

COMMUNITY ENERGY

The mission of the Community Energy Department is to procure clean, cost effective energy for the benefit of its customers.

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The Community Energy Department (CED) operates [San José Clean Energy](#) (SJCE), the City's Community Choice Aggregation (CCA)* Program that provides residents and business with cleaner electricity at lower rates than Pacific Gas and Electric Company (PG&E). SJCE launched in September 2018, and began serving most residents and businesses in February 2019. SJCE plays a crucial role in [Climate Smart San José](#), the City's climate action plan. (See the Environmental Services chapter for more information.)

SJCE allows the City to choose the source and set the retail rates for power used in the city. In 2019, SJCE's default service, GreenSource, provided electricity that is 80 percent carbon-free and at least 1 percent cheaper than PG&E's base offering. Customers can upgrade to TotalGreen to receive electricity that is 100 percent renewable and carbon-free and costs the average home about \$5 more per month than GreenSource; 940 SJCE customers upgraded in 2018-19.

Community Energy had 17 authorized positions in 2018-19. The Department does not receive General Fund dollars; its operational revenues include the sale of energy to customers and the sale of products to other organizations in the power industry. In 2018-19, operating revenues totaled \$102.9 million.

SJCE operating expenditures, excluding debt service, totaled \$7.4 million. In addition, the department was responsible for other expenditures totaling \$85.8 million, primarily resulting from its energy purchases. The department is also responsible for repaying a \$10 million loan issued through the City's commercial paper program, and expects to begin repaying the loan in 2020-21.

*CCAs are programs that allow local governments to purchase power on behalf of their residents and businesses. PG&E continues to provide the transmission and distribution of electricity in the city, as well as handle the monthly billing process. AB 117, passed in 2002, allows for the creation of CCAs. For more information, refer to our [Preliminary Review of San José Clean Energy](#).

KEY FACTS (2018-19)

Total number of accounts	328,478
Percent of eligible customers not enrolled in SJCE (opt-out rate)	1.4%
Total customer savings* (compared to PG&E)	\$1,025,279

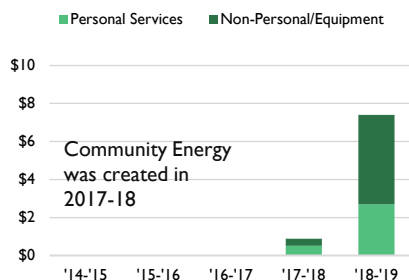
* Unaudited; savings based on generation charges and excludes transmission charges.

Energy Resources	2018 SJCE Power Mix	2018 PG&E Base Plan Power Mix	2018 CA Power Mix ¹
Renewables	48%	39%	31%
Biomass and Waste	0%	4%	2%
Geothermal	0%	4%	5%
Hydroelectric	0%	3%	2%
Solar	0%	18%	11%
Wind	48%	10%	11%
Coal	0%	0%	3%
Large Hydroelectric	52%	13%	11%
Natural Gas	0%	15%	35%
Nuclear	0%	34%	9%
Other	0%	0%	< 1%
Unspecified	0%	0%	11%
Total	100%	100%	100%

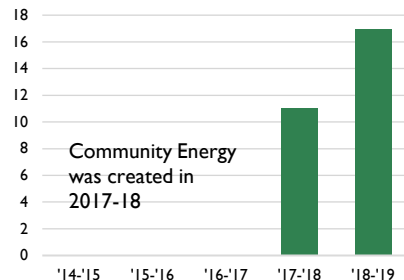
Source: Unaudited 2018 Power Content Labels for SJCE and PG&E

¹ Figures are estimated annually by the California Energy Commission based on electricity generated in California and net imports.

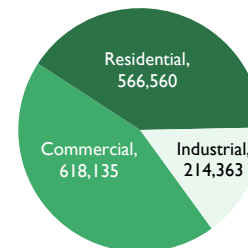
Community Energy Operating Expenditures (\$millions)



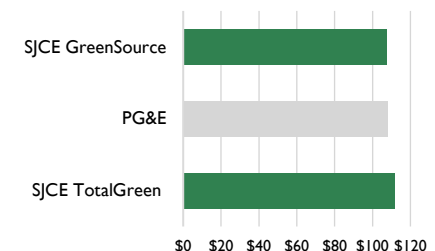
Community Energy Authorized Positions



Breakdown of Energy Load by Customer Type (MWh)



Comparison of Monthly Electricity Bill (rates as of September 1, 2019)



Source: SJCE and PG&E comparison of residential electric rates. Note: Based on E-1 rate schedules and usage of 470 kilowatt-hours.