

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 6

To: Valley Clean Energy Alliance Board of Directors

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

Subject: Regulatory & Legislative Update

Date: April 25, 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 full operations. 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. Once the contract with Keyes & Fox, VCEA's regulatory counsel, commences we anticipate that most or all of the regulatory monitoring and action items will shift to their service contract.

Regulatory Priorities

Attached please find LEAN's most recent regulatory report (dated April 4, 2018) which provides a summary overview and several links to supporting documents regarding key regulatory issues currently before the CPUC. Priority issues discussed in that report include:

- Resolution E-4907 and Resource Adequacy Rulemaking
- Joint Utilities' Petition to modify Code of Conduct (SB 790)
- PCIA Rulemaking (2 tracks)
- Integrated Resource Planning
- Time of Use (TOU) Pilots and Applications
- RPS Procurement Plans
- Implementation of AB 1110 – Power Source Disclosures

Legislative Priorities

Shalini Swaroop, Policy Director at MCE and a member of the Cal-CCA legislative committee, recently reported on 5 bills that are on the Cal-CCA watch list. As of now, CCAs are not sponsoring any legislation in the 2018 session, but will remain engaged in these and other bills.

- AB 2208 (Aguiar-Curry) – Baseload in RPS
- SB 1135 (Hertzberg) – New Resource Adequacy Rules
- AB 2693 (Quirk) – Natural Gas Cost Recovery

- AB 2726 (Levine) – GHG Accounting Mechanisms
- SB 100 (De Leon) – 60% RPS in 2030, 100% Carbon-Free Grid in 2045

Cal-CCA is also actively engaged at the California Energy Commission regarding the implementation of AB 1110 (Ting) – GHG accounting and reporting methodology.

Attachments:

1. LEAN Energy US April 2018 Regulatory Report
2. Cal-CCA Quarterly Update



To: LEAN Energy Clients:
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: April 4, 2018

Subject: Regulatory Update #21, March /April 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

Final Resolution E-4907

On December 8, the CPUC issued [Draft Resolution E-4907](#), (DR) proposing a registration and implementation plan process for CCA programs, including requirements on Resource Adequacy (RA) forecasting. The DR would have, in effect, delayed until 2020 the launch of any CCA program that had not submitted an Implementation Plan as of December 8. In response to submitted comments, revisions were made to offer flexibility for CCA programs that wish to serve load in 2019, but had not submitted an Implementation Plan as of December 8, 2017.

On February 8, the Commission approved [Final Resolution E-4907](#). The Energy Division gave a [presentation](#) at the Commission Voting Meeting to explain the purpose, requirements and revisions to Resolution E-4907. In sum, the Resolution requires that all CCA programs meet the same forecasting and contracting process for RA as all other Load Serving Entities (LSEs) prior to serving new customers. Energy Division claims the Resolution serves two major purposes: (1) to ensure that CCA programs are incorporated into the annual RA process when they launch or expand (to help avoid cost-shifting); and (2) to satisfy an outstanding order in D. 05-12-041, which required a process on how to submit implementation plans for CCAs and obtain registration for RA. Energy Division states publication of this process will provide needed clarity to prospective communities about how to submit Implementation Plans and obtain registration.

The Final Resolution grandfathers all CCA programs that submitted implementation plans prior to December 8, 2017. Additionally, the Resolution also includes the Energy Division’s plan to process CCA implementation plans submitted by March 1, 2018, within 45 days (which is half the statutory mandate of 90 days.) For CCAs that weren’t grandfathered under either of these options, and want to serve load in 2019, there is a waiver process with two options:

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.

1. The CCA can negotiate with the investor-owned utility (IOU) to buy RA needed to serve their load.
2. If the CCA is not able to buy the RA from the IOU, the CCA can submit a letter to the CPUC, and the RA will be assigned at a CPUC determined price.

Recent Activity:

- March 12: The City and County of San Francisco (CCSF) filed an [Application for Rehearing \(A. 18-03-005\)](#).
- March 27: Joint IOUs' [Response](#) to CCSF's Application.

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 were filed on March 1. (See [CalCCA Response](#), [WRCOG-LACCE-DCE Response](#), [Other Responses](#).)

Recent Activity:

- March 12: [Reply Comments](#) of Joint IOUs addressing other parties' responses.

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](#) is addressing exemptions from the PCIA for customers participating in the CARE and MB programs (PCIA Exemption). As previously reported, a tentative settlement has been reached with PG&E on phase out of the exemption, while SCE moved forward to briefing as noted below. [Track 2](#) is considering alternatives to the current PCIA methodology, with initial emphasis placed on how to get proper access to PCIA data through a protective order. On January 16-17, PCIA Workshop 2 took place. (See [Agenda](#), [Presentations](#), and [Video](#).) On February 20, Opening Briefs were filed on SCE Track 1 Issues. (See: [SCE](#), [CCEA](#), [CforAT](#), [ORA](#), [LACCE/DCE/WRCOG](#)). On March 2, an [Amended Scoping Memo](#) was issued.

Recent Activity:

Track 1 – PCIA Exemption

- March 13: Reply Briefs on Track 1 issues for SCE. (See [Reply Brief Folder](#).)
- March 28: PG&E filed a [Motion](#) seeking approval of a settlement agreement regarding the PCIA Exemption.
 - PCIA Exemption will apply to CCA customers that receive service prior to the date PG&E first starts phasing-out the PCIA Exemption (probably 2019).
 - Phase-out will occur over a 4-year period in equally increments (e.g., 25% PCIA in 2020, 50% PCIA in 2021, 75% PCIA in 2022, and 100% PCIA in 2023).

Track 2 – PCIA Successor

- April 2: Direct Testimony: ([CalCCA Testimony](#) and [Joint IOUs](#)). (See [Combined Folder](#) of all Testimony.)
 - [CalCCA Press Release](#); [CalCCA Testimony Fact Sheet](#).

Next Steps:

- April 23: Concurrent rebuttal testimony served.
- May 7-11: Evidentiary Hearings.
- June 1: Concurrent Opening Briefs/ Request for Final Oral Argument Filed and Served.
- June 15: Concurrent Reply Briefs.
- Late July 2018: Proposed Decision mailed for comment.

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 addressed the new IRP requirements associated with SB 350, as well as long-term procurement planning (LTPP) policies. On May 16, the Energy Division issued [their proposal](#) on the IRP planning process. As previously reported, the Energy Division proposed a prescriptive approach, 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 be subjected to fewer requirements.

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 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](#)).

On December 28, Assigned Commissioner (Randolph) issued a [Proposed Decision](#) (PD) setting requirements for CCA programs and other LSEs' IRPs and adopting a two-year planning cycle for the CPUC to consider IRP filings. (See [Initial Summary and Recommendation](#).) As written, the PD minimized the role of local CCA governing boards in approving IRPs and elevated the CPUC's role over such IRPs. On January 17, Parties filed Opening Comments on the PD ([CalCCA](#), [SCE](#) and [Folder](#) of all Opening Comments.) On January 22, Parties filed Reply Comments on the PD ([CalCCA comments](#)).

On February 8, the CPUC approved [D.18-02-018](#) (see [Redline PD](#)). Of note, the decision moves the first IRP submittal date from June 1 to August 1, 2018. The decision also acknowledges a certain degree of distinction and separation between the CPUC and local governing boards, but does not go as far as CalCCA had requested. The decision also clarified that any CCA that has an approved implementation plan as of the scheduled IRP filing date should be required to file an IRP, even if it is not yet serving load. The decision maintained the “Alternative” Plan approach for CCAS serving less than 700 GWh per year in load, but added a number of additional requirements for these IRP submittals (see [D.18-02-018](#) at 135).

On February 28, several parties (including PG&E and Natural Resources Defense Council) jointly filed a [Petition for Modification](#) seeking to modify D.18-02-018 to authorize greenhouse gas-free procurement to replace Diablo Canyon.

Recent Activity:

- March 30: Response of [CalCCA](#) asking that the Petition for Modification be rejected. (See [Other Parties Responses](#))

Next Steps:

- August 1: IRP filings by individual CCAs.

CCA Bond Requirements

To Do:

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 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. Opening Briefs were filed on November 6 ([Joint IOUs](#) and [CalCCA](#)) and Reply Briefs were filed on November 20. ([Joint IOUs](#) and [CalCCA](#)).

Recent Activity:

- March 15: East Bay Community Energy filed a [Motion for Party Status](#).

Next Steps:

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

Resource Adequacy (RA) Rulemaking

To Do:

LEAN will monitor developments in this [RA Rulemaking Proceeding](#).

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.

On January 30, parties filed comments on the Scoping Memo (see comments of [CCA Parties](#), [PG&E](#), [LACCE/DCE/WROCOG](#), and [CAISO](#)). On February 16, RA proposals were filed (See [Energy Division](#), [CCA Parties](#), [SCE](#), [PG&E](#) and [Folder](#) of all Proposals.) A workshop to discuss these proposals took place on February 22-23. (See [Agenda](#), [ED Presentation](#) and [Email Ruling](#) noting issues for comment.)

Recent Activity:

- March 7: Comments of [CCA Parties](#), [PG&E](#), and [SCE](#) on Track 1 Proposals and Workshop. (See [Folder](#) with all).
- March 16: Reply Comments of [CCA Parties](#), [PG&E](#), and [SCE](#). (See [Folder](#) with all reply comments).

Next Steps:

- May 2018: Proposed Decision on Track 1 Proposals.
- June 2018: Final Decision on Track 1 Proposals.

Residential Rates, Default Time of Use (TOU), and Marketing Education and Outreach (ME&O)

To Do:

LEAN will monitor developments in the [Residential Rate Rulemaking](#) and [Rate Design Window Applications](#).

Residential Rate TOU-Pilots

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-comparison tool for CCA customers. On August 10, a [Final Resolution](#) approved PG&E's Residential Rate TOU Pilot 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 is expected to be addressed in the consolidated Rate Design Window proceeding (addressed below).

Residential Default TOU-ME&O

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 ([D.17-12-023](#)) was issued in the residential rate rulemaking on statewide ME&O. This decision expands the existing Energy Upgrade California campaign and permits IOUs to switch customers to TOU rates in waves. (See [Redlined Version](#).)

On January 5, the Commission issued [Draft Resolution 4895](#), approving SCE's ME&O Plan for Residential *Default* TOU Rates; CCEA submitted [Comments](#) on the DR. On February 8, the Commission approved [Final Resolution E-4895](#). The resolution requires SCE to file a Tier 2 advice letter to provide a proposal describing how it intends to engage with CCAs in its service territory regarding the development of default TOU ME&O materials.

Default TOU- IOU Applications

On December 20, PG&E filed its Rate Design Window (Default TOU) Application ([PG&E Application and Testimony](#)). On December 21, SCE filed its Rate Design Window (Default TOU) Application ([SCE Application and Testimony](#)). On January 22, parties filed Protests/Responses to the applications. (See CCA Parties' [Protest](#) to PG&E and East Bay Community Energy [Response](#) to PG&E; see CCEA [Protest](#) to SCE). On January 25, ALJ Tsen issued a [Ruling](#) consolidating the three IOU Rate Design Window applications ([PG&E - A.17-12-011](#), [SCE - A.17-12-012](#), [SDG&E - A.17-12-013](#)). On February 14, a joint [Prehearing Conference Statement](#) was filed, and a [Prehearing Conference](#) was held on February 21. On February 23, the CCA Parties' and CCEA filed a [Supplemental Prehearing Conference Statement](#), further arguing that the issue of cost allocation is within the scope of the proceeding. On March 1, a [Scoping Memo](#) was issued for Phase 1 (which will address SCE's and PG&E's requests to delay roll-out until late-2020).

Recent Activity:

- March 12: Opening Comments on Phase 1 regarding timing for roll-out ([PG&E](#), [SCE](#), [SDG&E](#), [ORA](#), [EDF](#), [CFC](#)).
- March 19: Reply Comments on Phase 1 ([PG&E](#), [SCE](#), [SDG&E](#), [CforAT](#), [EDF](#), [CCA Parties](#), [UCAN](#)).
 - Most parties support a delayed roll-out of residential Default TOU for PG&E and SCE (October 2020).

Next Steps:

- April 10: ME&O Working Group Meeting to discuss a plan related to the rollout of default TOU rates. ([Notice](#))
- April 20: Expected issuance of Phase 1 Proposed Decision (on timing issues).
- April/May: Issuance of subsequent scoping memo on other (non-timing) issues.

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 CPUC adopted the Final Decision ([D.17-12-007](#)).

Recent Activity:

- 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](#).
- **March 2: [Valley Clean Energy Alliance](#) filed its 2017 RPS Procurement Plan.**

Green Tariff Shared Renewables (Green Tariff or GTSR)

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](#).)

On February 2, protests were filed on IOU advice letters. (SCE AL 3722-E: [Joint Parties](#), the [Joint Solar Interests](#), [Clean Coalition](#), and [ORA](#); PG&E AL 5206-E: [CCA Parties](#), [CCSF](#), [ORA](#), [SEIA](#) and [CCSA](#)). On February 9, the IOUs filed replies to the protests ([SCE](#) and [PG&E](#)). On February 21, the Annual Green Tariff program forum took place (See [Agenda](#) and [Presentation](#).)

Recent Activity:

- **March 15: PG&E [2017 Annual Progress GTSR Report](#) and SCE [Annual GTSR Progress Report](#).**

Next Steps:

- **[Disposition letter or draft resolution in response to PG&E and SCE advice letters.](#)**

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 CPUC 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 CPUC. On December 12, there was an Informal Workshop on BioRAM NBC Mechanism IOU/CCA proposals. (See [Agenda](#), [CalCCA](#) and [IOUs](#) Presentations.) An initial settlement teleconference took place on January 5.

Recent Activity:

- **March 14: [Ruling](#) denying CalCCA Motion to include consolidated cost recovery issue in scope of application.**

Next Steps:

- TBD: 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.

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](#). On January 17, the CEC released the [Revised AB 1110 Implementation Proposal](#) for Power Source Disclosure.

On February 1, there was a staff workshop on the updates to the Power Source Disclosure regulations (see [Notice](#), [Slides](#), and [Transcript](#)). On February 23, [parties filed comments on the Revised Proposal \(See CalCCA Comments and Joint Utility comments\)](#).

Recent Activity:

- [March 6: Comments of UC on Revised Proposal.](#)

Next Steps:

- CEC staff continues to work on the AB 1110 Implementation Proposal. AB 1110 set a January 1, 2018 CEC adoption timeframe, with reporting of GHG intensity occurring after December 31, 2018, though this adoption timeframe may be extended.

CPUC/CEC – JOINT ACTIVITY

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

To Do:

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](#)); the CEC subsequently [approved](#) 10 members of the DACAG.

On a related note, on March 2, [CCEA submitted a Proposal to provide CCA support services in the San Joaquin Valley.](#)

Next Steps:

- [April 4: DACAG Meeting at CEC.](#)
- [April 6: Parties will file comments on CCEA's San Joaquin proposal](#)

Apple Valley Choice Energy (AVCE)

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

AVCE Celebrated One-Year Anniversary with Continued Rate Savings

Before it's launch, the Apple Valley Town Council adopted a rate schedule to ensure sufficient revenue to cover operating expenses and provide for reserves. AVCE customers continue to receive a minimum of 3% savings on the energy generation portion of their bill. In addition, residents that are in the CARE program receive approximately 13% savings on the energy generation rates and Net Energy Metering customers benefit by receiving more than double the credits currently provided by Southern California Edison.

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.

Citywide Enrollment & Education

In preparation to complete citywide enrollment by July 2019, CleanPowerSF is enrolling additional residential and commercial customers in July 2018 and April 2019. Outreach is underway to educate customers about the CleanPowerSF program.

Clean Power Alliance (CPA)

Launching in 2018, CPA will serve 31 communities including Agoura Hills, Alhambra, Arcadia, Beverly Hills, Calabasas, Camarillo, Carson, Claremont, Culver City, Downey, Hawaiian Gardens, Hawthorne, LA County, 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 County, West Hollywood, and Whittier.

New Name Adopted

Los Angeles Community Choice Energy Authority adopted Clean Power Alliance of Southern California as its new legal name.

Service Launched & Expanding Through 2019

Service in unincorporated LA County, Rolling Hills Estates, and South Pasadena began in February for municipal buildings and commercial building service is scheduled for June. Service to all other customers in its service area is scheduled for early 2019.

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

Service is launching to municipal and commercial customers in June 2018, and residential customers in November 2018. Net Energy Metering customers will begin service in 2019.

Cleaner, Lower Cost Service Options

EBCE will offer Bright Choice 38% renewable, 85% carbon-free, at a 1.5% discount compared to PG&E and Brilliant 100 40% renewable, 100% carbon-free, at the same cost as PG&E. Brilliant 100 will be the default service for Albany and Hayward customers. Several cities have passed resolutions to opt up municipal accounts to Brilliant 100, including Albany, Emeryville, Hayward, and Piedmont.

Lancaster Choice Energy (LCE)

Launched in 2015, LCE serves ~55,000 customers in Lancaster, 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.

CPUC Certified LCE's Elect to Administer Energy Efficiency Program Plan

The CPUC has issued draft Resolution E-4917 approving a budget of \$1,174,996 for LCE's 3-year energy efficiency program.

- » The Small Commercial Direct Install Program will provide no- and low-cost retrofits to reduce demand and energy consumption for commercial customers with peak electric demand of 200 kW or less per month. LCE will provide a free on-site assessment to eligible customers and recommend measures such as LED lighting, fluorescent lighting, hi-bay lighting, refrigeration, LED signs, occupancy sensors, smart power strips, and communicating programmable thermostats.
- » The Residential Energy Advisor Program will provide free information on energy efficiency products, programs, and evaluation services which will include telephone administered home surveys to recommend upgrades or applicable programs. In-person audits and information about home upgrades, plug loads and appliances, income-qualified programs, financing programs, and other local government programs will also be provided.

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 50% renewable and Deep Green 100% renewable energy service.

2017 Energy Efficiency Savings

Small businesses saved 1,453,000 kWh, 838 therms, and 270 kW in demand reduction through MCE's energy efficiency program.

Service Launched to 9 New Contra Costa County Communities in April

MCE expanded its service area to include 9 additional communities in Contra Costa, adding approximately 200,000 customers.

Monterey Bay Community Power (MBCP)

MBCP offers service in Santa Cruz, Monterey, and San Benito Counties. Service to commercial customers launched in March 2018 and residential service is scheduled for July 2018.

Customer Rebates and Community Investment

In 2018, MBCP plans to provide \$4 Million in customer rebates and invest \$3 million in local GHG reducing programs while building reserves for financial stability.

MBchoice, the primary service for automatic enrollment, provides a 3% rebate on generation charges, annually in December.

- MBgreen+ directs the 3% rebate to invest in the build-out of new, local renewables.
- MBshare directs the 3% rebate to fund local low-income and/or nonprofit GHG reduction programs.
- MBprime provides 100% renewable electricity for one extra penny/kWh. Customers may keep their rebate or direct it to MBgreen+ or MBshare.

Peninsula Clean Energy (PCE)

Launched in October 2016, PCE serves ~290,000 customers in San Mateo County. PCE offers ECOplus 50% renewable and ECO100 100% renewable energy service.

Increasing GHG-Free Content 5% annually to 100% GHG-Free by 2021

Greenhouse gas-free content for ECOplus increased to 85% in 2018, while maintaining a 5% discount compared to PG&E.

Communications Efforts for Hard to Reach Communities

PCE awarded grants to five local nonprofits to communicate with low-income and native Spanish and Chinese speakers about PCE energy discount programs.

Municipalities Going 100% Renewable

The County of San Mateo, local transit agencies, and 15 of 20 cities have enrolled in ECO100 100% renewable energy service.

Pico Rivera Municipal Energy (PRIME)

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

Pioneer Community Energy

Launched in February 2018, Pioneer serves ~81,000 customers in unincorporated Placer County, Auburn, Colfax, Loomis, Lincoln, and Rocklin.

Average 9% Rate Savings for Residents and Businesses

Rancho Mirage Energy Authority

The City of Rancho Mirage will launch service on May 1 and offer Base Choice 35% renewable energy service.

Redwood Coast Energy Authority (RCEA)

Launched in May 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.

Local Power Generation

RCEA is exploring an offshore wind energy project on the coast of Humboldt County and is also partnering with Schatz Energy Research Center/Humboldt State University, the County of Humboldt, and PG&E to build a \$9 million microgrid, featuring a 9-acre 2.25 MW solar array and 8 MWh of energy storage at Humboldt's regional airport. The project is expected to provide wholesale electricity to RCEA, as well as emergency resiliency and energy savings.

Electric Vehicle (EV) Program

RCEA operates 14 public EV charging sites that have provided 11, 281 sessions, saving 113,680 lbs of CO2 emissions since 2011. There are 908 EV drivers registered in Humboldt County. All RCEA's EV charging meters are opted up to 100% renewable energy.

Community Advisory Committee

RCEA's Community Advisory Committee is expanding to include up to 15 members to provide decision-making support and input to the RCEA Board while engaging with the community.

San Jacinto Power (SJP)

Launched in April 2018, San Jacinto Power serves ~15,000 customers in City of San Jacinto, Riverside County serves. SJP offers PrimePower 35% renewable and EverGreen 100% renewable energy service.

San Jose Clean Energy (SJCE)

Launching in September 2018, SJCE will serve the City of San Jose, the 10th largest city in the US and the 3rd largest City in California

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. SVCE offers GreenStart 50% renewable and GreenPrime 100% renewable energy service.

Lower Rates

SVCE's Board of Directors set electric generation rates effective April 1, 2018, saving average residential customers \$40 annually.

Solana Energy Alliance (SEA)

Launching service on June 1, 2018, SEA will be the first CCA in San Diego County. SEA will offer options for customers to upgrade to a 100 percent renewable energy program called SEA Green. Customers with solar panels can join the SEA net energy metering program to get credit for electricity their systems return to the grid.

Sonoma Clean Power (SCP)

Launched in 2014, SCP serves ~221,000 customers in Sonoma and Mendocino counties. SCP offers CleanStart 42% renewable/90% carbon-free and EverGreen 100% local, renewable energy service.

Awarded California Energy Commission (CEC) Grant

The CEC's EPIC Grant, which offers just over \$13 million in grant funding, could lead to a doubling of energy efficiency savings in existing buildings over a three-year period. The bulk of the budget will go towards building out a physical Energy Marketplace, which would be a storefront partnership offering a regulated marketplace for energy products, training, and contractor referral.

Wildfire Recovery Efforts

SCP staff continue to support the County of Sonoma, City of Santa Rosa, Sonoma County Transportation Authority, Association of Bay Area Governments, and the Governor's Office to form a Renewal Enterprise District (RED) to reduce the cost and development risk of new housing by pooling public financing for infrastructure, and seeking greater regulatory certainty for projects that are climate-friendly, and built in priority areas (e.g., transit-friendly, walkable, previously-developed). SCP is also launching the Advanced Energy Rebuild program (in conjunction with PG&E and the Bay Area Air Quality Management District) in early May to promote rebuilding homes destroyed in the wildfires to a high standard of energy efficiency, and to make going carbon free easy.

Long-Term Renewable Power Supply Contracts

SCP received 81 offers for long-term (10 years or longer) Category 1 RPS-eligible renewable resources ranging from wind, solar, and geothermal all over the Western Interconnect. SCP is entering Power Purchasing Agreements with three developers for Northern California projects including 20 MWs of solar, 80 MWs of wind, and a 50 MW solar project with 5 MWs of energy storage to begin generating from 2020 through mid-2023.

Valley Clean Energy (VCE) Alliance

Launching in June 2018, VCE will serve customers within the cities of Woodland, Davis, and unincorporated areas of Yolo County.

Sacramento Municipal Utility District Agreement

SMUD will provide technical and energy services on a contract basis to VCE, including data management and call center services, wholesale energy services, credit support services, and up to five years of business operations support. VCE maintains full program control/autonomy and operational flexibility while taking advantage of SMUD's extensive energy sector experience.

Energy Choice

VCE will offer LightGreen 42% renewable at a 2.5% discount compared to PG&E, and UltraGreen 100% renewable energy at a slightly higher rate.