



TO: Mayor and Councilmembers

FROM: Peter Imhof, Planning and Environmental Review Director

CONTACT: Cindy Moore, Sustainability Coordinator

SUBJECT: Central Coast Community Energy Annual Member Agency Update

RECOMMENDATION:

Receive a presentation from Central Coast Community Energy regarding the City's Annual Member Agency Update.

BACKGROUND:

On August 20, 2019, the Goleta City Council voted to join Central Coast Community Energy (formerly Monterey Bay Community Power), a Community Choice Aggregation (CCA) electricity provider. Central Coast Community Energy is a not-for-profit, locally controlled public agency currently providing electricity to residents and businesses in Monterey, San Benito and Santa Cruz Counties, and the cities of San Luis Obispo and Morro Bay. On December 4, 2019, Central Coast Community Energy, or 3CE, accepted eleven new jurisdictions as member agencies, including the cities of Goleta, Carpinteria, Guadalupe, Solvang, Santa Maria and the County of Santa Barbara. Effective September 4, 2020, the name of the agency changed from Monterey Bay Community Power to Central Coast Community Energy (3CE) to better reflect the expanded service area.

Starting in October 2021, Southern California Edison (SCE) accounts within 3CE's service area will be automatically enrolled in 3CE's default electricity program. However, customers may choose to opt-out and maintain SCE service at any time. CCA's in general introduce competition and choice in the electricity markets, providing customers with options about their power supplier and the level of clean energy they wish to support. Joining a CCA allows the City of Goleta to support the City Council-adopted 100% renewable energy goal by 2030, as outlined in the City's Strategic Energy Plan. It also allows the City an opportunity to reduce greenhouse gas emissions and invest in our local community.

DISCUSSION:

As an energy resource in the Central Coast Region, 3CE engages its stakeholders, including member agencies and customers, through outreach, education and marketing activities. 3CE recognizes that member agencies are critical to the effective governance

and delivery of services and programs for the agency and staff intends to support ongoing communications about 3CE in a variety of ways. Providing annual updates to each of the 3CE member agencies is just one way the agency maximizes visibility and awareness. The memo from 3CE in Attachment 1 provides the annual JPA Member Agency Update to the City of Goleta.

As a new member agency, this presentation will be Goleta's first annual update. 3CE staff will provide an overview on a range of topics including:

- Response to COVID-19
- Membership & Governance Structure
- Major Accomplishments
- New Clean and Renewable Energy Procurement Strategy
- Existing Programs
- Goleta's Energy Usage and Estimated Savings
- October 2021 Enrollment Outreach
- Service Offerings
- Future Program Planning
- Key Updates for a Unified Central Coast CCA

3CE will continue to strategically partner with the City of Goleta to raise awareness and deliver solutions that address climate change, electrification, fuel-switching, building community resiliency, eliminating greenhouse gas emissions, creating economic development opportunities and increasing social equity.

FISCAL IMPACTS:

There is no fiscal impact associated with this item.

ALTERNATIVES:

The purpose of this report is to update the City Council. There are no alternatives presented.


Reviewed By:


Kristine Schmidt
Assistant City Manager

Legal Review By:


Michael Jenkins
City Attorney

Approved By:


Michelle Greene
City Manager

ATTACHMENTS:

1. Central Coast Community Energy Annual JPA Member Agency Update Memo
2. Central Coast Community Energy Annual Member Agency Update Presentation

ATTACHMENT 1

Central Coast Community Energy
Annual JPA Member Agency Update Memo



TO: City Council of the City of Goleta

FROM: Lina Williams, Manager of Energy Account Services

SUBJECT: City of Goleta to Receive Central Coast Community Energy, Annual JPA Member Agency Update

DATE: Tuesday, October 20, 2020

[Central Coast Community Energy \(3CE\)](#) is a locally controlled public agency sourcing clean and renewable energy for residents and businesses in Monterey, San Benito, Santa Cruz and most of San Luis Obispo and Santa Barbara Counties. 3CE is based on a local energy model called community choice aggregation (CCA) that partners with the investor owned utility (in our case, SCE) which continues to provide consolidated billing, electricity transmission and distribution, and grid maintenance services.

When [Assembly Bill 117](#) was passed in 2002, it required Community Choice Aggregators, such as 3CE, to become the default electric generation service provider for all eligible customers. 3CE was formed for the purpose of procuring clean and renewable electric generation on behalf of its customers – at competitive rates – while reinvesting through local energy programs in the local economy.

On December 4, 2019, the [3CE board approved Goleta](#), as well as 10 other communities in San Luis Obispo and Santa Barbara Counties, as a member agency. Prior to that, the City of Goleta underwent a comprehensive process of public engagement to ensure the public had time to weigh in about joining 3CE. As required by law, Goleta provided 2 noticed meetings for the following actions:

1. August 20, 2019: Adoption of resolution and waive and reading of the first ordinance - This authorized the city to request membership with 3CE and authorized the Mayor to execute the joint powers authority agreement as amended with 3CE.
2. September 3, 2019: Second reading of the ordinance - This authorized the city to participate in the 3CE community choice aggregation program.

The City of Goleta has, approximately, 13,503 eligible customers both residential and non-residential. Eligible customers will be enrolled in 3CE's default service offering, 3Cchoice, unless they choose to opt out and continue purchasing SCE's electric generation energy supply. Per state law, 3CE will mail an enrollment notice to every customer four times, including two times within 60 days prior to the start of service and two times within 60 days following the start of service. Since SCE requires Net Energy Metering (NEM) customers to true-up when they enroll with a community choice energy provider, 3CE will hold multiple NEM enrollment months to enroll NEM customers closest to their normal true-up date, in order to minimize any potential disruption to the customer's expected NEM value.



3CE will be conducting additional outreach and engagement with key business customers, community-based organizations, chambers as well as non-profits and trusted community leaders. 3CE will also be providing comprehensive advertising and marketing through digital mediums to help with information sharing to enrolling customers. 3CE has joined the Goleta Valley Chamber of Commerce as well as the Santa Barbara County Farm Bureau and is planning on sharing information with additional business and community-based organizations.

ATTACHMENT 2

Presentation

Central Coast Community Energy
Annual Member Agency Update

3CE Annual Member Agency Update

City of Goleta

October 20, 2020



MBCP Is Now 3CE



Central Coast
**Community
Energy**

Effective Sept. 4, 2020

New Tag Line: **“Clean Energy. Local Control”**

New Website: www.3cenergy.org

New Acronym: **3CE**



How Does a CCA Work?

“A Partnership to support shared customers”



CCAs procure from
clean & renewable
energy resources

Investor Owner Utility
transmits & distributes
the electrons

Same Service at
competitive prices

WHO WE ARE?



3CE Governance

Policy Board:

Meets 4 Times Annually including Annual Meeting

Operations Board:

Meets 10 Times Annually including Annual Meeting

Community Advisory Council:

Meets 7 Times Annually including Annual Meeting

**County of
Santa Cruz**

**City of
Santa Cruz**

**City of
Watsonville**

**County of
Monterey**

**City of
Salinas**

**County of
San Benito**

**County of
Santa
Barbara**

**City of
Santa Maria**

**Coastal
Cities**

Marina*
Sand City
Seaside
Del Rey
Oaks

**Peninsula
Cities**

Carmel
Monterey*
Pacific
Grove

**Salinas
Cities**

Greenfield
Gonzales*
Soledad

**San Benito
Cities**

Hollister
San Juan
Bautista*

**Santa Cruz
Cities**

Capitola
Scotts
Valley*

**San Luis
Obispo
Cities**

San Luis
Obispo*
Morro Bay
Paso
Robles

**South
County
Cities**

Arroyo
Grande
Grover
Beach*
Pismo
Beach

**SB County
Cities**

Guadalupe*
Solvang

**SB County
Cities**

Goleta*
Carpinteria
Buellton

*City representative currently serving in a shared seat.

3CE Accomplishments

- MBchoice - carbon free offering
- MBprime - 100% renewable offering
- 94% enrollment

Local Choice



- \$12 million - Energy programs
- Est \$50 million - Customer savings
- \$25 million - Resiliency Fund

Economic Vitality



- Contracts with Local Vendors Over \$800,000
- 32 full time employees
- 2 offices - Monterey & San Luis Obispo

Local Support



- Over \$140 Million in Reserves
- Service and Loans Paid Off
- Pursuing Credit Rating

Financial Stability



- 450 MWs of Renewables - solar, wind, geothermal
- 200 MWs of battery storage

Clean Energy



Central Coast
Community
Energy

3CE Response to COVID-19

- Unanimous support from boards
- All customers benefit
- No action needed

MBCP Responds to COVID-19 with an Estimated \$22m in Deferred Customer Electricity Costs

JAN 1 – APR 30, 2020	MAY 1 – JUN 30, 2020	JUL 1 – DEC 31, 2020
7% Savings MBCP customers receive a monthly discount compared to PG&E rates	50% Off All MBCP Electric Generation Charges	2% Savings MBCP customers will continue to save, monthly, compared to PG&E rates

MBCP customers can expect a 50% rate reduction on their May and June electric bills as a response to provide financial relief to all customers.

mbcp.org/covid-response

50% of 3CE Electric Generation Charges deferred in May and June 2020

Cumulative bill reduction estimated \$22.4 Million

\$6.45 million for residential customers
\$10.95 million for commercial customer
\$5.03 million for agriculture customers

Update on Energy Procurement

Project Name (Executed PPAs)	Source	Generation Megawatt	Battery Megawatt	Location	Expected Online Date	Delivery Term (in years)
RE Slate (Recurent)	Solar + Storage	67.4	33.7	Kings County	06/30/21	17
BigBeau (EDF)	Solar + Storage	57.6	18.0	Kern County	12/01/21	20
Mammoth Casa Diablo IV	Geothermal	7.0		Mono County	12/31/21	10
Coso Geothermal Power	Geothermal	66.3		Inyo County	01/01/22	15
Rabbitbrush (First Solar)	Solar + Storage	60.0	12.0	Kern County	06/01/22	15
Yellow Pine (NextEra)	Solar + Storage	75.0	39.0	Clark County, Nevada	12/31/22	20
California Flats BESS	Battery Only		60.0	Monterey County	08/01/21	10
Aratina (8ME)	Solar + Storage	120	30	Kern County	04/01/23	20
TOTALS		453.3	192.7			

These contracts meet 35% of our annual energy demand

A photograph of several offshore wind turbines in the ocean under a clear blue sky. The largest turbine is in the foreground, with its three blades extending upwards. Two smaller turbines are visible in the background to the left.

3CE's Pathway to Clean and Renewable Energy

- New Clean and Renewable Resources
 - 60% RPS Renewable by 2025
 - 100% RPS Renewable by 2030
- Acceleration of Electrification Programs and Evaluation of Distributed Energy Resources and Storage

Overview:

- 3% of gross revenue set aside per year to focus on electrification, fuel-switching and resiliency

Programs from FY 19/20



CAlLeVIP EV infrastructure program



Affordable Housing/MUD Electrification Grants



School Bus Electrification



Agriculture Electrification



Residential Electrification



Residential Resiliency



GHG inventories for member agencies



Reach code incentive for member agencies

\$25MM UNINTERRUPTIBLE POWER SUPPLY FUND PROGRAM

Are Your Operations Impacted by Power Outages?

Central Coast Community Energy (CCCE) created the \$25MM Uninterruptible Power Supply (UPS) Fund Program to accelerate the adoption of reliable backup power for eligible public and private entities.

Responding to Community Needs

CCCE wants to help its customers maintain critical operations during prolonged power outages, such as those caused by PG&E Public Safety Power Shutoff events or other natural disasters.



The UPS Fund Program Provides Lower-Cost Financing to Help Deliver Energy Resiliency

Eligible critical facility types include:

Agricultural storage • Cooling centers designated by state or local governments • Data centers • Emergency operations centers • Emergency response providers • Fire stations • Grocery stores • Homeless shelters supported by federal, state or local governments • Jails and prisons • Libraries • Locations designated by PG&E to help during PSPS events • Medical facilities (hospitals, skilled nursing facilities, nursing homes, blood banks, health care facilities, dialysis centers, hospice facilities) • Police • Public and private gas, electric, water, wastewater or flood control facilities • Schools • Telecommunications • Traffic signals • **Other justifiable critical facilities will be considered for funding on a case-by-case basis. A written justification by applicant must be provided for facility**

Learn more or apply at 3cenenergy.org/ups-fund

UNINTERRUPTIBLE POWER SUPPLY (UPS) FUND PROGRAM

\$25 Million Total Investment

Public Sector (\$20 million) - Available now

- Low cost financial support
- Open to public customers i.e member agencies, schools, hospitals, water district etc.
- Project funding, ownership, and asset management will be determined on a case-by-case basis

Private Sector (\$5 million in loan guarantee) - Launching soon

- Low-interest financing
- First-come, first-serve basis
- Funding loan at discretion of selected bank





GOLETA BY THE NUMBERS

- 13,503 accounts
- 230,790 MWh in 2019

City Accounts Est. Savings (2021)

- \$541.00

Community Savings (2021)

- \$299,287.00

October 2021 launch of service for customers in County of Santa Barbara SCE Customers

2021 Community Enrollment Plan

- Direct outreach to top 20 customers
- Direct outreach to key stakeholder groups
- Regional advertising to raise awareness
- Required mailers plus additional letters to NEM customers
- Development of key digital resources: FAQs, Videos
- Call Center available to answer any billing or customer inquiries
- 3 Net Energy Metering Enrollments

Collaboration with City Staff

- Sharing enrollment info via newsletter and social media platforms
- Help validate the enrollment



2021 3CE Community Enrollment Plan



Service Offerings



PRIMARY OFFERING AT COMPETITIVE RATES

- Default service offering, with electricity sourced by RPS compliant renewable energy sources
- 60% Clean & Renewable by 2025
- 100% Clean & Renewable by 2030 (monthly balanced)

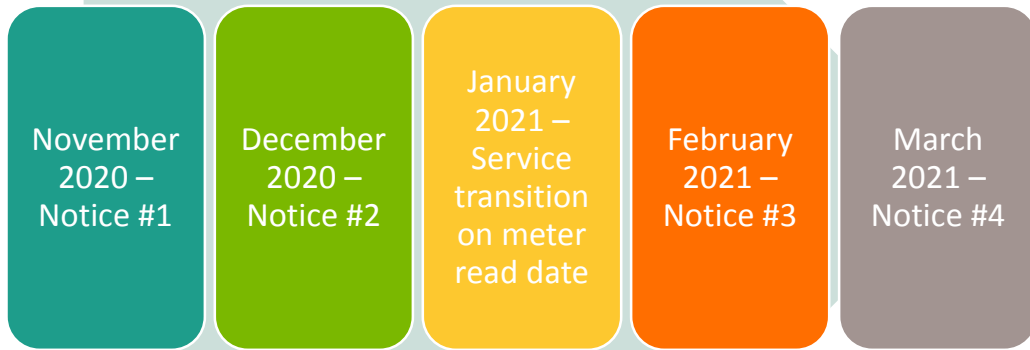


\$0.008/kWh MORE THAN 3Cchoice

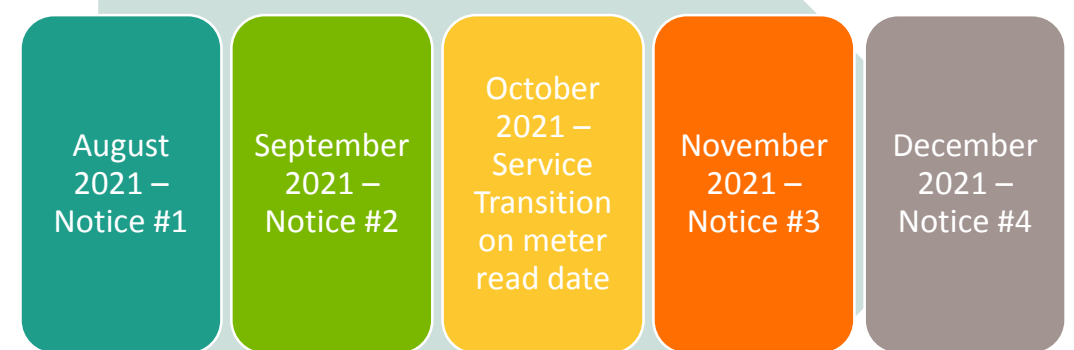
- 100% from RPS compliant energy sources

CUSTOMER ENROLLMENT

Customers within PG&E's Service Territory



Customers within SCE's Service Territory



- Customers can opt-out at any time at no cost during enrollment period.
- If customers opt out after enrollment period, there is an administrative fee of \$5 for residential & \$25 for commercial customers

NET ENERGY METERING (NEM)



Enrolment in 3CE service may result in an additional True-up for some shared customers. In an effort to minimize

There will NEM customer specific notifications in addition to the required notifications outlined in the enrollment plan.

- NEM customer letter
- NEM email notification
- NEM customer webinar
- reminder notification 30 days prior to each NEM enrollment month

JANUARY 2021 ENROLLMENT TIMELINE

SEPTEMBER & OCTOBER 2020

- Member Agencies
- Community Organizations
- Business Organizations
- Environmental Organizations
- Community & Business Leaders

NOVEMBER & DECEMBER 2020

- Enrollment Notification Mailers
- Advertising/Social Media
- Outreach

JANUARY 2021

- ALL ELIGIBLE CUSTOMERS ENROLL
- Flip The Switch Event

FEBRUARY & MARCH 2021

- Enrollment Notification Mailers
- Outreach
- Advertising



CENTRAL COAST COMMUNITY ENERGY



A Unified Central Coast CCA


Key Updates:

- Satellite Office in San Luis Obispo
- Pathway to achieve 100% clean and renewable energy by 2030
- Leveraging Community Advisory Council for outreach and non-voting seat participation on Operations & Policy Boards
- Engaging with the community around development of future programs
- Enrollment of over 140k customers in 2021 & 2022 across 12 communities

Stay Connected with 3CE

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