**Disclaimer:** The primary objective of this document is to assist municipalities in drafting a Local Law to facilitate the creation of Community Choice Aggregation programs in New York State. The following information should not be a substitute for legal advice from an attorney familiar with local requirements.

**LOCAL LAW NO. [#]**

A LOCAL LAW TO ESTABLISH A

COMMUNITY CHOICE AGGREGATION (ENERGY) PROGRAM

Be it enacted by the [legislative body] of the [City, Town, or Village of \_\_\_\_\_ ] as follows:

The Code of the [City, Town, or Village of \_\_\_\_\_ ] is hereby amended by adding a new Chapter [#], entitled “COMMUNITY CHOICE AGGREGATION (ENERGY) PROGRAM,” to read as follows:

**§1. Legislative Findings; Intent and Purpose; Authority.**

A. It is the policy of both the [City, Town, or Village of \_\_\_\_\_ ] (“Municipality”) and the State of New York to reduce costs and provide cost certainty for the purpose of economic development, to promote deeper penetration of energy efficiency and renewable energy resources such as wind and solar, and wider deployment of distributed energy resources as well as to examine the retail energy markets and increase participation of and benefits for Eligible Customers in those markets. Among the policies and models that may offer benefits in New York is Community Choice Aggregation (“CCA”), which allows local governments to procure electricity and natural gas supply on behalf of its Eligible Consumers.

B. The purpose of this CCA program is to allow participating local governments to procure Energy Services, such as energy supply and Community Distributed Generation (CDG) Credits, for their Eligible Consumers, who will have the opportunity to opt out of the procurement, while maintaining transmission and distribution service from the existing Distribution Utility. This Chapter establishes a program that will allow the Municipality and other local governments to work together through a shared purchasing model to put Energy Services out for bid. Eligible consumers will have the opportunity to have more control to lower their overall energy costs, to spur clean energy innovation and investment, to improve customer choice and value, and to protect the environment; thereby, fulfilling the purposes of this Chapter and fulfilling an important public purpose.

C. The Municipality is authorized to implement this CCA Program pursuant to Section 10(1)(ii)(a)(12) of the New York Municipal Home Rule Law; and State of New York Public Service Commission Case No. 14-M-0224, Proceeding on Motion of the Commission to Enable Community Choice Aggregation Programs (issued April 21, 2016, hereinafter CCA Framework Order)

D. This Chapter shall be known and may be cited as the Community Choice Aggregation (Energy) Program of the Municipality.

**§2. Definitions.**

For purposes of this Chapter, and unless otherwise expressly stated or unless the context otherwise requires, the terms in this Chapter shall have the meanings employed in the State of New York Public Service Commission’s Uniform Business Practices.

**Community Choice Aggregation Program (or “CCA Program”):** A municipal energy procurement program, which replaces the incumbent utility as the default electric and/or gas Supplier for all bundled customers within the City of New Rochelle. The CCA Program may include Community Distributed Generation Credits on an opt-out basis and other DER offerings on an opt-in basis.

**Community Distributed Generation (or “CDG”):** Community shared renewables program expanding customer access to the environmental and system benefits of qualifying renewable project generation located behind a non-residential host meter based on remotely sharing net metering or VDER monetary credits through a monetary credit applied to the utility bills of Participating Customers.

**Community Distributed Generation Credits (or “CDG Credits”):** The monetary credit applied to the utility bills of Participating Customers through the CDG program.

**Customers:**

**Eligible Customers:** Customers of electricity and/or natural gas eligible to participate in CCA, either on an Opt-out or Opt-in basis, as delineated in the CCA Framework Order.

**Opt-Out Eligible Customers:** Eligible Customers that are eligible for opt-out treatment as delineated in the CCA Framework Order.

**Participating Customers:** Opt-out eligible customers who have been enrolled subsequent to the opt-out process and other customers who have opted in.

**Customer-specific Data:** Utility data for all Opt-out Eligible Customers including account holder name, service address, primary language, if available, any customer-specific alternate billing name and/or address, and other relevant, authorized data.

**Distributed Energy Resources (or “DER”):** Initiatives that further engage and/or reduce cost of service for participating consumers, optimize system benefits, and/or address infrastructure and demand challenges within the geography of the CCA including, but not limited to, local renewable energy projects, Community Distributed Generation, peak demand management, energy efficiency, demand response, energy storage, community resilience microgrid projects, and other innovative initiatives.

**Energy Services:** The provision of energy supply as electric power and/or natural gas or the provision of DER offerings.

**Distribution Utility:** Owner or controller of the means of distribution of the natural gas or electricity that is regulated by the Public Service Commission.

**Public Service Commission (or “PSC”):** New York State Public Service Commission.

**Suppliers:** Energy service companies (ESCOs) that procure electric power and natural gas and/or DER providers and/or other entities with authority to provide Energy Services for Participating Customers in connection with this Chapter.

**Value Of Distributed Energy Resources (or “VDER”):** Proceeding (Case

15-E-0751) that replaces the net metering program with a weighted value stack tariff mechanism for accurately pricing Distributed Energy Resources on the grid as a reflection of their system value. Value stack components include the price of energy, capacity, avoided carbon emissions, cost savings to customers and utilities, demand reduction and locational relief. The goal of this proceeding is to increase DER penetration and benefits of DER installations.

**§3. Establishment of a Program.**

1. A Community Choice Aggregation (Energy) Program is hereby established by the Municipality, whereby the Municipality shall work together with PowerMarket to implement the CCA Program to the full extent permitted by the CCA Framework Order, as set forth more fully herein. The Municipality’s role under the CCA Program involves the aggregating of demand for energy of its Eligible Customers and the entering into contracts for Energy Services. Under the CCA Program, the operation and ownership of the utility service shall remain with the Distribution Utility.
2. The Municipality’s participation in a CCA Program constitutes neither the purchase of a public utility system, nor the furnishing of utility service. The Municipality will not take over any part of the electric or gas transmission or distribution system and will not furnish any type of utility service, but will instead negotiate with suppliers on behalf of Participating Customers.
3. In order to implement the CCA Program, the Municipality will adopt resolutions that outline the process of and conditions for participation in the CCA Program, including but not limited to signing a contract for a compliant bid with one or more Suppliers, all as consistent with this Chapter and the CCA Framework Order.
4. The Public Service Commission supervises retail markets and participants in these markets through legislative and regulatory authority and the Uniform Business Practices, which includes rules relating to the eligibility of participating Suppliers, the operation by which Suppliers provide energy services, and the terms on which customers may be enrolled with Suppliers.

**§4. Procedures for eligibility; customer data sharing**

1. As permitted by the CCA Framework Order, the Municipality may request from the Distribution Utilities aggregated customer information by fuel type, service classification and other relevant, authorized data.
2. PowerMarket, on behalf of the Municipality, shall issue one or more requests for proposals to Suppliers to provide energy to participants and may then award one or more contracts in accordance with the CCA Program.
3. PowerMarket or the Municipality, if the City so chooses, will then request Customer-specific Data from the Distribution Utility in accordance with the CCA Program.
4. PowerMarket or the Municipality, if the Municipality so chooses, and the selected Supplier(s) will then notify Opt-out Eligible Customers of the contract terms and opportunity to opt out of the CCA Program energy supply and/or CDG Credits.
5. In accordance with and for purposes of the CCA Framework Order, the Distribution Utility will provide to Sustainable Westchester Customer-specific Data (including usage data capacity tag obligations, account numbers, and service addresses) of all Eligible Customers in the Municipality.
6. PowerMarket and the Municipality will protect customer information as required by law, subject to the CCA Framework Order and the limitations of the New York State Freedom of Information Law.

**§5. Choice of energy supplier; opt-out notice and procedure**

1. The Municipality will notify, or will cause notification of, its Opt-Out Eligible Customers by letter notice, of the Municipality establishing the CCA Program, of the contract terms with the Supplier, and of the opportunity to opt out of the CCA program offerings.
2. The letter notice will be sent to each Opt-out Eligible Customer at the address provided by the Distribution Utility and explain the CCA Program and the material provisions of the Supplier contract, identify the methods by which the customer can opt out of the CCA Program, and provide information on how the customer can access additional information about the CCA Program.
3. The opt-out period shall be at least thirty (30) Days.

**§6. Verification and reporting.**

1. PowerMarket shall be responsible for filing an annual report with the Public Service Commission, as required in the CCA Framework Order.

Section 2. This local law shall take effect upon filing with the Secretary of State.