

California Community Choice Association Q3 2018 Update

Onwards and Upwards

The third quarter of 2018 was filled with a whirlwind of activity for CalCCA and its 19 member agencies as we participated in myriad regulatory and legislative proceedings, celebrated the launches of two new community choice aggregation (CCA) programs — King City Community Power and San Jose Clean Energy — gathered in Pacific Grove for our annual meeting, and hosted Global Climate Action Summit events.

More than 160 cities, towns, and counties in California have chosen to participate in aggregation programs to date, and many more are engaged in CCA exploration efforts. The fact that CCAs are able to offer clean energy at affordable rates and achieve ambitious emissions reduction goals is a major part of aggregation's appeal, as is the ability of CCAs to create innovative programs that are tailored to local communities. Several examples of these programs are highlighted in the "Quarter Notes" section below.

Sadly, CCA efforts to accelerate the state's decarbonization policy goals through innovative programs may now be constrained due to the California Public Utilities Commission's decision on October 11 to increase Power Charge Indifference Adjustment (PCIA) rates for CCA customers.

We will continue to advocate for a new PCIA that lowers costs for all consumers and fosters a competitive environment so communities have more energy options. CalCCA truly appreciates your ongoing support as we work to protect and advance CCA in California.

Beth Vaughan
Executive Director
CalCCA

Annual Meeting

CalCCA's 2018 Annual Meeting took place on September 5 and 6 in Pacific Grove. More than 300 attendees representing CalCCA Members, Affiliates and Partners participated in the event, which included panel discussions on a wide range of topics reflective of this year's theme: *The Power of Partnerships*. Thanks to everyone who attended and contributed to making it such a success. You can find presentation slides, program materials and photos/video from the annual meeting <a href="https://example.com/here-neeting-ne

Beyond Supplier Diversity Report

CalCCA has issued a new <u>report</u> that details efforts by CCAs to advance equity and diversity through their procurement, policy and program activities. The report's release coincided with the California Public Utilities Commission's Supplier Diversity En Banc on October 4 in Richmond. CalCCA Executive Director Beth Vaughan and MCE Chief Executive Officer Dawn Weisz participated in a panel at the En Banc which focused on emerging energy markets. The report highlights what CCAs are doing to ensure access and inclusion of underrepresented sectors, from the creation of community advisory committees and local development business plans to the funding of grants to enable community engagement and local workforce development initiatives.

Quarter Notes

Updates from California's CCAs

Apple Valley Choice Energy

Launched in 2017, AVCE serves ~29,000 customers in the Town of Apple Valley in San Bernardino County. AVCE offers "CoreChoice" 35% renewables and "MoreChoice" 50% renewables service options. The AVCE program provides for on-bill savings for residents and businesses and serves as an economic development incentive tool. Over 90% of eligible customers in Apple Valley are participating in the program.Launched in 2017, AVCE serves ~29,000 customers in the Town of Apple Valley in San Bernardino County. AVCE offers "CoreChoice" 35% renewables and "MoreChoice" 50% renewables service options. The AVCE program provides for on-bill savings for residents and businesses and serves as an economic development incentive tool. Over 90% of eligible customers in Apple Valley are participating in the program.

CleanPowerSF

Launched in 2016, CleanPowerSF provides CCA service to more than 100,000 accounts in the City and County of San Francisco. The city plans to complete citywide enrollment by July 2019 and expects to serve over 350,000 accounts and 600 megawatts peak load at full enrollment. The program offers a 43% renewables "Green" service, and a premium "SuperGreen" 100% renewables option.

New SuperGreen Customers

In the last two months, CleanPowerSF announced two major SuperGreen customers. The first is Salesforce Tower, the tallest office building west of the Mississippi, managed by Boston Properties. Salesforce Tower joins the company's two other San Francisco offices, Salesforce East and Salesforce West, on the SuperGreen 100% renewable program. CleanPowerSF also welcomed Lyft's offices and driver hub to its SuperGreen program. Lyft rents office space in a large building where the property management company, McCarthy Cook, manages the energy bill. Lyft played an important role in facilitating conversation between CleanPowerSF and McCarthy Cook,

leading to one of the largest office buildings in San Francisco enrolling in SuperGreen.

CleanPowerSF at the Global Climate Action Summit

CleanPowerSF was very busy during the Global Climate Action Summit, with activities that included hosting a well-attended panel discussion in partnership with CalCCA and MCE at SPUR San Francisco. The panel focused on the roles of CCAs, government, and the private sector in getting California to 100% clean energy. Then, in honor of the 100th anniversary of San Francisco's hydroelectric system, 4,000 free sno-cones were handed out at ten locations around the city to promote clean energy. This opportunity was leveraged to educate San Francisco residents about CleanPowerSF. The agency also sponsored the SF Green Film Festival screening of "Point of No Return," a documentary film about the first solar-powered flight around the world.

Clean Power Alliance

Launched in 2018, CPA includes 31 communities: Agoura Hills, Alhambra, Arcadia, Beverly Hills, Calabasas, Camarillo, Carson, Claremont, Culver City, Downey, Hawaiian Gardens, Hawthorne, Malibu, Manhattan Beach, Moorpark, Ojai, Oxnard, Paramount, Redondo Beach, Rolling Hills Estates, Santa Monica, Sierra Madre, Simi Valley, South Pasadena, Temple City, Thousand Oaks, Ventura, West Hollywood, Whittier, and unincorporated Los Angeles and Ventura Counties. CPA offers three energy service options: 36% renewable, 50% renewable and 100% renewable.

Renewable Energy/Storage RFO

CPA released its first Request for Offers (RFO) for long-term renewable energy and storage contracts on October 4. The agency is seeking between 1 million and 2 million megawatt hours per year through the solicitation, which is available here. Projects will be evaluated based on a host of criteria, including cost, developer risk, environmental stewardship, workforce development, project location, benefits to disadvantaged communities, and supplier diversity. Stakeholders from the environmental and labor communities, along with CPA's Energy Planning & Resources Committee, have been involved in the crafting of the criteria. Offers are due November 9.

Service Expansion

CPA now serves ~34,000 municipal and commercial service accounts in unincorporated LA County, Rolling Hills Estates, and South Pasadena. CPA plans to initiate service to all other customers in its territory, encompassing about 1 million CCA-eligible accounts, in 2019.

Desert Community Energy

DCE includes the cities of Palm Springs, Cathedral City and Palm Desert in Riverside County and plans to offer "Desert Saver," a 35% renewables/50% carbon-free service, as well as "Carbon Free," a 35% renewables/100% carbon-free option.

East Bay Community Energy

Launched to commercial customers in June 2018, EBCE serves customers in Alameda County including in Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Oakland, Piedmont, San Leandro, Union City, and the county's unincorporated areas. EBCE launches to ~500,000 residential customers in November.

King City Community Power

KCCP launched service in July 2018 to residential, commercial and municipal customers in King City, Monterey County. The City will use revenues generated by the program for four primary goals: reducing customer rates; no-cost solar projects for homes owned by low-income families; installation of new solar streetlights in neighborhoods with inadequate lighting; and increased use of clean energy. Future initiatives may include construction of a local solar or wind power facility.

Lancaster Choice Energy

Launched in 2015, LCE serves ~ 50,000 customers in Lancaster, north Los Angeles County. LCE offers ClearChoice 37% renewable and SmartChoice 100% renewable energy service, with approximately half of its customers eligible for low-income energy programs. LCE's 2018 targeted portfolio content is 60% carbon-free. Lancaster is aiming to be the nation's first zero net energy city.

Energy Efficiency Program Launched

LCE's three-year energy efficiency program is underway as of mid-September. The CPUC-approved initiative will provide \$1.2 Million in energy efficiency services to both residential and small commercial customers. The Energy Advisor Program is offering home-audit surveys and recommendations for efficiency upgrades or other applicable services. The Commercial Direct Install program for small businesses, expected to launch this month, will provide free on-site assessments and no- and low-cost energy efficiency retrofits to reduce demand and energy consumption.

MCE

Launched in 2010, MCE serves ~470,000 customers in Marin County, Napa County, unincorporated Contra Costa County and the cities of Benicia, Concord, Danville, El Cerrito, Lafayette, Martinez, Moraga, Oakley, Pinole, Pittsburg, Richmond, San Pablo, San Ramon, and Walnut Creek. MCE offers "Light Green," currently 60% renewable, "Deep Green" 100% renewable energy and "Local Sol" 100% locally produced solar energy options.

Electric Vehicle Rebates for Low-Income Qualifying Customers

MCE is offering a \$3,500 rebate for low-income qualifying customers to purchase or lease either a new or used EV. Qualifying households must receive MCE service and either be enrolled in California Alternate Rates for Energy (CARE), Family Electric Rate Assistance (FERA), or meet the annual household income requirements for CARE.

EV Charging Station Rebates for Workplaces & Multifamily Properties

MCE's EV charging rebate program covers both large and small charging projects (from two to 20+ ports), allowing market rate and low-income multifamily properties and workplaces of any size and sector (including local government agencies) to save on hardware and installation costs — up to \$2,500 per port. MCE will provide technical assistance in the application and installation process.

Monterey Bay Community Power

MBCP launched in 2018 as the first tri-county CCA, offering service in Monterey, San Benito, and Santa Cruz Counties. MBCP serves ~270,000 customer accounts and maintains nearly 98% account enrollment. The agency provides two service offerings: a default product, "MBchoice," which is 100% carbon-free, as well as "MBprime," which is 100% eligible renewables.

Local Economic Development

MBCP plans to invest an estimated \$1.2 million in customer programs during the next year to help jump-start transportation electrification, strategic planning and distributed energy resource access for low-income customers. MBCP is also providing a 3% generation credit to all customers and estimates it will deliver over \$3 million in bill credits to customers in 2018. Customers may keep their rebate or re-invest it in local programs through the agency's MBshare or MBgreen+ programs.

New Renewables

In its first year of operations, MBCP partnered with Silicon Valley Clean Energy to make possible the development of a new 200 megawatt (MW) wind energy project in New Mexico. MBCP has contracted for 90 MW from the project (representing 10% of MBCP's electricity load) under a long-term power purchase agreement. The two agencies are also in the process of jointly procuring an estimated 300 MW of solar and 85 MW of energy storage.

CalCCA Annual Meeting Co-Host

The Asilomar Conference Center in Pacific Grove provided a scenic, centrally located backdrop for over 300 attendees from California CCAs and our partner organizations. MBCP was honored to co-host such an impactful event!

Peninsula Clean Energy

Launched in 2016, PCE serves ~290,000 customers in San Mateo County, maintaining a 97.5% participation rate of eligible customers. PCE offers two service options: "ECOplus" with 50% renewable and 85% GHG-free energy, and "ECO100" with 100% renewable energy. PCE plans to offer 100% GHG-free electricity for all customers by 2021, and 100% renewable electricity for all customers by 2025.

Electric Vehicle Discount Program

As a part of PCE's GO ELECTRIC fuel-switching program suite, PCE has arranged for attractive discounts on electric cars for San Mateo County residents between October 1 and December 31 from participating dealers. The program can save customers \$4,000 or more on a new electric vehicle. More details at www.PeninsulaCleanEnergy.com/ev.

200 MW Wright Solar Project Breaks Ground

PCE has broken ground on California's largest solar installation built exclusively for a Community Choice Aggregation agency on October 11 in California's Central Valley. PCE has an exclusive 25-year power purchase agreement with the 200 megawatt Wright Solar Park LLC to buy the solar facility's electricity. The project is owned by Centaurus Renewable Energy and the construction and operations are managed by Clēnera, LLC. Swinerton Renewable Energy is constructing the solar facility with union labor hired from the surrounding areas, and the project is expected to create approximately 400 union jobs. The facility will produce enough electricity to power more than 100,000 San Mateo County homes a year.

Pico Rivera Innovative Municipal Energy

Launched in 2017, PRIME serves ~18,300 accounts in the City of Pico Rivera in Los Angeles County, with 96% of CCA-eligible customers participating in the program. About 41% of PRIME customers are enrolled in California Alternate Rates for Energy (CARE). The agency offers "PRIME POWER" 50% renewables and "PRIME

FUTURE" 100% renewable energy service options. The reimbursement rate for PRIME's net energy metering program, "PRIME PARTNER," is 100 percent higher than the incumbent utility's rate.

Pioneer Community Energy

Pioneer launched in February 2018 and serves ~84,000 accounts in unincorporated Placer County and the cities of Auburn, Colfax, Loomis, Lincoln, and Rocklin.

Re-Enrollments

Pioneer's residential E-1 rates provide for a 7.5% discount compared to the incumbent utility's rates, while commercial rates allow for a 9% discount, on average. The lower rates have generated some re-enrollments, with 84 customers that initially opted-out of Pioneer service returning to the CCA. Pioneer's current participation rate is 91.5% of eligible customers.

Net Energy Metering Customers

Pioneer began enrolling solar customers in September 2018. Pioneer distributed notices about the upcoming enrollments and offered solar customers the chance to opt-in early, an offer that was accepted by 442 customers. Once the first enrollment notices went out for September, an additional 22 customers chose to become Pioneer customers ahead of schedule.

Rancho Mirage Energy Authority

RMEA launched in the City of Rancho Mirage in 2018 and serves ~14,900 accounts. "Base Choice," RMEA's default electricity service offering, is 50% carbon–free. It is comprised of 35% renewables and 15% hydroelectric. The authority's "Premium Renewable Choice" rate plan offers customers the option of opting—up to 100% renewable energy at an affordable price. RMEA's net energy metering program, "Solar Choice," provides a net surplus compensation rate of 6 cents per kilowatt–hour.

Redwood Coast Energy Authority

Launched in 2017, RCEA serves ~62,000 customers in Humboldt County, Eureka, Arcata, Fortuna, Ferndale, Blue Lake, Rio Dell, and Trinidad. RCEA offers "REpower" 40% renewable and "REpower+" 100% renewable energy service options.

Local Power Generation

In September, RCEA submitted a lease application to the Bureau of Ocean Energy Management (BOEM) as a next step in developing an offshore wind energy project. RCEA has taken the lead on coordinating the extensive planning and research process needed for what could be California's first floating offshore wind farm. RCEA continues to engage with all stakeholders as the offshore wind project develops.

RCEA is progressing with Schatz Energy Research Center/Humboldt State University, the County of Humboldt, and Pacific Gas & Electric to build a \$9 million microgrid, featuring a 9-acre 2.4 megawatt solar array and an 8 megawatt-hour energy storage project at California's Redwood Coast - Humboldt County Airport. The project will provide wholesale electricity to RCEA, as well as emergency resiliency and energy savings.

Advanced Fuels and Transportation

RCEA's Advanced Fuels and Transportation Department owns and operates a network of 14 public Level 2

charging stations that can charge up to 29 vehicles simultaneously. In addition to expanding and maintaining this network, the department serves as an ombudsman in the North Coast region to educate and guide our customers through the electric vehicle and charging station purchasing process. RCEA is also planning for the deployment of fuel cell electric vehicles in the region.

Energy Efficiency

RCEA provides extensive energy efficiency services for Humboldt County customers. They include free Energy Advisor consultations, free Energy Efficiency Kits, residential assessment services to help customers get qualified for the Home Upgrade program, and services aligned with the Proposition 39/Clean Energy Jobs Act for local educational agencies.

San Jacinto Power

Launched in 2018, SJP serves ~14,600 accounts in the City of San Jacinto in Riverside County. SJP offers "PrimePower" 35% renewables and "PureGreen" 100% renewables options. SJP's net energy metering program provides a net surplus compensation rate that is nearly double the incumbent utility's NEM rate.

San Jose Clean Energy

SJCE launched in September to ~2,000 municipal accounts in San Jose and celebrated the occasion with a ribbon-cutting ceremony during the city's Global Climate Action Summit affiliate event on at City Hall. Service to residential and commercial accounts will begin in early 2019. SJCE's "GreenSource" service is 40% renewables and 60% hydropower (100% Carbon-Free), while the "TotalGreen" service is 100% renewables.

Silicon Valley Clean Energy

Launched in 2017, SVCE serves ~242,000 customers in Campbell, Cupertino, Gilroy, Los Altos, Los Altos Hills, Los Gatos, Milpitas, Monte Sereno, Morgan Hill, Mountain View, Saratoga, Sunnyvale, and unincorporated Santa Clara County. SVCP offers "GreenStart" 50% renewables and "GreenPrime" 100% renewable energy service.

All SVCE Communities 'Opt-Up' to GreenPrime

In September the County of Santa Clara and the City of Milpitas upgraded their municipal accounts to 100% renewable energy with SVCE's GreenPrime electricity choice. With the addition of the County and Milpitas, all 13 of SVCE's member communities are now being powered with not only carbon–free, but 100% renewable electricity. On Sept. 10, Governor Jerry Brown signed SB 100 into law which requires California to get all of its electricity from carbon–free sources by 2045. A majority of Santa Clara County public buildings are powered with 100% renewable energy today, 27 years ahead of schedule. All of the municipal accounts for SVCE's 13 member communities – libraries, community centers, city halls, parks and more – are powered by electricity sourced entirely from wind and solar.

Community Engagement Grant

SVCE has awarded \$75,000 in grants to local non-profits to help with outreach efforts on behalf of the agency. This grant opportunity is designed to utilize local nonprofits to help provide accurate information to electricity customers about SVCE's mission, benefits, programs and upcoming changes on residential energy bills. Working in partnership with these organizations will allow SVCE to continue to build awareness and trust with customers, and better serve the community.

A Year in Review

After one year of service, SVCE has achieved and surpassed goals and expectations to provide clean electricity, competitive rates, and support to local communities. SVCE has reduced carbon emissions in our service territory by 1.1 billion pounds, a reduction of more than 16% in overall emissions for the area. Along with curbing emissions, SVCE saved customers \$16.5 million on their energy bills, money that stays in the local economy. SVCE enrolled its thirteenth community, Milpitas, and has maintained a 97% participation rate, bringing the total number of customers served to 266,500.

Solana Energy Alliance

Launched in June 2018, SEA is the first CCA program in San Diego Gas & Electric's service territory and is serving ~7,200 accounts, or about 94 percent of the eligible energy load, in the City of Solana Beach. SEA offers a default 50% renewable and 75% greenhouse gas-free "SEA Choice" energy service, and a premium 100% renewable "SEA Green" energy service option. SEA also offers a net energy-metering program "SEA NEM" that provides solar customers a higher net surplus compensation rate than the incumbent utility. Thus far 74 SEA customers have opted-up to the 100% renewable energy option.

Sonoma Clean Power

SCP serves ~224,000 accounts in Sonoma and Mendocino counties. SCP offers CleanStart 45% renewable/87% carbon-free electricity and EverGreen 100% local, renewable electricity. SCP enjoys an 87% participation rate.

Drive EV Program

The 2018 Drive EV electric vehicle and charging incentive program is in its final phase, now through November 16, with five dealerships participating and incentives for a variety of models. Additional details are available at www.driveev.org. SCP's future EV focus will be on public charging infrastructure.

Solar and Storage Deal Signed

SCP has inked a deal with Proxima Solar (a NextEra company) for 50 megawatts of solar with 5 megawatts of battery energy storage over a 20-year period. The project is located in Stanislaus County, Northern California and is scheduled to come online in 2023. The project's energy storage component exceeds SCP's storage obligation for the year 2024.

Do-It-Yourself Energy and Water Saving Toolkits

SCP's Do-It-Yourself Energy and Water Saving Toolkits continue to be popular with local library patrons. As of late August, the kits have been checked out a total of 393 times from Sonoma and Mendocino County libraries.

Advanced Energy Rebuild Program

The Advanced Energy Rebuild program was launched in partnership with Pacific Gas & Electric and the Bay Area Air Quality Management District to provide support in the wake of the devastating October 2017 wildfires. It provides up to \$17,500 to owners of destroyed homes who choose to rebuild in a manner that is energy–efficient, all–electric, and includes EV charging or solar plus storage. So far 120 applications have been received. The program also includes classes, attended by hundreds of local architects, engineers, contractors and homeowners, that focus on the methods and principles of zero–carbon design. The second series of classes will be taught in the fall. SCP will also be helping to facilitate

the Rebuild Green Expo in Santa Rosa in February.

Lead Locally Program Underway

SCP's "Lead Locally" program aims to develop strategies to double energy efficiency in existing buildings and includes the creation of a physical Energy Marketplace where the public will be able to learn about, test and purchase energy–saving technologies. The California Energy Commission has provided grant funding for the initiative. On October 1, a Request for Qualifications was issued for design teams to provide architectural and engineering design services for the marketplace. The Lead Locally team is also developing a site screening matrix to recruit 16 homes and 3 commercial properties to participate in applied research experiments for advanced technologies including heat pump water heaters, radiant ceiling heating and cooling panels, residential attic phase change materials, air–to–water heat pumps, and commercial daylighting retrofits.

Long-Term Contracts

At the end of January, SCP concluded a Request for Offers for long-term (10 years or more) Category 1 renewables portfolio standard-eligible resources. SCP received 81 offers ranging from wind, solar, and geothermal all over the Western Interconnect. SCP entered into power purchase agreements for three projects – a 20 MW solar project, 80 MW wind facility and 50 MW solar project with 5 MW of energy storage – all located in Northern California. The dates for commercial operation are staggered, from late December 2020 to mid-2023.

Valley Clean Energy

VCE launched in June 2018 and serves the Cities of Davis and Woodland and unincorporated Yolo County. VCE delivers 42% renewables, 75% carbon-free energy as the standard option. VCE's "UltraGreen" product provides 100% renewables.

Start-Up Items

As a new start-up, VCE has been working to address a range of CCA requirements and customer expectations including rate comparison mailers, power content labels, customers wondering why they were enrolled in VCE, happy customers, angry customers – the list goes on. It's been an exciting time and VCE is looking forward to the future as the agency matures and new programs are developed.

New NEM Policy

VCE staff developed a new NEM policy based on feedback from the community. VCE held two public meetings with 90 NEM customers attending each meeting. The new NEM policy was adopted on September 13 after taking into account comments from the public, the Community Advisory Committee, VCE staff, and board members.

Grant Submittal

VCE joined with the Cities of Davis and Woodland and Yolo County to apply for a grant through the Sacramento Area Council of Governments (SACOG). The application focused on greatly increasing the electric vehicle charging infrastructure in VCE's service territory including public charging, fast chargers and charging infrastructure at transportation hubs.

Community Choice Aggregation in California

