



## Board of Directors Meeting

Wednesday, May 20, 2020

6:00 pm

<https://us02web.zoom.us/j/87023071843>

Or Telephone:

Dial (for higher quality, dial a number based on your current location):

US: +1 669 900 6833 or +1 346 248 7799 or +1 253 215 8782 or +1 929 205 6099 or +1 301 715 8592 or +1 312 626 6799 or 888 475 4499 (Toll Free) or 877 853 5257 (Toll Free)

Webinar ID: 870 2307 1843

*Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact the Clerk of the Board at least 2 working days before the meeting at (510) 736-4981 or [cob@ebce.org](mailto:cob@ebce.org).*

*If you have anything that you wish to be distributed to the Committee, please email it to the clerk by 5:00 pm the day prior to the meeting.*

### 1. Welcome & Roll Call

### 2. Pledge of Allegiance

### 3. Public Comment

*This item is reserved for persons wishing to address the Board on any EBCE-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Board are customarily limited to three minutes per speaker and must complete an electronic [speaker slip](#). The Board Chair may increase or decrease the time allotted to each speaker.*

### 4. Closed Session

- A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION under California Government Code Section 54957: Performance Evaluation of Chief Executive Officer Nicolas Chaset

### 5. General Counsel Report out of Closed Session

### **CONSENT AGENDA**

- 6. Approval of Minutes from April 22, 2020**
- 7. Contracts entered into (Informational Item)**
- 8. Amendment to Sponsorship Policy**  
Adopt a Resolution authority approving the first amendment and restatement of the sponsorship policy.
- 9. Amendment to Administrative Procurement Policy**  
Adopt a Resolution approving a fourth amended and restated administrative procurement policy.

### **REGULAR AGENDA**

- 10. CEO REPORT**
  - A. Executive Committee Meeting;
  - B. Marketing and Outreach update;
  - C. Local Development Business Plan Update and
  - D. Update on Opt-out
- 11. Community Advisory Committee Report**
- 12. California Electronic Vehicle Infrastructure Project Funding (Action Item)**
- 13. 2020 - 2021 Draft Budget Review (Information Item)**
- 14. Board Member and Staff Announcements including requests to place items on future Board Agendas**
- 15. Adjournment - to Date: Wednesday, June 17, 2020**



## Board of Directors Meeting

Wednesday, April 22, 2020

5:00 pm

Please click the link below to join the webinar:

<https://zoom.us/j/451762210>

Or Telephone:

Dial (for higher quality, dial a number based on your current location):

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If you have anything that you wish to be distributed to the Board, please email it to the clerk by 4:00 pm the day of the meeting.

### 1. Welcome, New Member Swear-in & Roll Call

**Present: Directors:** Haggerty (Alameda County), Pilch (Albany), Arreguin (Berkeley), Hernandez (Dublin), Munro (Livermore), Bacon (Fremont), Mendall (Hayward), Hannon (Newark), Rood (Piedmont), Pentin (Pleasanton), Hernandez (San Leandro), Arriola (Tracy), Patino (Union City), Sutter (Community Advisory), Martinez (Emeryville) and Kalb (Oakland)

### 2. Pledge of Allegiance

### 3. Public Comment

*This item is reserved for persons wishing to address the Board on any EBCE-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Board are customarily limited to three minutes per speaker and must complete an electronic [speaker slip](#). The Board Chair may increase or decrease the time allotted to each speaker.*

There were no speakers under Public Comment

## CONSENT AGENDA

EBCE is committed to protecting our environment and is proud to be a [Certified California Green Business](#)



### Consent Item 7

**TO:** East Bay Community Energy Board of Directors  
**FROM:** Nick Chaset, Chief Executive Officer  
**SUBJECT:** Contracts Entered Into  
**DATE:** May 20, 2020

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#### **RECOMMENDATION**

Accept the CEO's report on contracts that EBCE has entered since. During the March 18<sup>th</sup>, 2020 Board Meeting, the Board of Directors requested that contracts be reported to both the Executive Committee and the Board of Directors.

Items executed after April 15<sup>th</sup> and reported to Executive Committee;

1. C-2020-40 New Venture Fund (Oakland) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$278,000 to support the City of Oakland's relief response to the COVID-19 pandemic.
2. C-2020-41 CityServe of the TriValley (Pleasanton) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$42,000 to support staffing costs for emergency hotel voucher coordination, hotel vouchers for unsheltered and vulnerable, groceries and supplies for high risk Livermore residents, support to Tri-Valley's businesses, nonprofits, and the most economically vulnerable residents, purchasing, procuring and distributing PPE to first responders, medical professionals and economically vulnerable residents, purchasing medical equipment, medicine, or vaccinations in response to the COVID-19 pandemic.

Items executed after April 22;

1. C-2020-42 NewGen Strategies and Solutions (Lapeer, MI) Second Amendment to CSA, amends CSA to require a task order for each project, increases total compensation not to exceed \$100,000 through June 30, 2021.
2. C-2020-43 NewGen Strategies and Solutions (Lapeer, MI) Task Order 1, allocates \$33,570 for services related to PG&E General Rate Case -review case, assess impacts, prepare testimony, and offer rate support.

3. C-2020-44 New Gen Strategies and Solutions (Lapeer, MI) Task Order 2, allocates \$25,000 for expert witness services the CPUC Application 19-11-019 - PG&E Phase II General Rate Case.
4. C-2020-45 NewGen Strategies and Solutions (Lapeer, MI) Task Order 3, allocates \$35,000 of the NTE for services related to PG&E upcoming ERRA proceedings including the 2019 ERRA Compliance A.20-02-009.
5. C-2020-46 Open Heart Kitchen (Livermore) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$27,000 to support additional labor for street outreach, hot meals, senior meals, emergency food distribution, staff leave, facility disinfection, support to local business, non-profits, and economically vulnerable residents, purchasing PPE for first responders, medical professionals, and residents, purchasing medical equipment, medicines or vaccinations to response to the COVID-19 pandemic.
6. C-2020-47 Tri-Valley Haven Shelter/Food Pantry (Livermore) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support additional food pantry staffing, telework equipment, supplies and groceries, support to local business, non-profits, and economically vulnerable residents, purchasing PPE for first responders, medical professionals, and residents, purchasing medical equipment, medicines or vaccinations in response to the COVID-19 pandemic.
7. C-2020-48 Los Angeles Cleantech Incubator (LACI) (Los Angeles), Commitment Letter, EBCE and LACI will enter into a Transportation Electrification Partnership where EBCE will provide \$25,000 to accelerate transportation electrification and zero emissions goods movement across Southern California.
8. C-2020-49 ARUP North America (San Francisco) Second Amendment to CSA, adds \$190,000 to the NTE for a total of \$340,000 NTE, extends termination date to January 31,2022, and updates the rates of hourly compensation for 2020.
9. C-2020-50 Sunflower Hill (Livermore) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support their relief efforts for low-income families and those experiencing food insecurity, providing person-centered life skill and vocational horticulture training to individuals with developmental disabilities, and to support online programs in response to the COVID-19 pandemic.
10. C-2020-51 Building Opportunities for Self-Sufficiency (BOSS) (Berkeley) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support the existing programs serving the homeless, people with disabilities, very low income, setting up isolation space at residential programs, pursuing partnerships with multiple properties and partners to fast-track housing in response to the COVID-19 pandemic.
11. C-2020-52 Center for Elders' Independence (Oakland) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to provide for financial support to CEI's community members and supporting and expanding the Healthy Meals for Frail Seniors program in response to the COVID-19 pandemic.
12. C-2020-53 Fremont Family Resource Center Corporation (Fremont) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to

support to community members by assisting individuals and families in need with payment of electric and utility bills and other critical needs, including financial insecurity and homelessness in response to the COVID-19 pandemic.

13. C-2020-54 East Bay Asian Local Development Corporation (Oakland) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support financial and workforce services with partners for LMI residents, increasing access to food, help with utilities, assistance with unemployment applications, rental assistance and expanding services to be available online in response to the COVID-19 pandemic.

14. C-2020-55 Adamika Village (Oakland) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support curbside drop-offs of care packages, referrals to therapists and Frontline Healers, ongoing case management within Adamika Village's community in response to the COVID-19 pandemic.

15. C-2020-56 Abode Services (Fremont) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support payment of client utility bills, subsidize rent for Abode residents, provide food, shelter, transportation and referrals to medical care for clients who are sick and have tested positive for COVID-19 in response to the COVID-19 pandemic.

16. C-2020-57 Mandela Partners (Oakland) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support the independent residential community for adults with developmental disabilities in their relief efforts in response to the COVID-19 pandemic.

17. C-2020-58 Pacific Center for Human Growth (Berkeley) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support transitioning existing programs and services to virtual, supporting clients experiencing financial hardships, increasing access to mental health services in response to the COVID-19 pandemic.

18. C-2020-59 Acta Non Verba & East Oakland Grocery Co-op (Oakland) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support co-op members by increasing food and resource distribution, providing food sourcing and grocery delivery services, and supporting rental cost for food distribution in response to the COVID-19 pandemic.

19. C-2020-60 Covenant House CA (Oakland) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support existing and new services like providing food and shelter for unhoused young people, providing mental health services and critical health needs like medical supplies and tests, and to support the Raid Rehousing programs in response to the COVID-19 pandemic.

20. C-2020-61 Daily Bowl (Oakland) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support their local food pantry providers and covering transportation and equipment costs for food and services delivery in response to the COVID-19 pandemic.

21. C-2020-62 Street Level Health Projects (Oakland) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support increasing

access to food, mental health services, herbalist services via telehealth, workers and immigrants' rights education, supporting the SLHP COVID-19 Day Laborers Emergency Relief Fund, and supporting hotline and staffing expenses in response to the COVID-19 pandemic.

22. C-2020-63 Eden Housing (Hayward) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support the emergency "Tenant Relief Fund" to offset the cost of rent and expanded services, and supporting efforts to notify residents of tenants' rights in response to the COVID-19 pandemic.

23. C-2020-64 Axis Community Health (Pleasanton) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support purchasing/distributing PPE to healthcare workers in the Tri-Valley and neighboring areas, and purchasing medical equipment, medication and/or vaccines in response to the COVID-19 pandemic.

24. C-2020-65 Tri-Valley Haven for Women (Livermore) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to provide financial support to community members, provide basic needs for those in economic need, and providing salary or financial assistance for staff in response to the COVID-19 pandemic.

25. C-2020-66 The Davis Street Community Center (San Leandro) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support providing food and supplies for the food bank, staff, volunteers, and supporting families, children, and seniors in need by providing emergency food in response to the COVID-19 pandemic.

26. C-2020-67 Cornerstone Community Development Corporation dba Building Futures with Women and Children (San Leandro) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support rent stabilization efforts, hotel and eviction prevention program expansion, support health and wellness efforts in coordination with other partners, including Sister Me Home, a 20 bed shelter in San Leandro, funding utility fees such as internet service for families who cannot afford them in response to the COVID-19 pandemic.

27. C-2020-68 Empowerment Works and NorCal Community Resilience Network (Berkeley) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support new programs like growing gardens for the community, supporting small farmers and CSA operations, providing supplies and materials to feed vulnerable populations, supporting overall operations in response to the COVID-19 pandemic.

28. C-2020-69 First Presbyterian Church of Hayward (Castro Valley) COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of \$10,000 to support urgent medical needs amount the houseless community and increase health and safety precautions for overnight shelters, increasing staff to support medical services, providing new medical tolls and resources to address immediate needs in response to the COVID-19 pandemic.



### Consent Item 8

**TO:** East Bay Community Energy Board of Directors  
**FROM:** Molly Gilmore, Legal Analyst  
**SUBJECT:** Amendment to Sponsorship Policy  
**DATE:** May 20, 2020

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#### **Recommendation**

Adopt a Resolution of the Board of Directors of the East Bay Community Energy Authority Approving the First Amendment and Restatement of the Sponsorship Policy

#### **Background and Discussion**

From time to time EBCE is asked to sponsor various local events and programs throughout its service area. Staff developed a Sponsorship Policy that establishes the criteria for an appropriate sponsorship opportunity, one that ensures the event or program furthers the public purposes of EBCE. The amendments made to the policy further clarify the administration of the sponsorship approval process, making it consistent with the signing authorities provided for in the Administrative Procurement Policy, and the minimum terms any agreement for sponsorship must satisfy.

#### **Attachments:**

- A. Resolution to approve the first amended and restated the sponsorship policy
- B. Exhibit A: Amended Policy Sponsorship Policy
- C. Sponsorship Policy Redline



RESOLUTION EBCE R-2020-\_\_\_\_\_

**A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE EAST BAY COMMUNITY ENERGY AUTHORITY TO APPROVE THE  
FIRST AMENDED AND RESTATED SPONSORSHIP POLICY**

**WHEREAS** The East Bay Community Energy Authority (“EBCE”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, Under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of EBCE and parties to the JPA in March of 2020.

**WHEREAS** As a public agency, EBCE is subject to state Constitutional restrictions on the expenditure of public funds which forbid public agencies from gifting public funds.

**WHEREAS** An appropriation of public funds for use by a private party is not an unconstitutional gift if it serves a public purpose.

**WHEREAS** Occasionally the EBCE has opportunities to sponsor events and programs that serve such public purposes, including but not limiting to marketing EBCE’s energy programs to current and prospective customers.

**WHEREAS** It is in the interest of EBCE to establish a sponsorship policy to help guide which events and programs EBCE may sponsor.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY, DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1.** The Board hereby adopts the First Amendment and Restatement of the “Sponsorship Policy,” attached hereto as Exhibit A, and resolves that the expenditure of funds to sponsor events and programs be governed by this Policy.

**Section 2.** This resolution shall become effective immediately upon its passage and adoption.

**ADOPTED AND APPROVED this 20th day of May, 2020.**

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Dan Kalb, Chair

**ATTEST:**

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Stephanie Cabrera, Clerk of the Board



## Amended and Restated Sponsorship Policy

**Policy No. 12.1**

**Resolution No. R-2020-XX**

**Agenda: May 20, 2020**

**Item: Consent Item 8**

### Purpose:

From time to time East Bay Community Energy (“EBCE”) receives requests to sponsor, and has the opportunity to sponsor, various events and programs in its service area. EBCE desires to sponsor events and programs which further the public purposes of EBCE, including but not limited to events that can promote, implement, operate, or administer EBCE’s energy programs. It is in the interest of EBCE to establish a sponsorship policy to guide EBCE in determining which events and programs it may sponsor so that sponsorship expenditures made by EBCE do not violate the state Constitutional gift of public funds prohibition (Cal. Const., Art. 16, Sec. 6).

### Policy:

1. **Public Purpose.** The state Constitution provides that public agencies may only spend public funds on public purposes. Therefore, EBCE shall only expend funds on sponsorships that advance the purposes for which it was established. Those purposes include, but are not limited to: promoting, developing, conducting, operating, and managing energy and energy-related climate change programs of EBCE.
2. **Sponsorship Agreements.** EBCE does not have a standard sponsorship agreement or require the execution of one, but the sponsored party may provide such an agreement for execution. Among its listed terms, a sponsorship agreement must identify the public purpose for EBCE prompting the expenditure as the consideration for making it. For example, the description can list tangible benefits of sponsorship for EBCE such as a table or literature distribution booth at the event which helps promote EBCE energy programs to current or potential customers.
3. **Sponsorship Approval Process**
  - a. All event Sponsorship Agreements over \$5,000 require General Counsel review and approval as to form.
  - b. Prior to executing any sponsorship agreement, the individual executing shall ensure: (i) that the sponsorship compensation has been budgeted for in the current EBCE budget, (ii) that such funds are unexpended and unencumbered and are sufficient to pay the expense of the sponsorship, and (iii) that the sponsorship agreement has been approved as to form by the General Counsel or his/her designee if applicable.
  - c. All sponsorship agreements are subject to the following signing authority restrictions in Table 1.

**Table 1**

SIGNING AUTHORITY	DOLLAR AMOUNT
Board of Directors Approval	> \$100,000 per fiscal year
Chief Executive Officer, or his/her designee	\$0 - \$100,000 per fiscal year
General Counsel	\$0-\$50,000 per fiscal year
Chief Operating Officer	\$0-\$25,000 per fiscal year
Senior Director or Vice President	\$0-\$10,000 per fiscal year
Director	\$0-\$5,000 per fiscal year

#### 4. Sponsorship Restrictions

- a. EBCE shall not sponsor an event or program unless it is determined that a public purpose, as described in Section 1 of this Policy, will be accomplished.
- b. EBCE shall not sponsor an event or program which would create a conflict of interest under the following authorities: (i) the Political Reform Act (California Government Code Section 81000 et seq.); (ii) Government Code Section 1090; and (iii) the Common Law Doctrine Against Conflicts of Interest.



Exhibit B



Amended and Restated Sponsorship Policy

Policy No. 12.1  
Resolution No. R-~~2019-15~~2020-XX

Agenda: ~~June 19, 2019~~May 20, 2020  
Item: 40

Purpose:

From time to time East Bay Community Energy ("EBCE") receives requests to sponsor, and has the opportunity to sponsor, various events and programs in Alameda County, its service area. EBCE desires to sponsor events and programs which further the public purposes of EBCE, including but not limited to events that can promote, implement, operate, or administer EBCE's energy programs. It is in the interest of EBCE to establish an eventa sponsorship policy to guide EBCE in determining which events and programs it may sponsor so that sponsorship expenditures made by EBCE do not violate the state Constitutional gift of public funds prohibition (Cal. Const., Art. 16, Sec. 6).

Policy:

1. Public Purpose. The state Constitution provides that public agencies may only spend public funds on public purposes. Therefore, EBCE shall only expend funds on sponsorships that advance the purposes for which it was established. Those purposes include, but are not limited to: promoting, developing, conducting, operating, and managing energy and energy-related climate change programs of EBCE.

~~2.~~ Sponsorship Agreements.

~~a.~~ EBCE ~~must enter into~~does not have a standard sponsorship agreement withor require the entity seeking eventexecution of one, but the sponsored party may provide such an agreement for execution. Among its listed terms, a sponsorship-

~~b-2.~~ Sponsorship agreements agreement must identify the public purpose for EBCE prompting the expenditure as the consideration for making it. For example, the description can list tangible benefits of sponsorship for EBCE such as a table or literature distribution booth at the event which helps promote EBCE energy programs to current or potential customers.

3. Sponsorship ~~Renewal~~approval Process

~~a.~~ All event Sponsorship agreements for events at an expenditure amount of ~~55,000 or less~~ may be executed by the Chief Executive Officer or his/her designee without Board approval.

~~b.~~ Sponsorship agreements for events at an expenditure amount exceedingAgreements

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Attachment Consent Item 8C

over \$5,000 require approval by the Board of Directors.

~~c.a.~~ ~~All event sponsorship agreements require~~ General Counsel review and approval as to ensure a public purpose is accomplished through the sponsorship before EBCE may enter into a sponsorship agreement form.

~~d.~~ Prior to executing any sponsorship agreement, the individual executing shall ensure: (i) that the sponsorship compensation has been budgeted for in the current EBCE budget, (ii) that such funds are unexpended and unencumbered

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Attachment Consent Item 8C

b. an are sufficient to pay the expense of the sponsorship, and (iii) that the sponsorship agreement has been approved as to form by the General Counsel or his/her designee if applicable.

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c. All sponsorship agreements are subject to the following signing authority restrictions in Table 1.

**Table 1**

<u>SIGNING AUTHORITY</u>	<u>DOLLAR AMOUNT</u>
<u>Board of Directors Approval</u>	<u>&gt; \$100,000 per fiscal year</u>
<u>Chief Executive Officer, or his/her designee</u>	<u>\$0 - \$100,000 per fiscal year</u>
<u>General Counsel</u>	<u>\$0-\$50,000 per fiscal year</u>
<u>Chief Operating Officer</u>	<u>\$0-\$25,000 per fiscal year</u>
<u>Senior Director or Vice President</u>	<u>\$0-\$10,000 per fiscal year</u>
<u>Director</u>	<u>\$0-\$5,000 per fiscal year</u>

4. Sponsorship Limits-Restrictions

a. EBCE shall not sponsor an event or program unless it is determined that a public purpose, as described in Section 1 of this Policy, will be accomplished.

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b. EBCE shall not sponsor an event or program which would create a conflict of interest under the following authorities: (i) the Political Reform Act (California Government Code Section 81000 et seq.); (ii) Government Code Section 1090; and (iii) the Common Law Doctrine Against Conflicts of Interest.

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Attachment Consent Item 8C

b. 2

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## Consent Item 9

**TO:** East Bay Community Energy Board of Directors  
**FROM:** Molly Gilmore  
**SUBJECT:** Fourth Amendment to Administrative Procurement Policy  
**DATE:** May 20, 2020

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### **Recommendation**

Adopt a Resolution approving a fourth amended and restated administrative procurement policy.

### **Background and Discussion**

On April 22, 2020 the Board of Directors adopted Resolution No. R-2020-5 and Urgency Ordinance No. O-2020-1, in order to become subject to the Uniform Public Construction Cost Accounting Act (UPCCAA; Public Contract Code § 22000 - 22045) and establish informal bidding procedures.

Following the adoption of the UPCCAA, staff updated the Administrative Procurement Policy (Policy) to incorporate the necessary procurement procedures and identify the proper signing authority for the contracts let under the UPCCAA. In addition, the Policy now memorializes the purchasing procedures for low risk bulk items such as office supplies or promotional items and identifies the circumstances under which the CEO and the COO are able to waive the otherwise applicable procurement methods.

### **Attachments:**

- A. Resolution authorizing a fourth amended and restated Administrative Procurement Policy
- B. Exhibit A: Policy 1.6 Fourth Amended and Restated Administrative Procurement Policy;
- C. Administrative Procurement Policy redline

**RESOLUTION R-2020-**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY TO APPROVE A FOURTH AMENDED AND RESTATED ADMINISTRATIVE PROCUREMENT POLICY**

**WHEREAS** The East Bay Community Energy Authority (“EBCE”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, Under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of EBCE and parties to the JPA in March of 2020.

**WHEREAS** It is in the interest of East Bay Community Energy Authority (“EBCE”) to establish administrative procurement practices that facilitate efficient business operations and provide fair compensation and local workforce opportunities whenever possible within a framework of high quality, competitive service offerings.

**WHEREAS** On November 20, 2019, the Board approved the Third Amended and Restated Administrative Procurement Policy.

**WHEREAS** On April 22, 2020 the Board adopted Resolution No. R-2020-5 and Urgency Ordinance No. O-2020-1 in order to become subject to the Uniform Public Construction Cost Accounting Act (UPCCAA; Public Contract Code § 22000 - 22045) and establish informal bidding procedures.

**THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DOES HEREBY FIND, RESOLVE AND ORDER AS FOLLOWS:**

**Section 1** The Board hereby adopts the Fourth Amended and Restated Administrative Procurement Policy as attached Exhibit A and as listed as Policy #1.6 to incorporate procedures compliant with the UPCCAA, to address bulk purchases, and clarify authority of CEO and the COO to waive certain procurement procedures.

**ADOPTED AND APPROVED this 20<sup>th</sup> day of May, 2020.**

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Dan Kalb, Chair

**ATTEST:**

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Stephanie Cabrera, Clerk of the Board



FOURTH AMENDED AND RESTATED ADMINISTRATIVE PROCUREMENT POLICY

Policy Number 1.6

May 20, 2020

Agenda Item # Consent Item 9

I. PURPOSE

It is in the interest of East Bay Community Energy (“EBCE”) to establish administrative procurement practices that facilitate efficient business operations and provide fair compensation and local workforce opportunities whenever possible within a framework of high quality, competitive service offerings.

II. TYPES OF CONTRACTS

1. **Contracts for Goods and Non-Professional Services.** As used in this policy, “General Contractual Services” means:
  - 1.1. Any and all supplies, articles, equipment, or personal property furnished to or used by an organizational unit of EBCE; and
  - 1.2. Most types of services, excluding professional services as defined below, under which the contractor provides services which are required by EBCE, but not furnished by the EBCE’s own employees.
2. **Contracts for Professional Services.** As used in this policy, “Professional Services” means:
  - 2.1. The services of attorneys, physicians, architects, engineers, consultants, auditors, or other individuals or organizations possessing a high degree of professional, unique specialized technical skill or expertise, not always adaptable to competitive bidding. Professional Services are not considered General Contractual Services for the purpose of these procurement procedures.
3. **Power Procurement Contracts.**
  - 3.1. Contracts for energy (also known as Power Purchase Agreements or PPAs) or energy related products shall be subject to the requirements and signing authorities set out in Section IX of this Policy.
4. **All Contracts**
  - 4.1. When procuring goods and services utilizing federal funds (e.g. grant funds), EBCE shall comply with all federal project requirements and Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. (See 2 CFR § 200)

- 4.2. No EBCE employee, official, or director shall split purchases into more than one purchase in order to avoid the procurement requirements in this policy. Splitting purchases does not allow for a competitive marketplace, increases administrative workflow, and may create ethical issues.
  - 4.3. No EBCE employee, officer, or Director shall accept, directly or indirectly, any gift, rebate, money or anything else of value from any person or entity if such gift, rebate, money or anything of value is intended to reward or be an inducement for conducting business, placing orders with, or otherwise using the employee's position to secure an agreement with EBCE.
  - 4.4. Prior to signing any agreement for General Contractual Services or Professional Services, the individual signing shall ensure all of the following:
    - 4.4.1. The contract compensation has been budgeted for in the current EBCE budget;
    - 4.4.2. That adequate funds have been appropriated by the Board;
    - 4.4.3. That such funds are unexpended and unencumbered sufficient to pay the expense of the contract; and
    - 4.4.4. That any agreement for General Contractual Services or Professional Services for an amount of \$5,000 or more in one calendar year has been approved as to form and content by the General Counsel or his/her designee.
  - 4.5. EBCE shall report on all new contracts, regardless of scope or contract value, at each Board meeting. Unless subject to the attorney client privilege or some other legal protection, as a public agency, EBCE shall release all public records, including contracts, as required by the Public Records Act.
  - 4.6. Agreements with existing vendors may be amended and/or extended to allow for the continuation of services for no more than a total term of five (5) years. Such amendments/extensions are subject to the applicable signing authority identified in Tables 1-4 based on the total dollar amount of the agreement.
  - 4.7. The CEO may suspend the requirements of Section III (General Contractual Services Procurement) or Section V (Professional Services Procurement) for any agreement. Furthermore, the COO may suspend the requirements of Section III or Section V for any agreement they would otherwise have the authority to sign. However, all agreements for which the required procurement procedures have been suspended pursuant to this Section II. 4.7 must be approved by the Chair and Vice Chair of the Board of Directors and must comply with signing authority restrictions identified in Section III, Table 2, and Section V, Table 4.
5. Promotional Items and Bulk Purchases
    - 5.1. The purchase of office supplies, promotional items, and similarly low risk goods bought in bulk online or otherwise are subject to the relevant procurement methods identified in Section III, but do not require a Consulting Services Agreement or other agreement.

**III. GENERAL CONTRACTUAL SERVICES PROCUREMENT****1. Procurement Method**

- 1.1. Table 1 indicates the appropriate procurement method for the purchase of General Contractual Services of certain dollar amounts.
- 1.2. Nothing in this section prohibits the use of a more stringent procurement method than the one indicated by Table 1. At his or her discretion, the CEO may direct that an agreement for General Contractual Services is awarded through the Formal Bidding Procedures described herein.

**Table 1**

PROCUREMENT METHOD	DOLLAR AMOUNT per FISCAL YEAR	ADDITIONAL REQUIREMENTS
Formal Bidding Procedure	> \$100,000	RFP/RFQ
Solicit 3 written quotes; may be in electronic format	\$50,000 - \$100,000	Quotes must include provider's name, address, phone number, professional license number, if applicable
Solicit 3 verbal quotes	\$10,000 - \$49,999.99	Staff shall note quotes by including the providers' name, address, phone number and amount of the verbal proposal in EBCE's records
No solicitation necessary	< \$10,000	Seek the lowest price for the highest quality
Purchase Order Can Be Used	<\$5,000	Contracts for goods or low-risk off- site services only

**2. Signing Authority**

- 2.1. Table 2 indicates the appropriate signing authority for the purchase of General Contractual Services of certain dollar amounts.
- 2.2. Nothing in this section prohibits EBCE staff from seeking approval of a more senior signing authority than is permitted by this policy.

**Table 2**

SIGNING AUTHORITY	DOLLAR AMOUNT	CONTRACT TYPE
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## Attachment Consent Item 9B

Board Approval	> \$100,000	All contracts
Chief Executive Officer, or his/her designee	\$0 - \$100,000	All contracts
General Counsel	\$0-\$50,000	All contracts related to the activities or functions of the Office of the General Counsel
Chief Operating Officer	\$0-\$25,000	All contracts related to the activities or functions of the Office of the COO

Senior Director or Vice President	\$0-\$10,000	All contracts whose object or purpose is related to the activities or functions of that Senior Director or Vice President
Director	\$0-\$5,000	All contracts whose object or purpose is related to the activities or functions of that Director

#### IV. FORMAL BIDDING PROCEDURES

Except as otherwise specifically directed in writing by the CEO, agreements for the purchase of General Contractual Services for a total amount that exceeds \$100,000 per fiscal year shall be procured as follows:

1. **Formal Bid Invitations.** Invitations to participate in the Request for Proposal/Request for Qualifications process shall include a general description of the supplies or services sought by EBCE, and shall specify the time, place and date for opening bids.
2. **Evaluation.** Bids and proposals received through a competitive solicitation shall be subject to a set of criteria and a scoring system, reviewed and evaluated by relevant EBCE staff and an evaluation committee selected by the relevant staff, CEO, COO or General Counsel, or at the discretion of the Board, members of a designated Board subcommittee.
3. **Lowest Responsible Bidder.** “Lowest responsible bidder” as used in this policy shall mean that bidder who best responds in price, quality, service, fitness, or capacity to the particular requirements of EBCE. Price alone shall not be the determining factor but shall be considered along with other factors, including but not limited to the following:
  - 3.1. EBCE seeks to support companies and contractors that reflect its values and has identified two vendor/contractor categories that shall be given special consideration during bid evaluation and selection. In competitive solicitations, these categories shall receive bonus percentages/points ranging from 2.5% - 5% for a maximum bonus total of 10% in a bid scoring process:
    - 3.1.1 **Businesses within Service Territory:** EBCE desires to support business within its service territory. Businesses with office(s) located in EBCE’s service territory and businesses that have at least 25% of their workforce who reside in EBCE’s service territory shall receive a bonus equal to 5% or 5 points out of a 100-point scoring system in competitive solicitations.
    - 3.1.2 **Union Labor:** EBCE desires to support the use of union labor where possible. EBCE shall make its best effort to work with unionized contractors and subcontractors in the provision of goods and services to EBCE. Businesses who use union labor and/or unionized contractors shall receive a bonus equal to 2.5% or 2.5 points out of a 100-point scoring system in competitive solicitations.



3.2 EBCE is committed to the highest standards of responsible behavior and integrity in all of its business relationships. EBCE will consider a company’s business practices, environmental track record, and commitment to fair employment practices and compensation in its procurement decisions.

3.3 Award of Contract. EBCE shall award the contract to purchase goods or services to the lowest responsible bidder, unless such an award would be prohibited by California law.

**V. PROFESSIONAL SERVICES PROCUREMENT**

1. Procurement Method

- 1.1. Table 3 indicates the appropriate procurement method for the purchase of Professional Services of certain dollar amounts.
- 1.2. Nothing in this section prohibits the use of a more stringent procurement method than the one indicated by Table 3. At his or her discretion, the CEO may direct that an agreement for Professional Services is awarded through the Formal Bidding Procedures described herein.

**Table 3**

PROCUREMENT METHOD	DOLLAR AMOUNT per FISCAL YEAR	ADDITIONAL REQUIREMENTS
Solicit 3 written quotes; may be in electronic format	\$50,000 and above	Proposal must include provider’s name, address, phone number, professional license number, if applicable
Solicit 3 verbal quotes	\$10,000 - \$49,999.99	Staff shall note quotes by including the providers’ name, address, phone number and amount of the verbal proposal in EBCE’s records
No solicitation is necessary	\$0 - \$10,000	Seek the lowest price for the highest quality

2. Signing Authority

- 2.1. Table 4 indicates the appropriate signing authority for an agreement for Professional Services of certain dollar amounts.
- 2.2. Nothing in this section prohibits EBCE staff from seeking approval of a more senior signing authority than is permitted by this policy.

Table 4

SIGNING AUTHORITY	DOLLAR AMOUNT	CONTRACT TYPE
Board Approval	> \$100,000 per fiscal year	All contracts
Chief Executive Officer, or his/her designee	\$0 - \$100,000 per fiscal year	All contracts
General Counsel	\$0-\$50,000 per fiscal year	All contracts related to the activities or functions of the Office of the General Counsel
Chief Operating Officer	\$0-\$25,000 per fiscal year	All contracts related to the activities or functions of the Office of the COO
Senior Director or Vice President	\$0-\$10,000 per fiscal year	All contracts whose object or purpose is related to the activities or functions of that Senior Director or Vice President
Director	\$0-\$5,000 per fiscal year	All contracts whose object or purpose is related to the activities or functions of that Director

#### VI. SOLE SOURCE PROCURMENT

1. Under some circumstances, EBCE competitive solicitation requirements may be dispensed with when the goods or services are only available from one source either because the brand or trade name article, goods, or product or proprietary service is the only one which will properly meet the needs of the EBCE or the item or service is unique and available only from a sole source.
2. Sole source purchasing, whereby the procurement methods identified in Tables 1-4 are not required, is authorized when the goods or services contemplated are only able to be performed by a sole provider, such as the holder of an exclusive patent or franchise, for the purchase of unique or innovative goods or services including but not limited to computer software and technology, or for purchases of goods or services when there is a demonstrated need for compatibility with an existing item or service used by EBCE.
3. A sole source may be designated when it is apparent that a needed product or service is uniquely available from the source, or for all practical purposes, it is justifiably in the best interest of EBCE.
4. The following factors are not sufficient to justify a sole source procurement:
  - 4.1. Personal preference for product or vendor
  - 4.2. Cost
  - 4.3. Vendor performance

- 4.4. Local service (this may be considered an award factor in competitive bidding)
- 4.5. Features that exceed the minimum requirements for the goods or services

## VI. EMERGENCY PROCUREMENT

1. In the event of an emergency, the CEO may suspend the normal purchasing and procurement requirements for goods and services related to abatement of the impacts or effects of the emergency.
2. An emergency is deemed to exist in the following circumstances:
  - 2.1. There is an unexpected occurrence requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services, including the provision of energy or power to EBCE customers; or
  - 2.2. There is immediate need to prepare for national or local defense; or
  - 2.3. There is a breakdown in infrastructure or an essential service which requires the immediate purchase of supplies or contractual services to protect the public health, or safety or property; or
  - 2.4. A local emergency or disaster has been declared.

## VII.COOPERATIVE PURCHASING

1. The procurement methods identified in Table 1 -4 shall not be required when the contract for goods or services will be provided by another governmental agency.
2. EBCE may adopt another governmental agency's agreement with a contractor ("Piggyback Agreement") as its own without adhering to the procurement methods identified in Table 1-4 if that Piggyback Agreement is the product of the respective governmental agency's formal competitive solicitation process, provided that that agency's procurement is not in conflict with California law.

## VIII.PUBLIC PROJECTS

1. Uniform Public Construction Cost Accounting Act. EBCE adheres to the alternative bidding procedures provided by the Uniform Public Construction Cost Accounting Act, California Public Contract Code section 22000 et seq. (UPCCAA) Public projects (as defined in Section 22002 of the California Public Contract Code) that do not exceed the dollar limits in Section 22032(b) of the Public Contract Code (as such limits currently exist or may subsequently be amended), may be let to contract by informal procedures as set forth in the UPCCAA.
2. At the time of the adoption of this Policy, the UPCCAA applied to the following types of projects:
  - 2.1. Public projects include construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility. This includes painting or repainting of any publicly owned, leased, or operated facility.

- 2.2. Public projects up to \$60,000 may be performed by EBCE employees, by negotiated contract, or by purchase order pursuant to the UPCCAA.
- 2.3. Public projects up to \$200,000 may be contracted using informal procedures as set forth in the UPCCAA.
3. Pre-Qualified List. A list of contractors may be developed and maintained in accordance with the provisions of Section 22034 of the Public Contract Code and criteria promulgated from time to time by the California Uniform Construction Cost Accounting Commission (CUCCAC).
4. Notice.
- 4.1. Where a public project is to be performed, a notice inviting informal bids shall be mailed, faxed, or emailed not less than ten (10) days before bids are due to all contractors for the category of work to be bid as shown on the Pre-Qualified list developed in accordance with this Section IV, and to all construction trade journals as specified by the CUCCAC in accordance with Section 22036 of the Public Contract Code. Additional contractors and/or construction trade journals may be notified at the discretion of the department soliciting bids, provided, however; if there is no list of qualified contractors maintained by EBCE for the particular category of work to be performed, the notice inviting bids shall be sent only to the construction trade journals specified by the CUCCAC.
- 4.2. The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project and state the time and place for the submission of bids.
5. Award of Contract. The CEO and his or her designee is authorized to award public project contracts, subject to the signing authority permitted by Table 5. Nothing in this section prohibits EBCE staff from seeking approval of a more senior signing authority than is permitted by this policy.

**Table 5**

SIGNING AUTHORITY	DOLLAR AMOUNT
Executive Committee of the Board of Directors or Board of Directors Approval	> \$100,000 per fiscal year
Chief Executive Officer, or his/her designee	\$0 - \$100,000 per fiscal year
General Counsel	\$0-\$50,000 per fiscal year
Chief Operating Officer	\$0-\$25,000 per fiscal year
Senior Director or Vice President	\$0-\$10,000 per fiscal year

Director	\$0-\$5,000 per fiscal year
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#### IX. PROCUREMENT OF POWER

1. EBCE must secure sufficient power resources and energy attributes to serve its customers, comply with State law and meet EBCE's and its member agencies' goals. The Board shall approve the form of all master power purchase agreements. The signing authority in Section 4 shall not apply to power and energy attribute procurement. The following EBCE staff shall be authorized to enter into power purchase agreements and other agreements to secure power and energy attributes providing such agreements are in substantially the same form as the Board-approved master power purchase agreements, and that all transactions and agreements are in strict compliance with EBCE's Risk Management Policy:
  - 1.1. The CEO is authorized to enter into agreements in accordance to the approved Risk Management Policy.
  - 1.2. The COO is authorized to enter into agreements in accordance to the approved Risk Management Policy, provided that transactions shall not be over two years in duration and \$10,000,000 in total compensation.
  - 1.3. The Director of Power Resources is authorized to enter into agreements in accordance to the approved Risk Management Policy, provided that transactions shall not be over one year in duration and not be over \$2,000,000 in compensation.
  - 1.4. With dual signatures, the COO and Director of Power Resources are authorized to enter into agreements with equivalent authority as the CEO in accordance with the approved Risk Management Policy.

#### X. MISCELLANEOUS

1. The following signing authorities shall apply, after review and approval of the named agreements by the General Counsel, or his/her designee, except where in conflict with the Joint Powers Agreement, state or federal law:
  - 1.1. Non-Disclosure Agreements - Director level and above,
  - 1.2. Banking and Treasury Administration - COO level and above, and
  - 1.3. Release of Liability and Indemnification - Director level and above.



THIRD

FOURTH AMENDED AND RESTATED ADMINISTRATIVE PROCUREMENT POLICY

Policy Number 1.56

November~~May~~ 20,  
~~2019~~2020  
Agenda Item #~~8-R~~  
~~2019~~

I. PURPOSE

It is in the interest of East Bay Community Energy ("EBCE") to establish administrative procurement practices that facilitate efficient business operations and provide fair compensation and local workforce opportunities whenever possible within a framework of high quality, competitive service offerings.

II. TYPES OF CONTRACTS

1. Contracts for Goods and Non-Professional Services. As used in this policy, "General Contractual Services" means:
  - 1.1. Any and all supplies, articles, equipment, or personal property furnished to or used by an organizational unit of EBCE; and
  - 1.2. Most types of services, excluding professional services as defined below, under which the contractor provides services which are required by EBCE, but not furnished by the EBCE's own employees.
2. Contracts for Professional Services. As used in this policy, "Professional Services" means:
  - 2.1. The services of attorneys, physicians, architects, engineers, consultants, auditors, or other individuals or organizations possessing a high degree of professional, unique specialized technical skill or expertise, not always adaptable to competitive bidding. Professional Services are not considered General Contractual Services for the purpose of these procurement procedures.
3. Power Procurement Contracts.
  - 3.1. Contracts for energy (also known as Power Purchase Agreements or PPAs) and related products shall be subject to the

with all federal project requirements and Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. (See 2 CFR § 200)

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Attachment Consent Item 10C

- 4.2. No EBCE employee, official, or director shall split purchases into more than one purchase in order to avoid the procurement requirements in this policy. Splitting purchases does not allow for a competitive marketplace, increases administrative workflow, and may create ethical issues.
- 4.3. No EBCE employee, officer, or Director shall accept, directly or indirectly, any gift, rebate, money or anything else of value from any person or entity if such gift, rebate, money or anything of value is intended to reward or be an inducement for conducting business, placing orders with, or otherwise using the employee's position to secure an agreement with EBCE.
- 4.4. Prior to signing any agreement for General Contractual Services or Professional Services, the individual signing shall ensure all of the following:
  - 4.4.1. The contract compensation has been budgeted for in the current EBCE budget;
  - 4.4.2. That adequate funds have been appropriated by the Board;
  - 4.4.3. That such funds are unexpended and unencumbered sufficient to pay the expense of the contract; and
  - 4.4.4. That any agreement for General Contractual Services or Professional Services for an amount of \$5,000 or more in one calendar year has been approved as to form and content by the General Counsel or his/her designee.
- 4.5. EBCE shall report on all new contracts, regardless of scope or contract value, at each Board meeting. Unless subject to the attorney client privilege or some other legal protection, as a public agency, EBCE shall release all public records, including contracts, as required by the Public Records Act.
- 4.6. Agreements with existing vendors may be amended and/or extended to allow for the continuation of services for no more than a total term of five (5) years. Such amendments/extensions are subject to the applicable signing authority identified in Tables 1-4 based on the total dollar amount of the agreement.
- 4.7. The CEO may suspend the requirements of Section III (General Contractual Services Procurement) or Section V (Professional Services Procurement) for any agreement, but such Furthermore, the COO may suspend the requirements of Section III or Section V for any agreement they would otherwise have the authority to sign. However, all agreements are still subject to the approval of for which the required procurement procedures have been suspended pursuant to this Section II. 4.7 must be approved by the Chair and Vice Chair of the Board of Directors, and must comply with signing authority as outlined restrictions identified in Section III, Table 2, and Section V, Table 4, still apply.

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5. Promotional Items and Bulk Purchases

- 5.1. The purchase of office supplies, promotional items, and similarly low risk goods bought in bulk online or otherwise are subject to the relevant procurement methods identified in Section III, but do not require a Consulting Services Agreement or other agreement.



III. GENERAL CONTRACTUAL SERVICES PROCUREMENT

1. Procurement Method

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Attachment Consent Item 10C

- 1.1. Table 1 indicates the appropriate procurement method for the purchase of General Contractual Services of certain dollar amounts.
- 1.2. Nothing in this section prohibits the use of a more stringent procurement method than the one indicated by Table 1. At his or her discretion, the CEO may direct that an agreement for General Contractual Services is awarded through the Formal Bidding Procedures described herein.

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**Table 1**

PROCUREMENT METHOD	DOLLAR AMOUNT per FISCAL YEAR	ADDITIONAL REQUIREMENTS
Formal Bidding Procedure	> \$100,000	RFP/RFQ
Solicit 3 written quotes; may be in electronic format	\$50,000 - \$100,000	Quotes must include provider's name, address, phone number, professional license number, if applicable
Solicit 3 verbal quotes	\$10,000 - \$49,999.99	Staff shall note quotes by including the providers' name, address, phone number and amount of the verbal proposal in EBCE's records
No solicitation necessary	< \$10,000	Seek the lowest price for the highest quality
Purchase Order Can Be Used	<\$5,000	Contracts for goods or low-risk off-site services only

- 2. Signing Authority
  - 2.1. Table 2 indicates the appropriate signing authority for the purchase of General Contractual Services of certain dollar amounts.
  - 2.2. Nothing in this section prohibits EBCE staff from seeking approval of a more senior signing authority than is permitted by this policy.

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**Table 2**

SIGNING AUTHORITY	DOLLAR AMOUNT	CONTRACT TYPE
Board Approval	> \$100,000	All contracts
Chief Executive Officer, or his/her designee	\$0 - \$100,000	All contracts
General Counsel	\$0-\$50,000	All contracts related to the activities or functions of the Office of the General Counsel
Chief Operating Officer	\$0-\$25,000	All contracts related to the activities or functions of the Office of the COO

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Attachment Consent Item 10C

Senior Director or Vice President	\$0-\$10,000	All contracts whose object or purpose is related to the activities or functions of that Senior Director or Vice President
Director	\$0-\$5,000	All contracts whose object or purpose is related to the activities or functions of that Director

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IV. FORMAL BIDDING PROCEDURES

Except as otherwise specifically directed in writing by the CEO, agreements for the purchase of General Contractual Services for a total amount that exceeds \$100,000 per fiscal year shall be procured as follows:

1. Formal Bid Invitations. Invitations to participate in the Request for Proposal/Request for Qualifications process shall include a general description of the supplies or services sought by EBCE, and shall specify the time, place and date for opening bids.
2. Evaluation. Bids and proposals received through a competitive solicitation shall be subject to a set of criteria and a scoring system, reviewed and evaluated by relevant EBCE staff and an evaluation committee selected by the relevant staff, CEO, COO or General Counsel, or at the discretion of the Board, members of a designated Board subcommittee.
3. Lowest Responsible Bidder. "Lowest responsible bidder" as used in this policy shall mean that bidder who best responds in price, quality, service, fitness, or capacity to the particular requirements of EBCE. Price alone shall not be the determining factor but shall be considered along with other factors, including but not limited to the following:
  - 3.1. EBCE seeks to support companies and contractors that reflect its values and has identified two vendor/contractor categories that shall be given special consideration during bid evaluation and selection. In competitive solicitations, these categories shall receive bonus percentages/points ranging from 2.5% - 5% for a maximum bonus total of 10% in a bid scoring process:
    - ~~3.2.~~ 3.1.1 Businesses within Service Territory: EBCE desires to support ~~Alameda County businesses where possible, business within its service territory.~~ Businesses with office(s) located in ~~Alameda County~~EBCE's service territory and ~~include businesses that have~~ at least 25% ~~Alameda County residents under of~~ their ~~employment~~workforce who reside in EBCE's service territory shall receive a bonus equal to 5% or 5 points out of a 100-point scoring system in competitive solicitations.
    - ~~3.3.~~ 3.1.2 Union Labor: EBCE desires to support the use of union labor where possible. EBCE shall make its best effort to work with unionized contractors and subcontractors in the provision of goods and services to EBCE. Businesses who use union labor and/or unionized contractors shall receive a bonus equal to 2.5% or 2.5 points out of a 100-point scoring system in competitive solicitations.

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3.4.3.2 EBCE is committed to the highest standards of responsible behavior and integrity in all of its business relationships. EBCE will consider a company’s business practices, environmental track record, and commitment to fair employment practices and compensation in its procurement decisions.

4. 3.3 Award of Contract. EBCE shall award the contract to purchase goods or services to the lowest responsible bidder, unless such an award would be prohibited by California law.

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V. PROFESSIONAL SERVICES PROCUREMENT

1. Procurement Method

1.1. Table 3 indicates the appropriate procurement method for the purchase of Professional Services of certain dollar amounts.

1.2. Nothing in this section prohibits the use of a more stringent procurement method than the one indicated by Table 3. At his or her discretion, the CEO may direct that an agreement for Professional Services is awarded through the Formal Bidding Procedures described herein.

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**Table 3**

PROCUREMENT METHOD	DOLLAR AMOUNT per FISCAL YEAR	ADDITIONAL REQUIREMENTS
Solicit 3 written quotes; may be in electronic format	\$50,000 and above	Proposal must include provider’s name, address, phone number, professional license number, if applicable
Solicit 3 verbal quotes	\$10,000 - \$49,999.99	Staff shall note quotes by including the providers’ name, address, phone number and amount of the verbal proposal in EBCE’s records
No solicitation is necessary	\$0 - \$10,000	Seek the lowest price for the highest quality

2. Signing Authority

2.1. Table 4 indicates the appropriate signing authority for an agreement for Professional Services of certain dollar amounts.

2.2. Nothing in this section prohibits EBCE staff from seeking approval of a more senior signing authority than is permitted by this policy.

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**Table 4**

SIGNING AUTHORITY	DOLLAR AMOUNT	CONTRACT TYPE
Board Approval	> \$100,000 per fiscal year	All contracts
Chief Executive Officer, or his/her designee	\$0 - \$100,000 per fiscal year	All contracts
General Counsel	\$0-\$50,000 per fiscal year	All contracts related to the activities or functions of the Office of the General Counsel
Chief Operating Officer	\$0-\$25,000 per fiscal year	All contracts related to the activities or functions of the Office of the COO
Senior Director or Vice President	\$0-\$10,000 per fiscal year	All contracts whose object or purpose is related to the activities or functions of that Senior Director or Vice President
Director	\$0-\$5,000 per fiscal year	All contracts whose object or purpose is related to the activities or functions of that Director

**VI. SOLE SOURCE PROCURMENT**

1. Under some circumstances, EBCE competitive solicitation requirements may be dispensed with when the goods or services are only available from one source either because the brand or trade name article, goods, or product or proprietary service is the only one which will properly meet the needs of the EBCE or the item or service is unique and available only from a sole source.
2. Sole source purchasing, whereby the procurement methods identified in Tables 1-4 are not required, is authorized when the goods or services contemplated are only able to be performed by a sole provider, such as the holder of an exclusive patent or franchise, for the purchase of unique or innovative goods or services including but not limited to computer software and technology, or for purchases of goods or services when there is a demonstrated need for compatibility with an existing item or service used by EBCE.
3. A sole source may be designated when it is apparent that a needed product or service is uniquely available from the source, or for all practical purposes, it is justifiably in the best interest of EBCE.
4. The following factors are not sufficient to justify a sole source procurement:
  - 4.1. Personal preference for product or vendor
  - 4.2. Cost
  - 4.3. Vendor performance
  - 4.4. Local service (this may be considered an award factor in competitive bidding)
  - 4.5. Features that exceed the minimum requirements for the goods or services

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4.6. Explanation for the actual need and basic use for the equipment, unless the information relates to a request for unique factors

VI. EMERGENCY PROCUREMENT

- 1. In the event of an emergency, the CEO may suspend the normal purchasing and procurement requirements for goods and services related to abatement of the impacts or effects of the emergency.
- 2. An emergency is deemed to exist in the following circumstances:
  - 2.1. There is an unexpected occurrence requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services, including the provision of energy or power to EBCE customers; or
  - 2.2. There is immediate need to prepare for national or local defense; or
  - 2.3. There is a breakdown in infrastructure or an essential service which requires the immediate purchase of supplies or contractual services to protect the public health, or safety or property; or
  - 2.4. A local emergency or disaster has been declared.

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VII. COOPERATIVE PURCHASING

- 1. The procurement methods identified in Table 1 -4 shall not be required when the contract for goods or services will be provided by another governmental agency.
- 2. EBCE may adopt another governmental agency's agreement with a contractor ("Piggyback Agreement") as its own without adhering to the procurement methods identified in Table 1-4 if that Piggyback Agreement is the product of the respective governmental agency's formal competitive solicitation process, provided that that agency's procurement is not in conflict with California law.

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VIII. PUBLIC PROJECTS

- 1. Uniform Public Construction Cost Accounting Act. Upon adoption, EBCE will adhere to the alternative bidding procedures provided by the Uniform Public Construction Cost Accounting Act, California Public Contract Code section 22000 et seq. (UPCCAA) Public projects (as defined in Section 22002 of the California Public Contract Code) that do not exceed the dollar limits in Section 22032(b) of the Public Contract Code (as such limits currently exist or may subsequently be amended), may be let to contract by informal procedures as set forth in the UPCCAA.
- 2. At the time of the adoption of this Policy, the UPCCAA applied to the following types of projects:
  - 2.1. Public projects include construction, reconstruction, erection, alteration, renovation, improvement, demolition, and repair work involving any publicly owned, leased, or operated facility. This includes painting or repainting of any publicly owned, leased, or operated facility.

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Attachment Consent Item 10C

- 2.2. Public projects up to \$60,000 may be performed by EBCE employees, by negotiated contract, or by purchase order pursuant to the UPCCAA.
- 2.3. Public projects up to \$200,000 may be contracted using informal procedures as set forth in the UPCCAA.
- 3. Pre-Qualified List. A list of contractors may be developed and maintained in accordance with the provisions of Section 22034 of the Public Contract Code and criteria promulgated from time to time by the California Uniform Construction Cost Accounting Commission (CUCCAC).
- 4. Notice.
  - 4.1. Where a public project is to be performed, a notice inviting informal bids shall be mailed, faxed, or emailed not less than ten (10) days before bids are due to all contractors for the category of work to be bid as shown on the Pre-Qualified list developed in accordance with this Section IV, and to all construction trade journals as specified by the CUCCAC in accordance with Section 22036 of the Public Contract Code. Additional contractors and/or construction trade journals may be notified at the discretion of the department soliciting bids, provided, however; if there is no list of qualified contractors maintained by EBCE for the particular category of work to be performed, the notice inviting bids shall be sent only to the construction trade journals specified by the CUCCAC.
  - 4.2. The notice inviting informal bids shall describe the project in general terms and how to obtain more detailed information about the project and state the time and place for the submission of bids.

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5. Award of Contract. The CEO and his or her designee is authorized to award public project contracts ~~let under these procedures,~~ subject to the signing authority permitted by Table 5. Nothing in this section prohibits EBCE staff from seeking approval of a more senior signing authority than is permitted by this policy.

**Table 5**

<u>SIGNING AUTHORITY</u>	<u>DOLLAR AMOUNT</u>
<u>Executive Committee of the Board of Directors or Board of Directors Approval</u>	<u>&gt; \$100,000 per fiscal year</u>
<u>Chief Executive Officer, or his/her designee</u>	<u>\$0 - \$100,000 per fiscal year</u>
<u>General Counsel</u>	<u>\$0-\$50,000 per fiscal year</u>
<u>Chief Operating Officer</u>	<u>\$0-\$25,000 per fiscal year</u>
<u>Senior Director or Vice President</u>	<u>\$0-\$10,000 per fiscal year</u>
<u>Director</u>	<u>\$0-\$5,000 per fiscal year</u>

IX. PROCUREMENT OF POWER

1. EBCE must secure sufficient power resources and energy attributes to serve its customers, comply with State law and meet EBCE's and its member agencies' goals. The Board shall approve the form of all master power purchase agreements. The signing authority in Section 4 shall not apply to power and energy attribute procurement. The following EBCE staff shall be authorized to enter into power purchase agreements and other agreements to secure power and energy attributes providing such agreements are in substantially the same form as the Board-approved master power purchase agreements, and that all transactions and agreements are in strict compliance with EBCE's Risk Management Policy:

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Attachment Consent Item 10C

- 1.1. The CEO is authorized to enter into agreements in accordance to the approved Risk Management Policy.
- 1.2. The COO is authorized to enter into agreements in accordance to the approved Risk Management Policy, provided that transactions shall not be over two years in duration and \$10,000,000 in total compensation.
- 1.3. The Director of Power Resources is authorized to enter into agreements in accordance to the approved Risk Management Policy, provided that transactions shall not be over one year in duration and not be over \$2,000,000 in compensation.
- 1.4. With dual signatures, the COO and Director of Power Resources are authorized to enter into agreements with equivalent authority as the CEO in accordance with the approved Risk Management Policy.

X. MISCELLANEOUS

1. The following signing authorities shall apply, after review and approval of the named agreements by the General Counsel, or his/her designee, except where in conflict with the Joint Powers Agreement, state or federal law:
  - 1.1. Non-Disclosure Agreements – Director level and above,
  - 1.2. Banking and Treasury Administration – COO level and above, and
  - 1.3. Release of Liability and Indemnification – Director level and above.

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### Staff Report Item 10

**TO:** East Bay Community Energy Board of Directors  
**FROM:** Nick Chaset, Chief Executive Officer  
**SUBJECT:** CEO Report (Informational Item)  
**DATE:** May 20, 2020

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#### **Recommendation**

Accept Chief Executive Officer (CEO) report on update items below.

#### **Executive Committee Meeting**

The Executive Committee met on April 24, 2020 and CEO Chaset gave an update on the Power Charge Indifference Adjustment (PCIA). The next meeting will be held on Friday May 22, 2020 at 12 pm.

#### **Finance, Administration and Procurement Subcommittee Meeting**

The next meeting will be held on Friday May 15, 2020 at 3 pm. The committee will review the draft budget for the upcoming fiscal year 2020 - 2021.

#### **Marketing Regulatory and Legislative Subcommittee Meeting**

The next Marketing, Regulatory and Legislative Subcommittee will be held on Thursday May 21, 2020 at 3 pm.

#### **Marketing and Account Services Update**

##### **COVID-19 Relief Campaign**

In April, EBCE launched a COVID-19 Relief campaign with an earmarked \$1.5 million toward community relief efforts in Alameda County. EBCE created a website that will catalog its relief efforts, available at: <https://ebce.org/covid>

Since the last Board meeting, the relief campaign has expanded to include additional disbursements for city relief efforts, as well as the solicitation and award for community grant proposals. Details on these contributions are listed below.

<b>City/County Relief Funds or Selected Charity</b>	
Berkeley Relief Fund	\$79,000
Hayward Community Relief Fund	\$126,500
Oakland COVID-19 Relief Fund	\$278,500
Alameda County COVID-19 Disaster Relief Emergency Fund/Disaster Relief Recovery Fund	\$88,500
CityServe Tri-Valley	\$42,000
Open Heart Kitchen of the Tri-Valley	\$27,000
Tri-Valley Haven Shelter/Food Pantry	\$10,000
<b>Local Medical/Healthcare Support</b>	
UCSF Benioff Children's Hospital Oakland	\$25,000
St. Rose Hospital (Hayward)	\$15,000
Alameda County Health System Foundation	\$40,000
Axis Health (Pleasanton)	\$10,000

<b>List of Grant Recipients, each \$10,000</b>
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1. **Abode Services:** Abode will assist in supporting utility bills for clients who are unable to pay them on time, support and subsidize rent for clients housed by Abode, provide food for food insecure clients, and provide shelter, transportation, and linkage to medical care for clients who are sick and who have tested positive for COVID-19.
2. **Adamika Village:** Adamika Village has been leading the charge in organizing the Oakland Frontline Healers, a collection of 20+ Black nonprofits in the flat land communities of Oakland. Adamika Village seeks to provide care packages and referral to services including their own in-house licensed therapist.
3. **Building Opportunities for Self-Sufficiency (BOSS):** BOSS develops solutions to mass homelessness, mass incarceration, and community violence. Grant funds will be used to serve those experiencing homelessness, people of disabilities, and very low income by keeping stock on cleaning and PPE supplies and providing updates from health depts.
4. **Center for Elders' Independence:** Funds will be used to expand CEI's Healthy Meals for Frail Seniors program, ensuring that participants eat nutritious food regularly, maintain a healthy weight, avoid additional health problems, and live at home safely and independently.
5. **Cornerstone Community Development Corporation:** The mission of Building Futures with Women and Children is to build communities with underserved women and children, where they are safely and supportively housed, free from homelessness and domestic violence. Funds will be used for rent stabilization and wellness efforts.
6. **Covenant House California:** In the midst of the COVID-19 crisis, Covenant House CA is working hard to maintain and increase the level of service they provide to youth experiencing homelessness. Funds will be used to expand medical facilities in their shelters and increase access to programs such as the Rapid Rehousing program.
7. **Daily Bowl:** Daily Bowl rescues excess edible blemished fresh and prepared food from farmers' markets, restaurant distributors, farms, co-ops, ethnic grocery stores, institutional kitchens, hospitals, restaurants, and catering companies. They distribute this resource to various non-profit agencies across Southern and Central Alameda County to feed the people who are hungry and vulnerable.
8. **East Bay Asian Local Development Corporation (EBALDC):** EBALDC provides affordable housing options and robust social and financial consulting services. SparkPoint Oakland provides financial and workforce services with a set of partners for low to moderate-income (LMI) Oakland residents, such as transitioning resident finances online.
9. **East Oakland Grocery Coop:** In response to our community's dire need for food resources, the East Oakland Grocery Cooperative (EOGC) and partners will come together to increase weekly food and resource distribution services in Oakland, via delivery and pick-up.

**Eden Housing:** Eden Housing works to maintain affordable housing communities for lower-income families, seniors, and persons with disabilities. They have created an emergency “Tenant Relief Fund” to offset the cost of rent and expanded services for our most at-risk low-income residents.

**Eden I&R:** Eden I&R’s largest program, 211 Alameda County, is a free, three-digit phone number that connects callers with a live Phone Resource Specialist 24/7 for health, housing, and human services information. Funds will be used to expand their services to best serve Alameda County.

**First Presbyterian Church of Hayward:** First Presbyterian Church of Hayward supports nearly 2,000 people in the Hayward-Castro Valley (Eden) area. Funds will be used to meet urgent medical needs among the houseless community and increase health and safety precautions for their overnight shelters, especially amidst this pandemic.

**Fremont Family Resource Center Corporation:** Fremont Family Resource Center provides quality services for the Fremont community such as tax preparation, mental health services, child care support, and homeless service assistance. Funds will be allocated to support families with their energy/utility bills and meal programs.

**Healthy Black Families, Inc.:** Founded in Berkeley in 2013, Healthy Black Families, Inc. (HBF) is one of few Black women-led organizations dedicated to providing culturally relevant peer support to African American women and their families. Funds will be used to cover rent, basic needs such as groceries, and health and wellness equipment for households.

**Mandela Partners:** For 15+ years, Mandela Partners has been leading health and wealth building initiatives to ensure that under-resourced regional farmers gain access to markets, low-income low-access residents gain access to healthy food, workers have dignified jobs opportunities, and local entrepreneurs have access to the resources and support needed to build intergenerational wealth. Funds will be used to provide free produce boxes and meal kits at relief partners sites.

**NorCal Resilience Network:** NorCal Resilience Network is leveraging their existing coalition of organizations and Resilience Hubs program to address critical food security needs that can scale up and replicate in a number of communities through their new program: Produce for the People. Funds will be used for expanding their garden efforts, food distribution and supplies, and scaling up.

**Pacific Center for Human Growth:** Pacific Center is a respected, grass-roots non-profit organization that has been serving LGBTQ youth, adults, and seniors in Alameda County, as well as the surrounding counties. Funds will go towards the cost associated with running their programs and services virtually, including therapy sessions and peer support groups.

**Street Level Health Project:** Street Level Health Project has been responsive to the needs of day laborers, low-to-no income uninsured, under-insured, and recently arrived immigrants. Funds will be used to support their food distribution programs, mental health consultations, and other existing services such as their hotline number providing advice on food assistance and translation support for Mam speakers.

**Sunflower Hill:** Sunflower Hill is dedicated to building independent residential communities for adults with developmental disabilities. Funds will go to maintaining the Sunflower Hill Garden for the purpose of harvesting and donating produce. Additionally, staff will work collaboratively to develop creative virtual options to keep their program participants engaged and connected.

**The Davis Street Community Center:** Davis Street is a multi-service organization, supporting children, families, seniors, and individuals in need throughout San Leandro, San Lorenzo, Castro Valley, Ashland, and the Eden Area. Funds will be used to purchase food, cleaning supplies, and protective equipment for their food bank.

**Tri-City Health Center (TCHC):** TCHC supports patients in need of emergency rental assistance suffering from financial hardship or potential eviction. Funds will also support patients most at-risk, enrolled in the HIV Care Program that provides comprehensive HIV services, case management, medication support, early intervention services, access to behavioral health care, and assistance with housing, food, and other basic needs.

**Tri-Valley Haven for Women (TVH):** Tri-Valley Haven’s mission is to create homes free from abuse and poverty and ensuring vital services are accessible during the COVID-19 outbreak. Funds will be used to provide groceries for families and individuals in economic need as well as providing financial support for the TVH staff overseeing the largest food pantry in the Tri-Valley.

## **Promoting Customer Financial Assistance through CARE**

In early May, EBCE staff launched a number of resources and pushed communications related to the California Alternate Rates for Energy Program, also known as CARE. The state-funded program provides a discount of 35% on the electricity bill for low-income and qualified households. The resources included a landing page at <https://ebce.org/care/> with a brief tutorial video, Frequently Asked Questions, and an easily accessible link to apply for the program.

Staff reached out to a network of stakeholders to help spread the word of this program, which resulted in this information being passed along in many local government newsletters, community-based organizations' social media, and local media coverage. As of May 13, the dedicated page had over 1,300 views.

We will continue to push this message out to local residents through additional digital advertising, social media, emails, and direct mail. Staff will report on on-going work and results at future meetings.



## Staff Report Item 12

**TO:** East Bay Community Energy Board of Directors

**FROM:** Jessie Denver, Distributed Energy Resources Program Manager -  
Transportation Electrification and Community Resilience

**SUBJECT:** California Electric Vehicle Infrastructure Project Funding  
(Action Item)

**DATE:** May 20, 2020

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### RECOMMENDATION

Adopt a Resolution approving participation in the California Energy Commission’s 2021 round of the California Electric Vehicle Infrastructure Project (CALeVIP) in Alameda County and authorize the Chief Executive Officer to execute an agreement with the electric vehicle charging incentives as part of CALeVIP.

### BACKGROUND

The California Energy Commission’s (“CEC”) California Electric Vehicle Infrastructure Project (“CALeVIP”) investment program brings critical state funding to regions and counties with the greatest need for electric vehicle (“EV”) charging infrastructure.<sup>1</sup> Paired with investment from a lead co-funding project partner, the goal of CALeVIP is to provide robust financial incentives to meet California’s mandate of 1.5 million zero emission vehicles (“ZEV”) on roadways and 250,000 chargers by 2025. The state also has a goal of 5 million ZEVs in operation by 2030.

ZEVs include pure battery plug-in EVs, plug-in hybrid EVs, and hydrogen fuel cell EVs and are transportation technologies essential to achieving California’s renewable energy, air quality, and climate change goals.<sup>2</sup> In Alameda County today there are approximately 35,000 light duty ZEVs registered to drivers.<sup>3</sup> To meet the states goals this figure will need to increase to approximately 59,000 ZEVs by 2025 and 197,541 light, medium and heavy-duty ZEVs by 2030.

A lack of charging infrastructure is a clear and significant barrier to market adoption of EVs in Alameda County with only 1,209 Level 2 (“L2”) and 244 DC Fast Chargers (“DCFC”) publicly available. To that end, throughout 2019/20 EBCE coordinated with the CEC and CSE on proposed

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<sup>1</sup> Please see prior staff Board updates in May, September and December 2019, and on January 22, 2020.

<sup>2</sup> <https://www.cpuc.ca.gov/zev/>

<sup>3</sup> DMV.ca.gov. Fuel Type by County as of 1/1/2019

Alameda County CALeVIP program details that if approved would enable launch of countywide incentives for EV charging infrastructure in 2021. It is important to note that San Joaquin County currently has a CALeVIP program for customers in the City of Tracy.<sup>4</sup>

This advanced coordination with the CEC (a state public agency) included EBCE's submittal of a required, non-binding Letter of Intent ("LOI") for the proposed 4-year incentive program. The LOI included an investment request from the CEC of \$15-\$33M. This request was based on the state's estimated budget availability for 2021 CALeVIP projects, and the CEC's charging infrastructure gap analysis for Alameda County. Historically the CEC has funded 50% of the gap in L2 charging availability and 30% of the gap in DCFC availability through CALeVIP programs. If funded at these levels a 2021 Alameda County program would see a CEC investment in Alameda County of approximately \$21M. Based on CEC investment only and CALeVIP incentive level requirements this would result in the deployment of at least 2,633 new L2 charging stations and an additional 145 DCFCs.

As the lead project co-funding partner, through the LOI, EBCE committed to providing an additional \$16M of funding (\$4M/year; 2021-2024) to address an even larger share of the L2 and DCFC gap beyond the CEC's estimated investment noted above.

The CEC will make its 2021 CALeVIP program selection in July 2020. Co-funding partners under consideration for CALeVIP investment have been coordinating with the CEC on programmatic details which are describe in more detail below. Through this coordination EBCE has also determined its co-funding budget allocations:

- \$14.5M for L2 and DCFC incentives for EBCE eligible customers
- \$1,015,000 for program administration by CSE

In addition, the previously approved Local Development budget allocation of \$1.5M from fiscal year 2020 will be allocated to L2 and DCFC infrastructure that will be owned by EBCE. EBCE will leverage CEC CALeVIP incentive funds for these projects.

Approving this recommendation will allow EBCE to implement CALeVIP countywide. Approving the recommendation will also allow EBCE to accelerate formal program launch once CALeVIP projects are confirmed by the CEC by granting authority to the CEO to execute an agreement with CSE, the CEC's CALeVIP program administrator. In addition to the CEC's investment of an estimated \$15-\$33M, the agreement would require EBCE to contribute, as the primary co-funding partner, \$15,515,000 over the next 4 years as described above.

Should the CEC decide to invest in an Alameda County CALeVIP program at a funding level that is less than EBCE's co-funding investment staff will return to the Board to discuss potential modifications to EBCE's co-funding commitment.

## **DISCUSSION**

### **CALeVIP Program Introduction**

CALeVIP is a CEC funded EV charging infrastructure incentive program. The CEC co-funds the program with a lead partner organization which historically has been another public agency or

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<sup>4</sup> <https://calevip.org/incentive-project/san-joaquin-valley>

a load serving entity like a Community Choice Aggregation program. Program administration is managed by CSE, which was competitively selected by the CEC.<sup>5</sup>

The following outlines the high-level process, technology, incentive and site eligibility requirements for a countywide CALeVIP project (“Pillar Requirements”). These CEC requirements have been developed based on best practices and input from stakeholders through statewide public workshops. These Pillar Requirements **cannot be modified**.

Process Requirements

- The CEC uses the Electric Vehicle Infrastructure Protection Tool (EVI-Pro) to determine funding levels for each charging technology (L2, DCFC) within each county or region.
- CEC funding will not be negotiable
- Applications submitted by stakeholders (site hosts/property owners, developers, etc.) will be approved on a first-come, first-served basis once all required application documents are submitted
- Applications must be submitted online
- Applications are not competitively scored or reviewed against one-or-another
- 25% of the project budget must be allocated to disadvantaged communities (“DAC”) per CalEnviroScreen 3.0 and low-income designated communities (“LIC”) per AB 1550.

The incentives are focused on L2 and DCFCs and under CALeVIP these charging stations can be public or private for MUDs, commercial or retail spaces, public facilities, workplaces, faith-based organizations, curbside, and at locations where fleets are domiciled. All charging stations must be shared and not designated for a specific vehicle. Incentives through CALeVIP are not available for single family homes.

Incentives will cover a portion of the costs of both the hardware as well as the electrical infrastructure upgrades needed to deploy the charging stations. Property owners who install chargers that receive incentives through the CALeVIP program are responsible for any ongoing operational expenses for the chargers. CALeVIP funds may only be used for chargers at existing buildings. Incentives are structured as described in Table 1 below.

**Table 1. CALeVIP Incentives Levels**

Power Level	General Market Rebate	DAC/LIC Rebate
6.2 kW or greater (Level 2)	\$4,500 per connector or 75% of project costs, whichever is less	See Adders
50 kW - 99.99 kW (DCFC)	\$50K or 75% of the total project cost, whichever is less	\$60K or 75% of the total project cost, whichever is less
100 kW + (DCFC)	Up to \$70K or 75% of the total project cost, whichever is less	\$80K or 75% of the total project cost, whichever is less
<b>Level 2 Adders</b>		

<sup>5</sup> California Energy Commission Contract number ARV-16-017



MUDs	Up to \$1,000 per connector	Up to \$500 per connector for DAC/LIC site
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Because the CEC is funding multiple CALeVIP projects statewide at the same time, the Pillar Requirements help ensure consistency across programs and streamlined program administration for CSE. It is important to note however that while the CALeVIP Pillar Requirements are not negotiable, the CEC does consider recommendations from co-funding partners that result in incentives going above and beyond the Pillar Requirements.

To that end, EBCE evaluated the ecosystem of charging infrastructure needs in Alameda County against the Pillar Requirements and submitted a number of recommendations to the CEC for consideration including:

- Allocation of CALeVIP funds for DCFC hubs near Multi-Unit Dwelling (MUD) “hotspots”
- Inclusion of an affordable housing adder for MUD properties outside of DAC/LIC eligibility areas
- EBCE customer retention clause

EBCE discussed these recommendations with the CEC and CSE over the last 4-6 months. In May 2020 the CEC tentatively approved both the allocation of investment funds for DCFC hubs near MUD hotspots and the inclusion of an adder for affordable MUDs outside of DAC/LIC eligibility areas. Each are described in more detail below. EBCE will continue to work with the CEC and CSE on associated implementation details. EBCE will also continue to explore with CSE how to potentially implement a customer retention clause.

The CEC will select 2021 CALeVIP projects in June or July 2020. If the Alameda County CALeVIP program is selected, each of these proposed program modifications will be presented to stakeholders statewide through CEC public workshops later this year. Stakeholders will have the opportunity to submit public comment as to whether these modifications are beneficial or a barrier to EV charging infrastructure deployment, and those comments will be considered by the CEC prior to CALeVIP program launch in 2021.

Tentatively Approved Incentive Modifications: MUDs

*Dedicated Investment for DCFC Hubs Near MUD Hotspots*

Adoption of EVs by renters has been slow due to a lack of convenient charging infrastructure at or near where they live. Alameda County’s MUD portfolio is predominantly 50+ years old and because of their vintage does not likely have the electrical capacity to accommodate EV charging. As a result, significant investment by MUD property owners may be required to upgrade their electrical service in order to install charging stations for tenants. Charging at MUDs is further complicated by assigned parking in lots and garages (e.g., EV charging is not shared).

To ensure CALeVIP investments are equitable and have the biggest near-term benefit to our community, EBCE recommended to the CEC that a percentage of the DCFC incentive funds have

a geographic siting requirement that would result in hubs of fast chargers deployed near dense concentrations of MUDs (i.e., hotspots) throughout Alameda County.

To support this recommendation EBCE mapped MUD parcel and building data to identify MUDs with 5+ units located within a quarter mile of other MUDs. This data then incorporated geographic DAC and LIC eligibility boundaries. Finally, EBCE mapped existing L2 and DCFC infrastructure with the MUD hotspots and DAC/LIC boundaries to demonstrate the significant lack of charging station availability to renters in Alameda County. This analysis resulted in the CEC tentatively approving EBCE's requested modification to the CALeVIP requirements.

### *Affordable MUD Adder*

The CECs Pillar Requirements include a L2 adder for MUDs, and another L2 adder for MUDs in DAC/LIC eligibility areas. EBCE identified that affordable MUD property owners with buildings outside of DAC/LIC eligibility areas, despite serving low-income residents, would not have equitable access to these adders. To support its request to the CEC for an additional adder that would meet the needs of these property owners, EBCE mapped affordable MUDs countywide and found that 27% of affordable MUDs are actually outside of the DAC/LIC eligibility areas. In turn, the CEC tentatively approved EBCEs request to ensure affordable MUD property owners who manage sites across Alameda County have the ability to deploy L2 charging infrastructure equitably for their tenants where technically and economically feasible.

Should the CEC opt to fund the 2021 Alameda County CALeVIP program, EBCE staff will provide regular updates to the Board on these tentatively approved modifications. Staff will also seek to engage the Board and Community Advisory Committee in creating a robust pipeline of eligible projects prior to program launch.

### **Agreement with Center for Sustainable Energy**

CSE is a nonprofit energy organization that provides administration and advisory services.<sup>6</sup> As indicated above, the CEC selected CSE through a competitive solicitation to implement the CALeVIP program.<sup>7</sup> CSE is the only entity authorized by the CEC to administer any CEC funding under the program.<sup>8</sup> A condition of participation in CALeVIP is contracting with CSE to provide incentive rebate management during the term of the project. For these reasons, EBCE did not engage in a competitive procurement to award a contract to CSE.

If the Alameda County CALeVIP program is selected by the CEC for investment funding, it would launch in 2021 and run for a 4-year term (or the date when incentive funds are fully paid out). Under the standard services agreement with CSE, EBCE would contribute an amount not to exceed \$15,515,000 for EV charging infrastructure incentives and the design and implementation of the CALeVIP program. This includes EBCE's partner co-funding for incentives (\$14.5M) and also includes a fee that EBCE is responsible for, payable in several installments, to compensate CSE for services related to the development and administration of the program (NTE \$1,015,000).

Utilizing CSE service's is critical to implementing successful infrastructure program. Per the proposed scope of work, CSE will provide the following:

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<sup>6</sup> <https://energycenter.org/about-us>

<sup>7</sup> <https://calevip.org/about-calevip>

<sup>8</sup> California Energy Commission Contract number ARV-16-017

- 1) Incentive Project Design
- 2) Development and Configuration of Incentive Processing Website
- 3) EV Charger Incentive Project Marketing, Education, Outreach
- 4) EV Charging Incentive Project Administration
- 5) Technical Assistance to Target Customers
- 6) Data Collection
- 7) Administrative
- 8) Account and Funds Management

For reference to current CALeVIP projects administered by CSE on behalf of the CEC please visit <https://calevip.org/>.

Should the CEC select to fund the 2021 Alameda County CALeVIP program, EBCE and CSE will work to finalize the scope of work and agreement. Much of these details will be influenced by the tentatively approved Pillar Requirements described above, and their associated implementation details. Staff will provide regular updates to the Board throughout 2020 as EBCE ramps up to a 2021 CALeVIP program launch.

### **Alameda County CALeVIP Program Benefits**

To address the impacts of transportation and goods movement, which represents the largest contributor of greenhouse gas emissions (“GHG”) and criteria air pollutants in California, an accelerated and comprehensive transition from gasoline and diesel-powered internal combustion engine (“ICE”) vehicles is needed.<sup>9</sup>

EBCE recognizes that the pathway to reducing these impacts is to increase sustainable trips - those made by transit, bicycling and walking - while simultaneously electrifying the remaining vehicles operating on Alameda County’s roads and highways. By enabling wider EV adoption through greater charger availability, CALeVIP will be an important factor in achieving a transition to EVs that improves human health, achieves climate goals and creates local economic development opportunities in Alameda County.

### **Health Benefits**

As the geographic center of the San Francisco Bay Area, Alameda County connects the region with an extensive freeway network of almost 140 miles on six Interstates and four state routes. These freeways provide critical mobility for millions of commuters each day and are some of the most heavily used and congested roads in the Bay Area. Alameda County’s freeways also facilitate the movement of more goods than any other county in the Bay Area.

Daily more than 42 million miles are traveled on this network representing almost one-quarter of all regional travel. In turn, Alameda County’s residents are also disproportionately exposed to some of the highest levels of air pollution in the Bay Area.<sup>10</sup>

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<sup>9</sup> California’s 2017 Climate Change Scoping Plan

<sup>10</sup> [Alameda County Freeway System Fact Sheet \(2018\)](#)

Gasoline and diesel-powered ICE vehicles produce smog-forming pollutants such as nitrogen oxide, as well as other air pollutants harmful to human health including particulate matter, carbon monoxide and sulfur dioxide.<sup>11</sup> EVs produce clear health benefits by offering zero exhaust emissions at street level, leading to cleaner and healthier communities, with particular benefits to the most vulnerable who tend to live close to highways, interstates and major roadways.

### Greenhouse Gas Emission Reductions

By enabling wider EV adoption through greater charging availability, CALeVIP could be an important factor in providing significant GHG emission reductions that help EBCE’s local government partners achieve their Climate Action Plan goals. As shown on Table 2, charging infrastructure deployed through a 2021-2024 CALeVIP program could serve an estimated 35,000 new EVs by 2026 and result in 183,787 metric tons of annual carbon dioxide reductions.

**Table 2. EV Projections, GHG Reductions and EBCE Load Growth**

Year	2020	2022	2024	2026	2028	2030
Electric Vehicles	35,358	42,489	53,188	70,293	112,469	197,429
Growth Rate	10%	11%	12%	25%	31%	-
Cumulative New Vehicles		7,425	17,830	<b>34,935</b>	77,111	111,977
Emissions Reduction (Metric Tons)		39,062	93,800	<b>183,787</b>	405,665	589,084
Additional EBCE Load (MWh)		32,626	78,344	153,504	338,822	492,019
Additional Revenue (\$)		\$3,262,579	\$7,834,416	<b>\$15,350,371</b>	\$33,882,247	\$49,201,935

### Local Economic Benefits

Historically EVs have tended to have a higher upfront cost compared to traditional ICE vehicles. However, many new models when paired with incentives are bringing EV options at or close to cost parity with gasoline and diesel-powered vehicles. Additionally, the used EV market is growing as early adopters come off their leases. These EVs, often originally priced above \$30,000, now start around \$6,000 for a model that is typically only three or four years old with under 40,000 miles. Whether new or used, EVs have a lower annual operating cost when compared to ICE vehicles. The CALeVIP program could bring potential economic benefits to Alameda County drivers from both fuel cost and maintenance savings.

The CALeVIP program requirements also stipulate that the installation of networked chargers in public places will shift charging to occur generally during the day when prices are low and when solar capacity is available. This will help EBCE reduce electric supply costs by reducing the amount of EV’s that are charging in the evening when electric supply costs are higher. This

<sup>11</sup> U.S. Department of Energy. <https://www.energy.gov/eere/electricvehicles/reducing-pollution-electric-vehicles>

will also help reduce GHG emissions, maximize vehicle miles traveled on EBCE’s clean electricity and save drivers money.

In addition to the other benefits noted above, transitioning more drivers and fleets to EVs is a revenue growth opportunity for EBCE through increased electrical load. As shown on Table 2, the approximately 35,000 new EVs estimated to be served by new charging infrastructure from CALeVIP by 2026 is expected to increase annual load by approximately 153.5 GWh and annual revenue by \$15.3M (e.g., a full return on investment of EBCE’s \$14.5M CALeVIP incentive co-funding).

As previously described, EBCE will leverage \$1.5M from a fiscal year 2020 Local Development budget allocation to own L2 and DCFC infrastructure. EBCE will leverage CEC CALeVIP incentives to reduce project costs and maximize the impact of EBCE’s investment. As the owner of charging infrastructure EBCE will generate additional revenue through the California Air Resources Board’s Low Carbon Fuel Standard Credit (“LCFS”) program. Through this program credits are generated for the use of electricity as a transportation fuel and then sold. LCFS revenue generation potential is not currently reflected on Table 2.

Finally, in March 2020 the CEC determined that fuel providers were an essential service that were to remain open during the state’s COVID-19 response. Among the list of legacy fossil fuel providers was EV chargers, and all elements of the fuel supply chain.<sup>12</sup> Because there is such a significant need for critical EV charging infrastructure in Alameda County, CALeVIP could be an important factor in stimulating the economy and creating much needed local jobs. These opportunities include but are not limited to sales, project design and engineering, electrical upgrades, installation, and operations and maintenance of charging infrastructure.

## **Fiscal/Policy Impact**

### **Policy Summary**

The recommended actions support the goals and priorities of EBCE’s Local Development Business Plan. Investment in an Alameda County CALeVIP program also supports EBCE’s local government partner’s Climate Action Plan goals while supporting the states goals to improve air quality, combat climate change and reduce petroleum use.

### **Cost Summary**

1. Total Program Costs: \$15,515,000
2. Cost Elements of Agreement/Contract:
  - a. Program Incentive Payments: \$14,500,000
  - b. Center for Sustainable Energy Service Fees: Not to exceed \$1,015,000
    - i. 7% of total EBCE co-funding incentive funds

EBCE will utilize \$1.5M from a fiscal year 2020 Local Development budget allocation to own L2 and DCFC infrastructure. The CEC’s investment in Alameda County CALeVIP incentives will be leveraged.

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<sup>12</sup> <https://www.energy.ca.gov/news/2020-03/state-clarifies-fuel-providers-are-open-business-essential-services-during-covid>

The total estimated fiscal impact is based on the estimated number of customer applications and timing to install charging infrastructure. The CEC is also aware that entities like EBCE operate on an annual budgeting cycle and will allocate funds accordingly. Projected program expenditures by fiscal year are as follows:

<b>Fiscal Year</b>	<b>Estimated Expense</b>	<b>Description</b>
2020-2021	\$3,878,750	Initial program launch service fees including marketing and operating costs + incentive payments
2021-2022	\$3,878,750	Program incentive payments to customers + service fees;
2022-2023	\$3,878,750	Program incentive payments to customers + service fees
2023-2024	\$3,878,750	Program incentive payments to customers + service fees
<b>2021-2024</b>	<b>\$15,515,000</b> (not to exceed)	<b>Total Program Costs</b>

**Source of Funding**

All program costs will be funded through Local Development.

**Attachments:**

- A. Resolution authorizing participation in the California Energy Commission’s 2021 Round of the California Electric Vehicle Infrastructure Project (CALeVIP) in Alameda County and authorizing the Chief Executive Officer to execute an agreement with the Center for Sustainable Energy to provide project administration for electric vehicle charging incentives as CALeVIP
- B. Appendix Documents
- C. CALeVIP presentation

## RESOLUTION NO. R-2020-\_\_

A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE EAST BAY COMMUNITY ENERGY AUTHORITY APPROVING PARTICIPATION IN THE  
CALIFORNIA ENERGY COMMISSION'S 2021 ROUND OF THE CALIFORNIA ELECTRIC  
VEHICLE INFRASTRUCTURE PROJECT (CALeVIP) IN ALAMEDA COUNTY, AND  
AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE AN AGREEMENT WITH THE  
CENTER FOR SUSTAINABLE ENERGY TO PROVIDE PROJECT ADMINISTRATION FOR  
ELECTRIC VEHICLE CHARGING INCENTIVES AS PART OF CALeVIP IN AN AMOUNT NOT TO  
EXCEED \$15,515,000 OVER FOUR YEARS

**WHEREAS**, The East Bay Community Energy Authority (“EBCE”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, Under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of EBCE and parties to the JPA in March of 2020.

**WHEREAS**, On July 18, 2018, the Board approved the Local Development Business Plan (“LDBP”) and budget. The LDBP identifies a series of local development early actions, including transportation electrification, and outlines and defines a series of policy principles and metrics to measure the impact on Alameda County.

**WHEREAS**, supporting electric vehicle (“EV”) charging infrastructure is an important component to accelerate EV adoption, reducing greenhouse gas emissions, improving the local economy, and increasing EBCE load; and

**WHEREAS**, EBCE submitted a required letter of intent (“LOI”) to the California Energy Commission, attached hereto as “Exhibit A” to attract the State-funded California Electric Vehicle Incentive Project (“CALeVIP”) to Alameda County; and

**WHEREAS**, CALeVIP, which is funded by the California Energy Commission and implemented by the Center for Sustainable Energy, provides incentives for EV charger installations and works with local lead co-funding partners to develop and implement projects that meet current and future regional EV needs for Level 2 and DC fast charging; and

**WHEREAS**, the LOI requested \$15-33 million from the California Energy Commission and committed EBCE to approximately \$16 million over a four (4) year period beginning in 2021 to expand and accelerate the deployment of Level 2 and DC Fast Chargers throughout Alameda County; and

**WHEREAS**, in July 2020 the California Energy Commission will announce the candidates selected to be a CALeVIP program area and receive State investment for EV charging infrastructure incentives in 2021; and

**WHEREAS**, EBCE has been identified as an especially strong candidate by the California Energy Commission and has commenced negotiations with the Center for Sustainable Energy on the core terms of an agreement for project administration to avoid delays in the deployment of EV charging infrastructure incentives should Alameda County be selected as a CALeVIP program area; and

**WHEREAS**, the Board desires to further engage with the Center for Sustainable Energy to solidify EBCE's commitments to the CALeVIP program in the event Alameda County is selected as a program area in July 2020, which will ensure that the deployment of the agreed upon EV charging infrastructure incentives can begin as quickly as possible in 2021.

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DOES HEREBY FIND, RESOLVE AND ORDER AS FOLLOWS:**

Section 1. Upon the selection of Alameda County as a program area under the California Electric Vehicle Infrastructure Project, the Board hereby approves EBCE's participation in the California Electric Vehicle Infrastructure Project.

Section 2. Upon the selection of Alameda County as a program area under the California Electric Vehicle Infrastructure Project, the Board hereby approves a co-funding contribution to the California Electric Vehicle Infrastructure Project investment program in Alameda County, in an amount not to exceed a total of \$15,515,000 over four years, and \$3,878,750 per year.

Section 3. Upon the selection of Alameda County as a program area under the California Electric Vehicle Infrastructure Project, the Board hereby authorizes the Chief Executive Officer to execute an agreement with the Center for Sustainable Energy for the deployment of electric vehicle charging infrastructure incentives pursuant to the terms of that agreement, and in an amount not to exceed \$15,515,000 over four years or until such funds are depleted, provided that any such agreement is approved as to form by the General Counsel.

Section 4. The CEO is further authorized to execute any clarifying or clerical changes to an any agreement executed in accordance with this resolution, provided that such changes are reviewed by General Counsel.

**ADOPTED AND APPROVED** this 20th day of May, 2020.

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Dan Kalb, Chair



ATTEST:

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Stephanie Cabrera, Clerk of the Board

September 16, 2019

Brian Fauble  
California Energy Commission  
1516 Ninth Street  
Sacramento, CA 95814

**Subject: California Electric Vehicle Infrastructure Project (CALeVIP)**

Dear Mr. Fauble:

The East Bay Community Energy Authority (EBCEA) is a Joint Power Authority public agency located within Alameda County (County), formed in December 2016 for implementing a community choice aggregation program, which has been named East Bay Community Energy (EBCE). Member agencies of EBCE include eleven municipalities as well as the unincorporated areas of the County itself, which have elected to allow EBCE to provide cleaner electric generation service at lower rates within their respective jurisdictions.

Approved in 2018, EBCE's Local Development Business Plan (LDBP) provides a comprehensive framework for accelerating the development of clean energy assets within the County. The LDBP identifies priority strategies, programs, and mechanisms to accelerate the integration of local distributed energy resources like electric vehicles (EV) and supporting charging infrastructure in ways that enhance EBCE's long-term stability and reliability as an agency the community will depend on for years to come.

Today there are over 26,000 EVs in operation throughout Alameda County and that number will need to grow to 80,000 to meet the State's goal of 1.5 million zero emission vehicles (ZEV) on the road by 2025. The County has been identified by the CEC as a high need area for the deployment of EV charging infrastructure to meet these goals.

Therefore, EBCE is pleased to submit this Letter of Intent that it will, in good faith, work with the California Energy Commission (CEC) and the CALeVIP implementer, Center for Sustainable Energy (CSE), through the months of July 2019 to July 2020 to develop the framework of a regional EV charging infrastructure incentive project under the CALeVIP program.

The EVI-Pro modeling tool estimates that to meet the state's 2025 ZEV goal a low-end investment of approximately \$26,233,500 is required in Alameda County for Level 2 and Direct Current Fast Charging (50% and 30% of need respectively). EBCE appreciates the state's consideration of all levels of investment and respectfully requests the CEC evaluate making an investment that will address 50% of the low-end need for both eligible charging technologies.

EBCE is committed to amplifying the CEC's impact and will provide an additional \$4,000,000 per year for four (4) years (e.g., \$16,000,000 total) towards CALeVIP. EBCE will also consider and act on a funding agreement in 2020 so that the CEC may rely upon EBCE's funding commitment in finalizing the 2021 CALeVIP project roadmap. Finally, EBCE is working to identify additional regional stakeholder investments and will provide the CEC and CSE timely updates on new funding contributions as they are confirmed.

Accelerating transportation electrification in collaboration with our member agencies and partners is a priority for EBCE. We respectfully request the CEC include Alameda County in the 2021 funding allocation at the levels noted in this Letter of Intent under CALeVIP and appreciate your consideration of our ambitious collective efforts.

Sincerely,



Nick Chaset  
Chief Executive Officer  
East Bay Community Energy



February 25, 2020

Mr. Nick Chaset, Chief Executive Officer  
East Bay Community Energy  
111 Broadway Street, Floor 5  
Oakland, CA 94607

Dear Mr. Chaset: *Nick*

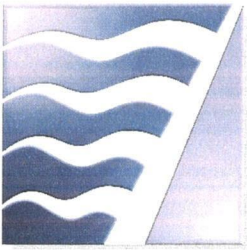
Thank you for your response to the 2021 CALeVIP Partnership Engagement request for information. We appreciate East Bay Community Energy's interest in CALeVIP and commitment to California's goal of reaching 1.5 million zero-emission vehicles on our roads by 2025.

We invite you to continue working with us at the California Energy Commission (CEC) and with the CALeVIP implementer, the Center for Sustainable Energy (CSE). Phase II of the Partnership Engagement Process is a preliminary design phase, which we expect to conclude by May 2020. Although the CEC cannot guarantee your project will continue into Phase III, we pledge that CEC and CSE staff will work cooperatively with you to design a potential 2021 CALeVIP project. CSE will contact you with specific instructions to begin the Phase II Preliminary Design process.

Please let me or Brian Fauble at the CEC ([brian.fauble@energy.ca.gov](mailto:brian.fauble@energy.ca.gov), 916-654-3974) know if you have any questions. We look forward to working with you.

Sincerely,

Kevin Barker  
Deputy Director  
Fuels and Transportation Division



**BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT**

**ALAMEDA COUNTY**

John J. Bauters  
Pauline Russo Cutter  
Scott Haggerty  
Nate Miley

**CONTRA COSTA COUNTY**

John Gioia  
David Hudson  
Karen Mitchoff  
(Secretary)  
Mark Ross

**MARIN COUNTY**

Katie Rice

**NAPA COUNTY**

Brad Wagenknecht

**SAN FRANCISCO COUNTY**

**VACANT**

Shamann Walton  
Tyron Jue  
(SF Mayor's Appointee)

**SAN MATEO COUNTY**

David J. Canepa  
Carole Groom  
Davina Hurt

**SANTA CLARA COUNTY**

Margaret Abe-Koga  
Cindy Chavez  
(Vice Chair)  
Liz Kniss  
Rod G. Sinks  
(Chair)

**SOLANO COUNTY**

James Sperring  
Lori Wilson

**SONOMA COUNTY**

Teresa Barrett  
Shirlee Zane

February 4, 2020

Brian Fauble  
California Energy Commission  
1516 Ninth Street  
Sacramento, CA 95814

**Subject: California Electric Vehicle Infrastructure Project (CALeVIP)**

Mr. Fauble,

The Bay Area Air Quality Management District (Air District) is submitting this letter of strong support for the application by East Bay Community Energy (EBCE) to have CALeVIP funding allocated to Alameda County in 2021.

The Air District is committed to increasing electric vehicle (EV) adoption to reduce emissions of criteria pollutants and greenhouse gases in the San Francisco Bay Area. In 2013, the Air District published the EV Readiness Plan setting EV adoption goals of 110,000 EV's by 2020 and 247,000 by 2025. The Air District's 2017 Clean Air Plan has set a longer-term goal of transitioning at least 90 percent of the Bay Area's fleet to zero-emission vehicles (ZEV) by 2050.

To support local and state ZEV goals, the Air District will continue to administer incentives through the *Charge!* Program. *Charge!* provides funding to purchase and install new publicly available Level 1, Level 2 and DC fast charging stations. Availability of both Air District, CEC and EBCE funds will enable stakeholders throughout Alameda County to deploy the significant amount of charging infrastructure necessary to transform the market for ZEVs.

The Air District collaborates closely with Community Choice Energy organizations across the region to align and leverage efforts including vehicle and infrastructure investments and we are excited to further advance this work in coordination with California Energy Commission and EBCE. We appreciate your close consideration.

Sincerely,

Anthony Fournier  
Technology Implementation Officer

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EXECUTIVE OFFICER/APCO

Connect with the  
Bay Area Air District:





# CALeVIP and EBCE

PRESENTED BY: Jessie Denver

DATE: May 20, 2020

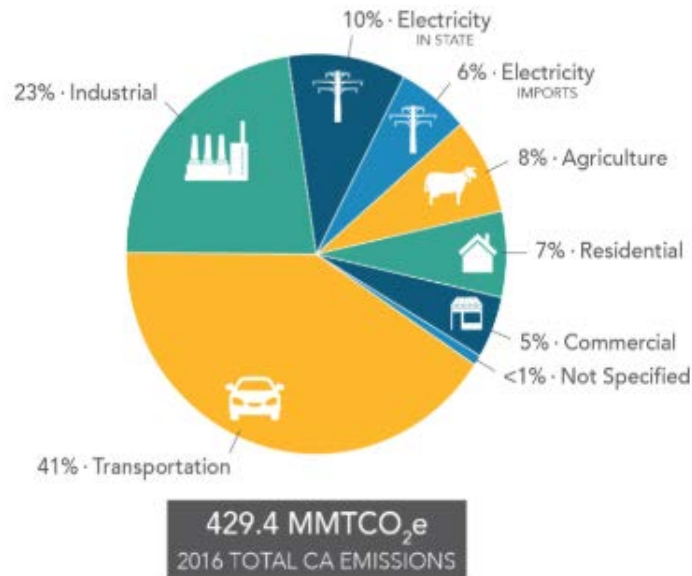
# Agenda

- Intro
- Market Primer
- CALeVIP Program
- EBCE and CALeVIP

# Introduction: CALeVIP

- CA Electric Vehicle Infrastructure Project
- EV charger incentive program to meet regional gaps/needs
- Meet state goals
- Funding: California Energy Commission
- Requires a co-funding partner

Note: San Joaquin County has a CALeVIP program in place currently that customers in the City of Tracy can access





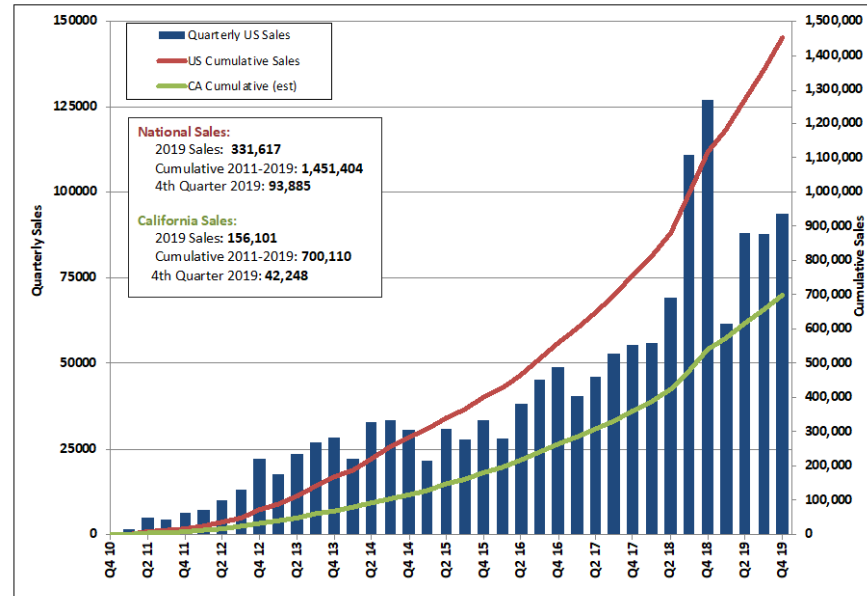
# Introduction: State Goals

## Executive Order B-48-18

- 5M Zero Emission Vehicles x 2030
  - Battery Electric Vehicles
  - Plug-in Hybrid EVs
  - Fuel Cell EVs
- 2025 Milestones
  - 1.5M ZEVs
  - 250,000 EV Chargers
    - Level 2 & DC Fast
- Alameda County
  - 2020: 35,000
  - 2025: 60,000
  - 2030: 200,000



Quarterly Sales of Electric Cars



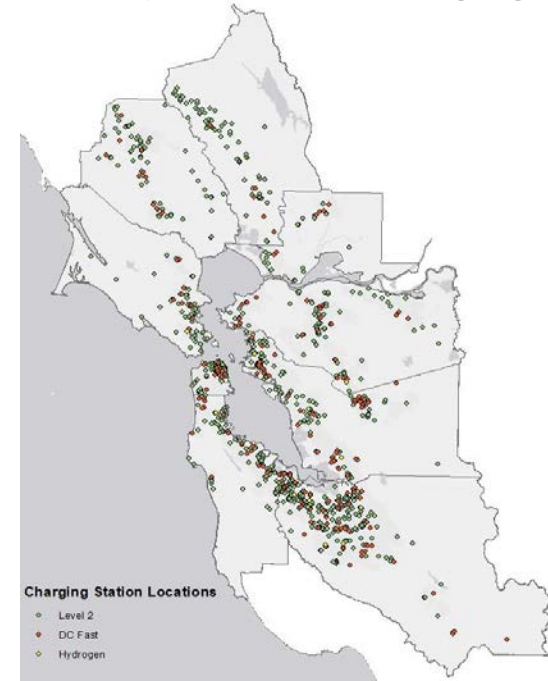
Note: CA sales fluctuate between 45- 50% of national sales. Sales are now reported by quarter and not by month.  
Reference: [www.hybridcars.com](http://www.hybridcars.com) and [www.insideevs.com](http://www.insideevs.com)

Q4 2019 Data Update.  
Posted February 24, 2020




# Market Primer: Barriers to EV Adoption

1. Too Expensive: 51%
2. Unable to charge away from home: 48%
3. Unable to charge at home: 30%

## Publicly Available Charging



# Market Primer: EV Charging 101

KNOW YOUR EV CHARGING STATIONS		
 <p><b>AC Level One</b></p>	 <p><b>AC Level Two</b></p>	 <p><b>DC Fast Charge</b></p>
<p><b>VOLTAGE</b> 120v 1-Phase AC</p>	<p><b>VOLTAGE</b> 208V or 240V 1-Phase AC</p>	<p><b>VOLTAGE</b> 208V or 480V 3-Phase AC</p>
<p><b>AMPS</b> 12–16 Amps</p>	<p><b>AMPS</b> 12–80 Amps (Typ. 32 Amps)</p>	<p><b>AMPS</b> &lt;125 Amps (Typ. 60 Amps)</p>
<p><b>CHARGING LOADS</b> 1.4 to 1.9 kW</p>	<p><b>CHARGING LOADS</b> 2.5 to 19.2 kW (Typ. 7 kW)</p>	<p><b>CHARGING LOADS</b> &lt;90 kW (Typ. 50 kW)</p>
<p><b>CHARGE TIME FOR VEHICLE</b> 3–5 Miles of Range Per Hour</p>	<p><b>CHARGE TIME FOR VEHICLE</b> 10–20 Miles of Range Per Hour</p>	<p><b>CHARGE TIME FOR VEHICLE</b> 80% Charge in 20–30 Minutes</p>

Source: UtahEV.org

# CALeVIP: 2021 Program

- \$50M for Program Year 2021
- 3-4 regions will be selected
- Non-competitive
- **3 Variables in Selection**
  1. EVI-Pro Analysis
    - Alameda County #1 on gap/need list
  2. Partnership & Co-Funding
    - EBCE
  3. AB 1236 Compliance

# Variable 1: Identifying the Gaps

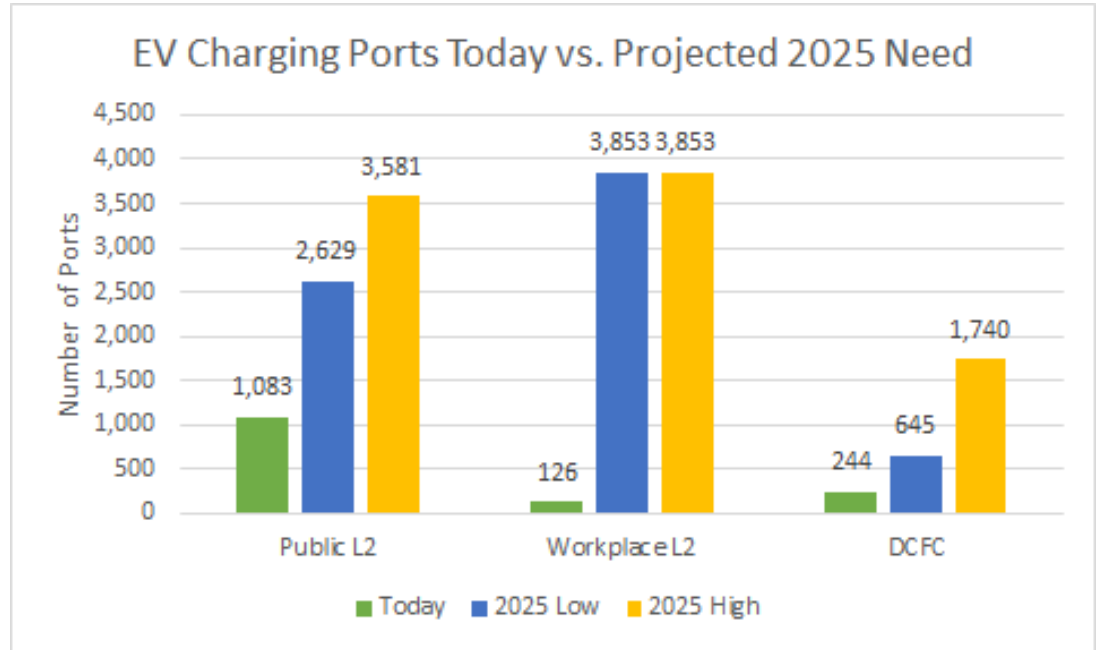
## Level 2

- Multi-family, schools, hospitals, public facilities, fleets, workplaces
  - **NA: Single family homes**

## DCFC

- Commercial/retail, gas stations, public facilities and more
- Must be public & open 24/7

## Alameda County Gaps are Significant



Source: EVI Pro

# Variable 2: Co-Funding Partner

- Match funding: CEC & EBCE
  - At least 1:1
  - EBCE Request to CEC: \$15-\$33M
  - EBCE Letter of Intent: \$16M
    - Revised to \$14.5M (over 4 years)
    - Will allocate \$1.5M from FY 20 budget to EBCE owned L2 & DCFC
- Benefits
  - Aligns with EBCE & City/County air quality & climate goals
  - One-time opportunity for Alameda County to leverage CEC investment
  - Incentives cover range of customer costs
  - Load & revenue growth opportunity
  - Local economic development
  - Experienced Program Administrator
    - Center for Sustainable Energy
      - Fee: 7% of co-funding (\$1,015,000)
      - Website management, customer service, application & incentive processing, outreach & education, etc.

# CEC + EBCE: Funding the Gap

## Workplace + Public L2 (Low gap)

- Need: 6,400+
- Existing: 1,209
- **Low gap: 5,200+**
- % addressed via **CEC CALeVIP Investment**: 50% of gap
  - **Quantity L2: 2,633**

**Multi-family L2:** (upper estimate): Need 7,000+

## Public DCFC (Low gap)

- Need: 645
- Existing: 244
- **Low gap: 400+**
- % addressed via **CEC CALeVIP Investment**: 30% of gap
  - **Quantity DCFC: 145**

## **EBCE's co-funding will double the impact / close more of the gap!**

- Incentives
- EBCE owned assets (\$1.5M FY 20 budget allocation)



Source: MCE

# CEC + EBCE: Local Benefits

## Emission Reductions + Load & Revenue Growth

Year	2020	2022	2024	2026	2028	2030
Electric Vehicles	35,358	42,489	53,188	70,293	112,469	197,429
Growth Rate	10%	11%	12%	25%	31%	-
Cumulative New Vehicles		7,425	17,830	<b>34,935</b>	77,111	111,977
Emissions Reduction (Metric Tons)		39,062	93,800	<b>183,787</b>	405,665	589,084
Additional EBCE Load (MWh)		32,626	78,344	153,504	338,822	492,019
Additional Revenue (\$)		\$3,262,579	\$7,834,416	<b>\$15,350,371</b>	\$33,882,247	\$49,201,935



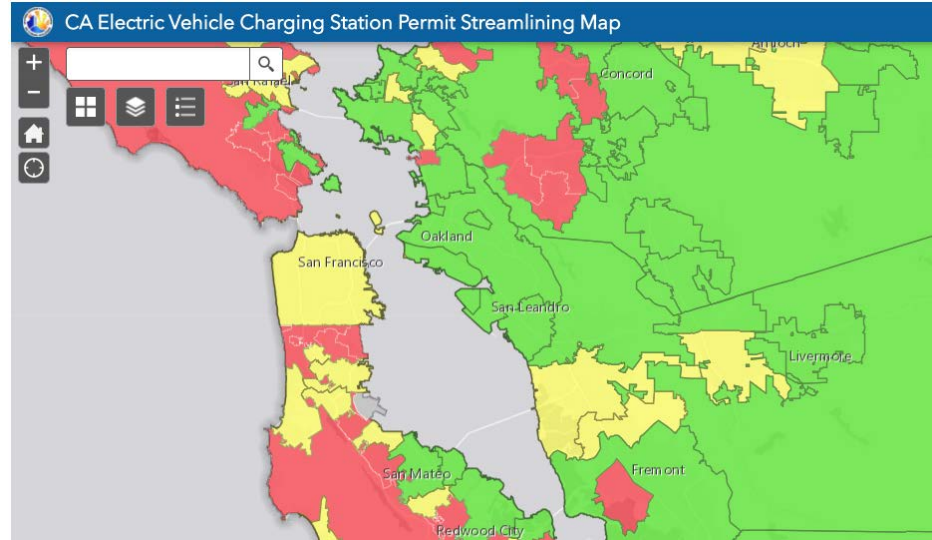
# CALeVIP Co-Funding Partner Examples

- CALeVIP has funded approx. \$50 million in regional projects
  - Fresno County, San Joaquin County, LA & Orange County, Sacramento County
- Other CCAs have also committed to co-fund CALeVIP programs

CCA	Launch Date	CCA Funding	CALeVIP	Length of Term
MBCP	Oct '19	\$3M	\$4M	3 years
SCP	Oct '20	\$1.5M	\$5.1M	3 years
PCE	May '20	\$12M	\$12M	3 years
SVCE	May '20	\$12M		3 years
SJCE	May '20	\$4M	\$10M	3 years

# Variable 3: AB 1236 Compliance

- Streamline EV Charging Infrastructure Permitting
- Required for all 2021 CALeVIP programs
- EBCE technical assistance to City/County partners
- Gov. Office ZEVe Award



Source: GO\_BIZ AB1236 Compliance Map

# CALeVIP Timeline

- 2019: Potential partners identified by CEC
- 2019: Letter of Intent signed w/non-binding funding commitment
  - EBCE: \$16M
- March 2020: Project customization due
- **May 2020: Pencils down – SOW, budget & agreement**
- **June/July 2020: CEC selects 2021 projects**
- **August 2020: Public workshop & comment period starts**
- 2021: Program launch

# CALeVIP Public Workshops

## Proposed Incentive Levels

Power Level	General Market Rebate	DAC/LIC Rebate
6.2 kW or greater (Level 2)	\$4,500 per connector or 75% of project costs, whichever is less	See Adders
50 kW – 99.99 kW (DCFC)	\$50K or 75% of the total project cost, whichever is less	\$60K or 75% of the total project cost, whichever is less
100 kW + (DCFC)	Up to \$70K or 75% of the total project cost, whichever is less	\$80K or 75% of the total project cost, whichever is less
Level 2 Adders		
MUDs	Up to \$1,000 per connector	Up to \$500 per connector for DAC/LIC site

- Affordable MUD adder (\$) for properties outside DAC/LIC TBD/pending
- MUD “hotspots” = DCFC funds required to be implemented geographically - % TBD/pending

# EBCE Staff Recommendation to Board

- Approve EBCE's participation in 2021 CALeVIP program
- Approve EBCE co-funding for incentives: \$14.5M
- Approve EBCE to enter into an agreement with CSE to manage and administer CEC & EBCE funds for CALeVIP
  - Program admin fee: \$1,015,000



# FY 2020-2021 Draft Budget

PRESENTED BY: Nick Chaset

DATE: May 24, 2019

# FY 2020-21 Draft Budget (Informational)

Agenda:

- 1. Budget Overview**
- 2. Overview of Revenue**
- 3. Overview of Expenses**
  - a. Energy Operations
  - b. Personnel
  - c. Legal, Policy, & Regulatory Affairs
  - d. Marketing Services
  - e. General and Administration
  - f. Other Professional Services
  - g. Local Development
  - h. Interest
- 4. New Communities**
- 5. Overview of EBCE Net Position and Reserve Allocation**
- 6. Review of EBCE Value Proposition and Discount**
- 7. Risks and Mitigants**
- 8. Alternative Budget Scenarios**

# 1. FY 2020-21 Draft Budget

- Budget reflects staff's current projections for both electricity sales and energy costs. Actual results may change over the course of the year due to a wide variety of factors ranging from COVID impacts, weather, and commodity prices.
- The FY 2019-20 Budget presented is the budget approved by the Board in June of 2019
- Local Development will be represented as a Fund with a carry over balance of FY 2019-20 unspent dollars in addition to Overhead allocation
- New Communities Revenue and Expenses are not included in the table to the right, but are discussed separately in this presentation

	FY 2019-20 BUDGET	FY 2020-21 BUDGET	Fiscal Year Difference
<b>REVENUE AND OTHER SOURCES</b>			
Electricity Sales	487,014,000	391,499,000	(95,515,000)
Investment Income	578,000	1,231,000	653,000
Other Income	-	-	-
Uncollectables	(2,447,000)	(9,787,000)	(7,340,000)
<b>Total Revenue and Other Sources</b>	<b>485,145,000</b>	<b>382,943,000</b>	<b>(102,202,000)</b>
<i>Margin:</i>	<i>13.8%</i>	<i>0.3%</i>	
<b>EXPENSES AND OTHER USES</b>			
<b>ENERGY OPERATIONS</b>			
Cost of Energy	386,905,000	349,917,000	(36,988,000)
	<i>\$/MWh</i>	<i>55.28</i>	
Data Management/Customer Service	6,758,000	7,704,000	946,000
PG&E Service Fees (Billing/Metering)	2,253,000	2,396,000	143,000
Scheduling	653,000	660,000	7,000
<b>Total Energy Operating Costs</b>	<b>396,569,000</b>	<b>360,677,000</b>	<b>(35,892,000)</b>
<b>OVERHEAD OPERATIONS</b>			
Personnel	6,703,000	7,429,000	726,000
Marketing, Outreach, Communications	2,263,000	1,499,000	(764,000)
Legal, Policy, & Regulatory Affairs	1,586,000	1,297,000	(289,000)
Other Professional Services	1,214,000	1,345,000	131,000
General & Administrative	2,290,000	2,146,000	(144,000)
Local Development Funding	6,340,000	6,570,000	230,000
Depreciation	61,000	60,000	(1,000)
<b>Total Overhead Operating Costs</b>	<b>20,457,000</b>	<b>20,346,000</b>	<b>(111,000)</b>
<b>TOTAL ENERGY &amp; OPERATING EX</b>	<b>417,026,000</b>	<b>381,023,000</b>	<b>(36,003,000)</b>
<b>Earnings Before Interest &amp; Capital</b>	<b>68,119,000</b>	<b>1,920,000</b>	<b>(66,199,000)</b>
<b>INTEREST PAYMENTS</b>			
Borrowing Interest	1,229,000	804,000	(425,000)
<b>Total Interest Payments</b>	<b>1,229,000</b>	<b>804,000</b>	<b>(425,000)</b>
<b>TOTAL EXPENSES &amp; INTEREST DU</b>	<b>418,255,000</b>	<b>381,827,000</b>	<b>(36,428,000)</b>
<b>NET INCREASE (DECREASE) IN PO!</b>	<b>66,890,000</b>	<b>1,116,000</b>	<b>(65,774,000)</b>



# FY 2019-20 Budget to Actuals

- Actuals are unaudited results through Q3 (July, 2019 - March, 2020) plus Q4 projections
- Electricity sales are lower than expected due to reduced load based on weather conditions and PCIA increases, effective May 1, 2020
- Cost of energy is lower than expected due to reduced load and softer energy prices
- Overhead is lower than projected primarily due to some deferred allocation of local development spend into the next fiscal year, and general cost saving measures across functional areas

	FY 2019-20 BUDGET	FY 2019-20 ACTUALS	Fiscal Year Difference
<b>REVENUE AND OTHER SOURCES</b>			
Electricity Sales	487,014,000	468,961,000	(18,053,000)
Uncollectables	(2,447,000)	(2,346,000)	101,000
Investment Income	578,000	1,141,000	563,000
Other Income	-	113,000	113,000
<b>Total Revenue and Other Sources</b>	<b>485,145,000</b>	<b>467,869,000</b>	<b>(17,276,000)</b>
<b>EXPENSES AND OTHER USES</b>			
<b>ENERGY OPERATIONS</b>			
Cost of Energy	386,905,000	377,424,000	(9,481,000)
Scheduling/Broker Fees	653,000	758,000	105,000
Data Management/Customer Service	6,758,000	7,057,000	299,000
PG&E Service Fees (Billing/Metering)	2,253,000	2,326,000	73,000
<b>Total Energy Operating Costs</b>	<b>396,569,000</b>	<b>387,565,000</b>	<b>(9,004,000)</b>
<b>OVERHEAD OPERATIONS</b>			
Personnel	6,703,000	5,871,000	(832,000)
Marketing, Outreach, Communications	2,263,000	1,410,000	(853,000)
Legal, Policy, & Regulatory Affairs	1,586,000	1,250,000	(336,000)
Local Development	6,340,000	5,002,000	(1,338,000)
Other Professional Services	1,214,000	685,000	(529,000)
General & Administrative	2,290,000	1,607,000	(683,000)
Depreciation	61,000	46,000	(15,000)
<b>Total Overhead Operating Costs</b>	<b>20,457,000</b>	<b>15,871,000</b>	<b>(4,586,000)</b>
<b>TOTAL ENERGY &amp; OPERATING EXPENSES</b>	<b>417,026,000</b>	<b>403,436,000</b>	<b>(13,590,000)</b>
<b>INTEREST PAYMENTS</b>			
Borrowing Interest	1,229,000	743,000	(486,000)
<b>Total Interest Payments</b>	<b>1,229,000</b>	<b>743,000</b>	<b>(486,000)</b>
<b>TOTAL EXPENSES &amp; INTEREST DUE</b>	<b>418,255,000</b>	<b>404,179,000</b>	<b>(14,076,000)</b>
<b>NET INCREASE (DECREASE) IN POSITION</b>	<b>66,890,000</b>	<b>63,690,000</b>	<b>(3,200,000)</b>

## 2. Overview of Revenue

	<b>FY 2019-20 BUDGET</b>	<b>FY 2020-21 BUDGET</b>	<b>Fiscal Year Difference</b>
<b>REVENUE AND OTHER SOURCES</b>			
Electricity Sales	487,014,000	391,499,000	(95,515,000)
Investment Income	578,000	1,231,000	653,000
Other Income	-	-	-
Uncollectables	(2,447,000)	(9,787,000)	(7,340,000)
<b>Total Revenue and Other Sources</b>	<b>485,145,000</b>	<b>382,943,000</b>	<b>(102,202,000)</b>

### Revenue Assumptions and Statistics

- Reduction in revenues from Electricity Sales are due largely to increases in PCIA, effective May 1, 2020. Assumptions:
  - PUBA trigger occurs in December and PCIA increases in January to maintain 7% under-collection
  - 2021 PCIA rate changes occur after June 30, 2021—beyond the scope of this draft budget
  - Modest increase in general rates, effective May 1, 2020. Additional rate increase assumed to occur in Jan 2021, per GRC
- Electricity Sales also assume the following rate changes:
  - Bright Choice is at 1.0% discount to PG&E, and Brilliant 100 is at a 3% premium
  - This is estimated to increase revenue by approx. \$5.7MM (\$2.7MM from Bright Choice, and \$3MM from Brilliant 100)
- Increase in Investment Income is due to current, higher bank account balances in interest bearing accounts (reserves and ICS) than last year but projected at slightly lower interest rate of 1.5%. Current rate is 1.79%
- Uncollectables increased from 0.5% to 2.5% (in anticipation of COVID recessionary impacts)

# 3. Overview of Expenses: Energy Operations

	<b>FY 2019-20 BUDGET</b>	<b>FY 2020-21 BUDGET</b>	<b>Fiscal Year Difference</b>
<b>ENERGY OPERATIONS</b>			
Cost of Energy	386,905,000	349,917,000	(36,988,000)
Data Management/Customer Service	6,758,000	7,704,000	946,000
PG&E Service Fees (Billing/Metering)	2,253,000	2,396,000	143,000
Scheduling	653,000	660,000	7,000
<b>Total Energy Operating Costs</b>	<b>396,569,000</b>	<b>360,677,000</b>	<b>(35,892,000)</b>

**Energy Costs are made up of four primary energy products—block or shaped energy, renewable energy, carbon free energy, resource adequacy—and CAISO fees**

- Costs of Energy are estimated based on contracted energy costs and estimated open position costs
- Costs are lower due to softer energy market prices
- Additional reductions due to anticipated PG&E large hydro allocation and revised power content targets

## **Data Management, PG&E Service Fees, and Scheduling costs**

- Data Management/Customer Service are paid to SMUD at \$1.05/meter/month through Dec of 2020. EBCE is currently reviewing options to extend the contract with SMUD and as a result, EBCE is preparing for potentially higher Data Management/Customer Service costs depending on outcome of action on SMUD contract. EBCE has input a placeholder cost of \$1.20/meter/month for the second half of the fiscal year to reflect the current uncertainty.
- PG&E Service Fees are paid to PG&E to use their billing and metering systems at \$0.35/customer/month
- Scheduling costs are paid to NCPA to manage EBCE’s energy purchases and market activity

# 3. Overview of Expenses: Personnel

	<b>FY 2019-20 BUDGET</b>	<b>FY 2020-21 BUDGET</b>	<b>Fiscal Year Difference</b>
Personnel	6,703,000	7,429,000	726,000

## **FY 2019-2020 budget was established with 37 FTE**

- As of May, 2020 staff consists of 31 FTE and 2 interns

## **Current hiring plan for remainder of FY 2019-2020 and FY 2020-2021 is 6 FTE to remain flat to the FY 2019-2020 hiring plan**

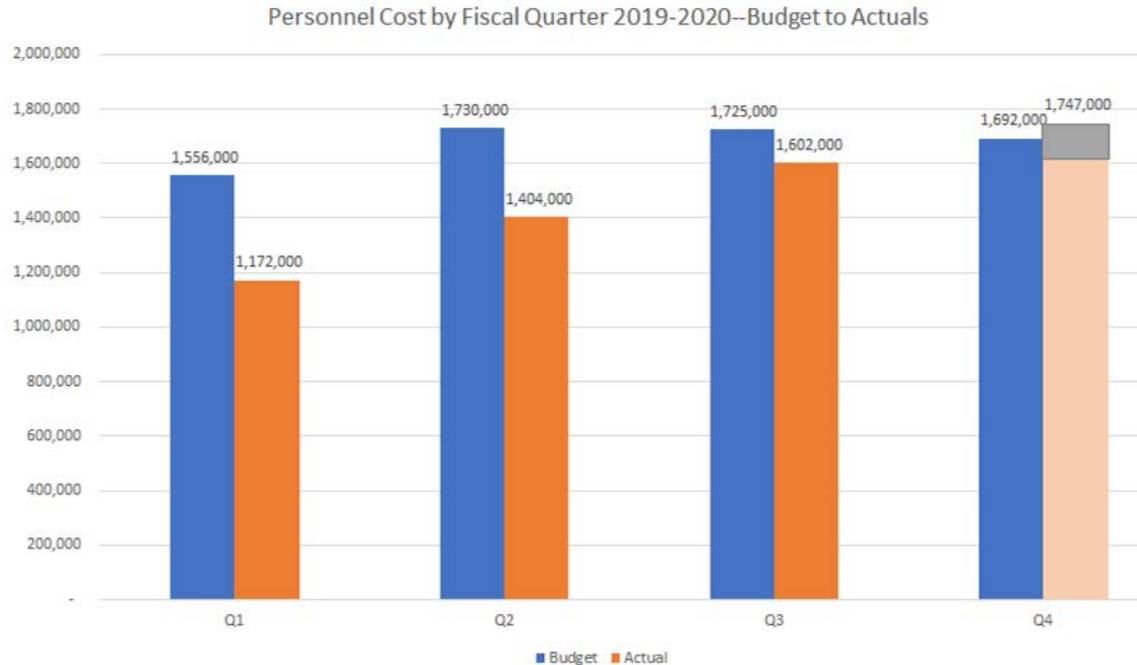
- 2 Outreach Fellows for Marketing
- Data Engineer for Technology
- CRM implementation Manager for Local Development/Technology
- Human Resources Business Partner for Operations
- Power Contracts Manager for Power Procurement

## **Increase in FY 2020-21 budget is driven by:**

- Staff salaries covering the full fiscal year (FY 2019-2020 budget assumed partial year hires)
- Enact a policy to allow staff to monetize PTO
- 2.5% merit-based adjustments (\$118,000)
- 3% discretionary promotions/retention-based compensation adjustments (\$169,000)

### 3. Overview of Expenses: Personnel Continued

- Actuals through Q3 with projections for Q4
- Reduction in current fiscal year personnel costs reflect hiring deferrals/delays
- Current Q4 personnel costs are forecasted at \$1,747,000, which includes the addition of 3 FTE in Q4



# 3. Overview of Expenses: Comparing EBCE Personnel Costs to Other CCAs

Monterey Bay	Low	High	MCE			Clean Power Alliance	Low	High	EBCE	Low	High
VP/Director (actual salary)	\$206,000	\$250,000	COO/GC	\$206,819	\$304,709	VP (equivalent) GC	\$206,000	\$250,000	Vice President	\$230,000	269,000
			Directors (includes equivalent to VP)	\$149,251	\$242,070	Directors	\$130,000	\$206,000	Director/Sr Director	\$177,000	\$231,000
Manager	\$136,000	\$187,000	Manager	\$100,211	\$198,764	Managers	\$80,000	\$175,000	Manager/Principle	\$135,000	\$177,000
Analyst	\$116,000	\$136,000	Analyst	\$91,682	\$134,475	Analyst/Other	\$65,000	\$115,000	Analyst/Associate	\$83,000	\$141,000
Coordinator/Specialist	\$99,000	\$110,000	Specialist/Coordinator	\$61,832	\$94,597				Fellow/Coordinator/Specialist	\$57,000	\$83,000
Associate	\$81,000	\$93,000									

### 3. Overview of Expenses: Marketing, Outreach, and Communications

	FY 2019-20 BUDGET	FY 2020-21 BUDGET	Fiscal Year Difference
Marketing, Outreach, Communications	2,263,000	1,499,000	(764,000)

	2019-2020	2020-2021
Advertising/Sponsorships/Events:	587,000	365,000
Communications:	223,000	370,000
Community Grants	190,000	24,000
Data manager:	300,000	300,000
Noticing:	133,000	120,000
Promotional Items:	55,000	20,000
Mailings:	775,000	300,000
Total	2,263,000	1,499,000

#### Examples of Marketing, Outreach, and Communications expenses

- Advertising/Sponsorships/Events: Active community presence activities in local jurisdictions and operating communities
- Communications: Public relations, media, newsletters, consultants
- Community Grants: Grants provided to local community organizations
- Data Manager: Data/Billing management system enhancements
- Noticing: New account noticing (cost shown does not include new communities)
- Promotional Items: Promotional items for outreach/marketing events
- Mailings: Joint Rate Mailer/Power Content Label

### 3. Overview of Expenses: Legal, Policy, and Regulatory Affairs

	<b>FY 2019-20 BUDGET</b>	<b>FY 2020-21 BUDGET</b>	<b>Fiscal Year Difference</b>
Legal, Policy, & Regulatory Affairs	1,586,000	1,297,000	(289,000)

	<b>2019-2020</b>	<b>2020-2021</b>
Legal Consultants	1,076,000	970,000
Legislative Consultants	132,000	132,000
Other Consultants	259,000	195,000
Sponsorships	50,000	-
Temp. Employee	69,000	-
Total	1,586,000	1,297,000

#### Examples of Legal, Policy, and Regulatory Affairs expenses

- Legal Consultants: Outside General Counsel and legal counsel for procurement, programs, finance, and regulatory activities
- Legislative Consultants: Funds towards legislative advocacy
- Other Consultants: Economic analysis in regulatory/legislative cases and communications consultant



### 3. Overview of Expenses: Other Professional Services

	<b>FY 2019-20 BUDGET</b>	<b>FY 2020-21 BUDGET</b>	<b>Fiscal Year Difference</b>
Other Professional Services	1,214,000	1,345,000	131,000

	<b>2019-2020</b>	<b>2020-2021</b>
Accounting	205,000	220,000
Human Resources Consulting	25,000	-
IT Consulting	36,000	45,000
Other Professional Services	948,000	730,000
Customer Relationship Management	-	350,000
Total	1,214,000	1,345,000

#### Examples of Other Professional Services

- Accounting and auditing for financial compliance
- Technical consultants related to power procurement, risks analysis, and planning
- Customer Relationship Management include licensing and implementation of a CRM system to be utilized by the Local Development and Marketing teams for program offerings

### 3. Overview of Expenses: General & Administrative

	<b>FY 2019-20</b>	<b>FY 2020-21</b>	<b>Fiscal Year</b>
	<b>BUDGET</b>	<b>BUDGET</b>	<b>Difference</b>
General & Administrative	2,290,000	2,146,000	(144,000)

	<b>2019-2020</b>	<b>2020-2021</b>
Small Equipment & Software	636,000	740,000
Dues & Memberships	556,000	400,000
Operational Expenses	491,000	496,000
Rent & Utilities	470,000	429,000
Conferences & Prof. Development	137,000	81,000
Total	2,290,000	2,146,000

#### Examples of General & Administrative Expenditures

- Small Equipment & Software includes professional software across all functional areas as well as equipment replacement as needed
- Dues & Memberships includes \$375,000 for CalCCA and other essential cooperative organizations
- Operational Expenses include Energy Prepay fees, benefits-related administrative fees, office supplies, and miscellaneous expenses
- Rent & Utilities covers all planned costs for office space
- Conferences & Professional Development includes travel and lodging

### 3. Proposed Local Development Budget

<b>Program Areas</b>	<b>2021 Budget (\$000)</b>	<b>% of Budget</b>
Demand Response	\$ 100	1.52%
Energy Efficiency	\$ 340	5.18%
Building Electrification	\$ 700	10.65%
Vehicle Electrification	\$ 4,630	70.47%
Collaborative Procurement	\$ 800	12.18%
Local Development Budget Sub-Total	\$ 6,570	
<b>Staffing*</b>		
Staff Costs	\$ 825	
Fellow	\$ 25	
Staffing Sub-Total	\$ 850	
<b>Leveraged Funding</b>		
CEC Electric Vehicle Incentive Program**	\$ 4,000	
<b>Total Local Development Direct Investment</b>	<b>\$ 11,420</b>	

\*NB Staffing cost come from HR budget not Local Development

\*\*Assumed based on CEC approval of EBCE EVIP Partner Application, final amount subject to change

### 3. LDBP Program Budgeting Process

- Process
  - LDBP Document continues to be the blueprint for program planning and budgeting
  - Staff will continue to update the CAC and Board on an ongoing basis as programs are planned and implemented
- Budgets Overview
  - FY'21 Budget remains flat to FY'20
  - Programs are focused on job creation and local investment
  - Team has successfully pursued external funding from Federal and State sources (EPA funds and CEC) to leverage EBCE funding

### 3. Transportation Electrification (\$4,630k)

- Electric Vehicle Incentive Program (\$4,000k)
- Center for Sustainability Incentive Administration and Support (\$254k)
- EViP Site Development Outreach and Development (\$126)
- Municipal Fleet Electrification Technical Support (\$125k)
- Medium/Heavy Duty Fleet Electrification (\$125k)

### 3. Building Electrification and DR (\$800k)

- Building Electrification (\$700k)
  - Heat Pump Hot Water heater incentives (\$250k)
  - Reach Code Implementation Support (\$50k)
  - Commercial Induction Grants (\$300k)
  - Electrification Consumer Awareness (\$100)
- Demand Response
  - Building Electrification Demand Response (\$100k)

### 3. EE and Local Procurement (\$990k)

- Collaborative Procurement (\$800k)
  - Solar+Storage Resilience Program (\$400k)
  - Connected Communities, reducing customer disconnections (\$50k)
  - EBCE Asset development and ownership (\$200k)
  - Municipal Renewable Electrification (\$150k)
- Energy Efficiency (\$340k)
  - Continue data sharing to increase efficacy of EE program
  - Phase II Pay for Performance EE Procurement (\$240k)
  - Technical/legal consultant to pursue public Energy Efficiency funding (\$100k)

### 3. Overview of Expenses: Interest Due

	FY 2019-20 BUDGET	FY 2020-21 BUDGET	Fiscal Year Difference
Borrowing Interest	1,229,000	804,000	(425,000)

EBCE currently has an active credit facility with Barclays Bank with no outstanding debt

**The Barclays Credit Facility** is sized at \$80,000,000

- EBCE can draw up to \$60MM in cash and use up to \$35MM in letters of credit (LC's)
- EBCE pays 1% on the undrawn facility balance as a commitment fee, and 1-month LIBOR + 2.50% on any cash drawn facility balance up to \$25MM and LIBOR + 2.65% on any amount above \$25MM
- EBCE has outstanding LC's and pays 1.75% on this balance
- The interest on outstanding LC's and the commitment fee is the budgeted interest payments for FY 2020-2021—no cash borrowing is expected for this fiscal year



## 4. New Communities: Newark, Pleasanton, and Tracy

- Inclusion of new communities is expected to have a positive lift on margins based on an April enrollment timeframe estimated at \$3.5MM in net margin based on current market conditions.
  - April-June timeframe represents higher margin months. Full calendar year net margin is lower.
- Positive margin is driven by a modest increase in operating overhead related to serving these customers and softer energy prices.
- Additional analysis is underway to determine the optimal timing based on different customer rates and procurement risks/opportunities

	FY 2020-21 BUDGET	New Communities	Fiscal Year Adjusted
<b>REVENUE AND OTHER SOURCES</b>			
Electricity Sales	391,499,000	13,409,000	404,908,000
Uncollectables	(9,787,000)	(201,000)	(9,988,000)
<b>Total Revenue and Other Sources</b>	<b>382,943,000</b>	<b>13,208,000</b>	<b>396,151,000</b>
<b>EXPENSES AND OTHER USES</b>			
<b>ENERGY OPERATIONS</b>			
Cost of Energy	349,917,000	9,065,000	358,982,000
Data Management/ Customer Service	7,704,000	299,000	8,003,000
PG&E Service Fees (Billing/Metering)	2,396,000	87,000	2,483,000
<b>Total Energy Operating Costs</b>	<b>360,677,000</b>	<b>9,451,000</b>	<b>370,128,000</b>
<b>OVERHEAD OPERATIONS</b>			
Marketing, Outreach, Communications	1,499,000	274,000	1,773,000
<b>Total Overhead Operating Costs</b>	<b>20,346,000</b>	<b>274,000</b>	<b>20,620,000</b>
<b>NET INCREASE (DECREASE) IN POSITION</b>	<b>1,116,000</b>	<b>3,483,000</b>	<b>4,599,000</b>

# 5. Review of Net Position and Reserve Policy

**EBCE Estimated Net Position 2019-2020    \$    63,690,000**

<b>Reserve Fund</b>	<b>2018-19</b>	<b>2019-20*</b>	<b>Total 2019-20 Target</b>		<b>Remaining</b>
Operating/Credit	32,768,648	23,393,450	56,162,098	200,646,000	144,483,902
Rate Stabilization	1,936,260	2,339,345	4,275,605	7,018,035	2,742,430
Collateral	1,936,260	2,339,345	4,275,605	37,742,400	33,466,795
Local Development	3,872,519	4,678,690	8,551,209	46,786,900	38,235,691
<b>Total</b>	<b>40,513,687</b>	<b>32,750,830</b>	<b>73,264,517</b>	<b>292,193,335</b>	<b>218,928,818</b>

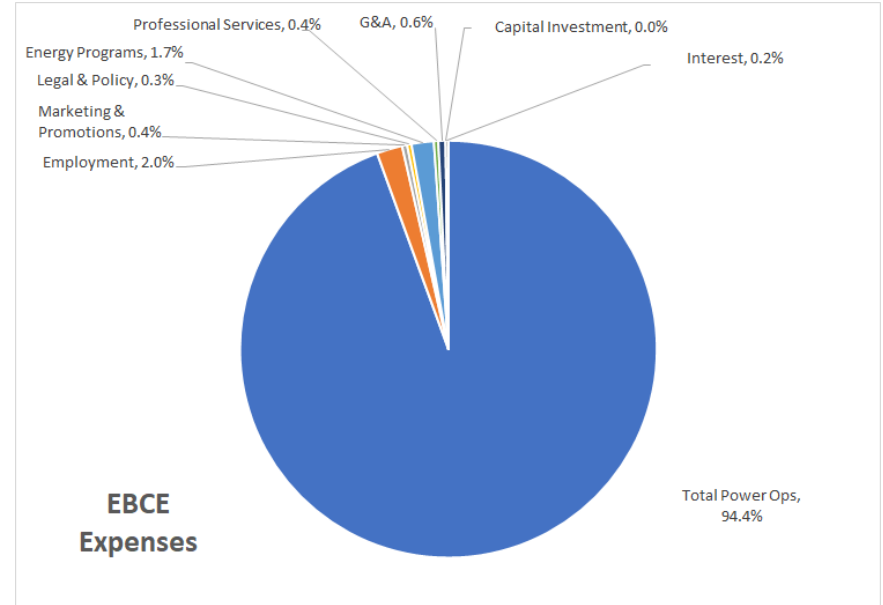
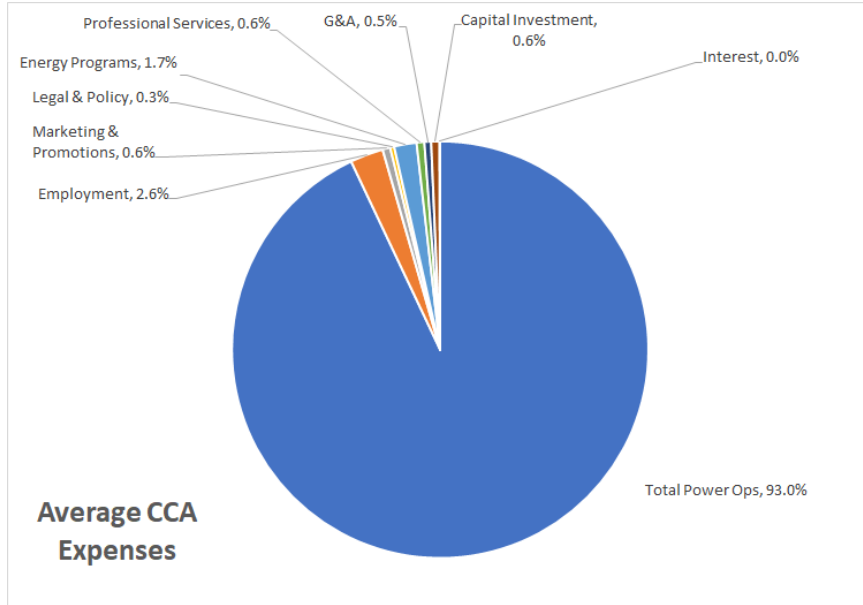
\* Expected contributions set to minimum amount

EBCE anticipates funding reserves with the minimum allocation from 2019-2020 net revenues for the following reasons:

1. Narrow 2020-21 margins
2. Uncertainty with COVID load demand
3. Uncertainty with 2021 PCIA adjustments
4. Retain a minimum 1 month liquidity of operating expenses (~\$30MM) under discretionary cash

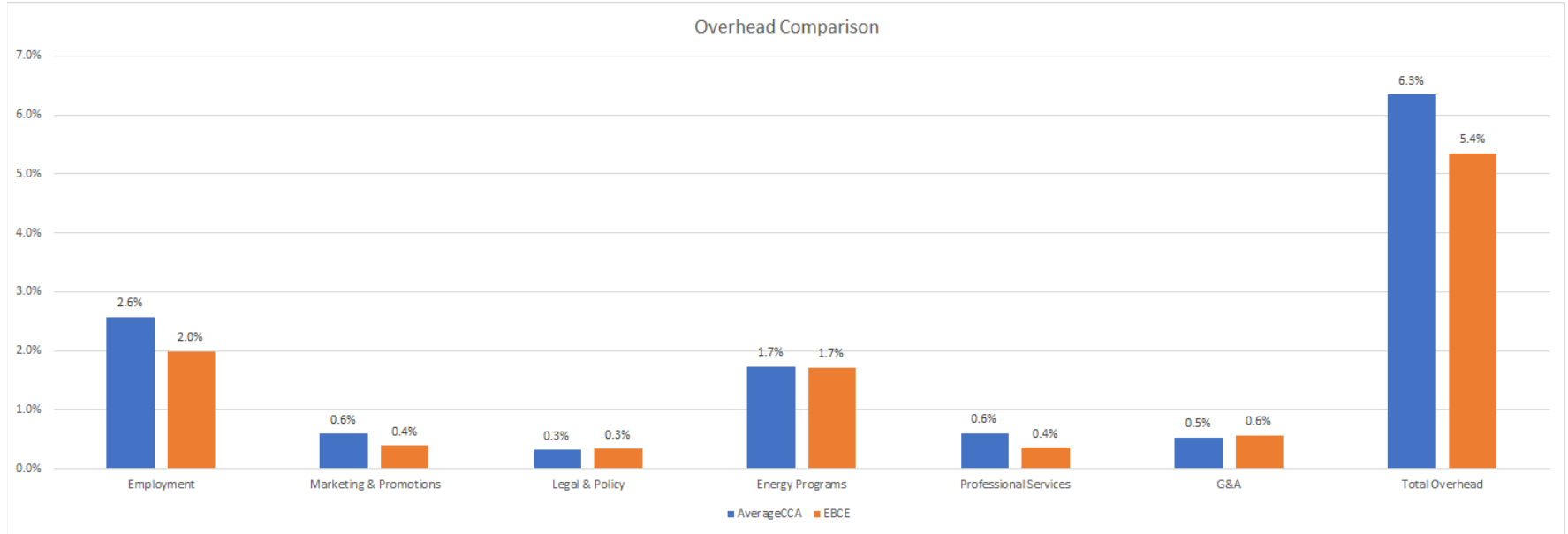
The allocation for fiscal year 2019-20 is pending completion of a formal audit and expected to occur in Nov/Dec 2020

# 5. Comparison of EBCE Budget to CCA Space



As percentage of expenses

# 5. Comparison of EBCE Budget to CCA Space



As percentage of expenses

## 5. Comparison of CCA Products & Value

	Basic Product	% Renewable	% Carbon-Free	Discount to PG&E (denotes a premium)	Upgrade 2	% Renewable	Premium to PG&E
EBCE	Bright Choice	39.5%	10%-15%	1.00% (proposed)	Renewable 100	100% RE	+\$0.01/kWh
SVCE	Green Start	100%		4.00%	Green Prime	100% RE	+\$0.008/kWh
MCE	Light Green	61%	N/A	0%-2%	Deep Green	100% RE	+11%
SCP	Clean Start	49%	42%	(2%-4)	Evergreen	100% RE	+\$0.025/kWh
SJCE	Green Source	45%	41%	1.00%	Total Green	100% RE	+\$0.005 - -\$0.01/kWh
MBCP	MB Choice	30%	N/A	2%-7%	MB Prime	100% RE	+\$0.01/kWh
PCE	Eco Plus	51%	35%	5.00%	Eco 100	100% RE	+\$0.01/kWh
CPSF	Green	48%	40%		SuperGreen	100% RE	

\*Yellow cells denote discounts/premiums relative to last year; not yet confirmed if these CCAs have made adjustments to these values/

## 6. Review of EBCE Value Proposition and Staff Recommendation

- EBCE currently offers three products:
  - Bright Choice: 1.5% below PG&E rates
  - Brilliant 100: Parity with PG&E rates
  - Renewable 100: \$0.01/kWh more expensive than PG&E rates
  - For 2019/2020, EBCE expects to deliver over \$7MM in bill savings to customers
- Staff is recommending an adjustment to the value proposition for 2020/2021
  - Bright Choice: 1% below PG&E rates
  - Brilliant 100: 3% premium to PG&E rates to reflect the projected procurement costs to Bright Choice
  - Renewable 100: unchanged at \$0.01/kWh more expensive than PG&E rates
  - For 2020/2021 EBCE expects to deliver approximately \$5.4MM in bill savings to customers
- Every 0.5% discount for Bright Choice equals \$2.7MM in incremental revenue
- Every 1% in Brilliant 100 premium equals \$1MM (assuming no change to enrolled load)

## 7. Risks and Mitigations

EBCE is exposed to a variety of risks in this coming fiscal year. The following discussion is a representative list of key risks, though it is not comprehensive in reflecting all risks.

1. COVID/Load Risk
2. Energy Market Risk
3. Uncollectables/Write-off Risk
4. Opt-out Risk
5. Regulatory Risk

## 7. Risks and Mitigants: COVID/Load

COVID impacts on load, collections, and energy market prices are being closely monitored and to date the Shelter in Place policy has been in effect for approximately two months. While this has provided meaningful data it is very difficult to extrapolate the insights to accurately forecast impacts on the next fiscal year.

1. Status quo: Quick reversion to a pre-COVID load. Electricity usage based on businesses partial reopening and moderately increased residential use that results in load that closely reflects EBCE load pre-COVID. This is the basis for the current budget.
2. Moderate COVID load decrease: Volumetric load is down 6-8% in the near-term months with a peak reduction of 10-15% and there is a gradual reversion to about 1-3% volumetric load reduction and 4-6% peak reduction, which is maintained starting in 2021.
3. Moderate COVID load increase: With the partial reopening of small businesses and large commercial space, we could see commercial load revert close to normal levels and residential load remain high based on partial families working from home. This could result in a moderate increase in volumetric load of 2-4% and a peak load similar to normal levels
4. Significant and sustained macro recession where volumetric load continues to be depressed. Volumetric load is down 6-10% and peak load is down 10-15% for next 12-24 months



## 7. Risks and Mitigants: COVID/Load continued

Independent of which scenario EBCE experiences, there are some constant risk conditions to consider.

- Changes in volumetric load due to ongoing COVID conditions are expected to decrease costs proportional with the projected net decline in demand. Thus, any decline in revenue due to decline in demand should be reasonably offset with a decline in costs. EBCE is projecting a margin of 8.5% of revenues over electricity costs. This means for each dollar decrease in revenue from reduced demand, EBCE can expect an approximate \$0.915 reduction in costs. To date, EBCE has generally experienced a positive impact to load shape that has reduced the more expensive peak hours that help to mute this margin impact.
- Load changes can have material implications to EBCE as it relates to planning, procurement, and scheduling. Less certainty when it comes to load forecasting can increase risk. Generally speaking, an overall industry reduction in load directionally leads to softer energy prices. However, the uncertainty also leads to more significant day to day volatility, which can increase or decrease energy costs where EBCE is not hedged.

## 7. Risks and Mitigants: Energy Market Risk

EBCE currently has an estimated unhedged energy portfolio of approximately \$80 million which is exposed to the market. Short term energy prices can see volatility of 10-20% on a regular basis based on typical supply/demand dynamics that are heavily influenced by weather and electricity infrastructure.

The volatility may be exacerbated by COVID due to general uncertainty of load and the impacts from the macro oil industry on gas prices. We estimate that energy costs could increase reasonably as much as \$16-20MM, though this could also result in a similar reduction in energy costs.

EBCE could consider hedging more load to reduce this risk. However in an environment of softer energy prices, there are follow-on repercussions of an increasing PCIA the following year.

## 7. Risks and Mitigants: Uncollectables

While EBCE has increased our expected exposure from 0.5% to 2.5% of uncollectable accounts, the current data is limited in measuring the extent of this impact. This forecast of 2.5% is at the higher end of the range compared to other CCAs based on our regional income demographics. In researching other load serving entity uncollectables through prior recessions, we have seen data ranging from non-material impacts up to 6% write-offs.

Based on the recessionary impacts of COVID and suspension of disconnects, we do anticipate an increase in uncollectables that would lead to write-offs. There is a potential for the uncollectables to exceed our current forecast based on a more severe and extended recession. To mitigate this risk, we have launched an active campaign to increase CARE enrollments as a way to lower customers bills and are continuing to create a plan to enroll customers onto longer term payment plans as necessary. While enrollment in payment plans should reduce write-offs, it would reduce near term cash inflows. EBCE has a strong cash and reserve position to support payments deferrals.

## 7. Risks and Mitigants: Opt-out Risk

Customer opt-outs are generally an ongoing risk to EBCE. However, we do not anticipate an increased risk of opt-outs for the fiscal year, depending on adjustments to the value propositions. There is currently no active discussion of DA expansion that would take effect in 2021 beyond what has already been in process.

## 7. Risks and Mitigants: Regulatory Risk

- The current budget assumes a deferral of approximately \$16MM in costs, which is based on maintaining an undercollection (PUBA) of 7%. The most significant regulatory risk to revenues in the near term is the management of this PUBA cap. The CPUC could rule to fully collect on the undercollection, which would decrease fiscal year revenues or potentially elect for a larger undercollection, which could increase revenues.
- AB110 Power Content reporting is anticipated to be finalized in mid 2020. These regulations will include potential updates to the reporting treatment of PCC3 unbundled RECs and Asset Controlling Supply (ACS) procurement. Currently procurement of PCC3 RECs is limited and serves as a flexible tool to balance the portfolio. ACS is also currently procured largely as a source of clean large hydro energy, a cost-effective energy hedging tool, and a source of import RA from the pacific northwest. The new reporting regulation may require disclosure of all underlying energy as source specified, which could limit future procurements of this product depending on board direction.
- PCIA Working Group 3, which is focused on the disposition of PG&E's current long portfolio may benefit EBCE's energy procurement related costs. Though those benefits are not expected to be material for the fiscal year.

## 7. Risk and Mitigants: Mitigants

Considering the previous discussion, EBCE has the following options to further mitigate these economic risks.

- Additional changes to EBCE's value proposition:
  - Further reduction to Bright choice discount to 0.5% = \$2.7MM, or 0% = \$5.4MM
  - Further increase to Brilliant 100 premium to 4% = \$1MM, or 5% = \$2MM
- With the Board approval of the PG&E allocation and PCL restructuring, EBCE holds excess large hydro related carbon free attributes which can be resold. This is estimated to generate anywhere from \$1 to \$2 million, depending upon quantity sold and market conditions.
- EBCE has the opportunity to accept and resell PG&E's nuclear allocation. This could generate up to \$2 million based on market demand, which is uncertain. This could present some risk to EBCE's power content label, but we can likely structure an arrangement to largely mitigate this risk.

## 8. Alternative Budget Scenarios

- Alternative 1: Reduce Local Development budget by \$2.7MM, maintain the Bright Choice discount of 1.5%, resulting in the current projected margin in the presented budget
- Alternative 2: Increase Local Development budget by \$2.7MM, further decrease Bright Choice discount to 0.5%, resulting in the current projected margin in the presented budget
- Alternative 3: Reduce Bright Choice discount further to 0.5% and increase net margin by \$2.7MM to mitigate risk related to energy markets, COVID, and PUBA undercollection and built increased reserves