



East Bay Community Energy

UTILITIES & ENVIRONMENTAL SERVICES

Erik Pearson
Environmental Services Manager

November 29, 2016

Outline



- ▶ What is CCA
- ▶ Existing CCAs
- ▶ County Efforts
- ▶ Steering Committee
- ▶ JPA
- ▶ Technical/Feasibility Study
- ▶ Actions of Other Alameda County Cities
- ▶ EBCE Financing
- ▶ County's Next Steps



What is Community Choice?

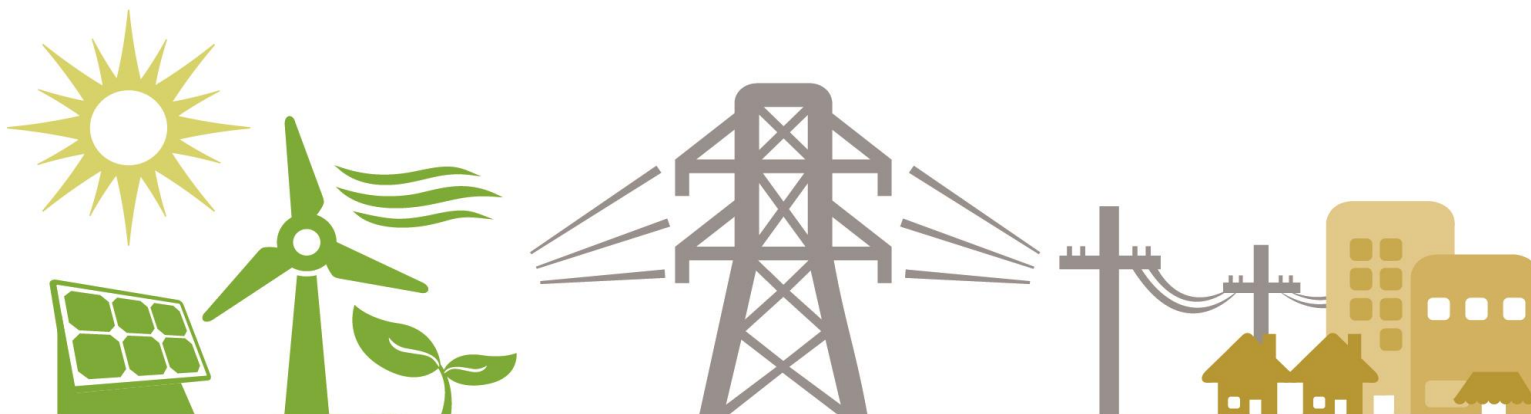


- ▶ Community Choice Aggregation (CCA), also called Community Choice Energy (CCE)
- ▶ Allowed by AB 117 (2002)
- ▶ CCA allows local governments to pool their residential, business and municipal electricity loads and purchase/generate power on their behalf

How CCA Works



How Local Energy Aggregation Works



source



CCA

buying and building
electricity supply

delivery



UTILITY

delivering energy,
maintaining lines,
billing customers

customer



YOU

benefitting from
affordable rates,
local control,
cleaner energy

CCE Features



- Governed by Board of Local Elected Officials
- Offers consumers a choice where none currently exists
- Revenue supported, not taxpayer subsidized
- Competitive electricity rates
- Allows significant GHG reductions
- Provides funding source for energy efficiency programs

Alameda County



- ▶ In June 2014, the Board of Supervisors allocated \$1.32 million to assess feasibility of a CCE program in Alameda County.

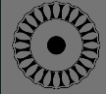


Existing CCE Programs



Program	Launch Year
Marin Clean Energy	2010
Sonoma Clean Power	2014
Lancaster Choice Energy	2015
Clean Power SF	2016
Peninsula Clean Energy	2016

Cities that have joined MCE



- County of Marin and all 11 municipalities
- Unincorporated Napa County
- Benicia
- El Cerrito
- San Pablo
- Richmond
- Lafayette
- Walnut Creek



Other CCAs in California



Operational CCAs

MCE Clean Energy (*includes Napa County, parts of Contra Costa and Solano Counties*)
Sonoma Clean Power
Lancaster Choice Energy
Clean Power San Francisco
Peninsula Clean Energy (*San Mateo County*)

2017 Launch

Santa Clara County / *Silicon Valley Clean Energy*
Alameda County / *East Bay Community Energy*
Humboldt County / *Redwood Community Energy*
Mendocino County (*as member of Sonoma Clean Energy*)
Los Angeles County (*Phase 1*)
Placer County
Yolo County--City of Davis / *Valley Clean Energy Alliance*
Town of Apple Valley

Exploring / In Process

Butte County
City of Hermosa Beach
City of Pico Rivera
City of San Jacinto
City of San Jose
Contra Costa County
Fresno County
Kings County
Monterey County*
Riverside County
San Benito County*
San Bernardino County
San Diego County
San Joaquin County
San Luis Obispo County**
Santa Barbara County**
Santa Cruz County*
Solano County
Tulare County
Ventura County**

*Monterey Bay Tri-County

**Central Coast Tri-County

Basic Program Mechanics



1. Local governments form Joint Powers Agency.
2. PG&E continues to provide billing, transmission and customer service.
3. PG&E programs for low income customers remain.
4. CCE electric generation charges (including exit fee) appear as new line items on the customer bill.
5. CPUC certifies CCE Plan.
6. Under State law, CCE is an “opt-out” program.

Sample Energy Bill – MCE



ENERGY STATEMENT

www.pge.com/MyEnergy

Account No: 1234567890-1

Statement Date: 10/01/2013

Due Date: 10/22/2013

Service For:

MARY SMITH
1234 STREET AVENUE
SAN RAFAEL, CA
94804

Questions about your bill?

24 hours per day, 7 days per week
Phone: 1-866-743-0335
www.pge.com/MyEnergy

Local Office Address

750 LINDARO STREET, STE 160
SAN RAFAEL, CA 94901

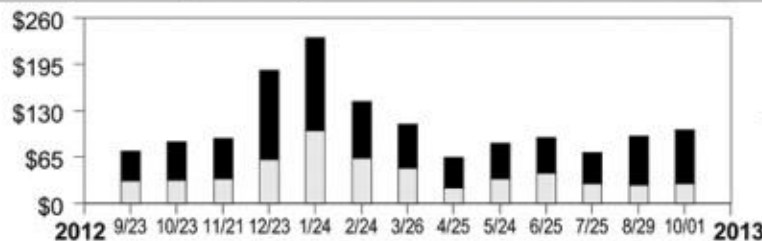
Your Account Summary

Amount Due on Previous Statement	82.85
Payments Received Since Last Statement	82.85
Previous Unpaid Balance	\$0.00
Current PG&E Electric Delivery Charges	\$39.32
MCE Electric Generation Charges	\$42.81
Current Gas Charges	\$27.20
Total Amount Due	\$109.33

Total Amount Due \$109.33

Monthly Billing History

Daily Usage Comparison



1 Year Ago Period

9.66

Last Period

12.27

Current Period

12.28

Electric kWh / Day

0.83

0.75

0.75

Gas Therms / Day

Steering Committee



- Representatives from all cities
- Includes environmental groups, labor, social justice, etc.
- Committee met monthly since June 2015
- Provided forum for discussion and education



Overview of Tech Study Results



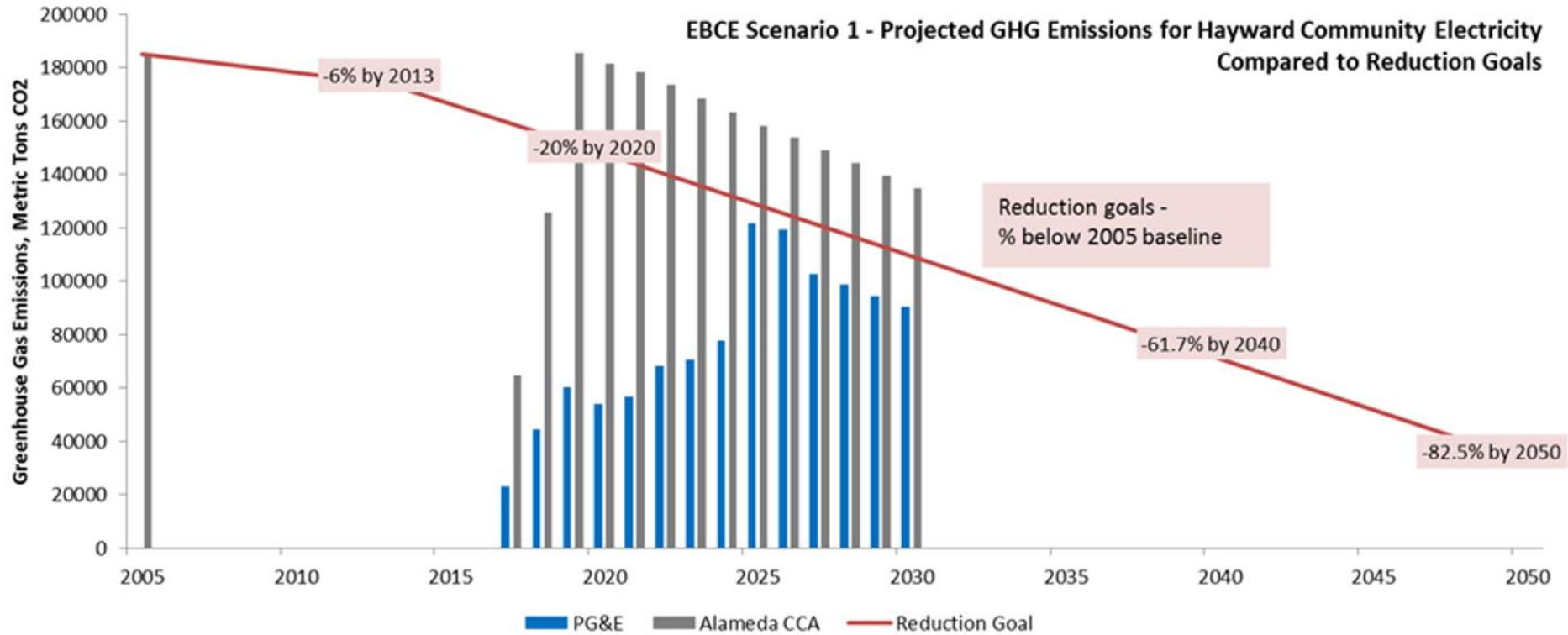
- Considers peak demand requirements, ability to be competitive with PG&E and procure enough renewables
- All scenarios were LESS expensive than PG&E
- Sensitivity analysis shows lower than expected PG&E rates
- Only under a 'perfect storm' of negative conditions was the rate higher.
- Homes and businesses could save between 1-9% on electricity bill.
- Scenarios 2, 3 and 4 can substantially reduce GHG emissions
- Positive economic development impacts
- EBCE could successfully start-up with minimum of 6.5 – 7% of total load.

Four Scenarios from Tech Study

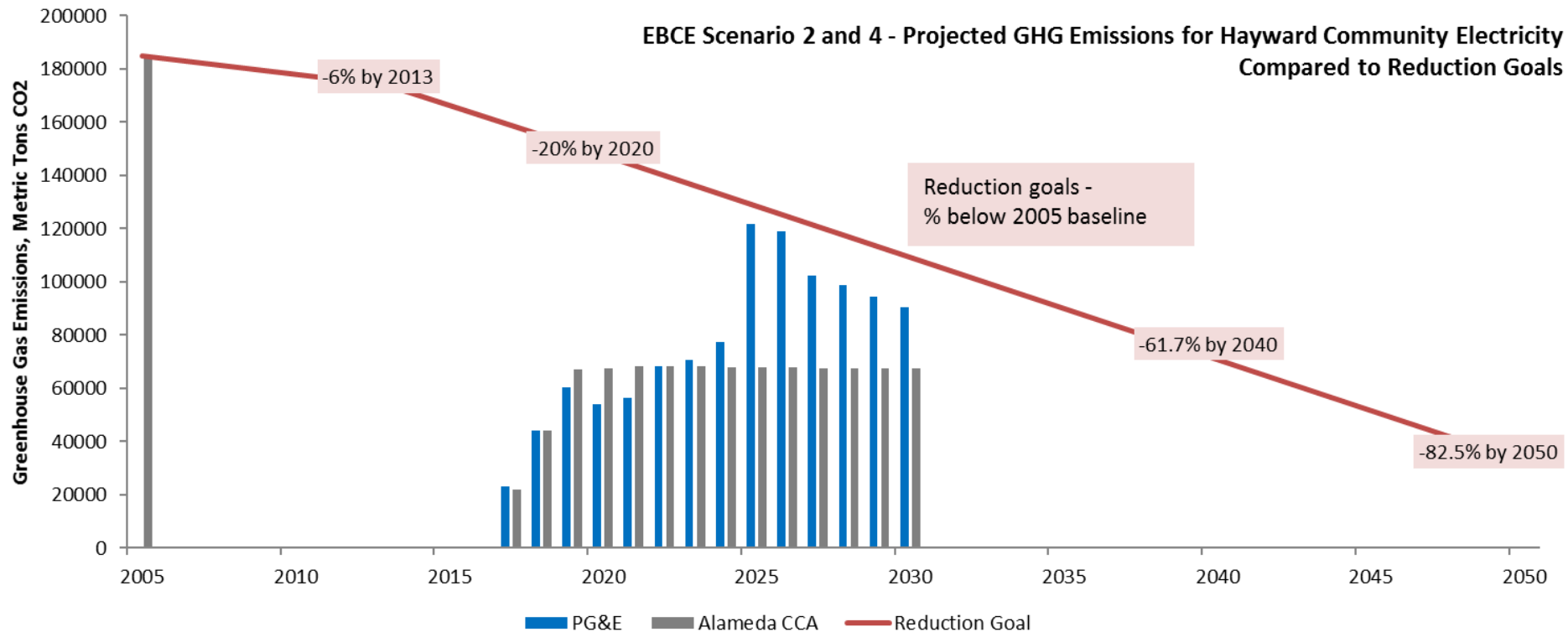


	Scenario 1 Minimum RPS Compliance	Scenario 2 More Aggressive	Scenario 3 Ultra-Low GHG	Scenario 4 Local Devel.
Renewable Content	33% in 2020 & 50% in 2030	50% from 1st year	50% from 1st year & 80% by 5th year	Same as Scenario 2
GHG compared to PG&E	Higher in every year	Slightly Higher for 1st few years	Lower in every year	Same as Scenario 2
Anticipated Rate Savings	7%	6.5%	3%	5.7%
Average Annual Direct Jobs	165	166	174	579
Average Annual Total Jobs	1,322	1,286	731	1,671

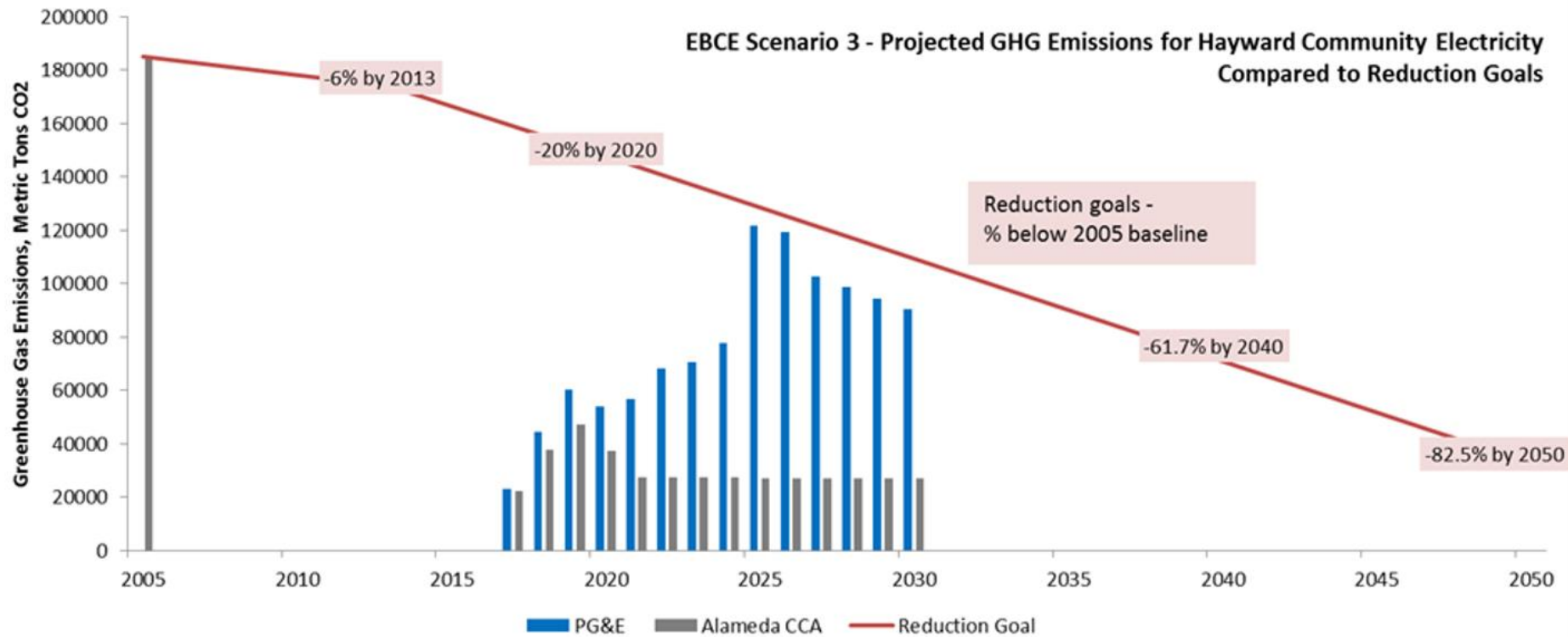
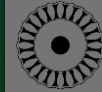
Scenario 1



Scenarios 2 & 4



Scenario 3



JPA Agreement



- Creates separate legal entity; no City liability
- Board of Directors will be made up of elected officials from each Party.
- Community Advisory Committee consisting of nine members to advise the JPA Board.
- Voting. Board can act by a majority (“percentage vote”). Following a vote, three or more Directors can request, a “voting shares vote,”.
- Withdrawal. If a Party withdraws, the JPA must be reimbursed for any stranded costs incurred.

EBCCE Would Be Largest CCE in CA



CCE Program	Customers	Sales (GWh)
<i>East Bay Community Energy/ Alameda County</i>	~600,000	~6,500
Silicon Valley Clean Energy/ Santa Clara County	~210,000	~3,400
Clean Power SF/San Francisco	~340,000	~3,200
Peninsula Clean Energy/ San Mateo County	~250,000	~3,300
Marin Clean Energy - includes Marin, Napa, parts of Contra Costa	170,000	1,800
Sonoma Clean Power	190,000	2,100

Recent Board of Supervisors Action



- On October 4, County Board of Supervisors:
 - Received Technical Study
 - Approved JPA Agreement
 - Conducted First Reading of CCE Ordinance
- Approved additional \$2.4 million to launch program (\$3.7 million total)
- Asking cities to join JPA by December 2016.
- Targeting program launch and customer enrollment in late Fall 2017



Project Timeline



Phase 1:

Initial Assessment & Tech Study

- ✓ BOS funds allocated
- ✓ Steering Committee (SC) formed
- ✓ Stakeholder database developed

- ✓ RFP issued and Study completed
- ✓ Targeted stakeholder mtgs;
- ✓ JPA Agreement and CCE ordinance drafted
- **BOS – Go/No-Go Decision**

Phases 2-3:

Program Implementation & Launch

- City Ordinances and JPA Agreement
- JPA Agency forms
- Technical, marketing and data mgmt. contracts
- Community Outreach
- Implementation Plan

- Agency Financing
- Marketing/outreach
- Energy supply contract(s)
- Call center live; opt-out notices
- Utility bond and service agreement

Oct
2016

Phase 2-3
Approvals

Q4
2016

JPA Formed

Q1/2
2017

Imp. Plan &
Energy Svcs

Q3/4
2017

Phase 1
Program
Launch

Financing – Possible Loan Guarantee



- Board of Directors to decide on financing in early 2017
- Credit guaranty may be needed
- Other CCE programs have had member cities offer letters of credit
- EBCE may request member cities to provide letters of credit.

Other Alameda County Cities



Name of City	1st Reading of Resolution & Ordinance	2nd Reading of Resolution & Ordinance	Status as of 11/18/2016
Albany	11/7/16		Approved 1 st Reading
Berkeley	11/1/2016	11/15/2016	Approved 1 st Reading
Dublin	11/15/16	12/6/16	Approved 1 st Reading
Emeryville	11/1/2016	11/15/2016	Approved 1 st Reading
Fremont	11/8/2016	11/15/2016	Approved 2 nd Reading
Hayward	11/29/16	12/6/2016	
Livermore	11/28/2016	TBD	
Newark	11/10/2016		Not Approved
Oakland	11/29/2016	12/13/2016	
Piedmont	11/7/16	11/21/2016	Approved 1 st Reading
Pleasanton	TBD	TBD	
San Leandro	11/21/16	12/5/16	
Union City	11/22/2016		

Pleasanton's ESA Memo



Conclusions:

- EBCE might need to pay more for new renewable energy sources than anticipated
- Power Charge Indifference Assessment may be underestimated;
- Risks and volatility impacts of hydro resources are not fully analyzed; and
- Opt out rates may be higher than anticipated.

County's Next Steps



- Board to meet in January
- Hire consultant for Technical, Energy Procurement and Data Management Services
- Hire consultant for Community Outreach, Marketing and Customer Notification
- Opt-Out Notices (summer 2017)

Recommendation



1. Introduce the ordinance to join the East Bay Community Energy Authority; and
2. Adopt the resolution authorizing the City Manager to execute the Joint Powers Agreement to become a member of the East Bay Community Energy Authority.

Questions & Discussion

