

*The Power of Community, The Power of Aggregation*

**Community Choice Aggregation in New York**  
***Presentation to TCCOG CCA Working Group***  
***July 8, 2020***



# Who is MEGA and what do we do?

## MEGA is an AGGREGATOR for Local Governments

- Not-for-profit local development corporation
- Started in 1998 in Tompkins County
- Helps municipalities stabilize their energy costs and comply with public bidding requirements
  - Competitive bidding process
  - Complies with NYS General Municipal Law
- Grown to about 300 participants
  - Expanded to include ways for municipalities to access hydro, solar through Remote Net Metering projects

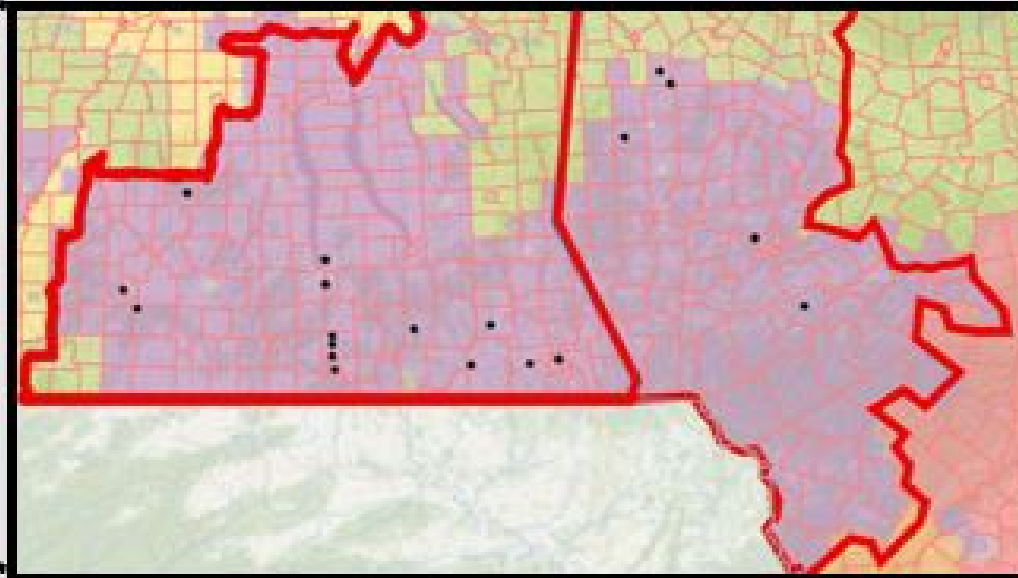
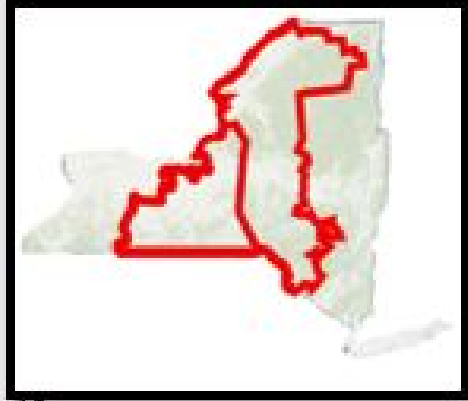
# MEGA's History With CCA

## Community Choice Aggregation (CCA) in NY

- MEGA has been a formative player, helping to shape CCA in NY
- NYS PSC CCA Proceeding Issued in December 2014 (Case: 14-M-0224)
- Final Order April 2016
- MEGA CCA Order October 2017
  
- **MEGA launched the first CCA program outside of the pilot – July 2019**
  - 21 Communities in the Southern Tier/ Central NY area
  - 35,000 households
  - 6 of the 21 communities chose 100% renewable electricity as the default offering

# MEGA's Current CCA Program

## MEGA's Southern Tier Aggregation - NYSEG



● Communities in MEGA's Southern Tier Aggregation - NYSEG

■ Communities can join if they are purple and inside the red line

- City of Elmira
- City of Hornell
- Town of Augusta
- Town of Canisteo
- Town of Dickinson
- Town of Horseheads
- Town of Lebanon
- Town of Oneonta
- Town of Owego
- Town of Union
- Village of Burdett
- Village of Delhi
- Village of Elmira Heights
- Village of Horseheads
- Village of Montour Falls
- Village of Naples
- Village of Newark Valley
- Village of Oriskany Falls
- Village of Owego
- Village of Spencer

# Lessons Learned in the Southern Tier/CNY

## Local factors:

- Roadblocks with press and community outreach/engagement
- Varying interest in a renewable product among all municipal officials
- Ongoing predatory ESCO pressure/confusion among public
- Significant programmatic delays due to regulatory delays

## Global/National factors:

- July 2019 - March 2020: natural gas prices made electricity less expensive
  - Utility electric rates fell due to commodity price plummeting
- Spring 2020 – COVID impacts the economy
  - Demand destruction
  - Current conditions exacerbated by post-March COVID 19 ramifications
  - Economy continues to affect forward prices for 12-24 mo. in future

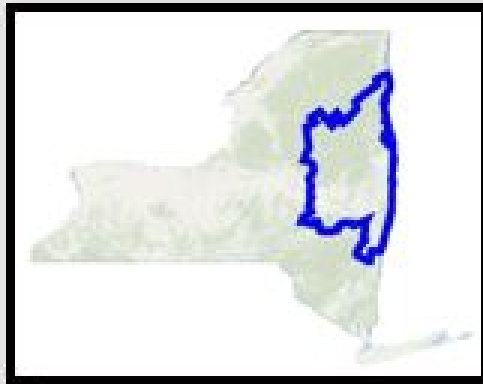
# What is next for MEGA and CCA

## NY Capital Region:

- 13 municipalities including the cities of Albany, Schenectady and Troy
- 90,000 households
- Strong preference for 100% renewable
- CCA is a means to achieve renewable energy goals

# Next Aggregation: Capital Region

## MEGA's Capital Region Aggregation



City of Albany  
City of Glens Falls  
City of Saratoga Springs  
City of Schenectady  
City of Troy  
City Watervliet  
Town of Bethlehem  
Town of Guilderland  
Town of New Scotland  
Town of Niskayuna  
Village of Altamont  
Village of Kinderhook  
Village of Voorheesville

● Communities in MEGA's Capital Region Aggregation

■ Communities can join if they are green and inside the blue line

# Roadblocks to CCA

**Misconceptions/misunderstandings among advocates and the public about the realities of renewable electricity and relevant NYS rules and regulations.**

To supply 100% renewable electricity to a CCA an ESCO must acquire RECs. The price will be higher than a traditional “grid mix” of electricity.

**Cost of electricity + cost of RECs vs. Cost of electricity only**



# What could be next for CCA in New York?

MEGA envisions a CCA program served by assets in the local area.

Integrating CCA and CDG enables local demand being served by local supply.

**Regulatory changes are necessary in order for this to happen.**

Right now in NY, regulatory framework does NOT exist to integrate these programs.

CCA



*Community solar*  
*CDG*

# What is different about New York?

- The model in California is NOT the model in New York
- The PSC order is very clear in NY, and VERY DIFFERENT than they have in other states (IL, MA, etc.)
- California CCA's involves creating of a legal entity, essentially a mini-utility. This entity takes title to the power.

## States with Community Choice Aggregation



In New York, CCA involves the municipal officials using their local law as a mechanism to enroll the residents in the CCA program.

# What is the New York plan?

- State lawmakers have made renewable electricity a priority.
- Climate Leadership and Community Protection Act (CLCPA) mandates that the state meet its renewable electricity goals.



- Anticipate changes in NY in order for the state to meet these requirements.
- PSC has several regulatory proceedings that may change the landscape in which we are working.

# Where does this leave CCA?

MEGA is exploring ways that we can connect CCA participants with the benefits of Community Solar.

We are hopeful that more definitive changes in NYS regulations will help us formally incorporate CDG into our CCA offering.

**CCA is a vehicle to help communities achieve massive renewable electricity deployment.**

Establishing a CCA is a critical step in helping make renewable energy goals a reality.

# Questions? Please Contact Us!



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