Community Choice Aggregation

CCA RFP Overview Webinar
Capital Region Aggregation

13 municipalities in New York’s Capital Region

- National Grid, Zone F
- 6 Cities, 4 Towns, 3 Villages
  - Includes Albany, Schenectady and Troy
- Around 90,000 eligible accounts
Seven EASY Steps to Develop a CCA Program

1. Choose MEGA as CCA administrator
2. Educate the public
3. Adopt local law to authorize CCA
4. Competitive bid for energy supply
5. Select low-bid supplier
6. Citizens can opt-out
7. Savings begin

The Power of Partnership
MEGA
Municipal Electric & Gas Alliance
Outline

1. RFP Composition
2. RFP Timeline
3. MEGA’s Recommendation Process
4. Decisions of Municipality
5. Decision Logistics
RFP Composition

1. Qualifications
2. Pricing
3. Terms and Conditions of the Energy Supply Agreement
4. Timeline

The Power of Community, The Power of Aggregation

Municipal Electric and Gas Alliance
Community Choice Aggregation (CCA) Program

Request for Proposals (RFP)
RFP Composition cont.

1. Qualifications
   a) Experience with CCA
   b) Licenses, Certifications and Registrations
   c) Operational Capability
   d) Financial Capacity
   e) Data Security Compliance

2. Pricing
   a) Terms
   b) Contract Periods
   c) Renewable Supply Options
   d) Guaranteed Savings Options
3. Terms and Conditions of the Energy Supply Agreement
   a) Billing
      i. Single bill
      ii. Budget bill
      iii. Compatibility with solar
   b) Customer Service
      i. 24/7 call center
      ii. Municipality specific webpage
   c) Enrollment
      i. No fee to opt-out
      ii. Parameters around opt-out notification
      iii. Management of new accounts

4. Timeline
# RFP Timeline

## 4. Timeline

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<table>
<thead>
<tr>
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<tbody>
<tr>
<td>1. Issue RFP</td>
<td>mid-April</td>
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<td>2. RFP Responses Due</td>
<td>mid-May</td>
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<tr>
<td>3. MEGA Present Recommendation via Webinar</td>
<td>mid-May</td>
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<td>4. Municipal Decision Making</td>
<td>mid-May</td>
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<td>5. RFP Award &amp; ESA Execution</td>
<td>mid-May</td>
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<tr>
<td>6. 2\textsuperscript{nd} Round of Education</td>
<td>late-May to mid-August</td>
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<td>7. 30 day opt-out Period</td>
<td>mid-July to mid-August</td>
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<tr>
<td>8. Enrollments</td>
<td>September</td>
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MEGA Recommendation Process

5 person MEGA review team

1. Assess bids for compliance
2. Analyze pricing
3. Review contract terms (ESA)
4. Score requirements

MEGA Presents Recommendation:
- Term & Prices
- Supplier

<table>
<thead>
<tr>
<th>Qualification</th>
<th>Price and Terms</th>
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<tbody>
<tr>
<td>Price to Beat (Appendix B)</td>
<td>APP Compliant Offering</td>
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<tr>
<td>Renewable Energy Option</td>
<td>Sample ESA</td>
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<tr>
<td>No early termination fee</td>
<td>GRT Proposal</td>
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<table>
<thead>
<tr>
<th>Enrollment</th>
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<tbody>
<tr>
<td>Opt-out Plan</td>
<td>Opt-out notification</td>
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<tr>
<td></td>
<td>Opt-out timeline</td>
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<tr>
<td></td>
<td>Opt-out methods (multiple)</td>
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<tr>
<td>Opt-in Plan</td>
<td></td>
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<tr>
<td>Opt-up Plan</td>
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<table>
<thead>
<tr>
<th>Customer Service</th>
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<tbody>
<tr>
<td>Call center</td>
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<tr>
<td>Webpage</td>
<td>Supplemental print materials</td>
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<thead>
<tr>
<th>Experience</th>
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<tbody>
<tr>
<td>Residential (NY)</td>
<td></td>
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<tr>
<td>CCA</td>
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<td>References (2)</td>
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<table>
<thead>
<tr>
<th>General ESCO Qualifications</th>
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<tbody>
<tr>
<td>Proof of Insurance</td>
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<tr>
<td>NYSPSC ESCO certification</td>
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</table>
MEGA Recommendation Process cont.

1. Qualitative
   a) Qualifications
   b) Terms and conditions

2. Quantitative (Pricing)
   1) Standard grid mix (cheapest option)
   2) Renewable electricity: 100%
   3) Renewable electricity: % meeting/beating “Price to Beat”
## Max % Renewable Supply Below "Price to Beat" ($/kWh)

<table>
<thead>
<tr>
<th></th>
<th>12-Month Term</th>
<th>18-Month Term</th>
<th>24-Month Term</th>
<th>36-Month Term</th>
<th>Sweet Spot Term</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Price to Beat ($/kWh)</td>
<td>Supplier Bid ($/kWh)</td>
<td>% Green</td>
<td>Price to Beat ($/kWh)</td>
<td>Supplier Bid ($/kWh)</td>
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<tr>
<td>SC1 (Residential)</td>
<td>0.0XXX</td>
<td>0.0XXX</td>
<td>0.0XXX</td>
<td>0.0XXX</td>
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<tr>
<td>SC2-ND (non demand commercial)</td>
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The Power of Partnership

MUNICIPAL ELECTRIC & GAS ALLIANCE
MEGA Recommendation Process cont.

“Price to Beat”

1. Start with:
   a) National Grid’s historic average $/kWh

2. Adjust for changes in market:
   a) % renewable electricity
   b) % nuclear electricity

<table>
<thead>
<tr>
<th>Year</th>
<th>% Electricity</th>
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<tbody>
<tr>
<td>2020</td>
<td>2.84%</td>
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<tr>
<td>2021</td>
<td>4.20%</td>
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<tr>
<td>2022</td>
<td>8.40%</td>
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MEGA Recommendation Process cont.

Difference between CCA fixed price and Utility variable price
Decisions of Municipality

1. Do we want to offer the benefits of CCA to our constituents?

2. What do we want to be our default?
   1) Standard grid mix (cheapest option)
   2) Renewable electricity: 100 %
   3) Renewable electricity: % meeting/beatting “Price to Beat”
Decision Logistics

1. What person/people at your municipality make the decision?

   a) [Mayor] who already has this authority

   b) Pass resolution giving [Supervisor] this authority

   c) Pass resolution giving a [designated group] this authority

   d) Schedule a special meeting so all [council/board members] vote
2. Timeline

a) MEGA Present Recommendation via Webinar: mid-May
   i. Webinar dates set once we release RFP (month notice of dates)
   ii. Participation is critical (four webinar times over two days)

b) Municipal Decision Making: mid-May
   i. Sign “CCA Approval Sheet” indicating default choice
   ii. Quick turnaround for decision (less than 48 hours)
   iii. MEGA, as designated agent, signs actual ESA
Questions?
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518.533.5399