CCA Frequently Asked Questions

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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 continues to deliver the electricity through its transmission and distribution system and provide meter reading, billing, and maintenance services for CCA customers.

2. How does this affect customers?

State law requires that customers within a CCA's member jurisdictions be enrolled in CCA service unless they choose to opt out.

CCA programs may charge different rates for electricity than PG&E, resulting in a change in charges on a customer's overall electricity bill

CCA providers may procure a different mix of energy resources than that offered by PG&E.

Customers which take service from a CCA will stop paying PG&E's rates for generation, but will instead pay the CCA's generation rates. The rates for PG&E's delivery charges (non-generation) remain unchanged.

Enrollment

3. How are customers enrolled in a CCA Program?

Once a city or county implements or joins a CCA program, state law requires that customers within a CCA's member jurisdictions be enrolled in CCA service unless they choose to opt out₋. 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 enrollment process, all new customers establishing service in that area will be enrolled in CCA service 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 choose to 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 a customer moves to a city or county that has started a CCA program, the customer would become a customer of the CCA program by default unless they take action to opt out.

If a customer does not opt out of the CCA program at the time they start service, the customer would receive 2 notifications from the CCA program during the initial 60 day period that include opt out instructions.

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

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

7. Where is CCA service currently offered?

Currently, CCA service is only available in the City of Richmond and Marin County, through MCE. <u>Sonoma Clean</u> Power (SCP) is expected to launch enrollments in May 2014.

8. I live in a neighboring City <u>or County</u> to <u>an existing CCA program Richmond (e.g., San Pablo)</u>. Why did I receive an opt-out solicitation from a CCA MCE?

In many cases customers who identify themselves in neighboring communities are actually located within <u>the CCA's</u> jurisdictionalRichmond's city_arealimits. This is often the case if you reside in an unincorporated area of a County. If you believe that your service location is ineligible for CCA service, please contact PG&E.All CCA eligible accounts have been identified as within Richmond's city limits.

Service

9. Which PG&E services and programs remain available to CCA customers?

PG&E manages 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 (generally only on PG&E delivery charges), 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.

10. 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.

11. 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

12. 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. <u>Subsequent pages of the bill contain PG&E specific charges related to electric delivery services</u> along with gas charges (when applicable). Finally, dDetails of CCA charges appear <u>on a separate page of the bill</u> under the heading "Third-Party Electric Generation Detail."

PG&E is in the process of revising the design of our bills, including the "Third-Party" portion of the bill that CCA customers receive. While these changes are being made for all customers, they are not specifically related to CCA service.

13. 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). Additionally, PG&E assesses a tiering of rates through its delivery charges for residential customers, known as the "Conservation Incentive Adjustment" (CIA) (see question 13).

You will also be assessed a "Power Charge Indifference Adjustment" (PCIA), which is a charge to cover PG&E's generation costs acquired prior to a customer's switch to a third-party electric generation provider.

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.

Residential Non-Generation Rates (PDF, 168 KB) Business Non-Generation Rates (PDF, 126 KB)

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

14. Why is my home's electric use billed according to "pricing tiers?"

The State of California requires investor-owned utilities like PG&E to charge all residential customers on a tiered rate structure which 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 your delivery (non-generation) electric charges. The Conservation Incentive Adjustment is included within your PG&E delivery charges.

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

The <u>Conservation Incentive Adjusment (CIA)</u> 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.

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18. 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.

19. 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. PG&E acts as a collection agent for this fee.

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

If you have questions about the PG&E charges on the bill, you should contact PG&E. If you have questions about the CCA charges on your bill, you should contact 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, changes to your rate schedule, 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, such as generation rates or special programs.

Opt-Out Information

21. Can I opt out of a CCA program?

You may opt out of a CCA program starting at least 60 days before your account is scheduled to switch to the CCA and any time thereafter. After 60 days of CCA service, there may be charges or conditions from PG&E or the CCA associated with requests to opt out.

Opt outs take effect at the end of a customer's current billing cycle. As a result, customers that opt out will receive a final billing with CCA charges. If a customer requests to opt out of a CCA program less than five days before their meter-read date, the customer may see an additional month of CCA charges on their bill due to the timing of the request. The customer would then be returned to PG&E's bundled service on their next regularly scheduled meter read date.

If you opt out, PG&E will continue to procure electricity for you. If you do not opt out, you will receive electric procurement services from your 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.

22. How do I opt out of a CCA?

Customers must contact the CCA to opt out. PG&E cannot process opt out requests.

Customers may opt out of CCA service during the enrollment period, or at any time after starting service with the CCA. 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.

23. 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.

24. 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, if a customer opts out of a CCA program after the first 60 days of service with the CCA, the customer will be required to remain with PG&E's bundled service for one year. In order for a customer to join a CCA program after opting out, the customer must contact the CCA program directly.

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

Yes, you can opt out of a CCA program at any time. If you opt-out during the notification period, you can return to PG&E's 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. PG&E offers the following options for returning to bundled service during this later period:

- 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

26. 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 the California Public Utilities Commission (CPUC) website:http://www.cpuc.ca.gov/PUC/energy/Retail+Electric+Markets+and+Finance/070430 ccaggregation.htm

27. 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.

28. 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.

29. 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.

30. 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.