



# City of Woodland

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**COMMUNITY CHOICE ENERGY  
TECHNICAL ADVISORY COMMITTEE  
FEBRUARY 6, 2017 - 6:00 P.M.**

**Woodland Community and Senior Center  
2001 East Street, Woodland CA**

## **Meeting Notes**

### **Attendance:**

Committee Members Present: Maria Armstrong, Mark Aulman, Kevin Cowan, Tom Flynn, Jim Gillette, Phil Hogan, Mark James, Beth Robbins, Christine Shewmaker

Committee Members Absent: Ralph Solorio, Erick Watkins

Staff Present: Roberta Childers, Environmental Sustainability Manager; Greg Meyer, Public Works Director; Reyna Piñon, Conservation Coordinator

#### 1. Welcome and Roll Call

Staff noted committee members present and absent.

#### 2. Public Comment

No comments.

#### 3. Meeting Notes Approval

Chairperson Flynn noted that he provided a correction to the wording of his statement regarding the model of utility monopolies and asked if any other corrections were provided to staff. No other corrections were provided. The committee approved the notes as corrected.

#### 4. Informational Report on CPUC Community Choice Aggregation En Banc Hearing

Chairperson Flynn gave a summary of information presented and discussed at the CPUC Community Choice Aggregation (CCA) En Banc Hearing on February 1.

#### Summary:

- The CPUC has held several meetings on CCA. At the en banc hearing CPUC staff gave a presentation followed by three panel discussions and an opportunity for public comment. A representative from a CCA and a representative from an investor-owned utility (IOU) sat on each panel.

- The CPUC does not have the same level of jurisdictional authority over CCAs as it does for IOUs.
- The [background paper](#) written by CPUC staff for the en banc hearing focuses on the effect of CCAs on regulatory programs.
- CCAs are providing cleaner power at a lower cost so there is a greenhouse gas reduction (GHG) benefit along with the benefit of enabling local communities to play a greater role in achieving state GHG reduction goals.
- *Question:* What was the conclusion of the second panel that addressed AB 32? *Tom:* The CCA message was that they're providing more "green" power for less cost. Only 20% of GHG emissions are from electricity, so achieving 100% renewable electricity will fall very short of AB 32 goals. CCAs have signaled a lot of interest in transportation electrification and energy efficiency as part of their programs.
- Los Angeles County is in the process of forming a CCA. If the LA County CCA is established, it would take approximately 40% of Southern California Edison's load.
- *Question:* If CCAs are forming throughout the state, will it be harder to purchase renewable energy contracts due to increased demand? *Tom:* This won't be an issue because there is no shortage of renewables.
- Part of the justification for the PCIA (power charge indifference adjustment) is the CPUC ordered IOUs to enter into long-term renewable and non-renewable energy contracts on behalf of their customers. Renewables are very abundant and cheaper now. The PCIA allows the IOUs to recover stranded costs from customers who leave the IOUs.
- *Question:* Is there a sunset clause to the PCIA? *Tom:* The PCIA is based on a very complicated calculation. There is much controversy about whether the methodology meets the goal, and the CPUC and others are looking into these issues.
- The CEO of Marin Clean Energy (MCE) was on a panel at the hearing and stated that MCE is not looking to expand outside of the four counties it is currently servicing.

## 5. Discussion of Work Plan Elements and Schedule

Chairperson Flynn gave a presentation on committee work plan elements and potential schedules. See the presentation posted on the Woodland CCE webpage at: [Presentation – Work Plan Elements and Schedule](#).

Additional points:

- The committee's evaluation should focus on the risks and benefits of CCE participation. Many cities that evaluate CCE participation hire an outside consultant to prepare a technical study. A technical study prepared by an outside consultant could increase the credibility of the committee's recommendation to Council. The committee agreed they would like the city to pursue preparation of a technical study by TEA, the consultant that prepared the City of Davis and Yolo County Technical Study.
- CCAs are not a new concept. CCAs in operation today have set a precedent that future CCAs can work from in their formation. If Woodland were to join a CCA, it would be one of many cities and counties that have already done so or are planning to do so.

- *Question:* Is there insurance available that could protect a city in the case that a CCA did not work out after city funds are invested? *Tom:* The seed money contributed by cities and counties is at risk, but once a city or county has joined a CCA they have decided that the benefits outweigh the risks. In general, cities are fiscally conservative, unlike private companies, and do not take large risks
- Woodland's Preliminary 2020 Climate Action Plan (CAP) identifies strategies to guide the City, its residents, and local businesses in reducing greenhouse gas (GHG) emissions. The GHG emission reduction goals and strategies in the 2020 CAP were expanded upon in Woodland's Draft 2035 CAP, which will soon go before Council for adoption. Once adopted, the City must actively work towards the 2035 CAP goals. CCA participation is listed as an additional action for emission reductions and can also be beneficial for economic development.
- CCAs typically start off with a rate structure that is similar to IOUs, but the energy profile of a CCA includes a higher percentage of renewables than IOUs. CCAs are interested in developing energy efficiency programs that are a good fit for the local community, whereas IOUs may develop energy efficiency programs that are a good fit for their service territory.
- The CPUC directs utilities throughout the state to procure energy contracts. This is a form of centralized planning. Electricity provided by a centralized source is becoming less common as decentralized planning (e.g., CCAs) is becoming increasingly common.
- A trade association for CCAs recently formed to pool resources and advocate with the legislature and regulatory agencies on behalf of CCAs. CCAs may also find opportunities to collaboratively purchase energy contracts.
- The committee agreed that providing an opportunity for public comment and questions at a public meeting is necessary and should occur prior to the Council meeting at which the committee provides their recommendation.
- If Woodland were to decide to join VCEA, the advantages of joining early, in time to be included in the VCEA implementation plan submitted to the CPUC - rather than after VCEA has begun operation - are that Woodland would be able to participate in the selection of the CEO, forming policies, setting rates, and procuring energy contracts. The committee's evaluation should consider the advantages and disadvantages of joining before and after the start-up of the VCEA program.
- There may be a question of whether MCE or other CCEs are accepting new members. We should investigate.
- Under VCEA's "Option B" schedule, the VCEA implementation plan is anticipated to be submitted in summer 2017. Using this as a scheduling milestone, staff prepared three [potential schedules](#) to provide a framework for the committee's work plan. Assuming an early July submittal of the VCEA plan to the CPUC resulted in a very compressed schedule, so two additional schedules were sketched out, based on a late July and an August VCEA plan submittal. Staff will work with Davis and Yolo County staff and also with TEA to refine the scheduling assumptions. Public outreach should be added to the timeline, in addition to the schedule for a TEA report.
- *Question:* Should Woodland increase participation in VCEA activities by selecting advisory committee members to recommend as ex-officio members on the VCEA advisory committee? *Committee:* It would be in the committee's best interest to do so.

Staff will check with Mitch Sears about the process for adding Woodland ex officio members to the VCEA advisory committee.

- Staff compiled and categorized questions provided by committee members since the last meeting (see [Combined CCE Advisory Committee Questions](#)). Chairperson Flynn suggested the committee members come to the next meeting with ideas about how to prioritize and tackle the questions.

Issues for follow-up before the next meeting:

- Work with Davis and Yolo County staff to determine which potential schedules are realistic from VCEA standpoint
- Determine whether MCE would be open to accepting Woodland as a member
- Determine the schedule and cost for TEA to prepare a report for Woodland building on the technical report and updated pro forma prepared previously for Davis and Yolo County
- Find out the process for requesting ex officio member participation on the VCEA advisory committee

The meeting adjourned at 8:15 p.m.