

VALLEY CLEAN ENERGY ALLIANCE**Staff Report - Item 12**

TO: Board of Directors

FROM: Mitch Sears, Executive Officer
Rebecca Boyles, Director of Customer Care and Marketing

SUBJECT: Resumption of Opt-Out Fees

DATE: June 9, 2022

RECOMMENDATION

Resume opt-out fees beginning July 1, 2022; \$5 residential accounts and \$25 non-residential accounts. CARE/FERA (low-income) customers are exempt from fees and the Customer Care team will have the ability to waive fees if the fee is a hardship for the customer.

BACKGROUND and ANALYSIS

Opt-out fees are intended to partially offset the administrative cost of processing opt-out requests, and most CCAs have implemented them. From 2018-2020, the Board approved deferment of VCE's customer opt-out fees (\$5 for residential and \$25 for non-residential). Staff is recommending the resumption of opt-out fees as VCE opt-out rates have stabilized and the fee is small. Note: low-income customers (CARE/FERA) are exempt from the fees, and the Customer Care team has the ability to waive the opt-out fee if it represents a financial hardship for non-low-income customers.

Should there be considerable customer concern about the fees in Q3 (i.e. over 20% of opt-outs citing it as a concern during their opt-out process), staff will revisit waiving opt-out fees in Q4 2022.