NEW 2030 ENERGY PLAN RELIES ON CCA'S TO PROCURE 10,000 MW TO MEET CLIMATE GOALS

April 30, 2019

Concord, Calif. – The California Public Utilities Commission (CPUC) on April 25 unanimously approved a new plan for achieving ambitious greenhouse gas emissions reduction targets within California's electric sector, primarily relying on **Community Choice Aggregators** (CCAs) to procure the new clean energy resources the state needs over the next decade to meet its climate goals.

The CPUC's approval of an "Integrated Resource Plan," or IRP, represents a major vote of confidence in the critical role CCAs are playing in California's rapidly evolving energy system.

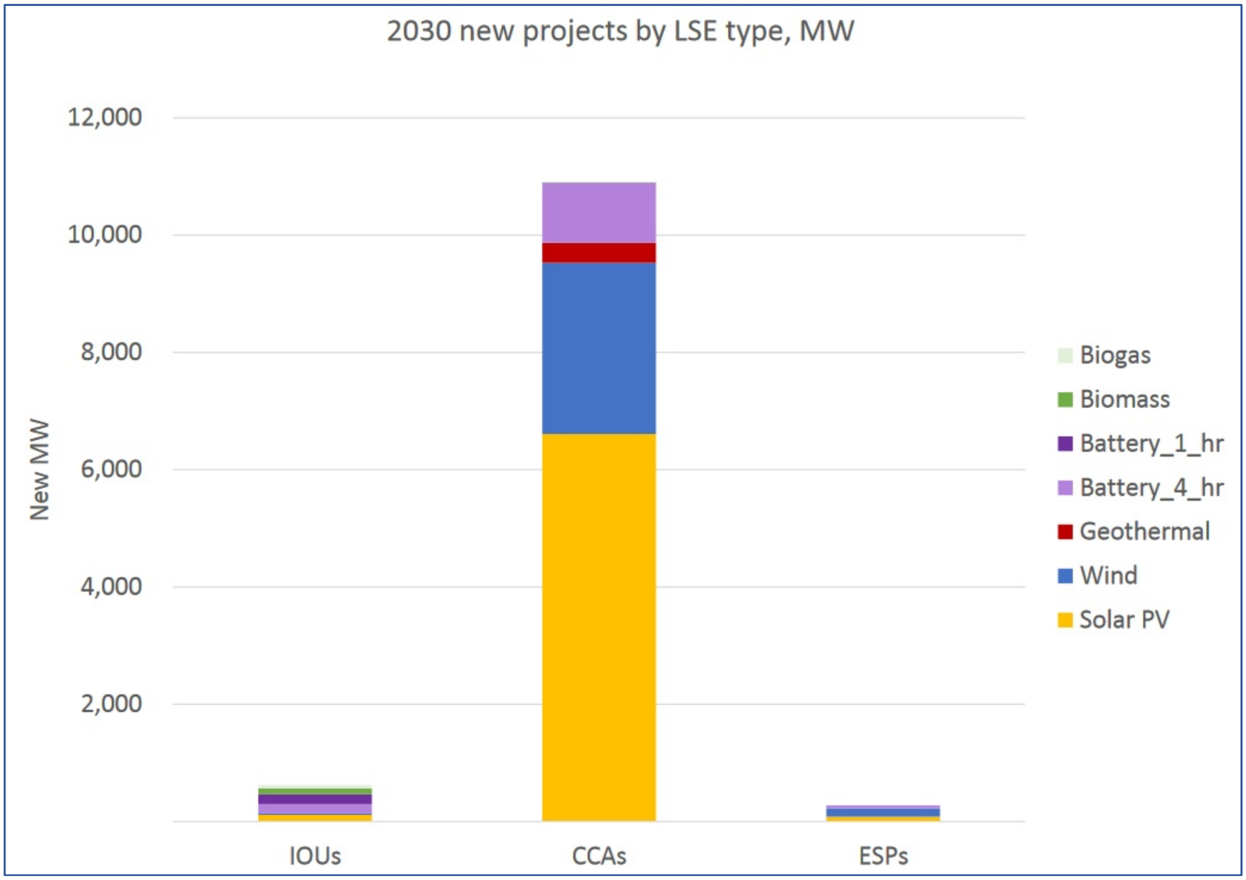
"The new IRP reflects a seismic shift in procurement responsibility to CCAs as customer load continues to migrate from Investor-Owned Utilities to local, not-for-profit community choice energy programs," said Beth Vaughan, executive director of the California Community Choice Association (CalCCA). "The plan shows CCAs are committed to advancing new, cost-effective, clean energy resources at the scale and speed California requires."

The IRP lays out the optimal portfolio of energy supply- and demand-side resources California will need to comply with Senate Bill (SB) 350, which established a 2030 greenhouse gas emissions reduction target of 40 percent below 1990 levels. SB 350 stipulates that the optimal portfolio must ensure reliable electricity at the lowest cost to ratepayers.

Under the CPUC-approved plan, CCAs will be responsible for about 90 percent of the energy procurement that will be needed by 2030 to meet the SB 350 target. Aggregators plan to make long-term investments in more than 10,000 Megawatts (MW) of new clean energy resources including solar, wind, geothermal and energy storage by 2030, while Investor-Owned Utilities (IOUs) and commercial Energy Service Providers (ESPs) plan to invest in approximately 1,000 MW of new resources combined (see bar graph below). CCAs are the load-serving entities (LSEs) "with the vast majority of planned new resource purchases through 2030," the CPUC said.

CCAs are already engaging in large-scale procurement of new clean energy resources. As of November, CCAs have signed long-term contracts for more than 2,000 MW with new renewable energy facilities in California, demonstrating their capacity to rapidly procure the resources the state needs to meet its clean energy goals. Despite their newness, energy project developers view CCAs as reliable counterparties due to the building of financial reserves, high participation rates, strong balance sheets and innate transparency given CCAs are public agencies.

The IRP plan is the first to be approved under SB 350, and the CPUC will reevaluate the portfolio every two years based on new market information. CalCCA expects to see continuous improvement in the IRP as CPUC staff, LSEs and stakeholders work together to ensure the plan is meaningful and comprehensive.



IOUs and ESPs combined propose to invest in about 1,000 MW of new resources by 2030, while CCAs plan to invest in more than 10,000 MW. Source: CPUC New Resource Capacity Analysis.

About CalCCA

Launched in 2016, the California Community Choice Association (CalCCA) represents California's community choice electricity providers before the state Legislature and at regulatory agencies, advocating for a level playing field and opposing policies that unfairly discriminate against CCAs and their customers. There are currently 19 operational CCA programs in California serving approximately 10 million customers. visit www.cal-cca.org. by California Community Choice Association