

Promises and Challenges of CCAs in California

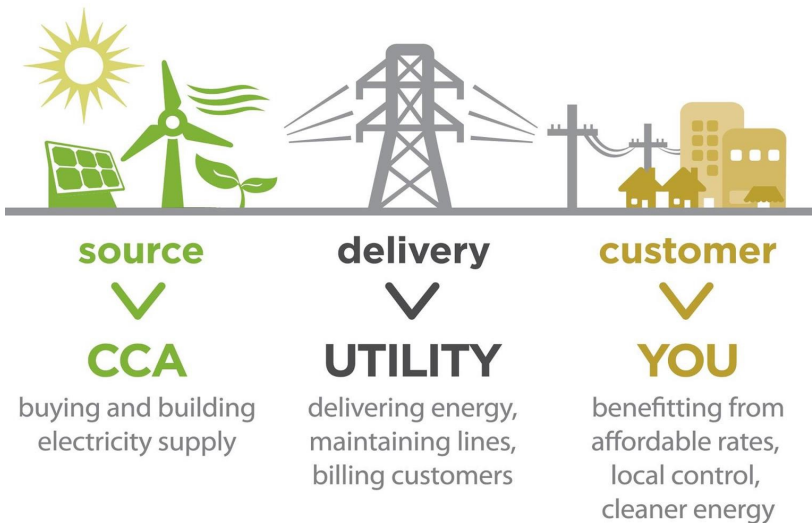


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J.R. DeShazo
May 5th, 2017

CCAs: a Cooperative System



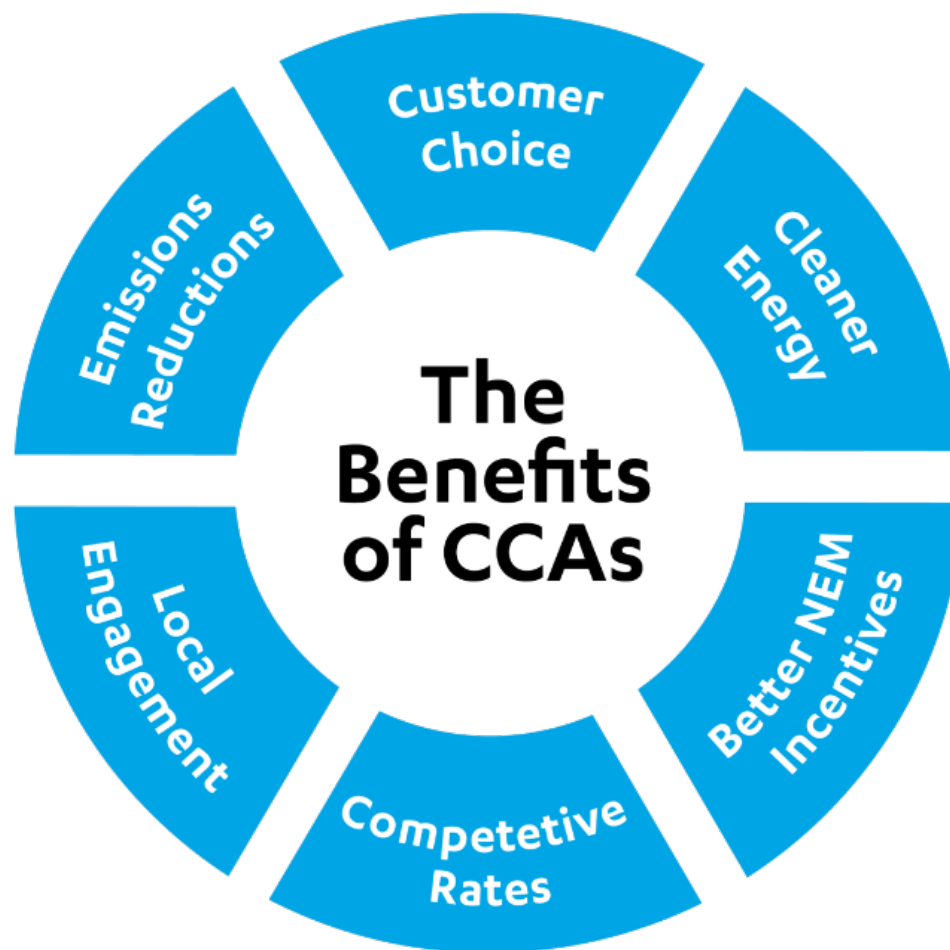
	CCAs	IOUs
Electricity Generation		
Purchasing electricity from suppliers	✓	
Balancing supply with demand	✓	
Electricity Distribution		
Grid infrastructure		✓
Delivering electricity to ratepayers		✓
Transaction		
Billing and Metering		✓
Communication	✓	✓
Integrated Demand Energy Resources		
Energy Efficiency Programs	✓	✓
Net Energy Metering Programs	✓	✓

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The Benefits of CCAs

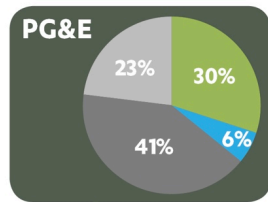


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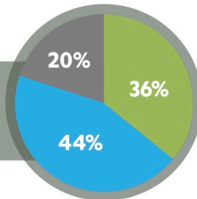
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Environmental Benefits



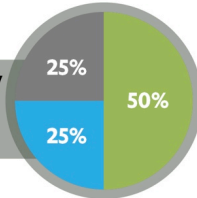
Sonoma Clean Power

61% reduction in GHG emissions



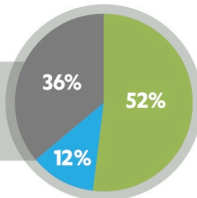
Peninsula Clean Energy

53% reduction in GHG emissions



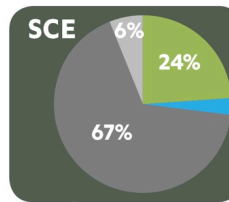
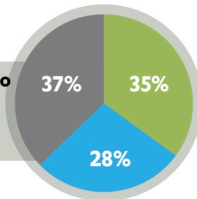
MCE*

32% reduction in GHG emissions



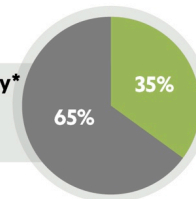
Clean Power San Francisco

30% reduction in GHG emissions

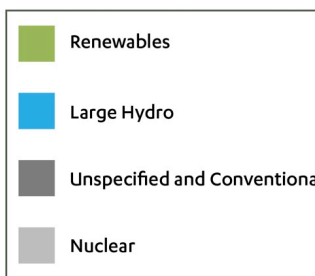


Lancaster Clean Energy*

19% reduction in GHG emissions



*Without taking into account the use of unbundled Renewable Energy Certificate Category 3.



In the past 12 months:

- 600,000 MTCO₂e
- \$7.5 million

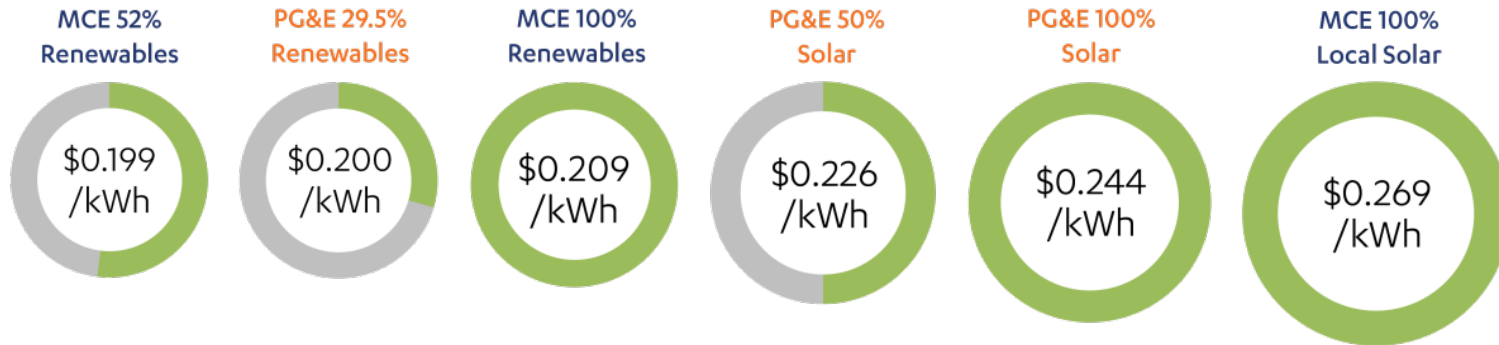
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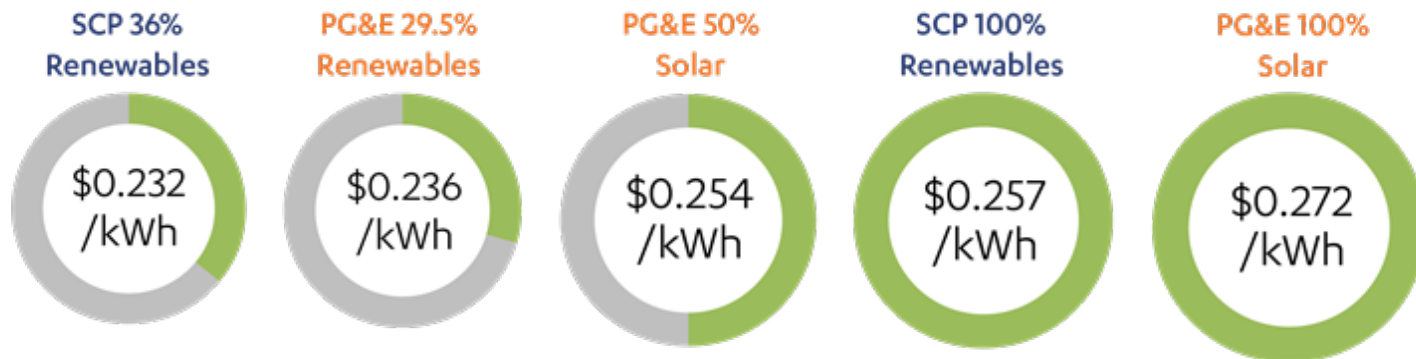
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Competitive Prices

Electric Rate Comparison between MCE and PG&E (based on a monthly consumption of 463 kWh)



Electric Rate Comparison between Sonoma Clean Power and PG&E (based on a monthly consumption of 510 kWh)



Source: rate comparison available on each CCAs' website

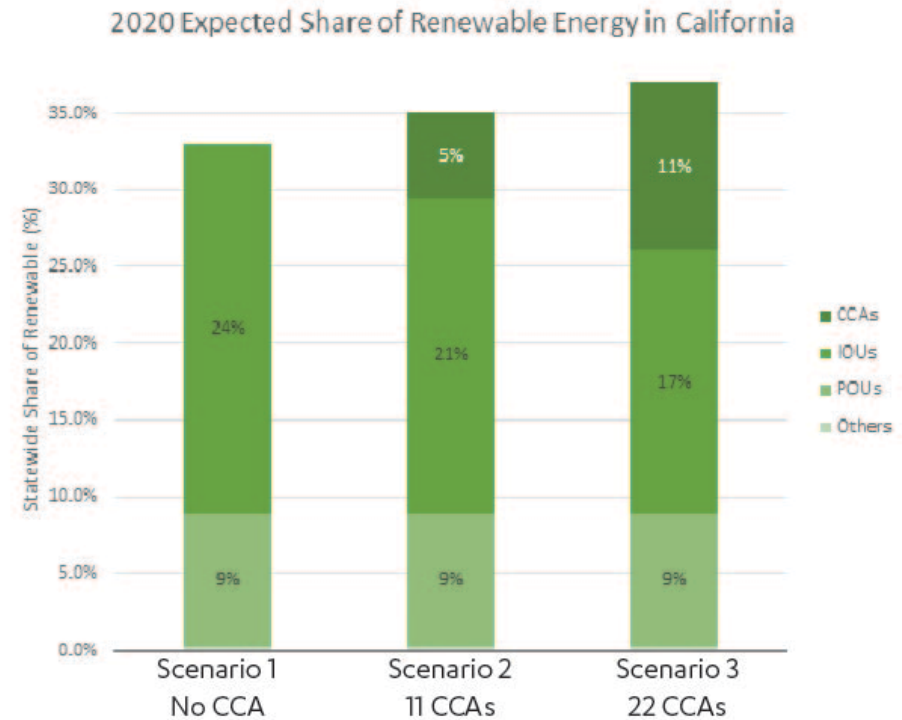
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Other Benefits

- Tailor energy procurement to local preferences
- Access to decision-making
- Exceed Renewables Portfolio Standards (RPS)
- More local renewable energy generation
- More local jobs



Key Challenges

- CPUC challenges
 - Structuring the partnership between IOUs & CCAs
 - Price Compensation Indifference Agreement (PCIA - PAM)
 - Resource Adequacy and Cost Allocation Mechanism (CAM)
 - Fair treatment across all ratepayers
 - Harmonize regulation between CCAs and IOUs
- CCA challenges
 - Raising capital (PPAs, REC 3)
 - Defining new rules as a partner
 - Facing the increasing transmission and delivery costs

Future Research

- Differences between rules and regulations governing CCAs compared to IOUs
- PCIA vs PAM
- Grid reliability and transmission fees
- Provider of Last Resort: economic valuation of costs of failure
- In-depth case studies of specific CCAs
 - Customers retention
 - Identify and track progress on key metrics
 - Assess performances over time
 - Size limit and Scope

Full Report and Contact Information

Our report

“Promises and Challenges of Community Choice Aggregation in California”
can be found on our website:

www.innovation.luskin.ucla.edu/publications

We are actively seeking feedback and next steps for expanding upon this introductory study. You can contact Julien Gattaciecca, the lead author:

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