

Rosia, Ashley

From: Jack Monger <jack.monger@ieaca.org>
Sent: Wednesday, November 15, 2017 5:02 PM
To: ESD Sustainability
Subject: Comments regarding CCA Feasibility Letter

On behalf of the Industrial Environmental Association, I am submitting the following questions for your consideration on the above topic:

1. One of the three economic impacts expected from the establishment of a CCA is lower energy bills for customers. For other CCAs currently operating in California, have all of them succeeded in lowering energy bills? What percentage have CCAs have managed to lower energy bills, and do those entities expect to continue offering lower cost energy for the long run?
2. Regarding the financial feasibility of a CCA program, the report indicates that net margins in most of the CCA programs examined are negative – what level of confidence do the authors have that net margins will actually increase and actually become positive?
3. Of those CCAs operating in California currently, are there some management structures performing better than others?
4. The report indicates that it is not feasible to expect the CCA to generate enough net margins in the first five years to motivate customers to make substantial investments in energy initiatives such as demand response, increasing local DG as well as EE. Won't this have a depressing effect on participation of rate payers and the public's acceptance of the program? Could this lead to more customers opting out?
5. The report also indicates that the risks associated with the CCA program can be substantial. What are some of those risks and what have other municipalities done to reduce the level of risk and protect the rate payers?

Thank you for this opportunity to submit these questions.

Best regards,

Jack

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CEO

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