



Update on Community Choice Energy and Caltrain Electricity Service

Board of Directors
February 2, 2017
Agenda Item 12

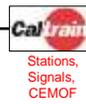
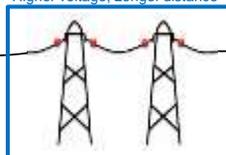


The Grid and Community Choice Energy

Energy Generation
(Power Plants)

Energy Delivery
(Transmission System)
Higher voltage, Longer distance

Energy Delivery
(Distribution System)
Lower voltage, Local distance



Previous:



Current Path:





Community Choice Energy (CCE)

- Cities/counties procure and provide electricity on behalf of their communities
 - Goal: higher-renewable, lower-greenhouse gas emissions electricity, at competitive rates
- Electricity still delivered and billed by PG&E
- Automatic enrollment; customer can opt-out at any time
- June 2016
 - Board took action to enroll in CCE
 - Staff to conduct Technical Evaluation

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Electricity (Generation) Providers Percent of Caltrain total kWh

Provider	Type	Previously	Current Path
	Investor-Owned Utility	94%	50%
	Community Choice Energy	-	16%
	Community Choice Energy	-	21%
	Community Choice Energy	-	7%
	Municipal Utility	4%	4%
	Municipal Utility	2%	2%

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Technical Evaluation Criteria & Results

- Environmental: % renewable, % GHG-free
- Cost
- New Entity Risk Management
 - Successful start-up of service, high customer participation, industry standard/prudent power management practices
- Administrative
 - No adverse effects on billing or customer service

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Technical Evaluation Criteria & Results

- Reliability: infrastructure
 - No change; delivered and maintained by PG&E
 - De-prioritization of CCE customers not allowed nor practicable
- Reliability: energy supply
 - Industry standard/prudent Power Purchase Agreements, Reserve Capacity, CAISO oversight
- Compatible with future Caltrain
 - CCE supply can support Electrified Caltrain
 - Caltrain should explore negotiating transit-specific rates, regardless of provider

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Options

Option		Caltrain System Total		Est. Annual Cost Difference (Compared to Previous PG&E)	
		% Renewable Energy	% GHG-free Energy	%	\$
1	CCE current path	36%	67%	- 1%	- \$14,000
2a	CCE upgrade	60%	78%	+ 2%	+ \$35,000
2b	CCE + Municipal upgrade	65%	79%	+ 3%	+ \$41,000
2c	CCE + Municipal + PG&E upgrade	100%	100%	+ 11%	+ \$158,000
3	opt-out back to PG&E default	30%	59%	0%	\$0
4	opt-out back to PG&E & upgrade	100%	100%	+ 15%	+ \$225,000

**Staff
Recommendation**

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Next Steps

- March 2017
 - Staff presents formalized recommendation for Board action
- July 2017
 - Last of the 3 CCEs finishes enrolling remainder of Caltrain electricity meters
- Spring/Summer 2018
 - Staff evaluates 1 year actual CCE billing data
 - Update Board

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