




# Community Choice Aggregation

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Path to Energy Independence

EMC Webinar  
Nov. 12, 2020

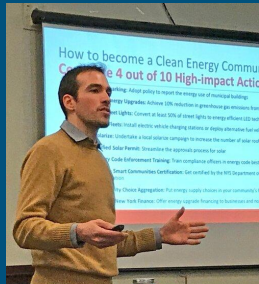


# Presenters

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# What is CCA?

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Community Choice Aggregation (CCA), at its most basic level, is a bulk-buying club for **energy supply**.  
(electric and/or gas)

# Energy Supply vs. Delivery

Electricity bills show two categories:

- Energy Delivery
- Energy Supply

In NYS, our electric utilities are decoupled from energy production - they only deliver electricity

- Consumers can choose where they buy their electricity supply
- ~ 20% choose Energy Service Company (ESCO) and/or solar farm.

Service Address: [REDACTED] Page 3 of 4  
NYSEG DETAILED ACCOUNT ACTIVITY

💡 **Electricity Service - Residential** Service from: 04/10/20 - 05/11/20  
**Electricity Rate - 12001 NYSEG Supply Service** PoD ID: [REDACTED]

Meter Number	Current Meter Read Date	Current Meter Read Reading	Previous Meter Read Date	Previous Meter Read Reading	Reading Difference	Billed Usage	Billing Period
98265375	05/11/20	59951 C	04/10/20	58663 A	1288	1288 kwh	32 days

Type of read: A - Actual, E - Estimate, C - Customer, R - Remote and N - No read

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**Electricity Delivery Charges**

Basic service charge							15.11
Delivery charge	1288 kwh	@	0.0403				51.91
Transition charge	1288 kwh	@	0.00877909				11.31
Revenue decoupling mech	1288 kwh	@	0.001782				2.30
SBC charge	1288 kwh	@	0.005782				7.45
<b>Subtotal Electricity Delivery</b>							<b>\$88.08</b>

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**Electricity Supply Charges**

Supply charge	1288 kwh	@	0.03946687				50.83
Merchant function charge - Apr	867 kwh	@	0.002533				2.20
Merchant function charge - May	421 kwh	@	0.002651				1.12
<b>Subtotal Electricity Supply</b>							<b>\$54.15</b>

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**Electricity Taxes and Surcharges**

Taxes on delivery charges		@	2.0408%				1.80
County sales tax		@	4.0000%				5.76
<b>Subtotal Electricity Taxes and Surcharges</b>							<b>\$7.56</b>

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**Total Electricity Cost** **\$149.79**

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**Total Energy Charges** **\$149.79**

# Energy Supply vs. Delivery

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## ● ENERGY DELIVERY

- We pay NYSEG for energy delivery services (wires, pipelines)
- NYSEG rate increases are for O&M, improvements to their delivery infrastructure.
- NYSEG delivery rate increases will continue under CCA.

## ● ENERGY SUPPLY

- NYSEG buys energy supply (electricity, gas) on the wholesale market and delivers it to us. Supply cost is pass-thru (e.g. NYSEG makes no profit on the supply)
- Wholesale prices vary by time of day and time of year (supply, demand)

# NYSEG Bill Example with CCA



**Account Number:**   
**Statement Date:** May 08, 2020

**Service Address:** Page 3 of 6  
**NYSEG DETAILED ACCOUNT ACTIVITY**

**Electricity Service - Residential** Service from: 04/04/20 - 05/05/20  
**Electricity Rate - 12001 ESCO Supply Service** PoD ID:

Meter Number	Current Meter Read Date	Current Meter Read Reading	Previous Meter Read Date	Previous Meter Read Reading	Reading Difference	Billed Usage	Billing Period
77581114	05/05/20	34364 A	04/04/20	33840 C	524	524 kwh	32 days

Type of read: A - Actual, E - Estimate, C - Customer, R - Remote and N - No read

Electricity Delivery Charges			
Basic service charge			15.11
Delivery charge	524 kwh @	0.0403	21.12
Transition charge	524 kwh @	0.00898141	4.71
Revenue decoupling mech	524 kwh @	0.001782	0.93
SBC charge	524 kwh @	0.005782	3.03
<b>Subtotal Electricity Delivery</b>			<b>\$44.90</b>

Electricity Taxes and Surcharges			
Taxes on delivery charges	@	2.0408%	0.92
County sales tax	@	3.0000%	1.37
<b>Subtotal Electricity Taxes and Surcharges</b>			<b>\$2.29</b>
<b>Total Electricity Cost</b>			<b>\$47.19</b>



CONSTELLATION NEW ENERGY INC  
 PO BOX 4911  
 HOUSTON TX 77210-4911

[www.constellation.com/ny-mega](http://www.constellation.com/ny-mega)

Account number:  

## Messages

Your community participates in a Community Choice Aggregation (CCA) bulk electricity purchasing program run by MEGA. CCA offers you the benefits of a competitive rate, supply price certainty (price/kWh is the same through June 2021) and access to renewable electricity. Visit [megacca.org](http://megacca.org) or call MEGA's CCA Helpline 518-533-5399.

Electricity Supply Detail				
Contract Charges	524 kwh @	0.0541985		28.40
State and Local Sales Tax				0.86
State and Local Sales Tax				0.29
<b>Current Electricity Supply Charges</b>				<b>\$29.55</b>



**source**



**CCA**

buying and building  
electricity supply

**delivery**



**UTILITY**

delivering energy,  
maintaining lines,  
billing customers

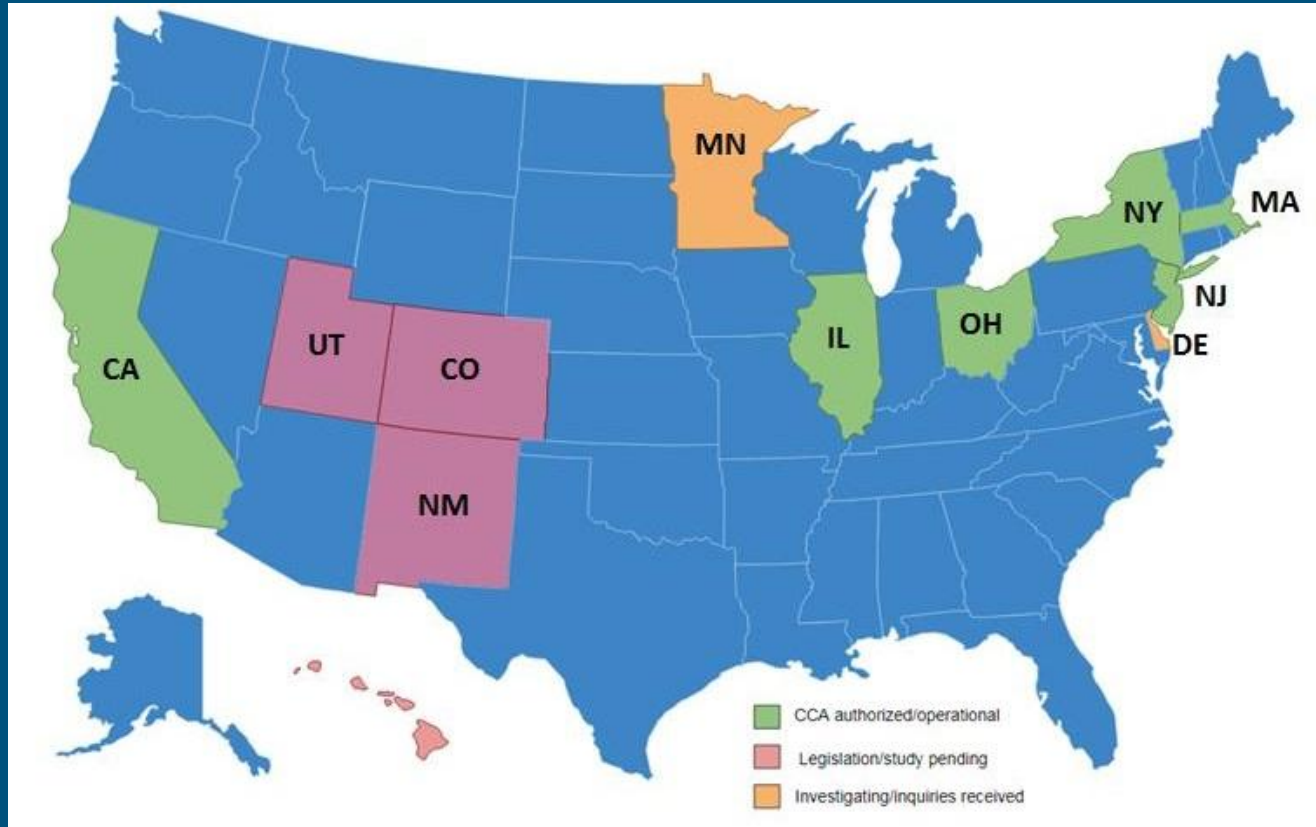
**customer**



**YOU**

benefitting from  
affordable rates,  
local control,  
cleaner energy

# Where is CCA?





# NYS Authorization of CCA

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- Community Choice Aggregation (CCA), at its most basic level, is a bulk-buying club for energy supply (electric +/-gas)
  - It can also include other energy services and programs
- Public Service Commission (14-M-0224, order April 2016)
  - Municipality can pass local law to purchase energy supply on behalf of residents and small commercial accounts
    - Must be done at the lowest level - village, city, town
    - Individuals may opt out of CCA

# CCA in NYS

## Operating CCAs

- 61 municipalities w/ active CCAs
- ~170,000 residential and small commercial electricity accounts
- 38 municipalities are currently receiving 100% renewable energy as default supply

## Current CCA Administrators

- Good Energy
- Joule Assets
- Municipal Electric and Gas Alliance (MEGA)
- Westchester Power



# CCA in NYS (July 2019)

<b>Administrator</b>	<b># members</b>	<b># municipalities*</b>	<b># 100% green municipalities</b>
<b>Westchester Power (est. 2016)</b>	<b>~ 91,000</b>	<b>27</b>	<b>24</b>
<b>MEGA (est. 2019)</b>	<b>~ 37,000</b>	<b>21</b>	<b>6</b>
<b>Joule Assets (est. 2019)</b>	<b>~ 28,000</b>	<b>8</b>	<b>8</b>
<b>Good Energy (est. 2019)</b>	<b>~ 7,100</b>	<b>5</b>	<b>0</b>

\*80 municipalities are fully authorized for CCA, 61 are receiving CCA supply at this time. Others are either on hold pending better pricing, or they have decided not to move forward with CCA at this time.

# The Purpose of CCA (as told by NYSERDA)

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- CCA allows local elected officials to choose source of energy supply for their community.
- Enter into a bulk purchasing arrangement and competitively procure energy supplies with the help of a CCA Administrator.
- The purpose is to build market clout and negotiate better prices and terms on energy supply and other clean energy products and services.

# CCA's Potential

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- Predictable energy supply costs via Power Purchase Agreement (PPA)
- Purchase 100% renewable energy supply
- Enhance community energy literacy
- Develop local or regional renewable energy resources
- Local/regional job creation
- Develop/support local energy services; efficiency, heat pumps, EV, storage
- Develop/support programs for low-income residents
- Keep our energy investments local, strengthen local economy

# Energy Math and CCA potential

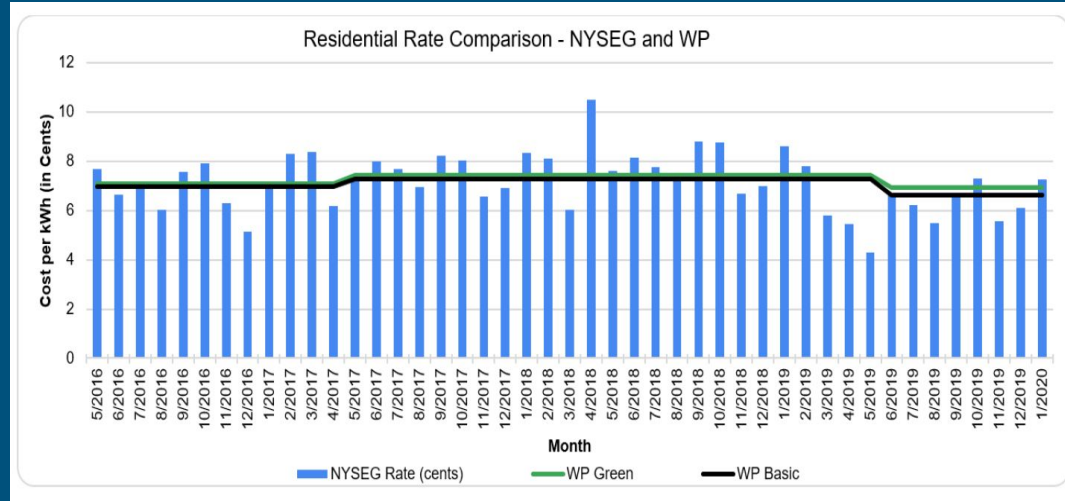
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- Average electricity use/home = 700 kWh/month
- # homes in Tompkins County = 40,000
- Average cost/kWh = \$0.038
- $700 \times 12 \times 40,000 \times \$0.038 = \$12,768,000/\text{yr}$   
leaves Tompkins Co. to pay for electric supply
- What if, instead, we own, build and generate our own power? And reduce our demand? And sell our excess back to the grid? And pay for energy efficiency and heat pumps with the money we save? And support our low income residents? And create community jobs? And....

	CCA 1.0	CCA 2.0	CCA 3.0
<b>Goal</b>	<b>Save money</b> by RFP to procure lower cost per kWh, green energy (RECs) @ sl. higher cost	Regional green energy procurement, goal = cost less or equal to utility supply, cheaper (brown) energy option, +/- local energy programs	<b>Save money by reducing energy demand.</b> Social and energy equity at core. Locally built, owned, managed green energy & storage, EV, heat pumps, local jobs; keep \$ in the community.
<b>Energy Source</b>	Brown +/- Green energy option (RECs)	Green (RECs), + brown. RFP may specify NYS or regional RECs	Locally owned and sited green energy; regional, state RECs secondary
<b>Aggregate size</b>	150,000 households	75,000+ households	20,000 – 50,000 households
<b>Local control</b>	None (after contract)	Some, optional	High, customized, flexible; coop model, self-determination
<b>Administration</b>	Consultant and local	Consultant and local	Local coop, + muni +/- advisors
<b>Level of effort</b>	Low, short term	Low to medium, ? ongoing	High
<b>Risk</b>	moderate	moderate	New model. Community creativity & commitment are key.

# CCA Considerations

- CCA may exceed NYSEG supply costs
  - other ways to reduce costs efficiency, demand response
- Customer concerns - moving, opt-in or out, billing questions, etc.
  - local management, ongoing outreach and communication
- Municipal effort
  - Understanding ahead of time what is expected from the local government





# Steps to start a CCA

## Public Engagement

- Information gathering
  - Set preliminary goals
  - Feasibility - financial, policy, etc.
  - Re-evaluate goals
  - Select administrator (RFP optional \*)
    - external, internal, both
  - Develop implementation plan \*
    - Programmatic, budget
    - public outreach
    - data management
  - Pass Local Law \*
  - Submit plan to PSC for approval
  - Aggregate w/other municipalities \*
  - Issue RFP for energy supply, other services
    - review, revise if needed
  - Hire local coordinator
  - Launch
- (\* templates exist for these)

# TCCOG Energy Cmte - CCA focus

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Rod Howe, Supervisor, Town of Ithaca, Chair TCCOG Energy Cmte  
[RHowe@town.ithaca.ny.us](mailto:RHowe@town.ithaca.ny.us)

Research existing CCA programs - structures, contracts, prices

- Talk with administrators (MEGA, Joule, Local Power)
- Talk with CCA communities (Geneva, Westchester)
- Identify our local goals (may differ by municipality)
- Determine how/if to undertake CCA and structure best suited to meet our goals

# Questions????

- Contact
  - Irene Weiser [irene32340@gmail.com](mailto:irene32340@gmail.com)
  - Terry Carroll [tc629@cornell.edu](mailto:tc629@cornell.edu)