

Questions from MEGA's May 20, 2020 Webinar: The Fundamentals of CCA

I was not be able to attend your webinar, was it recorded?

Yes, the recording will be posted on our YouTube channel and linked on MEGA's website, www.MEGACCA.org.

Will MEGA be providing this overview webinar again?

MEGA has recorded the webinar and we encourage anyone who may be interested to view the recording. Future webinars will be focused on other parts of the CCA program or process, and may not provide the same overview of the full program.

When will each of the 13 communities decide to join this program?

Municipal officials will decide whether or not to proceed with CCA after they see pricing from the winning supplier. We anticipate that will happen toward the end of this summer. Education and outreach about the specific offering to each community will follow, stay up to date by visiting www.megacca.org or www.facebook.com/megaenergyny or on your municipality's CCA website.

Who will notify residents of this program? How and when will this happen?

MEGA's CCA team will engage with residents through presentations, online webinars, social media, and other materials explaining the program details to residents in each community. Eligible residents and small businesses will be notified via mail when they receive their opt-out letter. The opt-out letter will be sent out 30 days before the program begins.

Why is this program opt-out instead of opt-in?

CCA in New York is designed as an opt-out program. MEGA does not have the ability to offer an opt-in CCA. CCAs are regulated by the NYS Public Service Commission (PSC). The program is compliant with all PSC orders and rules.

What are the advantages and disadvantages of CCA?

Advantages to CCA include:

1. Access to competitive electricity rates
2. Fixed rate that provides price stability and budget certainty
3. Access to renewable (green) electricity
4. Support renewable electricity on a large, community-wide scale
5. Protects residents from predatory practices of energy telemarketers and door-to-door sales

CCA is designed around choice, so any resident or small business that learns about CCA and decides that the program isn't for them can leave the program at any time without any penalty.

Given the delay in Phase 2 of the roll out of CCA in the Capital District, can other communities (beyond the original 13) complete Phase 1 and join the aggregation before MEGA releases the RFP?

Any municipality in the Capital Region that is interested in learning more about CCA should contact MEGA. Given how long it takes to enact a local law, conduct education and outreach, and move forward with an RFP, it is unlikely that any community that is new to CCA would be able to accomplish those steps before this program begins. However, we never want to discourage a community that is interested in CCA from learning more. We encourage residents and municipal decision-makers in eligible communities in the Capital Region to learn more about CCA and engage with MEGA so that they can join the aggregation as soon as they are able.

How do fluctuations in commodity prices and energy markets impact CCA?

You may have heard that, due to COVID-19 and a decrease in demand for oil under the economic shut down, oil prices are at historic lows. Oil, as a commodity, does not directly impact electric prices, but many people think that the two are connected.

Will CCA still be able to move forward if some of the 13 municipalities decide not to move forward with the program? Is there a critical mass for participating in this CCA?

Our threshold for the Capital Region CCA was 40,000 households. We have more than doubled that amount with the current 13 communities. If some of these municipalities decide not to move forward, we will still be able to offer a CCA program to those communities that wish to move forward. Ultimately, the size of the aggregation that wants to move forward will determine the price participants receive. The more communities that decide to stay with CCA, the more competitive the overall pricing will be for all participants. This is because of the buying power that an aggregation of 13 communities wields.

Why does this program offer municipalities three options: a standard grid mix which includes fossil fuels, a 100% green option, and a higher % of green that is less than 100%?

CCA is about choice. MEGA's program offers communities a way to purchase electricity and decide for themselves what the best decision is for their default electric supply. Many communities want to use CCA as a way to go green and support renewable electricity on a large scale, and CCA can be a powerful tool to do that. The decision to go 100% renewable, increase support of renewables, or stay with the base clean energy-compliant "grid mix" is completely up to the elected officials. After the municipality decides what to offer residents as the default, each household chooses whether to stay with that option, or change away from the default offering to a different supply rate and product.

What is the experience of other communities that have been with CCA for several years?

CCA started in New York in Westchester County as a pilot program. While MEGA was not involved with that program, it is still operating. You can read about that CCA program here:

<https://sustainablewestchester.org/>

MEGA currently operates a CCA program in the Southern Tier/Central New York. You can read more about that aggregation on our website: <http://megacca.org/southern-tier-aggregation-nyseg/>

Outside of New York State, several other states have CCA programs in place and have for many years. It is important to note that New York's program is unique, and may have differences from CCA programs offered in other states.

If you have additional questions beyond those answered here, please contact MEGA's CCA Team at CCATeam@megaenergy.org