

SCE's Community Renewables Program

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About SCE

- Safe, Reliable, Affordable, Clean Power for Southern California
- 15 million customers
- 50,000 square miles
- 15 counties across central, coastal, and Southern California

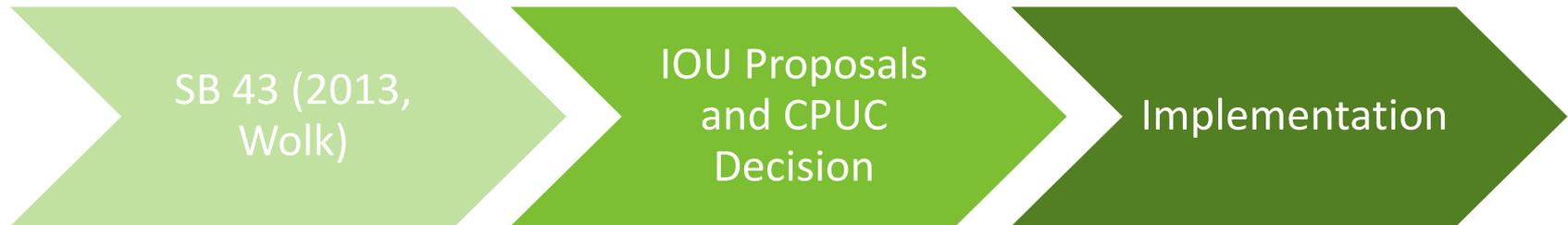


Introduction

- SCE is launching two Green Option programs in Q1 2016:
 - “Green Rate”
 - Customers can subscribe to renewable energy that SCE procures on their behalf to cover either 50% or 100% of their load
 - “Community Renewables”
 - Customers can subscribe to a community renewables* project with a third-party developer and receive bill credits from SCE (*currently solar only)

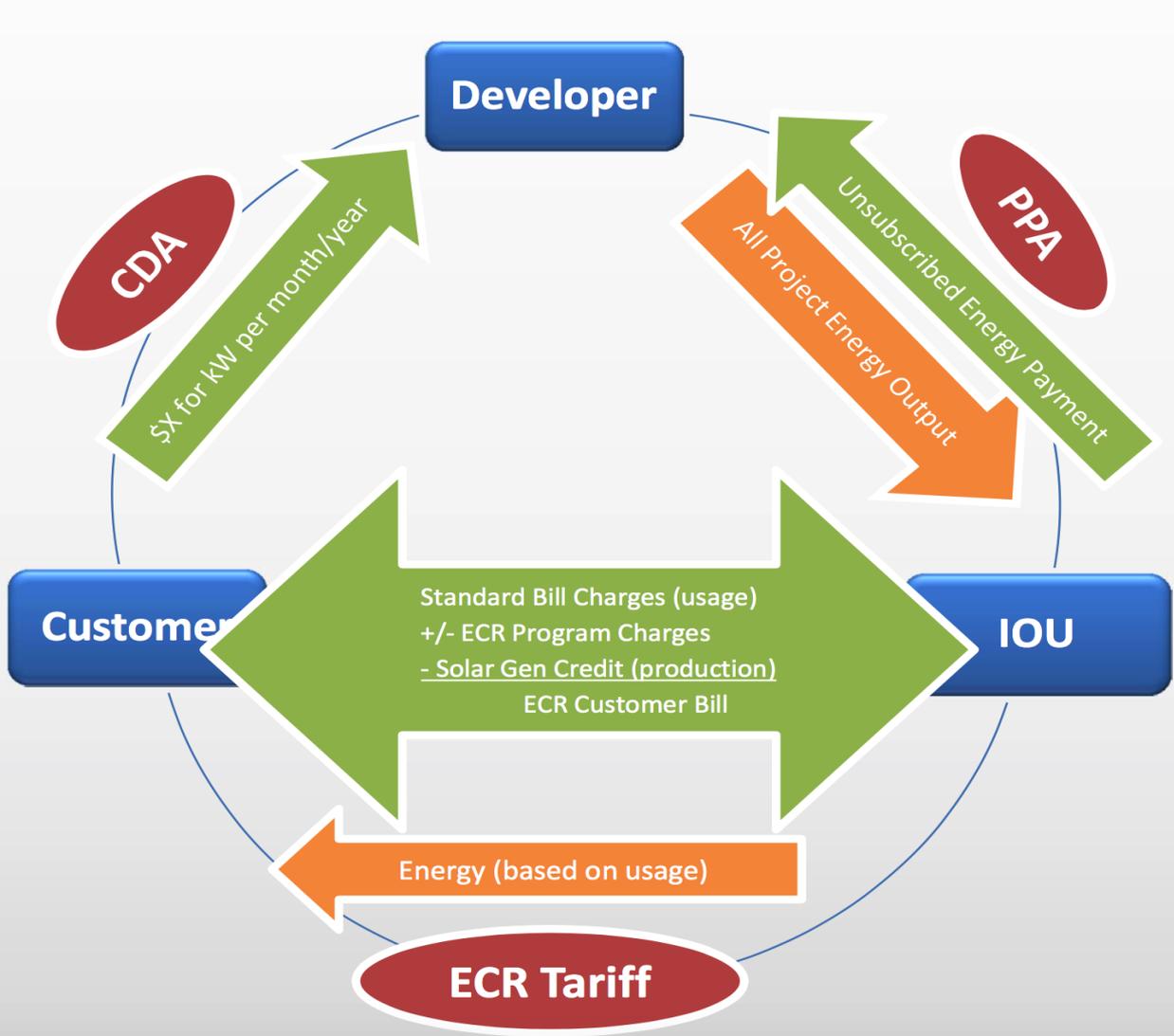
Under both voluntary programs, SCE retires renewable energy credits (“RECs”) on behalf of participating customers. RECs are not used for Renewables Portfolio Standard (“RPS”) compliance. SCE is seeking Green-E[©] certification for both programs.

Background



- Required CPUC to implement 600 MW “Green Tariff Shared Renewables Program” (“GTSR”)
- Specified guidelines for the program, e.g. non-participating customer “indifference” and use of existing procurement mechanisms
- Established residential and Environmental Justice (“EJ”) reservations of 100 MW
- SCE filed program proposals early 2014 (PG&E and SDG&E in 2012/2013)
- CPUC approved proposals with modifications in January 2015 (D.15-01-051)
- CPUC directed IOUs to conduct “advance procurement” within one year and file three implementing advice letters by May 13, 2015
- CPUC approved implementation advice letters in October 2015 (Resolution E-4734)
- Per approved plans, SCE plans to launch both Green Rate and Community Renewables programs in Q1 2016
- Phase IV of the proceeding with open policy questions is ongoing

Community Renewables: Program Design



ECR Projects

- **0.5 MW to 3 MW**
- **Procurement based on Renewable Market Adjusting Tariff (ReMAT)**
- **Subscribed energy:** Developers receive payment from customer through Customer-Developer Agreement (SCE not a party to this); customer receives bill credit from SCE based on class average generation rate
- **Unsubscribed energy:** Developer receives payment from SCE; varies depending on subscription level

Community Renewables: Customer Subscriptions

- **Subscription requirements**

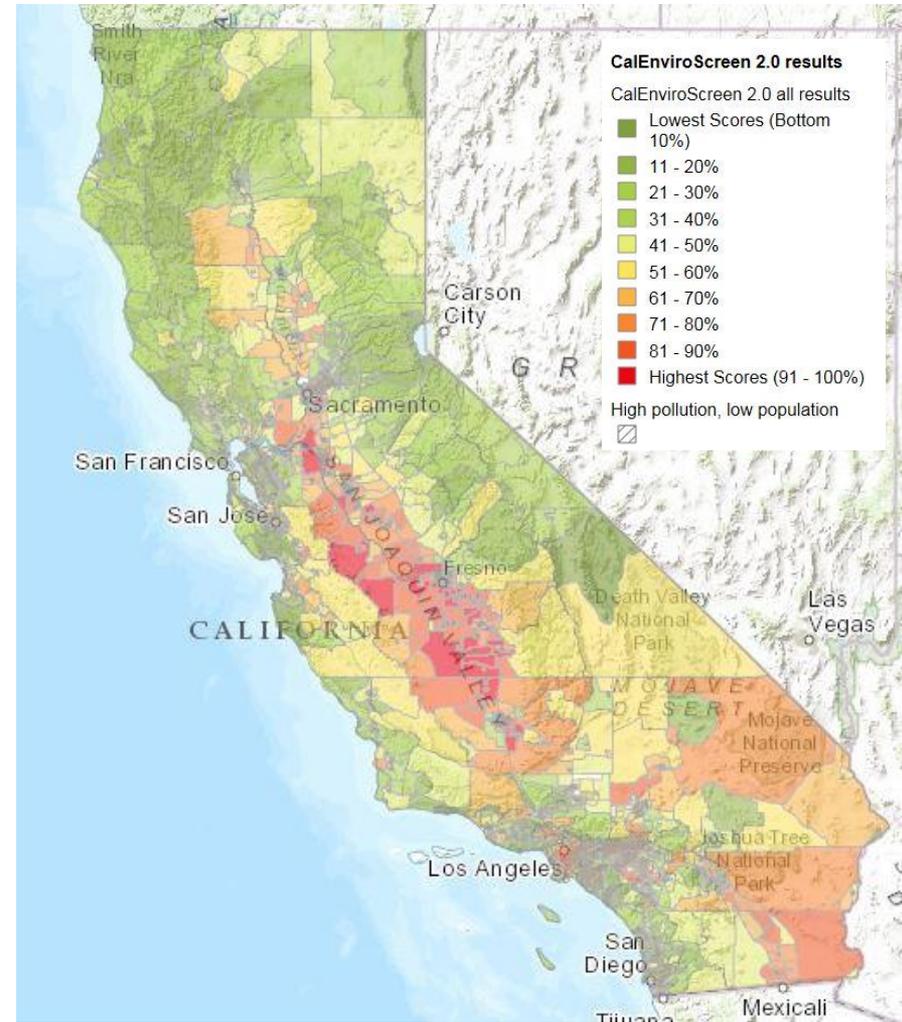
- Minimum subscription of 100 kWh/month or 25% of average load
- Maximum subscription of 2 MW; public institutions exempt
- No entity may subscribe to more than 20% of any single calendar year's total cumulative rated generating capacity

- **Location Requirements**

- Prior to signing a PPA, developers must receive interest for 51% of capacity or commitments to enroll for 30% of capacity from at least three customers within the same county or 10 miles of the project site
- After a project's PPA is signed, customers may come from anywhere in the IOU service territory

Environmental Justice (“EJ”)

- SCE has a 45 MW EJ Target for GTSR program
 - Could be met through Green Rate or Community Renewables procurement
- EJ Projects must be:
 - 0.5 MW to 1 MW
 - In an “EJ” census tract, which is defined as the 20% most impact census tracts in SCE’s service territory based on CalEnviroScreen 2.0; Score of 43.25 or above in SCE service territory



Thank you

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Community Renewables Customer Website*:
on.sce.com/CommRenew for Community
[Renewables](#)

*Website will be available in mid-March

Community Renewables Developer Website:
www.on.sce.com/CRDevInfo

Back-Up Slides

Community Renewables: Developer PPA

- Procurement is based on Renewable Market Adjusting Tariff (“Re-MAT”) Program (5 MW bimonthly cap)
- Re-MAT Process for Developers:
 1. Submit marketing materials to SCE for “pre-review”
 2. Receive 30% commitments or 51% expressions of interest from customers
 3. Submit “Program Participation Request” (“PPR”) – First date accepted is April 1, 2016
 4. Enter Community Renewables “queue”; projects selected in queue order for PPA – First PPA selection is May 1, 2016
 1. PPA price is based on “Peaking, As Available” Bucket; currently \$69.23/MWh
 2. Developer can accept price and sign PPA or reject price and remain in queue
 3. SCE pays developer PPA price for unsubscribed energy only; customers pay developer directly for subscribed energy
 4. If subscriptions are below minimum threshold – developer receives DLAP + REC value for unsubscribed energy

Community Renewables: Customer Rates

- Program will launch in Q1 2016; customers can enroll in CR-Tariff once project developed
- Customers sign a customer-developer agreement and pay developers directly for renewable energy subscription; SCE is not a party to the agreement
- Once project delivering energy, customer receives a bill credit from SCE

Community Renewables Credit (“-”):

- Class Average Retail Generation Rate
- Time-Of-Delivery (“TOD”) Adjustment

Community Renewables Charges (“+”)

- Power Charge Indifference Adjustment (“PCIA”)
- Competition Transition Charge (“CTC”)
- California Independent System Operator (“CAISO”) Grid Charge
- Western Renewable Energy Generation Information System (“WREGIS”) Charge
- Resource Adequacy (“RA”) Adjustment
- Renewables Integration Cost (“RIC”) Charge
- Administrative Charge
- Marketing, Education, and Outreach (“ME&O”) Charge
- +/- Other CPUC-Approved Charges or Values

2016 GTSR Credits and Charges

Credits

\$/kWh	Green Rate	Community Renewables
Credits		
Class Average Generation Credit ¹⁵	0.06874	0.06874
Time-of-Delivery (TOD) Adjustment	0.00162	Project Specific
Total Credits	0.07036 (~7 cents)	Project Specific

Charges

\$/kWh	Green Rate	Community Renewables
Charges		
Renewable Power Rate	0.09134	0
Power Charge Indifference Adjustment (PCIA) ¹⁰	0.00098	0.00098
Competition Transition Charge (CTC)	-0.00015	-0.00015
California Independent System Operator (CAISO) Grid Charge ¹¹	0.00049	0.00049
Western Renewable Energy Generation Information System (WREGIS) Charge	0.00001	0.00001
Resource Adequacy (RA) Adjustment	0.00693 ¹²	Project Specific
Renewables Integration Cost (RIC) Charge	0.00000	0.00000
Administrative Charge ¹³	0.00356	0.00356
Marketing, Education, and Outreach (ME&O) Charge ¹⁴	0.00195	0.00227
Total Charges	0.10511 (~10.5 cents)	Project Specific