

PROPOSED UPDATES TO CCA FAQs on PGE.com as of 5/27/10

1. What is Community Choice Aggregation (CCA)?

Community Choice Aggregation, or CCA, is a program available within the service areas of investor-owned utilities, such as PG&E, which allows cities and counties to purchase and/or generate electricity for their residents and businesses. It is not a PG&E program. PG&E would continue to deliver the electricity through its transmission and distribution system and provide meter reading, billing, and maintenance services.

2. How are customers enrolled?

Once a city or county implements a CCA program, all eligible customers within the area automatically become energy supply customers of that CCA program. As part of the CCA notification process, you will receive at least two notices during a 60-day period prior to CCA service commencement and at least two additional notices during a 60-day period after CCA service commencement. These notices will describe the terms and conditions of the CCA service made available to you by the CCA formed in your community and will inform you as to how you may opt out of the program if you choose to do so.

3. How does this affect customers?

4. One of the primary impacts is what you may be charged for electricity. The California Public Utilities Commission (CPUC) – the primary state agency that regulates PG&E – does not control CCA program rates, does not oversee CCA program reliability and will not act to resolve complaints by customers against CCA programs. CCA programs may incur higher or lower levels of costs in providing power than PG&E. The result may be an increase or decrease in a customer's overall electricity bill. Customers may also receive a "less clean" or "cleaner" supply of power than provided by PG&E. CCAs may also offer different power mixes than PG&E, although they are required to satisfy the state's renewable portfolio standard.

5. Are any customers automatically exempt from a CCA program? Can I opt out of a CCA program?

All PG&E customers in a CCA program's service area automatically become customers of that CCA program (which may occur in phases) unless they actively opt out of the CCA program. You have the right to opt out of CCA procurement service during the CCA program's two 60-day formal notification periods. If you opt out, PG&E will continue to procure electricity for you. If you do not opt out during these two notification periods (or any intervening time between them), you will be automatically enrolled in CCA procurement service. In either event, PG&E will continue providing transmission and distribution services to you. Regardless of whether or not you opt out of CCA service, you will continue to be eligible for ratepayer-funded programs, such as the California Solar Initiative and energy efficiency programs that are funded by distribution surcharges.

6. How do I opt out of a CCA?

To remain a customer of PG&E or a current DA provider (if you have one), you must actively opt out of the CCA program within a specific time period or you may need to comply with additional fees, terms or conditions. CCA programs are required to send potential customers at least four notifications that include opt-out instructions; twice during a 60-day period in advance of the date of automatic enrollment, and twice during a 60-day period following enrollment in the CCA program. During these periods, customers can opt out of the CCA program without any cost. To opt out, CCA programs will require customers to take some type of action, such as calling a toll-free number, sending a self-addressed return postcard or letter, or completing an opt-out form.

7. Can PG&E process my opt-out request?

PG&E can only assist eligible customers with the opt-out process if requested by the CCA. To opt out, each CCA program will require customers to take some type of action, such as calling a toll free number, sending a self-addressed return postcard or letter, or completing an opt-out form. A CCA is required to notify customers in writing to explain which opt-out methods will be available should they decide to opt out of the program.

8. Can I return to PG&E after starting service with a CCA program?

Yes, you can opt out of a CCA program during the 60-day period prior to the initiation of CCA service, as well as the 60-day period after starting service. You also have the right to return to PG&E's bundled service after the two 60-day notification periods end; your options for returning during this later period are:

1) You can notify PG&E at least six months before the date you want to return to PG&E bundled service that you wish to return to bundled service. When you return to bundled service six months later, you will pay the then-existing bundled electric generation rate, which will be identical to similarly situated PG&E customers in your customer class.

2) If you do not provide PG&E with a full six-months notice, you can return to PG&E bundled service at any time, but you will pay the then-existing transitional electric generation rate – which may be higher or lower than the then-existing bundled electric generation rate – until six months after you first gave PG&E notice; thereafter, your bundled electric generation rate will be identical to similarly situated PG&E customers in your customer class.

Whichever option you choose to exercise in order to return to bundled service anytime after the two 60-day notification periods end will require you to make a three-year commitment to bundled service.

9. Where can I find additional information on customer rights, obligations and updates regarding CCA programs?

For additional information concerning customer rights, obligations, and updates regarding the CCA program you may visit:

http://www.cpuc.ca.gov/PUC/energy/Retail+Electric+Markets+and+Finance/070430_ccaggregation.htm

10. What happens to my electric service if I move to a city or county that is part of a CCA program?

If you move to a city or county that has started a CCA program, you would become a customer of the CCA program by default unless you take action to opt out. If you do not opt out of the CCA program at the time you start your service, you would receive two notifications from the CCA program during the initial 60-day period that include opt-out instructions.

11. Who do I call to start my electric service if I move to a city or county that is part of a CCA program?

Contact PG&E to start your electric service. If your city or county is part of a CCA program, PG&E will inform you about the CCA program in your area and explain your options to opt out.

12. What is PG&E's view on CCA?

PG&E is committed to communicating with customers and communities to ensure they have accurate, complete information to make well informed decisions about CCA.

13. Once a customer opts out of a CCA program, can he/she join the CCA program at a later time?

Yes, a customer who opts out of a CCA program can join the program at a later date. However, in order to do so, the customer must contact the CCA program directly.

14. Is my current PG&E pricing option still available with CCA service?

The following options are not available to customers participating in CCA programs:

- E-FERA - Family Electric Rate Assistance
- E-RSMART - Residential SmartRate Program
- E-CSMART - Commercial SmartRate Program
- AG-ICE - Agricultural Internal Combustion Engine
- E-SLRP - Scheduled Load Reduction Program
- E-CPP - Critical Peak Pricing Program

If you are on any of the pricing options listed above, you must opt out of a CCA program in order to maintain your pricing election. If you do not opt out, you will be switched to CCA service and will not receive this pricing unless offered independently by the CCA program.

15. What PG&E services remain available to CCA customers?

PG&E would continue to manage the transmission, distribution and delivery of a CCA customer's electricity, including providing meter reading, billing, and maintenance and outage response services. Additional PG&E services, including energy efficiency, CARE rates, balanced payment plans, net metering, California Solar Initiative, other solar programs, the ClimateSmart™ program and some demand response programs, as well as programs such as eBills and Automated Payment Services are still available to CCA customers.

16. Are the service deposit requirements different in CCA programs?

No, PG&E's deposit requirements will remain the same. However, the CCA may also have its own deposit requirements.

17. What type of bill would I receive through a CCA program?

Customers in CCA programs continue to receive a PG&E bill. This bill will show PG&E's charges for transmission, distribution and delivery of a customer's electricity and the CCA program's charges for purchasing and/or generating a customer's electricity. The first page of this bill will show line items for PG&E's electric charges and the CCA program's electric charges, in addition to the total amount due. The second page of this bill will show details of PG&E's charges and the third page will show details of the CCA program's charges.

18. If I'm in a CCA program and have questions about the charges on my bill, who do I contact?

Depending on which portion of the bill the customer is calling about, you may need to contact both PG&E as well as the CCA. You may also need to contact both service providers for inquiries other than billing. For example, PG&E will continue to help with any questions related to PG&E service charges such as the delivery of electricity, or service requests such as gas pilot relights or new service arrangements. However, you would need to contact the CCA for any inquiries related to CCA service – information about the CCA, the CCA's rates or the sources used to generate the CCA's electricity.