



Consent Item 9

TO: East Bay Community Energy Board of Directors
FROM: Kelly Brezovec, Sr. Manager of Account Services
SUBJECT: Request Amendment to Rate Setting Protocol (Action Item)
DATE: May 18, 2022

Recommendations

Adopt an amendment to the Rate Setting Protocol to remove the community workshop requirement in a year when there is no change to the value proposition.

Background

The EBCE Board of Directors approved the original Rate Setting Protocol on September 26, 2018, and additional amendments on December 18, 2019, to address changes in the billing engine configuration. Public engagement is outlined in the rate setting protocol as follows presentations to the Executive Committee, Community Advisory Committee, and Board of Directors. Additionally, the protocol calls for three community workshops and a period for written comments.

Discussion

Staff has facilitated public engagement annually in May 2019, 2020, and 2021.

Year	Rate Setting	Written Comments	Workshop Attendance
2019	No Changes Proposed	2	5

2020	Bright Choice Discount Change: 1.5% to 1.0% Brilliant 100 Proposed Sunset	8	15
2021	No Changes Proposed	0	2

EBCE defines the value proposition as the price differential between EBCE’s and PG&E’s generation rates. Today’s value proposition is: Bright Choice with a 1% savings compared to PG&E’s generation rate and Renewable 100 at \$0.01 per kilowatt-hour more than PG&E’s generation rate.

Staff recommends removing the requirement for workshops in a year when there are no proposed changes to the value proposition. This is supported by the limited public participation in workshops in 2019 and 2021.

Staff recommends including the option of a webinar style meeting in addition to the option of in-person, reducing the required meetings to two, and maintaining the requirements to present to the Executive Committee, Community Advisory Committee, and Board of Directors, and the period of written comments each year when there are proposed changes to the value proposition.

In years when there are no proposed changes to the value proposition, staff will continue with public outreach to encourage participation via the public comment process and public meetings when the annual budget is being discussed. Staff may also consider hosting an informal educational webinar, hosted during a similar timeframe as the value proposition meeting might have been held, as a means of maintaining the annual meeting cadence to encourage participation.

Financial Impact

There is no expected financial impact due to this policy change.

Attachment

- A. Resolution Authorizing Staff to Amend the Rate Setting Protocol to Remove the Community Workshop Requirement in a Year When there is no Change to the Value Proposition
- B. Amended Rate Setting Policy

RESOLUTION NO. R-2022-xx

A RESOLUTION OF THE BOARD OF DIRECTORS

OF THE EAST BAY COMMUNITY ENERGY AUTHORITY AUTHORIZING STAFF TO AMEND THE RATE SETTING PROTOCOL TO REMOVE THE COMMUNITY WORKSHOP REQUIREMENT IN A YEAR WHEN THERE IS NO CHANGE TO THE VALUE PROPOSITION

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 September 26, 2018, the Board approved by motion a Rate Setting Protocol;

WHEREAS, on December 17, 2019, the Board approved an amendment to the Rate Setting Protocol to allow for rate setting by vintage;

WHEREAS, it is in the interest of EBCE to maintain customer engagement in establishing the value proposition; and

WHEREAS, it is in the interest of EBCE to operate efficiently, streamlining requirements as the organization learns from past experiences.

WHEREAS, the Rate Setting Protocol requires that EBCE host a community workshop with each rate setting;

WHEREAS, limited public participation in community workshops in years where there is no change to the EBCE value proposition indicates that there may not be a need for these workshops in those years;

WHEREAS, EBCE would like to streamline its process to eliminate this unnecessary requirement in years where there is no change to the value proposition; and

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

Section 1. The Board hereby adopts the Amended and Restated Rate Setting Policy which (among other things) eliminates the requirement for a community workshop in years where there is no change to the value proposition.

ADOPTED AND APPROVED this 18th day of May, 2022.

Dianne Martinez, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board



Amended Rate Setting Protocol

AMENDED AND RESTATED RATE SETTING POLICY

From original protocol approved by motion on 9/26/18 and amended on 12/18/19

Policy Number 14.2

May 18, 2022

Item #

I. Purpose

This policy serves to provide direction to EBCE staff on actions related to electric rates.

II. Rate Actions

a. Rate Setting

EBCE Staff must receive Board approval to revise the service level value propositions (e.g. offering a greater or lesser discount on Bright Choice).

b. Rate Setting Process

EBCE's Implementation Plan and Statement of Intent (August 2017) states that "EBCE will review its rates at a minimum once a year".

The rate review and setting process is as follows:

1. **Executive Committee meeting.** Staff will provide a staff report containing analysis of PG&E rates and preliminary recommendations for changes to EBCE's value proposition, if any.
2. **Community workshops.** In a year when there is a proposed change to the value proposition, staff will conduct community workshops. Based on feedback received at the Executive Committee meeting, staff will revise analysis if needed, and solicit comments from the community. This will be achieved through a minimum of two (2) community meetings in geographically diverse locations, or online in a webinar-style format. Staff will consolidate feedback from these meetings into a supporting document that will be presented to the Board.
3. **Written comments.** Each year when there is a proposed change to the value proposition, written comments will be accepted in lieu of, or in addition to, verbal comments made during these workshops. A period of time will be designated for written comments. A specific email address will be provided to the public to submit comments, along with a clear deadline for submission.
4. **Community Advisory Committee meeting.** The CAC will receive a presentation from staff and discuss the staff recommendation.
5. **Board meeting.** Staff will present analysis, findings, and recommendations derived from feedback from an Executive Committee meeting, Community Workshops, and a Community Advisory Committee meeting. The Board will have the opportunity to vote on staff recommendations. If Board requests further analysis, the process will return to the Executive Committee. The Executive Committee can then make a final recommendation that will be brought to the next Board meeting.

c. Rate Modification

EBCE Staff is authorized to adjust EBCE's rates to maintain the approved value proposition for each service level. If there are changes to PG&E generation rates or fees that result in a more beneficial value proposition for customers, EBCE Staff is authorized to not adjust the rates.