



COUNTY OF HUMBOLDT

AGENDA ITEM NO.

C-4

For the meeting of: December 8, 2015

Date: November 24, 2015
To: Board of Supervisors
From: Supervisor Estelle Fennell
Subject: Letter Opposing PG&E's Proposed Increase in Power Charge Indifference Adjustment (PCIA) Exit Fees for 2016

RECOMMENDATION(S): That the Board of Supervisors authorize the Chair to sign the letter of opposition.

SOURCE OF FUNDING: N/A

DISCUSSION: Increases in PG&E's PCIA fees could be devastating for the development of CCA's in Northern California, along with local development opportunities and competitive choices for customers. Small communities will not have the option to launch competitive CCA programs and existing CCA programs may no longer be price competitive in the coming year, if the proposed increase is approved.

FINANCIAL IMPACT: N/A

OTHER AGENCY INVOLVEMENT: N/A

ALTERNATIVES TO STAFF RECOMMENDATIONS: Board discretion.

ATTACHMENTS: Letter of Opposition.

Prepared by Kathy Hayes

Signature Estelle Fennell

REVIEW:

Auditor _____ County Counsel _____ Personnel _____ Risk Manager _____ Other _____

TYPE OF ITEM:

☒ Consent
☐ Departmental
☐ Public Hearing
☐ Other

PREVIOUS ACTION/REFERRAL:

Board Order No. _____

Meeting of: _____

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

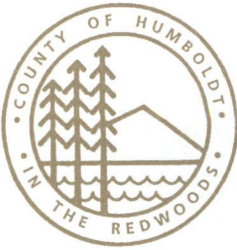
Upon motion of Supervisor Lovelace Seconded by Supervisor Bass

Ayes Sundberg, Lovelace, Fennell, Bohn, Bass
Nays _____
Abstain _____
Absent _____

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: Dec. 8, 2015

By: Kathy Hayes
Kathy Hayes, Clerk of the Board



BOARD OF SUPERVISORS

COUNTY OF HUMBOLDT

825 5TH STREET

EUREKA, CALIFORNIA 95501-1153 PHONE (707) 476-2390 FAX (707) 445-7299

December 8, 2015

The Honorable President Michael Picker
The Honorable Commissioner Mike Florio
The Honorable Commissioner Catherine Sandoval
The Honorable Commissioner Carla Peterman
The Honorable Commissioner Liane Randolph
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Re: The Power Charge Indifference Adjustment Proposed Increase and Proposed Decision
In A.15-06-001, PG&E's 2016 ERRRA Proceeding

Dear President Picker and Commissioners:

On behalf of the Humboldt County Board of Supervisors, I am writing to oppose PG&E's proposed 95% increase of the Power Charge Indifference Adjustment (PCIA) charged to Community Choice Aggregation (CCA) customers in Application 15-06-001. As a community that is exploring the prospects for CCA on behalf of our residents and businesses, we believe the proposed PCIA increase will profoundly affect the viability of a CCA program, which would offer energy customers competitive choice and opportunities for additional services, as well as support for our local economy. Operating CCAs and their customers have led the state in achieving Governor Brown's ambitious renewable energy goals. Communities like ours hope to have similar opportunities to reduce greenhouse gas emissions and support local energy resource projects.

In the past two years, the PCIA has already made a huge impact on the viability of CCAs in California. MCE customers alone have collectively paid more than \$32 million in PCIA fees to PG&E, an amount MCE expects will double in 2016 if the proposed decision is adopted. PG&E is the only utility in the state to levy PCIA fees on low income CARE customers who in MCE's territory alone may pay more than \$2 million in 2016 with the proposed 95% increase to the PCIA.

The PCIA increase proposed by PG&E, which the proposed decision would approve, will drastically affect the viability of a CCA program in our community. We therefore respectfully urge the California Public Utilities Commission reject PG&E's proposed increase to the PCIA and consider alternatives that will mitigate the impacts of proposed rate increases on CCA customers and prospective CCA customers. We also support the CPUC's re-examination of how the PCIA is calculated and applied to CCA customers.

Sincerely,

A handwritten signature in blue ink, reading "Estelle Fennell". The signature is fluid and cursive, with the first name "Estelle" and last name "Fennell" clearly distinguishable.

Estelle Fennell, Chair
Humboldt County Board of Supervisors

EF:kh