



California Energy Commission DOCKETED 13-IEP-1D
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September 3, 2013

California Energy Commission
Dockets Office, MS-4
Re: Docket No. 13-IEP-1D
1516 Ninth Street
Sacramento, CA 95814-5512
via email docket@energy.ca.gov

Re: 2013 Integrated Energy Policy Report: Lead Commissioner Workshop on Evaluation of Electricity System Needs in 2030

The Marin Energy Authority (“MEA”) appreciates the opportunity to comment on the California Energy Commission’s (“CEC”) Lead Commissioner Workshop on Evaluation of Electricity System Needs in 2030, held as part of the 2013 Integrated Energy Policy Report (“IEPR”) Proceeding. MEA respectfully requests that the CEC incorporate CCA load into its forecasts in the IEPR, or alternatively, requests that the CEC explicitly states that any entity utilizing the IEPR for projecting load must reflect Community Choice Aggregators’ (“CCA”) load.

I. Introduction

MEA administers the first and only operational CCA program in California, MCE Clean Energy (“MCE”), which currently serves approximately 125,000 customers throughout Marin County and within the City of Richmond. MEA is a not-for-profit public agency formed to reduce greenhouse gas emissions by providing the local communities it serves with the choice to consume electricity with a higher renewable content than the default offering provided by Pacific Gas and Electric (“PG&E”), the incumbent Investor Owned Utility (“IOU”) for MEA’s service territory. MEA’s customers are currently fully resourced through 2015 and have long-term power purchase agreements with terms that are typically 20 to 25 years. This information is all encapsulated in MEA’s Integrated Resource Plan, which is updated annually and attached to these comments.

MEA’s mission is to address climate change by reducing energy related greenhouse gas emissions and securing energy supply, price stability, energy efficiencies, and local economic and workforce benefits. In this way, MEA’s mission reflects AB 32 goals. Customers in MEA’s service territory have three product choices for their electricity supply: PG&E’s 19 percent renewable energy, MCE’s “Light Green” 50 percent renewable energy, and MCE’s

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“Deep Green” 100 percent renewable energy. The default service option in MEA’s service territory is Light Green, although customers may opt out for PG&E’s service option, or opt up for MCE’s Deep Green option which costs approximately \$6 more per month for the average single family home in MEA’s service territory. MEA’s product offerings exceed the Renewables Portfolio Standard (“RPS”) requirements set forth for 2020. Since launching service in 2010, MEA has cumulatively reduced CO₂ emissions from the communities it serves by 28,759 tons.

In addition to MEA, Sonoma Clean Power is another renewable energy CCA program that is launching in Sonoma in 2014. Clean Power SF is another renewable energy CCA program with an anticipated launch. In 2014 alone, CCA loads will consist of hundreds of megawatts. There are also numerous other California communities in early stages of CCA development that will serve thousands of megawatts of load.

II. Incorporating CCA Load Projections into the IEPR

At the August 19 Workshop, the CEC discussed California’s projected energy needs for 2030. MEA respectfully submits these comments in order to ensure that the loads of CCAs, including MEA, are accurately forecasted within the IEPR.

The California Public Utilities Commission (“CPUC”) and the Investor-Owned Utilities (“IOUs”) rely upon the IEPR for the peak demand and energy forecasts in the Long-Term Procurement Plans (“LTPP”) submitted by the IOUs. Without the consideration of CCA load, the IOU load forecasts, and any resulting resource plans, overstate the IOUs’ resource needs. This leads to over-procurement by the utility and the creation of stranded costs. CCA customers are then forced to pay for these stranded costs through on-bill fees called Non-Bypassable Charges (“NBCs”).

California Public Resources Code §25302.5(b) indicates: “The [CEC] shall perform an assessment in the service territory of each electrical corporation of the loss or addition of load described in this section and submit the results of the assessment to the Public Utilities Commission.” The loss or addition of load that should be assessed specifically includes load of community choice aggregators in accordance with §25302.5(a)(1)(A). Therefore, the CEC is required by law to assess the loss of load attributable to MEA and other CCAs within an IOU’s service territory.

Furthermore, in accordance with California Public Utilities Code §366.2(a)(5), a CCA “shall be solely responsible for all generation procurement activities on behalf of the CCA’s customers, except where other generation procurement arrangements are expressly authorized by statute.” Therefore, MEA’s required energy load to serve its customers should be reflected in the IEPR and in PG&E’s load projection upon which the IEPR is based.

MEA currently serves a load of approximately 180 MW with a peak load of 210 MW. The CEC should consider MEA’s load and other CCA loads within the IEPR to ensure accuracy and properly evaluate cost-effectiveness when considering AB 32 goals. Similar treatment is already given to publicly-owned utilities.

90% of MEA's customers are residential customers. Any unnecessary stranded costs directly affect families and contribute to affordability issues for those customers enrolled in financial assistance programs, such as California Alternate Rates for Energy ("CARE"), Family Electric Rate Assistance ("FERA") or Medical Baseline Allowance programs.

Lastly, in addition to reflecting CCA load the IEPR should include any new generation resources that are being brought online due to CCA procurement. Through its Feed-in Tariff and Open Season Power Purchase Agreement solicitation, MEA's procurement has brought several new resources onto the California grid to meet the electricity demands of MEA's customers. These new resources produce electricity through renewable sources, such as biogas and solar photovoltaic technologies. As the CEC tracks California's progress in meeting the AB 32 greenhouse gas emissions reduction targets, all new renewable resources, including those brought into operation by CCAs, should be accounted for in this assessment.

Therefore, MEA respectfully requests that the CEC include CCA load into the IEPR. Alternatively, MEA requests that the IEPR explicitly direct the CPUC or any utilities replying on the IEPR for load projections to consider the load of CCAs.

Sincerely,



Shalini Swaroop
Regulatory Counsel