Board of Directors Meeting
Wednesday, March 17, 2021
5:00 pm
https://us02web.zoom.us/j/87023071843
Join by phone:
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 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.

If you have anything that you wish to be distributed to the Board, 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.
CONSENT AGENDA

4. Approval of Minutes from February 17, 2021

5. Contracts entered into (Informational Item)

6. Unaudited Financial Statements for Q2 FY 2020/2021
   Financial Statements for Q2 in FY 2020/2021

7. Amendment of Consulting Services Agreement with NewGen Strategies and Solutions, LLC
   Adopt a Resolution to approve amendment of Consulting Services Agreement (CSA) with NewGen Strategies and Solutions, LLC (NewGen) to:
   1. Amend the scope of work to cover this year’s annual Power Charge Indifference Adjustment (PCIA)-filings from Pacific Gas & Electric Company (PG&E) at the California Public Utilities Commission (CPUC), and the upcoming PG&E general rate case (GRC),
   2. Extend the contract through the next fiscal year for all proceedings, and through calendar year 2023 for the GRC, and
   3. Add $60,000 to the not-to-exceed amount to cover the amended scope of work.

8. CLEAResult Contract 2nd Amendment
   Approve a Resolution authorizing EBCE CEO to negotiate and execute an Amendment to the Consulting Services Agreement (“Agreement”) with CLEAResult Consulting (“CLEAReult”) dated October __, 2020, to implement an Electric Vehicle Charging Technical Assistance program that will facilitate deployment of infrastructure at affordable multi-family properties, and to increase the compensation by $320,000, for a total amount not to exceed $570,000 through December 31, 2021.

9. Third Amendment to Contract with TRC Engineers
   Adopt a Resolution authorizing the CEO to negotiate and execute the Third Amendment to the Consulting Services Agreement with TRC Engineers, Inc. (“TRC”) dated March 21, 2019, to add new scope and personnel, extend the term, and allocate an additional $50,000 to the Agreement, for total compensation not to exceed $290,000.

REGULAR AGENDA

10. CEO REPORT
    A. Executive Committee Meeting;
    B. Finance, Administration and Procurement Subcommittee Meeting
    C. Marketing, Regulatory and Legislative Subcommittee Update
    D. New Staff
    E. Marketing and Account Services Update

11. Community Advisory Committee Report

12. Approval of Legislative Positions (Action Item)
    Update on EBCE’s Legislative Program, bill tracker, and recommended bill positions.

13. Policy on Member Requests to Change the Default Rate Product for Certain Customers (Action Item)
Review and adopt a Resolution approving a policy on Joint Powers Authority (JPA) member requests to change the default rate product for certain customers within their jurisdiction (“Default Rate Product Change Policy”).

14. Request to Change the Default Rate Product for Certain Residential Customers in the City of Dublin to Renewable 100 (Action Item)
Adopt a Resolution directing staff to make the necessary arrangements to change the default service to Renewable 100 for certain residential customers in the City of Dublin, consistent with the request of the Dublin City Council and in accordance with the proposed Default Rate Product Change Policy.

15. Recommendations to Update the Net Energy Metering Policy, Effective April 2021 (Action Item)
   1. Complete the April 2021 Net Energy Metering (NEM) cash-out under the current policy.
   2. After the April ‘21 cash-out, move the “New NEM” and “Existing NEM” customers to the “EBCE NEM” program.
   3. Close enrollments to the “Low-income and municipal NEM” program. Current municipal customers will continue to receive the benefit under the Legacy municipal program. Municipal customers are encouraged to participate in new resilience programs specific to municipal customers.
   4. Create a new CARE/FERA EBCE NEM policy for customers that interconnected their system after EBCE was launched in their community.

Receive an overview of the California Public Utilities Commission General Order 156 requirements and Supplier Diversity Program, and review of EBCE’s first report results, planned activities, and challenges.

17. Overview of SMUD EnergyHELP and Connected Communities (Informational Item)
Receive a summary overview of the SMUD EnergyHELP program, as an example of what a municipal utility is doing to support customers struggling to pay bills; how this does and does not apply to EBCE; and, plans for future customer payment support programs through Connect Communities

18. Board Member and Staff Announcements including requests to place items on future Board Agendas

19. Adjournment to Date: Wednesday, April 21, 2021
   Time: 5:00pm
Draft Minutes
Board of Directors Meeting
Wednesday, February 17, 2021
5:00 pm
https://us02web.zoom.us/j/87023071843
Join by phone:
Dial (for higher quality, dial a number based on your current location):
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the meeting at (510) 906-0491 or cob@ebce.org.

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

1. Welcome & Roll Call
   Present: Directors: Valle (Alameda County), Tiedemann (Albany), Hernandez (Dublin),
   Mei (Fremont), Marquez (Hayward), Kiick (Livermore), Hannon (Newark), Piedmont
   (McCarthy), Narum (Pleasanton), Lopez (San Leandro), Arriola (Tracy), Patino (Union
   City), Sutter (Community Advisory), Vice-Chair Martinez (Emeryville), and Chair Kalb
   (Oakland)
   Excused: Director Harrison (Berkeley)

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.

   Aleta Dupree spoke regarding the need for increased renewable energy and storage,
   and for expanded connectivity of renewable energy infrastructure within the state
and beyond. Aleta Dupree also spoke in support of using renewable energy to power municipal infrastructure, about the importance of community oversight of EBCE, and for building an all-renewable EBCE.

Blair Beekman spoke regarding the importance of the year 2023 to the development of renewable energy, ideas about sustainability, and the future of nuclear energy. Blair Beekman requested a response to his questions about the October, 2020 IRP report.

Jessica Tovar spoke regarding EBCE’s responsibility to help mitigate the negative impacts of public safety power shutoff events on vulnerable communities through the expansion of resiliency programs such as resilience hubs, solar + battery storage, microgrid infrastructure, and programs to prevent power shut-offs.

CONSENT AGENDA

4. Approval of Minutes from January 20, 2021

5. Contracts entered into (Informational Item)

6. Public Financial Management (PFM) Contract Price Update
   Adopt a Resolution authorizing the CEO to negotiate and execute a contract with Public Financial Management Financial Advisors (PFM) to provide financial advisory services with a not to exceed (NTE) of $40,000.

   R-2021-4

   Director Marquez (Hayward) motioned to approve the Consent Agenda as amended:
   A. Correct spelling of Director’s Mei’s name in the January 20, 2021 minutes.
   Director Narum seconded the motion which passed 12/0.
   Abstained: Director McCarthy (Piedmont)
   Excused: Directors: Harrison (Berkeley) and Lopez (San Leandro)

REGULAR AGENDA

7. CEO REPORT
   A. Executive Committee Meeting;
   B. Finance, Administration and Procurement Subcommittee Meeting;
   C. Marketing, Regulatory and Legislative Subcommittee Meeting;
   D. Marketing and Account Services Update

Blair Beekman spoke regarding the importance of dialogue with local community members.
Jessica Tovar spoke regarding the Arrearage Management Program (AMP), stating that the requirement for twelve consecutive payments in which only one can be missed is too restrictive. Jessica Tovar also stated that the credit scores of rate-payers who are not able to complete the AMP Program will be negatively impacted. Jessica Tovar spoke in support of a fund to help prevent power shut-offs, and to educate community members about resilience programs such as CARE and FERA.

8. Community Advisory Committee Report

Chair Sutter spoke about the Community Advisory Committee application process. The CAC currently has six members, but it can have up to twelve members and five alternates. Twenty-six applications were received, and so the CAC expects to find representation across all five targeted geographic locations in Alameda County and Tracy, and to fill most, if not all, of the Alternate seats.

The Board Discussed:
- The CAC application review process and timeline

9. Fiscal Year 2020-21 Mid-Year Budget Report

Receive the mid-year status of the annual budget.

The Board Discussed:
- Year-end budget forecast
- Alternatives to accounting for net position on the income statement

Blair Beekman thanked the Board for its ability to navigate challenges over the prior year and requested that the Board prioritize the development of new ideas around renewable energy.

10. Proposed Policy on Member Requests to Change the Default Product for Certain Customers (Informational Item)

Review and discuss a proposed policy on Joint Powers Authority (JPA) member requests to change the default product for certain customers within their jurisdiction.

The Board Discussed:
- Scope of change to default product that can be requested
- Customer notice requirements and standards
- Cost estimate for Subsequent Default Rate Product Changes (Section 5.c) and Optional Additional Notifications (Section 6.b)

Jessica Tovar spoke in support of educating residents and customers about CCAs and the Local Development Business Plan.

11. Recommendations to Update the Net Energy Metering Policy, Effective April 2021 (Informational Item)

Recommendations to Review
1. Complete the April 2021 Net Energy Metering (NEM) cash-out under the current policy.
2. After the April ‘21 cash-out, move all customers to a singular NEM policy “2021 NEM” (excluding our current low-income municipal customers).
3. Close enrollments into the low-income/municipal program and encourage participation into new resilience programs specific to municipal and low- and moderate-income customers.
4. Enroll new communities onto the 2021 NEM policy

The Board Discussed:
- Administrative fees and equity
- Walk-through of “2020 New NEM Cash-out and 2021 Estimate” chart
- Alternative equity policy suggestions

Jessica Tovar spoke in opposition to closing enrollment to new low-income customers in a program that was designed to address equity. Jessica Tovar spoke in support of earmarking funds to help vulnerable community members and to build resiliency by investing in environmental justice communities. Jessica Tovar spoke in support of restoring NEM funding cuts at a later date.

12. 2021 Bright Choice Power Content Procurement Floor (Informational Item)
Receive a staff report updating the power content procurement floor for Bright Choice in 2021.

The Board Discussed:
- PG&E’s energy portfolio terms and procurement schedule

Jessica Tovar spoke regarding the importance of ensuring that the 2021 Bright Choice power content procurement floor exceeds PG&E’s 2021 renewable content. Jessica Tovar spoke in support of increased investment in local renewable energy programs.

13. Board Committee Appointments (Action Item)

The Board Discussed:
- Scheduling meetings

Director Marquez (Hayward) motioned to adopt the 2021 Committee Assignments as presented:

**EBCE Executive Committee**
Director Diane Martinez, Chair
Director Dan Arriola
Director Corina Lopez
Director Lily Mei
Director Dan Kalb

**Finance, Administrative and Procurement Subcommittee**
Director Mike Hannon, Chair
Director Elisa Marquez, Vice-Chair
Director Kathy Narum
Director Teddy Gray King
Director Richard Valle

**Marketing, Regulatory and Legislative Subcommittee**
Director Jaime Patino - Chair
Director Kate Harrison - Vice-Chair
Director Melissa Hernandez
Director Brittni Kiick
Director Aaron Tiedemann

Vice-Chair Martinez (Emeryville) seconded the motion, which passed 12/0.
Excused: Directors: Valle (Alameda County), Harrison (Berkeley) and McCarthy (Piedmont)

14. Board Member and Staff Announcements including requests to place items on future Board Agendas

Director Marquez announced that the Hayward City Council adopted the Hayward Shoreline Master Plan, which is meant to fight sea level rise and climate change. Director Marquez looks forward to working with regional partners.

CEO Chaset asked Directors to look for an email from Meagan Smith to schedule time for an introductory briefing to EBCE.

CEO Chaset announced a series of optional, monthly, one-hour Special Retreats focused on the following topics: Local Development Business Plan, Regulatory and Rate Making matters, Power Procurement, and Customer Service and Marketing Initiatives.

Chair Sutter requested that recordings are made of 2021 Special Board Retreats.

Director Patino thanked the Board for their efforts to make COVID vaccinations are made available to their local communities.

Chair Kalb wished a happy and meaningful Black History Month to Directors and their associated jurisdictions. Chair Kalb announced that a street was commemorated as “Huey Newton Way” in dedication to the work of the Black Panthers.

Director Mei announced that a proclamation was shared condemning anti-Asian sentiments and hate-crimes and asked that Board members stand united against hate against all communities.

15. Adjourned at 7:41pm.
Consent Item 5

TO: East Bay Community Energy Board of Directors

FROM: Nick Chaset, Chief Executive Officer

SUBJECT: Contracts Entered Into

DATE: March 10, 2021

RECOMMENDATION

Accept the CEO’s report on contracts that EBCE has entered, as required by the Administrative Procurement Policy.

Items executed between February 10, 2021 and March 10, 2021;

C-2021-004 UCSF Benioff Children’s Hospital Oakland COVID-19 Community Relief Response Grant Agreement, Grant awarded in the amount of $50,000 to support the purchase of PPE, testing, administering vaccines, and general support in response to the COVID-19 pandemic.

C-2021-005 Axis Community Health (Pleasanton) COVID-19 Community Relief Response Grant Agreement awarded in the amount of $15,000 to support the purchase of PPE, and testing in response to the COVID-19 pandemic.

C-2021-006 People Power Solar Collaborative (Oakland) Second Amendment to Community Innovation Grant Agreement extends termination date to March 1, 2021.

C-2021-007 RE-vovl (San Francisco) First Amendment to Community Innovation Grant Agreement extends termination date to March 1, 2021.

C-2021-008 Environmental Justice Solutions (Richmond, CA) First Amendment to Consulting Services Agreement adds additional compensation in the amount of $9,000, for a total amount not to exceed $34,000, extends the termination date to April 1, 2021.
C-2021-009 Granicus (Denver, CO) First Amendment to Granicus Service Agreement for Connect software patch to incorporate govDelivery with Salesforce. Connect has a $1,650 one-time cost and a $3,499.99 annual fee.

C-2021-010 The Understory (Mill Valley, CA) Consulting Services Agreement for the purposes of providing video, editing, photography, and film making services through June 31, 2021, for an amount not to exceed $75,000.

C-2021-011 Keyes and Fox (San Francisco) Joint Representation Agreement with PCE for A.20-10-011 for legal services re: PG&E Application for Day-Ahead Real Time Rate and Pilot.

C-2021-012 Nicole Arlette Hirsch (Oakland) First Amendment to Consulting Services Agreement adds additional DEI workshop services to the scope of work, adds $31,500 to the compensation for a total amount not to exceed $35,250, extends the termination date to December 31, 2021.

C-2021-013 St. Rose Hospital (Hayward) COVID-19 Community Relief Response Grant Agreement awarded in the amount of $15,000 to support the purchase of PPE and testing in response to the COVID-19 pandemic.

C-2021-014 GRID Alternatives (Oakland) COVID-19 Community Relief Response Grant Agreement awarded in the amount of $33,333 to support job training programs in response to the COVID-19 pandemic.

C-2021-015 Patch Media (New York, NY) Advertising Insertion Order to place ads with Newark Patch and Pleasanton Patch regarding our expansion of service into their city, total compensation is not to exceed $3,000.

C-2021-016 Blue Strike Environmental dba EcoShift Consulting (Monterey, CA) Consulting Services Agreement to provide program modeling services, compensation not to exceed $10,000 through April 30, 2021.

C-2021-017 Washington Hospital Healthcare Foundation (Fremont) COVID-19 Community Relief Response Grant Agreement awarded in the amount of $15,000 to support the purchase of PPE, testing, and vaccinations in response to the COVID-19 pandemic.
ACCOUNTANTS’ COMPILATION REPORT

Board of Directors
East Bay Community Energy Authority

Management is responsible for the accompanying financial statements of East Bay Community Energy Authority (a California Joint Powers Authority) which comprise the statement of net position as of December 31, 2020, and the related statements of revenues, expenses, and changes in net position for period then ended, and the statement of cash flows for period then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. East Bay Community Energy Authority’s annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user’s conclusions about the Authority’s financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

Maher Accountancy
San Rafael, CA
February 4, 2021
## EAST BAY COMMUNITY ENERGY AUTHORITY
### STATEMENT OF NET POSITION
#### As of December 31, 2020

### ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$152,102,654</td>
</tr>
<tr>
<td>Accounts receivable, net of allowance</td>
<td>46,015,272</td>
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<tr>
<td>Accrued revenue</td>
<td>22,975,286</td>
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<tr>
<td>Market settlements receivable</td>
<td>2,421,519</td>
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<tr>
<td>Other receivables</td>
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<tr>
<td>Prepaid energy purchases</td>
<td>2,901,201</td>
</tr>
<tr>
<td>Deposits</td>
<td>1,686,440</td>
</tr>
<tr>
<td>Restricted cash</td>
<td>10,000,000</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>238,190,736</strong></td>
</tr>
<tr>
<td>Noncurrent assets</td>
<td></td>
</tr>
<tr>
<td>Unrestricted cash and equivalents in Rate Stabilization Fund</td>
<td>12,680,000</td>
</tr>
<tr>
<td>Capital assets, net of depreciation</td>
<td>135,043</td>
</tr>
<tr>
<td>Deposits</td>
<td>141,208</td>
</tr>
<tr>
<td><strong>Total noncurrent assets</strong></td>
<td><strong>12,956,251</strong></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>251,146,987</strong></td>
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### LIABILITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current liabilities</td>
<td></td>
</tr>
<tr>
<td>Accrued cost of electricity</td>
<td>47,824,465</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>1,713,502</td>
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<tr>
<td>Accrued payroll and benefits</td>
<td>652,178</td>
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<tr>
<td>Other accrued liabilities</td>
<td>179,932</td>
</tr>
<tr>
<td>User taxes and energy surcharges due to other governments</td>
<td>4,674,809</td>
</tr>
<tr>
<td>Security deposits - energy suppliers</td>
<td>2,298,100</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td><strong>57,342,986</strong></td>
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### DEFERRED INFLOWS OF RESOURCES

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rate Stabilization Fund</td>
<td>12,680,000</td>
</tr>
</tbody>
</table>

### NET POSITION

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment in capital assets</td>
<td>135,043</td>
</tr>
<tr>
<td>Restricted for collateral</td>
<td>10,000,000</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>170,988,958</td>
</tr>
<tr>
<td><strong>Total net position</strong></td>
<td><strong>$181,124,001</strong></td>
</tr>
</tbody>
</table>

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See accountants' compilation report.
## EAST BAY COMMUNITY ENERGY AUTHORITY

### STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET POSITION

**July 1, 2020 through December 31, 2020**

<table>
<thead>
<tr>
<th>OPERATING REVENUES</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity sales, net</td>
<td>248,799,228</td>
</tr>
<tr>
<td>Other revenue</td>
<td>259,649</td>
</tr>
<tr>
<td><strong>Total operating revenues</strong></td>
<td>249,058,877</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OPERATING EXPENSES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of electricity</td>
<td>206,336,484</td>
</tr>
<tr>
<td>Contract services</td>
<td>6,663,055</td>
</tr>
<tr>
<td>Staff compensation</td>
<td>3,479,496</td>
</tr>
<tr>
<td>General and administration</td>
<td>1,181,486</td>
</tr>
<tr>
<td>Depreciation</td>
<td>26,523</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>217,687,044</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>31,371,833</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NONOPERATING REVENUES (EXPENSES)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>388,737</td>
</tr>
<tr>
<td>Financing expense</td>
<td>(438,503)</td>
</tr>
<tr>
<td><strong>Nonoperating revenues (expenses), net</strong></td>
<td>(49,766)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CHANGE IN NET POSITION</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net position at beginning of period</td>
<td>149,801,934</td>
</tr>
<tr>
<td>Net position at end of period</td>
<td>$181,124,001</td>
</tr>
</tbody>
</table>

See accountants' compilation report.  

Consent Item 6
EAST BAY COMMUNITY ENERGY AUTHORITY  
STATEMENT OF CASH FLOWS  
July 1, 2020 through December 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

- Receipts from customers $ 266,992,901
- Other operating receipts 2,670,249
- Payments to suppliers for electricity (204,161,361)
- Payments for other goods and services (8,651,938)
- Payments for staff compensation (3,401,357)
- Tax and surcharge payments to other governments (10,536,926)

Net cash provided (used) by operating activities 42,911,568

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

- Financing expense payments (651,847)

Net cash provided (used) by non-capital financing activities (651,847)

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

- Acquisition of capital assets (27,098)

CASH FLOWS FROM INVESTING ACTIVITIES

- Interest income received 388,737
- Net change in cash and cash equivalents 42,621,360
- Cash and cash equivalents at beginning of period 132,161,294
- Cash and cash equivalents at end of period $ 174,782,654

Reconciliation to the Statement of Net Position

- Unrestricted cash and cash equivalents (current) $ 152,102,654
- Restricted cash and cash equivalents (current) 10,000,000
- Unrestricted cash and cash equivalents (noncurrent) 12,680,000

Cash and cash equivalents $ 174,782,654
## RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income</td>
<td>$31,371,833</td>
</tr>
<tr>
<td>Adjustments to reconcile operating income to net cash provided (used) by operating activities</td>
<td></td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>26,523</td>
</tr>
<tr>
<td>Revenue adjusted for allowance for uncollectible accounts</td>
<td>6,379,467</td>
</tr>
<tr>
<td>(Increase) decrease in:</td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>(2,312,735)</td>
</tr>
<tr>
<td>Market settlements receivable</td>
<td>(441,263)</td>
</tr>
<tr>
<td>Other receivables</td>
<td>22,897</td>
</tr>
<tr>
<td>Accrued revenue</td>
<td>3,155,181</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>4,854,068</td>
</tr>
<tr>
<td>Noncurrent deposits</td>
<td>185,120</td>
</tr>
<tr>
<td>Increase (decrease) in:</td>
<td></td>
</tr>
<tr>
<td>Accrued cost of electricity</td>
<td>(2,495,831)</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>(669,158)</td>
</tr>
<tr>
<td>Accrued payroll and benefits</td>
<td>78,293</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>54,981</td>
</tr>
<tr>
<td>User taxes due to other governments</td>
<td>474,092</td>
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<tr>
<td>Security deposits from energy suppliers</td>
<td>2,228,100</td>
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<tr>
<td>Net cash provided (used) by operating activities</td>
<td>$42,911,568</td>
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</tbody>
</table>
ACCOUNTANTS’ COMPILATION REPORT

Board of Directors
East Bay Community Energy Authority

Management is responsible for the accompanying special purpose statement of East Bay Community Energy Authority (a California Joint Powers Authority) which comprise the budgetary comparison schedule for the period ended December 31, 2020, and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on this special purpose budgetary comparison statement.

The special purpose statement is prepared in accordance with the budgetary basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This report is intended for the information of the Board of Directors of the Authority.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. East Bay Community Energy Authority’s annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user’s conclusions about the Authority’s financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

Maher Accountancy
San Rafael, CA
February 4, 2021
# EAST BAY COMMUNITY ENERGY AUTHORITY
## OPERATING FUND
### BUDGETARY COMPARISON SCHEDULE
**July 1, 2020 through December 31, 2020**

<table>
<thead>
<tr>
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<td>Variance</td>
<td>Over (Under)</td>
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## REVENUE AND OTHER SOURCES

- **Electricity Sales**: $224,456,488, $255,178,695, $30,722,207, 114%, $388,125,000, $132,946,305
- **Uncollectables**: $(5,611,412), $(6,379,467), $(768,055), 0%, $(9,703,000), $(3,323,533)
- **Investment Income**: $615,719, $388,737, $(226,982), 63%, $1,231,000, 842,263
- **Other Income**: 2,149, 2,149, 0%, 275,000, 272,851

**Total Revenue and Other Sources**: $219,460,795, $249,190,114, $29,729,319, 114%, $379,928,000, $130,737,886

## EXPENDITURES AND OTHER USES

### CURRENT EXPENDITURES

- **Cost of energy**: $192,145,981, $206,336,484, $14,190,503, 107%, $347,594,000, $141,257,516
- **Data Management/Billing/Customer Service**: $3,571,101, $3,583,692, $12,591, 100%, $7,704,000, 4,120,308
- **PG&E Service Fees**: $1,190,367, $1,152,026, $(38,341), 97%, $2,396,000, 1,243,974
- **Scheduling**: $330,000, $333,272, $3,272, 101%, $660,000, 326,728
- **Personnel**: $3,714,500, $3,479,496, $(235,004), 94%, $7,429,000, 3,949,504
- **Marketing, Outreach, Communications**: $607,000, $399,609, $(207,391), 66%, $1,214,000, 814,391
- **Legal, Policy, & Regulatory Affairs**: $648,500, $464,692, $(183,808), 72%, $1,297,000, 832,308
- **Other Professional Services**: $672,500, $430,224, $(242,276), 64%, $1,345,000, 914,776
- **General & Administrative**: $1,073,000, $882,649, $(190,351), 82%, $2,146,000, 1,263,351
- **Local Development (Transfer to LD Fund Budget)**: $6,340,000, $6,340,000, - 100%, $6,340,000, -
- **Depreciation**: $30,000, $26,523, $(3,477), 88%, $60,000, 33,477

**Total Current Expenditures**: $210,322,949, $223,428,667, $13,105,718, 106%, $378,185,000, 154,756,333

## DEBT SERVICE

- **Interest**: $402,000, $438,503, $36,503, 109%, $804,000, 365,497
- **Total Expenditures, Other Uses and Debt Service**: $210,724,949, $223,867,170, $13,142,221, 106%, $378,989,000, 155,121,830
- **Net Increase (Decrease) in Available Fund Balance**: $8,735,846, $25,322,944, $16,587,098, 290%, $939,000

See accountants' compilation report.

Consent Item 6
### LOCAL DEVELOPMENT FUND

**BUDGETARY COMPARISON SCHEDULE**

*July 1, 2020 through December 31, 2020*

<table>
<thead>
<tr>
<th>REVENUE AND OTHER SOURCES</th>
<th>2020/21 Annual Budget</th>
<th>2020/21 YTD Actual</th>
<th>2020/21 Budget Remaining</th>
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<td>Transfer from Operating Fund</td>
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<td>Grants/Credits</td>
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<td>257,500</td>
<td>17,500</td>
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<td>Total Revenues and other sources</td>
<td>6,615,000</td>
<td>6,597,500</td>
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<table>
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<th>EXPENDITURES AND OTHER USES</th>
<th>2020/21 Annual Budget</th>
<th>2020/21 YTD Actual</th>
<th>2020/21 Budget Remaining</th>
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</thead>
<tbody>
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<td>CURRENT EXPENDITURES</td>
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<tr>
<td>Program expenses</td>
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<td>7,414,623</td>
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<tr>
<td>Total Expenditures and other uses</td>
<td>8,013,000</td>
<td>598,377</td>
<td>7,414,623</td>
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<tr>
<td>Net Increase (Decrease)</td>
<td>(1,398,000)</td>
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<td>Fund balance at end of period</td>
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<td>$7,397,123</td>
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Consent Item 6
Consent Item 7

TO: East Bay Community Energy Board of Directors

FROM: Todd Edmister - Director of Regulatory Affairs and Deputy General Counsel

SUBJECT: Third Amendment to the NewGen Strategies and Solutions CSA

DATE: March 17, 2021

Recommendation

Adopt a Resolution authorizing the CEO to negotiate and execute a Third Amendment to the Consulting Services Agreement with NewGen Strategies and Solutions, LLC (“NewGen”) to add additional scope of work, compensation, and to extend the term through June 30, 2022.

Background and Discussion

On April 1, 2019, EBCE entered into a Consulting Services Agreement (CSA) with NewGen for expert witness services for a total amount of $18,570. On March 17, 2020, EBCE executed a First Amendment to the CSA to add $15,000 to the not-to-exceed amount and to extend the termination date through June 30, 2021. On March 23, 2020, EBCE executed a Second Amendment to the CSA to modify the scope of work and to increase the not-to-exceed amount by $66,430. EBCE seeks continued assistance from NewGen with this year’s annual Power Charge Indifference Adjustment (PCIA)-filings from Pacific Gas & Electric Company (PG&E) at the California Public Utilities Commission (CPUC), and the upcoming PG&E general rate case (GRC).

PG&E annually makes a series of filings at the CPUC to set the PCIA rate. The PCIA rate, in turn, directly impacts customer costs and EBCE’s ability to offer rates competitive with PG&E bundled customer rates.

PG&E also files a GRC every three years. The GRC, among other things, establishes costs that will feed into the PCIA and into PG&E’s generation rate for bundled customers. The GRC also establishes the rate designs that EBCE will have to match to provide rates competitive with PG&E bundled customer rates.
EBCE participates in CPUC proceedings concerning these filings. EBCE contracts jointly with other community choice aggregators from PG&E’s service territory (Joint CCAs) to hire outside counsel and consultants to support these proceedings. The Joint CCAs then share the litigation costs.

Participation in the annual PCIA-related CPUC proceedings filed by PG&E has saved EBCE customers millions of dollars annually in PCIA-related charges. Participation in PCIA-related proceedings and the GRC has also facilitated EBCE’s ability to offer generation rates competitive with PG&E’s.

NewGen provided expert witness and related consulting services to the Joint CCAs in the PCIA-related proceedings filed in 2019 and 2020. In addition, NewGen is currently providing expert witness services in the current PG&E GRC. NewGen’s services have been critical to the success of the Joint CCAs’ (including EBCE) litigation efforts and the CPUC. The Joint CCAs wish to continue working with NewGen in the next round of these proceedings.

Staff recommends authorizing the CEO to enter into a Third Amendment with NewGen to add additional compensation, increasing the not-to-exceed amount by $60,000 for a total amount not to exceed $160,000, and to extend the termination date through June 20, 2022.

**Fiscal Impact**

This Third Amendment will result in a $60,000 maximum spend through the balance of this fiscal year, through the next fiscal year, and possibly extending into calendar year 2023, depending on the length of the PG&E GRC.

**Attachments**

1. Resolution Authorizing the CEO to Execute the Third Amendment to the Consulting Services Agreement with NewGen Strategies and Solutions.
RESOLUTION NO. __

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CEO TO EXECUTE THE THIRD AMENDMENT TO THE CONSULTING SERVICES AGREEMENT WITH NEWGEN STRATEGIES AND SOLUTIONS, LLC

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, EBCE and NewGen Strategies and Solutions, LLC (“NewGen”) entered into a Consulting Services Agreement dated April 1, 2019 (“Agreement”), wherein NewGen agreed to provide expert witness services to EBCE. EBCE and NewGen subsequently amended the Agreement (“First Amendment”) to add additional compensation and to extend the termination date through June 30, 2021. EBCE and NewGen again amended the Agreement (“Second Amendment”) to provide for task orders as a means of altering the Agreement’s scope of work and to raise the not-to-exceed amount to $100,000.

WHEREAS, from 2019 through the present, NewGen has provided regulatory litigation legal services in support of successful outcomes for EBCE in the Pacific Gas and Electric (“PG&E”) Energy Resource Recovery Account (“ERRA”) and General Rate Case proceedings in front of the California Public Utilities Commission (“CPUC”), while advancing important policy concerns through the CPUC’s PG&E Safety Culture investigation. EBCE would benefit from continued assistance from NewGen for consulting services, including PG&E’s most recent and upcoming ERRA applications, and PG&E’s next General Rate Case.

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

Section 1. The Board of Directors hereby authorizes the CEO to negotiate and execute a Third Amendment to the Consulting Services Agreement with NewGen to increase the not-to-exceed amount by $60,000 for a total amount not to exceed $160,000 and to extend the term through June 30, 2022.
ADOPTED AND APPROVED this 17th day of March, 2021.

________________________________________
Dan Kalb, Chair

ATTEST:

________________________________________
Adrian Bankhead, Assistant Clerk of the Board
TO: East Bay Community Energy Board of Directors

FROM: Jessie Denver, Senior Distributed Energy Resources Manager, Transportation Electrification and Community Resilience

SUBJECT: Approve Resolution Authorizing EBCE CEO to Negotiate and Execute an Amendment to the Agreement with CLEAResult Consulting to Implement an Electric Vehicle Charging Technical Assistance Program for Affordable Multi-Family Properties and Increase the Compensation

DATE: March 3, 2021

Recommendation

Approve a Resolution authorizing EBCE CEO to negotiate and execute an Amendment to the Consulting Services Agreement (“Agreement”) with CLEAResult Consulting (“CLEAResult”) dated October ___, 2020, to implement an Electric Vehicle Charging Technical Assistance program that will facilitate deployment of infrastructure at affordable multi-family properties, and to increase the compensation by $320,000, for a total amount not to exceed $570,000 through December 31, 2021.

Background and Discussion

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 publicly accessible electric vehicle (“EV”) charging infrastructure. Paired with investment from a lead co-funding project partner, the goal of CALeVIP is to provide robust financial incentives to meet California’s goals and mandates:

- 1.5 million zero emission vehicles (“ZEV”) on roadways and 250,000 chargers by 2025
- 5 million ZEVs in operation by 2030
- All new passenger vehicles sold in California must be zero-emission by 2035
ZEVs include pure battery plug-in EVs, plug-in hybrid EVs, and hydrogen fuel cell EVs and are transportation technologies essential to achieving the state’s renewable energy, air quality, equity and climate change goals.¹ In Alameda County today there are approximately 1.2 million internal combustion vehicles registered to drivers, and just 35,000 light duty ZEVs.² To meet the states goals this figure will need to increase to approximately 59,000 ZEVs by 2025 and nearly 200,000 light, medium and heavy-duty ZEVs by 2030.

A lack of charging infrastructure is a clear and significant barrier to market adoption in EBCE’s service area. To that end, the CEC has selected Alameda County for 2021 CALeVIP program investment ($14.5 million).

• The CEC investment will be $14.5 million in year one (2021) of the program
• EBCE is the sole co-funding partner to the CEC for the Alameda County CALeVIP program and in May 2020 the EBCE Board approved:
  o $14.5 million for incentives (over 4 years) and
  o $1,015,000 for program administration (including technical assistance)
• The EBCE investment will be $3 million in year one (2021) of the program
• The Alameda County CALeVIP program will launch Quarter 4 of 2021

Please note, San Joaquin County currently has a CEC CALeVIP program for customers in the City of Tracy.³ However, affordable multi-family property owners in the City of Tracy will be eligible for EBCE’s technical assistance program.

**Affordable Multi-family Property Technical Assistance**

Through CALeVIP the CEC includes an incentive adder for Level 2 charging at multi-family properties, and another Level 2 incentive adder for multi-family properties in disadvantaged communities (“DAC”) per CalEnviroScreen 3.0 and low-income designated communities (“LIC”) per AB 1550. In coordinating development of the Alameda County CALeVIP program with the CEC, EBCE data analysis identified that affordable multi-family properties outside of DAC/LIC eligibility areas, despite serving low-income residents, would not have equal access to these incentive adders. Affordable multi-family properties are defined as at or below 80% of the Area Median Income (“AMI”), per State of California.

To support its request that the CEC extend its Level 2 multi-family incentive adder beyond DAC/LIC boundaries, staff mapped relevant data and found that 27% of all affordable multi-family properties would otherwise be left out from benefiting from the adder. In turn, the CEC approved EBCEs request to ensure affordable multi-family property owners who manage sites across Alameda County have the ability to deploy Level 2 charging infrastructure equitably for their tenants where technically and economically feasible.

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¹ [https://www.cpuc.ca.gov/zev/](https://www.cpuc.ca.gov/zev/)
² DMV.ca.gov. Fuel Type by County as of 1/1/2019
³ [https://calevip.org/incentive-project/san-joaquin-valley](https://calevip.org/incentive-project/san-joaquin-valley)
To help create a robust pipeline of project applications prior to CALeVIP program launch, a key component of program administration will be offering no-cost technical assistance to affordable multi-family properties. In Alameda County this includes 230 eligible properties across 41 major developers / service providers and public housing authorities. These 230 properties each have 80% plus of rental units at or below 80% AMI. EBCE will also engage properties with as low as 50% of the units being at or below 80% AMI. This will add 10 additional affordable properties to the outreach portfolio.

Within this identified market segment, EBCE will:

- Conduct outreach to stakeholders about the no-cost technical assistance offer
- Contract with a Consultant who will conduct site evaluations at affordable multi-family properties and prepare project reports (assess existing electrical capacity; parking layout included deeded vs. non-deeded; make recommendations regarding EV charging type, count, layout and capital and operational costs).
- Continue to engage with stakeholders once project reports have been delivered to encourage submittal of CALeVIP incentive applications.

Technical Assistance Consultant

In 2020 EBCE issued a Request for Proposals for professional services to assist in the development and implementation of a program designed to increase electricity system reliability through demand reduction solutions. CLEAResult submitted a proposal highlighting their energy efficiency experience as well as their extensive experience implementing local EV charging infrastructure programs. This included working with PG&E on their Electric Vehicle Charge Network program. In October 2020 EBCE and CLEAResult entered into a Consulting Services Agreement.

Staff aims to offer its EV Charging Technical Assistance program to affordable multi-family property owners beginning no later than April 2021. This will ensure these EBCE customers have adequate time to prepare for the launch of CALeVIP incentives later this year. In turn, staff is seeking authorization for the CEO to negotiate and execute an amendment to the CLEAResult Consulting Services Agreement to add these additional services and increase the compensation by $320,000.

Fiscal Impact

This Amendment will be funded with $320,000 from the previously approved Local Development Budget.
Attachments

A. Resolution Authorizing EBCE CEO to Negotiate and Execute an Amendment to the Agreement with CLEAResult Consulting to Implement an Electric Vehicle Charging Technical Assistance Program for Affordable Multi-Family Properties and Increase the Compensation
RESOLUTION NO.__
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EAST BAY COMMUNITY ENERGY AUTHORITY APPROVING THE SECOND AMENDMENT TO THE CONSULTING SERVICES AGREEMENT WITH CLEARESULT CONSULTING TO PROVIDE SUPPORT FOR AN ELECTRIC VEHICLE TECHNICAL ASSISTANCE PROGRAM FOR AFFORDABLE MULTI-FAMILY PROPERTIES

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 in May 2020 the EBCE Board approved the California Electric Vehicle Infrastructure Project (“CALeVIP”) investment program which will provide incentives for publicly accessible Level 2 and Direct Current Charging Infrastructure across Alameda County in 2021,

WHEREAS the Board approved CALeVIP budget included $14.5 million for incentives (over 4 years) and $1,015,000 for program administration (including for a technical assistance consultant),

WHEREAS in 2020 EBCE issued a Request for Proposals for professional services to assist in the development and implementation of demand side programs designed to increase electricity system reliability,

WHEREAS CLEResult Consulting was selected for their experience and EBCE entered into a Consulting Services Agreement with CLEResult Consulting dated October __, 2020.; and

WHEREAS EBCE desires to amend the existing Agreement with CLEResult Consulting to add to the scope of work and increase the budget in order to offer EV Charging Infrastructure technical assistance to affordable multi-family property owners in advance of CALeVIP program launch in Quarter 4 2021.

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

Section 1. The Board of Directors hereby authorizes the CEO to negotiate and execute an Amendment to the Consulting Services Agreement with CLEResult Consulting to increase the total compensation by $320,000, for a total amount not to
exceed $570,000, and to add new scope to the Agreement as described in this Resolution, to be approved by the General Counsel.

ADOPTED AND APPROVED this 17th day of March, 2021.

_______________________________
Dan Kalb, Chair

ATTEST:

_______________________________
Adrian Bankhead, Assistant Clerk of the Board
Recommendation

Adopt a Resolution authorizing the CEO to negotiate and execute the Third Amendment to the Consulting Services Agreement with TRC Engineers, Inc. (“TRC”) dated March 21, 2019, to add new scope and personnel, extend the term, and allocate an additional $50,000 to the Agreement, for total compensation not to exceed $290,000.

Background and Discussion

TRC has provided crucial technical assistance to more than eight of EBCE’s member agencies as they pursue reach code implementation within their service areas. Reach codes leverage unique local government jurisdiction to enact planning ordinances and building code policies that are more stringent than those adopted by the State of California. These reach codes support the implementation of all-electric new construction and electric vehicle readiness measures. As buildings have life expectancies in the decades or centuries, these reach codes help ensure that newly constructed buildings will support EBCE and the State of California’s goals for greenhouse gas mitigation.

In June of 2020, TRC was selected through an informal solicitation to support the implementation of a grant program focused on kitchen electrification in EBCE’s service area. At the conclusion of the grant cycle, the sole applicant - the City of Berkeley - was selected for support in electrifying two senior center kitchens run by
the City of Berkeley. This project will replace old, existing natural gas stoves with pilot lights, providing greenhouse gas reductions and improving air quality in a facility that serves sensitive individuals. At the conclusion of the grant term, EBCE staff worked with TRC to redesign the program, hoping to expand the potential applicant pool and reduce the barriers to accessing the funding. EBCE now seeks modifications of the scope with TRC to accommodate the new program design, and additional compensation to cover those services.

The Amendment to the Consulting Services Agreement will incorporate lessons learned from the first years of implementation of these two programs and add funding to allow more EBCE jurisdictions and customers to participate in these programs.

**Fiscal Impact**

The funding for this Amendment has already been budgeted in the Local Programs budget under the Building Electrification line item.

**Attachments**

A. Resolution Authorizing the Third Amendment to the Consulting Services Agreement with TRC Engineers
RESOLUTION NO.__
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EAST BAY COMMUNITY ENERGY AUTHORITY AUTHORIZING THE THIRD
AMENDMENT TO THE CONSULTING SERVICES AGREEMENT WITH TRC ENGINEERS

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 in February 2019 the Board of Directors authorized the CEO to
execute a Consulting Services Agreement with TRC Engineers, Inc. (“TRC”) to support
reach code development in the EBCE service area, with compensation not to exceed
$200,000. TRC has supported eight EBCE member agencies (Fremont, Hayward,
Emeryville, Piedmont, Albany, Oakland, Dublin, Berkeley) in the pursuit of all electric
reach codes, providing a high level of support and helping EBCE achieve greenhouse
gas reduction goals in the EBCE service area.

WHEREAS in February of 2020, the Board authorized an Amendment to the
Consulting Services Agreement with TRC to allocate additional funds in the amount of
$20,000 to support reach code services to cities. The EBCE Board authorized a second
Amendment to the Consulting Services Agreement June of 2020 to add scope and an
additional $20,000 for TRC to support kitchen electrification efforts in the EBCE
service area.

WHEREAS with the inclusion of new communities and the continuation of reach
code efforts across the EBCE service area, EBCE staff now seek additional resources to
support both new community reach code development as well as support successful
implementation of existing reach codes, including for the electrification of existing
municipal facilities.

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

Section 1. The Board of Directors hereby authorizes the CEO to negotiate and
execute a Third Amendment to the Consulting Services Agreement with TRC to add
$50,000 to the budget, increasing the compensation to an amount not to exceed
$290,000, to extend the term of the Agreement, and modify the scope to allow for
the continuation and expansion of services to support EBCE’s member agencies and to
support the adoption of kitchen electrification, to be approved by the General Counsel.

ADOPTED AND APPROVED this 17th day of March, 2021.

________________________________________
Dan Kalb, Chair

ATTEST:

________________________________________
Adrian Bankhead, Assistant Clerk of the Board
TO: East Bay Community Energy Board of Directors

FROM: Nick Chaset, Chief Executive Officer

SUBJECT: CEO Report (Informational Item)

DATE: March 17, 2021

__________________________________________________________________

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

Executive Committee Meeting
An Executive Committee Meeting was held on Friday, February 26, 2021. Members received an update regarding the formation of the California Community Choice Financing Authority to issue municipal bonds for prepay transactions, an update on legislative positions, and an overview of the SMUD EnergyHELP program. The next meeting is scheduled for Friday, March 26, 2021 at 12 pm.

Finance, Administration and Procurement Subcommittee Meeting
The Finance, Administration and Procurement Subcommittee Meeting was held on March 10, 2021. Members received an overview of the Q2 unaudited financial statements and on Aged Receivables. Additional topics on the formation of the California Community Choice Financing Authority for prepay transactions, an overview of community banks and credit unions, and a presentation on the impact of the ERCOT February extreme weather event are being deferred to the next meeting. The 2021 Finance, Administration and Procurement Subcommittee Meeting schedule has yet to be determined.

Marketing Regulatory and Legislative Subcommittee Meeting
The first meeting of the Marketing, Regulatory and Legislative Subcommittee meeting is scheduled for Thursday, April 1, 2021 from 12-2pm.
**Special Board Retreat Meetings**
A Special Board Retreat was held on Friday, March 10, 2021. Members received an update on Local Development activities and initiatives that are currently in process and planned for the remainder of FY’21 and into FY’22.

The Special Board Retreat schedule has been updated as follows:
- April: Technology & Analytics
- May: Power Procurement
- June: Regulatory/PCIA
- July: Marketing

**Marketing and Account Services Update**

**New Communities Enrollment Statistics**
The follow table represents enrollment statistics as of March 9, 2021.

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<tr>
<td>Pleasanton</td>
<td>552</td>
<td>1.64%</td>
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<tr>
<td>TOTAL</td>
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**Outreach**
EBCE staff hosted two webinars in late February focused on commercial customers within the new communities. A recording can be found at [https://ebce.org/documents-and-resources/](https://ebce.org/documents-and-resources/). Additional webinars targeted to residential customers will be held on March 10, 17, and 24. An additional webinar for solar customers will be held on March 18. Details on these webinars is available at [https://ebce.org/news-and-events/](https://ebce.org/news-and-events/).

**Notification**
The second required customer notification will be mailed or emailed throughout March. Copies of the hard copy notices are provided as attachments to this report.

**Time of Use Transition**
Commercial customers throughout the EBCE service territory and all of PG&E territory will transition to new time of use “B” rates throughout March. Information on these rates is available in the one-page informational sheet provided as an attachment to this report.

**Rate Updates**
PG&E changed their generation rates on March 1, 2021. EBCE is working with our data management provider to make the appropriate updates to the EBCE generation rates.
Updates are anticipated to deploy on March 26, with an effective date of March 1. Staff will post updated rate sheets to the website at https://ebce.org/rates/.

**Attachments**

A. Newark Notice 2  
B. Pleasanton Notice 2  
C. Tracy Notice 2  
D. New Commercial & Industrial Time of Use Rates Info Sheet
Welcome to the EBCE community!

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现有一家新的电力供应商供您选择。

You don’t need to do a thing to take advantage of our green service and lower rates. Newark customers will automatically receive EBCE’s Bright Choice service, with greener energy priced 1% below PG&E rates (including all fees).

No tiene que hacer nada para aprovechar nuestro servicio más sustentable y las tarifas bajas. Los clientes de Newark recibirán automáticamente el servicio del programa Bright Choice de EBCE, con energía más limpia a un costo del 1 % menos que las tarifas de PG&E (incluidos todos los cargos).

您无需任何手续即可直接享受更清洁的供电服务和更优惠的电费。纽瓦克市（Newark）用户将自动接受EBCE的Bright Choice服务，其电能更为清洁，电费（包括所有费用）比PG&E要低1%。
In 2019, the Newark City Council unanimously voted to join East Bay Community Energy (EBCE), a local public power agency that already serves most of Alameda County. Starting in April, our service will expand to your community.

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**PG&E delivers the energy:**
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Benefits

More renewable energy: EBCE has signed contracts for 700 megawatts of new wind, solar, and battery energy storage at long-term low rates.

Local Investments: EBCE is offering our own local energy programs to help customers install clean energy technologies, and in 2020 we donated over $2 million to local COVID relief efforts.

Choices: You can switch to our Brilliant 100 service anytime for carbon-free energy at the same rates as PG&E or Renewable 100 service that is 100% renewable energy.

For more information please visit ebce.org/newark

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Elecciones: Puede pasarse a nuestro servicio Brilliant 100 en cualquier momento para tener energía libre de carbono con las mismas tarifas que PG&E, o al servicio Renewable 100, que consta de energía 100 % renovable.

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多种选择: 您可以随时转至电费与 PG&E 相同的 Brilliant 100 服务享用无碳能源, 或转至 Renewable 100 服务享用 100% 可再生能源。

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Hello!  ¡Hola!  你好

Pleasanton

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2019 年，普莱森顿 (Pleasanton) 市议会一致表决同意加入东湾社区能源 (EBCE)。我们 EBCE 是一家地方性的公共供电机构，已在为阿拉米达县 (Alameda County) 的大部分地区提供服务。从 4 月开始，我们的服务范围将扩展至您所在的社区。

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EBCE 的电能由太平洋瓦斯与电力公司 (PG&E) 负责输送给用户。用户也一如既往需要向 PG&E 支付输电费用。

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EBCE is offering our own local energy programs to help customers install clean energy technologies, and in 2020 we donated over $2 million to local COVID relief efforts.

**Choices:**
You can switch to our Bright Choice service anytime for rates lower than PG&E or Renewable 100 service that is 100% renewable energy.

**For more information please visit ebce.org/pleasanton**

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**Elecciones:**
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EBCE 为用户提供独有的地方供电计划，帮助用户安装清洁能源技术相关设施。2020 年，我们也为缓解本地的新冠肺炎疫情捐赠了 200 多万美元。

**多种选择:**
您可以随时转至电费低于 PG&E 的 Bright Choice 服务，或转至 Renewable 100 服务享用 100% 可再生能源。
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Hello! | ¡Hola! | 你好

Tracy

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New Commercial & Industrial Time of Use Rates Available Now

Mandatory transition occurs March 2021

Why Time of Use rates & why are they changing?

As California moves toward cleaner and more renewable energy, it makes sense to use energy when demand is lower and renewable energy is more plentiful.

Under Time of Use (TOU) rates, electricity prices vary between peak, partial peak, off-peak, and super off-peak times. These price changes heavily correspond to available renewable energy, encouraging the use of electricity when it is cleanest and cheapest.

While most EBCE commercial electrical customers are already on TOU rates, periods of peak pricing have evolved in recent years. In order to achieve California’s climate goals and manage procurement costs, EBCE and PG&E are coordinating to transition all commercial accounts to new Time of Use rates.

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Additionally, in alignment with PG&E’s changes, EBCE rate names will change for ease of understanding. These can be seen here:

<table>
<thead>
<tr>
<th>C&amp;I Current Rates</th>
<th>New C&amp;I Rate Names</th>
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<tbody>
<tr>
<td>A-1</td>
<td>Bus Low Use (B-1)</td>
</tr>
<tr>
<td>A-6</td>
<td>Bus Low Use Alt (B-6)</td>
</tr>
<tr>
<td>A-10</td>
<td>Bus Med Use (B-10)</td>
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<tr>
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</table>

How are the Time of Use rates changing?

Time of Use rates vary by time of day and season. The new C&I Time of Use rates, also known as “B Rates”, include changes to both the seasons and the hours.

Seasons

- For legacy rates there were just two seasons, Winter (November 1 - April 30) and Summer (May 1 - October 31) and were applicable Monday through Friday only.
- For the new C&I rates there are essentially three seasons, Winter (October 1 - end of February), Spring (March 1 - May 31) and Summer (June 1 - September 30) and the rates are applicable 7 days a week. “Note that the “Spring Season” is technically part of the Winter Season, but including a Super off-peak period.

<table>
<thead>
<tr>
<th>Legacy Rates M-F</th>
<th>New B Rates 7 days/week</th>
</tr>
</thead>
<tbody>
<tr>
<td>Winter</td>
<td>Winter</td>
</tr>
<tr>
<td>Winter</td>
<td>Winter</td>
</tr>
<tr>
<td>Summer</td>
<td>Summer</td>
</tr>
<tr>
<td>Winter</td>
<td>Winter</td>
</tr>
</tbody>
</table>

Time of Day

Under TOU rates, the pricing varies by hour, with the most expensive prices being during the “peak period”.

- Under the new B rates, the peak period is being shortened and moved to later in the day.
- A new period, “super off peak”, where rates are lowest is included in the Spring season from 9am to 2pm.
- The new rates include a “partial peak” period in the summer months only.

<table>
<thead>
<tr>
<th>Off-Peak</th>
<th>Super off-peak</th>
<th>Peak</th>
<th>Partial peak</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower energy cost</td>
<td>Lowest energy cost</td>
<td>Highest energy cost</td>
<td>Medium energy cost</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Winter</th>
<th>Spring</th>
<th>Summer</th>
</tr>
</thead>
<tbody>
<tr>
<td>October 1 - End of February</td>
<td>March 1 - May 31</td>
<td>June 1 - September 30</td>
</tr>
</tbody>
</table>

12am 2 4 6 8 10 12pm 2 4 6 8 10 12am
The second page of this notice contains several graphs to help visualize the difference in the rates, by hour, for a low use small business. The TOU changes are applicable for PG&E transmission and delivery charges and EBCE generation and demand charges (as well as PG&E generation and demand charges for non EBCE customers). For illustrative purposes, the graphs below show relative generation rates for a small or medium usage business in 2019. For actual rates, please visit www.pge.com/tariffs.

EBCE Generation Charge by Hour ($/kWh) for Small to Medium Businesses

Winter (October 1 - End of February)

Spring (March 1 - May 31)

Summer (June 1 - September 30)

If you have additional questions about the rate changes you can visit the EBCE TOU webpage at ebce.org/timeofuse, email customer-service@ebce.org or call 1-833-699-EBCE (3223)
Recommendation

Receive an update on EBCE’s Legislative Program and Senate Bill (“SB”) 612, and take a “support” position on Assembly Bill (“AB”) 427 (Bauer-Kahan), AB 525 (Chiu), AB 843 (Aguiar-Curry), AB 1539 (Levine), anticipated budget bill (Ting), SB 31 (Cortese), SB 52 (Dodd), SB 99 (Dodd), SB 345 (Becker), and SB 551 (Stern), and a “support if amended” position on AB 1087 (Chiu).

Background and Discussion

In July 2018 the EBCE Board approved a Legislative Program which outlined three general legislative principles and five more specific public policy positions, as well as guidance for legislative policy coordination. The Legislative Program has been updated with a few clarifications and edits to names/addresses, however the principles and positions are the same. EBCE’s updated Legislative Program is provided for reference as an attachment to this item.

At the February 26, 2021 EBCE Board Executive Committee Meeting, the committee approved taking a “support” position on SB 612 (Portantino). SB 612 was amended as anticipated, on March 9, 2021, and is sponsored by the California Community Choice Association (“CalCCA”). The bill language will ensure fair and equal access to the benefits of legacy resources held in investor-owned utility (“IOU”) portfolios and address the management of the resources to maximize value for all customers. SB 612 aims to ensure that Community Choice Aggregation (“CCA”) customers receive the benefits associated with the departed load costs they bear. EBCE sent a letter in support of SB 612 to the author’s office on March 1, 2021.

Recommended EBCE Bill Positions:
- **SUPPORT: **AB 427 (Bauer-Kahan) would require the California Public Utilities Commission (“CPUC”) to establish rules around resource adequacy (“RA”) counting for resources that are not participating in the wholesale energy market. It would allow behind-the-meter distributed energy resources (“DERs”) to deliver RA and require the establishment of a capacity valuation methodology for behind-the-meter energy storage and hybrid resources. Many of our DER partners have been seeking changes to the CPUC’s RA counting methodology to ensure their resources get full credit for the reliability value they provide. Bauer-Kahan is a member of EBCE’s legislative delegation. Supporting her bill would potentially enable local DER providers to produce and sell more qualifying RA.

- **SUPPORT: **AB 525 (Chiu) would require the California Energy Commission (“CEC”) to develop a strategic plan to achieve at least 10,000 MW of offshore wind off the California coast by 2040, with at least 3,000 MW by 2030. It would also require the CPUC to include offshore wind in its IRP analysis. Sen Eggman, a member of EBCE’s legislative delegation, is a co-author. The bill is sponsored by the American Clean Power – California Association and the Coalition of Utility Employees. The state may be able to leverage federal activity and funding in support of increased offshore wind development. EBCE could benefit from the development of additional renewables options in California that support grid reliability and from reductions in the cost of offshore wind energy products as the technology matures.

- **SUPPORT: **AB 843 (Aguiar-Curry) would allow CCAs to enter into Bioenergy Market Adjusting Tariff (“BioMAT”) contracts and recover related costs through the existing nonbypassable charge for the CPUC’s BioMAT program. This bill is sponsored by several CCAs. EBCE is not interested in contracting for BioMAT at the moment. However, allowing CCAs to utilize the same cost recovery mechanism that the IOUs use for public purpose-oriented procurement on behalf of the public good sets a positive precedent; EBCE staff accordingly recommends supporting this bill.

- **SUPPORT IF AMENDED: **AB 1087 (Chiu) would reallocate funding from the California Climate Credit towards a new streamlined grant program for climate resiliency oriented building upgrades to “community hubs”. This bill is sponsored by the Asian Pacific Environmental Network, Natural Resources Defense Council, and California Environmental Justice Alliance, and the goal is to assist disadvantaged community customers through increased access to resilience programs. The bill currently relies on the IOUs or a third-party administrator to administer the grants and provide technical assistance to customers; EBCE would seek an amendment that would allow CCAs to administer grants and provide technical assistance to the communities that the CCA serves, streamlining the grant process and providing value due to the CCA’s deeper connections with its customers and communities.
• SUPPORT: AB 1539 (Levine) would require that the Electric Vehicle Infrastructure Training Program courses remain available in an online format indefinitely instead of through 12/31/2024. The CEC would be required to reasonably assess the reasonableness of the fees assessed by the program. EBCE is expecting its CALeVIP grantees to utilize the training program for contractor certification and finds value in ensuring the training remains available post-2024.

• SUPPORT: Anticipated draft budget bill (bill number TBD) (Ting) would reallocate funds collected and unencumbered for the New Solar Homes Partnership (“NSHP”) Program to two programs to be administered by the Energy Commission: Grid-Smart New Solar Homes Program (72%) and the Local Permitting Support Program (28%). The Grid-Smart program would offer incentives for residential buildings with grid-responsive technology or energy storage systems. The Local Permitting Support program would offer local governments grants to adopt automated permitting systems, including remote inspections and trainings, to support reducing GHG emissions from homes. The NSHP funds are unused, and this bill would ensure that the funds are applied towards supporting residential building decarbonization. This bill language is in draft form and hasn’t gone to Leg Counsel yet; NRDC appears to be a sponsor. EBCE staff is recommending supporting the bill once it is in print assuming it doesn’t change substantially from the draft form.

• SUPPORT: SB 31 (Cortese) would require the CEC to identify and implement programs to promote existing and new building decarbonization. It would authorize expending federal funds for these projects. Furthermore, it would require the CEC under its EPIC program to award funds for projects benefiting electric ratepayers and leading to development of building decarbonization technologies and investments to reduce greenhouse gases in those buildings. EBCE staff recommend support as the bill would support additional funding, which is one of the biggest obstacles to building decarbonization efforts today.

• SUPPORT: SB 52 (Dodd) would expand the definition of sudden and severe energy shortage to include deenergization events. This would make a deenergization event a condition constituting a state of emergency and a local emergency, enabling state and local government action and resources. EBCE staff recommends supporting as deenergization events can be disruptive for our communities and this change in definition would give our local governments enhanced tools for responding.

• SUPPORT: SB 99 (Dodd) would require the CEC to develop and implement a grant program for local governments to develop community energy resilience plans. EBCE staff recommends supporting, as our cities may benefit from the technical guidance and financial assistance enabled by the CEC grants.
• SUPPORT: SB 345 (Becker) would require the CPUC to establish common definitions of nonenergy benefits, and incorporate those common definitions into DER programs and projects. Importantly, the bill would require that the nonenergy benefits produced are tracked in DER program evaluations. This bill is supported by Greenlining Institute, 350 Silicon Valley, California Housing Partnership, California League of Conservation Voters, Courage California, Environmental Defense Fund, GRID Alternatives, Menlo Spark, NRDC, People Organizing to Demand Env. & Economic Rights, Rising Sun Center for Opportunity, Self-help Enterprises, and Voices for Progress. EBCE staff recommends supporting because a more rigorous and sustained commitment to measuring and assessing nonenergy benefits of DER programs could ensure that environmental justice communities have more equitable access to programs, and aligns well with EBCE’s Local Development Business Plan which also takes into account nonenergy benefits of EBCE’s investments.

• SUPPORT: SB 551 (Stern) would establish a new California Electric Vehicle Authority in the Governor’s office, enabling better state agency coordination on deployment of EVs and zero emission charging infrastructure. The authority would also be tasked with creating funding and financing tools to support deployments, and with prioritizing equity. This bill is sponsored by Los Angeles Cleantech Incubator (LACI) and Transportation Electrification Partnership (TEP). EBCE staff helped participate in the development of the bill idea through its participation in the TEP. As many agencies are implementing EV programs but without much central coordination, EBCE staff believe that funding and effectiveness of deployment could be improved through additional coordination in the Governor’s office.

**Fiscal Impact**
SB 31 may result in additional funding for building decarbonization through the CEC. SB 99 may result in additional grant funding for local governments. SB 551 may result in additional funding and financing tools to support deployment of electric vehicles.

**Attachments:**
A. March 17, 2021 Legislative Update
B. EBCE Legislative Program
EBCE’s Legislative Program

First Approved by the EBCE Board in 2018
Updated March 2021 with clarifying edits and updates to EBCE Board Members and staff contact information

General Legislative Principles
Accelerating Decarbonization
Promoting Local Development
Stabilizing Community Choice
EBCE’s Legislative Program

EBCE Public Policy Positions

Nonbypassable Charges
Disadvantaged Communities
Environmental Sustainability
Finance
Educational, Neighborhood, and Social Services
Key Deadlines for the 2021 Legislative Year

- 1/8: Governor submitted budget
- 1/11: Legislature reconvened
- 2/19: Bill introduction deadline
- 4/30: Policy cmtes to move fiscal bills to fiscal cmtes (1st house)
- 5/7: Policy cmtes to move nonfiscal bills to floor (1st house)
- 5/21: Fiscal cmtes must move bills to floor (1st house)
- 6/4: Each house to pass bills introduced in that house
- 6/15: Budget bill must be passed
- 7/14: Policy cmtes to meet and report bills (2nd house)
- 8/27: Fiscal cmtes to move bills to floor (2nd house)
- 9/10: Last day for each house to pass bills
- 10/10: Last day for Governor to sign/veto bills
Key Energy Themes Emerging in 2021

- Building Decarbonization
- Clean Energy + Storage – technologies, counting rules, tariffs
- De-Energization
- Grid Reliability / Resource Adequacy
- Central Procurement
- Equity
<table>
<thead>
<tr>
<th>Bill #</th>
<th>Author</th>
<th>Description</th>
<th>Status</th>
<th>EBCE Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>SB 612</td>
<td>Portantino</td>
<td>CalCCA-sponsored bill: Requires electrical corporations to annually offer for the following year an allocation of each product arising from legacy resources that departed load customers currently bear cost responsibility for through the PCIA. Requires the CPUC to recognize and account for the value of all products in the legacy portfolio in determining the PCIA. Requires electrical corporations to conduct an annual solicitation to seek modifications from any willing parties to existing electricity purchase agreements to reduce the total procurement costs on a present value basis over the remaining life of the agreements.</td>
<td>Amended 3/9; awaiting cmte referral</td>
<td>SUPPORT: letter sent 3/1</td>
</tr>
<tr>
<td>Bill #</td>
<td>Author</td>
<td>Description</td>
<td>Status</td>
<td>Recommended EBCE Position</td>
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<tr>
<td>AB 427</td>
<td>Bauer-Kahan</td>
<td>Requires CPUC to establish rules governing the intersection of demand response, energy storage including customer-sited distributed generation plus storage, and RA.</td>
<td>Asm U&amp;E Cmte</td>
<td>SUPPORT</td>
</tr>
<tr>
<td>AB 525</td>
<td>Chiu</td>
<td>Requires CEC to develop plan to achieve 10,000 MW offshore wind by 2040; requires CPUC to include offshore wind in IRP.</td>
<td>Asm U&amp;E Cmte</td>
<td>SUPPORT</td>
</tr>
<tr>
<td>AB 843</td>
<td>Aguiar-Curry</td>
<td>Allows CCAs to enter into Bioenergy Market Adjusting Tariff (BioMAT) contracts and recover related costs through the existing nonbypassable charge for the BioMAT program.</td>
<td>Asm U&amp;E Cmte</td>
<td>SUPPORT</td>
</tr>
<tr>
<td>AB 1087</td>
<td>Chiu</td>
<td>EJ Community Resilience Hubs. Reallocates funding from CA Climate Credit towards streamlined grant program for climate resiliency improvements to buildings that constitute community hubs. Building upgrades such as improved bldg insulation, clean energy microgrids installation for backup power, and air filtration systems to combat wildfire smoke.</td>
<td>Asm U&amp;E Cmte</td>
<td>SUPPORT IF AMENDED</td>
</tr>
<tr>
<td>AB 1539</td>
<td>Levine</td>
<td>Requires CEC’s EV infrastructure training course to remain available in an online format indefinitely.</td>
<td>Asm U&amp;E Cmte</td>
<td>SUPPORT</td>
</tr>
<tr>
<td>TBD</td>
<td>Ting</td>
<td>Draft – not yet in print. Bill concept is to reallocate unused funds from the New Solar Homes Partnership Program and apply them to two new programs to be administered by the CEC for residential building decarbonization efforts and grants to local governments to adopt automated permitting systems to support reducing home GHG emissions.</td>
<td>Budget Bill – likely to be heard in cmte week of 3/22</td>
<td>SUPPORT</td>
</tr>
<tr>
<td>Bill #</td>
<td>Author</td>
<td>Description</td>
<td>Status</td>
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<tr>
<td>SB 31</td>
<td>Cortese</td>
<td>Requires CEC to identify/implement programs to promote existing &amp; new building decarb. Would authorize expending fed funds for these projects. Would require CEC under EPIC to award funds for projects benefiting electric ratepayers &amp; leading to development of building decarbonization technologies and investments to reduce GHG in those bldgs.</td>
<td>Sen EUC Cmte hearing 3/15</td>
<td>SUPPORT</td>
</tr>
<tr>
<td>SB 52</td>
<td>Dodd</td>
<td>Expands sudden and severe energy shortage definition to include deenergization events, constituting state of emergency and local emergency.</td>
<td>Sen Approps Cmte hearing 3/22</td>
<td>SUPPORT</td>
</tr>
<tr>
<td>SB 99</td>
<td>Dodd</td>
<td>Community Energy Resiliency Act of 2021. Requires the CEC to develop and implement a grant program for local govts to develop community energy resilience plans.</td>
<td>Sen EUC Cmte</td>
<td>SUPPORT</td>
</tr>
<tr>
<td>SB 345</td>
<td>Becker</td>
<td>Requires the CPUC to establish common definitions of nonenergy benefits, incorporate into DER programs and projects, and track nonenergy benefits produced in DER program evals.</td>
<td>Sen EUC Cmte hearing 3/15</td>
<td>SUPPORT</td>
</tr>
<tr>
<td>SB 551</td>
<td>Stern</td>
<td>Establishes California EV Authority in the Governor’s office, responsible for coordinating state agency activities to deploy EV and zero emission charging infrastructure, create funding/financing tools to support deployments, prioritize equity</td>
<td>Sen Governmental Org Cmte</td>
<td>SUPPORT</td>
</tr>
<tr>
<td>Bill #</td>
<td>Author</td>
<td>Description</td>
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<td>EBCE Position</td>
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<tr>
<td>AB 64</td>
<td>Quirk</td>
<td>Requires agencies to develop strategy to achieve zero-carbon electricity policy in cost-effective and environmentally friendly manner, including energy storage methods/technologies.</td>
<td>Asm U&amp;E Cmte</td>
<td>WATCH</td>
</tr>
<tr>
<td>AB 965</td>
<td>Levine</td>
<td>Requires Dept of Housing and Community Devel to update CALGreen to ensure EV charging infrastructure for parking spaces in existing multifamily dwellings and nonresidential development.</td>
<td>Awaiting referral</td>
<td>WATCH</td>
</tr>
<tr>
<td>AB 1088</td>
<td>Mayes</td>
<td>Establishes CA Procurement Authority to fill in procurement gaps if LSEs lack adequate RA and IRP resources; serves as POLR if IOU exits retail service.</td>
<td>Asm U&amp;E Cmte</td>
<td>WATCH</td>
</tr>
<tr>
<td>AB 1139</td>
<td>Gonzalez</td>
<td>Increases avg CARE discount level. Repeals current NEM tariff and requires new NEM tariff based on wholesale rates.</td>
<td>Asm U&amp;E Cmte</td>
<td>WATCH</td>
</tr>
<tr>
<td>AB 1161</td>
<td>E.Garcia</td>
<td>Requires Dept of Water Resources (DWR) to procure 100% of electricity for state agencies by 12/31/2030. Requires LSEs to provide confidential pricing info to DWR.</td>
<td>Asm U&amp;E Cmte</td>
<td>WATCH</td>
</tr>
<tr>
<td>AB 1317</td>
<td>Berman</td>
<td>SPOT BILL: Intent to accelerate state’s progress towards 100% renewable/zero-carbon electricity.</td>
<td>Awaiting amendments</td>
<td>WATCH</td>
</tr>
<tr>
<td>AB 1389</td>
<td>Reyes</td>
<td>SPOT BILL: intent to modify the Alternative and Renewable Fuel and Vehicle Technology Program (AB 8).</td>
<td>Awaiting amendments</td>
<td>WATCH</td>
</tr>
<tr>
<td>Bill #</td>
<td>Author</td>
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<td>EBCE Position</td>
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<tr>
<td>SB 18</td>
<td>Skinner</td>
<td>Requires ARB to prepare strategic plan for accelerating green hydrogen.</td>
<td>Sen EUC Cmte hearing 3/15</td>
<td>WATCH</td>
</tr>
<tr>
<td>SB 32</td>
<td>Cortese</td>
<td>Requires cities/counties to amend elements of general plans to decarbonize newly constructed commercial &amp; residential bldgs.</td>
<td>Sen Governance &amp; Finance Cmte</td>
<td>WATCH</td>
</tr>
<tr>
<td>SB 67</td>
<td>Becker</td>
<td>Accelerates 100% renewable/zero-carbon goals on a 24/7 basis.</td>
<td>Sen EUC Cmte</td>
<td>WATCH</td>
</tr>
<tr>
<td>SB 68</td>
<td>Becker</td>
<td>Requires CEC to develop guide for electrification of bldgs and report on barriers. Authorizes EPIC $ for reducing costs of bldg elec. Requires CPUC to est timeframe for EDUs to respond to elec service upgrades/extensions, and report on failure to meet timeframes. CPUC to assess penalties for failures.</td>
<td>Awaiting referral</td>
<td>WATCH</td>
</tr>
<tr>
<td>SB 204</td>
<td>Dodd</td>
<td>Clarifies that an IOU can allow anyone in their service territory to enroll in its Base Interruptible Program (BIP). Allows the CPUC to increase incentive levels. CPUC should consider revising from supply-mod DR to a load-mod DR resource.</td>
<td>Sen EUC Cmte hearing 3/15</td>
<td>WATCH</td>
</tr>
<tr>
<td>SB 423</td>
<td>Stern</td>
<td>Requires CPUC and CEC to bolster reliability and resiliency of grid &amp; reduce local air pollutants &amp; GHG emissions. CPUC to ensure reliability during multi-day extreme or atypical weather events. CPUC to encourage development of renewable energy resources at the necessary pace.</td>
<td>Sen EUC Cmte</td>
<td>WATCH</td>
</tr>
<tr>
<td>SB 533</td>
<td>Stern</td>
<td>Requires IOU collaboration with CCAs on microgrid development. Requires CPUC/CAISO to develop methodology for counting RA from distributed energy storage.</td>
<td>Sen EUC Cmte</td>
<td>WATCH</td>
</tr>
<tr>
<td>SB 582</td>
<td>Stern</td>
<td>Accelerates statewide GHG emissions reduction goals</td>
<td>Awaiting amends</td>
<td>WATCH</td>
</tr>
<tr>
<td>SB 617</td>
<td>Wiener</td>
<td>Requires local jurisdictions to provide online instant solar permitting process and remote inspections for residential solar or solar+storage</td>
<td>Sen Governance &amp; Finance Cmte</td>
<td>WATCH</td>
</tr>
</tbody>
</table>
Next Steps

• Continue to review and analyze bills and amendments
• Send position letters for bills once EBCE formally takes a position
• Monitor existing bills on our watch list; determine when EBCE should formally take a position
• Monitor Governor’s Budget request: $1.5B for Zero Emission Vehicles (ZEV):
  • Engage with CalCCA on legislative efforts
    • Collaborate with CalCCA on SB 612
Legislative Program

State Policy Priorities
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Introduction

The East Bay Community Energy Legislative Program outlines the legislative priorities and stances of East Bay Community Energy (“EBCE”) with the intent to inform customers, representatives, and policymakers of EBCE’s stances on the myriad of public policies that intersect with EBCE’s priorities, programs, and services. These priorities are applicable to legislation, statewide referenda, grant funding opportunities, and local ballot initiatives.

EBCE has three major legislative priorities: Accelerating Decarbonization, Promoting Local Development, and Stabilizing Community Choice. EBCE support of legislation will be contingent upon that legislation adhering to these priorities as well as EBCE’s priorities.

Moreover, EBCE supports any and all policies that will preserve or enhance the ability of EBCE to promote these priorities at the local level.

This document provides direction to EBCE’s legislative advocates in Sacramento. Additionally, this document serves as the foundation for any EBCE Board action regarding Federal or State legislation or funding opportunity. Staff may draft letters, direct our legislative advocates, or speak on behalf of EBCE regarding the legislative priorities this document outlines.

Any correspondence signifying EBCE’s support or opposition of a given bill must be approved by the EBCE Board of Directors, the Board’s Executive Committee, or the CEO in accordance with the delegation of authority provided by the Board to the CEO on time-sensitive matters.

Any questions regarding this Legislative Program can be directed to Melissa Brandt, Senior Director of Public Policy and Deputy General Counsel, at 510-570-5110 or mbrandt@ebce.org.

Sincerely,
Nick Chaset

Chief Executive Officer, EBCE
EBCE Board of Directors

Alameda County
Supervisor Richard Valle

Albany
Council Member Aaron Tiedmann

Berkeley
Council Member Kate Harrison

Dublin
Mayor Melissa Hernandez

Emeryville
Mayor Dianne Martinez, Vice Chair

Fremont
Mayor Lily Mei

Hayward
Council Member Elisa Marquez

Livermore
Council Member Brittni Kiick

Newark
Council Member Mike Hannon

Oakland
Council Member Dan Kalb, Chair

Piedmont
Mayor Teddy Gray King

Pleasanton
Council Member Kathy Narum

San Leandro
Council Member Corina Lopez

Tracy
Council Member Dan Arriola

Union City
Council Member Jaime Patino

Community Advisory Committee (non-voting)
Mary Sutter, Chair

Attachment Staff Report Item 12B
Contact Information

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Oakland, CA 94612

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Melissa Brandt
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mbrandt@ebce.org
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State Legislative Advocate
Weideman Group
Mark Weideman

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Sacramento, CA 95814

(916) 600-2288
mark@weidemangroup.com
General Legislative Principles

EBCE has three general legislative principles. These priorities serve as the foundation for all actions EBCE will take, including the lobbying for policies that promote those same guiding priorities.

Public policy encompasses a myriad of subject and topic areas. However, as these policies intersect at the local level, they have the ability to impact EBCE revenues, programs, and/or administrative discretion and control. EBCE will support policies that accelerate decarbonatization, promote local development, stabilize community choice, or any combination thereof. If a given policy does not meet these criteria, EBCE will oppose, support with amendments, or in some cases take no stance on that policy or legislation.

The General Legislative Principles for EBCE are:

Accelerating Decarbonization

- Support the creation or expansion of federal, state, and local policies and programs that enable EBCE to contribute to the State’s efforts to reduce greenhouse gas emissions.
- Oppose any legislation, policies, programs, referenda, unfunded mandates and budgets that would have an adverse impact on EBCE’s ability to advance decarbonization through its procurement, programs, projects, and services.

Promoting Local Development

- Support any legislation, policy, referenda, and budgets that enhance community choice energy providers’ ability to invest in local clean energy, distributed energy resources, and zero-emission transportation, and promote equity in the communities that it serves.
- Oppose any legislation, policy, referenda, and budgets that limit or undermine EBCE’s ability to invest in local clean energy, distributed energy resources, and zero-emission transportation, and promote equity in the communities that it serves.

Stabilizing Community Choice

- Support any legislation, policies, referenda, and budgets that maintain or improve the stability of community choice energy providers by ensuring regulatory structure is equitable and enables CCE to meet its mission and goals.
- Oppose any legislation, policies, referenda, and budgets that undermine or circumvent community choice energy and impede the ability of the agency to achieve its mission and goals or its value proposition.
EBCE Public Policy Positions

The General Legislative Priorities help identify which public policy positions EBCE will take.

The list of policy positions below is by no means exhaustive. In addition to the general legislative priorities, EBCE takes the following more specific public policy positions:

1.1 Nonbypassable Charges
A. Oppose legislation that restricts or limits EBCE’s ability to procure its own energy products to meet state policy goals.
B. Oppose legislation that increases or is likely to lead to an increase in nonbypassable charges.
C. Support legislation that promotes a level playing field between community choice aggregators and other market participants.
D. Support legislation that enhances the flexibility of community choice energy providers to support statewide procurement policy and develop and expand programs, local options, and rate design to support EBCE’s community and customers.

1.2 Disadvantaged Communities
A. Support legislation and initiatives that boost funding for new energy projects that support disadvantaged communities and low-income customers within EBCE’s service territory.
B. Support legislation and initiatives that increase access and funding for energy-related programs serving disadvantaged communities.
C. Support legislation and initiatives that would reduce local air pollution, reduce other negative local impacts associated with energy production, and boost adoption of distributed energy resources within disadvantaged communities.
D. Oppose legislation and initiatives that have the potential to disproportionately and negatively impact EBCE’s disadvantaged communities and/or low-income customers.

1.3 Environmental Sustainability
A. Support legislation and initiatives that increase funding for the creation of sustainable and stable energy supply infrastructure.
B. Support legislation and initiatives that encourage the conservation of energy resources as well as the development of dynamic load-shifting capabilities.
C. Support legislation and funding for renewable and advanced energy technology that increase efficient consumption.
D. Support legislation and funding for pilot energy and resource efficiency programs.
E. Support legislation and initiatives with the goal of reducing and mitigating the effects of climate change and building local resiliency.
1.4 Finance
A. Support legislation that enhances the financial standing of community choice aggregators and their ability to receive a positive credit rating.
B. Oppose legislation that reduces or removes the tax-exempt status of municipal bonds.
C. Oppose any legislation that would divert community choice energy revenues to the State or other governmental entities.

1.5 Educational, Neighborhood and Social Services
A. Support legislation that aids or helps to fund EBCE to provide energy support services, education, and opportunities for reducing energy costs to people who are low-income, seniors, veterans, and/or people with disabilities.
B. Support legislation and initiatives that increase funding for energy efficiency, demand response, solar plus storage, and transportation electrification programs, and energy literacy services.
Legislative Program Coordination

Legislation can be brought to the attention of EBCE through a variety of channels:

- State Legislative Advocates
- Elected Representatives
- CalCCA
- EBCE Board Members
- EBCE Staff
- EBCE Community Advisory Committee
- EBCE Customers and Community Members
- Other Governmental Associations

All legislative requests for support or opposition will be directed toward EBCE’s Public Policy department. EBCE staff will then review the legislation in coordination with any relevant departments to analyze whether or not the legislation aligns with EBCE’s general legislative priorities. Staff will then monitor and track the legislation, providing updates when necessary.

Concurrent with this evaluation, EBCE’s Public Policy department will recommend a position and course of action. There are six main levels of action, which may be taken independently or in combination, but all of which are coordinated by the Senior Director of Public Policy or their designee:

1. **Direction to lobbyists to advocate in support, support with changes, or opposition to legislation**
   - Pursuant to direction from the EBCE Board of Directors, the Board’s Executive Committee, or the CEO in accordance with the delegation of authority provided by the Board to the CEO on time-sensitive matters, EBCE staff will notify lobbyists of EBCE’s stance on legislation and direct them to take appropriate action with legislators. EBCE may remain neutral on a given piece of legislation.

2. **EBCE correspondence with relevant legislators**
   - In conjunction with providing direction to lobbyists once EBCE has determined its stance on legislation, EBCE staff will send a support or opposition letter to the appropriate legislators.

3. **EBCE Board-approved resolution**
   - EBCE staff will draft a staff report and resolution for consideration by the full EBCE Board of Directors. Approved resolutions will be forwarded along with a letter signed by the Chief Executive Officer or his/her designee to the appropriate legislators.

4. **EBCE Board outreach**
   - EBCE staff will draft talking points and other relevant information for individual Board Members to personally contact appropriate legislators to advocate on behalf of EBCE.

5. **Travel to Sacramento or Washington, D.C**
   - EBCE staff and/or Board Members may decide to advocate in person. Staff will coordinate with the appropriate lobbyists to organize meetings or attendance at other lobbying events.

6. **Draft or Sponsor Specific Legislation**
   - EBCE staff and legislative advocates will work with EBCE’s legislative representatives to articulate EBCE’s stance on a policy and to ensure said stance is codified in statute.
Staff Report Item 13

TO: East Bay Community Energy Board of Directors

FROM: Annie Henderson, VP Marketing and Account Services

SUBJECT: Policy on Member Requests to Change the Default Rate Product for Certain Customers (Action Item)

DATE: March 17, 2021

__________________________________________________________________

Recommendation

Review and adopt a Resolution approving a policy on Joint Powers Authority (JPA) member requests to change the default rate product for certain customers within their jurisdiction (“Default Rate Product Change Policy”).

Background

The EBCE Board of Directors established three levels of service or products for its customers in 2018 and has subsequently set the value proposition for each product as follows:

- **Bright Choice** - basic service level at a 1% discount to PG&E rates with 5% more renewable energy that PG&E’s annual forecast
- **Brilliant 100** - 100% carbon-free service set at the same rate as PG&E, closed to new customers in original service territory as of August 1, 2020 and set to close for all customers January 2022.
- **Renewable 100** - 100% California wind and solar power set at $0.01 per kWh over PG&E rates

There are certain member jurisdictions that selected a product other than Bright Choice to be the default selection at the time of initial customer enrollment. Specifically, Albany, Hayward, and Pleasanton selected Brilliant 100 and Piedmont selected Renewable 100.

On January 12, 2021, the City Council of Dublin considered selecting Renewable 100 as the default electricity product for most Dublin residents to facilitate meeting
greenhouse gas emissions reductions goals adopted in their “Climate Action Plan 2030 and Beyond”.

The City Council of Dublin passed a resolution requesting that East Bay Community Energy opt up all residential accounts to Renewable 100 service except for customers in the CARE, FERA, and medical baseline programs (which would remain on Bright Choice). This request marks the first time a JPA member within EBCE has requested a default rate product change of customer accounts after initial enrollment. EBCE does not currently have a standard process or policy for facilitating rate product changes by JPA members.

Changes to the product default after enrollment have been implemented by only one other community choice energy program. The Clean Power Alliance (CPA) changed the residential and commercial default products for the cities of Malibu and Sierra Madre in October 2020, per the CPA “Policy on Default Product Changes”1. As part of this transition, CPA sent two customer notifications via the mail in August and October. The City of Malibu issued a press release which was covered by the local Patch news website and a couple other local media outlets. Materials provided to the CPA Board of Directors indicated a low opt out rate during the time following the transition in Malibu and Sierra Madre, with 0.5% of customers opting-out and 3% of customers choosing a different service option.

Analysis & Discussion

The proposed EBCE Default Rate Product Change Policy is included as Exhibit A to the attached Resolution. A summary of the Policy is as follows:

- Implementation of approved requests to change the default rate product for certain customers will occur only in March or October. Implementing product changes in March and October minimizes the potential financial impact to customers as the rates are lower in these non-summer months.
- Requests must be approved by the Board six (6) months in advance of implementation (i.e. Board approval in September for March implementation and April for October implementation). This timeline gives EBCE staff sufficient time to plan for additional renewable energy procurement and other operational adjustments and to notify customers.
- A JPA Member may change the default rate product only one (1) time every two (2) years.
- The requesting JPA Member must work with EBCE on a customer communication plan and co-brand customer notifications.
- EBCE will cover the costs associated with a JPA member’s first change to a default rate product. For any subsequent approved change, the JPA Member

must cover EBCE’s costs associated with implementation such as operational adjustments and customer notification.

This Policy was presented as an informational and discussion item at the February 2021 EBCE Board meeting. At that time, it was requested that the report and Policy be amended to provide potential cost estimates and address default product changes when a product is being closed. The potential cost estimates are listed below under Financial Impact. The scenario of a product closures is addressed in the introduction section of the Policy.

**Financial Impact**

The initial implementation of a default rate product change may incur costs for operational adjustments (~$15,000) and for the cost of customer notification mailers (~$40,000 for a customer base of 40,000 accounts). The Policy proposes that costs associated with subsequent default rate product changes are covered by the JPA Member.

Based on the results in CPA, there may be a small increase in customer opt outs following a default rate product change and therefore a small reduction in revenue.

**Attachments**

A. Resolution to Approve a Default Rate Product Change Policy

B. Exhibit A to Resolution: EBCE Default Rate Product Change Policy
RESOLUTION NO. R-2021-xx
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EAST BAY COMMUNITY ENERGY AUTHORITY TO APPROVE A
DEFAULT RATE PRODUCT CHANGE POLICY

WHEREAS, the East Bay Community Energy Authority (“EBCE”) was formed 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, Castro Valley, Dublin, Emeryville, Fremont, Hayward, Livermore, Oakland, San Leandro, and Union City, to study, promote, develop, conduct, operate, and manage energy and energy-related climate change programs in all 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, in 2018, the Board of Directors approved three product offerings—a product called Bright Choice offered at a discounted price, a product called Brilliant 100 that is 100% carbon-free at price parity with PG&E rates, and a 100% renewable energy product called Renewable 100 offered at a premium cost.

WHEREAS, in 2020, the Board of Directors voted to eliminate the Brilliant 100 product as of 2022.

WHEREAS, on January 12, 2021, the City Council for the City of Dublin adopted a resolution requesting that the EBCE Board of Directors change the default product for its residential customers to Renewable 100.

WHEREAS, although EBCE’s Joint Powers Agreement contemplates that JPA members may change their default rate products, the Joint Powers Agreement does not specify a process or policy.

WHEREAS, changes to JPA members' default rate products can have a fiscal impact on EBCE due to the need for additional renewable energy procurement, customer notification requirements, and other operational adjustments.

WHEREAS, EBCE will benefit from having a standard policy for addressing requests of default rate product changes from its JPA members.

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

Section 1. The Board of Directors hereby approves the Default Rate Product Change Policy attached hereto as Exhibit A.
Section 2. This resolution shall become effective immediately upon its adoption.

ADOPTED AND APPROVED this 17th day of March 2021.

______________________________
Dan Kalb, Chair

ATTEST:

______________________________
Adrian Bankhead, Assistant Clerk of the Board
EAST BAY COMMUNITY ENERGY
DEFAULT RATE PRODUCT CHANGE POLICY

The purpose of this Default Rate Product Change Policy is to specify a process for a Joint Powers Authority (JPA) member agency (“Member”) to change its Default Rate Product\(^1\) and to ensure that East Bay Community Energy (EBCE) is provided with sufficient notice and time to prepare for the change.

When approving a request from a Member to change the Default Rate Product (“Default Rate Product Change”) after the Member’s initial service enrollment, the EBCE Board (“Board”) and Member shall adhere to this Policy, which requires specific cooperation from the Member. This Policy shall not apply to a change in the Default Rate Product which is the result of a rate product closure.

Under this Policy, the Default Rate Product Change request from a Member and subsequent implementation must comply with the following requirements:

1. **Timeline for Board Approval and Implementation:** Any request for a Default Rate Product Change must be approved by the Board. The Board will consider Members’ requests for Default Rate Product changes in the spring and the fall, based on the following schedule:
   a. If the Board approves a Member’s request for a Default Rate Product Change by April 30 the Default Rate Change will be implemented in October of the same year.
   b. If the Board approves a Member’s request for a Default Rate Change by September 30, the Default Rate Change will be implemented in March of the following year.
   c. Notwithstanding the foregoing, the EBCE Chief Executive Officer (“CEO”) and the Member may mutually agree upon a different implementation schedule, provided that the CEO provides the Board with notification of the agreed-upon schedule.

<table>
<thead>
<tr>
<th>Board Approval By</th>
<th>Implementation By</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 30 of Year A</td>
<td>October 31 of Year A</td>
</tr>
<tr>
<td>September 30 of Year A</td>
<td>March 31 of Year A+1</td>
</tr>
</tbody>
</table>

2. **Exceptions to Implementation of Default Rate Product Change:** Notwithstanding anything contained in this Policy, in no event shall a Member’s Board-approved Default Rate Product Change affect the following:

\(^1\) For purposes of this Policy, the “Default Rate Product” is the EBCE rate product option that each Member selected as the default for EBCE customers within the Member’s jurisdiction.
a. Prior customer enrollment actions. Any customer account that has affirmatively taken action to change its rate product will remain on the selected product.
b. Prior customer opt-out actions. Any customer account that has affirmatively taken action to opt out of EBCE service will remain opted out.

3. **Frequency of Default Rate Product Change by a Member:** A Member may not change its Default Rate Product more than one (1) time every two (2) years.

4. **EBCE Agency Requirements:** Upon the Board’s approval of a Member’s request for a Default Rate Product Change, EBCE staff may engage in any of the following activities:
   a. Purchase or prepare to purchase the appropriate amount of resources to meet the expected change in demand associated with the Default Rate Product Change;
   b. Complete or prepare to complete additional regulatory compliance and reporting requirements, if any;
   c. Coordinate with EBCE’s data and call center services manager to make necessary operational adjustments;
   d. Evaluate fiscal impacts of the Default Rate Product Change;
   e. Examine EBCE rates and any rate impacts;
   f. Coordinate and work with PG&E on billing considerations, if any;
   g. Prepare for and deploy customer communication efforts;
   h. Identify and address any other operational impacts or issues and take steps to mitigate those impacts/issues; or,
   i. Take any other action necessary to effectuate the Member’s approved Default Rate Product Change.

5. **Member Requirements:** The Member requesting a Default Rate Product Change must commit to the following conditions for the change to be implemented:
   a. Collaboration. The Member shall work with EBCE staff to develop and implement a customer communication plan;
   b. Co-Branding. The Member must agree to co-brand customer notifications with the Member’s seal; and,
   c. Cost Coverage. EBCE will cover the cost of any operational adjustments and the required customer notices, as detailed in Section 6.a, for the Member’s first approved Default Rate Product Change. Costs associated with any subsequent Default Rate Product Changes will be charged to the Member.

6. **Customer Communication:** EBCE will notify customers subject to a Member’s approved Default Rate Product Change. EBCE will lead, with support from the Member, the development and dissemination of customer notices.
   a. Required Notifications. Any customer accounts subject to a Member’s approved Default Rate Product Change shall be sent a minimum of two
(2) notifications. A minimum of one (1) notice shall be sent prior to the change going into effect.

b. **Optional Additional Notifications.** In addition to the two (2) required notices referenced in Section 6.a., above, EBCE staff will coordinate with a Member who wishes to develop and distribute additional customer notices and/or conduct additional communications such as social media campaigns, jurisdictional newsletters, Member press release, etc. The Member shall be responsible for the costs of such additional communications.

7. A customer may take an enrollment action to change their EBCE rate product, to opt in to EBCE service, or to opt out of EBCE service at any time by notifying EBCE through the standard channels of phone, interactive voice recording, or online form.
Staff Report Item 14

TO: East Bay Community Energy Board of Directors

FROM: Annie Henderson, VP Marketing and Account Services

SUBJECT: Request to Change the Default Rate Product for Certain Residential Customers in the City of Dublin to Renewable 100 (Action Item)

DATE: March 17, 2021

Recommendation

Adopt a Resolution directing staff to make the necessary arrangements to change the default service to Renewable 100 for certain residential customers in the City of Dublin, consistent with the request of the Dublin City Council and in accordance with the proposed Default Rate Product Change Policy.

Background

The EBCE Board of Directors established three levels of service or products for its customers in 2018 and has subsequently set the value proposition for each product as follows:

- **Bright Choice** - basic service level at a 1% discount to PG&E rates with 5% more renewable energy that PG&E’s annual forecast
- **Brilliant 100** - 100% carbon-free service set at the same rate as PG&E, closed to new customers in original service territory as of August 1, 2020.
- **Renewable 100** - 100% California wind and solar power set at $0.01 per kWh over PG&E rates

Many member jurisdictions have Climate Action Plans (“CAP”) with specific greenhouse gas (“GHG”) emission reduction goals to be achieved by specific dates. Customers receiving Brilliant 100 or Renewable 100 (the 100% renewable energy product) service achieve additional GHG emissions savings that contribute to cities meeting their CAP goals. Three city councils (Albany, Hayward, and Piedmont) passed resolutions in 2018 requesting the EBCE Board of Directors to enroll residential customers within their jurisdictions in Brilliant 100 or Renewable 100 service as the default option at time of
initial program launch, which increased GHG savings at no or little additional cost to customers.

On January 12, 2021, the City Council of the City of Dublin considered selecting Renewable 100 as the default electricity product for most Dublin residents, to facilitate meeting the City’s greenhouse gas emissions reductions goals as adopted in its Climate Action Plan 2030 and Beyond.

The Dublin City Council adopted a Resolution requesting that EBCE enroll the City of Dublin in Renewable 100 as the default electricity product for all residential accounts, except for CARE, FERA, and medical baseline accounts which would remain on the Bright Choice electric power service; and requesting that the EBCE Board consider Dublin’s request at the earliest possible upcoming EBCE Board Meeting.

<table>
<thead>
<tr>
<th>Product</th>
<th>Dublin Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewable 100</td>
<td>Existing Bright Choice residential customers</td>
</tr>
<tr>
<td>Renewable 100</td>
<td>New residential customers</td>
</tr>
<tr>
<td>Brilliant 100</td>
<td>Existing residential customers that previously voluntarily elected the Brilliant 100 product</td>
</tr>
<tr>
<td>Bright Choice</td>
<td>Existing and new residential customers in California Alternate Rates for Energy (CARE), Family Electric Rate Assistance (FERA), or Medical Baseline programs</td>
</tr>
</tbody>
</table>

At the February 17, 2021 EBCE Board meeting, staff presented a proposal for a Default Product Rate Change Policy. The Board will vote to approve or reject that policy tonight (March 17). If the Board approves the proposed Policy, staff requests that the Policy be applied to the request for a Default Rate Product Change from the City of Dublin.

**Analysis & Discussion**

Successfully implementing the transition of Dublin’s default rate product will require updates to technology systems, specifically the billing engine and customer relationship management (CRM) system, as well as customer communications.

The customer communications plan will include the two customer notifications as required by the Default Rate Product Change Policy. Additional outreach and communications will be determined based on coordination with Dublin staff.

The timing of this default product change would be October 2021, consistent with the proposed Default Rate Product Change Policy.
**Financial Impact**

There will be an additional cost to EBCE from SMUD to implement operational adjustments and for the cost of customer notification mailers. If the proposed Default Rate Product Change Policy is approved, these costs will be absorbed by EBCE for the City of Dublin’s first default product rate change.

**Attachments**

A. Resolution Directing Staff to Make Necessary Arrangements to Change the Default Rate Product to Renewable 100 for Certain Residential Customers in the City of Dublin

B. Resolution 04-21 from City of Dublin Requesting East Bay Community Energy Enroll City of Dublin Residential Accounts in Renewable 100 as the Default Electricity Product
RESOLUTION NO. R-2021-xx

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DIRECTING STAFF TO MAKE NECESSARY ARRANGEMENTS TO CHANGE THE DEFAULT RATE PRODUCT TO RENEWABLE 100 FOR CERTAIN RESIDENTIAL CUSTOMERS IN THE CITY OF DUBLIN

WHEREAS, the East Bay Community Energy Authority (“EBCE”) was formed 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, Castro Valley, Dublin, Emeryville, Fremont, Hayward, Livermore, Oakland, San Leandro, and Union City, to study, promote, develop, conduct, operate, and manage energy and energy-related climate change programs in all 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, in 2018, the Board of Directors approved three product offerings—a product called Bright Choice offered at a discounted price, a product called Brilliant 100 that is 100% carbon-free at price parity with PG&E rates, and a 100% renewable energy product called Renewable 100 offered at a premium cost.

WHEREAS, in 2020, the Board of Directors voted to eliminate the Brilliant 100 product as of 2022.

WHEREAS, on September 15, 2020, the City Council of the City of Dublin adopted the City of Dublin Climate Action Plan 2030 and Beyond, which includes a goal of reducing greenhouse gas emissions by 40% below 1990 levels by 2030 to align with California Senate Bill 32 and to put the City on a path to reach carbon neutrality by 2045.

WHEREAS, the City of Dublin’s Climate Action Plan 2030 and Beyond identifies renewable and carbon-free electricity as the biggest opportunity to reduce greenhouse gas emissions within the City of Dublin.

WHEREAS, on January 12, 2021, the Dublin City Council adopted a Resolution requesting that the EBCE Board of Directors change the default product for most of its residential customers to Renewable 100.

WHEREAS, as part of the Resolution adopted by the Dublin City Council on January 12, 2021, the City Council asked that residential accounts participating in the California Alternate Rates for Energy (CARE), Family Electric Rate Assistance (FERA), and Medical Baseline Allowance programs remain on the current default Bright Choice service, which is offered at a slight discount compared to Pacific Gas & Electric’s (PG&E) standard product.
WHEREAS, residential customers in the City of Dublin retain the option to “opt down” to a service with a lower percentage of carbon-free electricity or to “opt out” to PG&E’s service at any time.

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

Section 1. The Board of Directors hereby directs the EBCE Chief Executive Officer or his/her designee to take any and all necessary actions to change the default rate product for residential accounts with the City of Dublin to Renewable 100, excluding residential accounts participating in CARE, FERA, and the Medical Baseline Allowance programs, which will remain on Bright Choice service.

Section 2. The change to the City of Dublin’s default rate product as described herein shall comply with the Default Rate Product Change Policy as approved by the Board.

ADOPTED AND APPROVED this 17th day of March 2021.

______________________________

Dan Kalb, Chair

ATTEST:

______________________________

Adrian Bankhead, Assistant Clerk of the Board
RESOLUTION NO. 04 – 21

A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF DUBLIN

REQUESTING EAST BAY COMMUNITY ENERGY ENROLL CITY OF DUBLIN RESIDENTIAL ACCOUNTS IN RENEWABLE 100 AS THE DEFAULT ELECTRICITY PRODUCT

WHEREAS, the City of Dublin has been a leader in the fight against climate change, having adopted its first Climate Action Plan in 2010 with an update in 2013, with the goal to reduce greenhouse gas emissions to 1990 levels by 2020; and

WHEREAS, on September 15, 2020, the City Council of the City of Dublin adopted the City of Dublin Climate Action Plan 2030 and Beyond that includes a goal of reducing greenhouse gas emissions by 40% below 1990 levels by 2030 to align with California Senate Bill 32 and to put the City on a path to reach carbon neutrality by 2045; and

WHEREAS, Climate Action Plan 2030 and Beyond identifies renewable and carbon-free electricity as the biggest opportunity to reduce greenhouse gas emissions within the City of Dublin; and

WHEREAS, the City of Dublin’s electricity provider, East Bay Community Energy (EBCE), offers a 100% carbon-free and 100% renewable electricity product called Renewable 100; and

WHEREAS, enrolling residential accounts in the Renewable 100 carbon-free electricity option is the most cost-effective way to reduce greenhouse gas emissions in Dublin and would cost the average homeowner approximately four dollars per month more than current electricity rates; and

WHEREAS, residential accounts on California Alternate Rates for Energy (CARE), Family Electric Rate Assistance (FERA), and medical baseline accounts will remain on the current default electric power product, EBCE’s Bright Choice power product, offered at a slight discount compared to Pacific Gas & Electric's (PG&E) standard product; and

WHEREAS, the City of Dublin and EBCE will reach out to commercial, industrial, and institutional customers to encourage opting-up to the Renewable 100 power portfolio and the City of Dublin intends to re-evaluate Renewable 100 as the default product for these customers within the next year; and

WHEREAS, residential customers in the City of Dublin would retain the option to “opt down” to an electric power portfolio with a lower percentage of carbon-free electricity or “opt out” to PG&E’s electricity; and
WHEREAS, establishing a renewable and carbon-free default electricity product for residential customers would allow Dublin to showcase its environmental leadership and demonstrate efforts to create a sustainable community in line with the goals of Climate Action Plan 2030 and Beyond.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Dublin does request that East Bay Community Energy hereby enroll the City of Dublin in the Renewable 100 electric power portfolio as the default electricity product for all residential accounts, except for CARE, FERA, and medical baseline accounts which would remain on the Bright Choice electric power portfolio.

BE IT FURTHER RESOLVED that the City Council of the City of Dublin requests that the EBCE Board consider Dublin’s Renewable 100 default power portfolio request at the earliest possible upcoming EBCE Board Meeting.

PASSED, APPROVED AND ADOPTED this 12th day of January 2021, by the following vote:

AYES: Councilmembers Hu, Josey, Kumagai, McCorriston and Mayor Hernandez

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Mayor

City Clerk
Staff Report Item 15

TO: East Bay Community Energy Board of Directors

FROM: JP Ross, VP of Local Development, Electrification, and Innovation
       Kelly Brezovec, Sr Manager of Account Services

SUBJECT: Recommendations to Update the Net Energy Metering Policy,
          Effective April 2021

DATE: March 17, 2021

Recommendation

Adopt a resolution to Approve the Proposed Update to the Net Energy Metering Policy,
Effective April 2021

Background

The initial NEM Policy was adopted on February 21, 2018, followed by an amendment to the NEM Policy to clarify language in the tariff and add an additional step in calculating the annual cash-out for our “Existing NEM” customers on February 20, 2019. At its December 16, 2020 meeting, the Board of Directors adopted an update to the Net Energy Metering (NEM) Policy to include the new communities of Tracy, Pleasanton, and Newark, while otherwise maintaining the existing policy. Last month, at the February 17, 2021 meeting, staff presented NEM policy recommendations as an informational item. The proposed updated Policy, which is attached to the proposed Resolution as Exhibit B, includes considerations from the February 17 Board meeting.

EBCE’s NEM Policy has always included one major difference from PG&E’s Policy. PG&E, for the most part, has NEM customers on an annual true-up, meaning that customers accrue debt for under-generation and credits for over-generation over the course of a 12-month cycle. EBCE does not hold on to that debt resulting from under-generation from month to month; rather, if a customer under-generates, EBCE will
bill them for their usage. EBCE does carry over over-generation credits from month-to-month. Our cycle for over-generation credits is April to April for all customers.

This latest iteration of the NEM Policy considers what staff has learned about our NEM Policy and how it affects our customers and our overall programmatic goals. In the analysis below, staff has noted that most of our review was focused on those customers with a full 12 months of usage at the time of the April 2020 true-up, which is roughly one-third of the total NEM population. The focus was on this population because self-generation and usage is often seasonal in nature, so a full cycle of usage is necessary to understand customer generation and usage patterns. We used the results of the full year analysis to estimate impacts across all NEM accounts.

Today EBCE serves nearly 30,500 NEM customers, with 70% of those being residential customers that had an interconnection date, or a solar start-date, prior to April 1, 2018, when EBCE started service. NEM customers account for 5% of EBCE’s total customer count. These totals are shown below in Table 1.

Table 1: EBCE NEM customer counts by customer and NEM customer type

<table>
<thead>
<tr>
<th>Customer Type</th>
<th>Total Count</th>
<th>Count with 12 Month History in April 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>New NEM Residential</td>
<td>7,013</td>
<td>2,156</td>
</tr>
<tr>
<td>New NEM Non-Residential</td>
<td>224</td>
<td>140</td>
</tr>
<tr>
<td>New NEM Low-income/Municipal</td>
<td>512</td>
<td>163</td>
</tr>
<tr>
<td>Existing NEM Residential</td>
<td>21,951</td>
<td>7,230</td>
</tr>
<tr>
<td>Existing NEM Non-Residential</td>
<td>776</td>
<td>268</td>
</tr>
</tbody>
</table>

Discussion

To review, the current NEM Policy offers different terms based on three customer types: “Existing NEM,” “New NEM,” and “Low Income and Municipal NEM,” as follows:
Table 2: Current NEM Offerings

<table>
<thead>
<tr>
<th>Customer Type</th>
<th>NEM + Customer Description</th>
<th>Monthly Settlement per kWh</th>
<th>Annual Settlement per kWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing NEM</td>
<td>Original Jurisdictions: Interconnection date prior to 6/1/2018 2021 Expansion Jurisdictions: Interconnection date prior to 4/1/21</td>
<td>Retail*</td>
<td>Net Surplus Compensation (NSC)**</td>
</tr>
<tr>
<td>New NEM</td>
<td>Original Jurisdictions: Interconnection date after 6/1/2018 2021 Expansion Jurisdictions: Interconnection date after 4/1/21</td>
<td>Retail*</td>
<td>The greater of retail capped at $2,500 or NSC</td>
</tr>
<tr>
<td>Low Income and Municipal NEM</td>
<td>Original Jurisdictions: Interconnection date after 6/1/2018 and identified as low income or municipal 2021 Expansion Jurisdictions: Interconnection date after 4/1/21 and identified as low income or municipal</td>
<td>Retail* + $0.01</td>
<td>Retail + $0.01</td>
</tr>
</tbody>
</table>

*Equivalent to the generation rate you are charged by EBCE
**Existing NEM customers also go through a “sweep” at the April cash out period to ensure that they are doing just as well financially with EBCE’s monthly true up as they would have on PG&E’s annual true up.

EBCE staff has been evaluating the benefits of the current Policy and has found that the NEM Policy has not resulted in additional solar being installed on our customers’ homes and businesses.

The evidence for this comes from three separate evaluations:
1. Growth rates between similar cities with and without EBCE’s NEM Policy show similar growth across cities
2. A customer survey that found that EBCE’s NEM Policy did not influence customer’s decision to purchase their solar system

3. A predominant solar quoting tool, Energy ToolBase, does not factor EBCE’s retail NEM policy into customer solar quotes

EBCE reviewed solar installations across the service territory to understand growth rates of solar before and after EBCE started service in 2018 and instituted the extra retail compensation for new solar installations. We focused the evaluation on cities with similar climate to the new communities that did not have access to EBCE’s NEM Policy. The analysis, shown below, indicates that solar installations (normalized by population) have been similar across cities regardless of access to EBCE’s retail compensation for excess production.

![Figure 1: Solar installations across existing and new communities](image)

We also wanted to understand if our customers’ decisions to purchase solar was influenced by EBCE’s NEM Policy. EBCE sent out a survey to 250 solar customers who installed their solar system after June 1, 2018 and are receiving the cash-out benefit level applicable to New NEM customers. The results of the survey indicate that purchasing decisions were not influenced by EBCE’s NEM Policy, with the vast majority (89%) indicating that EBCE’s NEM Policy had no impact on their decision to purchase a solar system.
Figure 2: Customer responses to Question: Did having EBCE for electric generation service have any impact on your choice to install solar?

Additionally, EBCE’s current NEM Policy is not providing the correct pricing signal to customers. Paying a higher amount for solar production above annual consumption is not incentivizing the right outcome for EBCE or its customers since a customer only gets this extra payment once their solar system generates more than they use. This is uneconomic for customers because they are not being compensated for full retail rate, only the Generation charges (not Transmission and Distribution charges). Generation charges are lower than the cost of solar and therefore customers will still be losing money even with EBCE’s retail compensation.

The Policy is also not economic for non-participating EBCE customers. This is because EBCE is paying full retail generation rates to these customers when the market price for wholesale generation is at its lowest, during the middle of the day when wholesale solar generation costs are driving down wholesale market prices (sometimes below $0/MWh). Therefore, EBCE is paying significantly more for NEM generation than we can purchase from similarly clean sources.

**Proposed 2021 NEM Policy**

As stated in the recommendations, staff proposes that the Board adopt a new NEM Electric Schedule Policy, as shown in Table 3 and included in full in Exhibit C to the proposed Resolution.

Table 3: Proposed NEM offerings beginning April 1, 2021

<table>
<thead>
<tr>
<th>Customer definition by date of NEM system installation and location:</th>
<th>Bill Credit Amount</th>
<th>Annual Payout Credit per kWh</th>
<th>Original Jurisdictions</th>
<th>2021 Expansion Jurisdictions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>89% - no impact</td>
<td>2% - decreased</td>
<td>9% - increased</td>
<td>210</td>
</tr>
</tbody>
</table>

Staff Report Item 15
<table>
<thead>
<tr>
<th>Standard EBCE NEM Customer</th>
<th>Retail*</th>
<th>PG&amp;E Net Surplus Compensation (NSC)**</th>
<th>Anytime</th>
<th>Anytime</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legacy Municipal NEM Customer</td>
<td>Retail* + $0.01</td>
<td>Retail* + $0.01</td>
<td>Interconnected 6/1/2018 - 4/1/2021</td>
<td>N/A</td>
</tr>
<tr>
<td>CARE/FERA EBCE NEM Customer</td>
<td>Retail* + $0.01</td>
<td>Retail* + $0.01</td>
<td>Interconnected starting 6/1/2018</td>
<td>Interconnected starting 4/1/2021</td>
</tr>
</tbody>
</table>

*Equivalent to the generation rate you are charged by EBCE

**EBCE NEM customers will also go through a “sweep” at the April cash out period to ensure that they are doing just as well financially with EBCE’s monthly true up as they would have on PG&E’s annual true up.

As mentioned below in Figure 3, EBCE’s current NEM customers will go through the April 2021 cash-out based on the current NEM Policy, and then would transition to the new EBCE NEM Policy.

---

*Figure 3: Timeline of NEM Policies from April 2018 to April 2021 and forward*

**Discussion of Proposed EBCE NEM Policy**

Customers formerly part of the “Legacy NEM” cohort and “New NEM” will now receive the Standard EBCE NEM offering. The Standard EBCE NEM Policy will have the same terms as currently applicable to Existing NEM customers under the current NEM Policy, including the NEM sweep function. The sweep has been cumbersome to implement,
and staff is working to speed the process to complete the annual cash-out in a timely manner.

Upon approval by the Board, staff will communicate the updated EBCE NEM Policy to impacted customers and update our website and tariff appropriately.

**Discussion of NEM Low-income and Municipal Policy**

EBCE’s current NEM Low Income and Municipal policy provides customers an extra $0.01 on top of the retail rate for extra generation, which is then also provided upon cash-out. EBCE does not recommend changing the NEM policy terms applicable to existing NEM Low Income and Municipal customers, but the proposal does include closing to new municipal enrollments. Staff recommends maintaining the Low-Income policy, renamed CARE/FERA EBCE NEM, for all eligible low-income customers that interconnect their systems after EBCE was launched in their community. This will have the same financial benefit as the current low-income policy. EBCE will assess enrollment based on customer and NEM system characteristics at least once annually.

EBCE can divert funds from the municipal NEM policy to local resilience programs that target municipal customers. In addition, EBCE is currently running programs to support solar and storage for all customers; our Resilient Home and municipal critical facilities programs are both available to all EBCE customers and participating cities and have a focus on delivering solar and storage to low-income and residents of multi-family affordable housing.

Today, EBCE has just over 500 customers receiving this extra benefit, 98% of which are low-income customers. Of these, 163 customers had a full 12 months of usage in April 2020. In total, these customers received a total cash out of $10,657 as seen in Table 4 below. Since the 12-month population is about one-third of the total low income and municipal population, staff would expect to pay this population about $30,000 in future years.

Municipal customers received an average cash out of $187 and low-income customers received an average cash out of $60. There were only two municipal customers that received a cash out in 2020.

Table 4: Cash outs for municipal and low income NEM customers with 12 months of usage

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Total cash out</th>
<th>Average cash out</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal</td>
<td>$1,311</td>
<td>$187</td>
</tr>
<tr>
<td>Low-income</td>
<td>$9,346</td>
<td>$60</td>
</tr>
<tr>
<td>Total</td>
<td>$10,657</td>
<td>$65</td>
</tr>
</tbody>
</table>
Financial Impacts
By shifting the New NEM customers from the terms of the current NEM Policy to the terms in the proposed Standard EBCE NEM Policy, EBCE expects to save approximately $600,000 from existing New NEM customers. Under the current policy the cash-out terms for New NEM customers, for just the 12-month only customers, resulted in $245,000 in cash-outs. Staff estimates the NSC-based cash-out at about $45,000. Moving the New NEM customer group to the Standard EBCE NEM Policy will then save EBCE $200,000. Since the 12-month only population is about one-third of the total population, staff estimates the total savings at $600,000. The 12 month-only positive cash-out balance is shown below in Figure 4. On average, EBCE will save $70 per residential customer and $330 per non-residential customer. Staff expects to see 5,500 additional NEM interconnections by the end of 2021 across all communities. Assuming that the bulk of these are residential, the Standard EBCE NEM Policy will keep an additional $385,000 with EBCE at the 2022 cash-out.

![Figure 4: New NEM cash out](image)

EBCE will evaluate how these savings will best serve EBCE customers through the annual budgeting process.

SMUD will charge SMUD will charge EBCE approximately $53,000 to facilitate the updates to the Policy and improvements to the NEM sweep calculation. This amount will come from the budget for Data Manager in the approved budget for Fiscal Year 2020/2021, originally $300,000. There remains sufficient budget to cover this cost.
Attachment

A. NEM Policy Update PPT
B. NEM Policy Update Resolution
C. EBCE NEM Electric Schedule Policy 6.5
NEM Policy Update (Action Item)
## NEM Programs Today

<table>
<thead>
<tr>
<th>Customer Type</th>
<th>NEM + Customer Description</th>
<th>Monthly Settlement per kWh</th>
<th>Annual Settlement per kWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing NEM</td>
<td>Interconnection date prior to 6/1/2018</td>
<td>Retail*</td>
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<td>New NEM</td>
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<td>Retail + $0.01</td>
</tr>
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</table>

*Equivalent to the generation rate you are charged by EBCE
**Existing NEM customers also go through a “sweep” at the April cash out period to ensure that they are doing just as well financially with EBCE’s monthly true up as they would have on PG&E’s annual true up.*
<table>
<thead>
<tr>
<th>Customer Type</th>
<th>Bill Credit Amount</th>
<th>Annual Payout Credit per kWh</th>
<th>Original Jurisdictions</th>
<th>2021 Expansion Jurisdictions</th>
</tr>
</thead>
<tbody>
<tr>
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<td>Retail*</td>
<td>PG&amp;E Net Surplus Compensation (NSC)**</td>
<td>Anytime</td>
<td>Anytime</td>
</tr>
<tr>
<td>Legacy Municipal NEM Customer</td>
<td>Retail* + $0.01</td>
<td>Retail* + $0.01</td>
<td>Interconnected 6/1/2018 - 4/1/2021</td>
<td>N/A</td>
</tr>
<tr>
<td>CARE/FERA EBCE NEM Customer</td>
<td>Retail* + $0.01</td>
<td>Retail* + $0.01</td>
<td>Interconnected starting 6/1/2018</td>
<td>Interconnected starting 4/1/2021</td>
</tr>
</tbody>
</table>

*Equivalent to the generation rate you are charged by EBCE

**EBCE NEM customers will also go through a “sweep” at the April cash out period to ensure that they are doing just as well financially with EBCE’s monthly true up as they would have on PG&E’s annual true up.
Financial Impact of Updating NEM

• Current New NEM cash out (customers w/12-month of data) = $245,000/yr savings

• Staff estimates the NSC-based cash-out = $45,000

• Moving existing accounts to the new Standard EBCE NEM will save EBCE $200,000 for this population (about one-third of the total population), therefore we estimate the total savings at $600,000

• EBCE will pay SMUD $53k for automating the NEM sweep true-up process and changing the NEM policy

EBCE will evaluate how these savings will best serve EBCE customers through the annual budgeting process.
1. Complete the April 2021 Net Energy Metering (NEM) cash-out under the current policy.

2. After the April ‘21 cash-out, move New NEM and Existing NEM customers to Standard EBCE NEM.

3. Close enrollments to Municipal NEM. Current municipal customers will continue to receive the benefit as the Legacy Municipal NEM. Municipal customers are encouraged to participate in new resilience programs specific to municipal customers.

4. Rename Low-Income NEM to "CARE/FERA EBCE NEM" for CARE/FERA customers that interconnect their systems after EBCE launched in their community.
EBCE currently has 3 different NEM programs based on customer type and solar interconnection date

• Multiple programs are confusing for customers and operationally complex for EBCE

• The additional compensation for New NEM customers, at Retail rates, that have purchased solar after EBCE enrollment is costing EBCE ~$600k/year more than the equivalent NEM offering from PG&E and customers are not aware of this program
## EBCE and PG&E NEM Programs

<table>
<thead>
<tr>
<th></th>
<th>EBCE</th>
<th>PG&amp;E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrue credits on the applicable retail rate, roll-over from month-to-month</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Cash-out/true-up at the Net Surplus Compensation rate per kWh</td>
<td>With some cash-out at a higher rate</td>
<td>✓</td>
</tr>
<tr>
<td>Annual true-up, debt for usage in excess of generation is held month-to-month</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>Monthly true-up, debt for usage in excess of generation is billed</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>
EBCE NEM Policy is not Increasing Solar

- Staff evaluated efficacy of NEM policy and determined that additional payments for NEM are not impacting installations
  
  1. Growth rates between similar cities with and without EBCE’s NEM Policy show similar growth across Cities
  2. A customer survey that found that EBCE’s NEM Policy did not influence customer’s decision to purchase their solar system
  3. A predominant solar quoting tool, Energy ToolBase, does not factor EBCE’s retail NEM policy into customer solar quotes

### New NEM Survey Responses

1. Increased interest, 9%
2. Decreased interest, 2%
3. No impact, 89%
EBCE Low Income and Municipal NEM Policy

• EBCE does not recommend changing this policy for existing customers.

• Staff proposes closing it to new municipal enrollments and creating a CARE/FERA NEM policy for all low income NEM customers that have an interconnection date after EBCE service launched in their territory.

• EBCE is currently running programs to support solar and storage for all customers; our Resilient Home and municipal critical facilities programs are both available to all EBCE customers and participating Cities.

• Current participation (as of April 2020)-

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Total Customer Count</th>
<th>Total Customer Count with positive balance</th>
<th>% with positive balance</th>
<th>Customer Count (12 months of usage)</th>
<th>Customer Count with positive balance (12 months of usage)</th>
<th>% with positive balance (12 months of usage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal</td>
<td>10</td>
<td>2</td>
<td>20%</td>
<td>7</td>
<td>2</td>
<td>29%</td>
</tr>
<tr>
<td>Low-income</td>
<td>502</td>
<td>250</td>
<td>50%</td>
<td>156</td>
<td>76</td>
<td>49%</td>
</tr>
<tr>
<td>Total</td>
<td>512</td>
<td>252</td>
<td>49%</td>
<td>163</td>
<td>78</td>
<td>48%</td>
</tr>
</tbody>
</table>
Financial Impact of Draft 2021 NEM Policy

2020 New NEM Cash-out and 2021 Estimate (12 Month Usage Only)

<table>
<thead>
<tr>
<th>NEM</th>
<th>Non-residential</th>
<th>Residential</th>
</tr>
</thead>
<tbody>
<tr>
<td>New NEM</td>
<td>$77,230</td>
<td>$167,962</td>
</tr>
<tr>
<td>2021 NEM</td>
<td>$13,705</td>
<td>$30,686</td>
</tr>
</tbody>
</table>

- $180,000
- $160,000
- $140,000
- $120,000
- $100,000
- $80,000
- $60,000
- $40,000
- $20,000
- $0

EAST BAY COMMUNITY ENERGY
EBCE Low Income and Municipal NEM Policy

- Current cash out (12 months of usage only) = $10,657

- Since the 12 month population is about one-third of the total low income and municipal population, staff would expect to pay this population about $30,000 in future years.

April 2020 cash out for low income and municipal customers with 12 months of usage

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Total cash out</th>
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<td>$60</td>
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<tr>
<td>Total</td>
<td>$10,657</td>
<td>$65</td>
</tr>
</tbody>
</table>
Timeline for Current and Proposed Policies

Program 1: Existing NEM customers receive cash-out at NSC

Program 2: New NEM customers receive cash-out at retail

Program 3: New NEM low-income and municipal customers cash-out at retail + $0.01

Program 1: Existing NEM customers enrolled throughout 2019, cash-out at NSC (like PG&E)

2019

EBCE start: April 2018

April 2019 first cash-out

2020

April 2020 cash-out

2021

April 2021 cash-out based on December 2020 policy

Standard EBCE NEM program

CARE/FERA EBCE NEM program—qualified customers with interconnection date after EBCE service start in their territory

Legacy Municipal NEM: Current municipal participants remain, closed to new municipal
RESOLUTION NO.__
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EAST BAY COMMUNITY ENERGY AUTHORITY APPROVING AN AMENDED NET
ENERGY METERING 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 Subsequent survey and analysis of NEM participation indicated that the NEM Policy requires an update to reflect customer photovoltaic installations in our territory.

WHEREAS EBCE will continue to offer NEM programs that offer cash-out options for over-generation.

WHEREAS EBCE will continue to encourage the adoption of distributed generation resources when coupled with battery storage, which provides increased benefits for both the customer and EBCE.

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

Section 1. The current Policy will remain in place through the April 2021 cash-out for current NEM customers.

Section 2. On April 1, 2021 the New NEM program will be closed for new participants. Existing participants will transition to the EBCE NEM program with the start of their April to May bill cycle.

Section 3. The current municipal participants in the New Low-income/Municipal program will retain their program status. The program is closed to new participants.
Section 4. Low-income customers that have interconnection dates that fall on or after EBCE started service in their territory are enrolled in the CARE/FERA EBCE NEM program, which provides enhanced financial benefits.

ADOPTED AND APPROVED this 17th day of May, 2021.

__________________________________________

Dan Kalb, Chair

ATTEST:

__________________________________________

Adrian Bankhead, Assistant Clerk of the Board
East Bay Community Energy Net Energy Metering Policy 6.5

ELECTRIC SCHEDULE NEM - NET ENERGY METERING SERVICE

APPLICABILITY: This net energy metering (NEM) schedule is applicable to a customer who uses an eligible Renewable Electrical Generation Facility, as defined in PG&E’s Electric Schedule NEM (http://www.pge.com/tariffs), within the capacity limits described in PG&E’s Electric Schedule NEM that is located on the customer’s owned, leased, or rented premises, is interconnected and operates in parallel with PG&E’s transmission and distribution systems, and is intended primarily to offset part or all of the customer’s own electrical requirements (hereinafter “eligible customer generator” or customer”).

This rate schedule is available on a first-come, first-served basis to customers that provide PG&E with a completed PG&E NEM Application and comply with all PG&E NEM requirements as described in PG&E Electric Schedule NEM. This includes customers served by NEMV (Virtual Net Energy Metering), NEMVMASH (Virtual Net Energy Metering for Multifamily Affordable Housing), NEMA (NEM Aggregation) and Multiple Tariff facilities as described by PG&E Electric Schedule NEM.

DEFINITIONS:

Original Jurisdictions: Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Oakland, Piedmont, San Leandro, Union City and the unincorporated area of Alameda County

2021 Expansion Jurisdictions: Cities of Newark, Pleasanton, and Tracy

Customer definition by date of NEM system installation and location:

<table>
<thead>
<tr>
<th>Category</th>
<th>Original Jurisdictions</th>
<th>2021 Expansion Jurisdictions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard EBCE NEM Customer</td>
<td>Anytime</td>
<td>Anytime</td>
</tr>
<tr>
<td>Legacy Municipal NEM Customers</td>
<td>6/1/18 - 4/1/2021</td>
<td>N/A</td>
</tr>
<tr>
<td>CARE/FERA EBCE NEM Customers</td>
<td>After 6/1/2018</td>
<td>After 4/1/2021</td>
</tr>
</tbody>
</table>

TERRITORY: The entire EBCE service area.

RATES: All rates charged under this schedule will be in accordance with the eligible customer generator’s otherwise-applicable EBCE rate schedule (OAS), which includes their rate schedule and EBCE service level (i.e. Bright Choice, Brilliant 100, or Renewable 100). An eligible customer-generator served under this schedule is responsible for all charges from its OAS including monthly minimum charges, customer charges, meter charges, facilities charges, demand charges and surcharges, and all other charges owed to EBCE or PG&E. Charges for energy (kWh) supplied by EBCE, will be based on the net metered usage in accordance with this tariff.

BILLING: Customers with NEM service will be billed as follows:

Updated 02.20.19, 06.19.19, 12.16.20, 03.17.21
a) For a customer with Non-Time of Use (TOU) Rates:
Any net consumption or production shall be valued monthly as follows:
If the eligible customer-generator is a “Net Consumer,” having overall positive usage over a billing cycle, the eligible customer-generator will be billed in accordance with the eligible customer-generator’s OAS.

If the eligible customer-generator is a “Net Generator,” having overall negative usage over a billing cycle, any net energy production shall be valued at the OAS plus any additional incentive payment as applicable (e.g. for new installations at low income or municipal accounts). The calculated value of any net energy production shall be credited to EBCE customers as described in Section (c).

b) For a customer with TOU Rates:

If the eligible customer-generator is a Net Consumer (as defined above) during any discrete TOU period, the net kWh consumed during such period shall be billed in accordance with applicable TOU period-specific rates/charges, as described in the eligible customer-generator’s OAS.

If the eligible customer-generator is a Net Generator (as defined above) during any discrete TOU period, the net kWh produced during such period shall be valued in consideration of the applicable TOU period-specific rates/charges, as described in the eligible customer-generator’s OAS, plus any additional incentive payment as applicable (e.g. for new installations at low income or municipal accounts). The calculated value of any net energy production during a specific TOU period shall be credited to EBCE customers as described in Section (c).

c) Monthly Settlement of EBCE Charges/Credits:

NEM customers will receive a statement in their monthly PG&E bills indicating any accrued charges for their usage during the current billing cycle. Customers who have accrued credits during previous billing cycles will see these credits applied against current charges. Any remaining balance is due and must be paid during each monthly billing cycle.

When a customer’s net energy production results in a net bill credit over a billing cycle, the value of any net energy production during the billing cycle shall be noted on the customer’s bill and carried over as a bill credit for use in subsequent billing period(s).

<table>
<thead>
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<th>Monthly settlements are valued as follows based on customer definition:</th>
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<tbody>
<tr>
<td><strong>Customer Type</strong></td>
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</tbody>
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*Equivalent to the generation rate you are charged for power received from EBCE

d) EBCE Annual Cash-Out:

During the April billing cycle of each year, all current Standard EBCE NEM customers with a cash-out credit balance of more than $100 will be offered a direct payment by check for this balance. Any cash-out credit balance will be determined as of the final date of the customer’s March-April billing cycle (i.e. the first bill period ending on or after April 1). Customers who participate in the EBCE Cash-Out or transfer process will have an equivalent credit removed from their NEM account balance at the time of check issuance or transfer. In the event that
customer’s credit balance is less than $100, such credits will continue to be tracked by EBCE and will remain on the customer’s account for future use (i.e., reduction of future EBCE charges).

Customers who close their electric account through PG&E or move outside of the EBCE service area prior to the April billing cycle of each year are also eligible for the annual EBCE Cash-Out process.

EBCE will, at least once each year, conduct an audit of the CARE/FERA NEM customers to ensure that eligible CARE/FERA NEM customers are included in the CARE/FERA NEM program.

Annually in May, EBCE will review the financial outcomes of the Standard EBCE NEM Customers that have 1) been billed for retail charges by EBCE in the prior 12 months and 2) held a positive NEM balance ($) in April. EBCE will assess whether these accounts would have had better financial outcomes on PG&E service, and if so, issue a credit or check for the difference. This applies to all rates schedules and service levels.

### Annual cash-out credits are valued as follows:

<table>
<thead>
<tr>
<th>Customer Type</th>
<th>Annual Payout Credit per kWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard EBCE NEM Customers</td>
<td>PG&amp;E Net Surplus Compensation (NSC)</td>
</tr>
<tr>
<td>Legacy Municipal NEM Customers</td>
<td>Retail* + $0.01</td>
</tr>
<tr>
<td>CARE/FERA EBCE NEM Customers</td>
<td>Retail* + $0.01</td>
</tr>
</tbody>
</table>

*Equivalent to the generation rate you are charged for power received from EBCE*

e) Return to PG&E Bundled Service:

EBCE customers with NEM service may opt out and return to PG&E bundled service at any time. Customers should be advised that PG&E will perform a true-up of their account at the time of return to PG&E bundled service, and that PG&E’s standard terms for transitional rates apply to customer returns with less than a six-month advance notice if they have been an EBCE customer for 60 days or more.

If any EBCE NEM customer opts out of the EBCE program and returns to PG&E bundled service, EBCE will cash-out any remaining generation credits on the account (using the approach detailed in section d above) and mail a check to the billing address.

f) PG&E NEM Services:

All EBCE NEM customers are subject to the conditions and billing procedures of PG&E for their non-generation services, as described in PG&E’s Electric Schedule NEM and related PG&E tariff options addressing NEM service. Customers should be advised that while EBCE settles out balances for generation on a monthly basis, PG&E will continue to assess charges for delivery, transmission and other services. Most NEM customers will receive an annual true-up from PG&E (on their NEM anniversary with PG&E) for these non-generation services. Customers are encouraged to review PG&E’s most up-to-date NEM tariffs, which are available from PG&E.

g) Aggregated NEM

Per the California Public Utilities Code Section 2827(h)(4)(B), aggregated NEM customers are “permanently ineligible to receive net surplus electricity compensation.” Therefore, any excess accrued credits over the course of a year under an aggregated NEM account are

Updated 02.20.19, 06.19.19, 12.16.20, 03.17.21
ineligible for EBCE’s annual Cash-Out process as described in section (d). All other NEM rules apply to aggregated NEM accounts.
Recommendation

Receive an overview of the California Public Utilities Commission General Order 156 requirements and Supplier Diversity Program, and review of EBCE’s first report results, planned activities, and challenges.

Background

The purpose of CPUC General Order 156 (GO 156), originally adopted in April 1988, is to promote and increase contracting opportunities for diverse suppliers with California utilities. GO 156 defines the Utility Supplier Diversity Program, its definitions, objectives, and reporting requirements. GO 156 requires utilities to “submit annual detailed and verifiable plans for increasing women-owned, minority-owned, disabled veteran-owned, and LGBT-owned business enterprises’ (WMDVLGBTBEs) procurement in all categories.” Until the 2020 reporting year, utilities with gross annual revenues exceeding $25,000,000 were the only ones required to report. Now, pursuant to California Senate Bill 255 (2019, Bradford), Community Choice Aggregators (CCAs) are explicitly required to report to the California Public Utilities Commission on their procurements with certified diverse suppliers. The 2020 Annual Report and 2021 Annual Plan filing was due and submitted to the CPUC on March 1, 2021.

Analysis & Discussion

Prop 209
As a California local government entity bound by California Prop 209 (1996), EBCE is prohibited from considering race, sex, color, ethnicity, or national origin in its contracting. Accordingly, and in contrast to California’s electrical corporations, EBCE does not consider Supplier Clearinghouse certification status nor eligibility in procurement decisions of any kind, nor does EBCE set supplier diversity targets or goals. On the November 2020 ballot, Prop 16 could have overturned Prop 209, but failed. As Prop 16 did not pass, Prop 209 will continue to restrict EBCE from expressing or exhibiting preference to diverse suppliers.

To comply with GO 156 and promote the statewide Supplier Diversity program, EBCE is approaching our Supplier Diversity activities in an innovative way that drives the program forward, while staying within the legal bounds that constrain CCAs from setting targets and expressing preference for diverse suppliers. Staff engaged with numerous other CCAs in preparation for the inaugural report to ensure alignment on reporting requirements and narrative language surrounding the Prop 209 limitations. Staff also discussed opportunities to collaborate with other CCAs on programmatic outreach and education efforts on GO 156.

**Local Procurement**

EBCE holds a strong commitment to investing directly in our service territory to the greatest degree possible. This takes the form of maximizing our direct purchasing from companies and organizations based in Alameda County and/or the City of Tracy, as well as in the form of deploying clean energy assets and customer programs that create local jobs and provide economic benefit to our customers. These are the types of actions CCAs can directly take relative to GO 156 objectives and were highlighted in EBCE’s report.

**2020 Results**

In calendar year 2020, EBCE made procurements from seven certified suppliers for a total of $303,763. Given CCAs’ total procurement landscapes being heavily weighted to power procurement and supplier selection never considering diverse supplier status, our diverse supplier spend is only a small portion of our annual net procurement\(^1\). EBCE’s total procurement with certified vendors captures spend with small and local business services within our community and bespoke technical consulting services utilized to support our innovative new clean energy programs and power portfolio management. Their certification status is coincidental and is realized after contracting. All seven certified vendors supported in 2020 are California-based businesses. Three are based in EBCE’s service territory, an additional three are located in other Bay Area counties, and the final vendor is located in Santa Cruz County.

**2021 Plan and Next Steps**

EBCE’s 2021 Annual Plan highlights continued commitment to local procurement, grants and sponsorships, and workforce development, as well as details expanded

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\(^1\) Net procurement number as defined by the CPUC GO 156 table templates (i.e., includes purchase order, non-purchase, order, and credit card dollars) and CPUC guidance not to include staff salaries, staff benefits, or Director’s Fees.
supplier outreach and education efforts. EBCE’s report will be made public on the CPUC Utility Supplier Diversity Program website (https://www.cpuc.ca.gov/supplierdiversity/) for full details. Staff will also be coming back to the Board over coming months to further discuss local spend in the context of our budget.

**Financial Impact**
There is no financial impact associated with this item.

**Attachments**

A. Supplier Diversity Overview & 2020 Report to CPUC Presentation
Supplier Diversity Overview & 2020 Report to CPUC
Overview of General Order 156 (GO 156)

CPUC Utility Supplier Diversity Program

- **History**: compliance requirement, first adopted April 1988
- **Purpose**: increasing procurements by utilities, from diverse suppliers in all categories
- **Diverse Suppliers**: woman, minority, disabled veteran, and/or LGBT-owned business entities (WMDVLGBTBEs) that are certified in the Supplier Clearinghouse
- **Requirement**:
  - Backward-looking annual report regarding procurement from WMDVLGBTBEs
  - Forward-looking annual plan to achieve program purpose

Expanding to CCAs

- **History**: CA SB 255 (2019) expands GO 156 to additional entities, including explicitly to CCAs
- **Purpose**: CCAs to “increas[e] procurement from small, local, and diverse business enterprises”
- **Requirement**: Same reporting requirement, some sections not applicable to CCAs
What is Prop 209?
• Prop 209 (1996) prohibits California public agencies and institutions from considering race, sex, color, ethnicity, or national origin in selections for contracting, employment, or education.

Influence on GO 156 Reporting Sections
• Multiple sections of the Annual Report and Annual Plan are not applicable to CCAs as they pertain to diverse spend targets and goal-setting.

Influence on EBCE Supplier Diversity Efforts and Reporting
• Certified Supplier spend is only a small portion of our annual net procurement.
• Small and local businesses within our community and bespoke technical consulting services. Supplier certification status is coincidental and realized by EBCE after contracting.
• Prop 209 will continue to restrict EBCE’s procurements as Prop 16 (on 2020 ballot) did not pass.
Convening and Aligning with CCAs

- CalCCA Compliance Committee formed informal ad hoc working group to ensure alignment across CCAs on GO 156 reporting requirements
- Opportunities for multi-CCA collaboration for GO 156 outreach, education efforts
2020 WMDVLGBTBE Spend
• 7 certified suppliers, $303k

2020 Program Activities
• CCA Collaboration
• Solicitation Language
• Local Purchasing
• Labor & Workforce Development
• Community Grants & Scholarships
• Supplier Diversity Questionnaire
• Certification Support to Small and Diverse Businesses
Local Purchasing

Continued effort: utilizing Alameda County Small, Local, Emerging Business ("SLEB") Directory to procure goods, services from small, local businesses.

Community Grants & Sponsorships

Continued effort: investment in Community Innovation Grants, local sponsorships.

Labor & Workforce Development

Continued effort: in addition to local and Union labor requirements, continue growing local partnerships for workforce development and job creation opportunities.

Solicitations & Diversified Outreach

New: standard information on GO 156 in all solicitations. Expanding outreach efforts to also directly reach affinity groups/chambers of commerce.

Certified Subcontractor ID Support

New: exploring options to support existing prime contractors in sourcing subcontractor leads through Supplier Clearinghouse, where prime contractors express interest.

CCA Collaboration

New: outreach and education efforts to our supplier ecosystems re: GO 156 and Supplier Clearinghouse certification. Plan to participate in MCE’s 2021 “Certify & Amplify” workshop.
Local Spend

EBCE can and does prioritize spend with businesses and organizations in our community.

Staff will be coming back to the Board over coming months to discuss local spend in the context of our budget.
Staff Report Item 17

TO: East Bay Community Energy Board of Directors
FROM: Annie Henderson, VP Marketing and Account Services
        JP Ross, VP Local Development, Electrification, and Innovation
SUBJECT: Overview of SMUD EnergyHELP and Connected Communities
         (Informational Item)
DATE: March 17, 2021

Recommendation

Receive a summary overview of the SMUD EnergyHELP program, as an example of what a municipal utility is doing to support customers struggling to pay bills; how this does and does not apply to EBCE; and, plans for future customer payment support programs through Connect Communities

Background

The Sacramento Municipal Utility District (SMUD) is a municipal utility that provides customers with electricity service as well as the distribution of power. The SMUD EnergyHELP\(^1\) program allows a customer to identify a specified amount be added to their bill each month and then donated to a charity partner of the customer’s choice. According to SMUD’s website, 14,000 customers participate in the program which has supported 37,000 households (<5% of EBCE accounts) in its nearly 17 years of operation. Donations are not directly applied to specific customer bills to avoid arrearage that could result in disconnection.

The charity partners are non-profit organizations that provide various social services. A list of charities and services are provided in the table below.

\(^{1}\) [https://www.smud.org/en/In-Our-Community/Help-your-Community](https://www.smud.org/en/In-Our-Community/Help-your-Community)
### Charity Partner | Services
--- | ---
Community Resource Project | Improving opportunities for people in need through energy efficiency, health and education.
Folsom Cordova Community Partnership | Enhancing the health, education, and well-being of our community by assisting those in need
LAO Family Community Development Inc. | Advancing the economic well-being of our community through employment, housing, education and support services
Sacramento Food Bank & Family Services | Giving a hand up, rather than a hand out through grassroots community involvement
The Salvation Army | Devoted to meeting human needs in the Sacramento community for over 100 years
Travelers Aid Utility Assistance | Providing aid throughout the Sacramento community since 1896

### Analysis & Discussion

SMUD provides both generation service and delivery service. This differs from EBCE who provides only generation service, while PG&E charges customers for delivery. In our case, a customer may be disconnected only by PG&E.

In the normal course of business, PG&E will disconnect an electricity customer for nonpayment per Electric Rule 11\(^2\) as summarized below:

- PG&E must provide a 15-day, 48-hour, and 24-hour notice.
- PG&E must offer payment arrangements for a twelve (12) month duration.
- PG&E offers to enroll eligible customers in all applicable benefit programs administered by PG&E.
- Customers shall not be disconnected if they currently have a Low-Income Home Energy Assistance Program (LIHEAP) pledge pending.
- PG&E shall visit, in-person, special needs profiled customers that have previously been identified as Medical Baseline, Life Support, or have self-certified that they have a serious illness or condition that could become life threatening if service is disconnected, within the 48 hours prior to, or at the time of, service termination.
- Service may be terminated to any customer, including special needs profiled customers who do not comply with a payment arrangement.
- When the customer and PG&E have agreed upon payment arrangements, PG&E will not terminate service as long as the customer complies with the arrangements. However, if the customer fails to comply, PG&E may terminate services the customer is receiving after notice is given.

EBCE may send a customer to PG&E service based on its Delinquent Accounts and Collections Policy, most recently updated in January 2021\(^3\), based on the following:

- Customer with an outstanding balance for EBCE charges exceeds $250 in charges overdue for more than 90 days.

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- The customer will be provided 60 days to pay or make payment arrangements.
- If payment in full is not received within 60 days from the date of notification, or the terms of an activated payment arrangement are not fulfilled, the EBCE customer account may be closed and returned to PG&E bundled generation service.

Forgiving or paying off EBCE charges on customer accounts could, in theory, help avoid disconnection if the customer utilizes those savings to pay off outstanding balances due to PG&E. However, if a customer continues to carry a balance with PG&E and does not take any of the above noted actions, per Rule 11, even with a zero balance with EBCE, a customer could still be disconnected.

The CPUC has required its regulated utilities to make plans for dealing with customer debt as a result of COVID. Staff is currently tracking the development of a PG&E COVID-19 Emergency Customer Protections Transition Plan. This draft plan outlines how PG&E intends to manage disconnections, presents initial potential payment plan options, and describes the reinstatement of low-income program participation verification. Staff attended a presentation of this plan given by PG&E to the CPUC’s Low Income Oversight Board on March 11, 2021. Staff is also providing comments to the Order Instituting Rulemaking to Address Energy Utility Customer Bill Debt Accumulated During the COVID-19 Pandemic (R.21-02-0145) to ensure the fair treatment of EBCE customers.

Rather than mirror the SMUD program or rely solely on PG&E’s efforts, staff recommends we find meaningful ways to avoid customer disconnections. A portfolio of efforts is managed through the Connected Communities Program.

- **Focus Groups** - EBCE is convening focus groups with customers that have experienced arrearage and disconnections to understand the challenges customers have in paying their bills. The first round of focus groups has been completed in English, Spanish, and Cantonese. These focus groups have identified a series of insights that EBCE will continue to explore in a second round of meetings, which will include a session in Tagalog. EBCE will use the insights gained from these focus groups to structure outreach and bill payment programs and discounts for customers struggling to pay their bills.

- **CARE/FERA Enrollment** - EBCE conducts regular direct email outreach to provide potential participants with information and enrollment applications for CARE and FERA, which provide discounts of 17 to 35% on energy bills. EBCE has created an information page on our website with a video about how qualification guidelines and ways to enroll at [ebce.org/care](http://ebce.org/care).

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5 https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M366/K563/366563533.PDF
- **Disadvantaged Community Green Tariff (DAC-GT) and Community Solar Green Tariff (CS-GT)** - These programs will give CARE customers living in the top 25% of CalEnviroScreen 3.0 census tracts an additional 20% discount on their bundled rate. There are approximately 15,000 accounts that are eligible for DAC-GT and CS-GT across EBCE’s service territory. EBCE will be rolling out this program after the CPUC approves the advice letter submitted in September 2020. EBCE will be able to offer this discount to approximately 1,800 accounts and will be evaluating the impact of this discount on customer arrearages and likelihood of disconnection.

- **Arrearage Management Program (AMP)** - This Program is a CPUC-sponsored program that provided customers with debt forgiveness if they are able to pay current bills over the course of a year. Eligible customers can erase 1/12 of their current debt each month they pay their current due amount. This will allow customers to erase their debt balance over the course of a full year. EBCE will be encouraging customers to participate in this program and evaluating the results to determine the effectiveness of this intervention in reducing arrearage and likelihood of disconnection.

- **Solar PV for customers in arrears** - EBCE is partnering with Grid Alternatives to leverage the Disadvantaged Communities Single-Family Affordable Solar Homes (DAC-SASH) incentive to provide solar photovoltaic systems to a limited number of homeowners in EBCE territory that are in arrears and face the threat of disconnection. EBCE is funding the cost gap between available incentives and the cost of installing a solar system to offer this program to customers. Grid Alternatives is completing customer outreach and using local labor to install the systems.

Staff will continue to track PG&E efforts related to debt relief and customer payment plans, as well as build out the portfolio of efforts under Connected Communities.

**Attachments:**

A. Connected Communities presentation
Connected Communities
EBCE’s Efforts to Reduce Utility Disconnections
CPUC/PG&E Disconnection Overview

• In normal course of business EBCE cannot disconnect customers. EBCE has the option to send non-paying customers back to PG&E, and PG&E can disconnect a customer according to Rule 11, which requires multiple notifications and steps prior to disconnection.

• The CPUC has instituted a disconnection ban until July 1, 2021.

• The CPUC is now requiring load serving entities (LSEs) to offer programs, such as the Arrearage Management Plan (AMP), to help customers reduce outstanding debts.

• The CPUC continues to review the impact of COVID on a customer ability to make payments through the Low-Income Oversight Board and a proceeding to address “Energy Utility Customer Bill Debt Accumulated During the COVID-19 Pandemic”.

EBCE Arrearage and Disconnection Overview

• Since COVID-19 EBCE has not sent customers back to PG&E for non-payment.
  • Current suspension of non-payment policy in place until April 21, 2021. Staff will ask for extension until July 1, 2021 at the April board meeting.

• EBCE has not referred customers with unpaid debt to collections agencies, which could result in reduced credit scores and further impact their borrowing potential.

• EBCE can forgive customer debt, but this does not directly impact PG&E’s disconnection decision, as PG&E disconnection is based on PG&E debt, not EBCE debt.

• EBCE increased its uncollectable debt budget by 4x from $2.4M in FY’20 to $9.9M in FY’21, the mid-year budget update now forecasts uncollectable debt at $10.9M.
The SMUD EnergyHELP program has been operating for 17 years and ~14k accounts have participated.

SMUD provides funding for local CBOs that provide assistance to low-income households and the program estimates that ~37k households have been supported.

SMUD and its partners do not provide direct bill debt relief or payment through this program.

EBCE has provided $1.3M in grants to local CBOs since COVID-19.

### CHARITY PARTNER SERVICES

- **Community Resource Project**: Improving opportunities for people in need through energy efficiency, health and education.
- **Folsom Cordova Community Partnership**: Enhancing the health, education, and well-being of our community by assisting those in need.
- **LAO Family Community Development Inc.**: Advancing the economic well-being of our community through employment, housing, education and support services.
- **Sacramento Food Bank & Family Services**: Giving a hand up, rather than a hand out through grassroots community involvement.
- **The Salvation Army**: Devoted to meeting human needs in the Sacramento community for over 100 years.
- **Travelers Aid Utility Assistance**: Providing aid throughout the Sacramento community since 1896.
Goal - Reduce arrearage and disconnections for EBCE customers

- Use data to drive decisions about program design and outreach
  - Review past arrearage and disconnection data to predict propensity for non-payment
  - Complete customer focus groups to understand why customers are not paying bills on-time or at all
- Partner with UC Berkeley to analyze arrearage data and design test interventions than effectively reduce arrearages and disconnections, including:
  - DAC-GT / CS-GT
  - Arrearage management plan
  - Usage/bill notifications
- Additional options surfaced by focus groups
CARE / FERA IMPACTS ON ARREARAGE ARE MARGINAL

- EBCE evaluated data for CARE/FERA customers on electricity usage and arrearage
- Existing data indicates that CARE /FERA have a marginal impact on arrearage and disconnection rates
- Arrearage declines by ~$3 while the bill reduction from CARE is much larger (~$30-$40/month)
- Disconnection rates declined minimally when comparing CARE to non-CARE customers
- Customers may be using savings from CARE to pay other bills

This figure shows the mean arrearage for customers with and CARE without CARE. The mean arrearage amount with CARE is marginally lower.
CARE/FERA OUTREACH GRANTS

- EBCE ran a solicitation for Community Outreach partners in August 2019,
  - Objective to work with trust community-based organizations (CBOs) to encourage CARE enrollment within targeted zip codes

- Selected CBOs
  - Spectrum Community Services (Hayward): a non-profit that assists low-income individuals, families, and seniors through programs like Low Income Home Energy Assistance Program (LIHEAP), Low Income Weatherization Program, and Meals on Wheels
  - Interfaith Power and Light (Oakland): a statewide network of almost 700 congregations (~50 in EBCE territory) of all faiths committed to addressing climate change

- Each organization received a $10,000 grant for CARE/FERA outreach and enrollment with a goal of 500 enrollments
  - Outreach included: direct 1:1 interactions, presentations, tabling, leadership trainings, e-newsletter, social media, and flyers.

- Successfully enrolled ~100 customers despite grant outreach running through Spring 2020 COVID-19 shutdown

- Lessons Learned
  - Many customers already enrolled in CARE
  - Ongoing technical issues with PG&E enrollment process
  - Allow for more time for ramp up
• Data team continues work that was initiated with UC Berkeley Data science team to build a disconnection propensity model
  • Accuracy was limited by a lack of household level income data
  • EBCE tested outreach through email and outbound calls to attempt to enroll customers in CARE using this data, but results were mixed, and outreach through outbound calling was expensive ($4.50/call)
• Continuing to develop propensity model and adding new sources of data
  • Requesting more data from PG&E on past payment/disconnection
  • DMV records to scrape Kelly Blue Book vehicle resale value as proxy for income
  • Purchasing data from companies that can provide household level insights
• An accurate propensity model would allow EBCE to target efforts to those customers most at risk of disconnection
CUSTOMER FOCUS GROUPS

• EBCE hired consultant, EJ Solutions, to facilitate customer focus groups to identify challenges in paying bills and identifying potential solutions.
• Conducting 9 focus groups in 3 languages (English, Spanish, Cantonese) between November and March.
• Focus groups have identified challenges with existing programs such as CARE and automatic payment plans as well as PG&E call center processing, bill comprehension, and payment options.
• We are now extracting lessons for EBCE program enrollment such as our Low-Income Energy Efficiency program and potential new interventions to test impacts in reducing arrearages.
DAC-GT / CS-GT

Disadvantaged Community Green Tariff / Community Solar Green Tariff

- Provides 20% bundled discount in addition to 30% CARE discount to CARE customers within “disadvantaged communities” (DACs are top 25% of CalEnviroScreen)
- DAC-GT = 5.7MW and CS-GT = 1.6MW, will provide discounts for ~2,150 EBCE accounts
  - DAC-GT can be <5 miles from a DAC and serve any CARE customers in DACs, ie one large PV system in EBCE territory
  - CS-GT systems need to be in DACs and serve customers within that DAC, ie multiple systems
  - CS-GT requires partnering with local CBOs who can identify sites and enroll customers
- EBCE plans to auto-enroll customers in DAC-GT to speed enrollment and test efficacy of the program
- Total program cost is ~$1M for 2020 and 2021. EBCE can recover all administrative and above market procurement cost through the Greenhouse Gas Mitigation funds.
- EBCE evaluating using interim resources available to deliver DAC-GT discount to customers while EBCE contracts for new DAC-GT project in EBCE territory this year.
AMP - ARREARAGE MANAGEMENT PLAN

- Program to forgive debt to customers who have >$500 in arrears to PG&E and have made payment
  - These are customers “on-the-bubble” who have shown some ability to pay but with significant debt accumulated on their account
- CCAs can participate and recover costs through Public Purpose Program Charge (PPPC).
- Allows forgiveness of arrearage amount up to $8k/year
- Each monthly payment made by a customer forgives 1/12 of arrearage, after 12 monthly payments 100% of arrearage is forgiven
- If customer misses 2 consecutive monthly payments, they are removed from program for 1 year
  - Debt is forgiven each month, so even if customer doesn’t complete the 12-month plan, some debt is still forgiven.
- PG&E has started enrolling. 311 EBCE customers already enrolled with 14k customers eligible. Average arrearage of EBCE enrolled customers is $330
- EBCE is developing an outreach plan for education/enrollment.
- EBCE is working with UC team to determine options for robust evaluation of results.
EBCE has partnered with Grid Alternatives to leverage DAC-SASH (Single-family Affordable Solar Homes) solar incentive and install solar on 7 homes at risk of disconnection.

EBCE funding is filling the gap in DAC-SASH so that eligible customers can receive a free solar system including necessary service panel upgrades.

EBCE is co-marketing with Grid Alternatives to enroll customers.
Based on our Focus Group discussions and in addition to testing bill discounts, we are evaluating other ways to increase payment and reducing arrearage such as:

- Text message alerts/reminders when the bill is coming due
- A concierge service to alert customers on auto-pay about upcoming payments and assist customers that need to change payment dates in order to avoid over-drawing accounts and paying bank fees
- Encouragement into autopay or other commitment devices
- Information for understanding how bills work/bill literacy (see here and here)

1 - https://www.mitpressjournals.org/doi/abs/10.1162/REST_a_00465
2 – https://www.aeaweb.org/articles?id=10.1257/aer.104.2.537
• EBCE has been supporting CBOs that provide relief to customers challenged to pay bills and suffering from COVID impacts to the economy
• EBCE has been working to provide customers with immediate relief while also using customer focus groups and data to identify options that will help our customers.
• The Connected Communities Program will deliver a suite of solutions from bill discounts to solar installations to assist customers in reducing late payments and debt.
• We need to identify scalable solutions that can grow with the size of this problem while still allowing EBCE to serve all customers with choice and competitive electricity.