



Consent Item 9

TO: East Bay Community Energy Board of Directors

FROM: Jessie Denver, Senior DER Manager - Transportation Electrification and Energy Resilience

SUBJECT: Adopt a Resolution Authorizing the CEO to Negotiate and Execute a Third Amendment to the Consulting Services Agreement with Frontier Energy, Inc.

DATE: September 22, 2021

Recommendation

Adopt a Resolution authorizing the CEO to negotiate and execute a Third Amendment to the Consulting Services Agreement (“CSA”) with Frontier Energy, Inc. to: (1) expand the scope of work to include assistance with completion of municipal fleet electrification assessments and deployment plans on behalf of the cities of Emeryville, Livermore, Newark, Piedmont, Pleasanton, San Leandro, Tracy, and/or Union City; (2) extend the term through March 31, 2023; (3) add additional staff; and (4) add \$300,000 in compensation, for a total amount not to exceed \$809,948.

Background and Discussion

Through its Local Development Business Plan and strategic program planning, EBCE is developing distributed energy resource (“DER”) solutions that provide net benefits to customers, including EBCE’s local government partners. These DER solutions include plug-in electric vehicle (“EV”) and charging infrastructure technical assistance, incentives and investments.

More than half of California’s greenhouse gas emissions originate from the transportation sector, including all passenger cars and light trucks, heavy-duty trucks, off-road vehicles, and the fuels needed to power them. The transportation sector is also responsible for the majority of smog-causing pollutants and is a significant source of toxic air contaminants that directly impact community health. To help put the State on a path to carbon neutrality by

2045, Governor Newsom issued Executive Order N-79-20, which calls for the elimination of new internal combustion passenger vehicle sales by 2035.¹

To support the state’s target and help our local government partners lead by example, throughout 2020-21, EBCE has funded municipal fleet electrification assessments and deployment plans (the “Project”) for an initial cohort of communities including Alameda County, Albany, Berkeley, Dublin, Oakland, and Hayward. Fleet electrification offers local governments economic benefits including lower lifecycle costs than internal combustion engine vehicles, and reduced fuel price volatility risk. Deployment of EVs in municipal fleets also supports the local economy through the procurement of clean electricity from EBCE, while eliminating criteria air pollutants and reducing greenhouse gas emissions.

A key objective of the Project is to assist EBCE’s partners in overcoming the perceived barriers to municipal fleet electrification listed below. Eliminating these hurdles will help meet the climate action, operational, and financial resiliency goals of EBCE and the cities participating in the Project. Some of these perceived barriers are:

- Concerns about the feasibility of EVs for municipal operations
- Prohibitive initial EV purchase price
- Unclear EV and charging infrastructure value proposition (e.g., difficult to calculate total cost of ownership)
- Inadequate charging infrastructure/siting limitations (e.g., electric service panel and transformer upgrades, parking configurations, etc.);
- Inadequate product availability
- Vehicle maintenance costs and needs are unfamiliar to staff
- Concerns about reliability and resilience in the event of a grid outage
- Limited experience with EVs, charging infrastructure and other DER project financing options
- Difficult to get buy-in and budget from top leadership

In September of 2019, EBCE issued a Request for Proposals (“RFP”) seeking consultant services to assist with the Project’s scope of work. An evaluation committee made up of representatives from the participating cities, including fleet management, and EBCE staff selected the Frontier Energy, Inc. (“Frontier”) consultant team. In November of 2019 the Board authorized the CEO to execute a CSA with Frontier. The first phase of the Project’s technical assistance supported the cities of Albany, Berkeley, Dublin, and Oakland.

Alameda County and the City of Hayward later committed to participating in the Project and EBCE entered into a First Amendment to the CSA in July of 2020 to increase the budget and extend the term of the CSA to November 30, 2021. In addition to including new communities, the First Amendment was also needed to account for COVID-19 related delays in 2020.

Other local government partners have since expressed interest in the Project’s goals and objectives. In June of 2021, the Board authorized the CEO to negotiate and execute a Second Amendment to increase to the budget by \$300,000, to provide technical assistance to the remainder of EBCE’s local government partners, to support the completion of municipal fleet electrification assessments and deployment plans. This proposed Third Amendment to the CSA will extend the Project term to March of 2023 and allocate the funds to the services provided by Frontier.

¹ [Executive Order N-79-20](#) (2020).

EBCE will continue to manage Frontier tasks and deliverables, coordination with participating city and county staff, and the budget associated with the Project. It is recommended that the Board authorize the CEO to negotiate and Execute a Third Amendment to the CSA with Frontier, to conduct services necessary to assist with completion of municipal fleet electrification assessments and deployment plans on behalf the cities of Emeryville, Livermore, Newark, Piedmont, Pleasanton, San Leandro, Tracy and/or Union City.

Fiscal Impact

This Third Amendment, shall increase the total amount not to exceed by \$300,000, for a total amount not to exceed \$809,948, of which, \$700,000 is allocated for services related to fleet electrification.

Attachment

- A. Resolution Authorizing the CEO to Negotiate and Execute a Third Amendment to the CSA with Frontier Energy, Inc.

RESOLUTION NO. __

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CEO TO NEGOTIATE AND EXECUTE A THIRD AMENDMENT TO THE CONSULTING SERVICES AGREEMENT WITH FRONTIER ENERGY, INC. TO CONDUCT SERVICES NECESSARY TO ASSIST WITH COMPLETION OF MUNICIPAL FLEET ELECTRIFICATION ASSESSMENTS AND DEPLOYMENT PLANS

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

WHEREAS, On July 18, 2018, the Board approved the Local Development Business Plan (“LDBP”) and budget. The LDBP identifies a series of local development early actions, outlines a series of policy principles, and defines a set of metrics to measure the impact on EBCE’s service area;

WHEREAS, in 2019, EBCE offered technical assistance to its local government partners and the cities of Albany, Berkeley, Dublin and Oakland committed to collaborating on the completion of municipal fleet electrification assessments and distributed energy resources (“DER”) deployment plans;

WHEREAS, in 2019, EBCE issued a Request for Proposals (“RFP”) for assistance with task and deliverables associated with municipal fleet electrification assessments and DER deployment plans;

WHEREAS, The Frontier Energy, Inc. (“Frontier”) team was selected through the competitive RFP process and has experience conducting municipal fleet electrification assessments, financial analysis, and DER deployment plans (e.g., EV charging infrastructure and solar and battery energy storage);

WHEREAS, in November 2019, EBCE entered into a Board approved Consulting Services Agreement with Frontier, to assist with the completion of municipal fleet electrification assessments and DER deployment plans to enable its local government partners to transition from internal combustion engines vehicles to electric vehicles, in a coordinated and fiscally responsible way;

WHEREAS, in 2020, the County of Alameda and the City of Hayward also committed to participating in EBCE’s technical assistance offer and will collaborate with the project team on the completion of municipal fleet electrification assessments and DER deployment plans. Accordingly, the Board approved a First Amendment to the CSA with Frontier;

WHEREAS, in July 2020 the Board approved a Second Amendment to the Consulting Services Agreement with Frontier, to accommodate the County of Alameda and the City of Hayward in the project scope and to increase the total amount not to exceed of the Consulting Service Agreement;

WHEREAS, EBCE would like to further expand the scope of the Consulting Services Agreement with Frontier, to offer municipal fleet electrification technical assistance to the remainder of its local government partners including the cities of Emeryville, Livermore, Newark, Piedmont, Pleasanton, San Leandro, Tracy and/or Union City, and to increase the total amount not to exceed of the Consulting Services Agreement.

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 Frontier Energy, Inc., to extend the duration of the Agreement through March 31, 2023, increase total compensation by \$300,000 for a total amount not to exceed \$809,948, and to expand the scope of the Agreement to include assistance of EBCE and its local government partners with completion municipal fleet electrification assessment and planning tasks and deliverables.

ADOPTED AND APPROVED this 22nd day of September, 2021.

Dianne Martinez, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board