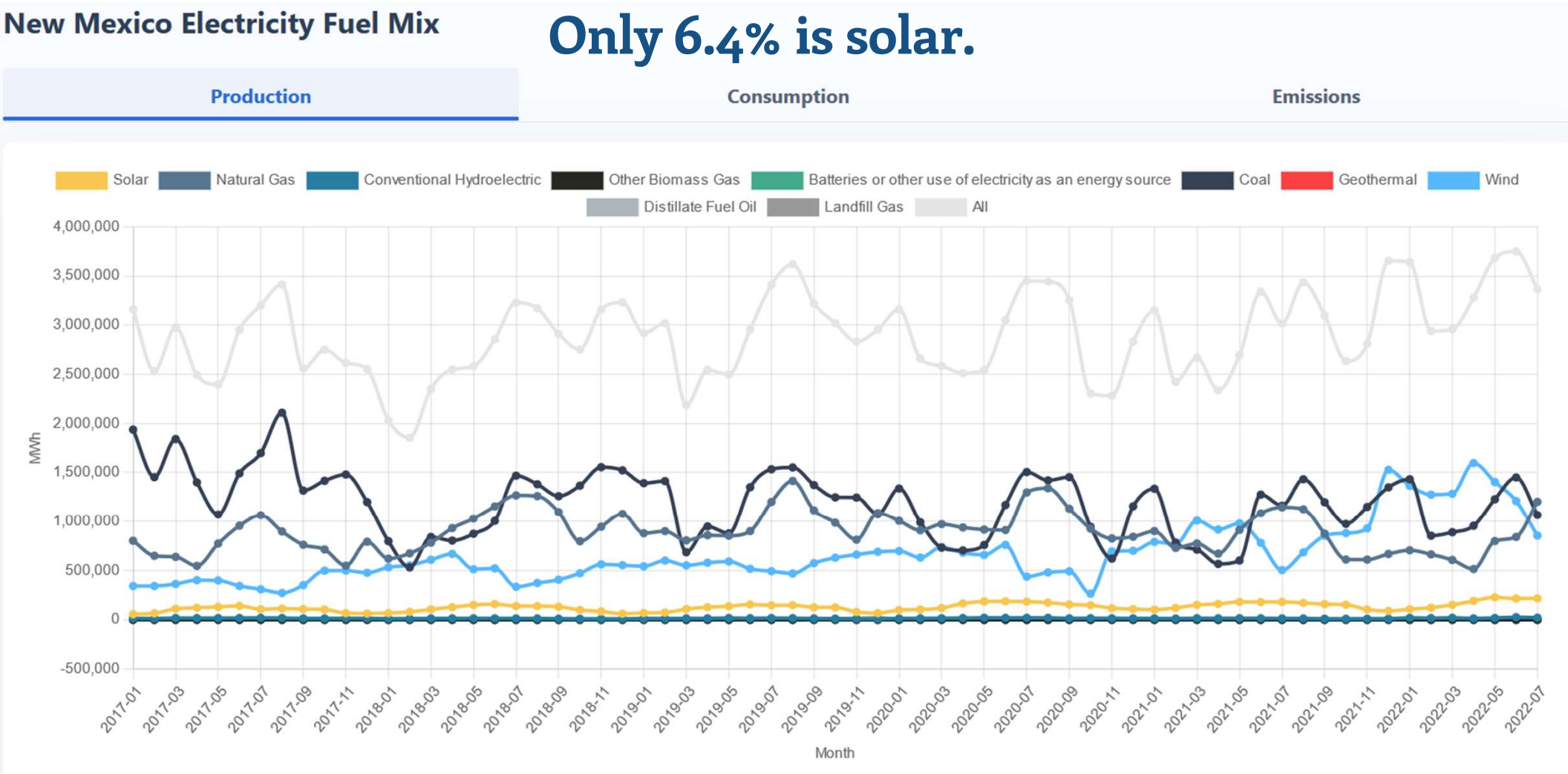
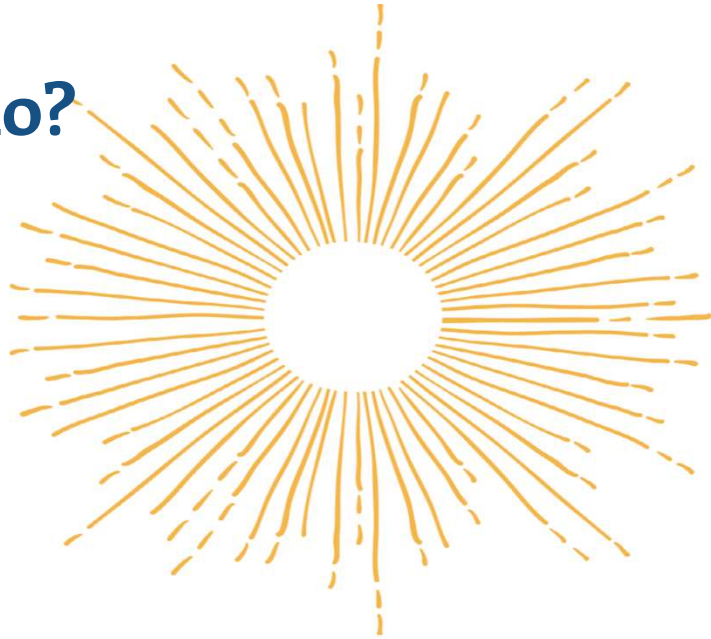
SB 165 Local Choice Energy Act

Only 6.4% is solar.

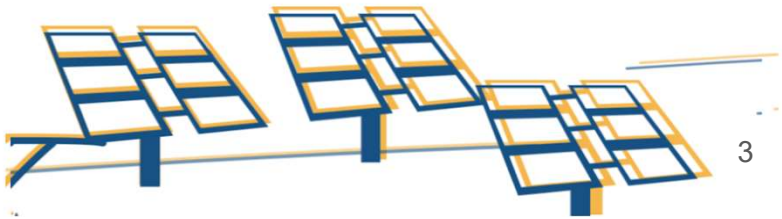


Source: findenergy.com

What does the Local Choice Energy Act do?

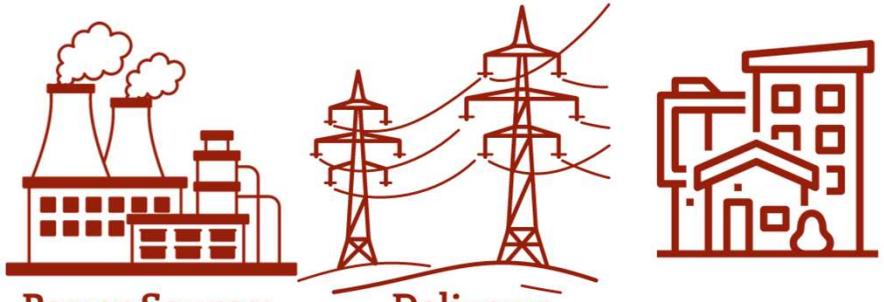


- Local Choice Energy (LCE) would empower local governments and tribes to generate or purchase renewable electricity and price it.
- Electricity would be transmitted in partnership with investor-owned utility companies on their grid, for the same transmission rates they charge their customers.
- People living in the service area of a Local Choice Energy Provider would be able to choose to keep their existing service or change it.



Local Choice Energy gives communities a choice in how their electricity is generated and priced.

How The Existing System Works



Power Source: Investor-Owned Utility

Investor-owned utility power plant generates energy

Delivery: Investor-Owned Utility

Investor-owned utility delivers energy for a fee

Customers

Electricity is transmitted to communities, while the profits are exported to Wall Street

How Local Choice Energy Works

Power Source: Local Choice Energy Provider

Our communities have a choice in buying and generating energy locally and from renewable sources

Delivery: Investor-Owned Utility

Investor-owned utility delivers energy for a fee

Customer: Our Communities

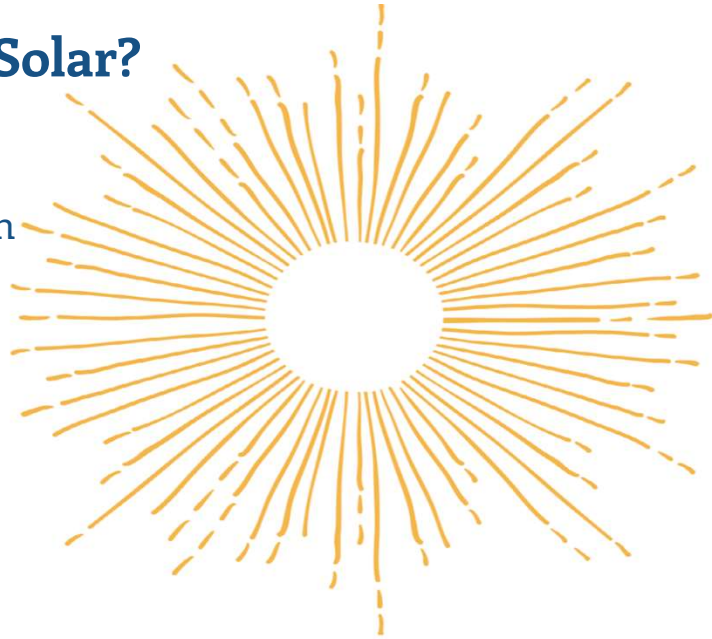
Our communities benefit from affordable rates, local control and cleaner energy

Local Choice Energy is proven and successful

- LCE (also sometimes called Community Choice Aggregation or CCA) is a proven, safe, and reliable approach that is authroized in 10 states, serving more than 36 million Americans in more than 1800 communities.

- Communities served by community-owned electricity providers enjoy:
  - Local, community control
  - Ability to achieve 100% renewable energy rapidly
  - Cost stability and lower cost electricity
  - Revenues invested back into the community
  - More resiliency: the ability to create micro-grids which can support emergency shelters, housing and hospitals
  - More agility to create innovative programs that meet community needs for energy efficiency and lower rates for people on fixed incomes
  - Ability to harness federal funding for renewable energy development

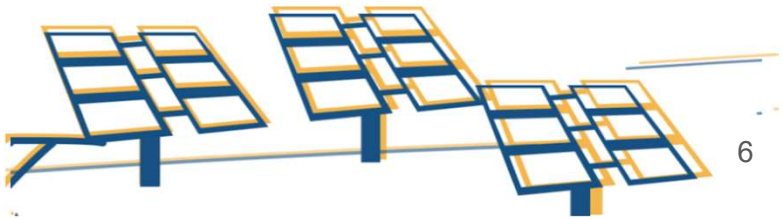
How is Local Choice Energy different from Community Solar?



- Local Choice Energy is a platform that enables communities to use renewables and launch renewable programs, while community solar is just one program. For instance, a local choice energy provider could run a community solar program alongside an energy efficiency program and a community resilience microgrid program.

- Community Solar is limited in its reach: a maximum of 200MW statewide and 5MW per project. Local Choice Energy would allow communities to generate or purchase as much renewable energy as they need. (For comparison, the City of Santa Fe alone uses nearly 200 MW at its peak.)

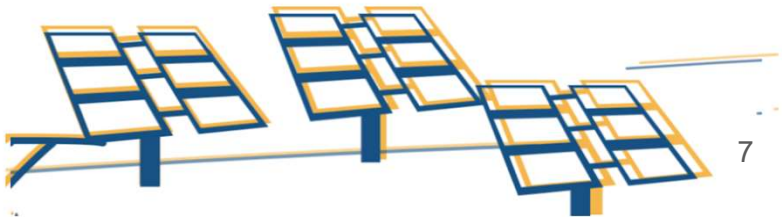
- The financial benefits of Community Solar go to the private developer and subscribers of the project, whereas Local Choice Energy revenues benefit the local communities they serve and are reinvested back into communities.



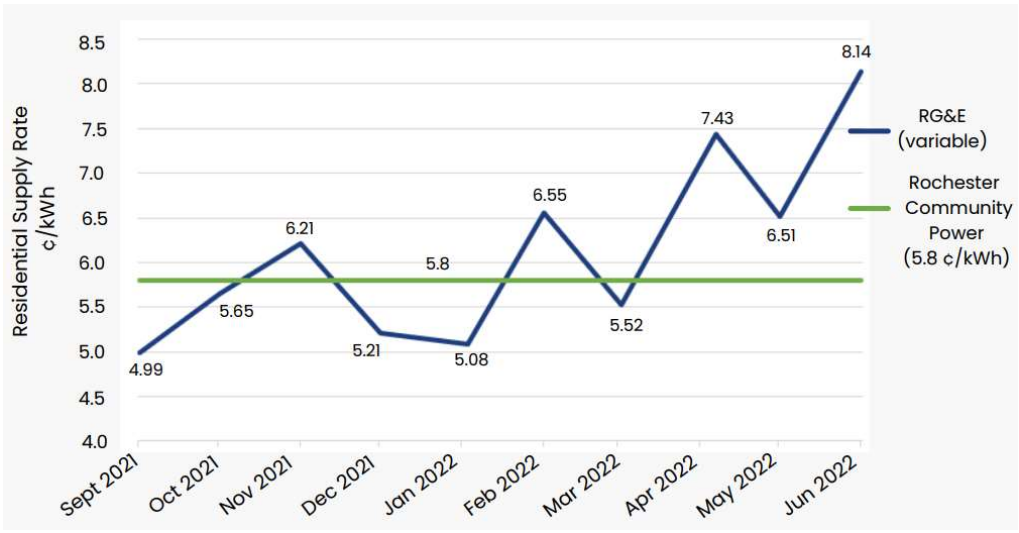
Community Solar & Rooftop Solar are supported in the Local Choice Energy Act!

- The Local Choice Energy Act is the only legislation of its kind in the country that mandates that local choice energy providers create rooftop solar and community solar programs.

- Many local choice providers in other states have excellent rooftop solar and community solar programs.



LCE Program Success Stories



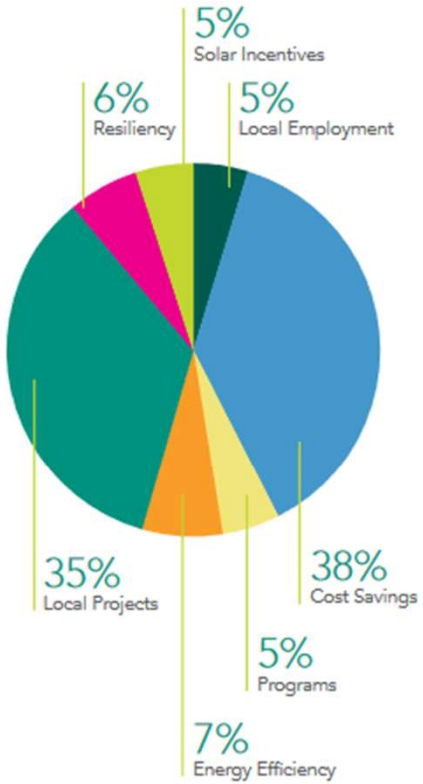
- Default product is 100% renewable
- Provides a steady supply rate vs. RG&E
- Offers a community solar program where subscribers can save up to 10% more on electricity on an annual basis
- Used over 120 million kWh of 100% renewable electricity sourced in New York State since its launch
- Participants helped avoid over 28,000 metric tons of CO_2 emissions, the equivalent of taking 6,179 cars off the road for 1 year
- 42,018 metric tons of GHG emissions avoided
- Selected for The Department of Energy's Office of Electricity (OE) Energy Storage Program and will receive technical assistance from Pacific Northwest National Laboratory as part of the Energy Storage for Social Equity (ES4SE) Initiative.

LCE Program Success Stories

Cost Savings	$68 million
Local Renewable Energy Projects	$62 million
Energy Efficiency	$12 million
Energy Resiliency	$11 million
Solar Incentives	$10 million
Local Employment and Vendor Contracts	$9 million
Customer Programs	$8 million

$180 million

Total amount MCE has contributed in community reinvestment since 2010.



▲ MCE's $180 million community reinvestment by percentage.

- First LCE program to launch in California, serves more than one million residents and businesses in 37 member communities in the San Francisco Bay Area
- Providing competitive rates vs. PG&E
- Over 700,000 metric tons of GHG emissions eliminated since 2010
- $68 million saved by customers since 2010
- 6,000+ California jobs supported
- Offers a multitude of programs and offerings for both residential and commercial customers such as home/business electrification rebates, EV rebates
- Currently has 914 megawatts of new, California renewable energy online and under development
- Committed more than $2.4 billion to the development of in-state and local renewable energy projects.
- Feed In Tariff program

LCE Nationally

Authorized in 10 States:

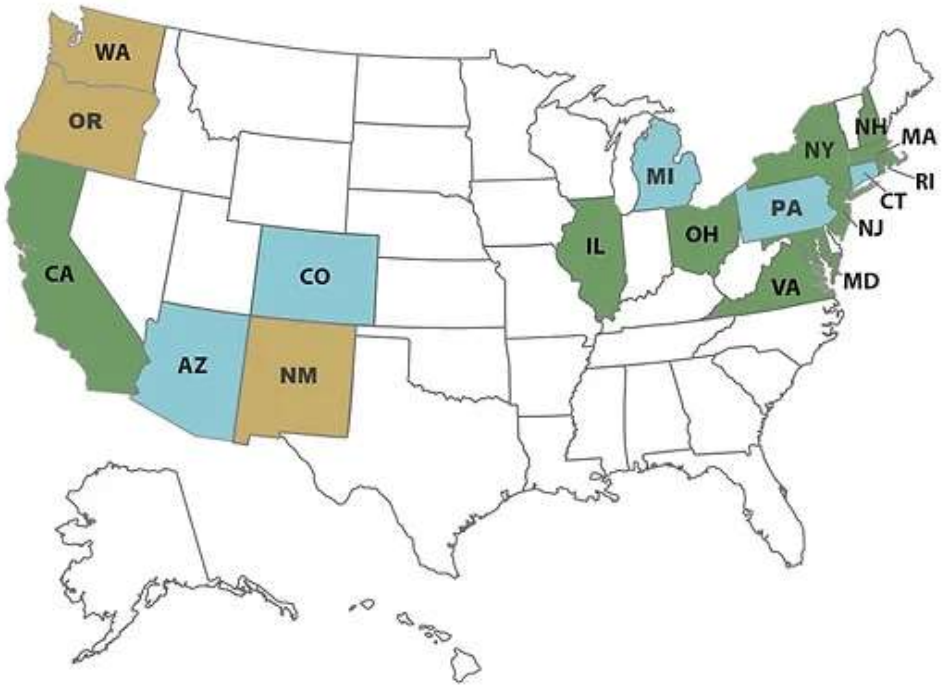
- California
- Illinois
- Maryland (Montgomery Co. Pilot)*
- Massachusetts
- New Hampshire*
- New Jersey
- New York
- Ohio
- Rhode Island
- Virginia*

Actively Investigating:

- Arizona
- Colorado
- Connecticut
- Michigan
- Pennsylvania

Watch List/Potential:

- Oregon
- Washington
- New Mexico



Updated 8.1.22

Cost Savings and Accelerated Renewable Development

- A 2023 Umass Amherst study found that 79% of local choice providers in Massachusetts offered lower rates.

- The study also found that 60% of local choice providers in Massachusetts exceeded the state's renewable energy requirements

Customer Savings Examples

- Monroe Community Power: $1.2 million saved (January 2021 - June 2022)
- Gateway Community Power: $170,000 saved over the first year | $330,000 saved as of 06/30/2022
- Rockland Community Power: More than $5.5 million since the program launched
- Hudson Valley Community Power: $6.8 million saved in the first half of 2022
- Sustainable Westchester: $17 million over the first three years (2016-2018)

Rate Comparison Examples

- CCA rates in California with Clean Power Alliance (includes 32 cities, Los Angeles and Ventura counties).
  - default product of 40% clean power ($0.10496 /kWh)
  - opt-up product of 50% clean power ($0.10804 /kWh)
  - opt-up product of 100% renewable energy ($0.11727 /kWh)

- Utility rates in California (SCE):
  - SCE: $0.31391 /kWh
  - SCE Green Rate 50% Renewable: $0.30839 /kWh
  - SCE Green Rate 100% Renewable: $0.30287 /kWh
  - AVCE Core choice: $0.31053 /kWh
  - VCE MORE Choice 100% Renewable: $0.31053 /kWh

New Mexico Average Monthly Bill Comparisons

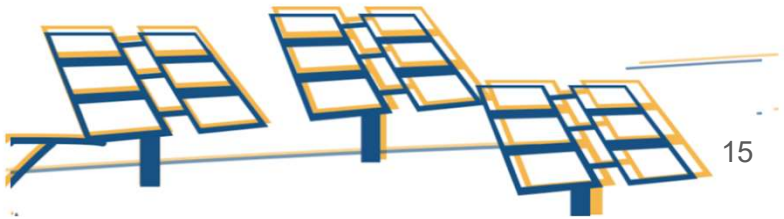
Ratepayers of New Mexico municipally-owned electric providers enjoy lower average monthly bills than ratepayers of investor-owned utilities and rural electric cooperatives. Lower bills are possible with Local Choice Energy too.

- 25.25% lower residential bills than IOUs
- 13.78% lower commercial bills than IOUs
- 27.27% lower residential bills than co-ops
- 45.87% lower commercial bills than co-ops

Source: U.S. Energy Information Administration reports, data compiled by findenergy.com

LCE Accelerates Renewable Development

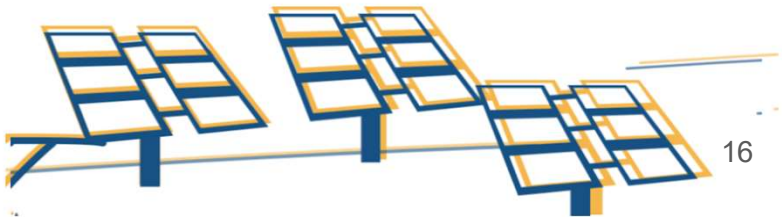
- Across 37 states, 204 cities and counties — representing a population of over 110 million people — have 100% carbon-free energy commitments. LCE/CCA is one tool for these communities to meet this large carbon-free energy demand, as they are designed to reflect local preferences for carbon-free energy.
- A 2020 UCLA Luskin Center for Innovation report found that all cities that have achieved 100% carbon-free energy have control over their electricity supply through their electricity provider.



Examples of 100% Renewables offered by LCE

In Ohio, these are a few communities that have a 100% renewable electricity through local choice providers:

- Village of Albany
- Village of Amesville
- City of Athens
- City of Belpre
- Village of Buchtel
- Village of Chauncey
- Village of Chesterhill
- City of Gallipolis
- Village of Glenford
- Village of Jacksonville
- City of Logan
- Village of Lowell
- Village of New Straitsville
- Village of Racine
- Village of Rio Grande
- Village of Shawnee
- Village of Somerset
- Village of Trimble



Examples of 100% Renewables offered by LCE

Here are some examples from Massachusetts:

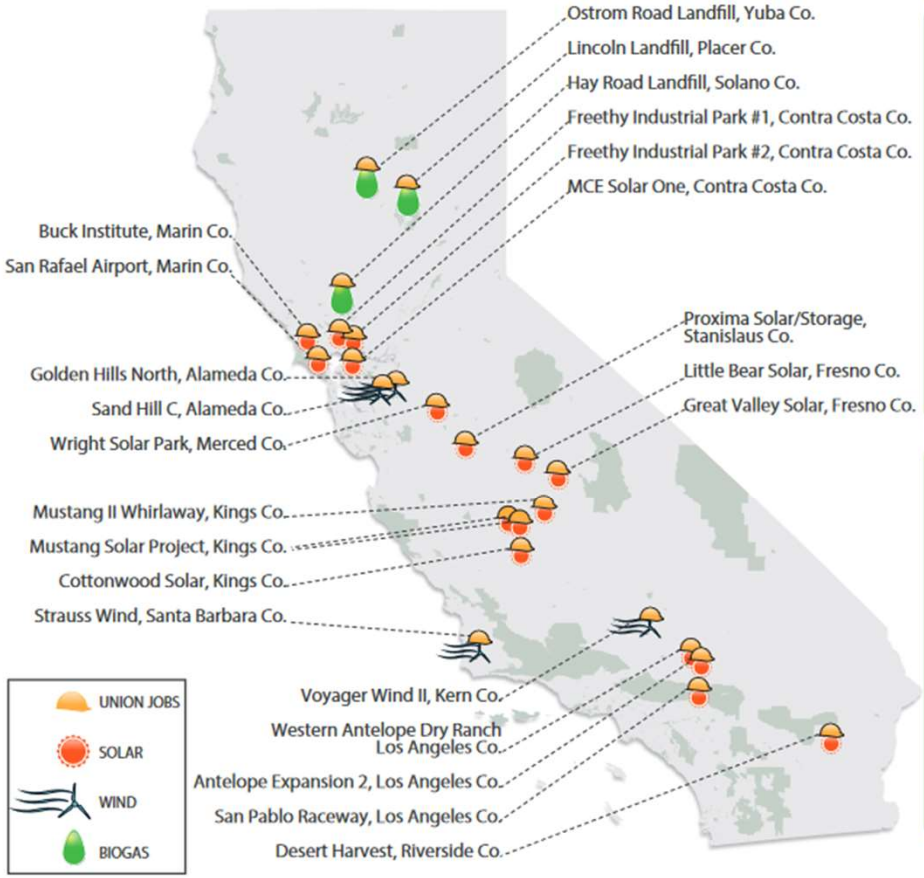
- Boston, Massachusetts' CCA has a 100% opt up option (priced at $0.13987/kwh through Dec. 2023) that is currently about half the price of the utilities' standard 22% renewable rate (priced at $0.25776/kwh through June, 2023).

- Several MassPowerChoice communities have a 100% default - like Lexington. Greenfield also has a 100% default, and additionally offers opt ups to LOCAL 100% renewable sources.

- Cambridge Massachusetts is charging participants in both the Standard Green and 100% Green Plus programs to support the development of a new solar energy project in Cambridge through a small $0.002/kWh charge. All program participants will receive renewable electricity from this project. Despite the charge, both their product offerings currently remain cheaper than the investor-owned utility.

CCAs and Union Labor: Building a Clean Energy Future for California

Community Choice Aggregators (CCAs) have committed billions of dollars to support the construction of new California renewable energy projects through long-term power purchase agreements, fueling job creation and economic growth throughout the state



Project Spotlight:

MCE Solar One

MCE Solar One is a 10.5 MW solar project in Contra Costa County and provides power to MCE under a 20-year contract. The project supported 341 jobs and hired union workers from the United Brotherhood of Carpenters and Joiners (UBC), Laborers (Local 152 and 324), International Brotherhood of Electrical Workers (Local 302 and 1245), Steamfitters (Local 342), and Operating Engineers (Local 3). Local partner RichmondBUILD trained multiple cohorts of students to work on the project.

Project Spotlight:

Wright Solar & Mustang II

The 200 MW Wright Solar Project is under construction in Merced County and will supply power to PCE under a 25-year contract. The project hired union workers from IBEW (Local 684), Ironworkers (Local 155), Operating Engineers (Local 3), Laborers (Local 1130), and Carpenters (Local 152). The 100 MW Mustang II solar project will begin construction in 2019 in Kings County and supply power to PCE under a 15-year contract. The two projects will support nearly 800 union jobs.

See reverse side for more project labor details

California renewable energy projects totaling more than 1,300 Megawatts (MW) are being built for Community Choice Aggregators (CCAs) with Union Labor

CCA	SIZE (MW)	TYPE	PROJECT NAME	COUNTY	START DATE	PPA TERM (YEARS)	LABOR
PCE	200	SOLAR	WRIGHT SOLAR PARK	MERCED	2019	25	IBEW (LOCAL 684), IRON WORKERS (LOCAL 155), OPERATING ENGINEERS (LOCAL 3), LABORERS (LOCAL 1130), CARPENTERS (LOCAL 152)
MCE	160	SOLAR	LITTLE BEAR SOLAR 1, 3, 4, 5	FRESNO	2020	20	UNION WORKFORCE TO BE DETERMINED
MCE	105	SOLAR	ANTELOPE EXPANSION 2	LOS ANGELES	2018	20	LABORERS (LOCAL 300), OPERATING ENGINEERS (LOCAL 12), IRONWORKERS (LOCAL 433 & 416), IBEW (LOCAL 11)
MCE	100	SOLAR	GREAT VALLEY SOLAR	FRESNO	2018	15	IRONWORKERS (LOCAL 155, LABORERS (LOCAL 294), IBEW (LOCAL 100 & 125)
CPSF	100	SOLAR	SAN PABLO RACEWAY	LOS ANGELES	2019	22	UNION WORKFORCE TO BE DETERMINED
PCE	100	SOLAR	MUSTANG II WHIRLAWAY	KINGS	2020	15	UNION WORKFORCE TO BE DETERMINED
MCE	98.83	WIND	STRAUSS WIND	SANTA BARBARA	2020	15	LABORERS (LOCAL 300), OPERATORS (LOCAL 12) IRONWORKERS (LOCAL 433 & 416), IBEW (LOCAL 11)
MCE	80	SOLAR	DESERT HARVEST	RIVERSIDE	2020	20	UNION WORKFORCE TO BE DETERMINED
SCP	80	WIND	SAND HILL C	ALAMEDA	2021	20	TO BE DETERMINED
SCP	70	SOLAR	MUSTANG AND MUSTANG 3	KINGS	2016	20	IBEW (LOCAL 1245), IBEW (LOCAL 100)
SCP	50	SOLAR	PROXIMA	STANISLAUS	2023	20	IBEW (LOCAL 184)
SCP	46	WIND	GOLDEN HILLS NORTH	ALAMEDA	2017	20	IBEW (LOCAL 595), OPERATING ENGINEERS (LOCAL 3), IRON WORKERS (LOCAL 378), LABORERS (LOCAL 324), MILLWRIGHTS (LCL 102), TEAMSTERS
MCE	30	SOLAR	MUSTANG 4	KINGS	2018	15	IBEW (LOCAL 1245), IBEW (LOCAL 100)
MCE	42	WIND	VOYAGER WIND III	KERN	2018	12	UNION WORKFORCE TO BE DETERMINED
MCE	23	SOLAR	COTTONWOOD SOLAR	KINGS	2015	25	IBEW (LOCAL 100), IRONWORKERS (LOCAL 155)
MCE	10.5	SOLAR	MCE SOLAR ONE	CONTRA COSTA	2017	20	IBEW (LOCAL 302 & 1245), LABORERS (LOCAL 324 & 152), OPERATING ENGINEERS (LOCAL 3), STEAMFITTERS (LOCAL 342), UBC, AND RICHMONDBUILD
LCE	10	SOLAR	WESTERN ANTELOPE	LOS ANGELES	2016	20	IBEW (LOCAL 11 & 47), IRONWORKERS (LOCAL 416 & 433), LABORERS (LOCAL 300), OPERATING ENGINEERS (LOCAL 12)
MCE	4.8	BIOGAS	LINCOLN LANDFILL	PLACER	2013	20	OPERATING ENGINEERS (LOCAL 3)
MCE	1.6	BIOGAS	OSTROM ROAD LANDFILL	YUBA	2013	18	PLUMBERS AND PIPEFITTERS (LOCAL 228)
MCE	1.6	BIOGAS	HAY ROAD LANDFILL	SOLANO	2013	20	PLUMBERS AND PIPEFITTERS (LOCAL 228)
MCE	1	SOLAR	BUCK INSTITUTE	MARIN	2016	25	IBEW (LOCAL 551)
	0.998	SOLAR	FREETHY INDUSTRIAL PARK #1	CONTRA COSTA	2016	20	RICHMONDBUILD
MCE	0.998	SOLAR	FREETHY INDUSTRIAL PARK #2	CONTRA COSTA	2016	20	RICHMONDBUILD
MCE	0.972	SOLAR	SAN RAFAEL AIRPORT	MARIN	2012	20	MARIN CITY COMMUNITY DEVELOPMENT CORPORATION
MCE	0.972	SOLAR	SAN RAFAEL AIRPORT II	MARIN	2019	20	MARIN CITY COMMUNITY DEVELOPMENT CORPORATION

CCAs: Peninsula Clean Energy (PCE), MCE, CleanPowerSF (CPSF), Sonoma Clean Power (SCP), Lancaster Choice Energy (LCE)

Status as of 2.2019

From 2019
cal-cca.org

CALCCA
ADVANCING LOCAL ENERGY CHOICE cal-cca.org

What happens after the Local Choice Energy Act is passed?

- The Public Regulation Commission (PRC) will undertake rulemaking within 365 days from the effective date of the legislation to define rules for implementing the Act.

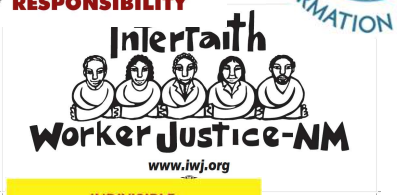
- After the rulemaking is complete, local governments can submit implementation plans to the PRC for approval.

When Local Choice Energy is passed, how do communities become Local Choice Energy Providers?

- Local governments undertake Feasibility/Technical Studies
- They pass ordinances or undertake the appropriate Tribal government process to establish the Local Choice Energy Provider
- They establish Joint Powers Agreements with other local governments if they want to create a regional provider
- They undertake planning including business planning, creating timelines, identifying funding, establishing operating rules/procedures
- They file Implementation Plans with the PRC for their approval
- They issue notices to customers informing them of the formation of the Local Choice Energy Provider and the option to opt out
- They issue requests for proposals for any energy services they need

Who endorses Local Choice Energy?

Bernalillo County, Santa Fe County, Town of Hurley



new energy economy
Addressing the Climate Challenge
With Bold Solutions

ADELANTE Progressive Caucus
Democratic Party of New Mexico

New Mexico
Solar Energy
Association