COMMENTS OF THE MARIN ENERGY AUTHORITY TO THE CALIFORNIA AIR RESOURCES BOARD ON THE AB 32 SCOPING PLAN UPDATE

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I. INTRODUCTION.

The Marin Energy Authority ("MEA") respectfully submits its comments to the California Air Resources Board ("CARB") on its AB 32 Scoping Plan Update ("Update").

MEA administers the first and only operational Community Choice Aggregation ("CCA") program in California, Marin Clean Energy ("MCE"). MEA currently serves approximately 130,000 customers throughout Marin County and within the City of Richmond. MEA is a not-for-profit public agency founded to reduce greenhouse gas emissions by providing the local communities it serves with the choice to consume purchase electricity with a higher renewable content than the default offering provided by Pacific Gas and Electric ("PG&E"), the incumbent Investor Owned Utility ("IOU") for MEA's service territory.

MEA's mission is to address climate change by reducing energy-related greenhouse gas emissions and securing energy supply, price stability, energy efficiencies and local economic and workforce benefits. It is the intent of MEA to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to solar and wind energy production at competitive rates for customers. In this way, MEA's mission aligns with CARB's Climate Change Scoping Plan ("Plan").

II. MEA'S PRODUCT OFFERINGS AND ENERGY EFFICIENCY PROGRAMS SUPPORT THE GOALS OF THE AB 32 SCOPING PLAN

Customers in MEA's service territory have three product choices for their electricity supply: PG&E's 19 percent renewable energy, MCE's "Light Green" 50 percent renewable energy, and MCE's "Deep Green" 100 percent renewable energy. The default service option in MEA's service territory is Light Green, although customers may opt out for PG&E's service option, or opt up for MCE's Deep Green option which costs approximately $6 more per month for the average single family home in MEA's service territory. Because of their higher renewable content, MEA's product offerings emit less greenhouse gases ("GHGs") than the product offered by PG&E and exceed the Renewables Portfolio Standard ("RPS") requirements set forth for 2020. Since launching service in 2010, MCE has reduced 28,759 tons of CO2.

MEA has contributed to the local economy by entering in to long-term power purchase agreements with local companies. This leads to job development, economic growth, and provides a local source of clean energy that MEA customers can use. For example, MEA signed a 20-year power purchase agreement with the San Rafael Airport for 972 kilowatts of rooftop solar power. Additionally, 50 percent of Deep Green customer revenues go directly to building and developing new renewable energy projects in the communities within MEA's service territory.

MEA also administers energy efficiency ("EE") programs. MEA is currently offering innovative EE pilot programs for single family residential, multi-family residential and small commercial customers. MEA is also pioneering the first on-bill repayment program in the state for all of these pilots. On-bill repayment will facilitate deeper improvements and help mitigate the split incentive, where property owners who do not pay bills are reluctant to invest in efficiency on behalf of their tenants. This strategy is particularly useful for hard to reach multifamily and leased commercial spaces.

The single family pilot program utilizes web-based tools to help homeowners understand the profile of energy use in their homes and optimize potential savings. The multi-family residential pilot program offers different incentive levels for income qualified versus market rate properties in order to motivate comprehensive energy solutions to benefits tenants and building owners alike. Finally, the small business pilot program offers technical assistance in identifying whole building efficiency solutions for convenience stores, retail offices, and professional buildings.

III. THE UPDATE TO THE SCOPING PLAN SHOULD CONTAIN ROBUST OPPORTUNITIES FOR PARTICIPATION FROM CCAS

Although MEA is currently the only operational CCA in California, both Sonoma County and the City and County of San Francisco have formed CCAs with the objective of serving customers in their service territories with renewable energy. The Sonoma County CCA will likely begin serving customers in January 2014. Although CCAs are not required to have a renewable energy focus, many communities in California are considering forming CCAs for the primary goal of reducing GHGs. In fact, at a recent statewide meeting on CCAs, many participants indicated that while developing their Climate Action Plans, they decided that forming a CCA was one of the most effective ways to cut GHG emissions.

Implementing green CCAs can be viewed as a local government strategy to reduce GHG emissions. As such, an update to the scoping plan should not only focus on emissions from IOUs, but focus on encouraging the development and growth of green CCAs. In this way, CCAs also complement the Plan's preference for market-based strategies to address GHG emissions. CCAs, though local government entities, are independent load-serving entities, and compete in the marketplace for customers with the incumbent IOUs. After an initial investment, ongoing support costs for the CCA will be paid by energy ratepayers, not municipalities. Thus, this is a strategy that is sustainable as a business model as well as a GHG reduction model.

IV. CONCLUSION

MEA appreciates the opportunity to provide input on the update to the Plan. MEA encourages CARB to create strategies that encourage and incentivize the participation of green

CCAs in California in order to promote local, clean power and reduce GHG emissions in our communities.

Respectfully submitted,

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