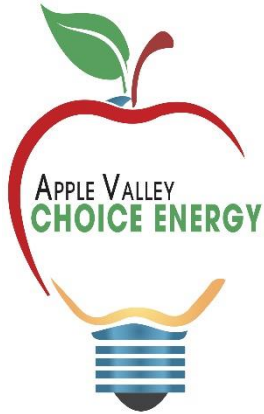


Apple Valley Choice Energy Program – Frequently Asked Questions



BACKGROUND

What is Apple Valley Choice Energy?

Apple Valley Choice Energy (AVCE) is Apple Valley's, locally-operated, locally-controlled electrical power provider. Made possible by Community Choice Aggregation (CCA), AVCE offers Town residents and businesses a viable alternative to traditional investor-owned utilities. As a municipal service, we offer rates that are typically more affordable than Southern California Edison (SCE), and with a higher/greener renewable content.

AVCE seeks only to find the best sources of reliable and renewable energy at the lowest possible price and procure it for our customers. Instead of building costly infrastructure, we've partnered with SCE to have them deliver our greener, more affordable power to electricity customers. There are no duplicate charges because we each provide unique services. AVCE procures electricity while SCE delivers that energy to your doorstep, maintains and repairs the infrastructure that carries it, and provides you with convenient customer services including billing.

What is Community Choice Aggregation?

When California deregulated the energy market in 1997, many Californians switched to alternative energy providers. Following the energy crisis of 2000-01, consumer choice of electricity providers was suspended. As a response to the closing of the open market, Assembly Bill 117 was passed in 2002 to establish Community Choice Aggregation, which offers an opportunity for Californians to choose their electric provider and the source of their electricity.

Does Apple Valley Choice Energy replace Southern California Edison?

No. SCE continues to deliver the electricity, and provide billing, customer service, power line maintenance and repair. AVCE only replaces the electric generation services with higher renewable energy content at more affordable rates.

Who governs and administers Apple Valley Choice Energy?

The Apple Valley Town Council governs AVCE. The program is administered by Town staff.

When will Apple Valley Choice Energy begin?

AVCE was formed in 2016 and will launch its services in April 2017 for all municipal, commercial and residential accounts. Per state law, we must contact our customers in writing a minimum of four times to notify them that they will soon begin receiving AVCE electric service. We will do this via mail.

CUSTOMER EXPERIENCE

Where are your customers located?

All AVCE customers must have a service address within the Town of Apple Valley. We are sorry, but residents and businesses outside the Town limits cannot receive service from AVCE.

Do I have to participate in Apple Valley Choice Energy if I am in the Town of Apple Valley?

No. AVCE supports your power to choose! A customer may opt out of participation and remain with SCE. The choice is yours. After receiving notification of pending service, if you choose to opt out, please visit AVChoiceEnergy.com and click "Opt Out," or call (760) 240-7000 x7521.

Why is Apple Valley Choice Energy enrollment automatic and I have to opt out in order to stay with Southern California Edison?

For decades, SCE has been the default power provider in our region, with little or no alternative for most customers. In an effort to even the playing field and enable CCAs to launch and provide consumers with other choices, California's CCA law requires AVCE to operate as an opt-out program and become the default provider of electric generation for customers within our service area.

Who will send me my bill?

You will continue to get just one bill from SCE. AVCE's charges for electricity generation are included on your SCE bill. A few lines on the bill will change, since the charges for power generation will go to AVCE instead of SCE.

Can I return to Apple Valley Choice Energy after I opt out?

Customers who opt out before or within the first 60 days of AVCE service may return to AVCE at any time. Customers who opt out after the first 60 days of service with AVCE may be prohibited by SCE from returning to AVCE for one year.

RATES AND RATE-SETTING

How do Apple Valley Choice Energy's rates compare to Southern California Edison?

Through the CCA process, we anticipate rate savings for our citizens. The Town Council is committed to providing Apple Valley residents, businesses and organizations with cleaner, and reliable energy at an affordable rate. Unlike the rates of an investor-owned utility, which are set by the California Public Utilities Commission in San Francisco, each year, the Apple Valley Town Council will conduct a rate-setting process based on the projected energy costs for that year. This process is held at public hearings during the Town Council's regularly scheduled meetings. The public is invited to attend.

Does Apple Valley Choice Energy offer a net energy metering program for qualified solar electric and other distributed generation systems?

Yes. Through AVCE's net energy metering program, customers with net energy metering systems have the opportunity to receive credits for future energy service and even receive cash back when their systems produce excess energy. As part of our plan, your system's energy production will be monitored on a monthly basis. If you use more energy than your system produces in a given month, you will be charged for the energy you draw from the grid. However, if you produce more energy than you consume, you will receive a credit on your bill that can be applied to charges in future months.