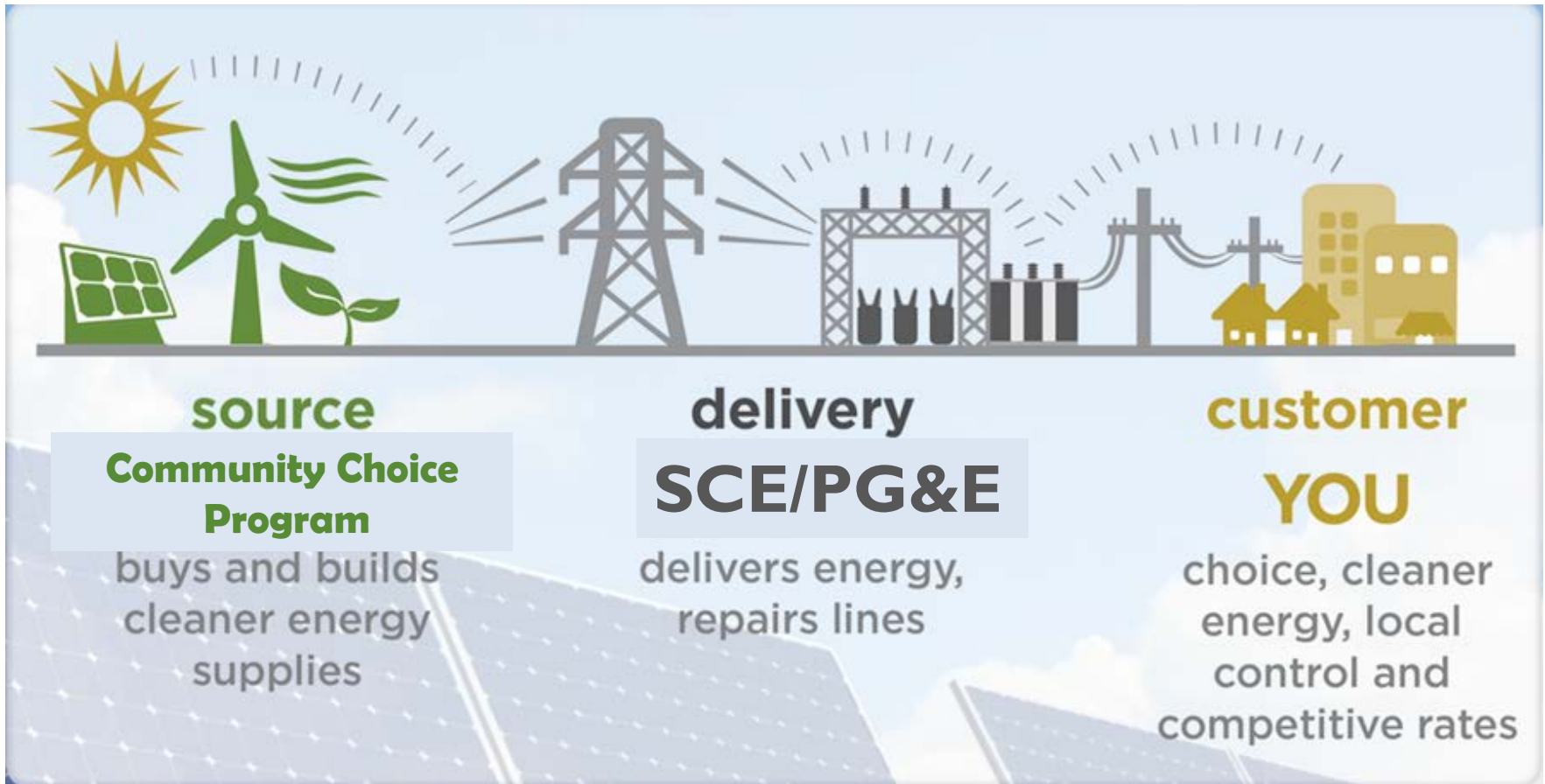
Santa Barbara County Board of Supervisors

May 5, 2015

Jefferson Litten

Energy Program Manager, CEC

# Community Choice in Santa Barbara County

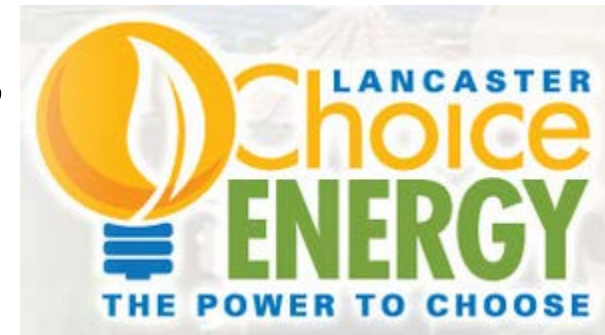




# Community Choice : A Proven Model

## BENEFITS:

- Choice and Competition
- Revenue Stays Local
- Cleaner Energy – Cheaper Rates
- Local Control of Power



# Cleaner Energy – Cheaper Rates

Example Residential Electric Charges	PG&E*	CleanStart	EverGreen
Based on a home using 500 kWh per month on the RES-1 (E-1) rate			
<b>Electric Generation (all customers)</b>	\$48.73	\$35.50	\$53.00
<b>PG&amp;E Electric Delivery* (all customers)</b>	\$58.85	\$58.85	\$58.85
<b>Additional PG&amp;E Fees (SCP customers only)</b>	\$0.00	\$6.17	\$6.17
<b>Average Total Cost</b>	<b>\$107.57</b>	<b>\$100.52</b>	<b>\$118.02</b>

Example Monthly Residential Electric Charges*	PG&E	MCE Light Green	MCE Deep Green	MCE Local Sol
<b>PG&amp;E Electric Delivery (all customers)</b>	\$37.30	\$37.30	\$37.30	\$37.30
<b>Electric Generation (all customers)</b>	\$45.12	\$37.97	\$42.60	\$65.75
<b>Additional PG&amp;E Fees (MCE customers only)</b>	-	\$5.71	\$5.71	\$5.71
<b>Average Total Cost</b>	<b>\$82.42</b>	<b>\$80.98</b>	<b>\$85.61</b>	<b>\$108.76</b>

\*The above comparison is based on a typical usage of 463 kWh at PG&E's rates effective as of March 1st and MCE's current rates for the April 2015 to March 2016 fiscal year under the Res-1/E-1 rate schedule. Costs shown are an average of summer and winter rates in baseline territory X with gas heating; actual differences may vary depending on usage, rate schedule and other factors.

# Cities & Citizens Are Saving Money

## ***Marin and Sonoma's electric rates are lower than PG&E. Thus...***

- MCE's residential customers saved nearly \$6M in 2014; greater savings expected in 2015
- Phase I customers (commercial) in Sonoma saved \$6M in the first seven months of service.
- Sonoma's current rates are 5-8% lower than PG&E's rates; Greater savings expected in 2015.
- The City of San Rafael (municipal operations) saved \$77,000 - 2013/2014
- The City of Richmond (municipal operations) saved \$107,000 -2014
- West Contra Costa Unified School District is projected to save \$66,000 per year from its operations in Richmond and San Pablo.



# Local Control of Power

- Rate Setting
- Incentives for Local Renewable Energy:
  - Feed-In Tariffs
  - Favorable Net Energy Metering
- Local Energy Efficiency Programs





# Sonoma Clean Power

## Case Study: Sonoma County

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



Local. Renewable. Yours.

- **May 2014: service starts for 20,000 commercial customers**
- **December 2014: Roll out to 200,000 residential customers**
- **89% retention rate to date (11% opt-out)**
- **Service area includes unincorporated Sonoma County and most of its cities**
- **Average rates 4%-11% lower than PG&E**
- **Product Options: CleanStart @ 33% and Evergreen @ 100% CA qualified renewable power; only 3% RECs supported**
- **100% renewable product sourced from Calpine/local geothermal plant; new 30MW Solar project recently announced**

# Jurisdictions With Community Choice Resolutions

Windsor	El Cerrito (p)	Kingburg	Greenfield
Sonoma	San Pablo (p)	Lemoore	Carmel
Cotati	Lancaster (p)	Parlier	Monterey
Santa Rosa	Carson	Reedley	Morro Bay
Cloverdale	Manhattan Beach	Sanger	
Sebastopol	Santa Monica	Selman	<u>Counties:</u>
Rohnert Park (p)	Torrance	Salinas	San Francisco
Petaluma (p)	Hermosa Beach	Santa Cruz	Monterey
Mill Valley	Redondo Beach	Capitola	San Benito
Fairfax	Beverly Hills	Watsonville	San Diego
San Anselmo	Palos Verdes	Soledad	<b>Sonoma</b>
Sausalito	Solana Beach	Del Rey Oaks	<b>Marin</b>
Tiburon	Berkeley	Sand City	Alameda
San Rafael	San Francisco	Marina	Santa Cruz
Novato	Clovis	Pacific Grove	Kings
Ross	Corcoran	Sea Side	<b>Napa (p)</b>
Larkspur	Dinuba	San Juan Bautista	San Mateo
Richmond	Fresno	Gonzales	Los Angeles
Corte Madera	Hanford	Hollister	
Belvedere	Kerman	King City	

**Bold** = part of existing Community Choice program

(p) = will soon join Community Choice program (yet to launch)

Red = Southern California Edison Territory



# Community Choice: The Path Forward



Phase 1: Feasibility Evaluation - \$1.3 M\*

Step 1: Solicit consultants and prepare feasibility study (FY 15/16)

Step 2: Outreach, market studies (TBD)

Step 3: Draft implementation Plan (TBD)

\* All costs incurred are recoverable upon program launch

\*\* Estimated Gross Annual Value of San Mateo County CCA: \$356 M

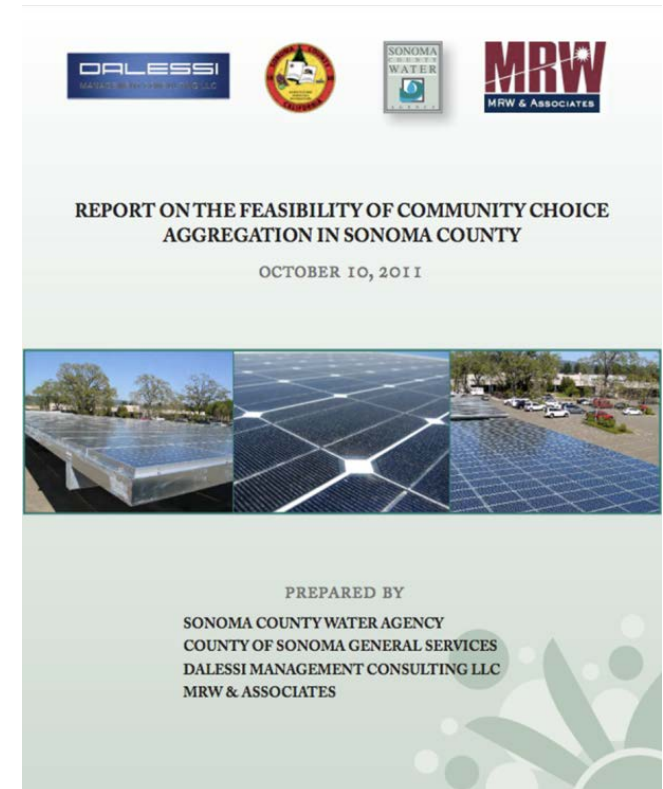
# Community Choice: The Path Forward



## Step 1: Feasibility Study

- Size of program
- Forecasted Demand
- Rate / Price Modeling
- Power supply scenarios
  - Job creation
  - GHG emissions
  - Rates
- Start up Costs
- Robust Risk Analysis

**Cost: \$100 – 200 K**



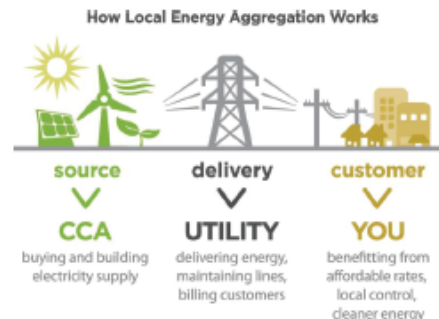


**Monday, May 18, 2015 • The Biltmore Hotel • Los Angeles, CA**

## Understanding Community Choice Energy: A Forum for California Local Governments

The Local Government Sustainable Energy Coalition (LGSEC) in partnership with LEAN Energy US is organizing a day-long Community Choice Energy Forum for local government decision-makers, staff members and key stakeholders on May 18th in downtown Los Angeles.

Please join experts and local Government leaders from around the state for a day of practical information, lessons learned, and information on how to get started. For those brand new to the topic, LEAN Energy will also offer a one-hour webinar on Wednesday, May 13 covering the basics of CCA in California.



### Registration Rates:

Local Elected Officials and Senior Staff	Free of Charge
Non Profit Organizations, Councils of Governments and Association of Governments	\$75
Commercial Vendors and Private Sector Representatives	\$125

### Speaker Highlights:

- Gerald Braun, *Director, Integrated Resources Network*
- Geof Syphers, *Chief Executive Officer, Sonoma Clean Power*
- Dawn Weisz, *Executive Director, Marin Clean Energy*
- Barbara Boswell, *Director, Lancaster Choice Energy*



Visit [lgsec.org/cca-forum](http://lgsec.org/cca-forum) to learn more and register for the forum!

For sponsorship information, please contact:

**Howard Choy**  
[hchoy@isd.lacounty.gov](mailto:hchoy@isd.lacounty.gov)  
(323) 627 - 2006  
[www.lgsec.org](http://www.lgsec.org)

**Shawn Marshall**  
[shawnmarshall@LEANenergyus.org](mailto:shawnmarshall@LEANenergyus.org)  
(415) 888 - 8007  
[www.leanenergyus.org](http://www.leanenergyus.org)



# Thank You!

Jefferson Litten

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805.963.0583 x 105



Community  
Environmental  
Council

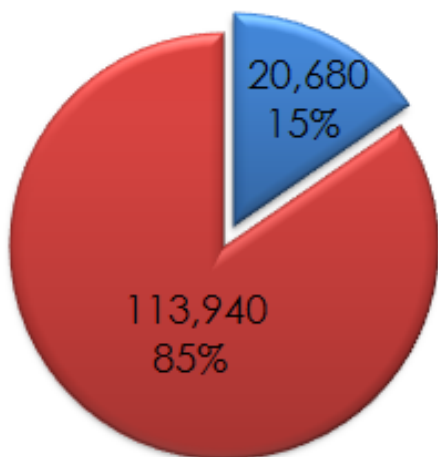


# Los Angeles County – Unanimous Resolution

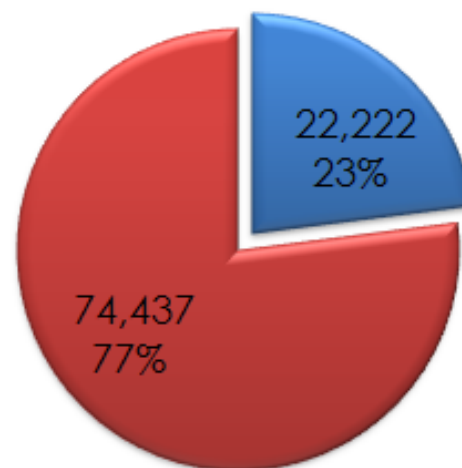
- **WE, THEREFORE, MOVE** that the County Office of Sustainability, in the Internal Services Department, in cooperation with the Chief Executive Office:
- Assess the costs, benefits and risks associated with developing a Community Choice Aggregation program within the County;
- Summarize other jurisdictions' experiences in implementing CCA programs and impacts on consumers' electricity costs;
- Identify potential CCA governance and financial models for ongoing operations;
- Work with cities within the County to gauge their interest in CCA and to assess the potential benefits of consistency and scale in a countywide CCA program;
- Meet with local utilities to assess the potential benefits of partnering to develop a CCA in the region;
- Identify up to \$150,000 in funding to conduct a feasibility analysis of initiating a CCA;
- Submit a written report to the Board of Supervisors in 90 days on these issues, with a recommendation on additional actions required to implement a Community Choice Aggregation program.

# Community Choice in Local Climate Action Plans

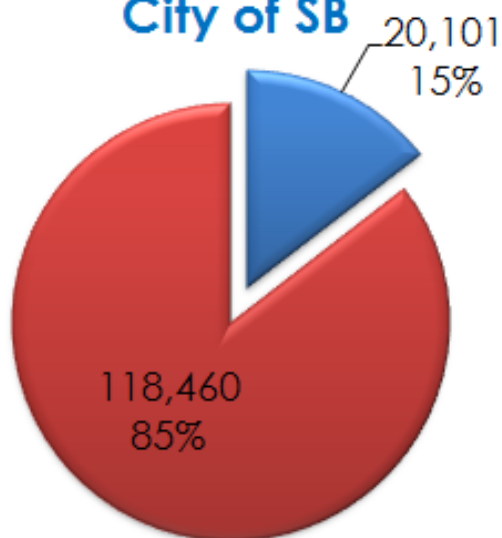
## SLO County



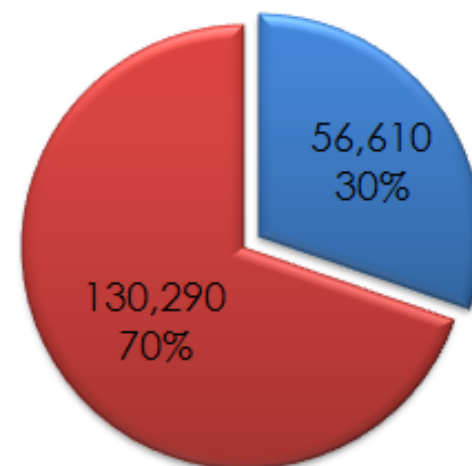
## City of Goleta



## City of SB



## SB County



■ Community Choice Aggregation

■ All Other Measures

\* 2020 Emission Reduction Targets (MTCO<sub>2</sub>e)

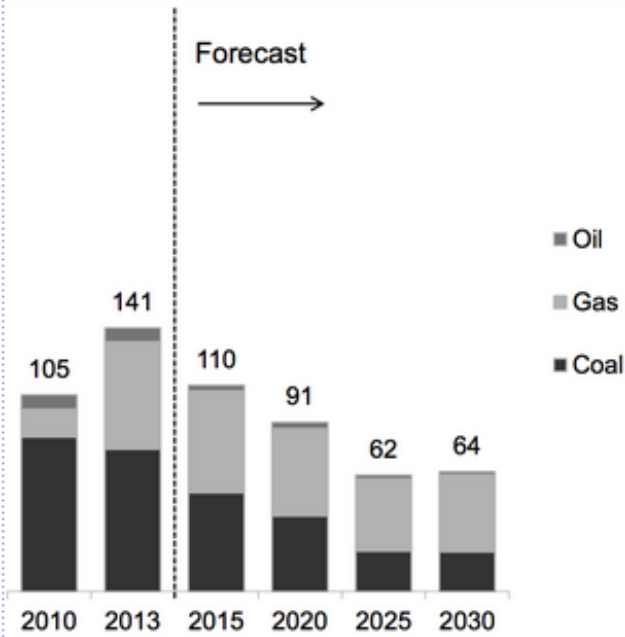


# Risk Mitigation: Joint Powers Authority

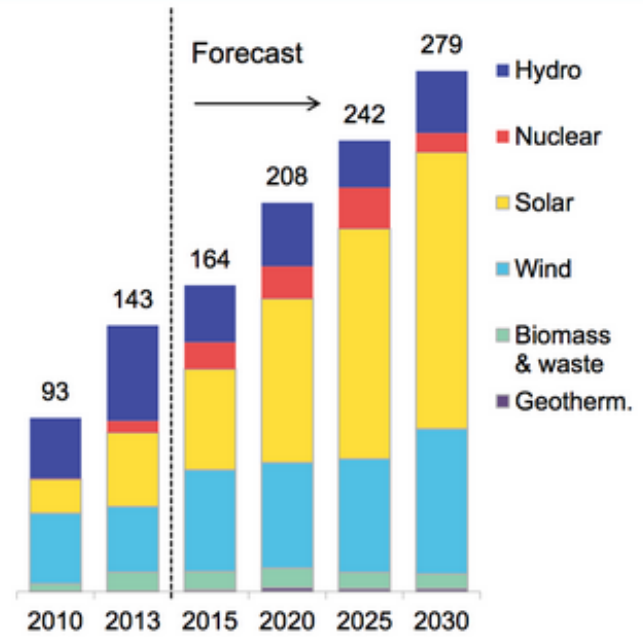
- JPA insulates the participants from liabilities taken on by CCE
  - No Risk to General Funds of participants
- JPA provides a structure for decision-making
- Representation from each participant
  - Each participant will appoint one member to Board of Directors



## FOSSIL FUEL



## CLEAN ENERGY



Power generation capacity additions (GW)

Bloomberg New Energy Finance

The price of wind and solar power continues to plummet, and is now on par or cheaper than grid electricity in many areas of the world. Solar, the newest major source of energy in the mix, makes up less than 1 percent of the electricity market today but will be the world's biggest single source by 2050, according to the International Energy Agency.

Source: Bloomberg New Energy Finance, April 14 2015

# CCE: What are the Risks?

- Price Risk
- Political Risk
- Regulatory Risk



What is the Worst Case Scenario?

## CCE Program Fails

- No service interruption risk to customers
- No monetary risk to cities



# Important Facts About Community Choice



## ENERGY STATEMENT

[www.pge.com/MyEnergy](http://www.pge.com/MyEnergy)

1

Account No: 1023456789-0  
 Statement Date: 03/09/2015  
 Due Date: 03/30/2015

### Service For:

STEVEN GARCIA  
 420 OAKHILL RD  
 PETALUMA, CA 94952

### Your Account Summary

Credit Balance on Previous Statement	\$287.08
Payment(s) Received Since Last Statement	-287.08
Previous Unpaid Balance	0.00
<b>Current PG&amp;E Electric Delivery Charges</b>	<b>\$94.32</b>
<b>Sonoma Clean Power Electric Generation Charges</b>	<b>\$61.95</b>
Current Gas Charges	\$128.46
<b>Total Amount Due by 03/23/2015</b>	<b>\$284.73</b>

### Questions about your bill?

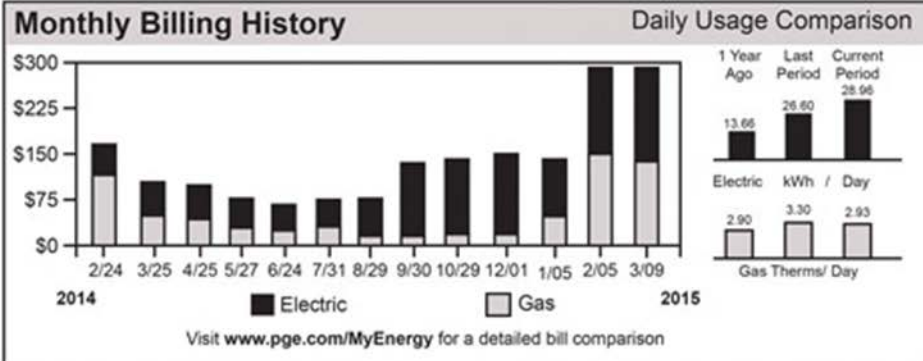
24 hours per day, 7 days per week  
 Phone: 1-866-743-0335  
[www.pge.com/MyEnergy](http://www.pge.com/MyEnergy)

### Local Office Address

111 STONY CIR  
 SANTA ROSA, CA 95401

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- 3
- 4

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### 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.