



## General SCP & CCA Facts

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### About Sonoma Clean Power

- Sonoma Clean Power is the public power provider for Sonoma and Mendocino counties, and we are proud to be your local, cleaner alternative to PG&E.
- SCP started serving Sonoma County customers in May 2014 and expanded our service to Mendocino County in June 2017.
- SCP is governed by the participating cities of Cloverdale, Cotati, Fort Bragg, Petaluma, Point Arena, Rohnert Park, Santa Rosa, Sebastopol, Sonoma, Willits, Windsor, and the counties of Sonoma and Mendocino.
- Like other power providers, Sonoma Clean Power contracts with generating sources to fulfill the needs of our customers. The difference is that we purchase from cleaner sources with fewer greenhouse gas emissions than PG&E, ensuring more renewable energy is being put onto the grid and less pollution is being emitted state-wide.
- We contract with more renewable energy sources, including geothermal, wind, and solar, and provide power to the residents, businesses, and municipalities in our service territory at rates that are competitive with PG&E.
- Our electric rates are competitive with PG&E's so our customers can choose to support cleaner power for about the same cost.
- By taking advantage of our customer offerings and incentives, customers can reduce their utilities costs even further *and* help clean up California's electric grid.
- SCP's standard service, CleanStart, is 49% renewable and 93% carbon-free. Compared, PG&E's standard service is only 31% renewable.

- SCP also has an optional premium service, EverGreen, which is 100% renewable and 100% local, generated in Mendocino and Sonoma counties. This 100% renewable energy from geothermal and solar sources is provided around the clock, every hour, all year long.
  - SCP is the only utility in California to provide you with the option of using 100% renewable, locally produced energy day AND night for your home or business.
  - By tapping solar by day and geothermal by night, EverGreen eliminates the need to be backed up by dirty power, such as natural gas.
  - The solar energy powering EverGreen is produced by six local facilities that were made possible by our feed-in-tariff program, [ProFIT](#) (now closed). Location matters, which is why all our ProFIT projects were built right here in Sonoma and Mendocino counties.
- SCP serves 87% of eligible customers in Sonoma and Mendocino counties.
- Because SCP has no shareholders, we invest the money that our customers spend on electricity each month back into the communities that we serve by supporting local projects and organizations, partnering with schools to educate the next generation about energy conservation, building new renewable energy facilities in our service territory, and developing customer offerings that are unique to the needs of Sonoma and Mendocino County residents and businesses.

### **About Community Choice**

- Community Choice Aggregators like Sonoma Clean Power (SCP) are making cleaner electricity accessible to more Californians by putting the power to procure energy into the hands of local communities.
- In the early 2000s, California experienced PG&E's first bankruptcy and an energy crisis that caused rolling blackouts throughout the state. Determined to fix the broken market and prevent illegal manipulation

from ever occurring again, the public demanded that the state develop a solution.

- In 2002, the legislature passed Assembly Bill 117, also known as the “Community Choice Aggregation Law”, which allowed cities and counties to form customer-owned public power agencies in order to have transparent, local control over their electricity supply.
- Community Choice Aggregators compete with the state’s private investor-owned utilities (IOUs), PG&E, SCE, and SDG&E, for electric generation services. However, the three IOUs maintain a monopoly on delivery and transmission services within their territories, as they own the majority of grid infrastructure throughout California.
- Historically, for-profit utilities have been the default service provider to customers in their territories. Now, Community Choice Aggregators are considered the default provider and customers are automatically enrolled in their electric generation services unless they choose to opt out. This ensures that the “default status” is given to the not-for-profit, public provider, though customers can still have the choice to be served by the private provider.
- The Community Choice model gives customers a choice for the first time: to stay with the local CCA or opt out for the investor-owned utility.
- Today, there are 23 Community Choice agencies operating in California, with several more in formation. These public power providers are governed by the cities and counties that they serve, and are responsible for procuring power, often from significantly cleaner sources than their private counterparts, for the residents, businesses, and municipalities in their service territories.
- Because Community Choice Aggregators are not-for-profit public agencies, they do not have shareholders or the obligation to return a profit. Instead, they use their revenues to keep electric rates stable, create new energy-efficiency programs for their customers, support local projects and organizations, contract locally for their business

needs, and address issues that are unique to the communities they serve.

- [CalCCA](#), the industry's trade association, was formed in 2016 to protect the interests of California's Community Choice Aggregators and provide legislative and regulatory support on the state level.

## **How Community Choice Works**

- Community Choice Aggregators, like SCP, contract with generating sources to fulfill the needs of their customers. SCP purchases wholesale energy from solar, wind, hydroelectric, and geothermal facilities, which put the electricity they generate onto the grid to supply our local demand.
- When you purchase electricity, you pay for two major services: electric generation and electric delivery. Electric generation is the cost of producing the electricity you use in your home or business. Electric delivery is the cost of getting that electricity to your home or business, including the poles, wires, and meters.
- PG&E owns the electric grid in Sonoma and Mendocino counties, so therefore, continues to manage the infrastructure maintenance and billing of customers for their delivery services.
- Because of SCP, customers now have a cleaner, local, and public alternative for the electric generation services they pay for each month.
- SCP charges are not an additional charge. For SCP customers, SCP provides their generation services and PG&E provides their delivery services. For non-SCP customers, PG&E provides both their generation and delivery services. Regardless of which provider you choose, you will still pay for both services each month.
- Prior to SCP, electric generation rates were set without any input from local customers. SCP's Board of Directors, which is made up of local elected officials from each of the jurisdictions we serve, sets rates through a public process that gives customers local control and accountability.

- If you are a customer of a Community Choice Aggregator, like SCP, that means the local public power provider is responsible for choosing the generating sources that will supply your household's or business's energy usage, instead of the for-profit, investor-owned utility.
- SCP ensures that there is enough energy on the grid to meet your needs, and PG&E maintains the poles and transmission lines that bring the electricity to you.
- SCP matches the generation we supply onto the electric power grid to our customers' demand for electricity every minute of every day.
- The decision of whether to contract with dirty generating sources for our electricity needs directly impacts the health and air quality of the communities where fossil fuel power plants are located.
- By choosing cleaner generating sources, Community Choice Aggregators and our customers are reducing pollution and emissions throughout the state, and combating the climate crisis as a whole.

## **The Bottom Line**

Sonoma Clean Power offers:

- **Choice** (previously, the only option was PG&E)
- **Cleaner Electricity**
  - SCP offers 49% and 100% renewable energy services.
  - PG&E's default service is 31% renewable and both of PG&E's "100% renewable" services rely on natural gas at night when solar is not being generated.
  - EverGreen was the first 100% local, renewable service offered in California.
- **Lower Greenhouse Gas Emissions**
  - SCP offers a power mix of cleaner energy sources with lower greenhouse gas emissions than PG&E.
- **Competitive Rates**
  - Even though we have no control over PG&E's rate changes, SCP always aim to be the same as, or within a few percentage points

of PG&E's. That way, our customers can choose to support cleaner power and experience the benefits of having local, public provider for about the same cost.

- **Not-for-Profit**

- Unlike private investor-owned utilities, SCP has no shareholders or obligation to return a profit.
- The revenue that Sonoma Clean Power generates goes toward local community efforts and innovative customer programs, instead of into the pockets of shareholders.
- After recouping operating costs, SCP's revenues are invested back into the Agency to keep rates stable, build reserves, fund customer programs, and support local community efforts and organizations.

- **Local, Public Control**

- All of SCP's Board of Directors meetings are open to the public, including the rate-setting process, unlike private investor-owned utilities.
- SCP customers and the public can voice their questions, concerns, and comments on any items discussed by our Board of Directors.
- The member cities and counties of SCP guide us in deciding which generating sources we contract with to supply local demand.
- SCP does not receive any funding through taxes.

- **PG&E is Not Harmed in Any Way by SCP's Existence**

- Because PG&E does not profit from their electric generation services (is a pass-through cost; model prevents investor-owned utilities (IOUs) from having a financial motivation for customers use *more* electricity) they did not lose profit when SCP and other Community Choice Aggregators began serving customers.
- PG&E receives most of its revenue from the delivery side, which it continues to charge customers for and manage with no competition.

- No jobs at PG&E were lost due to SCP. In fact, PG&E has created a CCA division, which has created new jobs at PG&E.
- The creation of CCA's put pressure on the IOUs to include more renewable energy in their power mixes sooner, benefiting even the customers who opted-out of CCA services.
- **Superior Net Metering Program**
  - SCP's [NetGreen+](#) program offers customers with onsite generation systems, like solar, who are annual net energy generators in kilowatt-hours (kWh) cash for their annual excess energy exported to the grid.
  - SCP's Premium Net Surplus Compensation (PNSC) Rate is double that of PG&E's 12-month Net Surplus Compensation rate average for the calendar year.