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Advanced Community Energy  
(ACE) –  
A Policy, a Technology, and  
a Campaign

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The Official Electricity Provider of San Mateo County

# Who is PCE?

Peninsula Clean Energy is San Mateo County's not-for-profit, community-controlled energy provider. We are reducing greenhouse gas emissions and offering customers innovative programs with over **\$35 million in savings** (to date).



50% renewable  
90% GHG-free  
Priced 5% below PG&E



100% renewable  
\$0.01/kWh over ECOplus

- ? ~**290,000** enrolled accounts
- ? **5,000+** opt-up to ECO100
- ? **97.6% participation rate**

# CCA Programs

	Clean Power SF	Lancaster Choice Energy	Peninsula Clean Energy	Marin Clean Energy	Sonoma Clean Power	East Bay Community Energy	Silicon Valley Clean Energy	Pioneer	PRIME	Redwood Coast Energy Authority	Solana Energy Alliance	Monterey Bay Community Power	Clean Power Alliance	San Jose Clean Energy
Budget Billing	In dev.				In dev.									
Battery Storage Rate	In dev.													
Customer Load Shifting	In dev.													
Demand Response			In dev.	In dev.	In dev.	In dev.								
EV Rate														2019
EV Bus Program														
EV Incentives												In dev.		2019-20
EV Load Shifting														
Energy Efficiency		In dev.							In dev.					
Low-Income & Multifamily EE														
Feed-In Tariff	In dev.									In dev.		In dev.		
Fuel Switching							In dev.					In dev.		2019-20
Low Income Solar Incentives			In dev.			2019								
On-Bill Repayment	In dev.				In dev.									
Community Outreach Grants								In dev.						
Microgrid Development														

# Federal & State Law

- Historically has focused on increasing competition with the utilities:
  - Generation
    - Wholesale Merchant Generation
    - Qualifying Facilities
    - NEM
  - Transmission
    - FERC Order 1000
  - Distribution (just a smattering)
    - Sec. 353.1 (2001) – IOU shall consider nonutility DER investments to offset distribution system investments
    - Sec. 8360 (2009) – Smart Grid Investments
    - Sec. 769 (2013) – distribution resource planning to ID optimal locations
    - Sec. 1339 (2018) - microgrids

Status: So many tools...but so little movement?

# Why?

“Regulators set rates; utilities get guaranteed returns; investors get sure-thing dividends. It’s a model that hasn’t changed much since Thomas Edison invented the light bulb. And it’s doomed to obsolescence.”

- David Crane, 2013

“It is my intent that in 2-3 years, we will move beyond questions like how to quantify and operationalize the locational value of DERs, towards a focus on the relationship between the IOUs, consumers, third party DERs providers and the California Independent System Operator (CAISO)...”.

- President Michael Picker, 2014

# What's Needed = ACE

A Rational Transition of the IOU Business Model to the 21<sup>st</sup>  
Century

||

Break the Cycle of \$\$ invested + % return = Profit

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Outcomes Met = Profit

# How?

## Fundamental Electric Sector Reform via Legislation

### (1) Fully Unbundle T-D-G services

- Vertical integration coupled with biz model issues creates wrong incentives
  - Unlock T vs. D vs. Generation/EE

### (2) Poles & Wires business as usual => **Distribution System Operator**

- Three functions: poles & wires; system operation; grid services market
- Cost-cap regulation + Performance-based Compensation
  - Fix revenue but offer opportunity to lower costs with DERs/EE
  - Create clear operating requirements & procedures to unlock DERs
  - Incent deployment of DERs - Interconnection/collaboration

### (3) **Rationalize Provider of Last Resort** → CCAs serve +90% of energy users

### (4) Strengthen CCAs to be **community energy providers** they already are

### (5) Ensure market access to aggregated **data** → Unleash innovation (protect privacy & security)

# Questions?



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