



**MARIN ENERGY AUTHORITY
BOARD MEETING
THURSDAY, November 7, 2013
7:00 P.M.**

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

Roll Call

Present: Damon Connolly, City of San Rafael, Chair
Kathrin Sears, County of Marin
Bob McCaskill, City of Belvedere
Sloan Bailey, Town of Corte Madera
Larry Bragman, Town of Fairfax
Len Rifkind, City of Larkspur
Denise Athas, City of Novato
Tom Butt, City of Richmond
Carla Small, Town of Ross
Ford Greene, Town of San Anselmo
Emmett O'Donnell, Town of Tiburon

Absent: Ray Withy, City of Sausalito
Ken Wachtel, City of Mill Valley

Staff: Dawn Weisz, Executive Officer
Elizabeth Kelly, Legal Director
Rafael Silberblatt, Program Coordinator
Jamie Tuckey, Marketing Director
Beckie Menten, Energy Efficiency Coordinator
Jeremy Waen, Regulatory Analyst II
Greg Brehm, Resource Coordinator
Alex DiGiorgio, Community Affairs Coordinator
Meaghan Doran, Energy Efficiency Specialist
John Dalessi, Technical Consultant
Kirby Dusel, Technical Consultant
Emily Goodwin, Internal Operations Coordinator
Darlene Jackson, Clerk

Public Session: 7:11PM

A moment of silence was held in honor of Barbara George, Founder and Director of Women's Energy Matters who passed away this morning. Chair Connolly, Executive Officer Dawn Weisz along with several members of the public talked about Ms. George and what she meant to MEA and her work in the energy field as a whole. Ms. Weisz shared how Ms. George was one of the early supports and educators on CCA and an active participant in the formation of the Marin Energy Authority. Ms. George worked tirelessly for the past twelve years as an intervener at the CPUC pushing for renewable energy and energy

efficiency. She frequently served as stakeholder in and liaison to, community advocacy groups on matters of energy and CPUC activity. Ms. George was the 1st recipient of MEA's McGlashan Advocacy Award.

David Hastings, Kiki LaPorta, Lori Grace, Leslie Alden and Stan Sparrow had expressions and shared fond memories of Ms. George.

Agenda Item #1- Board Announcements (Discussion)

None

Agenda Item #2 – Public Open Time (Discussion)

None

Agenda Item #3 – Report from Executive Officer (Discussion)

Executive Officer Dawn Weisz reported on the following:

- Thanked those who participated in the October 10th CAISO Tour. It was a success and special thanks to Director Sloan Bailey for joining MEA staff for this informative tour and presentation.
- LEAN Conference coming up in Chicago next week with representation from around the country to discuss the CCA model, accomplishments, challenges and variety of models in the marketplace.
- Reminder to save the date for the MEA annual Holiday Party on Friday, December 20th, at the Falkirk Cultural Center in San Rafael.

Agenda Item #4 – Consent Calendar (Discussion/Action)

- C.1 9.25.13 Board Retreat Minutes
- C.2 10.3.13 Board Minutes
- C.3 Monthly Budget Report
- C.4 Report on Approved Contracts
- C.5 Job Descriptions and Compensation Studies for MCE Positions

M/s Sears/Greene (passed 11-0-0) approved all items on the consent calendar. Directors Withy and Wachtel were absent.

Agenda Item #5 – Policy 008: Accounts Receivable Reserve Policy (Discussion/Action)

Emily Goodwin, Internal Operations Coordinator presented this item.

The policy was drafted to:

- Formalize a procedure to reasonably estimate the amount of revenue from customers that will not be collected by MEA and to record that amount in the period that that revenue is recognized (earned).
- Provide a means for late collections of customer payments to be accounted for in the Customer Accounts Receivable database managed by Noble Energy Solutions; also allow the recording of amounts in the financial statements for uncollectible accounts.

Benefits of policy:

- Would enable MEA staff and accountants to accurately report accounts receivable, net assets and earnings, by estimating the rate of collection amounts billed to customers; this is accomplished by evaluating and monitoring historical rates of collection of amount billed to customers.

- Consideration for changes in the ratio of commercial to residential customers, demographics and other factors that might influence changes from historical rates.
- Data would be reviewed no less than twice per year.

Ms. Goodwin and Ms. Weisz responded to questions from the Board.

M/s Athas/Greene (passed 11-0-0) Approved draft Policy 008 - Accounts Receivable Reserve Policy. Directors Withy and Wachtel were absent.

Agenda Item #6 MCE Integrated Resource Plan (Discussion/Action)

John Dalessi, Technical Consultant presented this item. He provided summary and background on the Integrated Resource Plan (IRP). It has always been the plan to update the IRP on an annual basis. The update at this time each year will ultimately feed into the upcoming year's open season and assist in determining what power supply (amount, type, location, etc.) MCE will need going forward.

Purpose of Integrated Resource

- Three primary purposes:
 - ✓ Quantify resource needs over the planning period.
 - ✓ Prioritize resource preferences and establish other relevant power procurement policies.
 - ✓ Provide guidance to power procurement process undertaken by management.
- Key MEA Resource Plan Policies:
 - ✓ Reduce emissions of greenhouse gasses and other pollutants through increased use of renewable energy resources and reduced reliance on fossil fueled resources.
 - ✓ Maintain competitive electric rates and increase control over energy costs through management of diverse resource mix.
 - ✓ Benefit area's economy through investments in local infrastructure and energy programs.
 - ✓ Help customers reduce energy consumption and bills through energy efficiency, distributed generation, and other demand-side reduction programs.
 - ✓ Enhance system reliability through investment in supply and demand-side reduction strategies.
- Highlights of Draft IRP:
 - ✓ Resource Targets
 - ✓ Resource Mix
 - ✓ Resource Need
 - ✓ Procurement Methods

Chair Connolly inquired about the need to fill a small gap in previously contracted supply and subsequent 2014 procurement to fill that gap. Mr. Dalessi advised that he's confident in the process of meeting that need and conversations with prospective developers are ongoing but it is too early to discuss specifics.

Mr. Dalessi and Ms. Weisz responded to questions from the Board and member of the public.

M/s Sears/Greene (passed 11-0-0) approved the 2013 Marin Clean Energy Integrated Resource Plan. Directors Withy and Wachtel were absent.

Agenda Item #7 Energy Efficiency Update (Discussion)

Energy Efficiency Coordinator, Beckie Menten presented this item.

Multi-Family Program Update

- Project Profile
 - ✓ Home Owners Association Property with 248 units
 - ✓ Major boiler replacements, individual water heaters
 - ✓ Direct installation in units: compact fluorescent bulbs, showerheads, pipe wrap insulation
 - ✓ Coordinating with Marin Municipal Water District to upgrade older, less efficient toilets
- Incentive Revisions
 - ✓ Additional \$25/unit receiving direct install
 - ✓ Additional \$50/unit benefitting from in-unit measure
 - ✓ Additional 15% for three or more measures
- Initial Program Results

Small Commercial Program Update

- Sausalito Saturation Campaign
 - ✓ Customers very receptive
- Conclusion of Richmond Saturation Campaign
 - ✓ 399 businesses touched
 - ✓ 85 Audits
- Deep Green customer Catahoula Coffee is a recent participant in our Energy Efficiency program (lighting project)
- Incentive Redesign
- Initial Program Results

Financing Programs

- Two applications already submitted for single family program following recent earned media
- Significant breakthrough in discussions with PG&E
 - ✓ On-bill financing will be extended to non MCE customers
- Exploring renewable energy financing options

Contracts Coming Soon – Before Board tonight

- Association for Energy Affordability
- Community Energy Services Corporation
- Marin City Community Development Corporation

Ms. Menten responded to questions from the Board. She also reassured Director Butt that an EE case study, on one of Director Rifkind's property, is near completion. Director Bailey suggested that specific goals be established for each aspect of the EE program.

Agenda Item #8 – Third Agreement with Association for Energy Affordability for Energy Efficiency Contract Services (Discussion/Action).

Energy Efficiency Coordinator, Beckie Menten presented this item by providing history and a summary of MEA's relationship with AEA.

- The proposed Third Agreement includes support for AEA to continue in their role as technical consultant for the program. AEA would continue to provide energy audits on behalf of the program, interfacing with property owners and managers to explain the opportunities represented in the audit report.
- Will continue to work closely with the Marin City Community Development Corporation (MCCDC) to identify workforce development opportunities in energy efficiency program implementation and to utilize

- locally trained workers where possible.
- AEA would provide the oversight for the installation of energy efficiency measures to ensure property owners, managers, and the MEA program are getting the highest quality work products that will deliver the estimated energy savings.
- The requested contract amount of \$106,000 represents less than 1% of the energy efficiency program budget and 13% of the multi-family budget. This contract would be funded completely by the EE program funds allocated by the CPUC.

Ms. Menten responded to questions from the Board.

M/s Green/Athas (passed 11-0-0) Authorize Execution of the Third Agreement with Association for Energy Affordability to provide Energy Efficiency Contract Services. Directors Withy and Wachtel were absent.

Agenda Item #9 – Third Agreement between MEA and the Community Energy Services Corporation (CESC) for Energy Efficiency Contract Services. (Discussion/Action)

Energy Efficiency Coordinator, Beckie Menten presented this item by providing history and a summary of MEA's relationship with Community Energy Services Corporation (CESC).

- Under the proposed Third Agreement, CESC would continue to be the lead program implementer for the MEA program.
- CESC would provide energy evaluations at no cost to small businesses, prepare and deliver energy evaluation reports, identify qualified contractors from a pool of pre-determined professionals who have agreed to specific terms, and oversee the installation of the efficiency measures for quality control.
- SmartLights would also be able to provide savings estimations for lighting in the MEA multifamily EE program.
- The requested contract amount of \$200,000 represents 5% of the total EE program budget, and 14% of the small commercial program budget. This contract would be funded completely by the EE program funds allocated by the CPUC.

Ms. Menten responded to questions from the Board.

M/s Sears/Greene (passed 11-0-0) Authorize Execution of the Third Agreement with CESC to provide Energy Efficiency Contract Services. Directors Withy and Wachtel were absent.

Agenda Item #10 – Third Agreement with Marin City Community Development Corporation (MCCDC) for Energy Efficiency Contract Services (Discussion/Action)

Energy Efficiency Coordinator, Beckie Menten presented this item by providing history and a summary of MEA's relationship with Marin City Community Development Corporation (MCCDC).

- In the past year, MCCDC has exhausted the majority of the programs funds previously allocated and expects to deplete the balance of the contract amount by mid-December 2013. Thus, MEA is seeking for the term of the proposed Third Agreement to cover December 1, 2013 to December 31, 2014.
- The requested contract amount of \$50,000 is less than 1% of the EE program budget and 6% of the multi-family program budget. The contract would be funded completely by the EE program funds allocated from the CPUC.

Ms. Menten responded to questions from the Board. Approval of this item is subject to amendment changing

contract effective date from December 1, 2013 to November 7, 2013 as requested by Ms. Menten.

M/s Green/Sears (passed 11-0-0) Authorize Execution of the Third Agreement with Marin City Community Development Corporation (MCCDC) for Energy Efficiency Contract Services amended to reflect commencement of services effective November 7, 2013. Directors Withy and Wachtel were absent.

Agenda Item #11 Solar Rebate Program Low Income Distribution (Discussion/Action)

Program Coordinator, Rafael Silberblatt presented this item by providing background, a summary of the program, and the reason for recommending specialized eligibility.

Mr. Silberblatt responded to questions from Board.

M/s Butt/Sears (passed 11-0-0) Approved restricting eligibility for MCE's Solar Rebate Program to low income customers (as determined by proof of SASH/MASH eligibility) for an initial four month period before making any remaining rebates available to other residential customers. Directors Withy and Wachtel were absent.

Agenda Item #12 - Communications Update (Discussion)

Jamie Tuckey, Communications Director presented this item providing the following:

Highlights & Accomplishments

- 120+ community meetings since January 2013
- 50+ new stories published
- Redesigned MCE website & marketing materials
- MCE service launched to 35,000 Richmond customers
- Accredited by Better Business Bureau
- Climate Change Business Journal Solar Power Achievement Award

Serving 124,000+ MCE Customers

- 122,000~ Light Green Customers
- 1,800~ Deep Green Customers
- Since October 2012, MCE's Deep Green customer base has increased by 42%

MCE Call Center

- 22,000+ customer service calls (9/2012 – 8/2013)
- 15% retention rate for opt out requests
- 8% of calls are foreign language
 - ✓ Spanish (8%)
 - ✓ Tagalog (.2%)
 - ✓ Mandarin (.2%)
 - ✓ Vietnamese (.16%)
 - ✓ Lao (.05%)
 - ✓ Cantonese (0)

Latino Outreach

- Connected with 2,000+ Richmond Latino community members

Miscellaneous Meetings & Events

Print Advertisements

- Richmond Pulse
- Richmond Post
- La Voz
- SF Business Times Richmond Special
- Marin Independent Journal
- Pacific Sun
- Marin Magazine
- Marin Center Magazine

Electronic Advertisements

Google Adword Campaign

- 1,012 clicks between 6/1/13 and 8/31/13
- Top 5 keyword searches
 - ✓ marin clean energy
 - ✓ mce clean energy
 - ✓ solar wind energy
 - ✓ how to save energy
 - ✓ mce

Past Year: Website Traffic

- ~50,000 site visits between 10/2012 and 09/2013
- 43% new visitors
- 12% mobile/tablet users

Year Ahead: Focus Areas

- Retain Light Green customers
- Return Light Green customer opt outs
- Increase Deep Green customer enrollments
- Increase Energy Efficiency program participation
- Expand Latino outreach
- Improve PG&E billing & custom service

Year Ahead: Planned Activities

- Create Deep Green business marketing package
- Launch Deep Green & Energy Efficiency advertising campaigns
- Direct outreach to business customers
- Deepen engagement in business communities
- Build enhance advocacy relationships
- Simplify and build interactive web tools
- Improve Net Energy Metering billing process
- Create and disseminate video ads

Ms. Tuckey spoke about MCE expansion

City of Albany – Discussions planned for their 11/18 Council Meeting

City of San Ramon – Discussions planned for their 11/26 Council Meeting

City of Piedmont – Discussions planned for their 12/02 Council Meeting

MCE has also responded to questions and provided information to representatives in the Cities of El Cerrito, San Pablo, Benicia, Oakland and Dublin, as well as the counties of San Luis Obispo and Santa Barbara.

Ms. Tuckey responded to questions from the Board. Chair Connolly encouraged the team to keep pushing in the direction they are going.

Agenda Item #13 - Regulatory Update (Discussion)

Legal Director, Beth Kelly presented this item and reported there is quite a bit of activity on the CPUC front. She mentioned various key proceedings and the steps taken in the past month:

- Energy Storage: Decision set new target for all load-serving entities (LSEs), for CCAs: 1% of load by 2020
- Residential Rate Design Rulemaking: In accordance with new legislation (AB 327), the investor-owned utilities will propose interim residential rate changes
- New Demand Response Rulemaking: Workshops and filings underway; MEA has been an active participant
- Long Term Procurement Plan Proceeding (LTPP) related to the offlining of the San Onofre Nuclear Generating Station (SONGS): IOUs propose replacement resources receive Cost Allocation Mechanism (CAM) treatment
- Cap and Trade: The Commission has determined that 2013 outreach and education will be undertaken by California Center for Sustainable Energy (CCSE), not the IOUs
- New Energy Efficiency Rulemaking: A new energy efficiency Rulemaking is on the Commission's agenda which proposes to extend MEA's EE 2013-2014 programs to 2015 and introduce a rolling portfolio cycle.

Ms. Kelly also extensively discussed the pending Proposed Decision on CCA and Energy Efficiency. The Proposed Decision takes several positive steps. It (i) continues treatment of CCAs as "Administrators"; (ii) allows timing flexibility in a CCA's first energy efficiency application; and (iii) allows retroactive energy efficiency funding.

However, the Proposed Decision raises several concerns for MEA. Specifically, the Proposed Decision:

- Excludes CCAs from the vast majority of funding for the "elect to administer" CCA pathway due to the broad definitions of Statewide and Regional Programs
- Excludes CCAs from accessing gas funds and running energy efficiency programs which reduce gas usage
- Proposed TRC Ratios of 1.0 or 1.25 could be overly burdensome depending on the overall CCA administration structure for energy efficiency
- Proposed Decision would impose all other Decisions tailored to IOUs on CCAs with limited exceptions

With regards to this Proposed Decision, MEA has raised the need for a CPUC Ombudsman to address energy efficiency issues as they arise for CCAs.

Ms. Kelly responded to questions from the Board. She thanked Director Bailey for attending a key meeting at the CPUC with a Commissioner Advisor.

Agenda Item #14 – Board Member & Staff Matters (Discussion)

None

Agenda Item #15 – Adjourn

9:52PM


Damon Connolly, Chair

ATTEST:


Dawn Weisz, Executive Officer

APPROVED
DEC 05 2013
MARIN
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