What is Community Choice Energy?

Community Choice Energy is a local program that buys and generates energy for businesses and residents. It is a means by which local governments, i.e., cities and counties, take on decision-making control over the sources of electricity used by businesses, residents, and their own municipal accounts.

Local Control

Community Choice local agencies are not-for-profit public entities whose mission is to serve the local community. Decision-making is in the hands of local leaders, and all decision-making meetings are subject to California’s open meeting laws. Public participation – energy democracy – is greatly improved, compared with the current system.

Community Choice Law

State law was enacted in 2002 that allows local communities to decide the sources and mix of their electricity, whether from fossil, nuclear, solar, wind, geothermal, and/or hydroelectric. The existing utility – in California, either PG&E, SCE, or SDG&E – continues to maintain the power lines, meter the power, and send the bills. Community Choice, once initiated, shows as a line item on the bill for generation.

What people are saying about Community Choice

“We saved homeowners and businesses $6 million last year, and that’s all being pumped back into the local economy, so to me, this is an environmental and economic investment.”

- Mark Landman, Sonoma Clean Power Chairman and City of Cotati Councilmember

“Through this innovative new program, we have succeeded in not only increasing the renewable energy content consumed by the citizens of Lancaster, but also lowering their energy rates. This places money squarely in the pockets of Lancaster residents and businesses, giving them more purchasing power while also keeping more money right here in our local economy.”

- Rex Parris, Mayor of Lancaster

“[Marin Clean Energy is] a strong example of local business and local government working together to strengthen our local economy, generating good jobs and affordable, reliable, renewable power.”

- Damon Connolly, MCE Board Chair

“The results are a win-win for customers and the region: competitive (and often lower) electricity rates, increased choice and competition in the energy market, more local control over energy decisions, lower greenhouse gas emissions, cleaner air, and reduced dependence on damaging fossil fuels.”

- Jigar Shah, clean energy entrepreneur, Carbon War Room’s first CEO, founder of SunEdison, author of Creating Climate Wealth: Unlocking the Impact Economy

“CleanPowerSF [will] finally give San Franciscans a viable, clean alternative to PG&E’s monopoly... CleanPowerSF is our best and biggest opportunity to reduce our greenhouse gas emissions and help lead the transition to a clean energy future.”

- John Avalos, member of the San Francisco Board of Supervisors

“With all 20 cities and the county signed on to participating in Peninsula Clean Energy, we are well on our way to providing cleaner power to county residents and businesses at favorable rates. The enthusiasm and excitement around this new energy model has exceeded all expectations.”

- Dave Pine, San Mateo County Supervisor

“One of the benefits will be that we will have much greater local control over the source of our energy. With that comes the ability to better align our energy sources with our local policies and the expectations of our constituents.”

- Mike Webb, City of Davis Assistant City Manager
Benefits of Community Choice:

Local Economy.
Community Choice takes an existing revenue stream that currently leaves the local economy, typically in the tens or hundreds of millions of dollars, and redirects it from distant utility decision-making control to local decision-making control.

Choice and Competition.
For more than one hundred years, customers have had little or no choice in electricity service. Community Choice introduces choice and competition, which is good for rates, service, local priorities, and innovation.

Renewable Energy And More.
Community Choice allows communities to source their own electricity, which is proving to be much cleaner than what traditional utilities have been providing. The three operational agencies in California, including one that has been in operation for six years, are proof that Community Choice works for the economy and the environment. Additional benefits include:

» Private sector opportunity
» An opportunity for innovation such as electric vehicle adoption
» Increased competition in the energy sector
» Achieve existing policy goals such as greenhouse gas reductions
» A boost to the local economy

Has it been done before?
Yes. Four Community Choice agencies in California – Marin Clean Energy, Sonoma Clean Power, Lancaster Choice Energy, and CleanPowerSF – now serve customers. Additionally, Peninsula Clean Energy will start serving customers in late 2016, with other programs slated to launch in 2017. All established programs offer electricity service at competitive and usually lower rates, and all have power mixes that are cleaner than the utility power mix. The model is a proven success, and about 80 other local governments in California are now considering Community Choice.

Learn more.
Please contact us to learn more about Community Choice and how you can build a successful program in your community:

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Clean Power Exchange is a program of the Center for Climate Protection. The Center introduced Community Choice to Sonoma County in 2005, and supported the initiative all the way to operation. Sonoma Clean Power now serves about 450,000 customers with lower rates and cleaner power. The Center for Climate Protection, through Clean Power Exchange, works statewide to help those considering Community Choice.