

CCA Frequently Asked Questions:

Program Information

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, counties and other qualifying governmental entities 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 does this affect customers?

If you are located within a CCA area and become enrolled in a CCA program without opting out, one of the primary impacts is the amount 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. 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. CCAs may also offer different power mixes than PG&E resulting in a “less clean” or “cleaner” supply of energy, although at a minimum they are required to satisfy the state's renewable portfolio standard.

Enrollment

3. How are customers enrolled in a CCA Program?

Once a city or county implements a CCA program, all eligible customers within a specified area automatically become energy supply customers of that CCA program. In some instances, a CCA may choose to phase-in its 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 inform you how to opt out of the program if you choose to do so. Once a CCA completes its full roll-out, all new customers establishing service in that area will be enrolled in the CCA Program unless they opt out.

4. Are any customers exempt from automatic enrollment in 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.

5. 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. Because CCAs may enroll customers in phases, it is possible that some areas of a city or county are not currently part of the CCA. If your new location is not currently part of the CCA service area, you would receive electric service from PG&E until the CCA decides to add the area.

6. Whom do I call to start service in a city or county that is part of a CCA program?

Always contact PG&E to start or stop your electric service.

Service

7. Which PG&E services and programs 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, maintenance and outage response services. Additional PG&E services, including energy efficiency rebates, California Alternative Rates for Energy (CARE), medical baseline, balanced payment plans, net metering, California Solar Initiative, other solar programs, and some demand response programs, as well as programs such as eBills and Automated Payment Services are still available to CCA customers. Programs administered by the CCA may differ from those provided by PG&E.

8. 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.

9. 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-RSMART - Residential SmartRate Program
- E-CSMART - Commercial SmartRate Program
- AG-ICE - Agricultural Internal Combustion Engine
- E-SLRP - Scheduled Load Reduction Program
- E-PDP – Peak Day Pricing

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 not receive this pricing unless offered independently by the CCA program.

Billing and Rates

10. How will I be billed for CCA service?

Customers who receive their electric supply from a CCA receive a consolidated bill issued by PG&E that includes charges from both parties. PG&E collects payments on behalf of the CCA, which are then sent to the CCA.

The first page of the consolidated bill shows PG&E charges and CCA charges as separate line items along with the total amount due. Details of CCA charges appear under the heading "Third-Party Electric Generation Detail."

11. How much will I pay for PG&E's electric charges?

Under a CCA program, PG&E will continue to bill you for non-generation charges, which include electricity delivery (transmission and distribution) and other miscellaneous charges (e.g., public purpose programs). Beginning on July 1, 2012, as part of residential generation and distribution rate flattening, you will also see a new charge on your bill called the “Conservation Incentive Adjustment” (CIA) (see question 13).

You will also continue to be billed for certain costs otherwise included in the PG&E generation rate, in order to protect our other customers from any adverse financial impacts attributable to the CCA. This is called the “Power Charge Indifference Adjustment” (see question 15).

Your CCA provider will bill you separately for its electric **generation** charges, which are included in the monthly bill you receive from PG&E. To see PG&E’s **non-generation** rates, click one of the links below based on your account type – residential or business - and locate your rate schedule in the left-hand column.* The price you pay for non-generation appears in the green column.

[Link to Res PDF here] Residential Non-Generation Rates
[Link to Bus PDF here] Business Non-Generation Rates

*Your rate schedule can be found under the “Electric Account Detail” heading of your PG&E bill.

12. Why is my home’s electric use billed according to “pricing tiers”?

The State of California has adopted a policy to require investor-owned utilities like PG&E to charge all residential customers on a tiered rate structure, which, beginning on July 1, 2012, is reflected in the Conservation Incentive Adjustment section of your bill. With tiers, electricity is charged at a progressively increasing rate based on your household’s use. At the beginning of each month, you start with a baseline amount of electricity where energy costs the least—Tier 1. The higher the tier, the more you pay for a kilowatt-hour of electricity in that tier. You can find your baseline quantity on page 1 of your monthly PG&E energy statement.

As a CCA customer, this tiered rate structure remains in place for your electric charges. PG&E’s generation charge will remain constant as your usage increases into higher tiers.

13. What are residential generation and distribution rate flattening and the Conservation Incentive Adjustment?

Beginning on July 1, 2012, PG&E is implementing changes to our residential rate structure to replace our tiered generation rate structure with a flat one that does not vary by usage. We proposed this rate structure to better reflect the cost of generation, regardless of the customer’s energy use or geographical location. The state’s other investor-owned utilities already have flat generation rates in place for their residential customers.

As a result of removing the tiered structure of the generation portion of residential rates, a new rate component, called the Conservation Incentive Adjustment (CIA), has been introduced. The CIA will include tiered rates that increase as a customer’s usage increases, encouraging conservation.

14. What is the impact of generation rate flattening and the Conservation Incentive Adjustment on CCA Customers?

The CIA will be a credit in Tiers 1 and 2 and a charge in Tiers 3 and 4. While the CIA will not change the energy charges for PG&E’s bundled customers, the impact to bills of CCA customers will depend on whether the CCA matches the same flat structure – and level – of PG&E’s generation rate.

15. What is the Power Charge Indifference Adjustment (PCIA)?

PCIA is the portion of your bill intended to ensure that customers who receive their electric supply from third-party providers, such as a CCA, pay their share of costs for energy that was acquired by PG&E to serve them prior to their departure.

The PCIA is included in PG&E's "non-generation charges" and may change annually to ensure that PG&E's remaining customers do not bear any cost created by departing customers who receive their electric supply from a third-party provider, such as a CCA. Customers who participate in the Medical Baseline Allowance program are exempt from the PCIA charge.

16. Why do I have a "Vintage Rate" as a CCA customer?

The portion of PG&E's generation rate that needs to be recovered through the PCIA depends on the year in which the customer began receiving generation supply from the CCA. Up to that point, PG&E was responsible for undertaking generation commitments to serve the customer. . The customer's Vintage Rate does not change, but the PCIA rate for that vintage will likely change every year.

17. What is a Franchise Fee Surcharge (FFS)?

Customers who receive their electric supply from a third-party provider are billed a franchise fee surcharge (FFS). PG&E normally collects the FFS directly from full bundled customers in the "Total Bundled Rate."

The money collected through the FFS is paid to municipalities for the purpose of supporting vital local services. CCAs do not bill customers for the FFS. Instead, PG&E collects the FFS to ensure that local governments continue to receive these important revenues.

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

Depending on which portion of the bill the customer is calling about, you may need to contact PG&E or the CCA. You may also need to contact one or 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.

Opt-Out Information

19. Can I opt out of a CCA program?

You have the right to opt out of CCA service during the CCA program's two 60-day formal notification periods. Similarly, new service starts that default to CCA service have the right to opt-out. 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. 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.

20. How do I opt out of a CCA?

To remain a customer of PG&E or a Direct Access provider (if you have one), you must actively opt out of the CCA program within the notification period or you may need to comply with additional fees, terms or conditions. Opt out requests are handled by the CCA.

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.

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

PG&E cannot assist with your request to opt out of 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.

22. 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.

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

Yes, you can opt out of a CCA program anytime. If you opt-out during the notification period, you can return to PG&E bundled service without terms or restrictions. You also have the right to return to PG&E's bundled service after the notification period, although you should check with the CCA to see if any charges might apply. Your options for returning during this later period are:

1) You can notify your CCA program at least six months before the date that you want to return to PG&E 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 (TBCC) – which may be higher or lower than the then-existing bundled electric generation rate – until six months after PG&E receives notice from your CCA. Thereafter, you will pay the bundled electric generation rate (identical to similarly situated PG&E customers in your customer class).

With either option, you'll be required to make a one –year commitment to PG&E bundled service.

Additional Information

24. 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

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

For more than 100 years, it has been PG&E's privilege to provide our customers clean reliable and affordable energy, and we look forward to the opportunity to do so for many years to come.

At the same time, we respect the energy choices that are available to our customers, and are cooperating with CCA programs.

26. If I become a CCA customer, how will my participation in PG&E's Net Energy Metering (NEM) be affected?

If you are a NEM customer with PG&E when you become a CCA customer, you will automatically be enrolled in the CCA's NEM program, if one is available. PG&E will perform an initial true-up when you are enrolled in CCA. This ensures that you will have the same anniversary date on both PG&E and CCA NEM Programs. PG&E will continue to calculate your monthly charges or credits for non-generation and will perform an annual true-up of those charges and credits, while the CCA will be responsible for determining your generation related charges and credits. The CCA's NEM Program may be different from PG&E's NEM program. Please contact your CCA for more information about their NEM Program.

27. Are CCA customers eligible to participate in the Virtual Net Energy Metering (Schedule NEMV) and Virtual Net Energy Metering from Multifamily Affordable Solar Housing (Schedule NEMVMASH) programs?

Yes, the California Public Utilities Commission authorized on June 4, 2012, the NEMV program and on June 17, 2012 the NEMVMASH program to become available to customers who receive their generation from third-party providers including CCAs. PG&E is implementing several billing enhancements that will accommodate billing for these programs, anticipated to be completed at the end of 2012. Until then, customers affected by this change will be allocated a bill credit accommodation that resembles the NEMV/NEMV MASH benefit.

28. Are CCA customers still eligible to participate in the CARE or FERA programs?

Yes, both programs are available to customers receiving their energy from third-party providers including CCAs. The eligibility requirements remain unchanged and applications continue to be processed by PG&E.