



**County Executive Office**

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**NEVADA COUNTY BOARD OF SUPERVISORS**

**BOARD AGENDA MEMO**

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**MEETING DATE:** November 12, 2024

**TO:** Board of Supervisors

**FROM:** Alison Lehman, County Executive Officer

**SUBJECT:** Presentation to inform the Board of Supervisors on results of the 2024 Impact Assessment Study for Pioneer Community Energy

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**RECOMMENDATION:** Accept the presentation

**FUNDING:** \$15,000 was paid out of the ARPA-funded climate budget to pay for half the cost of the Impact Assessment Study. The other half of the total cost was funded by Pioneer Community Energy. No additional General Funds are required, and no budget amendment is needed.

**BACKGROUND:**

In January 2022, the Board of Supervisors was introduced to the concept of Community Choice Aggregation (“CCA”) as it relates to energy sourcing outside of Pacific Gas & Electric (PG&E). An additional informational presentation was provided to the Board in July 2023.

With Board direction, Pioneer Community Energy (“Pioneer”) and the County commissioned an Impact Assessment Study in September 2023 to identify the energy needs of Nevada County residents and anticipate fiscal impacts of expanding CCA service into unincorporated Nevada County.

The Impact Assessment revealed that if Nevada County moved forward with joining Pioneer at that time, Nevada County customers would be subject to an elevated rate to support the higher cost of energy procurement. This was due to a recent spike in renewable energy prices and higher costs associated with resource adequacy requirements (note: resource adequacy ensures that Pioneer has sufficient power purchased to support peak period demand).

Given the unfavorable analysis, the Board of Supervisors made the decision to halt the process with the option to restart again in 2024, or any year thereafter.

In March 2024, Nevada County staff restarted rate comparison analysis to evaluate the price differentials between the average residential bill under a CCA and the respective investor-owned utility within the CCA service area.

Based on the publicly available Joint Rate Comparison documents, on average, CCA’s still demonstrated customer savings for the consumer relative to the investor-owned utilities. In

addition to customer savings, CCA's provide customers the option to select a 100% renewable energy plan as well as the option to stay with the local investor-owned utility provider should they prefer. With CCA participation, customers have the benefit of choice.

As CCA's are public agencies with no shareholders, member agencies also benefit from the opportunity for excess cash flows to be reinvested into local renewable energy projects which supports two of Nevada County's priority objectives: Economic Development and Climate Resilience.

Given the average customer savings, as well as the support of two of our priority objectives, staff recommended commissioning a new Impact Assessment Study for Pioneer Community Energy expanding into unincorporated Nevada County.

The Impact Assessment Study, completed by Pacific Energy Advisors, was \$30,000 and the cost was split equally between Nevada County and Pioneer.

In addition to Nevada County exploring joining Pioneer, nine other neighboring jurisdictions have expressed interest in joining Pioneer, including unincorporated Sutter, Tuolumne, and Butte counties, as well as the cities of Chico, Live Oak, Oroville, Paradise, Sonora, and Yuba City. Each of these jurisdictions also moved forward with an Impact Assessment Study.

Staff from Pioneer Community Energy are here today to present the results of the Impact Assessment Studies for all the interested jurisdictions, including identifying next steps related to the potential expansion process.

The Board of Pioneer will consider approval of new memberships and expansion in December.

This presentation is for informational purposes only and no Board action is required at this time.

**Item Initiated by:** Mandy Stewart, Administrative Analyst II  
**Approved by:** Alison Lehman, County Executive Officer  
**Submittal Date:** 10/28/2024