

# local power

4281 Piedmont Avenue, Oakland, California 94611 [local.org](http://local.org)

## FAQ: Community Choice Aggregation: Ohio's Example

**Are There Precedents For This?** San Francisco's Community Choice and H Bond proposal is part of a ten year national campaign that has passed laws, similar to California's new Community Choice law, in Massachusetts, Ohio, New Jersey, and Rhode Island. Community Choice Aggregations now form a major U.S. market, with over a million households and business customers in Ohio alone. Among these, the Northeast Ohio Public Energy Council (NOPEC) is a Community Choice Aggregation made up of 113 member regions, cities and towns, large and small, spread across eight northeastern Ohio counties and 500,000 customers.

**How Did It Work?** The concept of NOPEC is a simple one. By banding together into one large buying group, communities of households and businesses gain buying power and local control in the deregulated energy marketplace. The individual power customers that NOPEC represents enjoy three advantages: bulk buying power, legal and professional expertise, and consumer advocacy on their behalf.

**What Were The Results?** In addition, by purchasing electricity that is roughly 70% less polluting than the power typically available to retail customers in Ohio, NOPEC is also the largest clean power purchaser in America. Through NOPEC, 500,000 electricity customers have reduced their single largest source of air pollution (electricity is the largest single cause of smog and greenhouse gases) by *seventy* percent, achieving a Kyoto-scale reduction of CO<sub>2</sub> from their region without even trying. The surprise is that the price customers pay for this cleaner power is *guaranteed lower than* the previous price they were charged for coal and nuclear power.

**How Does the San Francisco Ordinance Compare?** California's new Community Choice law was written to work even more easily and pro-environmentally than Ohio's. By law, NOPEC is limited to two-year contracts with opt-out periods in between, too short to finance the lifecycle repayment schedule of solar photovoltaics and other decentralized generation and efficiency technologies. Authorized to enter into longer-term contracts to spread the cost across many years, California's Electric Service Providers will be able to include solar electricity and other renewable installations on a price-competitive basis. With the additional use of solar H Bonds to finance a blend of new renewable energy and conservation facilities that will ensure competitive prices, San Francisco is poised to take Community Choice to the next step: a giant step into the solar hydrogen future.