



VCEA COMMUNITY ADVISORY COMMITTEE
Public Workshop and Meeting
Thursday, August 22, 2019, Woodland, CA



VALLEY
CLEAN ENERGY

Public Workshop - Residential Time of Use Rates Proposal - Agenda

- Welcome and VCE Introduction
- PG&E Residential Time of Use Presentation
- Discussion/Questions and Answers

Introduction

- Welcome
- Purpose of workshop
 - Introduce residential time of use rates (RTOU)
 - Get public input
- Rates are optional for VCE
- The VCE board will make the decision
- If adopted, customers can opt out
- VCE staff supports TOU rates
 - Help customers manage bills
 - Provides price signal for high-priced periods
 - Reduces peak loads
- Jessica Chancellor of PG&E

PG&E / Valley Clean Energy Time-of-Use Rate Transition

August 2019



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Residential TOU Transition Origination

Why Time-of-Use?

In an effort to make rates

1. more understandable to customers,
2. more cost-based and
3. to encourage customers to shift usage to times of day that support a cleaner more reliable grid

the **California Public Utilities Commission (CPUC)** directed Pacific Gas & Electric Company, Southern California Edison & San Diego Gas & Electric to begin Residential Rate Reform, including transitioning eligible customers to a Time-of-Use rate plan.

Source: CPUC RRR TOU Decision 17-12-023:

<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M201/K231/201231862.PDF> (Pg 10)



Time-Of-Use (Peak Pricing 4-9 p.m. Every Day) E-TOU-C Rate Plan Structure

EVERY DAY

MORNING TO MID-DAY:
LOWER PRICE (OFF-PEAK)

5 a.m. to 4 p.m. \$

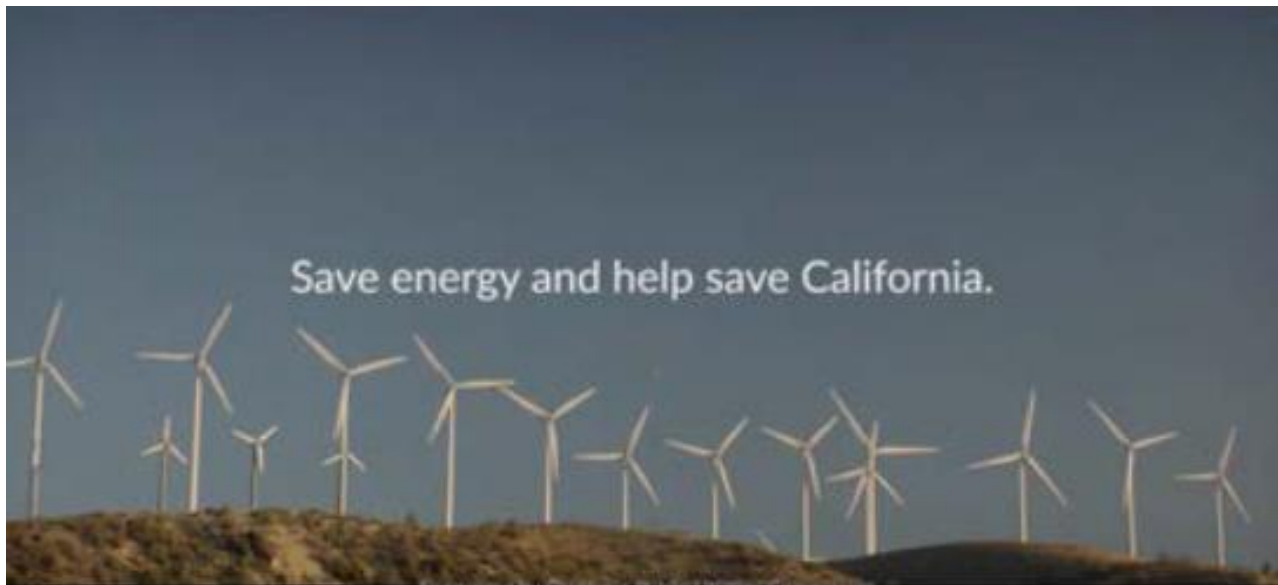
LATE AFTERNOON TO EVENING:
HIGHER PRICE (PEAK)

4 p.m. to 9 p.m. \$\$

LATE NIGHT:
LOWER PRICE (OFF-PEAK)

9 p.m. to 5 a.m. \$

- To compliment the transition, the CPUC has also launched a *“statewide campaign that will be high-level, emotion-based, and provide Californians with the context for the changing rate structure and a vision to rally around.”*
- Provides an understandable **reason** for Californians to change their energy behaviors



Source: CPUC RRR TOU Decision 17-12-023:

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Residential TOU Full Transition Overview

- As ordered by the CPUC, beginning in **October 2020**, PG&E will, in partnership with CCAs, **begin** transitioning all **eligible** customers to “*Time-of-Use Peak Pricing 4pm-9pm Every Day*” (ETOU-C) rate plan.
- **Eligible** customers are those who, among others:
 - are not already on a TOU rate plan (only E1 Tiered rate plan)
 - are not on a financial assistance program in a hot climate zone
 - are not on a medical assistance program
 - have at least 12 months of interval data
- Customers will **continue to** have rate plan choices.
 - Customers can **decline** the transition
 - Customers can remain on their current rate plan or
 - Customers can choose another rate plan at any time.
- Up to **12 months of risk-free bill protection** will be provided to all PG&E charges for customers transitioned to the TOU rate plan

Risk-Free Bill Protection – What does that mean?

- Bill Protection allows customers to try the Time-of-Use (Peak Pricing 4-9 p.m. Every Day) E-TOU-C rate plan **risk-free** for up to 12 months.
- If you pay more during your first year on the E-TOU-C rate plan than you would have on your current rate plan, you will receive a credit for the difference at the end of the first 12 months.





Residential TOU Full Transition Plan is Based on Successful Pilot Implemented in 2018

Background:

- In **April 2018**, PG&E transitioned **~114k** customers to the TOU rate plan
- 3 CCAs participated: MCE, Sonoma Clean Power & Silicon Valley Clean Energy

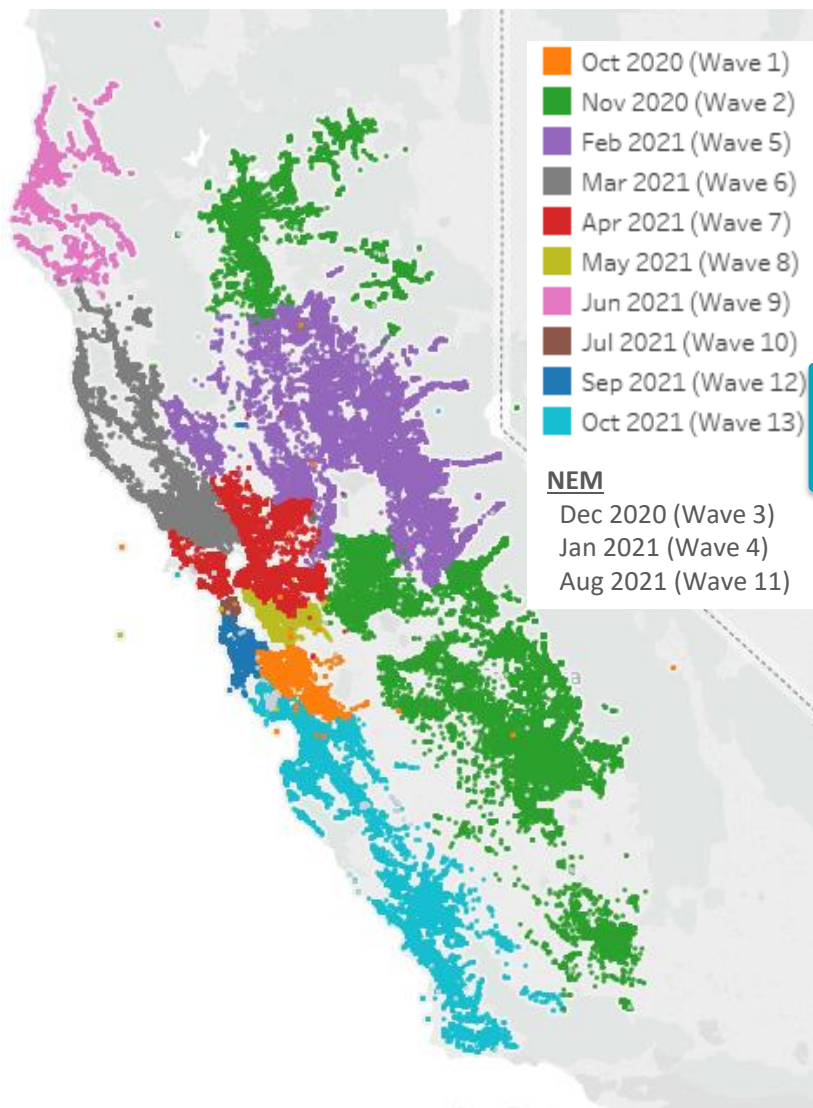
Highlights:

- High Customer Retention
 - more than **80%** of customers remained on the rate)
- High Customer Awareness
 - **68%** aware they were part of a transition
- High Self-service
 - **60%** used on-line/web for rate changes
- High Energy Reductions
 - **4.2%** overall reduction of total peak load per customer per hour

CCA & bundled customer overall performance was similar



VCE would be part of a State-wide implementation

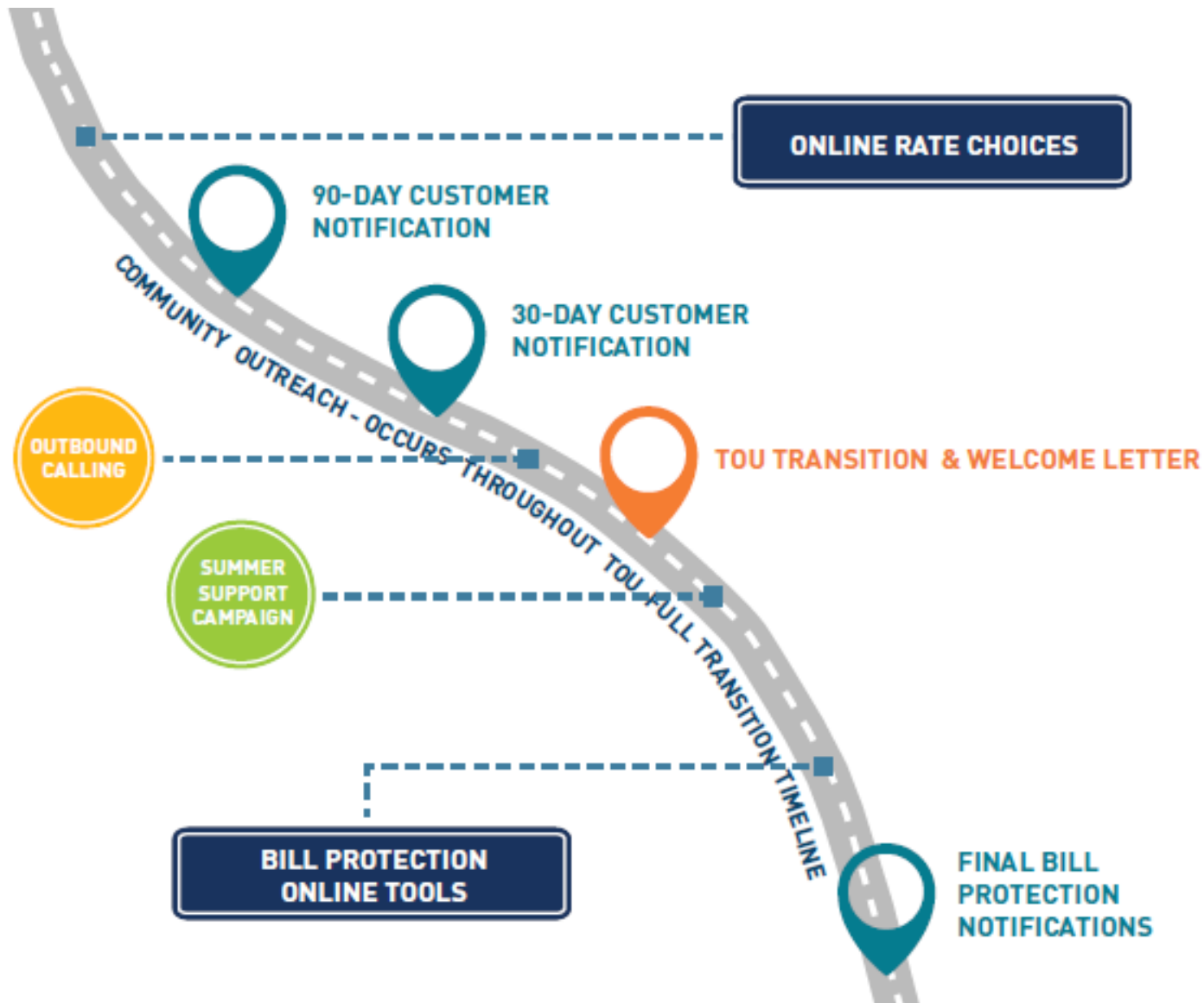


Service Provider Territory		Totals
Counties	Included	
Oct 2020 (Wave 1)		390,000
Santa Clara	San Jose Clean Energy (SJCE)	230,000
	Silicon Valley Clean Energy (SVCE)	170,000
Nov 2020 (Wave 2)		200,000
Fresno, San Joaquin, Kern, Tuolumne, Shasta, Madera, Merced, Tehama, Plumas, Stanislaus, Mariposa, Kings, Tulare, Lassen	PG&E Bundled	200,000
Dec 2020 (Wave 3)		10,000
NEM Only		~10,000
Jan 2021 (Wave 4)		10,000
NEM Only		~10,000
Feb 2021 (Wave 5)		180,000
Placer, El Dorado, Yolo, Butte, Nevada, Calaveras, Lake, Amador, Sutter, Yuba, Glenn, Colusa, Sacramento, Sierra, Alpine	PG&E Bundled	120,000
	Pioneer Community Energy (PIO)	40,000
	Valley Clean Energy (VCE)	20,000
Mar 2021 (Wave 6)		140,000
Sonoma, Mendocino	Sonoma Clean Power	140,000
Apr 2021 (Wave 7)		410,000
Contra Costa, Solano, Marin, Napa	MCE	310,000
	PG&E Bundled	100,000
May 2021 (Wave 8)		400,000
Alameda	East Bay Community Energy (EBCE)	370,000
	PG&E Bundled	30,000
Jun 2021 (Wave 9)		40,000
Humboldt, Trinity, Siskiyou	Redwood Coast Energy Authority (RCEA)	40,000
	PG&E Bundled	850
Jul 2021 (Wave 10)		260,000
San Francisco	CleanPowerSF (CPSF)	260,000
Aug 2021 (Wave 11)		10,000
NEM Only		~10,000
Sept 2021 (Wave 12)		200,000
San Mateo	Peninsula Clean Energy (PCE)	200,000
Oct 2021 (Wave 13)		260,000
Monterey, Santa Cruz, San Luis Obispo, Santa Barbara, San Benito	Monterey Bay Community Power (MBCP)	170,000
	PG&E Bundled	90,000
	King City Community Power	2,300

Note: Customer counts are approximate and depend on final exclusion criteria. Also, assuming NEM customers transition on their true-up date, each wave would have an additional ~10K NEM customers. This table assumes all customers within each CCA territory are enrolled with the CCA service provider.



Customers Will Receive At Least Two Notifications and Additional Support





One of the Two Notifications Has a Personalized Rate Comparison to Help Customers Make a Choice

Rate Comparison Notifications provide:

- **Personalized rate comparison** based on the customer’s electric use over the prior 12 months
- **Awareness of rate options**
- **Simple instructions to take action**

Your Personalized Electric Rate Plan Comparison

This report is based on your last 12 months of electricity usage and assumes no change to how you use energy. Estimates do not include gas.

Your Rate Plan Options	Current Rate Plan Tiered (E-1)	Transition Rate Plan Time-of-Use (Peak Pricing 4–9 p.m. Every Day) (E-TOU-C)	Optional Rate Plan Time-of-Use (Peak Pricing 5–8 p.m. Weekdays) (E-TOU-D)
	Two pricing levels based on monthly usage. Price does not vary by hour of the day.	Higher prices 4-9 p.m. every day. Lower prices at all other times.	Higher prices 5-8 p.m. on weekdays. Lower prices at all other times.
Total Electricity Costs*	<\$765/year>	<\$720/year>	<\$700/year>

Your lowest cost rate plan is: <Time-of-Use (Peak Pricing 5–8 p.m. Weekdays) E-TOU-D>

* Estimates assume current PG&E prices and will not match your previous 12 months' bill.

Make your rate plan choice by <Month Day, Year>.

Option 1: Take action to stay on your current rate plan or choose a different rate plan.

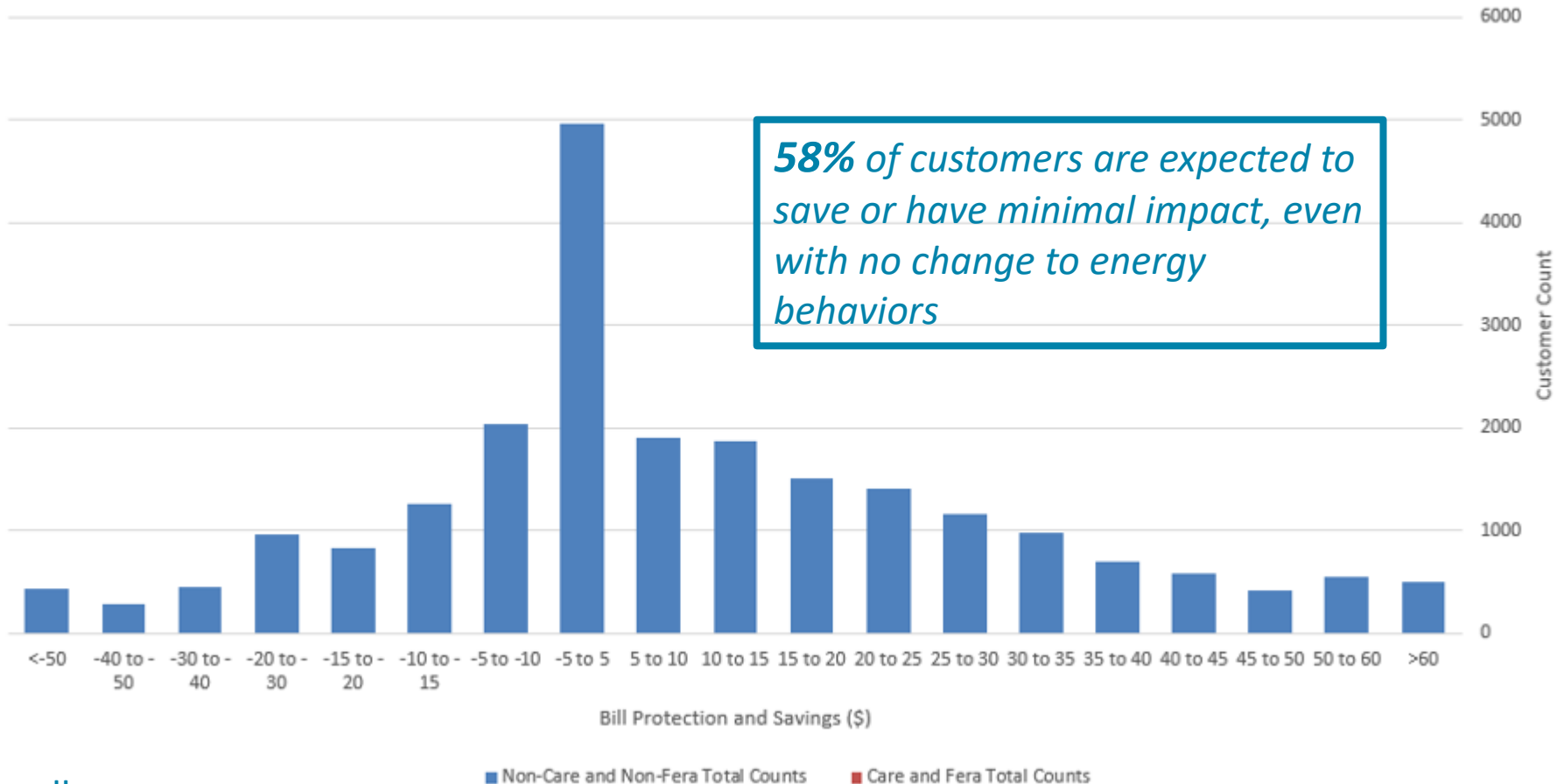
Visit pge.com/TOUchoice, or call 1-866-743-7945, or complete and mail back the form below.

Option 2: Take no action and automatically transition to the Time-of-Use (Peak Pricing 4-9 p.m. Every Day) rate plan in <Month Year>.



Estimated Customer Bill Impacts (assuming all eligible customers transition)

VCE Total Count of Bill Protection and Savings



Overall:

- 39% neutral (8,896) – less than +/- \$10 per year impact
- 19% benefitters (4,222) – (\$10) or more per year impact
- 42% non-benefitters (9,678) – \$10 or more per year impact

Environmental Benefits of TOU Residential Transition

Greenhouse Gases (GHG):

- Estimated savings of 5,000-10,000 tons of CO₂ per year across PG&E service area
 - Equivalent to removing about 1 – 2 thousand gas-powered cars from the road annually
- Greater benefits expected with
 - peak period conservation (versus load shifting) and/or
 - a higher volume of renewables



GHG estimate based on calculations performed in 2018 according to the methodology agreed upon by the CPUC, PG&E, and the other CA IOUs. GHG equivalency based on <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>. Range is dependent on the number of CCAs participating in the transition and following PG&E's 4 pm – 9 pm peak period.

- **Support Statewide policy**

- Align on policies for a cleaner, more reliable energy grid
- Contribute to greenhouse gas reductions
- Join 4 CCAs that have Board decisions to participate in the transition
 - The majority of the remaining CCAs have provided staff recommendations to participate



- **Enhance Customer Experience**

- Consistent experience for VCE's and PG&E's mutual customers
- Reduced customer confusion
 - CPUC ordered PG&E to transition customers to a TOU rate plan with a peak distribution component regardless of CCA participation
- Supports educating customers on rate options



Questions?

Thank you for your time!



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Discussion/Q&A