

Community Choice Aggregation (CCA)

The Power to Choose

What We Do

MEGA as an AGGREGATOR for MUNICIPAL GOVERNMENTS

- Not-for-profit local development corporation
- Started in 1998
- Helps municipalities control their energy costs and save money
 - Competitive bidding process
 - Complies with NYS General Municipal Law
- Grown to about 300 participants
 - Expanded to include renewables hydro, solar



Background History

NYS Public Service Commission (NYSPSC)

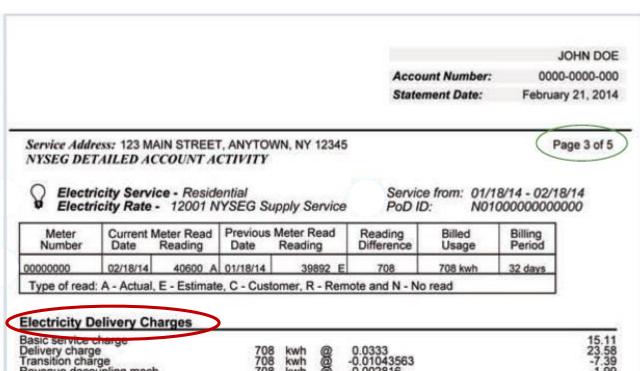
- Part of NY REV (Reforming the Energy Vision)
- Plan to modernize NY's energy system --- reliability, resiliency, affordability
- Empower & engage consumers: more choices

Community Choice Aggregation (CCA)

- CCA Proceeding Issued in December 2014 (Case: 14-M-0224)
- Final Order April 2016
- MEGA CCA Order October 2017



Energy Supply Only



National Grid will still be responsible for delivery, power outages & maintenance

Supply from Energy Services Company (ESCO)

\$46.94

National Grid

Basic service charge Delivery charge Transition charge Revenue decoupling mech Reliability support svcs. chg NY state assessment SBC/RPS charge	708 708 708 708 708 708	kwh kwh kwh kwh kwh	BBBBB	0.0333 -0.01043563 -0.002816 0.001934 0.001418 0.005891	15.11 23.58 -7.39 -1.99 1.37 1.00 4.17
Subtotal Electricity Delivery					\$35.85
Electricity Supply Charges Supply charge Merchant function charge - Jan Merchant function charge - Feb	708 309 399	kwh kwh	999	0.06276665 0.003689 0.003413	44.44 1.14 1.36



Subtotal Electricity Supply



What is CCA?

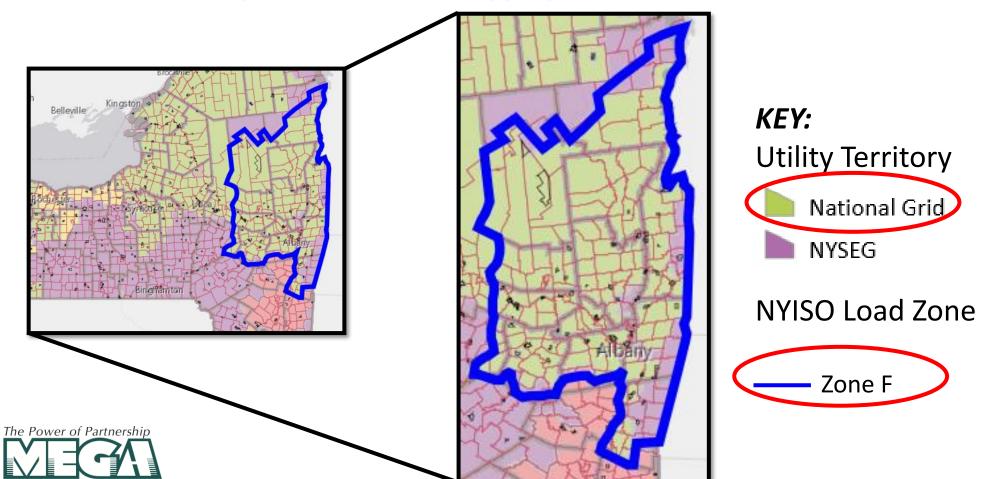
Community Choice Aggregation allows local governments to aggregate the electricity and/or natural gas accounts of residential and small commercial customers within their jurisdiction

- Cities, towns, and villages
- Counties can have a supervisory/facilitator role
- Local governments can work together to form larger aggregations

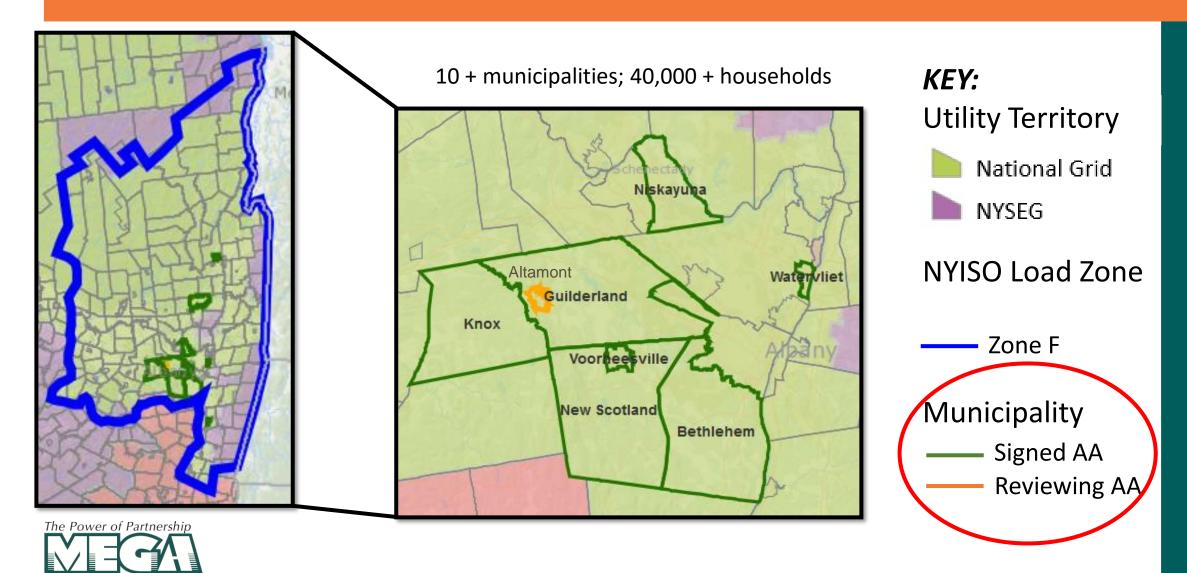


CCA Benefits: Strength in Numbers

Geographic extent of aggregation potential



Strength in Numbers: CCA in the Capital Region



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10 + municipalities; 40,000 + households

- 1. City of Glens Falls
- 2. City of Saratoga Springs
- 3. City of Watervliet
- 4. Town of Bethlehem
- 5. Town of Guilderland
- 6. Town of Knox
- 7. Town of New Scotland
- 8. Town of Niskayuna
- 9. Village of Kinderhook
- 10. Village of Voorheesville



Benefits of CCA

Better Rates for Consumers

- Bulk purchasing
- Competition
 - ✓ Competitive prices
 - ✓ Budget certainty, stable rates

Consumer Protections

- Community conversation about energy choices
- Experts evaluating bids and negotiating contracts
 - ✓ Protection from predatory marketers

Tailored to Community's Energy Goals

- ✓ Access to renewable electricity
- ✓ Incorporation of local projects



CCA Program Details

Opt-out Model

- All "automatically eligible customers" participate unless they opt-out
- Excludes:
 - customers with existing supply contracts
 - customers with blocks on their accounts

Opt-out Process

- Education, Education
 - Multiple education methods (e.g. in person, radio, U-Tube)
 - 2 distinct education periods
- Opt-out letter: on municipal letterhead
- 30 day opt-out period
- No fee to return to utility after opt-out period ends



CCA Eligibility

Accounts are automatically included in the CCA if they:

- Are located within a City, Town or Village that is participating,
- Receive their electric supply from National Grid,
- Are a resident or small business (>2,000kWh/month), AND
- Do not have a block on their account

CCA Program is compatible with:

- Budget billing
- Community solar (community renewables)
- Rooftop solar



CCA Program Details

Participation Choices

- Opt-out: stay with or return to National Grid
- Opt-in: those with existing supply contracts
- Opt-up or Opt-down: customer choice after municipality choice

Authorization Subject to NYSPSC Approval

- ✓ Implementation Plan
 - ✓ Education/Outreach
 - **✓** Opt-out Letter
- ✓ Data Protection Plan
- ✓ Local Law



Seven EASY Steps to Develop a CCA Program





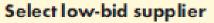




Competitive bid for energy supply

















Lessons Learned

Power of Aggregation

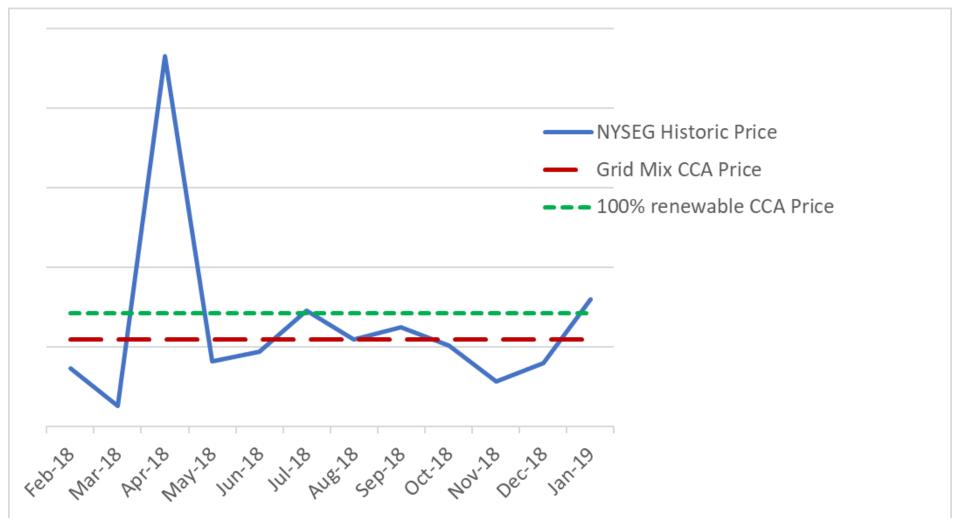
- Larger number of accounts = more competitive price
- 100% renewable electricity = cheaper when default

Power of Education

- Increased utility bill literacy/empowered participants
 - ✓ Understanding current supply price
 - ✓ Understanding renewables (including community solar)
 - ✓ Rate case participation
- Neighbors talking about electricity options (opt-in)



Lessons Learned





Questions?

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