

# Community Choice Energy: Bay Area Initiatives

By Neelanjana Gautam, July 2016 —

The astronomical boom of real estate prices in the Bay Area shows no signs of plummeting, while companies continue to build sprawling corporate campuses. These trends could change the landscape for communities, businesses, and residents, resulting in greater energy consumption. Hence, this post focuses on Community Choice Energy (CCE), an emerging structure in renewables, and how it works.

With a thriving market ahead, the community is gearing up for illuminating alternatives in the energy sector. A program like CCE, currently billed as a positive undertaking for renewable energy in the area, could blaze the trail.

Since SSV envisions a Net Positive Bay Area by 2050, with the region producing more energy than it consumes, the discussion on CCE seems especially relevant. SSV facilitates measurable projects, education, events, and policies to meet its environmental goals. It also brings together leading tech companies, cities, counties, and research and educational institutions to solve sustainability issues.

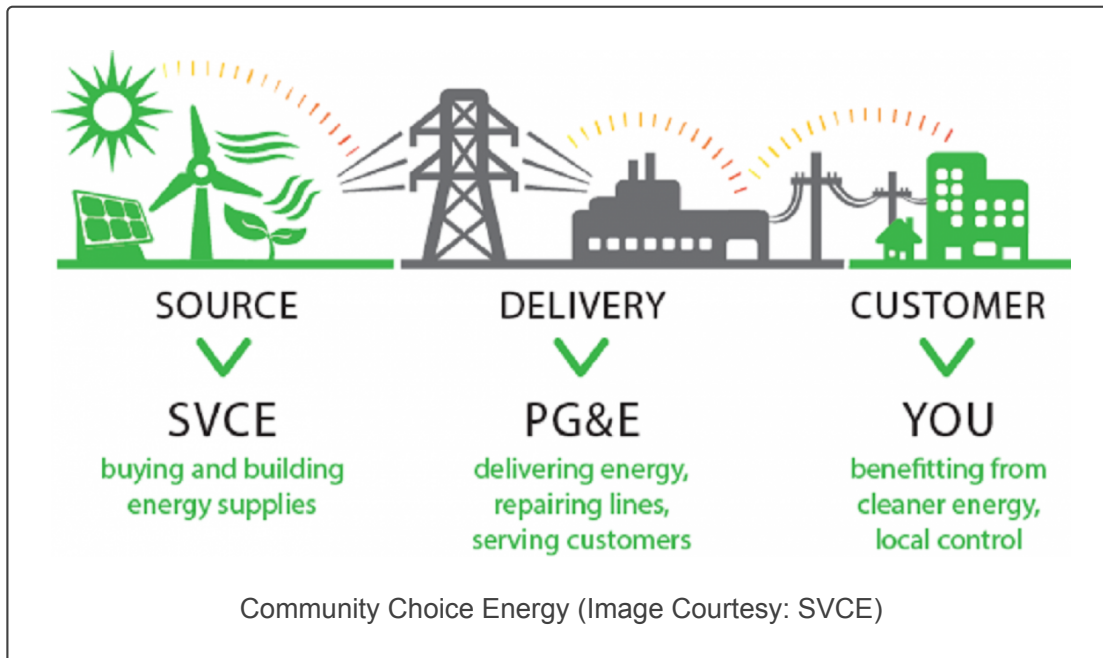
## What is Community Choice Energy?

Community Choice Energy is geared toward communities, giving them a new choice beyond the available electricity market. It functions as a new electricity provider and is entirely locally operated and administered. The state law enables communities to buy or generate electricity for residents, businesses, and governments in alliance with the state's climate change goals. Cities and counties could purchase energy in bulk, build renewable energy-generating facilities, and implement energy-efficient programs.

PG&E continues to act as a fulcrum in the system. It distributes and transmits electricity over existing infrastructure, maintains power lines, and handles the bills that customers receive on a monthly basis. Local decision makers, however, determine the source of electricity.

The model works with customers at the forefront. This efficient public-private partnership makes it possible to get the greenest energy at the best rates. When a community decides to join a CCE, every customer within the jurisdiction gets an automatic enrollment. The customers also retain the freedom to opt-out or go back to the investor-owned PG&E. In the ubiquitous utility market, this introduces competition in the form of rates — even affordable rates for low-income residents. It enables community engagement and innovative energy practices with an overarching

environmental goal.



### Communities Enrolled in CCE

The California energy market was deregulated in 1997. This led many Californians to switch to alternative energy providers. The energy crisis of 2000–2001 was a trying time as the consumer choice of electricity providers was suspended. The state passed legislation in 2002 ([Assembly Bill 117](#)) in response to the closing of the open market to establish Community Choice Aggregation (CCA). Proponents of local control of electricity have since considered this as a catalytic period.

Marin Clean Energy (MCE) and Sonoma Clean Power (SCP) lead the pack of Bay Area cities and counties joining the environmental crusade for a cleaner and greener power supply.

MCE launched California's first CCA program, Marin Clean Energy, on May 7, 2010, offering 50%–100% renewable energy at competitive prices. MCE now serves approximately 175,000 customers in Marin County, unincorporated Napa County, and the cities of Benicia, El Cerrito, San Pablo, and Richmond.

SCP was formed in 2013 in response to the community's desire for local control of the electricity supply. Local residents and businesses wanted lower rates and cleaner power. Cities participating in the program include Cloverdale, Cotati, Petaluma, Rohnert Park, Santa Rosa, Sebastopol, Sonoma, unincorporated Sonoma County, and the Town of Windsor.

CCA has become a focal point of the state's strategy to achieve its climate change goals. Research indicates that over 25 cities and 4 counties have created or joined a CCA in California as of 2015.

San Francisco's cleanest electric utility, CleanPowerSF, is run by San Francisco Public Utilities Commission (SFPUC). For nearly 100 years, SFPUC has generated 100% greenhouse gas-free electricity from the Hetch Hetchy Water & Power System.

Peninsula Clean Energy, comprising San Mateo County and its 20 cities, is expected to launch programs in August.

Silicon Valley Clean Energy (SVCE) is also considering a shift toward greener energy resources to lower carbon emissions in the valley and is ready to serve as early as Spring 2017. Watch this space for more on SVCE and its green energy mix in future updates.

Green vision has been a focus area for San Jose. A community choice energy program that supports the reduction of greenhouse gas emissions can help the city advance toward this goal. In addition, the Alameda County CCA Steering Committee has set up a team to analyze the feasibility of creating a CCA in that area.

## **Looking Ahead**

As the energy sector transitions to local renewable energy sources from the conventional power grid, CCAs are gaining momentum to pilot multiple projects that pave the way for a zero carbon footprint. Fossil fuels, coal, natural gas, oil, and other unspecified energy sources have powered America for more than a century, despite their hazardous environmental aspects. This is where CCAs come in with a sustainable, green promise and a vision for a bright future. It's a value much reflected in Sustainable Silicon Valley initiatives—generating more renewable energy than we consume.

More power to the communities.

## **Sources:**

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