



Item

To: Mayor Thomas and Placerville City Council

From: Don Eckert, Executive Director
Mark Riffey, Director, Public Affairs, Communication and Programs

Item # : Receive a report on Pioneer Community Energy Serving the City of Placerville in 2022

Date: 1/11/2022

RECOMMENDATION

Receive a report on Pioneer Community Energy ("Pioneer") beginning electric generation service for eligible residents and businesses of the City of Placerville ("City") in 2022.

BACKGROUND

In the Summer of 2020, El Dorado County and the City approached Pioneer with an interest in becoming members of its Joint Powers Authority ("JPA") for the purpose of participating in its Community Choice Aggregation Program. In particular, both El Dorado County and the City of Placerville were interested in providing the savings benefit compared to Pacific Gas & Electric ("PG&E") rates that Pioneer customers in Auburn, Colfax, Lincoln, Loomis, Rocklin and Placer County have received since the inception of Pioneer in 2018.

On November 16, 2020, the Placerville City Council authorized the City Manager to join Pioneer's JPA. This action allowed Placerville residents and businesses to join Pioneer and take advantage of savings on their energy bills. Placerville customers have the option to join Pioneer or remain with PG&E.

At the December 17, 2020 Pioneer Governing Board meeting, the Board approved Amendment No. 1 to the JPA allowing the addition of the City and El Dorado County. At the same meeting, the Board also approved Addendum No. 1 to Pioneer's Implementation Plan and Statement of Intent with the California Public Utilities Commission ("CPUC").

In March 2021, the CPUC approved Addendum No. 1 to Pioneer's Implementation Plan. The Governing Board also expanded by two members to include representation from the City and El Dorado County.

ANALYSIS & DISCUSSION

The transition to Pioneer takes place throughout the month of January 2022 beginning on January 3, 2022 with the first PG&E meter reading cycle of the year.

The decision to join an existing CCA, such as Pioneer, has many benefits for the city including:

- Operations infrastructure already in place
- Avoid millions of dollars in start-up capital
- Ability for scale and influence by joining like-minded members
- No risk to the general fund

The primary driver in joining Pioneer's JPA was to provide utility bill savings for residents and businesses of the city. Residents and businesses participating in Pioneer will receive a 7% discount compared to PG&E's customer

generation rate for January and February 2022. Expected rate changes in March 2022 will result in a slight increase in the Power Charge Indifference Adjustment that applies to ratepayers leaving PG&E in 2022 that will reduce the discount to 6.3% through the remainder of the year. Overall, based on historical usage, residents and businesses of the city are projected to save \$640,000 in their utility bills through Pioneer in 2022.

FISCAL IMPACT

There was no cost to the City to join the JPA nor will there be any impact to the City's General Fund to receive service from Pioneer.

ATTACHMENTS

1. Presentation of Overview of Placerville Residents and Businesses Receiving Service from Pioneer in 2022.