

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 14

To: Valley Clean Energy Alliance Board of Directors

From: Mitch Sears, Interim General Manager
Shawn Marshall, LEAN Energy US

Subject: Regulatory & Legislative Update

Date: February 8, 2018

RECOMMENDATION: Receive regulatory and legislative report.

BACKGROUND & DISCUSSION:

Participation in CCA regulatory and legislative affairs is a critical aspect of VCEA's long-term planning, operations, and risk management strategy that will grow in importance as VCEA draws closer to program launch. At present, LEAN Energy is providing regulatory monitoring and reporting on key regulatory issues affecting emergent CCAs. Cal-CCA, a statewide trade association of which VCEA is now a full member, participates in regulatory proceedings and also provides coordinated legislative support in Sacramento.

Regulatory Report

Attached please find LEAN's most recent regulatory report (dated February 2, 2018) which provides a summary overview and several links to supporting documents regarding key regulatory issues currently before the CPUC. Of particular note is **Draft Resolution E-4907** which proposes a registration and implementation plan process for CCA programs, including requirements on Resource Adequacy forecasting. Staff will be attending a CA Public Utilities Commission voting meeting on this matter on February 8th and will be available to report on results if the Board wishes an update.

In addition, on January 30th, the joint utilities filed a **Petition for Modification of the CCA Code of Conduct** adopted by Senate Bill 790 in 2011. The petition seeks to lift current limitations on utility 'lobbying' against CCA programs, which is broadly defined as communicating with public officials or the public for the purpose of convincing a government agency not to participate in or to withdraw from a CCA program. The Joint Utilities claim that the current restriction is inhibiting their ability to provide timely and effective information to local governments on CCA formation decisions. Responses to the petition for modification are due on March 1. Cal-CCA, LEAN and others will be filing responses urging the Commission not to consider the petition as other options already exist for utility marketing and communication efforts.

Legislative Report

Staff will forward Cal-CCA 2018 legislative priorities when they are received.

Attachments:

LEAN Energy US January/February 2018 Regulatory Report
Cal-CCA Quarterly Newsletter

To: LEAN Energy Clients:
Coachella Valley Association of Governments
East Bay Community Energy
Monterey Bay Community Power
Valley Clean Energy Alliance
Western Riverside Council of Governments

From: Shawn Marshall, Executive Director, LEAN Energy US

Date: February 2, 2018

Subject: Regulatory Update #19, January/February 2018

Each month, LEAN focuses on regulatory activities likely to have broad impact on the Community Choice Aggregation (CCA) community and emergent CCA programs. This memo provides an update on key developments at the California Public Utilities Commission (CPUC) and California Energy Commission (CEC) in the past month.¹

CCA-SPECIFIC ACTIVITY

Draft Resolution E-4907

On December 8, the CPUC issued [Draft Resolution E-4907](#), (DR) which proposes a registration and implementation plan process for CCA programs, including requirements on Resource Adequacy (RA) forecasting. This DR would in effect delay until 2020 the launch of any CCA program that has not submitted an Implementation Plan as of December 8, 2017. On December 21, CalCCA sent a [letter](#) to Commissioner Randolph requesting that the DR be withdrawn, and that the issues instead be included in the RA proceeding. A number of other parties sent similar letters (See [Western Riverside Council of Governments \(WRCOG\)](#), [Los Angeles Community Choice Energy](#), [San Diego Community Choice Alliance](#) and [Desert Community Energy \(aka Coachella Valley Association of Governments\)](#)). On December 29, Southern California Edison Company (SCE), Pacific Gas & Electric Company (PG&E) and San Diego Gas & Electric Company (SDG&E) (the Joint Utilities) [responded](#) to these letters. On January 2, LEAN sent a [Letter](#) echoing support for California Community Choice Association (CalCCA), WRCOG and Desert Community Energy.

Recent Activity:

- January 11: Opening Comments on the DR. (See [Joint Utilities](#), [CalCCA](#) and [Folder](#) of all comments.)
- January 18: Reply Comments on the DR. (See [Joint Utilities](#), [CalCCA](#) and [Folder](#) of all reply comments.)

¹ This monthly memo is designed to provide LEAN's clients with a current snapshot of key regulatory activities related to CCA in order to help them make informed decisions about whether and how to engage in regulatory processes during their program formation and early operations. This monthly report is not a comprehensive inventory of regulatory and statutory requirements impacting operational CCAs. Regulatory and statutory compliance requires a more comprehensive inventory than the subset of activities described herein, and must be tailored to the specific circumstances of each CCA program.

Next Steps:

- February 8: CPUC Voting Meeting considering DR E-4907.

Petition for Modification of the CCA Code of Conduct

On January 30, 2018, the Joint Utilities filed a [Petition for Modification](#) of CPUC [Decision 12-12-036](#), which adopted the CCA Code of Conduct as required by Senate Bill (SB) 790 (2011). The Joint Utilities request that the CCA Code of Conduct be modified to eliminate the current limitation imposed on utilities to refrain from “lobbying” against CCA programs, which is broadly defined as communicating with public officials or the public for the purpose of convincing a government agency not to participate in or to withdraw from a CCA program. The Joint Utilities claim that the current restriction is inhibiting their ability to provide timely and effective information to local governments on CCA formation decisions.

Responses to the petition for modification are due on March 1.

CPUC REGULATORY CASE DEVELOPMENTS**Power Charge Indifference Adjustment (PCIA) Rulemaking Proceeding****To Do:**

LEAN is monitoring developments in the [PCIA Rulemaking Proceeding](#).

Background:

As previously reported, the topics for consideration in the PCIA rulemaking include:

- Improving the transparency of the existing PCIA process;
- Revising the current PCIA methodology to increase stability and certainty;
- Reviewing specific issues related to inputs and calculations for the current PCIA methodology;
- Considering alternatives to the PCIA;
- Senate Bill (SB) 350 considerations on the treatment of bundled retail customers and departing load customers;
- Status of PCIA exemptions for California Alternate Rate for Energy (CARE) and Medical Baseline (MB) customers.

On September 25, a [Scoping Memo](#) established two Tracks of the PCIA Rulemaking proceeding. Track 1 will address exemptions from the PCIA for customers participating in the CARE and MB programs. Track 2 will consider alternatives to the current PCIA methodology, with initial emphasis placed on how to get proper access to PCIA data through a protective order.

Track 1 – PCIA Exemption Recent Activity:

- There are currently ongoing procedural and settlement discussions.
- A tentative settlement has been reached with PG&E on phase out of the exemption; SCE is moving forward to briefing.

Next Steps:

- February 20/March 13: Opening/Reply Briefs on Track 1 issues for SCE (as revised by [ALJ Ruling](#)).

Track 2 – PCIA Methodology Recent Activity:

- October 23: [Joint Report](#) described the areas of consensus and remaining open issues resulting from the meet and confer process (which addressed availability of procurement data).
- December 5/December 6: Continuation of “PCIA Workshop 1” took place in Irwindale ([SCE Presentation](#)) and San Diego ([See SDG&E Presentation](#)).
- December 8: [Supplemental Joint Report](#) submitted; it addresses the results of the additional meet and confer efforts undertaken since the initial Joint Report.
- December 20: [Ruling](#) approving the consensus data access proposal issued in response to the Supplemental Joint Report.
- January 16-17: [PCIA Workshop 2](#). (See [Agenda](#), [Presentations](#), and [Video](#).)

Next Steps:

- January 31: Status update on next steps.
- March 12: Opening testimony due.

Integrated Resource Planning (IRP)

To Do:

LEAN is monitoring [this proceeding](#) and considering forming a working group to address CCA IRP issues.

Background:

This rulemaking proceeding is addressing the new IRP requirements associated with SB 350, as well as long-term procurement planning (LTTP) policies.

On May 16, the Energy Division issued [their proposal](#) on the IRP planning process. As previously reported, it appears that the Energy Division is proposing a prescriptive approach with respect to the IRP process, with significant requirements on Community Choice Aggregators serving 700 GWh or more per year in electric load. Community Choice Aggregators serving less than 700 GWh per year will likely be subjected to far fewer requirements. The following are summaries of parties’ [opening comments](#), submitted on June 28, and [reply comments](#), submitted on July 12.

On September 19, a [Ruling](#) was issued distributing a proposed Reference System Plan (RSP) (See [Summary](#) of Ruling). On September 25-26, a workshop took place providing preliminary feedback on the Proposed RSP of the IRP process (See [Agenda/Presentation](#), and [Summary](#).)

On October 26, Opening Comments were filed on the the Proposed RSP ([CalCCA comments](#), [General Summary](#) and [Question Summary](#)). On November 2, there was an all-Party meeting on the proposed IRP process and RSP (See [Presentation](#) and [Summary](#)). On November 9, parties filed Reply comments on the Proposed RSP ([CalCCA Reply Comments](#) and [Summary of all Reply Comments](#)).

Recent Activity:

- December 28: Assigned Commissioner (Randolph) issued a [Proposed Decision](#) (PD) setting requirements for CCA programs and other load-serving entities’ IRPs and adopting a two-year planning cycle for the CPUC to consider IRP filings. (See [Initial Summary and Recommendation](#).) As written, the PD minimizes the role of local CCA governing boards in approving IRPs, and elevates the CPUC’s role over such IRPs.
- January 17: Parties filed Opening Comments on the PD ([CalCCA](#), [SCE](#) and [Folder](#) of all Opening Comments.)

- January 22: Parties filed Reply Comments on the PD ([CalCCA comments](#)).

Next Steps:

- June 1: IRP filings by individual CCAs.

CCA Bond Requirements

To Do:

No change since last month. LEAN will continue to monitor [this proceeding](#).

Background:

This rulemaking proceeding was originally opened in 2003 to implement the CCA enabling statute (Assembly Bill (AB) 117). However, this rulemaking proceeding is now simply focused on the methodology for setting the CCA Bond, which is intended to cover the costs of involuntary re-entry fees of CCA customers to bundled investor-owned utility (IOU) service. Opening testimony was submitted on July 28. (See [CalCCA Testimony](#) and [CalCCA Appendices to Testimony](#); [Marin Clean Energy \(MCE\) Opening Testimony](#) and [MCE Appendices](#); [Joint Utilities Testimony](#)).

The Joint Utilities served [rebuttal testimony](#) on August 25. CalCCA also served [rebuttal testimony](#) on August 25. On September 18, [CalCCA](#) and [Joint Utilities](#) provided comments noting that evidentiary hearings are necessary.

Recent Activity:

- November 6: Opening Briefs ([Joint IOUs](#) and [CalCCA](#)).
- November 20: Reply Briefs ([Joint IOUs](#) and [CalCCA](#)).

Next Steps:

- Issuance of a Proposed Decision is expected in first quarter 2018.

PG&E 2018 Energy Resource Recovery Account (ERRA) Proceeding / SCE 2018 ERRA Proceeding

To Do:

Both the [PG&E ERRA Proceeding](#) and the [SCE ERRA Proceeding](#) have concluded with final decisions. LEAN will continue to monitor any developments.

Background:

In the [Consolidated ERRA Proceeding](#), the CPUC considered whether to end the PCIA for pre-2009 vintage customers and how to dispose of PG&E's negative PCIA balance. CCA interests sought to ensure that any positive treatment for pre-2009 vintages also applies to CCA-related vintages.

PG&E ERRA

- On June 1, PG&E submitted its [ERRA Testimony](#) for approval of its forecast 2018 ERRA revenue requirement. On August 4, a [Scoping Memo and Ruling](#) stated that the PCIA rulemaking, not ERRA proceedings, is the proper forum to discuss policy issues, such as changing existing methods of calculation that are applicable to all IOUs.

SCE ERRA

- On May 1, SCE submitted its [Testimony](#) for approval of its forecast 2018 ERRA revenue requirement. The California Choice Energy Authority (CCEA) is actively participating in this proceeding on behalf of Lancaster and other southern California cities. On August 24, the active parties in the proceeding, including CCEA, filed a [Stipulation](#) on issues to be addressed in the proceeding regarding SCE's proposed PCIA, with particular focus on the lack of meaningful oversight of SCE's PCIA calculation (and resulting errors that can occur).

Recent Activity:

PG&E

- January 2: Comments on Proposed Decision: [CCA Parties](#) and [PG&E](#).
- January 11: Final Decision ([D.18-01-009](#)) adopted.

SCE

- December 14: Final decision adopted ([D. 17-12-018](#)).
- December 21: [Advice Letter 3720-E](#) implementing ERRA forecast revenue requirement in accordance with D.17-12-018.

Renewables Portfolio Standard (RPS)-Procurement Plans

To Do:

A final decision was adopted in [this proceeding](#). LEAN will continue to monitor any developments.

Background:

This rulemaking proceeding addresses ongoing oversight of the RPS program, including review of procurement plans and reporting on RPS progress. The following CCA-related RPS Procurement Plans were submitted July 21:

- [Apple Valley Choice Energy](#)
- [Lancaster Choice Energy \(LCE\)](#)
- [Silicon Valley Clean Energy \(SVCE\)](#)
- [MCE](#)
- [Peninsula Clean Energy \(PCE\)](#)
- [Pico Rivera Innovative Municipal Energy \(PRIME\)](#)
- [Redwood Coast Energy Authority \(RCEA\)](#)
- [SCP](#)

On September 22, [Apple Valley Choice Energy](#), [PRIME](#), [SVCE](#) and [LCE](#) submitted Updated 2017 RPS Procurements Plans. On November 1, several CCAs submitted supplemental compliance documents. On November 14, a [Proposed Decision](#) was issued, approving all of the submitted CCA RPS procurement plans. On December 4, comments were filed on the PD by [PG&E](#), [SCE](#), and [CCA Parties](#) (LCE, MCE, RCEA, SVCE, SCP). On December 11, Reply Comments were filed. (See [PG&E](#) and [Summary of Reply Comments](#).) On December 12, the [Agenda Redline Decision](#) accepted CCA Parties' request on the submission date for new CCAs. On December 14, the Commission adopted the Final Decision ([D.17-12-007](#)).

Recent Activity:

- On January 11 [PG&E](#), [Monterey Bay Community Power Authority](#) and [San Jacinto Power](#) filed 2017 RPS Procurement Plans, followed on January 31 by [Rancho Mirage](#).

Resource Adequacy (RA) Rulemaking

To Do:

A [Scoping Memo](#) was recently issued in this [RA Rulemaking Proceeding](#). LEAN will monitor developments.

Background:

The CPUC regularly considers RA-related matters in a rulemaking proceeding. This proceeding was instituted in September 2017, and on January 18, 2018 a Scoping Memo was issued. Among other things, RA-related issues associated with CCA load migration will be addressed in a decision by June 1, 2018.

Recent Activity:

- January 30: Comments of [CCA Parties](#), [PG&E](#), [LACCE/DCE/WROCOG](#), and [CAISO](#) on Scoping Memo.

Next Steps:

- February 16: RA proposals from parties, including proposal on how to address CCA load migration.

Green Tariff Shared Renewables (Green Tariff)

To Do:

LEAN will monitor developments.

Background:

The Green Tariff program was authorized in SB 43 (2013). The program allows the utilities an opportunity to offer optional Green Tariff rates for customers electing to receive a higher level of renewable energy. The CPUC approved the programs in D.15-01-051. In that decision, the CPUC set a termination date of January 1, 2019 and required the utilities to file advice letters to extend the programs. On December 22, PG&E filed [AL 5206-E](#) proposing modifications to its Green Tariff program, and SCE filed [AL 3722-E](#), proposing to terminate its Green Tariff program due to low subscription rates. (See PG&E's [2016 Annual GTSR Report](#) and SCE's [Annual GTSR Progress Report](#).)

Recent Activity:

-

Next Steps:

- February 2: Protests to the IOUs' advice letters are due.
- February 21: Annual Green Tariff program forum.

PG&E's Diablo Canyon Power Plant Closure

To Do:

A final decision was adopted in [this proceeding](#). LEAN will continue to monitor any related developments.

Background:

On June 20, 2016, PG&E and other parties distributed a [Joint Proposal](#) governing the closure of Diablo Canyon and replacement of Diablo Canyon with a greenhouse gas (GHG) free portfolio of energy efficiency, renewables, and energy storage that includes a 55 percent RPS commitment by 2031.

On November 8, a [Proposed Decision](#) was issued, approving retirement and \$190.4 million in certain rate recovery for costs, but otherwise denying PG&E's various requests (including authorization to procure additional energy efficiency (EE) and renewable resources, and authorization to provide community and other benefits). Certain CCAs joined with other intervenors in supporting the PD. (See [Notice](#) and [Slides](#).) On November 29 [PG&E](#), [Joint Intervenors](#), [SVCE](#), [PCE](#), and [City and County of San Francisco \(CCSF\)](#) filed Opening Comments on the PD. On December 4, [PG&E](#), [Joint Intervenors](#), and [CCSF](#) filed Reply Comments on the PD.

Recent Activity:

- January 11: Commission approves [D.18-01-022. \(Redline Version\)](#). The only issue revised was additional funding (\$241.2 million) for employee retention.
- January 16: Green Nuclear Power filed an [Application for Rehearing](#), asserting the decision is premature and violates the law.

SDG&E's Request to Establish a Marketing Affiliate (Advice Letter 2822-E) (CCA Code of Conduct)**To Do:**

No change since last month. LEAN will continue to monitor activity related to this matter.

Background:

On January 27, 2017 SDG&E filed a revised compliance plan, [Advice Letter 3035](#), for its Independent Marketing Division (IMD). On February 16, 2017 LEAN joined with other parties in [protesting](#) this latest advice letter. On April 6, 2017 the Energy Division issued a [Disposition Letter](#) approving AL 3035. On April 17, 2017 the CalCCA sent a [letter](#) to the Commission requesting full Commission review of the Disposition Letter, and reiterating an earlier request for an Order to Show Cause regarding lobbying activity that SDG&E/Sempra conducted before the Advice Letter was approved. CalCCA's request, however, does not suspend the effectiveness of the Energy Division's approval. CPUC staff indicated in a teleconference on July 24, 2017 that no formal action will be taken on the Order to Show Cause.

On a matter related to the CCA Code of Conduct, Cal Choice submitted a [Letter](#) to assigned Commissioners on September 25, 2017. The letter expressed concern for SCE's conduct in forming a coalition related to the PCIA. On September 28, SCE submitted a [Response](#).

Next Steps:

- The CPUC's Energy Division will prepare a draft resolution addressing CalCCA's request for full Commission review of the disposition letter. **This request is long overdue.**
- Separately, the CPUC's Legal Division is preparing a decision responding to SDG&E's application for rehearing of Resolution E-4874, which determined that SDG&E's IMD is also subject to the CPUC's affiliate transaction rules.

Tree Mortality Nonbypassable Charge (NBC)

To Do:

LEAN will continue monitoring [this proceeding](#).

Background:

On November 14, 2016, the Joint Utilities filed their proposal to establish a Tree Mortality NBC ([Testimony](#).) CalCCA filed a [Protest](#). On July 14, 2017 CalCCA filed a [motion](#) arguing that parties should be allowed to argue for different cost recovery treatment for costs that have been statutorily authorized, on the one hand, versus costs that have simply been authorized by the Commission. On December 12, there was an Informal Workshop on BioRAM NBC Mechanism IOU/CCA proposals. (See [Agenda](#), [CalCCA](#) and [IOUs](#) Presentations.)

Recent Activity:

- January 5: Initial settlement teleconference.

Next Steps:

- January: Expected ruling requesting submission of workshop presentations and comments on presentations.
- TBD: A Scoping Memo will be issued defining the scope of issues and procedural schedule.

Default Time of Use (TOU) and Marketing Education and Outreach (ME&O) Residential Rate Rulemaking

To Do:

LEAN will continue to monitor developments in [this proceeding](#).

Background:

On June 28, a [Draft Resolution](#) was issued on PG&E's *Pilot* Residential Rate TOU program. MCE and SCP are the only CCAs participating in PG&E's Pilot TOU program; all other CCAs are excluded from participation. On July 31, MCE and SCP submitted [comments](#) on the Draft Resolution, expressing concern about PG&E's lack of progress in providing a comparable bill-calculator for CCA customers. On August 10, a [Final Resolution](#) approved PG&E's Pilot Residential Rate TOU program. The resolution clarified that PG&E may recover costs necessary to provide CCA customers with rate comparisons for the default pilot entirely through distribution rates. However, the resolution declined to provide any direction regarding the appropriate method or cost recovery for creating a long term rate comparison tool solution for CCA customers. [This issue will be addressed in the Rate Design Window consolidated proceeding.](#)

On September 26, the CPUC submitted [Draft Resolution E-4882](#) addressing PG&E's ME&O on Residential *Default* TOU Rates. On October 30, [CCA parties](#) (MCE, SCP and SVCE) submitted a response to the Draft Resolution, arguing that CCA representatives should be involved in the development of marketing material. On December 14, the Commission approved PG&E's ME&O plan with [Final Resolution E-4882](#), which now recognizes the need for coordination with CCAs in ME&O efforts. On December 14, a final decision in ME&O rulemaking ([D.17-12-023](#)) expanded the existing Energy Upgrade California campaign and permits IOUs to switch customers to TOU rates in waves. (See [Redlined Version](#).)

Recent Activity – General Matters:

- January 5: [Draft Resolution 4895](#), approving SCE's ME&O Plan issued.
- January 29: [CCEA Comments](#) on Draft Resolution 4895.

Recent Activity – Filing of Utilities' Default TOU Applications:

- December 20: PG&E filed Rate Design Window (Default TOU) Application ([PG&E Application and Testimony](#)).
- December 21: SCE filed Rate Design Window (Default TOU) Application ([SCE Application and Testimony](#)).
- January 22: Protests/Responses to PG&E and SCE Applications
 - CCA Parties' [Protest](#) and East Bay Community Energy [Response](#) to PG&E
 - California Choice Energy Authority [Protest](#) to SCE.
- January 25: ALJ Tsen issued a [Ruling](#) consolidating the three Rate Design Window applications.
- February 1: Replies to Protests/Responses on Rate Design Window Applications.

Next Steps:

- February 21: The CPUC will conduct a [prehearing conference](#) at 10am.

CEC REGULATORY CASE DEVELOPMENTS

Implementation of AB 1110 – Power Source Disclosure

To Do:

LEAN is monitoring developments in this [CEC Proceeding](#). (See [OIR](#).)

Background:

This proceeding considers modifications to the Power Source Disclosure Program. Retail sellers, which includes CCAs, will be required to disclose both GHG emissions intensity of their respective electricity portfolios offered to customers and the CEC's calculation of GHG emissions intensity associated with all statewide sales. Retail sellers will also annually report other information to verify procurement claims and environmental claims made for the previous year. The CEC is required to adopt program guidelines by January 1, 2018. On June 27, CEC staff issued the [AB 1110 Implementation Proposal](#). Numerous parties have submitted comments on the proposal. On September 18, PCE submitted a fairly detailed set of [Comments](#).

Recent Activity:

- January 17: Release of [Revised AB 1110 Implementation Proposal](#) for Power Source Disclosure.

Next Steps:

- February 1: Staff Pre-Rulemaking [Workshop](#) on Updates to Power Source Disclosure.

Environmental Justice (EJ) and Disadvantaged Communities (DAC) Issues

To Do:

No update since last month. LEAN will monitor any developments related to the new DAC Advisory Group.

Background:

SB 350 requires that the CPUC and the CEC create a DAC Advisory Group (DACAG), which will assist the two Commissions in understanding how energy programs impact these communities. On July 31, the CPUC and the CEC provided notice of their [proposal](#) to establish the DACAG. (See [summary](#).) MCE filed [comments](#) on this proposal, arguing that CCAs and their representatives are uniquely positioned to communicate with and represent the DACs they serve, and therefore, that the DACAG should have at least one CCA community representative. On November 1, the CPUC released a [Draft Resolution](#) and a [Solicitation Letter](#) proposing to establish a charter for the DACAG. On December 13/14, the CEC/CPUC approved the DACAG charter (see CPUC [Resolution](#)).



Quarterly Update January 2018

California Community Choice Association (CalCCA) represents the interests of California's community choice electricity providers in the legislature and at state regulatory agencies.

Operational Members

Apple Valley Choice Energy	MCE	Redwood Coast Energy Authority
CleanPowerSF	Monterey Bay Community Power	San Jose Community Energy
East Bay Community Energy	Peninsula Clean Energy	Silicon Valley Clean Energy
Lancaster Choice Energy	Pico Rivera Innovative Municipal Energy	Sonoma Clean Power
Los Angeles Community Choice Energy	Pioneer Community Energy	

Affiliate Members

Central Coast Power	City of San Jacinto	Valley Clean Energy Alliance
City of Corona	City of Solana Beach	Western Riverside Council of Governments
City of Hermosa Beach	Desert Community Energy	
City of Industry		

Apple Valley Choice Energy (AVCE)

Launched in April 2017, AVCE serves ~28,000 customers in the Town of Apple Valley, located in San Bernardino County. AVCE offers CoreChoice 35% renewable and MoreChoice 50% renewable energy service.

CleanPowerSF

Launched in 2016, CleanPowerSF serves ~82,000 customers in San Francisco. CleanPowerSF offers Green 40% renewable and SuperGreen 100% Green-e certified renewable energy service.

Large Enrollment in 2018

In preparation for enrollment of 100,000+ accounts in July 2018, outreach is underway throughout San Francisco to residential and commercial customers.

SFPUC to Celebrate 100 Years of Clean Energy

Watch sfwater.org for news, and educational opportunities to celebrate the Hetch Hetchy Power System's centennial anniversary!

East Bay Community Energy (EBCE)

EBCE will serve 11 cities in Alameda County including Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Oakland, Piedmont, San Leandro, and Union City.

Service Launching June 2018

EBCE will begin Phase 1 enrollments in June 2018 for most municipal and commercial accounts. Residential enrollment will occur in late fall 2018.

Lancaster Choice Energy (LCE)

Launched in 2015, LCE services ~55,000 customers in Lancaster, located in north Los Angeles County. LCE offers ClearChoice 35% renewable and SmartChoice 100% renewable energy service, with approximately half of its customers eligible for low-income energy programs. Lancaster is aiming to be the nation's first zero net energy city.

Constructing EV Station Infrastructure for All-Electric Vanpool Project

Lancaster, partnering with Antelope Valley Transportation Authority (AVTA), Antelope Valley Air Quality Management District, and Green Commuter, will install a series of Level II and Level III EV charging stations at public parking facilities as part of an effort to introduce an all-electric vanpool and car sharing/fleet replacement program to the Antelope Valley. Working with Green Commuter, AVTA plans to activate ten electric vanpool vehicles that will be made available to residents of AVTA's service area who commute to jobs throughout the Antelope Valley and LA Basin.

Rooftop Solar Customers Receive ~\$75,000 in Annual Rebates

In October 2017, Lancaster completed its second annual true-up process for Net Energy Metered customers, who benefit from lower monthly bills, issuing approximately \$75,000 in rebates.

Los Angeles Community Choice Energy (LACCE)

LACCE will serve 24 communities including Agoura Hills, Alhambra, Arcadia, Beverly Hills, Calabasas, Carson, Claremont, Culver City, Downey, Hawaiian Gardens, Hawthorne, LA County, Malibu, Manhattan Beach, Moorpark, Ojai, Paramount, Rolling Hills Estates, Santa Monica, Sierra Madre, South Pasadena, Ventura County, West Hollywood, Temple City, Thousand Oaks, and Whittier.

Service Launching February 2018

Service to County municipal buildings will begin in February, to business customers in June, and to residential customers in December.

MCE

Launched in 2010, MCE serves more than 255,000 customers in Marin County, Napa County, and the cities of Benicia, El Cerrito, Lafayette, Richmond, San Pablo and Walnut Creek. MCE offers Light Green 50% renewable and Deep Green 100% renewable energy service.

Training & Employing Local Workforce

Together FutureBuild, the City of Pittsburg, Calpine, AnswerNet and MCE hosted a job training to hire and employ local workers for a new call center. The Pittsburg Call Center is expected to bring 12 full-time customer service jobs to Contra Costa County.

MCE Solar One

In December 2017, MCE flipped the switch on MCE Solar One in Richmond. At 10.5 MW, and built with a 50% local hire requirement, the Bay Area's largest publicly-owned solar project is now supplying enough electricity for over 3,400 homes annually.

Monterey Bay Clean Power (MBCP)

Following a multi-year region-wide formation effort in Santa Cruz, Monterey, and San Benito Counties, MBCP will begin serving commercial customers March 1, 2018 and residential customers July 1, 2018. MBCP will offer three 100% carbon-free energy service options for customers.

- MBchoice, the primary service for automatic enrollment, provides a 3% rebate to customers on generation charges.
- MBgreen+ directs the 3% rebate to invest in the build-out of new, local renewables.
- MBshare directs the 3% rebate to fund local programs serving low-income ratepayers and/or nonprofit greenhouse gas reduction.

Peninsula Clean Energy (PCE)

Launched in October 2016, PCE serves ~290,000 customers throughout San Mateo County, including all 20 cities and unincorporated areas. PCE offers ECOplus 50% renewable and ECO100 100% renewable energy service.

CEO Honored as Green Power Leader of the Year

At the Center for Resource Solutions and U.S. Environmental Protection Agency's 17th annual Green Power Leadership Awards, PCE's CEO Jan Pepper was honored as Green Power Leader of the Year, recognizing her outstanding leadership by leveraging her influence, power, position, or purchasing power to increase the prevalence of renewable energy.

PCE Customers Reduce Carbon Emissions While Saving Millions Annually

PCE expects to save customers ~\$17 million annually, maintaining a 5% discount compared to PG&E. After one year of county-wide operations, PCE's cleaner electricity is also expected to avoid 680 million pounds of greenhouse gas emissions, equivalent to avoiding the use of over 34 million gallons of gasoline. PCE's goal is to be 100% greenhouse gas free in 2021.

PCE's Fiscal House in Order

At its December 2017 Board meeting, PCE announced that it is now debt-free years ahead of schedule, having repaid its loans from San Mateo County as well as a \$3 million loan from Barclay's.

Green-e Certification

ECO100, PCE's 100% renewable energy choice, is now Green-e certified via the nonprofit Center for Resource Solutions' Green-e Energy program.

Pico Rivera Municipal Energy (PRIME)

Launched in September 2017, PRIME serves ~18,000 customers in the City of Pico Rivera, located in Los Angeles County. PRIME offers PRIME Power 50% renewable and PRIME Future 100% renewable energy service.

Healthy and Stable Operations

Since its launch in September 2017, PRIME's participation rate hovers around 96%, with the customer base consisting of all residential and municipal customers. Service for commercial customers will begin in May 2018.

Staffing Up!

PRIME is currently operating with two full-time staff members and the support of specialized consultants, and will be opening an analyst position to assist with program development and a holistic climate action plan for the City of Pico Rivera.

Pioneer Community Energy

Pioneer Community Energy is launching service in February 2018 to more than 80,000 customers in Placer County, Auburn, Colfax, Loomis, Lincoln, and Rocklin.

Rate Savings

On December 11, 2017, Pioneer's Board of Directors voted to set electricity rates at 3% below PG&E's rates, and to compensate solar customers at slightly higher rates, compared to PG&E, for surplus generation.

Redwood Coast Energy Authority (RCEA)

Launched in May 2017, RCEA serves ~61,000 customers in Humboldt County and the cities of Eureka, Arcata, Fortuna, Ferndale, Blue Lake, Rio Dell, and Trinidad. RCEA offers REpower 40% renewable and REpower+ 100% renewable energy service.

Financial Benefits

RCEA retained approximately \$10 million in Humboldt County in 2017 through local spending, reserve building, and rate savings.

Electric Vehicle (EV) Program

674 EV drivers are on RCEA's residential EV electricity rate, and RCEA operates 14 public EV charging sites that provided 2,535 charging sessions to drivers in 2017. All of its EV charging meters are opted up to 100% renewable energy.

Demand Side Management

In partnership with PG&E, RCEA worked with customers to complete 425 retrofits, resulting in more than \$0.5 million in annual customer savings, and provided over \$380,000 in incentives. RCEA's work with schools resulted in approximately 70 energy projects completed in 2017, funded by Proposition 39.

Silicon Valley Clean Energy (SVCE)

Launched in April 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 the unincorporated parts of Santa Clara County.

New CEO

The SVCE Board of Directors has appointed Girish Balachandran as the new CEO to lead the agency. Balachandran has more than 28 years of experience in California utilities, most recently serving as the General Manager of Riverside Public Utilities.

The City of Milpitas Joins SVCE

The Milpitas City Council, the last CCA-eligible city in Santa Clara County, voted unanimously to join SVCE in November 2017. Based on projected electricity load, the City of Milpitas will reduce greenhouse gas emissions by ~115,000 metric tons of CO₂e annually, exceeding the Milpitas 2020 Climate Action Plan goals and saving the community ~\$640,000 on electric bills, based on current rates. The addition of ~25,000 Milpitas customers is expected to increase SVCE's current load by 640 gigawatt-hours.

Establishment of Customer Program Advisory Group

SVCE is eager to return value to its customers through programs for demand management, efficiency, and fuel switching to clean electricity. Commissioned by SVCE's Board of Directors and staff to gather community input throughout the customer program goal-setting and design process, the advisory group is chartered to: serve as a conduit for community input and review of prospective residential customer programs; prioritize and recommend candidate programs through quantitative analysis; consider residential customer program recommendations through qualitative analysis; and communicate and promote Board-adopted programs.

Sonoma Clean Power (SCP)

Launched in 2014, SCP serves ~600,000 customers in Sonoma and Mendocino counties. SCP offers CleanStart 42% renewable/90% carbon-free and EverGreen 100% local, renewable energy service.

Wildfire Recovery Efforts Underway

SCP has formed a Board Ad Hoc Committee to disburse \$1 million in fire relief efforts, offering assistance to Mendocino County and working with Sonoma County and Santa Rosa on early recovery efforts, including permitting issues and the possibility of obtaining funding for homes to improve fire safety by eliminating natural gas and complying with the 2020 state code mandate early.

Drive EverGreen Program 2.0 Completed

On November 30, 2017 the Drive EverGreen 2.0 program came to a close. The extension of one month, following the wildfires, helped

double the numbers of electric vehicles (EVs) put on the roads. Preliminary numbers indicate that 565 EVs were leased or sold during the program (adding to the 206 vehicles discounted in the 2016 pilot program).

Statewide and Affiliate Member Updates

CCAs are forming in over 80 jurisdictions across California. The map below highlights the service areas of fully operational CCAs as well as jurisdictions considering joining a CCA or creating their own.

Valley Clean Energy Alliance (VCEA) | Davis, Woodland, Yolo County

VCEA is on track to launch service to all customers within the cities of Davis, Woodland and unincorporated areas of Yolo County in June 2018.

Desert Community Energy (DCE) | Palm Springs, Palm Desert and Cathedral Springs

DCE was formed by the Coachella Valley Association of Governments. Pending CPUC certification of its Implementation Plan, DCE plans to begin serving customers in June 2018.

City of Solana Beach

Pending CPUC certification of its Implementation Plan, DCE Solana Beach plans to begin serving customers in June 2018.

CALIFORNIA CCAs

