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FEB 05 2015

MARIN CLEAN ENERGY

**BOARD MEETING MINUTES
THURSDAY, December 4, 2014
7:00 P.M.**

MARIN CLEAN ENERGY

**SAN RAFAEL CORPORATE CENTER, TAMALPAIS ROOM
750 LINDARO STREET, SAN RAFAEL, CA 94901**

Roll Call: Chair Sears called the regular Board meeting to order at 7:00 p.m. An established quorum was met.

Present: Sloan Bailey, Town of Corte Madera
Tom Butt, Vice Chair, City of Richmond
Keith Caldwell (Alternate) County of Napa
Genoveva Calloway, City of San Pablo
Larry Bragman, Town of Fairfax
Ford Greene, Town of San Anselmo
Kevin Haroff, City of Larkspur
Garry Lion, City of Mill Valley
Bob McCaskill, City of Belvedere
Emmett O'Donnell, Town of Tiburon
Elizabeth Robbins (Alternate) Town of Ross
Kate Sears, Chair, County of Marin

Absent: Denise Athas, City of Novato
Ray Withy, City of Sausalito

Staff: Dawn Weisz, Executive Officer
Elizabeth Kelly, Legal Director
Beckie Menten, Energy Efficiency Director
Jamie Tuckey, Communications Director
Kirby Dusel, Technical Consultant
John Dalessi, Technical Consultant
Emily Goodwin, Director of Internal Operations
Katie Gaier, HR Consultant
Darlene Jackson, Clerk

1. Board Announcements (Discussion):
There were no Board member announcements.

2. Public Open Time (Discussion):

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Woody Hastings from the Center for Climate Protection spoke; he shared his thanks for the efforts of MCE and their advocates during the AB 2145 fight. He's not had a chance to come down and thank the team in person until now as things are busy up in Sonoma County with all the activity on enrollment and new communities within Sonoma Clean Power's jurisdiction.

3. Report from Executive Officer (Discussion)

Dawn Weisz, Executive Officer, gave the following report:

- This is Director Bragman's last meeting and Ms. Weisz recognized his contributions to MCE during his tenure. It is anticipated a formal recognition will occur at a future Board meeting and/or at the Holiday Party;
- As discussed at the prior Board meeting, a comprehensive MCE Energy Efficiency program information packet has been released to the public. She encouraged Directors to alert her to any potential additional stakeholders for which the packet can be mailed, as staff will be taking feedback over the next couple of months;
- The Technical Committee meeting has shifted its meeting time from 9:00 a.m. to 5:00 p.m. on the second Monday of the month to accommodate needs of Directors on the Committee. The next meeting is Monday, December 8th at 5:00 p.m. with a presentation on micro grids;
- The Executive Committee meeting is scheduled for Wednesday, December 17th and the time has been changed from 9:00 a.m. to 10:00 a.m.;
- The traditional Holiday Potluck Party will be held on December 12th at 6:00 p.m. in downtown San Rafael at the Falkirk Center. She asked that Directors RSVP to Darlene Jackson; and
- There will be no regular Board meeting in January of 2015.

Elizabeth Kelly, Legal Director, stated that the voting process has been streamlined. Prior to a vote taken on the Consent Calendar, the Chair will ask for any abstentions for particular items.

4. Consent Calendar (Discussion/Action):

C.1 11.6.14 Board Minutes

C.2 Approved Contracts Update

C.3 4th Agreement with Community Energy Services Corporation (CESC)

C.4 1st Addendum to 3rd Agreement with Association for Energy Affordability (AEA)

C.5 3rd Agreement with Planet Ecosystems, Inc. (PEI)

C.6 1st Addendum to 3rd Agreement with Marin City Community Development Corporation (MCCDC)

C.7 1st Addendum to 3rd Agreement with Jay Marshall

C.8 1st Agreement with WSP Global

Board members Haroff and Lion indicated their abstentions on Item C.1; the 11.6.14 Board Minutes.

ACTION: It was M/S/C (Butt/Greene) to approve the Consent Calendar consisting of Items C.1 through C.8. Motion carried by the following roll call votes: (12-0-3) Ayes: Bailey, Butt, Caldwell, Calloway, Bragman, Greene, Haroff (*abstain on C.1*), Lion (*abstain on C.1*), McCaskill O'Donnell, Robbins and Sears; Noes: None; Absent: Athas and Withy.

5. McGlashan Advocacy Award Nominations (Discussion/Action)

Ms. Weisz gave an overview of the Charles McGlashan Advocacy Award which was created in 2011 to honor the late Charles McGlashan, Founding Chair. The award offers recognition to those demonstrating passion, dedication and leadership to promote MCE. The first award in 2011 went to Barbara George of Women's' Energy Matters, the Main Street Moms in 2012, and Lea Dutton of San Anselmo's Quality of Life Commission in 2013.

In November the Executive Committee recommended Doria D. Robinson as the 2014 recipient. Ms. Robinson is a 3rd generation Richmond resident and is the Executive Director of Urban Tilth; a community based non-profit organization in Richmond founded in 2005. Its mission is to help the West Contra Costa community build a more sustainable, healthy and just food system. Ms. Robinson has been instrumental and promoted information about MCE with a high degree of visibility and credibility. Ms. Weisz introduced Ms. Robinson and highlighted her actions which led to her being considered for nomination. Ms. Robinson was presented with a certificate and plaque with her name inscribed on it as the 2014 recipient of the McGlashan Advocacy Award. Ms. Robinson expressed thanks to the Board and staff.

ACTION: It was M/S/C (Butt/Lion) to nominate Doria D. Robinson as the 2014 Charles McGlashan Advocacy Award recipient. Motion carried by the following roll call votes: (12-0-3) Ayes: Bailey, Butt, Caldwell, Calloway, Bragman, Greene, Haroff, Lion, McCaskill O'Donnell, Robbins and Sears; Noes: None; Absent: Athas and Withy.

6. Monthly Budget Report (Discussion)

John Dalessi, Technical Consultant, gave the Monthly Budget Report which covers the fiscal year to date April through October 2014. Financial results are tracking well and are within a 2% variance with budget projections. October is the last month of the summer season for this fiscal year and the net surplus tends to peak and then items are encumbered throughout the remainder of the year to what has been budgeted.

Board members questioned and confirmed there is natural variability in the budget; that power supply expenses are dependent upon prevailing market prices and energy sales; and that transfers tend to even out over the year.

Chair Sears called for public comments and there were none. She thanked Mr. Dalessi for his report and for breaking out budgeted items in the new format which was very helpful.

7. Resolution No. 2014-08 Approving the City of El Cerrito as an MCE Member and Authorizing: 1) Amendment 9 to the MCE JPA Agreement and 2) Submittal of Amendment to MCE Revised Implementation Plan Adding the City of El Cerrito (Discussion/Action)

Ms. Weisz introduced the item and stated that John Dalessi will give a brief explanation and presentation on the membership analysis conducted for the City of El Cerrito, completed in early October.

Mr. Dalessi highlighted the membership analysis for the City of El Cerrito via PowerPoint presentation:

- MCE would likely be serving approximately 145,000 customers total with the expansion into El Cerrito;
- El Cerrito has 12,000 electric customers as potential customers, the majority of which are in the residential sector;
- A potential of 80,000 MWh hours of additional energy sales is projected;
- The residential usage per account is relatively low at about 351 kWh hours per month;
- Traffic control lights and street lights are served by MCE; and
- The assumption is that customers would begin service at the start of the fiscal year and revenue generated would be just under \$4.8 million per year. Total costs are estimated at \$3.7 million. The surplus can be used to reduce rates by about 1% and pay a portion of MCE's fixed costs.

Board member Greene asked and confirmed that the use of the anticipated surplus from revenue generation and total costs will be a decision made by the Board during the budget process.

In response to a question of the Chair, Ms. Weisz explained that the City of El Cerrito will consider the first reading of the ordinance to join MCE on December 16th, with the second reading scheduled for January 5, 2015. The next task will be for their City Council to designate a MCE Board member and Alternate. The Implementation Plan revision will then be filed with the CPUC for certification, which is expected to occur in January 2015. Staff expects to conduct enrollment with El Cerrito in concert with the City of San Pablo and Benicia, planned for May 2015.

ACTION: It was M/S/C (Greene/Bailey) to 1) adopt Resolution No. 2014-08 Approving the City of El Cerrito as an MCE Member and Authorizing; 2) Amendment 9 to the MCE JPA Agreement and 3) Submittal of Amendment to MCE Revised Implementation Plan Adding the City of El Cerrito. Motion carried by the following roll call votes: (12-0-3) Ayes: Bailey, Butt, Caldwell, Calloway, Bragman, Greene, Haroff, Lion, McCaskill O'Donnell, Robbins and Sears; Noes: None; Absent: Athas and Withy.

8. MCE Staff Positions (Discussion/Action)

Katie Gaier, HR Consultant, referred to the Board's supplemental packet which reflects growth and greater engagement in regulatory and legislative activities, with energy efficiency and internal procurement activities. She cited the need for new and/or higher level positions within the organization, and briefly outlined the proposed positions, as recommended in the packet.

Board members asked and confirmed with Ms. Gaier that salary ranges are contained in the recommendations section for each position, some of which are based on both external and internal steps and growth and comparisons within a job classification series. The matter was presented to the Executive Committee that recommended consideration and approval by the Board. Two positions result in an open recruitment; the Senior Regulatory Analyst and the Power Supply Contracts Manager. These new positions, in part, will work in regulatory functions, expand development of their 2016 portfolio which in turn will bring additional energy efficiency funds to serve more customers, as well as develop an offering for low income programs. The Power Supply Contracts Manager will directly support the Procurement Team in the development, negotiation, management and milestone tracking of PPA's based on an expanded power supply. The other two positions relate to existing staff whose roles have evolved, requiring the need for additional personnel resources.

Chair Sears recognized that the organization has been very prudent in their lean hiring practices thus far and voiced support for staff's recommendation.

ACTION: It was M/S/C (Haroff/Lion) to approve new and revised staff positions as proposed. Motion carried by the following roll call votes: (12-0-3) Ayes: Bailey, Butt, Caldwell, Calloway, Bragman, Greene, Haroff, Lion, McCaskill O'Donnell, Robbins and Sears; Noes: None; Absent: Athas and Withy.

9. Communications Update (Discussion)

Communications Director Jamie Tuckey provided the following update:

- An ad campaign is currently running in Marin County through advertisements published in Marin County newspapers, on-line digital advertisements and on the backs of Whistle-stop buses;
- A Richmond-based on-line digital campaign will begin early next month along with billboards and bus back advertisements, which will then lead into the ad campaign in San Pablo starting in late January/early February;
- In unincorporated Napa County, the first and second enrollment notices in English and Spanish were mailed out to all customers in November. The third notice will be mailed next week which will be a tri-fold brochure. The fourth and fifth opt out notices will be delivered to customers in February and March if they have not chosen to opt out, and service with MCE for Napa County customers starts in February 2015;

- Samples of the third opt-out notices were distributed to Board members showing choices, highlighting a community meeting mid-January, and a page showing how MCE partners with PG&E, annual savings, and what a first bill should look like under MCE;
- MCE has engaged with many Napa residents and businesses, and members of the Public Affairs team are providing staffing support at Napa County offices during various weeks when mailers go out;
- MCE is participating in several Napa community events, including Rotary Clubs, Farmers' Market, and the Root Stock event, among many others;
- Since the first opt out notice went out, the call center has been busy with three times more calls than normal. 87% of calls are from unincorporated Napa County residents and businesses. To date, there are 85 Deep Green enrollments from Napa County and 570 opt-outs, representing about 3.5% of the unincorporated Napa customer base;
- MCE ads are running in Napa through the Napa Valley Register, billboards, and on-line digital ads. A newspaper story ran in the Napa Valley Register and several community newsletters were sent out from Sustainable Napa County, Napa County Farm Bureau, the Napa Chapter of the Sierra Club, Napa Valley Vintners, Napa Valley Grape Growers, as well as emails from County Supervisors to constituents;
- Next steps for the Public Affairs team will focus on development of plans for San Pablo, Benicia and El Cerrito. The San Pablo plan is being finalized this month which will be brought to the Executive Committee for consideration.

Board members discussed the principle objective for the advertising campaign in Marin. Ms. Tuckey explained that the campaigns all have a common theme, *"We Have the Power"*, and that the purpose is to strengthen understanding, awareness and support of MCE and keep MCE in the forefront of our community as opportunities for their power supply. Specifically, the campaign is an opportunity to highlight the accomplishments and successes of MCE that benefit our community such as lower rates, economic development, and local solar development all combined with cleaner energy options. The campaigns help to solidify a market presence for MCE.

In response to a Board member question, direct mailers can be utilized to share MCE information specific to a variety of customer needs and concerns.

Chair Sears called for public comment.

A public speaker asked if there was a breakdown or categorization of Napa calls and questions.

Ms. Tuckey responded that the majority of calls are from those callers requesting to opt out, to sign up for Deep Green, or general questions about the program.

10. Regulatory and Legislative Update (Discussion/Action)

Beth Kelly, Legal Director, stated she had no regulatory update and reported on the legislative front:

- Staff has traveled to Sacramento to hold update meetings with legislators, particularly focusing on the job creation achieved by MCE, MCE activities in the energy efficiency realm, and the amount of renewables MCE is building and developing in the state;
- MCE expects to see two bills issued shortly: the Governor's Carbon 2030 Plan and a consumer advocacy bill;
- Since issuance of the staff report there have been no fewer than 4 bills addressing carbon in the state;
- Staff noted that the MCE Board has approved legislative policy guidelines for how staff participates in Sacramento. Missing from those guidelines relates to advocating on behalf of Community Choice Aggregation customers. The expected bill will relate to consumer protections and how the CPUC is going to function and these will have significant impacts on CCA customers. Staff is requesting an amendment to the legislative policy guidelines to enable MCE staff to conduct legislative advocacy that benefits CCA customers in situation where there are potential changes to regulatory and legislative processes; and
- In response to Board questions, Ms. Kelly updated Board members on the consequences flowing from PG&E's failure to comply with ex parte rules, release and review of emails and potential additional violations, quid pro quo activities, and Public Records Act requests made and responses.

ACTION: It was M/S/C (Greene/Caldwell) to approve amendment to the legislative policy guidelines to enable MCE staff to conduct legislative advocacy that benefits CCAC customers. Motion carried by the following roll call votes: (12-0-3) Ayes: Bailey, Butt, Caldwell, Calloway, Bragman, Greene, Haroff, Lion, McCaskill O'Donnell, Robbins and Sears; Noes: None; Absent: Athas and Withy.

11. Board Member & Staff Matters (Discussion)

There were no Board Member or staff announcements.

12. Adjournment:

The Board of Directors adjourned the meeting at 8:17 p.m. to the next regular Board meeting on February 5, 2015.



Kate Sears, Chair

Attest:



Dawn Weisz, Secretary

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