The Davis City Council formed the Community Choice Energy Advisory Committee in February 2015 to investigate whether a Community Choice Energy (CCE) program is a good fit for Davis. As part of its activities, the 11 member Committee is reaching out to the community to share information about CCE’s and gather feedback and questions. The Frequently Asked Questions (FAQ’s) below answer some of the basic questions that have been identified. The FAQ’s will be updated as additional questions are identified and answers are researched.

To submit a question or comment please email: news@cityofdavis.org

1. What is Community Choice Energy (CCE)?

Community Choice Energy (CCE) provides residents and businesses with a choice over how and where their energy is created. Cities and counties combine (or aggregate) their electricity load (that is, the electricity used by their residents and businesses) in order to purchase and/or develop power for their community. Residents and business are not required to participate in a community’s CCE program and may opt out.

2. Does CCE replace PG&E?

No. If CCE is offered, Davis residents and businesses would continue to receive services from PG&E. For example, PG&E would continue to handle the billing, meter reading, and maintenance of the distribution system that carries electricity to individual customers.

3. How does CCE work?

With CCE, nothing changes in the delivery and service of electricity to customers. Instead, customers have a second option for the source of their electricity.
4. What’s the difference between CCE and a City-owned electrical utility?

CCE is not the same as a city-owned municipal electrical system. In a municipal electric utility, a city purchases the electric distribution system from a utility through what is called a condemnation process. The city also buys electricity to deliver to homes and businesses.

With a CCE system, the utility still owns and delivers the electricity through its distribution system, but the CCE purchases electricity on behalf of local electricity customers from another source. In a CCE, customers can opt out of the CCE program if they wish to keep the utility as their electricity provider.

5. Have other communities formed CCE programs?

Yes. Twenty-two cities and counties currently participate in three California CCE programs.
Current CCE programs are:

**Marin Clean Energy:** (Includes: Marin County and the cities of Belvedere, Benicia, Corte Madera, El Cerrito, Fairfax, Larkspur, Mill Valley, Novato, Richmond, Ross, San Anselmo, San Pablo, San Rafael, Sausalito, Tiburon, and unincorporated Napa County. [www.mcecleanenergy.org/](http://www.mcecleanenergy.org/)

**Sonoma Clean Power:** (Includes Sonoma County and the cities of Cloverdale, Cotati, Petaluma, Rohnert Park, Santa Rosa, Sebastopol, Sonoma, and the Town of Windsor. [www.sonomacleanpower.org/](http://www.sonomacleanpower.org/)

**City of Lancaster:** [www.lancasterchoiceenergy.com](http://www.lancasterchoiceenergy.com)

In addition, as of April 2015, there are at least 18 counties and/or cities within them that are investigating or actively pursuing CCE formation. These include: Alameda, Contra Costa, Humboldt, Lake, Los Angeles, Mendocino, Napa, San Bernardino, San Diego, San Francisco, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz/Monterey/San Benito (Tri-County CCA), and Davis.

6. **What are the potential benefits of a CCE for Davis residents and businesses?**

*Choice and competition.* CCE offers a choice of electricity providers and creates competition that encourages innovation and improved pricing.

*More renewables.* CCE programs have the ability to buy a cleaner mix of electricity and provide consumers with energy choices that can include higher percentages of renewable energy, including electricity generated from local renewable energy facilities.

*Local control.* Historically, electric rates are set without any input from community residents. CCE would provide more local control and accountability.

*Energy prices.* Experience in other CCE programs indicate that electricity prices are competitive with or cheaper than those charged by the existing utility.

*Local reinvestment.* CCEs have the potential to contribute to the local economy through direct consumer cost savings and job growth if local renewable power sources are developed. According to Sonoma Clean Power (SCP):

> In the past, $180 million left Sonoma County each year to pay for electric generation. In our first year of operation, SCP will save our customers approximately $6 million dollars, creating an immediate economic benefit for our community. Over time, SCP
will also buy increasing amounts of power from local sources, helping support local jobs.

Source: Sonoma Clean Power

Local energy efficiency programs. A CCE can apply to use some of the state’s energy efficiency program funds to develop new locally based programs and incentives better targeted to the community’s needs.

7. How will the City Council decide whether or not to form a CCE?

In 2015, the City Council formed the Community Choice Energy Advisory Committee to study the issue and evaluate whether or not Davis should pursue a CCE option or remain with PG&E. The Advisory Committee is considering the issue, including evaluating different options, potential costs and benefits of different options. It is seeking community input from Davis residents and businesses. The Advisory Committee will report back to the City Council this summer.

Information about the Advisory Committee’s work may be found at: http://city-council.cityofdavis.org/on-going-committees/community-choice-energy-advisory-committee

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