



FACT SHEET - FREQUENTLY ASKED QUESTIONS FOR CUSTOMERS

COMMUNITY CHOICE AGGREGATION

What is Community Choice Aggregation?

Community Choice Aggregation is a state-approved program that puts control of choosing energy supply in the hands of local governments. It is a municipal model for procuring energy where the utility delivers the energy, but the municipality becomes the default supplier of electricity and/or natural gas for residents and small businesses within a jurisdiction. Communities may be able to negotiate a rate that potentially lowers energy costs or offers a fixed rate for a period of time.

How much will I save?

Even though Community Choice Aggregation programs aim to achieve lower prices for participating consumers, there is no guarantee that the Community Choice Aggregation price will be lower than the utility price from the entire term of the supply contract.

Will my taxes go up?

No. Taxpayer or public funding is not needed to run a Community Choice Aggregation program. Programs are financially supported through a fee charged by the Administrator paid by participants.

What if I don't want to participate?

Participation is up to you. Every customer currently receiving energy from Central Hudson will be given full advanced notice of the program's initiation and clear instructions on how they can opt-out. Customers will have 30 days from the time they receive the opt-out notification. After that point, those customers who did not opt-out will be automatically enrolled in the Community Choice Aggregation program.

Which communities can participate in Community Choice Aggregation in New York state?

All towns, cities and villages are eligible to participate. If a community chooses to pursue Community Choice Aggregation, local government officials must hold a public hearing to discuss the opportunity, authorize the municipality's participation and communicate the details to their residents and small businesses.

What types of customers may participate in Community Choice Aggregation?

Most residential and small commercial customers of electricity and natural gas utilities are able to participate. Low-income, Time-of-Use and large commercial customers, as well as those who are already enrolled with an energy service company (ESCO), will not be automatically enrolled but may be able to opt in.

Do any Community Choice Aggregation programs already exist in New York state?

Yes. Westchester Power, a Community Choice Aggregation consisting of 23 municipalities in Westchester County, serves approximately 91,000 residents and small businesses.

How does Central Hudson fit in?

Central Hudson will continue to deliver reliable power, maintain power lines and respond to service outages. We will provide the same customer service to all residents regardless of whether or not they are in the Community Choice Aggregation program. In most cases, customers will still receive only one bill each month, directly from Central Hudson, which will reflect the change in supplier.

To facilitate a Community Choice Aggregation, Central Hudson is required to provide the Administrator with the municipalities' total usage data for residents and businesses in order to calculate costs and identify service options. This will provide the Administrator with an understanding of how many customers reside in the participating towns and the total electric load required to properly serve them. With this information, the Administrator is able to develop a request for proposal and elicit bids from energy suppliers. Central Hudson may charge the Administrator additional fees to cover the costs of some customer-related data.

Is Community Choice Aggregation considered “green”?

Depending on local needs and priorities, communities may elect to provide a renewable energy product as the default supply mix. One possible solution for providing renewable energy is through renewable energy certificates (RECs), which is a market-based instrument representing the non-power attributes of renewable electricity, for example environmental and social benefits. RECs are issued and sold separately from the electricity itself as a way to support the development of renewable sources, and each REC is associated with a unit of actual energy produced.

The renewable choice may increase the environmental benefits of the Community Choice Aggregation program, but may cost more than a nonrenewable product. Other Community Choice Aggregation programs may provide customers with power supply mix options. For example, a Community Choice Aggregation program may offer a basic option, a green option or something in between.

How can community distributed generation and Community Choice Aggregation be integrated?

Distributed energy resources are local renewable projects, such as community solar, energy efficiency, demand response, energy management and microgrid projects.

The Community Choice Aggregation Administrator may seek a proposal that demonstrates a compelling plan to market and develop financed distributed energy resources to a wide segment of Community Choice Aggregation customers. ESCOs may form partnerships to provide a turnkey program to design, finance, build, operate and maintain distributed energy resources facilities within the term of a proposed supply agreement. They may also plan to procure meaningful levels of energy from distributed energy resources.

How will account numbers and related information be kept confidential?

The agreement between the participating municipalities, Community Choice Aggregation Administrator and ESCOs will contain data security provisions for all parties to protect the privacy of account level data.

Will the same ESCO be used for both electric and natural gas procurement?

Possibly. ESCOs may have the opportunity to submit bids for either or both, and the Community Choice Aggregation Administrator has the freedom to choose the same ESCO. However, the Administrator is not required to choose any ESCO if responses to request for proposals are not satisfactory. Natural gas may not be included within the Community Choice Aggregation.

How will customers currently getting net metering credits be affected?

The net metering credits associated with applicable distributed generation, including rooftop solar, will not be affected.

If customers opt out after the contract has commenced, how will that affect their service?

Service will not be interrupted. The account will be transferred back to Central Hudson at the end of the following billing period.

Will customers be informed at the end of the first contract that they may be switched to a new supplier, and then be given another chance to opt-out?

Yes. All participating customers will receive notification of the change along with the new price and all of the opt-out methods.