

### Staff Report Item 11

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

**FROM:** Jim Dorrance, Power Resources Manager

SUBJECT: 2020 Power Source Disclosure Annual Report and Power Content Label

(Action Item)

**DATE:** September 22, 2021

### Recommendation

Adopt a Resolution to accept and attest to the veracity of the 2020 Power Source Disclosure Program Annual Report (PSDR) and the 2020 Power Content Label (PCL).

### **Background and Discussion**

### Background

The California State Legislature passed Senate Bill (SB) 1305 in 1997, establishing the Power Source Disclosure Program in order to provide retail electricity consumers "accurate, reliable, and simple to understand information on the sources of energy that are used to provide electric services." Assembly Bill (AB) 162, adopted in 2009, modified the reporting requirements of SB 1305. AB 162 requires all retail suppliers of electricity in California (CA) to disclose the sources of the electricity they sell to customers using reporting formats developed by the California Energy Commission (CEC). In 2016, AB 1110 was passed which further modified the PSDR reporting requirements, including among other things, changes to reporting for unbundled Renewable Energy Credits (RECs) and requiring retail sellers to disclose the greenhouse gas (GHG) emissions factor associated with each electricity portfolio. The CEC updated the regulations implementing SB 1305, AB 162, and AB 1100 effective May 2020.

For each year's filing, East Bay Community Energy (EBCE) is required to 1) submit an Annual Report (the PSDR) to the CEC detailing its actual resource mix for the previous calendar year, and 2) provide an annual PCL to customers and the CEC showing the percentage breakdown by resource type by October 1st.

Under the CEC's regulations, private retail electricity suppliers must engage an auditor to verify the accuracy and completeness of data submitted to the CEC in the PSDR; however, public agencies are allowed to provide a self-attestation. Therefore, to fulfill its Power Source Disclosure Program reporting obligations for 2020, EBCE must provide the CEC with the Board's attestation to the veracity of the PSDR and PCL.

Power Source Disclosure Report and Power Content Label

Each year EBCE reports electricity purchases and retail sales to the CEC through the PSDR. The PSDR contains a breakdown of energy purchases over a calendar year for each retail plan and is counted as a percent of total sales by source. The CEC uses these reports from each electricity retail seller serving load in CA to generate a total CA system power mix by source.

In addition, EBCE discloses to its customers the power mix for each retail plan alongside the CA power mix on the PCL. The PCL allows customers to compare their power content to the total California power mix and to other electricity providers and is provided to customers through a mailer and posted on the EBCE webpage.

Table 1: EBCE's 2020 Power Content Label data

2020 POWER CONTENT LABEL				
	Renewable	Brilliant	Bright	2020 CA
ENERGY RESOURCES	100	100	Choice	Power Mix
Eligible Renewable	100%	33%	40%	33%
Biomass & Biowaste	0%	0%	2%	2%
Geothermal	0%	0%	3%	5%
Eligible Hydroelectric	0%	0%	2%	1%
Solar	50%	16%	14%	13%
Wind	50%	16%	19%	11%
Coal	0%	0%	0%	3%
Large Hydroelectric	0%	67%	14%	12%
Natural Gas	0%	0%	0%	37%
Nuclear	0%	0%	1%	9%
Other	0%	0%	0%	0%
Unspecified sources of power	0%	0%	45%	5%
TOTAL	100%	100%	100%	100%

#### Greenhouse Gas Emissions

AB 1110 and the CEC's regulations modified the Power Source Disclosure Program and PCL by requiring electricity suppliers to disclose the GHG emissions intensity associated with its electricity sources for the previous calendar year. In previous years, EBCE used The Climate Registry (TCR) for our emissions calculation and reporting. However, effective with this year's submission, EBCE and other retail sellers are required to use the GHG emissions calculation methodology set forth in the regulations and can only report or market their GHG emissions factor through the PCL and not on any third party platform.

The methodology for reporting GHG emissions through AB 1110 differs from EBCE's previous reporting in The Climate Registry (TCR). The most significant change is the application of the associated GHG emissions from firm and shaped Renewable Energy Credit (REC) purchases, also known as Portfolio Content Category (PCC) 2 RECs. PCC2 RECs are a California Renewable Portfolio Standard (RPS) renewable product that includes bundled energy that is not from the same source as the REC. The GHG emissions factor reported on this year's PCL includes emissions for the bundled energy of the PCC2 RECs which, regardless of source in our current contract structure, are given an equivalent emissions factor equal to unspecified power. Using PCC2 RECs as renewable content is an accepted practice within the RPS regulations and EBCE will continue to purchase these products to satisfy our renewable commitment to our customers.

In addition to asking the Board to accept the 2020 PSDR and PCL, this report presents the emissions factor for Bright Choice from 2020 that also appears on the PCL.

### EBCE 2020 Bright Choice Emissions Factor: 590.6 lb-CO<sup>2</sup>e/MWh

Due to the reporting changes for emissions from AB 1110 and changes to power content targets, EBCE has reported a material year over year increase in the emissions factor for the Bright Choice retail plan. Under our current retail plan design both the Renewable 100 and Brilliant 100 products are emissions free. The emissions from Bright Choice will decrease over time as we move towards carbon free content by 2030.

### Methodology

In preparing the PSDR, staff populates the template with electricity purchases from generation that occurred during the calendar year. Delivered RECs are tracked using the Western Renewable Energy Generation Information System (WREGIS), and carbon free purchases including electricity from Large Hydroelectric generation is tracked using either meter data or E-tags. The E-tags trace the generation from the source to the delivery location. All the purchased generation is compared against invoices for accuracy, and retail sales are counted using the settlement quality meter data from our accounting service which is EBCE's system of record for sales. The complete PSDR is then reviewed internally to ensure accuracy in reporting prior to submission to the CEC.

### Fiscal Impact

There are no fiscal impacts in accepting and attesting to the veracity of the 2020 Power Source Disclosure Annual Report and the 2020 Power Content Label.

### **Attachments**

- A. Resolution of the Board of Directors of East Bay Community Energy Accepting and Attesting to the 2020 Power Source Disclosure Annual Report and the 2019 Power Content Label
- B. 2020 Power Source Disclosure Reports Schedule 3
- C. 2020 Power Content Label
- D. Presentation of Power Source Disclosure Report and Power Content Label

#### **RESOLUTION NO. XX**

### A RESOLUTION OF THE BOARD OF DIRECTORS

OF THE EAST BAY COMMUNITY ENERGY AUTHORITY TO ACCEPT AND ATTEST TO THE VERACITY OF THE 2020 POWER SOURCE DISCLOSURE PROGRAM ANNUAL REPORT AND THE 2020 POWER CONTENT LABEL

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 The California State Legislature passed Senate Bill (SB) 1305 in 1997, and in 2009 passed Assembly Bill (AB) 162, which modified the reporting requirements of SB 1305. AB 162 requires all retail suppliers of electricity in California to disclose the sources of the electricity they sell to customers using reporting formats developed by the California Energy Commission.

WHEREAS In 2016, AB 1110 was passed which further modified the Power Source Disclosure Reporting requirements.

WHEREAS California Code of Regulations, title 20, section 1394.2(a)(2), as modified by the California Energy Commission in May 2020, allows the Board of Directors of a retail supplier of electricity that is a public agency to attest to the veracity of the information contained in the Power Source Disclosure Annual Report and Power Content Label to fulfill the audit requirement for each retail product.

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

<u>Section 1.</u> The Board of Directors accepts and attests to the veracity of the 2020 Power Source Disclosure Annual Report and the 2020 Power Content Label.

ADOPTED AND APPROVED this 22nd day of September 2021.

Dianne Martinez, Chair	

ATTEST:		
Adrian Bankhead, Clerk of the Board		

## 2020 POWER SOURCE DISCLOSURE ANNUAL REPORT SCHEDULE 3: POWER CONTENT LABEL DATA For the Year Ending December 31, 2020 East Bay Community Energy Bright Choice

Instructions: No data input is needed on this schedule. Retail suppliers should use these auto-populated calculations to fill out their Power Content Labels.

	Adjusted Net Procured (MWh)	Percent of Total Retail Sales
Renewable Procurements	1,961,877	39.6%
Biomass & Biowaste	95,132	1.9%
Geothermal	148,801	3.0%
Eligible Hydroelectric	79,277	1.6%
Solar	696,398	14.1%
Wind	942,270	19.0%
Coal	-	0.0%
Large Hydroelectric	716,622	14.5%
Natural gas	6,003	0.1%
Nuclear	43,572	0.9%
Other	9,681	0.2%
Unspecified Power	2,213,325	44.7%
Total	4,951,081	100.0%

Total Retail Sales (MWh)	4,951,081
GHG Emissions Intensity (converted to lbs CO <sub>2</sub> e/MWh)	591
Percentage of Retail Sales Covered by Retired Unbundled RECs	0.0%

## 2020 POWER SOURCE DISCLOSURE ANNUAL REPORT SCHEDULE 3: POWER CONTENT LABEL DATA For the Year Ending December 31, 2020 East Bay Community Energy Brilliant 100

Instructions: No data input is needed on this schedule. Retail suppliers should use these auto-populated calculations to fill out their Power Content Labels.

	Adjusted Net Procured (MWh)	Percent of Total Retail Sales
Renewable Procurements	285,822	33.0%
Biomass & Biowaste	-	0.0%
Geothermal	-	0.0%
Eligible Hydroelectric	-	0.0%
Solar	142,911	16.5%
Wind	142,910	16.5%
Coal	-	0.0%
Large Hydroelectric	580,915	67.0%
Natural gas	-	0.0%
Nuclear	-	0.0%
Other	-	0.0%
Unspecified Power	-	0.0%
Total	866,737	100.0%

Total Retail Sales (MWh)	866,737
GHG Emissions Intensity (converted to lbs CO₂e/MWh)	-
Percentage of Retail Sales Covered by Retired Unbundled RECs	0.0%

## 2020 POWER SOURCE DISCLOSURE ANNUAL REPORT SCHEDULE 3: POWER CONTENT LABEL DATA For the Year Ending December 31, 2020 East Bay Community Energy Renewable 100

Instructions: No data input is needed on this schedule. Retail suppliers should use these auto-populated calculations to fill out their Power Content Labels.

	Adjusted Net Procured (MWh)	Percent of Total Retail Sales
Renewable Procurements	60,063	100.0%
Biomass & Biowaste	-	0.0%
Geothermal	-	0.0%
Eligible Hydroelectric	-	0.0%
Solar	30,032	50.0%
Wind	30,031	50.0%
Coal	-	0.0%
Large Hydroelectric	-	0.0%
Natural gas	-	0.0%
Nuclear	-	0.0%
Other	-	0.0%
Unspecified Power	-	0.0%
Total	60,063	100.0%

Total Retail Sales (MWh)	60,063
GHG Emissions Intensity (converted to lbs CO₂e/MWh)	-
Percentage of Retail Sales Covered by Retired Unbundled RECs	0.0%

#### **2020 POWER CONTENT LABEL East Bay Community Energy** www.ebce.org/documents-and-resources **Greenhouse Gas Emissions Intensity** 2020 CA **Bright** Renewable **Energy Resources Brilliant 100** (lbs CO<sub>2</sub>e/MWh) Choice 100 **Power Mix** Eligible Renewable<sup>1</sup> 39.6% 33.0% 100.0% 33.1% 2020 CA Utility **Bright Choice** Brilliant 100 Renewable 100 Average Biomass & Biowaste 1.9% 0.0% 0.0% 2.5% 590.601646 0 0 466 3.0% 0.0% 0.0% 4.9% Geothermal Eligible Hydroelectric 1.6% 0.0% 0.0% 1.4% 1000 Solar 14.1% 16.5% 50.0% 13.2% ■ Bright Choice 16.5% 800 Wind 19.0% 50.0% 11.1% 0.0% 0.0% 0.0% 2.7% Coal ■ Brilliant 100 600 0.0% 14.5% 67.0% 12.2% Large Hydroelectric **Natural Gas** 0.1% 0.0% 0.0% 37.1% 400 Renewable 100 **Nuclear** 0.9% 0.0% 0.0% 9.3% 200 0.2% Other 0.0% 0.0% 0.2% ■ 2020 CA Utility Average Unspecified Power<sup>2</sup> 44.7% 0.0% 5.4% 0.0% O **TOTAL** 100.0% 100.0% 100.0% 100.0% Percentage of Retail Sales Covered by Retired Unbundled RECs<sup>3</sup>: 0% 0% 0% <sup>1</sup>The eligible renewable percentage above does not reflect RPS compliance, which is determined using a different methodology. <sup>2</sup>Unspecified power is electricity that has been purchased through open market transactions and is not traceable to a specific generation source. Renewable energy credits (RECs) are tracking instruments issued for renewable generation. Unbundled renewable energy credits (RECs) represent renewable generation that was not delivered to serve retail sales. Unbundled RECs are not reflected in the power mix or GHG emissions intensities above. **East Bay Community Energy** For specific information about this electricity portfolio, contact: Phone: (833) 699 - 3223 For general information about the Power Content Label, visit: http://www.energy.ca.gov/pcl/ For additional questions, please contact the Toll-free in California: 844-454-2906

Outside California: 916-653-0237

California Energy Commission at:

**SEPTEMBER 22, 2021** 

# 2020 Power Source Disclosure Annual Report and Power Content Label





## **Overview**

- What is the Power Source Disclosure Program
- How is the Power Source Disclosure Report (PSDR) prepared
- What is the Power Content Label (PCL)
- Emissions
- 2020 Power Content



## **Power Source Disclosure Program**

- All electricity providers in CA are required to submit annual report
- The annual report discloses all electricity purchases for a calendar year
- Reported as MWh by source as a percent of total retail sales
- Submitted to the California Energy Commission annually



## **PSDR Preparation**

**Review CY Data** 

**Data Verification** 

Populate PSDR Templates

**Internal Review** 

**Submission** 









- RECs
- Carbon Free
- Retail sales by plan
  - WREGIS

- Invoices
- Meter Data, E-Tags
- Contracts
- Input by generation source
- Purchased MWh as % of sales
- Individual templates for each plan
  - Content Check
  - Executive and Marketing review
- Submit to the CEC



## **Power Content Label**

- Required annual disclosure to customers, sent by mail
- Contains the power mix for each retail plan and the total CA system power mix
- Allows customers to compare their power content to the total
   CA power mix and to other electricity providers
- Discloses Emissions from retail plans
- The PCL will be mailed to customers by the end of September



## **Emissions - Assembly Bill (AB) 1110**

- Regulations modifying power content and emissions reporting
- Requires retail sellers to:
  - New methodology for calculating emissions
    - Includes emissions from PCC 2 purchases for the bundled energy
  - Report and market emissions on the PCL and not use other platforms to disclose emissions (Exp. TCR)
- Does not impact Renewable 100 or Brilliant 100 which are emission free



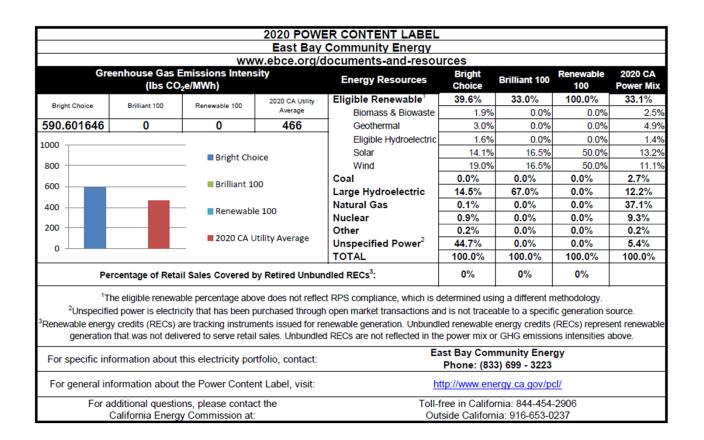
### **Emissions - Scenarios**

Emissions reporting under different scenarios

- Emissions Factor as report on PCL
  - ❖ 590.6 MT-CO<sup>2</sup>/MWh
- Emissions Factor without emissions counted from PCC2s
  - ❖ 427.7 MT-CO<sup>2</sup>/MWh
- Emissions Factor if Nuclear Allocation was accepted in 2020
  - ❖ 323.8 MT-CO<sup>2</sup>/MWh
- Emissions Factor if Nuclear Allocation was accepted and without emissions counted from PCC2s
  - ❖ 160.9 MT-CO<sup>2</sup>/MWh



## **2020 Power Content Label**





## Questions?

## Thank You

Jim Dorrance Power Resources Manager

