

Community Choice Energy in Humboldt County

Frequently Asked Questions

What is CCE?

Community Choice Energy (CCE) programs allow city and county governments to pool (or aggregate) the electricity demands of their communities in order to purchase power with higher renewable content, lower greenhouse gas emissions and reinvest in local energy infrastructure. The electricity continues to be distributed and delivered over the existing electricity lines by the incumbent utility, which is Pacific Gas and Electric (PG&E) in Humboldt County.

What are the benefits of CCE?

The benefits of CCE fall into three general categories: consumer, environmental, and economic. CCEs benefit consumers by offering a choice of energy providers and stable, often lower, electricity rates. By procuring renewable energy and low carbon resources, CCE's have the potential to dramatically reduce the greenhouse gases attributed to the use of fossil fuels such as coal and natural gas. CCEs benefit the local economy by redirecting an existing revenue source (power generation costs) to invest in local energy resources, customer programs and infrastructure, and create new jobs.

Has this been done in other areas?

There are currently four operational CCEs in California: MCE Clean Energy (MCE) serving Marin, Napa and parts of Contra Costa Counties, Sonoma Clean Power (SCP) in Sonoma County, Lancaster Choice Energy (LCE) in Lancaster, and Clean Power SF in San Francisco. All of these programs are offering customers 20-80% more renewable energy at lower prices than PG&E. There are dozens of other California communities that are in the process of implementing local CCE programs.

How will CCE be managed in Humboldt County?

The Redwood Coast Energy Authority (RCEA) will administer Humboldt County's CCE program under the name 'Redwood Community Energy' (RCE). RCEA is a local government joint powers authority managed by a Board of Directors comprised of elected officials from the unincorporated county, cities, and the Humboldt Bay Municipal Water District. Decisions regarding electricity supply, rates and other matters will be decided during publicly noticed Board meetings.

Where will CCE be offered and what is the timeframe?

All municipalities within Humboldt County have the chance to participate in the CCE either now or in the future, but currently only the County of Humboldt and the Cities of Arcata, Eureka, Fortuna, and Trinidad have passed the required ordinance authorizing CCE for their constituents. The elected bodies in the cities of Blue Lake, Ferndale, and Rio Dell are in the process of evaluating whether to authorize CCE for their constituents. RCE is scheduled to launch in May 2017. Enrollment notices will be sent beginning in February.

How are CCEs funded?

All CCEs, once operational, are completely funded by ratepayer revenues—not taxpayer dollars. Start-up funding and the credit required for initial energy contracts is being provided by the vendors selected to support program implementation and early operations.



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Why are so many local governments considering CCE formation?

CCEs offer local control, providing customers and municipalities a choice regarding their electricity: how much is procured from renewable resources, who administers and oversees the program, and how excess revenues are spent. Existing CCEs have also succeeded in significantly reducing greenhouse gas emissions which directly responds to local Climate Action Plans and environmental goals. And because CCEs are locally controlled, energy programs can be developed to suit the specific goals of their communities, typically through innovative energy efficiency programs, the integration of clean technology and local power generation. These types of programs can infuse profits back into the communities they serve and may also stimulate job growth.

Will RCE replace PG&E?

No. CCEs work in partnership with the local utility. While RCE will assume responsibility for procuring and developing power (called electric generation) on behalf of participating customers, PG&E continues to deliver your electricity, maintain the power lines and electrical grid, and handle customer billing.

Will PG&E still do repairs for CCE customers?

Yes, PG&E will continue to perform all power line maintenance and repairs for its utility customers, whether or not they're also CCE customers. If the power goes out, you will still contact PG&E.

Will my rates go up when I'm switched over to RCE?

One of the primary goals of RCE is to procure renewable electricity from local sources at competitive or lower rates than has otherwise been available through PG&E. To date, the operational CCEs in California have succeeded in saving ratepayers millions of dollars while significantly increasing the levels of renewable and carbon free power that their customers consume. RCE's goals are similar.

Will my service be interrupted?

There will be no interruption in service. In fact, you won't even notice the difference when your account is enrolled because you will still receive and pay your bills through PG&E.

Is a Smart Meter required to get renewable energy through the CCE?

Smart Meters are not required in order for you to get electricity from a CCE. Having, or *not* having a Smart Meter is not a factor in any way.

How much clean energy will I be getting when I become a CCE customer?

While each community customizes its program to best serve the goals of its customers, each of the operational CCEs has offered a "default" electricity product ranging from 35% -56% renewable and 65%-80% carbon free, as well as an option for a 100% renewable/zero carbon electricity offered at a slight premium. By comparison, PG&E currently offers a 30% renewable/53% carbon free electric portfolio. Customers can either "opt up" to the 100% renewable product, or "opt out" of the program entirely, if they so choose. Decisions about how much of the energy portfolio will come from renewable or carbon free sources will be made by the RCEA Board of Directors. Check our website for updates on RCE and its product offerings.

Are there any new fees or hidden costs for CCE customers?

There are no hidden costs and no duplicate charges for CCE customers. When the program commences, the electric generation fee currently charged by PG&E will appear on your bill as an electric generation charge from RCE. There is also an exit fee levied on each customer by PG&E called the "Power Charge Indifference Adjustment" or PCIA. This fee pays PG&E for the stranded costs associated with the power it purchased on your behalf and is no longer needed. Although the PCIA is a

separate charge on the customer bill, it will be factored into RCE's rates so that the overall electrical generation charges are below PG&E's generation charges.

In December 2015, the California Public Utilities Commission (CPUC) approved PG&E's request to increase the PCIA which took effect in January 2016. The CCE community is contesting this fee, with a goal of reforming its application and reducing its effects on CCE customer bills in the future.

How will RCE procure its electricity?

In May 2016, the RCEA Board selected The Energy Authority (TEA), a non-profit organization, to represent its interests in the wholesale power market. TEA, on RCEA's behalf, will negotiate long- and short-term power contracts with energy producers, some of which will be local, based on the specific power supply goals developed by the RCEA Board. These contracts are negotiated with the goal of procuring energy that meets the requirements of cost, levels of carbon-free and renewable, use of local resources, reliability, and other factors as defined by the RCEA board and based on input from the community.

Do the renewable electrons procured by the CCE actually come into my home or business?

All the electrons purchased on your behalf are fed into California's electricity grid, thus "greening the grid." Electrons cannot be isolated and sent to specific customers. Your choice to participate in RCE increases the amount of renewable power placed on California's grid which has the effect of reducing greenhouse gas emissions and stimulating new renewable development in our region and State.

What is an "opt out" program, and why is a CCE managed as one?

California legislation stipulates that CCE providers (such as RCEA) shall become the default electricity supplier in their areas and that they shall operate as opt out programs—automatically enrolling all customers within their jurisdictions while affording a choice to leave the program, if desired.

How does the opt-out process work?

When a CCE is launched, all customers within its jurisdiction are sent a minimum of four notices over a period of five months to inform them that their electricity default provider is changing. Anyone can opt out of the program at no charge, via phone, website or letter, at any time

If I have solar panels on my roof, will I still be able to sell excess electricity back into the grid?

Yes—RCE plans to offer Net Energy Metering (NEM) to all solar customers, just as PG&E has. Existing CCEs have thus far succeeded in developing premium Net Energy Metering programs that increase the amount paid for excess energy generation, along with the ability to "roll over" energy credits from one year to the next, rather than allowing them to expire. Existing solar customers won't have to do anything once RCE begins serving customers; you'll be automatically enrolled in the new NEM program if you're currently in PG&E's NEM program.

What is the service territory for RCE?

Each of the cities that voted to join RCE, along with the unincorporated areas of Humboldt County, will comprise our CCE service territory. If your home or business falls into one of these areas, you'll be automatically enrolled in May 2017. Commercial accounts currently served under Direct Access (such as some large chain grocery stores) will not be enrolled unless they so choose.



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How do I know RCE won't raise its rates?

One of the primary goals of a CCE is providing rate stability, with higher levels of renewable power. Thus far, existing CCEs have succeeded in increasing the amount of renewable energy delivered to their communities, while saving their customers money each month. The Redwood Community Energy Board of Directors will set its rates annually with the goal of offering rates below PG&E's generation rates. Rate setting will occur at an RCEA Board meeting which are always open to the public; your input will be welcome.

Will my PG&E discounts still apply?

Yes. The various discount programs offered through PG&E will still apply when you become a CCE customer: CARE, FERA and Medical Baseline programs will not be affected by the addition of Redwood Community Energy.

Will I get a separate bill?

No, you'll still get just one bill from PG&E, which includes electricity procurement from RCE and PG&E's customary delivery, transmission, maintenance and other utility charges. All fees and line items are clearly stated on the bill and there are never any duplicate charges.

Where can I learn more?

Please track our progress and sign up for periodic email notifications at www.redwoodenergy.org.