



Town Council Agenda Report

Date: September 8, 2020 Item No. 5

To: Honorable Mayor and Town Council

Subject: APPLE VALLEY CHOICE ENERGY – 2019 POWER CONTENT LABEL AND ATTESTATION

From: Douglas Robertson, Town Manager

Submitted by: Sydnie Harris, Director of Finance
Finance Department

Budgeted Item: Yes No N/A

RECOMMENDED ACTION:

Endorse the accuracy of information presented in Apple Valley Choice Energy's 2019 Power Content Label based on staff and California Choice Energy Authority review.

SUMMARY:

Apple Valley Choice Energy (AVCE) is required to submit this staff report and related meeting minutes to the California Energy Commission (CEC) per Power Source Disclosure Program regulations to demonstrate compliance.

BACKGROUND:

California Public Utilities Code requires all retail sellers of electric energy, including AVCE, to disclose "accurate, reliable, and simple-to-understand information on sources of energy" that are delivered to their respective customers. Applicable regulations direct retail sellers to provide such communications prior to October 1st of each year. The format for requisite communications is highly prescriptive, offering little flexibility to retail sellers when presenting such information to customers. This format has been termed the Power Content Label, or PCL, by the CEC.

Information presented in the PCL includes the share of total energy supply related to various resource types, including both renewable and conventional fuel sources. If a retail seller meets a certain percentage of its supply obligation from unspecified resources, the report must identify such purchases as "unspecified sources of power". Unspecified sources of power refer to electricity that cannot be traced back to a specific generator, such as energy purchased from the market at large or from broadly defined portfolios of generating resources.

During the 2019 calendar year, AVCE delivered a substantial portion of its electric energy supply from various renewable energy sources, including biomass & waste, eligible hydroelectric, and wind. For AVCE Core Choice customers, 35% of total energy supply was sourced from renewable energy resources. For AVCE More Choice customers, 50% of energy deliveries were sourced from renewable energy resources. The PCL reflect AVCE's energy resources for energy delivered in calendar 2019 only. Each year, the CEC releases a PCL template to be used by reporting entities in meeting its reporting requirements. The final PCL template for 2019 data has not yet been released by the CEC, however the data that will populate the PCL is provided in the Power Source Disclosure Program Annual Report and is attached for reference.

Consistent with applicable regulations, AVCE will complete required customer communications on or before October 1st. All customers currently enrolled in the AVCE program will receive the PCL via U.S. mail.

To fulfill its Power Source Disclosure Program reporting obligations for 2019, AVCE must also provide the CEC with the Town Council's attestation regarding the accuracy of information included in the PCL. Current Power Source Disclosure Program regulations allow public agencies, including AVCE, to provide a self-attestation with regard to the accuracy of information reported for both retail electric service offerings. While developing AVCE's PCL, California Choice Energy Authority (CalChoice) and its technical consultants performed a detailed review of all power purchases completed for the 2019 calendar year.

Staff is requesting that, based on reviews previously completed by staff and CalChoice technical consultants, that Council attest to the accuracy of information included in the 2019 PCL.

Upon approval, a copy of this staff report and related meeting minutes will be forwarded to the CEC, thereby completing AVCE's PCL and Power Source Disclosure Program reporting obligation for the 2019 calendar year.

FISCAL IMPACT:

None.

ATTACHMENT:

- A. Core Choice Power Content Label Data
- B. More Choice Power Content Label Data



**ANNUAL REPORT TO THE CALIFORNIA ENERGY COMMISSION: Power Source
 SCHEDULE 3: ANNUAL POWER CONTENT LABEL DATA
 for the year ending December 31, 2019
 Apple Valley Choice Energy
 Core Choice**

Instructions: No data input is needed on this schedule. Retail suppliers should use these auto-populated calculations to fill out their Power Content Labels.

	Adjusted Net Procured (MWh)	Percent of Total Retail Sales
Renewable Procurements	66,466	28.4%
Biomass & Biowaste	5,268	2.2%
Geothermal	-	0.0%
Eligible Hydroelectric	4,718	2.0%
Solar	-	0.0%
Wind	56,480	24.1%
Coal	-	0.0%
Large Hydroelectric	-	0.0%
Natural gas	-	0.0%
Nuclear	-	0.0%
Other	-	0.0%
Unspecified Power	167,777	71.6%
Total	234,243	100.0%
Total Retail Sales (MWh)		234,243
Percentage of Retail Sales Covered by Retired Unbundled RECs		6.6%



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	Adjusted Net Procured (MWh)	Percent of Total Retail Sales
Renewable Procurements	108	31.2%
Biomass & Biowaste	108	31.2%
Geothermal	-	0.0%
Eligible Hydroelectric	-	0.0%
Solar	-	0.0%
Wind	-	0.0%
Coal	-	0.0%
Large Hydroelectric	-	0.0%
Natural gas	-	0.0%
Nuclear	-	0.0%
Other	-	0.0%
Unspecified Power	238	68.8%
Total	346	100.0%
Total Retail Sales (MWh)		346
Percentage of Retail Sales Covered by Retired Unbundled RECs		19.1%