

Community Choice Energy ¹

Glossary of Terms

| Term | Meaning |
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| Behind-the-meter | Refers to energy efficiency or electricity generation that takes place on the customer side of the electricity meter rather than on the utility/grid side. Commonly used when discussing 'net energy metering'. |
| California Public Utilities Commission (CPUC) | California's State agency in charge of regulating investor-owned utilities. |
| Community Choice Aggregation | The legal term used in AB 117 and by the CPUC for programs herein referred to as Community Choice Energy. As authorized by statute, CCA allows local governments to pool the municipal, residential and commercial electrical load within their municipalit(ies) for the purpose of procuring and developing power on their behalf. |
| Demand response | Technology that lowers electricity demand (or consumption) in response to shortages in the available supply of electricity. |
| Direct Access | A program that permits commercial and industrial utility customers to purchase power supplies from a provider other than the incumbent utility; CCE programs are not considered Direct Access |
| Feed-in tariff | A standard power contract, usually for small projects 1MW or less, that requires the utility (or CCE) to pay a set amount for generated renewable electricity for a set number of years, depending on technology. |
| Greenhouse gas (GHG) | A gas that causes the atmosphere to trap heat radiating from the earth. The most common GHG is Carbon Dioxide, though Methane and others have this effect as well. |
| MWH (megawatt-hour) | A unit of electrical energy that is produced or consumed= to 1,000 kilowatt hours. Thus, 8,000 kwh = 8 MWh. |
| Implementation Plan | An operations plan that CCEs must present to the CPUC for certification and review for consistency with state law and CPUC rules |
| Investor-owned utility | A privately-owned power distribution company, such as Pacific Gas and Electric (PG&E), that in California is regulated by the CPUC. |
| Joint powers authority (JPA) | An entity permitted under the laws of some states, whereby two or more public authorities (for example, local governments, or special districts) can operate collectively as a separate legal entity. |
| Electric Load | The amount of electricity a customer or group of customers uses; also referred to as "demand." |
| Load-serving entity | A firm or organization that purchases electricity on behalf of any customer or group of customers. Once formed, a CCE is considered a load serving entity. |

¹ Also called Community Choice Aggregation (CCA), which is its legal term

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| MW (megawatt) | A unit of electrical power equal to 1 million watts that expresses the capacity (or power rating) of power plants or consuming devices. As a unit of capacity, a MW is distinct from a MWH, which is a unit of electricity. For example, a solar plant with a <i>capacity</i> of 1 MW will – running at fully capacity – produce a MWH of <i>electricity</i> in one hour. |
| Microgrid | A local, small-scale power grid that can operate independently of or in conjunction with the central utility system. |
| Net metering | A state-mandated program through which utility customers with behind-the-meter renewable generating facilities smaller than 1 MW can receive bill credit and payment for power not used on-site and delivered to the grid (causing the meter to run backwards). |
| PCIA or “exit fee” | Power Charge Indifference Adjustment (PCIA) is an “exit fee” based on stranded costs of utility generation set by the California Public Utilities Commission. It is calculated annually and assessed to customers who take service from an electric generation provider (e.g. CCE) other than the incumbent utility. |
| Peak load | The electrical power demand at that time, over the course of a year and during the day, when electricity consumption is greatest. |
| Power Purchase Agreement (PPA) | Term for energy supply contract |
| Renewable energy certificate (REC) | A certificate of proof that one MWh of electricity was generated and delivered to the grid by an eligible renewable energy resource. A REC can be sold together with the underlying energy or “unbundled,” and sold separately. |
| Renewable portfolio standard (RPS) | Law that requires CA utilities and other load serving entities (including CCAs) to provide an escalating percentage of CA qualified renewable power (culminating at 33% by 2020) in their annual energy portfolio. |
| Community shared solar | An arrangement by which many electricity customers in a community may each own a portion of a solar PV generating facility, and therefore receive a share of the electricity and/or revenue it generates. |
| Smart grid | An electricity supply network that uses electronic communications and management systems to respond to changes in system requirements. |
| Solar PV | A solar electricity generating technology in which solar energy is transformed into electricity through a photovoltaic (PV) effect. |
| Unbundled RECs | Renewable energy certificates that verify a purchase of a MWh unit of renewable power where the actual power and the certificate are “unbundled” and sold to different buyers. |