



**Marin Clean Energy
Board of Directors Meeting
Thursday, May 1, 2014
7:00 P.M.**

**San Rafael Corporate Center, Tamalpais Room
750 Lindero Street, San Rafael, CA 94901**

Dawn Weisz
Executive Officer

Damon Connolly
Chair
City of San Rafael

Kathrin Sears
Vice Chair
County of Marin

Bob McCaskill
City of Belvedere

Sloan C. Bailey
Town of Corte Madera

Larry Bragman
Town of Fairfax

Kevin Haroff
City of Larkspur

Garry Lion
City of Mill Valley

Denise Athas
City of Novato

Tom Butt
City of Richmond

Carla Small
Town of Ross

Ford Greene
Town of San Anselmo

Ray Withy
City of Sausalito

Emmett O'Donnell
Town of Tiburon

1 (888) 632-3674
mceCleanEnergy.org

781 Lincoln Ave., #320
San Rafael, CA 94901

Agenda Page 1 of 2

1. Board Announcements (Discussion)
2. Public Open Time (Discussion)
3. Report from Executive Officer (Discussion)
4. Consent Calendar (Discussion/Action)
 - C.1 4.3.14 Board Minutes
 - C.2 Monthly Budget Report
 - C.3 Approved Contract Update
 - C.4 MCE Position Transition from Extra Hire to Regular Hire
 - C.5 Amendment to Agreement with Windstream
5. Records Retention Adjustment (Discussion/Action)
6. Results of Membership Analysis for the Unincorporated County of Napa (Discussion)



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7. Energy Efficiency Update (Discussion)
8. Communications Update (Discussion)
9. Regulatory and Legislative Update (Discussion)
10. Board Member & Staff Matters (Discussion)
11. Adjourn



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MARIN CLIMATE ACTION PLAN COMMUNITY MEETING



*April 14, 2014
Marin Center Exhibit Hall*

*Brian Schuster & Shay Humphrey
ICF International*



MEETING AGENDA & OBJECTIVES

- *Meeting Objectives:*
 - *Explain update to 2006 CAP*
 - *Share progress made since 2006*
 - *Hear your ideas for GHG-reduction strategies*
- *Agenda*
 - *Open house (6:00 – 6:30 p.m., talk with CAP team)*
 - *Presentation ◀ (6:30 p.m.)*
 - *Question & answer session (7 :00 p.m.)*
 - *Resume open house format (7:30 p.m.)*
 - *Talk to project team one-on-one*



WHAT IS A CLIMATE ACTION PLAN?

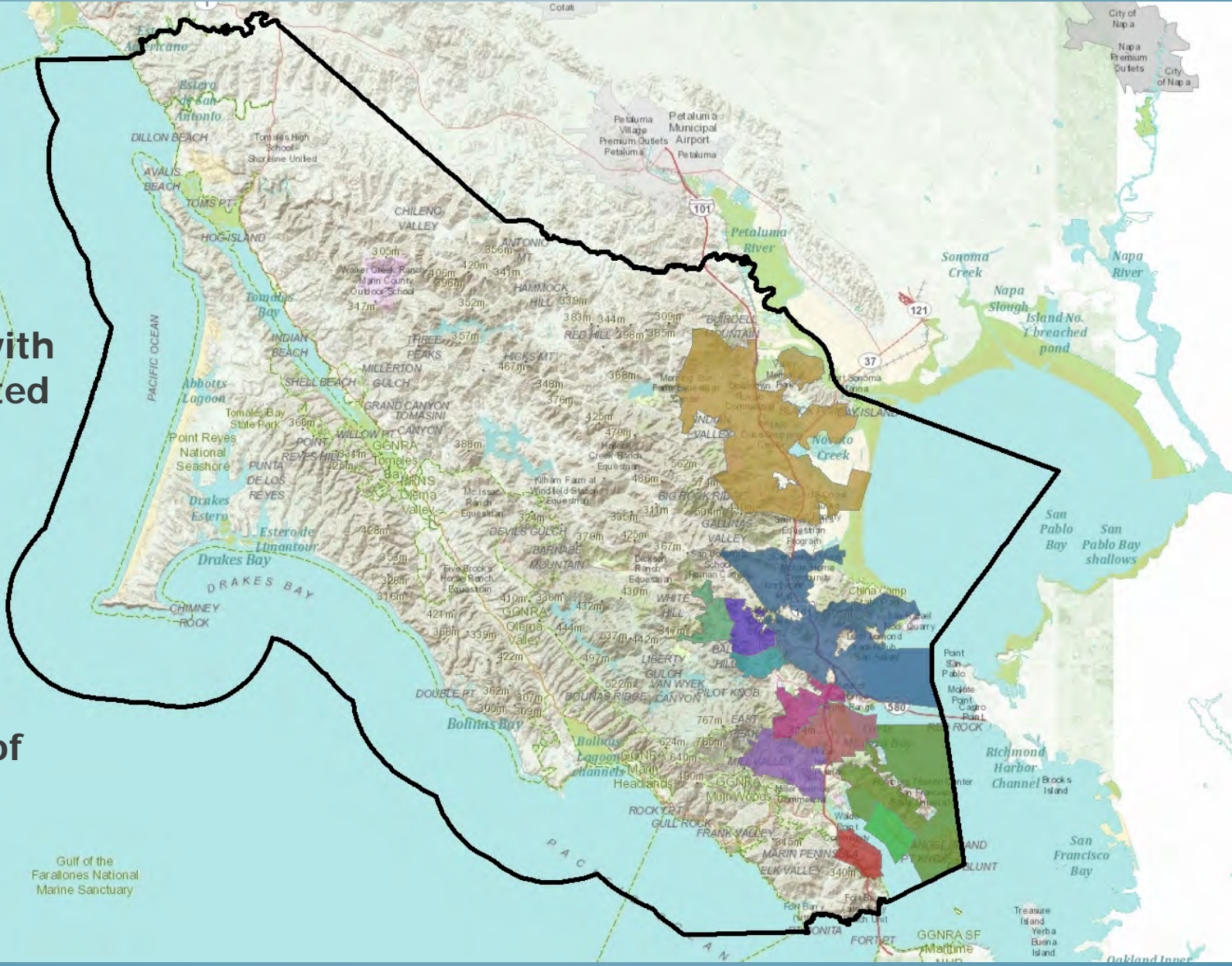
- *A strategy to reduce GHG emissions in a community*
- *Includes inventory and forecast of GHG emissions*
- *Identifies target for their reduction*
- *Presents local actions to help achieve the target*
- *Identifies implementation steps for each action*
- *Can also provide CEQA streamlining.*



WHAT IS "MARIN COUNTY" FOR PURPOSES OF THE CAP?

Community Emissions = associated with unincorporated County Area

Municipal Emissions = associated with County government (regardless of location)



Gulf of the Farallones National Marine Sanctuary

HOW DID WE GET HERE?

- *In 2006 the County adopted a Climate Action Plan (CAP)*
 - *Outlines GHG reduction goals, and measures that industry, business owners, landowners and residents can take to achieve those goals*
 - *One of first counties in CA to adopt a CAP*
- *The County & private sectors have invested heavily in reducing GHG emissions*
 - *Energy efficiency, renewable energy, alternative fueled vehicles, water conservation, and waste minimization*
- *These contributions have reduced emissions in the County*



WHY DO WE NEED A CAP UPDATE?

- *To create an effective means of tracking GHG emissions reduction progress*
- *To assess progress made to-date*
- *To inventory current and future GHG emissions (not in 2006 CAP)*
- *To identify current GHG-reduction efforts and additional, future reduction measures (“gap analysis”)*
- *To continue to effectively work toward GHG emission reduction goals*

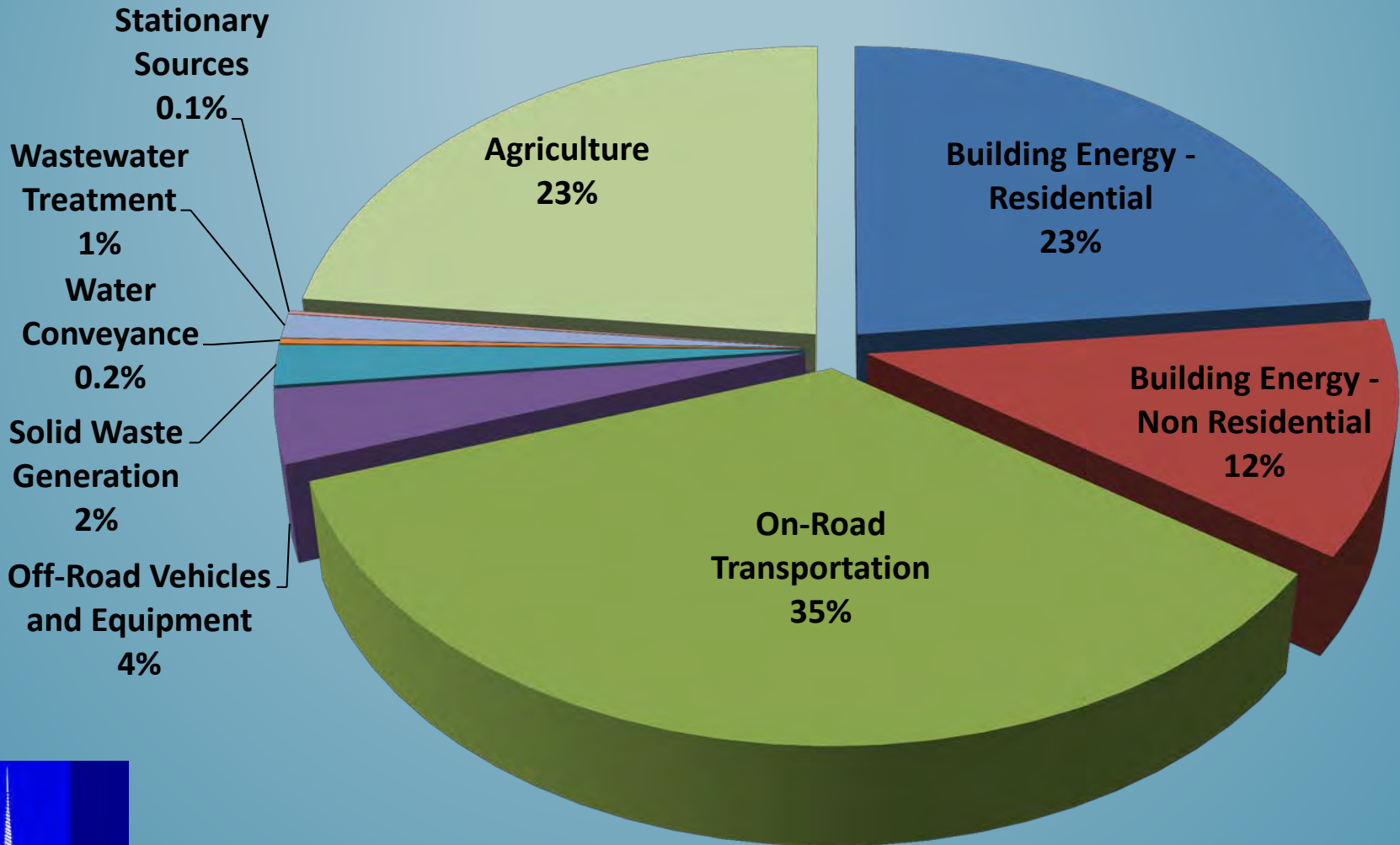


GOALS OF THE CAP UPDATE

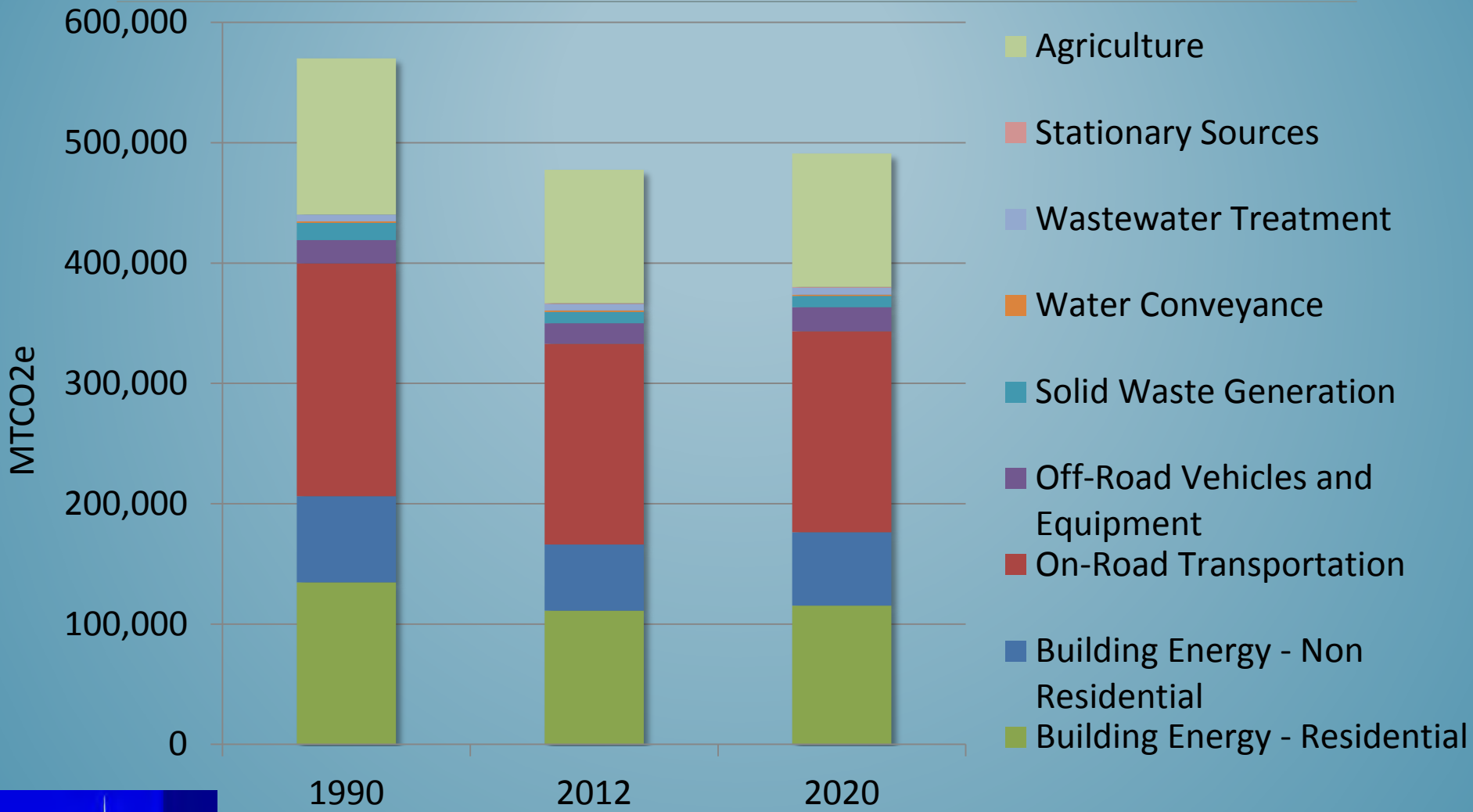
- *Create measures to reduce emissions (to 15% below 1990 levels by 2020 per County's 2006 plan)*
- *Review and revise measures in 2006 CAP to reflect current conditions and constraints*
- *Develop, analyze, and prioritize reduction measures including cost/benefit analysis*
- *Develop “tracking tool”*
- *Inform and collaborate w/stakeholders*
- *Create measures complementary to regional and statewide actions*
- *Ensure compliance with CEQA and BAAQMD standards*



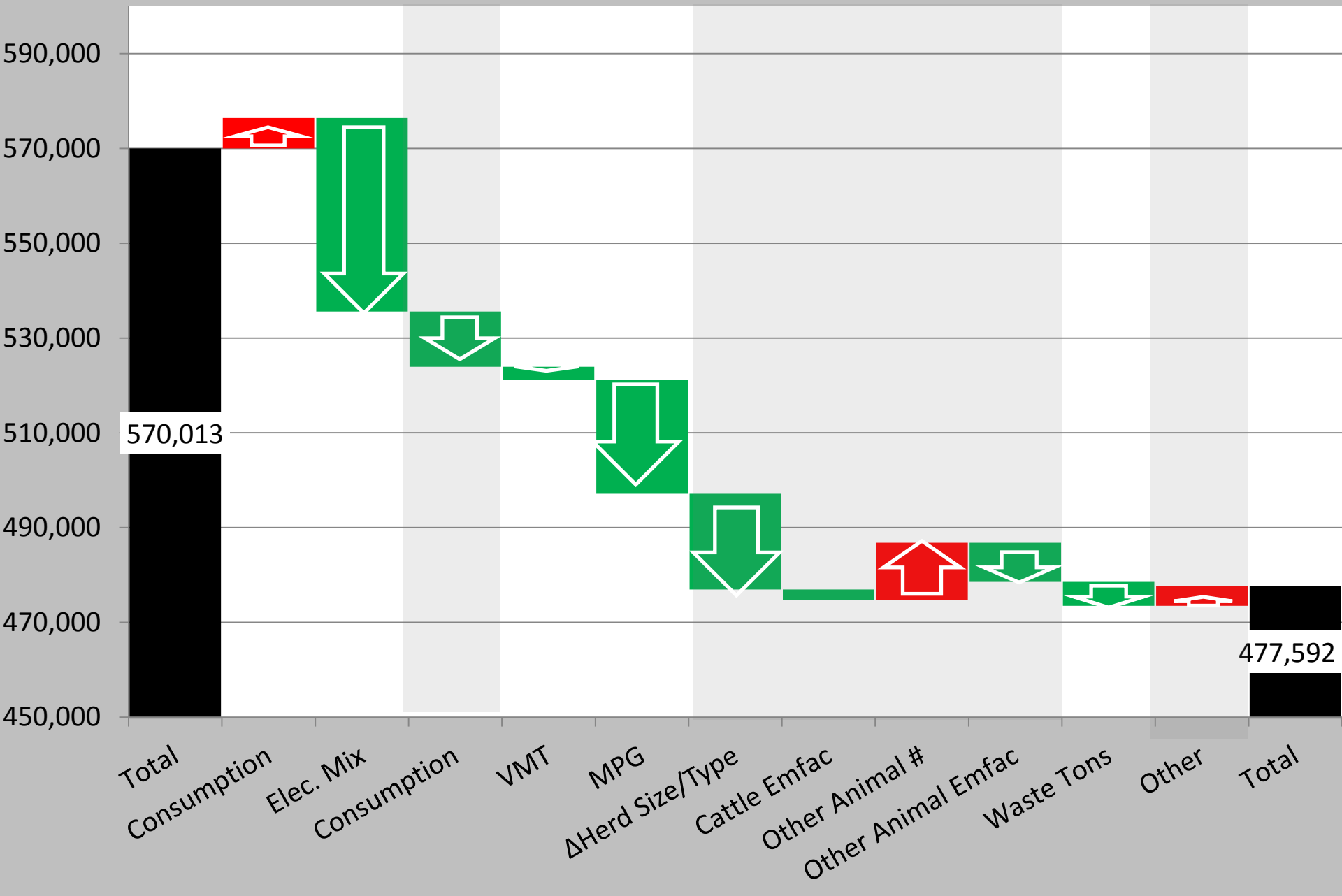
UPDATED 2012 GHG INVENTORY - COMMUNITY



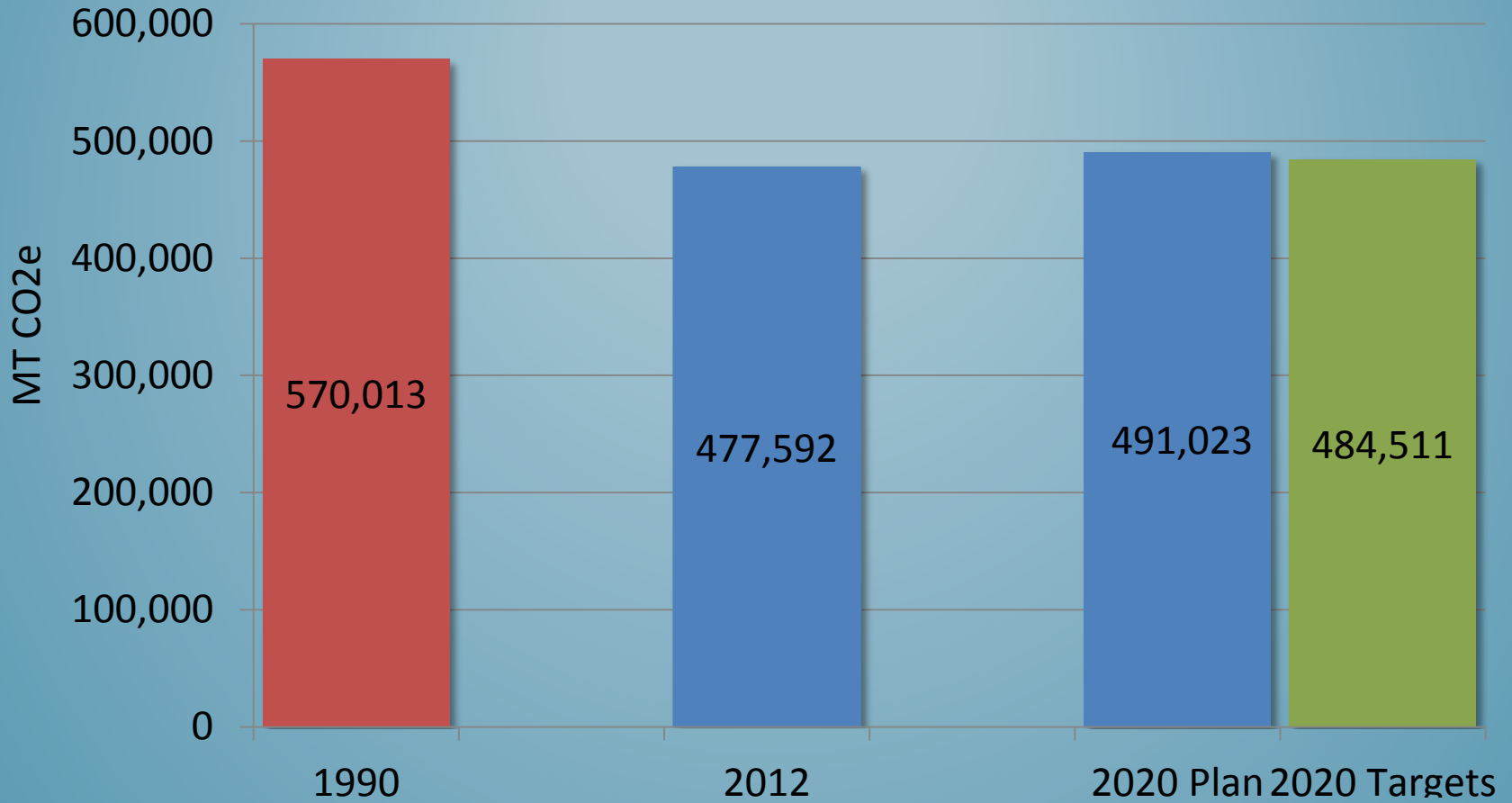
COMMUNITY EMISSIONS – 1990 TO 2020



1990 ELECTRICITY NATURAL GAS ON-ROAD TRANS. AGRICULTURE WASTE OTHER 2012



GHG TARGET TRENDS - COMMUNITY



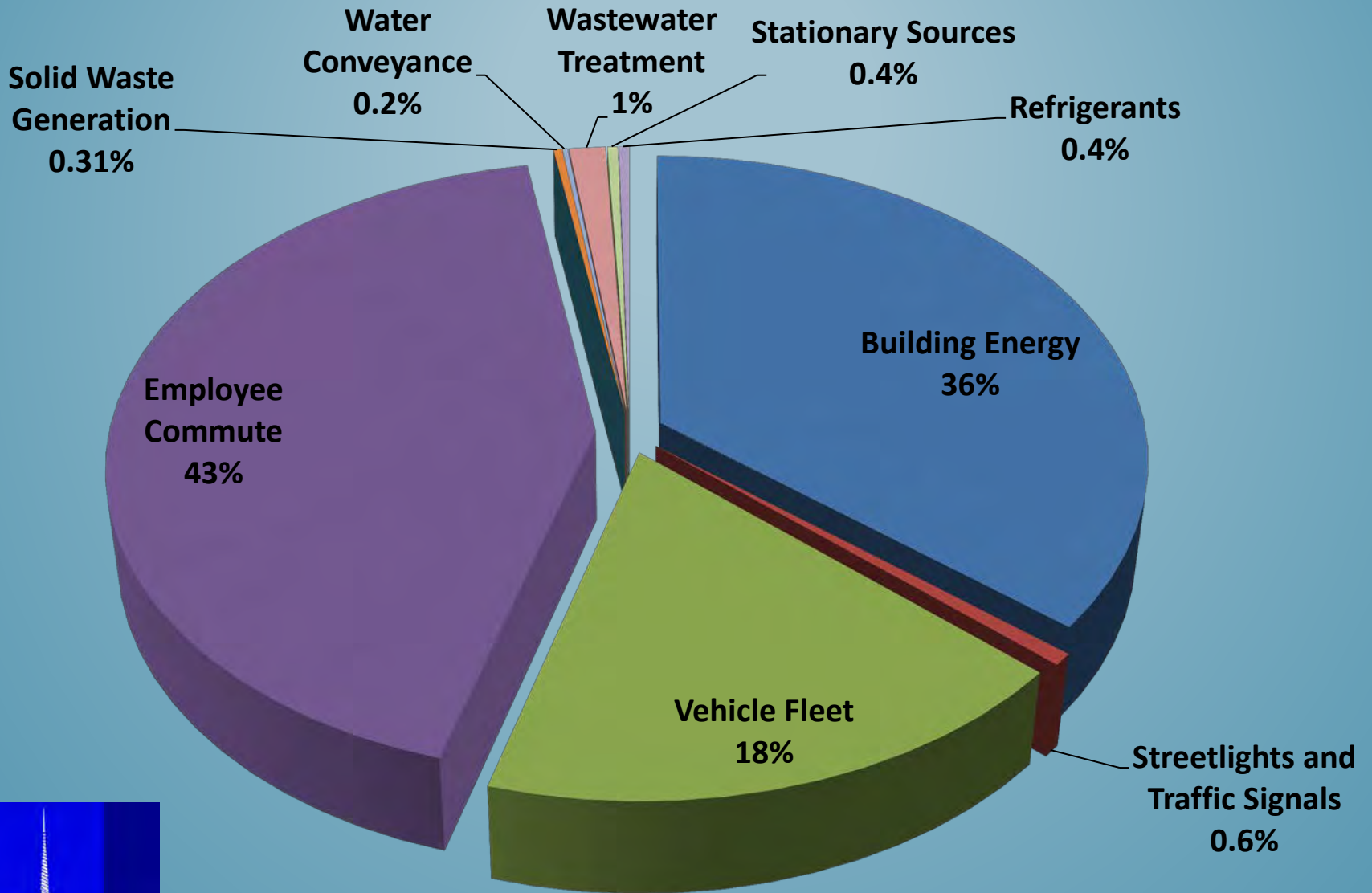
PRELIMINARY REDUCTION MEASURES - COMMUNITY

Sector	Measure
Building Energy	Community Choice Aggregation (MCE Clean Energy)
	Tree Planting
	Energy Efficiency Retrofits
	Residential Solar
Transportation	Carpool and Vanpool Programs
	VMT Reduction Monitoring, Implementation, and Transportation Demand Management Programs
Offroad Vehicles	Electric Landscaping Equipment
Solid Waste	Zero Waste by 2025
Water Conveyance	Senate Bill X7-7—The Water Conservation Act of 2009
	Increase Pump Efficiency
Wastewater Treatment	Reduce Wastewater Generation
Agriculture	Marin Carbon Project
	Best Management Practices for Agriculture
	Methane Capture and Combustion at Dairies and Livestock Operations

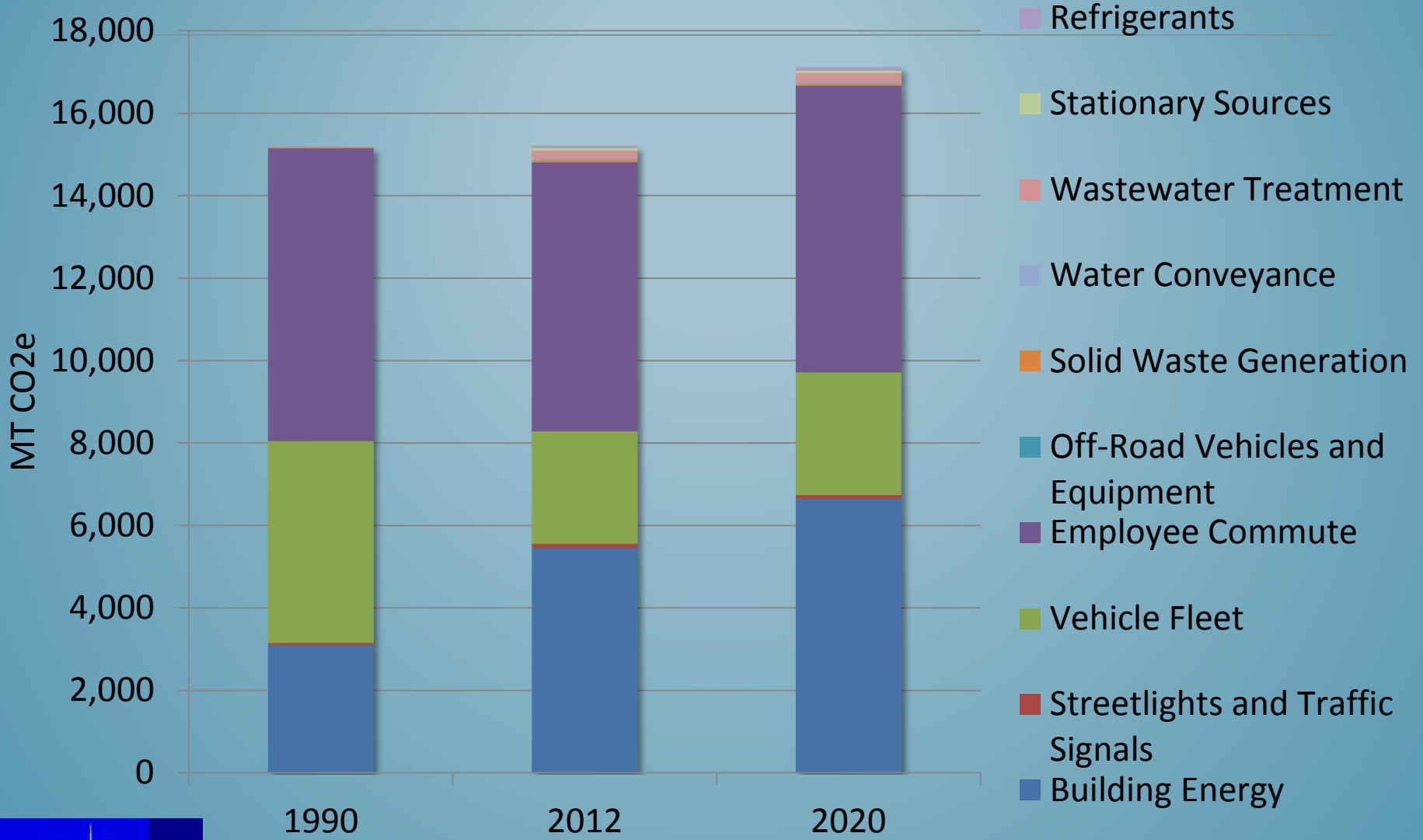
ADDITIONAL REDUCTION MEASURES - COMMUNITY

Sector	Measure
Building Energy	Update Green Building Ordinance
Transportation	Promote Mixed Use, Infill, and Transit-Oriented Developments
	Expand Transit Service
	Reduced-Cost Transit Passes
	Encourage Community Car-Sharing
	Unbundle Parking Costs for New Development
	Support Alternate Work Schedules and Telecommute Programs
Offroad Vehicles	Electric Construction Equipment
	Idling Ordinance
Water Conveyance	Additional Water Conservation for New Construction
	Additional Water Conservation for Existing Buildings
Wastewater Treatment	Increase Use of Recycled Water

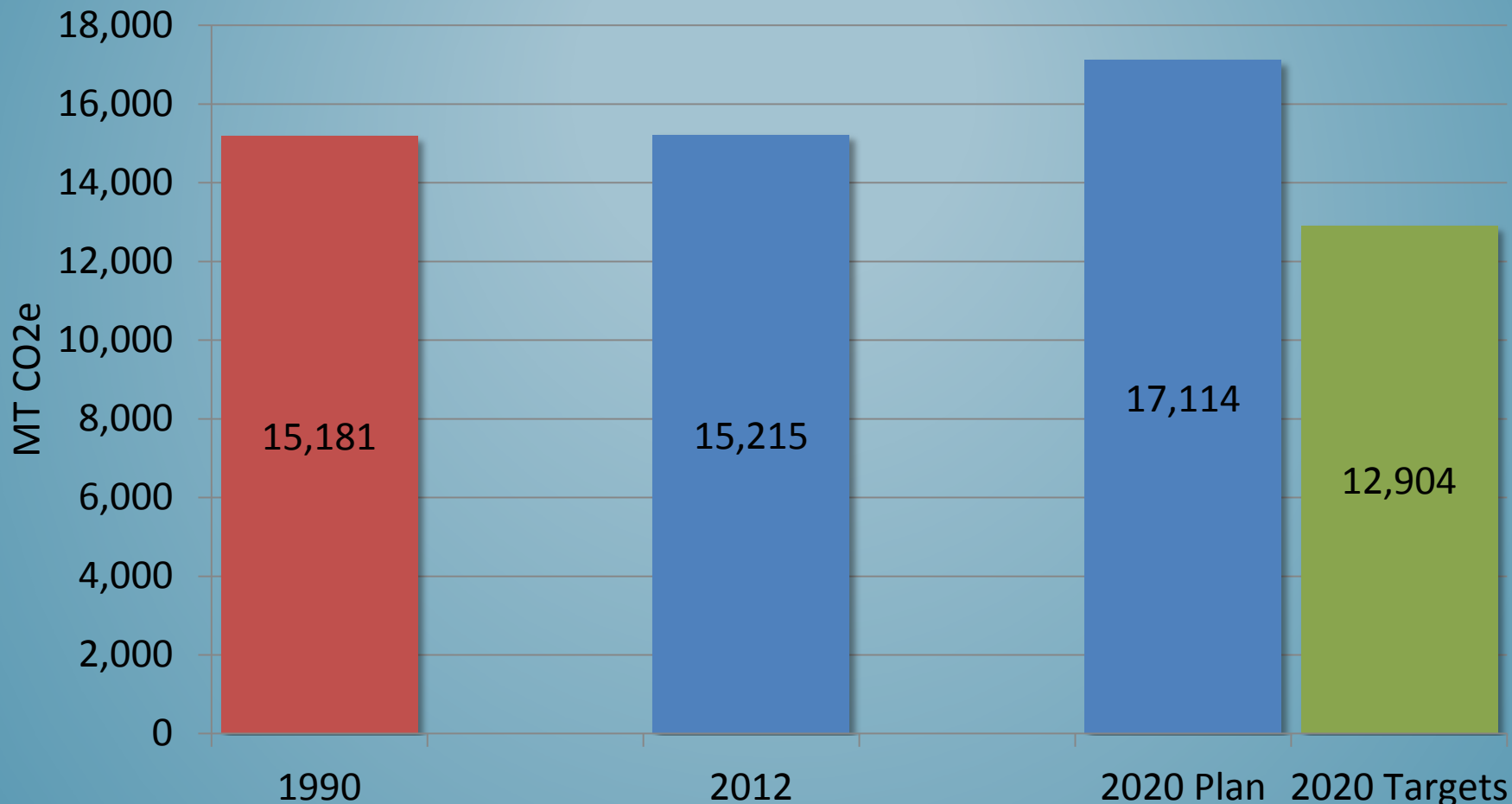
UPDATED 2012 GHG INVENTORY - MUNICIPAL



MUNICIPAL EMISSIONS – 1990 TO 2020



GHG TARGET TRENDS - MUNICIPAL



PRELIMINARY REDUCTION MEASURES - MUNICIPAL

Sector	Measure
Building Energy	Install solar panels on municipal facilities
	Energy Efficiency Measures for new Emergency Operations Facility
	Existing Building Retrofit Program
	Energy Efficiency Measures for County-Owned Computers/Printers
	Computers-Off and Vending Machines
	Shade Tree Planting
	Solar Panel Carports and Parking Areas
Streetlights and Traffic Signals	Install energy-efficient street lights
Vehicle Fleet	Purchase fuel efficient (e.g., hybrid) and/or smaller fleet vehicles
	Electric Vehicles



PRELIMINARY REDUCTION MEASURES - MUNICIPAL

Sector	Measure
Employee Commute	Encourage car-pooling or van-pooling by municipal employees
	Encourage telecommuting by municipal employees
	Guaranteed Ride Home
	Transit Reimbursement Program
	Municipal Parking Management
Water Conveyance	Water Conservation for Existing Buildings
	Irrigation Monitoring and Management System
	Reclaimed/Recycled Water
Solid Waste	Increase Recycling at County Facilities
Wastewater Treatment	Reduce Wastewater Generation in Municipal Facilities



ADDITIONAL REDUCTION MEASURES - MUNICIPAL

Sector	Measure
Building Energy	Solar Water Heating
Employee Commute	Employee Vehicle Purchasing Policy
	Trip Reduction Target and Monitoring
Water Conveyance	Water Conservation for New Buildings



CLIMATE ADAPTATION

- Climate “mitigation” = Reducing GHG Emissions
- Climate “adaptation” = Promoting community resiliency in the face of Climate Change effects .
- CAP will provide a broad assessment of adaptation approaches for Marin County
 - Build on existing/ongoing work
 - Vulnerability Assessment: Key effects of climate change in the County and key potential impacts of those effects
 - Adaptation Strategies: Framework of strategies for identified key affected areas.
 - Key issues: Sea level rise; changes to natural lands and agriculture; wildland fire risk; and water supply reliability



ANTICIPATED SCHEDULE

- *August 2013—Began CAP Update*
- *March 2014—Updated Inventory/Forecast complete (Reduction Tool v 1.0) ◀*
- *Early summer 2014—Complete Reduction Tool v 2.0*
- *August 2014—Release Draft CAP*
- *October 2014—Release final CAP, implementation of Tracking Tool, & approach to environmental review*



PUBLIC INPUT OPPORTUNITIES

- *Next public meeting*
 - *August 2014: After release of Draft CAP*
- *This is a collaborative effort*
 - *Your involvement is vital*
 - *Ongoing input and continued dialogue is valued*
 - *Committed to working with sector groups, residents, businesses, NGOs, and other interested parties*



CAP UPDATE FUNDING

- *Marin Energy Watch Partnership*
 - *Collaboration between the County and Pacific Gas & Electric Company to achieve long-term energy efficiency and GHG reduction*



CLOSING REMARKS

*If you have an idea, question, or concern after
this meeting, contact us!*

*Dana Armanino at 415-473-3292 or
darmanino@marincounty.org*

Thank you for attending!

*Learn more at
www.marinsustainability.org/climate*



**MARIN CLEAN ENERGY
BOARD MEETING
THURSDAY, April 3, 2014
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
Tom Cromwell, City of Belvedere, Alternate
Sloan Bailey, Town of Corte Madera
Barbara Coler, Town of Fairfax, Alternate
Garry Lion, City of Mill Valley
Denise Athas, City of Novato
Tom Butt, City of Richmond
Carla Small, Town of Ross
Emmett O'Donnell, Town of Tiburon

Absent: Ford Green, Town of San Anselmo
Kevin Haroff, City of Larkspur

Staff: Dawn Weisz, Executive Officer
Shalini Swaroop, Regulatory Counsel
Jamie Tuckey, Communications Director
Beckie Menten, Energy Efficiency Coordinator
Jeremy Waen, Regulatory Analyst
Greg Brehm, Director of Power Resources
Meaghan Doran, Energy Efficiency Program Specialist
Greg Morse, Business Analyst
John Dalessi, Technical Consultant
Kirby Dusel, Technical Consultant
Greg Stepanicich, General Counsel
Emily Goodwin, Internal Operations Director
Darlene Jackson, Clerk

Public Session: 7:08PM

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:

- Ms. Weisz introduced new staff members to the full Board: Allison Kirk and Martha Serianz. Allison Kirk joined MCE as an Intern and will be assisting in numerous Marketing and Operations activities within the organization. Martha Serianz recently joined the Regulatory Team as Regulatory Assistant.
- Ms. Weisz informed the Board that the latest report from the Intergovernmental Panel on Climate Change (IPCC) was released on Monday, March 31. A few copies were circulated and Ms. Weisz shared if anyone was interested in receiving a copy they should contact Darlene and she would provide a link for the full electronic version.

Ms. Weisz also explained that the IPCC is the international body for assessing the science related to climate change and the impact therein. It was set up in 1988 by the World Meteorological Organization (WMO) and United Nations to provide policymakers with regular assessments of the scientific updates of climate change, its impacts and future risks, and options for adaptation and mitigation.

In the report the IPCC documents some of the science regarding the existing impact of climate change that we are already seeing globally including sea level rise, loss of arctic ice, extreme weather events including heat waves, droughts, fires, and crop impacts, as well as impacts to ecological and social systems.

Ms. Weisz spoke about Governor Brown’s report and some of the key findings about climate change and, specifically, within the IPCC report.

- **Solar Rebate Program**

Ms. Weisz reminded the Board that on March 7, 2013 it approved a \$10,000 budget allocation to provide twenty \$500 solar rebates to MCE customers. The Board later voted to restrict eligibility for MCE’s Solar Rebate Program to low income customers for an initial four month period before making any remaining rebates available to other residential customers. This project proved to be successful in helping to get solar installation in homes that otherwise would not have had resources to realize solar on their homes.

There were 9 projects in Richmond and 11 projects in Marin that received rebates representing nearly 100 kW of new distributed solar resources in MCE’s service territory.

The solar rebate program has been fully subscribed and funds have been exhausted. This successful program uptake is likely a result of working closely with Grid Alternatives who is the program administrator for California’s Single-Family Affordable Solar Homes program; 8 low income customers were among the rebate recipients.

Ms. Weisz responded to questions from the Board.

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

- C.1 3.6.14 Board Minutes
- C.2 Monthly Budget Report
- C.3 Approved Contract Update
- C.4 Compensation Studies for MCE Staff Positions

- C.5 Adjustments to MCE Benefit Schedule
- C.6 Third Addendum to Second Agreement with Planet Ecosystems
- C.7 Second Addendum to Second Agreement with Ellison, Schneider & Harris, LLP
- C.8 First Addendum to First Agreement with Troutman Sanders, LLP

Alternate Director Barbara Coler asked whether or not Agenda Item #4 - C.4, Compensation Studies for MCE Staff Positions, had been to Executive Committee prior to being placed on the Consent Calendar, and Chair Connolly reassured her that it had. Chair Connolly asked Ms. Weisz if additional work was required on this item from the Executive Committee and she responded that one change had been recommended by the Executive Committee and was already incorporated into the recommendation for this item.

Ms. Coler also asked if Agenda Item #4 – C.5, Adjustments to the MCE Benefit Schedule had been to Executive Committee prior to being placed on the Consent Calendar and Chair Connolly reassured her that it had. In light of Ms. Coler’s concerns, Chair Connolly asked Ms. Weisz to elaborate on the strategy surrounding the changes being recommended. Ms. Weisz explained that MCE’s compensation and benefit package is designed to be competitive with other comparable agencies and to retain that approach to ensure employee satisfaction and retention.

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

Agenda Item #5 –MCE Rates for FY2014/15 (Discussion/Action)

John Dalessi, Technical Consultant presented this item.

- Mr. Dalessi explained that what is being presented tonight is the culmination of work with the MCE Ad Hoc Ratesetting Committee to establish the proposed adoption of the rates for the coming FY2014/15. He also provided a summary of the process for proposed rates and final adoption as well as the ratesetting cycle and calendar. He reviewed the ratesetting calendar process and what transpires between the February to April sixty day public comment period. He explained how MCE’s sixty-day public review period for proposed rate changes is customary before final rates are adopted by the Board. The proposed rates set forth in this item were accepted at the regular Board meeting held on February 6, 2014, initiating the public review period and allowing for final approval at this time.

Mr. Dalessi also discussed some changes to the PG&E generation rate.

- The first was the January 1st Fuel and Purchased Power Costs
 - ✓ The PG&E generation rate increased approximately 9% which impacted PG&E’s bundled customers, not MCE customers.
 - ✓ This item impacted MCE customers due to the fairly significant increase (nearly double) in CCA surcharges (PCIA) which is a surcharge applied by PG&E with the stated goal of recovering their above market generation costs for departing load already under contract.
 - ✓ There was minimal net change for most MCE customers due to offsetting reductions in PG&E non-generation charges.

Mr. Dalessi reminded the Board that there was a discussion about another PG&E rate change coming in May and that related to recovery of GHG compliance costs in PG&E’s generation rates.

- The second change will be the Greenhouse Gas Compliance which will occur on May 1st
 - ✓ A 6% increase is anticipated in GHG compliance costs in PG&E’s generation rates.
 - ✓ A slight increase is anticipated in CCA surcharges (Franchise Fee Surcharge).

- ✓ On the non-generation side which impacts MCE customers, there is a crediting of revenues that PG&E obtained by auctioning off GHG auction credits. This generates a return to electric customers through non-generation side of their bill and MCE customers receive a share of that. The bottom line is that bundled rates for PG&E customers are going up on May 1st and they are going down for MCE customers.

Mr. Dalessi discussed MCE's proposed rates and explained two things:

- How much revenue does MCE project using MCE's current rates for the upcoming fiscal year based on projection of sales and energy consumption? The present rate revenues are expected to be approximately \$95,018,065.
- The Total Revenue Requirement category shows how much we need to recover with MCE rates; that total is approximately \$101,646,625. The \$6.6M gap translates into about a 7% increase in rates to recover that revenue requirement.

The reason MCE rates are increasing is primarily due to scheduled increase in power supply contract prices beginning in July 2014 and increased RPS compliance costs. Mr. Dalessi elaborated on the reasons for MCE's recommended rate increase by sharing that while MCE has contracts in place to protect itself from large price fluctuations in the market, the cost of power supply will increase thus warranting an increase in FY2014/15 rates.

MCE Revenue Allocation & Rate Design

Mr. Dalessi shared that this category is based on cost of service study, competitive assessment and rate stability considerations. The proposal is to increase all MCE charges by system average percentage change. It will maintain existing rate relationships among customer classes and the various types of MCE charges, and no changes are being recommended to the initial rate proposal presented to the Board in February.

MCE Competitive Assessment

Mr. Dalessi shared that a slightly different version of this table was presented with the initial proposal in February. It shows how the cost compares with PG&E for the different types of MCE customers. This basically shows an updated version of the different type rates that will be in effect as of May 1, 2014 for PG&E. The bottom line is good news for MCE customers in that customers in aggregate will be paying approximately \$6M less because they are MCE customers than they would if they were PG&E customers. The other noteworthy item is MCE customers are saving \$6M despite the payment to PG&E of \$13.7M in various surcharges during the fiscal year.

In conclusion Mr. Dalessi discussed and shared the overall commercial cost comparison between MCE and PG&E, indicated that no public comments were received during the public noticing period, and recommended the Board approve the proposed rates as presented for FY 2014/2015.

Mr. Dalessi and Communications Director Jamie Tuckey responded to questions from the Board.

M/s Sears/O'Donnell (11-0-0 passed) approved proposed rates for FY 2015. Directors Greene and Haroff were absent.

Agenda Item #6 – MCE 100% Local Solar Program (Discussion/Action)

Kirby Dusel, Technical Consultant presented this item.

- Mr. Dusel shared some background related to the MCE 100% Solar Program with initial discussions at the first Board Retreat in August 2010. At that time MCE began studying and discussing the feasibility of

developing a locally-focused solar program which would allow MCE customers to voluntarily purchase renewable energy from a designated small-scale generator located within the MCE service territory.

- Program Overview
 - ✓ Mr. Dusel shared that while this is a voluntary opportunity for MCE customers to purchase electricity from new local solar projects, he listed three key features of the project:
 - 100% New renewable generation
 - 100% Local project, entirely within the MCE service territory
 - 100% Solar
 - ✓ This project is separate and distinct from MCE’s Light Green option and Deep Green option. Deep Green is 100% renewable as well, but not linked to one specific generation product. It is designed to be environmentally responsible but also cost competitive. He did note that this product would be a unique product tailored to a niche market, and offered at a premium.
 - ✓ One of the key elements or benefits it provides customers is that it eliminates barriers and risks typically associated with solar installation including:
 - Shading
 - Roof orientation
 - Non-owned structures/facilities
 - Tariff volatility
 - ✓ The idea is that this particular product that would be sold to customers would be a bundled renewable energy product so the customer would receive the electric energy as well as the renewal attribute.
 - ✓ Participation in this program would be limited.
 - ✓ Mr. Dusel indicated they would be working to potentially use a Feed-In Tariff (FIT) product as the basis for this type program. As a result there would be a limited amount of electric output and that electric output would be sold off at a rate of about 90% of total production so to ensure they do not oversell the program. Total participatory numbers for this program are rather limited but meaningful for the niche market it serves; it would accommodate from 150 – 300 typical residential customers.
 - ✓ The energy price/rate charged to customers would be directly tied to the FIT price that MCE pays. This would be a way of passing through that savings to MCE customers.
 - ✓ The PG&E delivery charges would continue to apply.

Mr. Dusel discussed existing programs that MCE studied as a model of how the program could be applied within the existing territory. Such successful programs include those offered by SMUD (Sacramento), which was fully subscribed in a matter of a few months, and Tucson Electric Power (Arizona).

MCE plans to use a future FIT solar project as host site for Local Solar Program because:

- ✓ FIT project ensures long-term resource availability
- ✓ Fixed PPA price allows MCE to offer long-term rate stability to participating customers, Specific FIT project options have not yet been determined (multiple FIT applications are currently “active”).

Having this type program would be complimentary to the current Light Green and Deep Green products currently offered by MCE.

Deep Green Comparison

Mr. Dusel explained that similarities between the Local Solar Program and Deep Green Program do not extend beyond renewable energy content. Other program feature comparisons: Project Location, Product Certification, Age of Generator(s), Fuel Source and Generation Cost vary between products.

Key Program Elements

Mr. Dusel briefly reviewed the key elements of the program as being:

- Limited Participation
- Proposed Pricing/Costs
- Economic Development
 - ✓ Significant customer interest may allow MCE to extend current FIT pricing levels for additional FIT capacity
 - ✓ MCE FIT pricing advantages create enhanced financial incentives for qualified local developers/contractors
 - ✓ MCE FIT development creates local economic benefits.

- Annual Reconciliation – He explained that MCE would track monthly/annually solar production and electricity use by participating customers. MCE would annually compare actual energy production and customer energy usage. An annual staff report would be produced demonstrating sufficiency of energy production in supporting program participation.
- Billing – The program generation price/rate would be substituted for participating customer’s otherwise applicable generation rate and there would be no rate differentiation based on time of use. The program rate would apply for all usage which may simplify the billing process and bill presentation for certain customers.

Mr. Dusel summarized his presentation by sharing the residential and commercial cost comparison. He offered that “next steps” would be to monitor FIT project development progress to identify a suitable project site. Communication and messaging would be featured via MCE website, E-newsletter and social media, and direct outreach to Deep Green customers. Mr. Dusel explained the Program “interest form” will 1) establish a participatory queue with preference given to current Deep Green customers, 2) ensure program is not over sold, and 3) facilitate follow-up communications with interested customers.

Mr. Dusel and Ms. Tuckey responded to questions from the Board. Mr. Dusel asked that the Board adopt the initial proposed rate and program parameters to enable the Public Affairs Team to begin outreach. It was the recommendation of the Board that the possibility of offering a flat or ‘not to exceed’ cost to the customer be considered and discussed in the next Technical Committee.

M/s Sears/O’Donnell (11-0-0 passed) approved general solar program parameters and begin generating interest from MCE customers. Directors Greene and Haroff were absent.

Agenda Item #7 – Addition of Members to MCE Technical Committee (Discussion/Action)

Executive Officer Dawn Weisz presented this item. She explained that Director Kevin Haroff expressed interest in joining the Technical Committee and the request is to add him to that committee.

M/s Sears/Athas (11-0-0 passed) approved adding Director Kevin Haroff to the MCE Technical Committee. Directors Greene and Haroff were absent.

Agenda Item #8 - Request for Membership from the City of San Pablo (Discussion/Action)

Executive Officer Dawn Weisz presented this item.

Ms. Weisz explained that MCE has set policy regarding the possibility of expanding to additional service territories. The rationale behind this was to create a greater impact on climate change to align with MCE's founding mission, getting more renewables onto the grid, making more energy efficiency programs available to customers, with all these things leading to additional impacts on climate change.

The expansion into the City of Richmond was extremely successful and following that process, MCE took up the discussion around additional expansion at its 2013 Board Retreat. What resulted from those discussions was a Policy 007 on expansion and also an approach process your Board adopted for an affiliate membership process. Policy 007 allows for new communities to participate in MCE through two channels, affiliate membership or special-consideration membership.

Ms. Weisz spoke about the need for MCE to gain traction in the legislative arena and create a stronger voice for CCAs in the legislative community. While MCE has made a lot of progress, a greater number of CCAs would have a significant impact on this endeavor and the CPUC decision making process. It is evident that there is a need for a broader support base on a regional and statewide level for CCA issues. She explained how MCE spends a significant amount of time fighting for CCA issues alone.

Ms. Weisz shared that MCE is supporting other efforts for CCAs to launch around the state and explained where other communities are in relation to progress being made (either in a decision to join MCE or other developments on their own CCA formation). She shared some of the reasons for San Pablo's interest in joining the CCA community, specifically MCE.

Ms. Weisz shared some history and background on the City of San Pablo, its geographical location and overall demographic and customer make up. San Pablo is positioned in between MCE's existing service area in the City of Richmond. San Pablo became a member of the International Council for Local Environmental Initiatives (ICLEI) Governments for Sustainability and subsequently enacted a "Climate Action Plan" in 2012. She also shared some of the goals and objectives of San Pablo as they relate to reducing GHG emissions through energy efficiency by 18% by 2020.

To achieve these goals, San Pablo has a couple of initiatives in place. They would like to increase renewable energy use by 15% and energy use reduction objectives (energy efficiency) by 20%. There is substantial opportunity for San Pablo to make progress towards reaching their goal by having a choice for cleaner renewable products.

Ms. Weisz reiterated the expansion process and the steps involved in that process. Part of the goal in the Step 2 decision making process is to look at "lumping" small communities together, more of a bundled approach as opposed to trying to incorporate small communities individually where that process would not be as economically efficient.

Ms. Weisz responded to questions from the Board.

M/s Sears/Bailey (11-0-0 passed) approved the Request for Membership from the City of San Pablo. Directors Greene and Haroff were absent.

Agenda Item #9 – MCE Greenhouse Gas Emissions Analysis & Reporting (Discussion/Action)

Kirby Dusel, Technical Consultant presented this item.

Mr. Dusel provided brief background on MCE's greenhouse gas (GHG) emissions. A key tenet of MCE's mission, and a charter objective of the agency, is to reduce energy related greenhouse gas emissions through the development

and use of various clean energy resources. MCE has committed to assembling a power supply portfolio that not only exceeds the renewable energy content offered by the incumbent utility (PG&E) but also provides customers a cleaner energy alternative, as measured by a comparison of the portfolio GHG emission rate published by each organization. This comparison will be performed on an annual basis in consideration of each utility's most recently published emission factor.

In each calendar year, MCE will endeavor to procure GHG-free energy supplies in sufficient quantities to ensure that MCE provides its customers with an electric energy supply that generates fewer GHG emissions per megawatt hour than the incumbent utility.

Emission Rates

Ms. Dusel shared that the portfolio emission rates reflect the proportionate use of various fuel sources and resource types within a utility's supply portfolio. To the extent that selected resources emit GHGs while producing electric energy, such resources will increase the utility's portfolio emission factor (above zero). Conversely, the inclusion of resources that do not emit GHGs will reduce the utility's portfolio emission factor. In general, renewable energy resources, which use fuel sources like wind and solar, have been identified as non-polluting or GHG-free. Similarly, hydroelectric and nuclear generators, which do not involve GHG-emitting combustion processes, are also considered to be non-polluting or carbon-neutral. Consistent with its adopted Integrated Resource Plan, MCE does not engage in procurement transactions with nuclear generating facilities and will rely exclusively on renewable energy resources and hydroelectricity to ensure delivery of a comparatively cleaner energy supply.

MCE has joined The Climate Registry (TCR), a nonprofit collaboration among North American states, provinces, territories and native Sovereign Nations that sets consistent transparent standards to calculate, verify and publicly report greenhouse gas emissions into a single registry.

Emission Factor

Mr. Dusel shared that an emission factor expresses the rate at which GHGs, particularly carbon dioxide, are produced by a specific activity. In the electric power sector, emission factors are expressed in relation to metered units of power production, using various measurements. Some organizations, such as the California Air Resources Board (CARB), also use similar measurements, which quantify the impacts of a broader spectrum of GHGs, including methane, sulfur dioxide, etc.

Emission factors are often used by electric utilities to communicate the cleanliness of their respective power supply portfolios. Certain third-party organizations, such as The Climate Registry (TCR), have developed GHG measurement protocols, reporting standards and verification procedures to promote consistency in this area.

AB 790 now requires joint comparison of MCE and PG&E data of rates, costs and emissions factors and general power sources.

Key Data Components

Mr. Dusel reported that there are some key data components necessary in order to calculate the emission factor. The first being total retail sales to customers (MWh) and the second being the specific generating sources used to supply the power.

Based on preliminary calculations, MCE's 2013 aggregate portfolio emission factor is marginally lower than in 2012 and should compare favorably to PG&E.

Ms. Dusel responded to questions from the Board.

M/s McCaskill/Withy (11-0-0 passed) approved the use, distribution and web posting of 1) MCE's Emission Factor Certification Template, as provided by The Climate Registry; and 2) the "Understanding MCE's GHG Emission Factors' document. Directors Greene and Haroff were absent.

Agenda Item #10 – Energy Efficiency Update (Discussion)

Beckie Menten, Director of Energy Efficiency presented this item.

Ms. Menten provided a recap of the components of the MCE Energy Efficiency Program

- **Single Family** – Home Utility Reports (HUR) were sent to more than 18,000 customers. The marketing campaign has resulted in 25% more traffic to site, but higher bounce rate (i.e. people who leave after one page).

Ms. Menten explained Metrics of the program as having 818 Action Plans created, 309 HUR accounts claimed, 78,278 kWh claimed from Nov-Feb, which is equivalent to taking 11 cars off the road and a normal comparative report on how results are measured.

- **Small Commercial** – Ms. Menten shared that Saturation Campaigns are currently running in both Richmond and Mill Valley; these campaigns vary in respective areas. In Richmond, teams are working with the East Bay Energy Watch Partnership and the City of Richmond. Property owners are called prior to being onsite in attempt to improve in person reception of the program. This new approach has proved to be successful in that it has saved the teams as much as three days in the field which helps reduce the overall administrative costs. The same approach was applied in Mill Valley and did not prove to be as successful as the Richmond. A significant amount of time was being spent on the phone with unanswered and/or unresponsive calls. They discovered in Mill Valley that the door-to-door approach has produced 7 to 10 audits per day.

Ms. Menten reported that 71 projects have been completed for a total of 169,632 kWh which is equivalent to taking 24 cars off the road. There currently are 12 projects in the pipeline totally 2,578 units, equivalent to taking 10 cars off the road.

- **Bay Area Regional Energy Network (BayRen)** – Ms. Menten reported that BayRen is comprised of 9 counties including Marin, locally implementing the Home Upgrade program to 34 homeowners in Marin County, for \$15,000 disbursed in rebates.

PACE Program – Ms. Menten shared MCE has worked with the County of Marin to get the California First program. It has been undergoing legal validation actions for almost a year but is in the final stages of being made officially available. HERO, a residential PACE program which has completed over 1200 home upgrade retrofits in the Riverside, CA area has started contacting various counties to see if there is any interest in a partnership.

Ms. Menten discussed actions on behalf of Gov. Brown who has been working with the FHFA to set aside funds as insurance which would guarantee loans made by the FHFA as a result of PACE liens and cover any losses PACE might incur. Based on those actions by Gov. Brown, there is consideration being taken for PACE residential programs to be offered again in the State of California.

Ms. Menten shared Proposition 39 details where funds were set aside for schools and workplace development related activities. The County of Marin has taken the lead on implementing that program. So far they've accomplished 60 energy audits in the County of Marin. They are working with 15 of the 19 school districts on next steps.

Codes and Standards Program

- The County of Marin has done significant work in educating contractors and building officials on upcoming changes to the code. The 2014 code was to be implemented in January but there was a vote at the Energy Commission in December to postpone implementation until July 2014. As a result of that vote the Energy Efficiency Team anticipates a significant rush of projects in the month of June before the code is implemented.
- The County continues to be the sustainability lead for the counties and currently they are working with Sausalito to finalize the Sausalito Climate Action Plan.

2015 Funding Request

- Ms. Menten explained the 2015 Funding Request to the CPUC for overall program components. The CPUC has requested that as they move to a 20-year rolling portfolio cycle, that 2015 be treated as a “bridge” or “transitional” year. As a result, they’ve requested administrators to submit a funding request that was more or less a 50% extension of 2013/2014 and they didn’t want significant changes to programs. None of these changes significantly impact MCE’s Energy Efficiency program. MCE requested a 50% extension on its existing programs.
- Ms. Menten is requesting a slight increase in funding for the Multi-family, slightly less funding for the Small Commercial program, slightly higher increase in funding for the Single Family Program, and a significantly higher increase is being requested for the Financing Program. What this means for the Energy Efficiency Program is MCE is asking for slightly less than a 50% extension.
- Ms. Menten reported in terms of next steps MCE’s Funding Request was submitted on 3/26/14, comments from parties are due on 4/4/14, reply comments are due 4/17/14, and a Decision is anticipated on 6/12/14.

Ms. Menten responded to questions from the Board.

Agenda Item #11 – Communications Update (Discussion)

Jamie Tuckey, Communications Director presented this item.

Ms. Tuckey announced that production of four MCE videos created with MicroDocumentary is complete. The videos have four different topics, are short in length, and are meant to engage a variety of customers within MCE’s service territory. The first film is a general “About MCE” overview that talks about the foundation, mission and reach of the agency. The second film is features an expert testimonial about the San Rafael Airport project. The third film is a more educational type featuring our Energy Efficiency Program and our partnership with the Marin Community Development Corporation. The fourth film is a customer testimonial featuring our Deep Green Commercial business. A sneak preview of the general “About MCE” video was shown to the Board.

Each video is 2 minutes long and MCE has the option to shorten them to 30 seconds. The impact of these films will really depend on MCE’s distribution of them. MCE will be sending out email links to the Board in hopes that they will share them with their own social media circle. Having the option of shortening the films to 30 seconds allows for broadcasting on local cable television in MCE’s service area and target Marin and Richmond specifically; they can be shown at conferences and events, posted on MCE’s website and other social media sites. They can also be distributed in other communities that might be interested in CCA programs.

April 1 - May 8 On Bill Message

- Ms. Tuckey shared that the on bill message has changed from noticing MCE rate increase to now noticing MCE Customer Privacy policy. The CPUC requires each year MCE send a direct notice to its customers

reminding them that customer privacy is very important to the organization and directing the customers to a link where they are able to read the policy.

- Ms. Tuckey reported that the MCE Financing Program is now called Green Home Loan and MCE is just embarking on an advertising campaign for that program. It is a complex program that MCE has simplified through its messaging to get across the practical and financial benefits and value of participating in the energy efficiency programs and utilizing the green home loans to finance those projects. This program is supported by BayRen and 30% of the loan can be used for non-energy efficiency projects. Ads will be running in the Marin Home Magazine, the Marin IJ, the Richmond Post, the Richmond Pulse, and the AdTaxi online. MCE is partnership with First Community Bank who will contribute half the cost of advertising. MyEnergyTool Advertising campaign is being funded totally by PlanetEcosystem and they are doing an all web-based ad campaign.

Earth Day Marin

- Ms. Tuckey discussed MCE's Earth Day that is coming up this weekend and will be held at Redwood High School. MCE will have a booth where its four videos will be shown throughout the day. Thanks to MCE's new customer relations management system, people will be able to sign up for Deep Green on the spot. Ms. Tuckey reminded the Board that half of the revenue for Deep Green goes to local renewable projects and a video was shown about MCE's San Rafael Solar Import project. Ms. Tuckey is working on getting the MCE videos shown at the Marin County Fair this year.

Ms. Tuckey responded to questions from the Board.

Agenda Item #12 – Regulatory and Legislative Update (Discussion)

Shalini Swaroop, Regulatory Counsel presented this item.

Ms. Swaroop indicated that she would discuss 3 major topics: Petition for Modification of Energy Efficiency Decision on CCAs, Legislative Update, and Overview of PCIA (Power Charge Indifference Adjustment)

Petition for Modification of Energy Efficiency Decision on CCAs

- **The Good** - In January the CPUC issued a Decision 14-01-033 on how CCAs apply for Energy Efficiency program funds. CCAs have been confirmed to have the same rights and responsibilities as the Utility Administrators in other Energy Efficiency programs. New CCAs like Sonoma Clean Power do not have to adhere to the normal 3-year application cycle as set by the Commission. Which means when they are ready to start up Energy Efficiency programs, they just need to apply.
- **The Bad** – 1) Statute indicates that CCAs should propose programs that do not overlap with statewide and regional programs. The decision has a problematic definition of what statewide and regional mean. They are classifying single-IOU programs as “Statewide and Regional Programs,” limiting CCA ability to administer similar programs. 2) The Commission requires CCAs to adhere to all previous Energy Efficiency Decisions based on IOUs. 3) The Commission does not acknowledge need for CPUC Ombudsman.
- **The Ugly** – 1) CCAs were given the same cost-effectiveness requirements as utilities which means, IOUs can blend their portfolios over a larger service area and with different types of programs. This is a problem because utilities have a much larger footprint than CCAs, so they have a far greater variety of customers that they can customize energy efficiency programs for in a more specialized and customer centric way. 2) CCAs ability to administer natural gas Energy Efficiency programs was limited which discourages comprehensive programs.

As a result of this Decision, MCE filed a Petition for Modification and asked the CPUC 1) to take a “whole portfolio approach” to CCA cost-effectiveness requirements, and 2) to determine how CCA can apply to administer natural gas Energy Efficiency programs.

Legislative Update

- Ms. Swaroop provided the following update and explained status of the CPUC positions and where they currently are in relation to the State Budget.
- She also shared the various bills, what they represent and where they are in the Legislative process.

Overview of PCIA (Power Charge Indifference Adjustment)

- Ms. Swaroop provided a Residential Cost Comparison: MCE proposed rates effective April 6, 2014 and PG&E proposed rates effective May 1, 2014. 88% of MCE customers are residential.
- She also spoke about PCIA Policy Basis and how the Utilities are required to procure for their customers. Utilities typically buy “long-term” power years in advance and also plan to buy “short-term” power. Departing customers leave the utility with “excess” power and utilities could sell excess “long-term” power on the open market, but sometimes choose to keep it. Departing customers pay the difference between the contract price and the market benchmark price of power.
Ms. Swaroop explained the impact of this practice discourages responsible procurement and therefore utilities don’t plan for CCA departing load. It discourages competition, it creates barrier to entry for communities interested in CCA, and it penalizes CCA customers.

PCIA Issues

- Customers pay for energy they are not using, new accounts also pay the PCIA, the fee is volatile and doubled in January 2014, the fees have no end date, and departing load costs make MCE look more expensive than PG&E.

PCIA Impact on MCE Customers

- In 2014, MCE customers will pay \$12,880,000 in PCIA fees, PCIA disproportionately affects CARE households, more than 11% of their bills are due to the PCIA, and time horizon of up to 25 years or more.

PCIA Possible solutions

- Require PG&E to plan for future departing CCA load to minimize PCIA over time, a planned multi-year phase-out with PG&E adjusting their load accordingly, and eliminating PCIA fees for new customers or move-ins within the service territory.

What is MCE doing about the PCIA?

- California Public Utilities Commission
 - ✓ Long-Term Procurement Plans Proceeding
 - ✓ Workshop on PCIA
- California Energy Commission
 - ✓ Incorporate CCA load into 10-year forecast
- Legislature
 - ✓ Education of key legislators
- Grassroots
 - ✓ Building customer knowledge with community partners.

Ms. Swaroop and Ms. Menten responded to questions from Board.

Agenda Item #13 - Board Matters (Discussion)

Ms. Weisz thanked General Counsel Greg Stepanicich for being with us tonight.

Agenda Item #14 – Adjourn

10:02 PM

Damon Connolly, Chair

Attest:

Dawn Weisz, Secretary



May 1, 2014

TO: Marin Clean Energy Board
FROM: Sarah Ritter, Administrative Associate
RE: Report on Approved Contracts (Agenda Item #4 – C.3)

Dear Board Members:

SUMMARY:

On March 7, 2013 your Board adopted Resolution 2013-04 which authorized the Executive Officer to enter into and execute contracts for an amount not to exceed \$25,000 within a fiscal year consistent with the Board approved budget, the Joint Powers Agreement, and the Operating Rules and Regulations.

The following chart summarizes contracts of this nature which have been entered into during the previous month:

Month	Purpose	Contractor	Maximum Contract Amount	Term of Contract
April	Tech. Support for MCE Online Opt Out Forms	CivicActions	\$8,000	1 Year
April	Spanish Translation Services	Elena Velez	\$15,000	1 Year
April	Legal Services Pertaining to Land Use Agreements	Shute, Mihaly & Weinberger LLP	\$10,000	1 Year

Recommendation: Information only. No action required.



May 1, 2014

TO: Marin Clean Energy Board

FROM: Emily Goodwin, Director of Internal Operations

RE: Human Resources Coordinator Transition from Extra-hire to Regular-hire (Agenda Item #4- C.4)

ATTACHMENTS: Job Description for Human Resources Coordinator

Dear Board Members:

SUMMARY:

Since the later part of 2012, MCE has grown in the number of full time staff from eight to eighteen, in addition to two part time staff. One of those current part time staff members, brought on as an extra-hire employee in December 2013, is the Human Resources (HR) Coordinator. Prior to bringing on this new staff member, MCE received external consulting services and handled some HR matters in-house with administrative staff support.

As the agency has developed a diverse and highly skilled work force to meet the needs of a growing agency, both the number and complexity of human resources related tasks has grown significantly. Based on nationwide and CA specific industry research for small to midsize businesses, not for profit organizations and government entities, a part or full time HR position is most commonly incorporated into an agency as a permanent employee between the 12 – 18 staff member threshold. In many cases, the organization makes a determination for specific HR staffing requirements based on a combination of various factors including the breadth and complexity of benefits package offered, employee professional development plans and the diversity of characteristics within individual staff positions.

Human Resource Coordinator: Under direction of the Director of Internal Operations, the HR Coordinator position is multi-faceted with a wide range of HR duties supporting staff from Intern to Executive Officer. The position is responsible for employee relations, personnel policies and procedures, human

resources legal compliance, benefits management, payroll, classification and compensation, recruitment and career development. The current rate for the position is \$40.88 per hour. Among the comparable positions for this job class, the average for other agencies is \$44.26 per hour and the median is \$43.18 per hour.

MCE's extra-hire employment practice is to supplement the regular MCE staff team in meeting short-term, immediate or irregular needs. Regular-hire employees are eligible for MCE's employee benefits package, whereas extra-hire employees are not. Part time regular-hire employees are allotted and accrue benefits relative to the hours worked as compared to full time employees.

At this time there is a continuing need for a part time HR Coordinator to effectively coordinate HR functions, and to ensure compliance with relevant rules and regulations. This important role will allow MCE to perform the ongoing HR duties (as articulated in the attached job description) that ensure a healthy, effective and sustainable workforce.

At the April meeting, your Executive Committee reviewed and endorsed this decision and approved bringing this item to the May Board meeting for a full vote.

Recommendation: Approve the part time HR Coordinator position transitioning from extra-hire to regular-hire with a compensation range of \$38 - \$50 per hour with exact compensation to be set by the Executive Officer.



HUMAN RESOURCES COORDINATOR JOB DESCRIPTION

Summary

As a human resources support professional, the Human Resources (HR) Coordinator works under direction from the Internal Operations Coordinator and has responsibility for a range of Marin Clean Energy HR matters, with particular emphasis on employee relations, personnel policies and procedures, human resources legal compliance, benefits management, payroll, classification and compensation, recruitment and career development.

Class Characteristics

The HR Coordinator performs assignments under the general supervision of the Internal Operations Coordinator and may take direction from the Executive Officer on particular HR issues. The HR Coordinator works collaboratively with management and staff to provide support and guidance regarding all HR policies, procedures and processes.

Essential Duties & Responsibilities (Illustrative Only)

- Update and maintain employee records through electronic resource system
- Provide biweekly support for the processing of staff payroll and ensure correct and timely updates to payroll
- Maintain, update, and secure personnel files
- Screen applicants for open positions
- Orient new staff to employee handbook and benefits if applicable
- Interface with external HR, insurance, payroll and benefits consultants
- Provide employee relations support to management and staff
- Maintain and update employee policies and procedures, including the MCE Employee Handbook
- Provide human resources legal compliance support and advice to managers and supervisors
- Perform classification and compensation studies, as required
- Provide employee recruitment, retention, evaluation, counseling, disciplinary and professional development guidance to management and staff

Supervisory Responsibilities

This position has no supervisory responsibilities.

Minimum Qualifications:

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required.

Experience/Education

Bachelor's degree or an equivalent combination of education and experience, supplemented by at least five (5) years of progressively responsible experience as a HR professional working in a complex office environment, or an equivalent combination of education, training, and experience. A background in public agency HR, workforce development or public and business administration is preferred.

Knowledge of

- State and federal laws governing public agencies and public employees
- Management and staff support practices and procedures
- Microsoft Office Suite (Excel, Word, Adobe, PowerPoint, Outlook)
- Advanced HR concepts including but not limited to: employee relations management, human resources compliance regarding public agencies, counseling and disciplinary practices, recruitment and retention strategies and professional development concepts, benefits management including employee rights, leave administration and mandatory and voluntary health and welfare benefits, principles and practices of counseling, mediation, and conflict resolution.

Language and Reasoning Skills

- Excellent written and verbal communication skills
- Demonstrates highest level of accountability, integrity, judgment and confidentiality
- Outstanding interpersonal skills and a strong desire to impact relationships through positive communications
- Exercising sound judgment, creative problem solving, and commercial awareness
- Managing multiple priorities and quickly adapting to changing priorities in a fast paced dynamic environment
- Developing high-quality writing, research and communication work products
- Delivering clear and persuasive oral communication
- Interacting effectively with MCE management and staff
- Applying strong problem-solving skills
- Being thorough and detail-oriented
- Focusing, directing and managing the efforts of external vendors with HR related services

Mathematical Skills

Ability to add, subtract, multiply, and divide in all units of measure, using whole numbers, common fractions, and decimals. Ability to compute rate, ratio, and percent and to create and interpret bar graphs.

Ability to

- Take responsibility and work independently, as well as coordinate team efforts
- Work accurately and swiftly under pressure
- Handle multiple ongoing projects in a fast-paced team-oriented environment
- Demonstrate patience, tact, and courtesy
- Establish and maintain effective working relationships with persons encountered during the performance of duties.

Physical Demands

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. While performing the duties of this job, the employee is frequently required to use hands to finger, handle, or feel and reach with hands and arms. The employee is occasionally required to stand. The employee must occasionally lift and/or move up to 20 pounds.

Work Environment

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Work is performed in an office environment. The noise level in the work environment is usually moderate.

Break-down of Time Spent on Various Work Areas

Personnel and benefits management and related administration	60%
Employee recruitment, retention and professional development	30%
Counseling, mediation and disciplinary support (conflict management)	5%
Other HR support services as needed	5%

ADA Compliance

MCE will make reasonable accommodation of the known physical or mental limitations of a qualified person with a disability upon request.



May 1, 2014

TO: Marin Clean Energy Board

FROM: Sarah Ritter, Administrative Associate

RE: Amendment to Second Agreement with Windstream (Agenda Item #4 – C.5)

ATTACHMENT: A. Windstream IP Equipment Quote
B. Draft Amendment to Second Agreement with Windstream

Dear Board Members:

SUMMARY:

The Board approved the second agreement with Windstream (Formerly PAETEC) on March 1, 2012 for computer, data, internet and phone equipment and service for a term of 36 months.

Due to the recent increase in staff, MCE now needs to upgrade the computer, data, internet and phone system to support additional phone devices and office operations going forward.

The attached amendment and equipment quote is an 11 month amendment to the existing agreement with Windstream. It outlines the necessary system upgrades and associated monthly costs.

The monthly recurring charges will increase from \$1,086.81 to \$1,669.64 (including usage estimation) to account for the new services.

Recommendation: Approve and execute the amendment to the second agreement with Windstream.



Windstream Communications, Inc.

7535 Irvine Center Drive
 Suite 250
 Irvine, CA 92618

949-265-2139

kenneth.tang@windstream.com

**IP Simple
 Equipment Quote**

****Pricing Valid for 30 Days****

Bill To:	Ship To:	Quote #	ISGQ80453
MARIN CLEAN ENERGY	MARIN CLEAN ENERGY	Date	04.23.14
781 LINCOLN AVE STE 320 SAN RAFAEL, CA 94901	781 LINCOLN AVE STE 320 SAN RAFAEL, CA 94901	ISG Rep	Kenni.Tang
		Dept.	
		F.O.B	
		Term	IPS 10 MO REMAIN
		MRC (\$)	582.83

LP 4600466

Line	Qty	Description
1	5	Allworx 9212L IP phone 12 programmable buttons with backlit display
2	5	Allworx 9212L Hardware Warranty
3	5	Cable kit including 5', 7', 15' CAT5E patch cords for IP phone
4		
5	1	ADTRAN NETVANTA 1238P, 2ND GEN 48 Port Managed Layer 2 Fast Ethernet Switch with quad Gigabit uplinks, supporting 802.3af & Legacy Power over Ethernet. Includes 48 -10/100Base-T access ports and 2 - combo1000Base-T/SFP Gigabit Ethernet Ports and 2 - Enhanced (1Gbps/2.5Gbps) SFP ports.
6	1	ADTRAN NETVANTA 1600 DUAL SFP MODULE NETVANTA 1000 SWITCH Dual SFP XIM module for use with the NetVanta 1600 series Ethernet switches. Used for 1G or 2.5 G SFP (fiber) connections.
7		
8	1	IPSimple Maintenance -- Hardware/Software Support Incl. Break-Fix
9	1	Labor -- Programming/Configuration

Continued on Next Page.....



Line	Qty	Description

Sales Tax	<i>TBD</i>
Shipping	<i>TBD</i>
Non-Recurring Charges (\$)	
Monthly Recurring Charges (\$)	582.83

Accepted by Customer	
Signature: _____	
Print Name: _____	
Title: _____	
Date: _____	

Accepted by Windstream	
Signature: _____	
Print Name: _____	
Title: _____	
Date: _____	

This IP Simple Rental Quote forms a part of the Service Agreement between the Customer identified above and Windstream Communications, Inc. The Monthly Recurring Charges listed above are inclusive of the Minimum Monthly Fee of the Service Agreement for the initial term. Customer acknowledges that the equipment ordered pursuant to this Quote and the circuit ordered pursuant to the network proposal may not be available for installation at the same time. The term of the Agreement will not begin until the equipment and circuit have been fully installed. If the circuit installation is delayed, and such delay is not due to Customer or its agent, Customer may request that Windstream install the equipment on an existing circuit ahead of installation of the network component. Customer must execute a Change Order evidencing this early installation of equipment, and Windstream reserves the right to bill Customer monthly for the equipment rental at the rates noted above, payable on receipt of the bill notice.



(f) Customer will be responsible for payment of charges incurred for any move, add, change or disconnect ("MACD") at the time and materials rates in Section 11 (c) below.

(g) Company shall use all commercially reasonable efforts to identify and correct the problem with the Equipment. Maintenance Service includes upgrading Allworx software versions and fixing or arranging to have Equipment fixed. If the Equipment cannot be fixed and none of the exclusions in subsection (d) below apply, Company shall replace the defective Equipment with either new or reconditioned equipment.

(h) Maintenance Services may be provided by a Company affiliate or subcontractor selected by Company at its sole discretion.

(i) If persons other than those employed or contracted by Company shall repair, modify or perform any Maintenance Services on any Equipment, or if Customer fails to maintain the Equipment in accordance with the manufacturer's requirements, and as a result of either of the foregoing, further Maintenance Services by Company are required to restore the Equipment to good operating condition or the Equipment needs to be replaced, such further Maintenance Services or replacement Equipment charges shall be billed to Customer at Company's time and materials rates in Section 11 (c) below. Customer must notify Company in the event that Customer re-locates the Equipment to any Service location other than the Service location where the Equipment was initially installed. Company has the right to terminate the Agreement for cause if Customer relocates any Equipment to another location or facility that is not a Service location under the Agreement and/or proposal(s), and which is outside of the Company serving area. Notwithstanding the foregoing, at Customer's request, Company will use commercially reasonable efforts to provide services to Customer at such other location or facility.

8. Return Policy. When Customer is required to return any Equipment to Company for warranty service, Customer agrees to obtain Company's concurrence prior to returning any Equipment for repair or replacement and must reference any return material authorization number ("RMA") issued by Company on documentation accompanying such returned Equipment. Customer further agrees to ship such Equipment prepaid and suitably packaged to a location designated by Company. Company will return to the Customer any repaired or replaced Equipment at Company's expense. Company is responsible for loss of or damage to the Equipment while it is a) in Company's possession or b) in transit back to Customer. The replacement Equipment may not be new, but will be in working order and equivalent to the Equipment exchanged as determined in good faith by Company. Customer agrees to ensure that any returned Equipment is free of any legal obligations or restrictions that prevent its exchange and represents that all returned Equipment are genuine and unaltered.

9. Time and Materials. Customer acknowledges that all time and material cost quotes issued by Company are estimates. Company will invoice, and Customer agrees to pay, Company for all actual time and materials incurred to install the Equipment.

10. End of Term Options. At the end of the Term of the Agreement, Customer must either return the Equipment, upgrade the Equipment with the most current technology at current Company rates, renew the Agreement at a renegotiated rate, or purchase the Equipment at its then current fair market value. The fair market value is the price of the Equipment as determined by commercially reasonable means at the end of the Term of the Agreement.

11. Company Services

(a) Company's ability to install the Equipment and/or complete any MACD ordered by Customer depends upon Customer's full and timely cooperation, plus the accuracy and completeness of information provided by Customer.

(b) Upon completion of any MACD performed by Company, Customer has until 5pm Eastern Time on the second (2nd) business day thereafter in order to re-open the same MACD request and not incur additional charges.

(c) Services Rates and Minimum Increments. For any remote or dispatch MACD performed by Company during Normal Business Hours, Customer acknowledges and agrees to pay Company at the following rates and increments:

There is a \$75.00 trip charge for Dispatch.

Type	Hourly Rate	Minimum	Increment
Voice Technician – Remote	\$95.00	15 Minutes	15 Minutes
Voice Technician – Dispatch	\$95.00	30 Minutes	30 Minutes
Data Engineer – Remote	\$125.00	15 Minutes	15 Minutes
Data Engineer – Dispatch	\$125.00	30 Minutes	30 Minutes

For any MACD service performed outside Normal Business Hours, Customer agrees to pay Company one and a half (1.5) times the current Company hourly rate listed above, and at the same applicable minimum service increment. The determination of whether a Technician or an Engineer must complete a MACD is exclusively mandated by the manufacturer of the Equipment ordered by the Customer.

12. Customer acknowledges and agrees that Company shall utilize Customer's existing cables and jacks unless both parties otherwise agree. If Company is required to perform work on Customer's existing cables and jacks in order to accommodate the Equipment ordered by Customer, Customer agrees to pay Company on a commercially reasonable time and material basis based on the rates listed above after notifying Customer and obtaining Customer's permission.

13. Company recommends that Customer obtain a network assessment prior to deploying any VoIP equipment. Customer acknowledges that voice quality can be negatively impacted with improper network infrastructure. Customer agrees that Company is expressly not liable for any voice quality issues if Customer failed to have performed a network assessment from a qualified provider.

14. Customer agrees that Company will support all off net, home or "road warrior" VoIP access to voice customer premises equipment on a time and materials basis based on the rates listed above due to many uncertainties caused by numerous service providers, available bandwidths, existing modems and lack of quality of service available on those circuits. Company simply warrants to use commercially reasonable efforts to accommodate Customer on such circumstances.

IP Simple Equipment Rental Terms and Conditions Schedule

In addition to the general terms and conditions contained in the service agreement (the "Agreement") between the Windstream entity specified on Customer's bill ("Company") and Customer, of which this Schedule is a part, Customer agrees that the following terms and conditions apply to the IP Simple Rental Equipment ("Equipment") provided to Customer by Company. Unless otherwise defined herein, capitalized terms shall have the same meaning as defined in the Agreement.

1. Title. Company retains rights, title and interest in and to the Equipment Customer has rented from Company. Customer is strictly prohibited from encumbering in any way or granting any interest in the Company Equipment to any third party.
2. Delivery. Customer agrees, at its sole expense, to provide the proper environment and the electrical and telecommunications connections for the Equipment rented from Company. Customer is solely responsible for correcting any hazardous conditions that may adversely affect Company personnel or the Equipment. Company shall use commercially reasonable efforts to begin Equipment delivery prior to the scheduled installation date. If Company is unable to complete delivery and installation within sixty (60) days of any scheduled installation date, solely for reasons beyond Customer's control or due to force majeure, CUSTOMER'S EXCLUSIVE REMEDY SHALL BE TO CANCEL THE EQUIPMENT RENTED UNDER THE AGREEMENT WITHOUT INCURRING A "CANCELLATION FEE" OR "RESTOCKING FEE," AND COMPANY SHALL ACCEPT THE RETURN FROM CUSTOMER OF ALL RENTED EQUIPMENT.
3. Installation and Configuration. If applicable, Company will provide installation and configuration services as described in the proposal(s) to the Agreement.
4. WARRANTIES/DISCLAIMER. NO WARRANTY. EXCEPT TO THE EXTENT CUSTOMER HAS PURCHASED AN EXTENDED WARRANTY HEREUNDER, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, COMPANY DISCLAIMS AND EXCLUDES ALL REPRESENTATIONS, WARRANTIES, AND CONDITIONS WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO REPRESENTATIONS, WARRANTIES, OR CONDITIONS OF TITLE, NON-INFRINGEMENT, SATISFACTORY CONDITION OR QUALITY, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO ANY SERVICES, OR ANY EQUIPMENT (MANUFACTURED BY EITHER ALLWORX OR ANY NON-ALLWORX COMPANY) RENTED FROM COMPANY. COMPANY WARRANTS ONLY THAT ITS SERVICES SHALL BE PERFORMED IN A TIMELY, PROFESSIONAL AND WORKMANLIKE MANNER BY QUALIFIED PERSONNEL. IF SERVICES ARE NOT PERFORMED AS WARRANTED AND CUSTOMER NOTIFIES COMPANY IN WRITING WITHIN THIRTY (30) DAYS, CUSTOMER'S EXCLUSIVE REMEDY IS THAT COMPANY WILL RE-PERFORM THE NON-CONFORMING SERVICES. CUSTOMER'S EXCLUSIVE REMEDY WITH RESPECT TO THE EQUIPMENT RENTED UNDER THE AGREEMENT IS AS SET FORTH IN THE LIMITED WARRANTY, IF ANY, DELIVERED WITH THE EQUIPMENT FROM THE EQUIPMENT MANUFACTURER. THESE WARRANTIES AND LIMITATIONS FROM THE EQUIPMENT MANUFACTURER ARE CUSTOMER'S EXCLUSIVE WARRANTIES AND SOLE REMEDIES AND REPLACE ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, WITH RESPECT TO THE RENTED EQUIPMENT, INCLUDING WITHOUT LIMITATION, THE IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE.
5. If Customer is unable or unwilling to schedule or accept delivery or installation on the date Company tenders delivery or installation, Company shall have the right to initiate billing for the amounts due hereunder as of the date delivery was tendered. Customer shall be solely responsible for the return of Equipment to Company upon expiration or termination of the Agreement, and such returned Equipment shall be in good repair, condition and working order, ordinary wear and tear excepted, at the location(s) within the continental United States specified by Company.
6. Use of Equipment. Customer agrees that this Schedule and the Agreement shall not grant Customer any property rights in any of the Equipment. Customer shall use the Equipment solely in the conduct of its business, in a manner and for the use contemplated by the manufacturer thereof. Company shall be entitled to inspect the Equipment at reasonable times. Company may require markings to be affixed to the Equipment. Customer shall keep the Equipment free from any markings or labeling which might be interpreted as a claim of ownership thereof by Customer. Without the prior written consent of Company, Customer shall not assign, lend, pledge, transfer, or sublease the Equipment, permit to exist a security interest, lien or encumbrance with respect to any of the Equipment, or cause or permit any of the Equipment to be moved from the location specified in the Agreement and/or proposal(s). Customer shall bear the risk of any loss, theft, damage or destruction to the Equipment during the Term. Customer shall obtain and maintain at its own expense insurance against the loss of, or damage to, the Equipment, including, without limitation, loss by fire or other casualty. A certificate of insurance shall be provided to Company upon request. Customer acknowledges that Company may lease the Equipment from, or pledge any or all of its rights in the Equipment to any entity or other financing source (each a "Lessor") and Customer shall comply with any and all directions from such Lessor regarding the Equipment, including releasing the Equipment to Lessor upon written request. Customer hereby irrevocably authorizes Company and/or Lessor to file and record such Uniform Commercial Code financing statement(s), amendments and continuations and/or other lien recordation documents as may be prudent to confirm and maintain Company's and/or Lessor's interest in the Products.
7. Maintenance Services. Company may provide routine diagnostic and maintenance services (the "Maintenance Services") on the Equipment, as follows:
 - (a) In the event that Customer is experiencing a problem with the Equipment, Customer shall be required to call Company Customer Service at 1.877.340.2555 and open a trouble ticket. Company shall respond to Routine Trouble reports via telephone or email within forty-eight (48) business hours, Monday through Friday, 8am-8pm local time, excluding holidays and weekends ("Normal Business Hours"). A "Routine Trouble" is defined as any issue not considered an "Emergency Request," as defined in subsection (b) below.
 - (b) Company shall respond to Emergency Requests via telephone or email 7 x 24 x 365 within four (4) business hours during Normal Business Hours. An "Emergency Request" is defined as fifty percent (50%) or greater of the total quantity of phones connected directly or via MPLS to the Customer's PBX which are not in service, with "not in service" meaning that a phone is not able to make or receive a phone call.
 - (c) Customer shall be required to provide VPN access at the location where the Equipment is housed to enable Company to provide remote support. If the problem cannot be identified and resolved per the terms of this subsection via remote support, Company will dispatch a technician or Project Engineer to the Customer's location.
 - (d) Customer will not be responsible for charges associated with Equipment failure and subsequent replacement if the outage is caused by the Equipment or Services.
 - (e) Customer will be responsible for payment of charges at the time and materials rates in Section 11(c) below if the outage was not caused by Equipment or Services.

15. Customer agrees that it shall not add any equipment or devices to its Company-provided systems, other than the Equipment provided hereunder, without the prior written consent of Company, which consent may be withheld in the reasonable discretion of Company. Company shall have no obligation to support such devices or any system design not installed and implemented by Company. Company reserves the right to determine what, if any, programming access Customer shall be provided to the phone system.

16. Unauthorized Use of Services. Except as provided herein, Customer, and not Company, shall bear the risk of loss arising from any unauthorized or fraudulent usage of the Equipment or any services provided by Company to Customer. Company reserves the right, but is not required, to take any and all action it deems appropriate (including blocking access to particular calling numbers or geographic areas) to prevent or terminate any fraud or abuse, or any use thereof, provided, however, that any such action shall be consistent with applicable federal and state laws, rules, and regulations. Notwithstanding the foregoing, Customer shall not be liable for unauthorized or fraudulent usage to the extent that (i) Customer has previously notified Company of the problem in writing; (ii) the problem was within Company's reasonable ability to correct or prevent, and (iii) Company negligently or willfully fails to correct or prevent such unauthorized or fraudulent usage.

17. Allworx Reach™ Application. In the event Customer utilizes the Allworx Reach™ application, the application will only be supported by Company to the extent required to verify the correct application configuration. Company shall not be responsible for troubleshooting voice quality issues on the application or issues involving Apple's iOS or Android's operating systems. Emergency calls to 911 are not supported on the Allworx Reach™ application.

18. Termination. In the event Customer terminates any portion of network services under the Agreement, Customer shall remain obligated to fulfill the remainder of rental payments pursuant to this Schedule, and the Agreement shall survive with respect to the Schedule. With regards to an early termination of this Schedule by Customer, except in the event of termination due to Company's breach, nothing contained herein shall release Customer from its obligation to pay any remaining rental payments for the Schedule's term. In addition, no early termination of this Schedule shall release Customer from its obligation to fulfill the remainder of the Agreement.



Amendment to Agreement
(Existing Service Location)

This amendment (“Amendment”) is made as of this 1st day of May , 2014, to the service agreement bearing an Effective Date of March 1, 2012 (the “Agreement”), by and between PAETEC, as defined in the PAETEC Standard Terms and Conditions, (“PAETEC”) and Marin Clean Energy (“Customer”).

A. PAETEC and Customer hereby agree to amend the Agreement to: *[check all that apply]*.

i. **Reconfigure services at the existing Service location, as follows:**

DOES NOT APPLY change channel assignments between voice/data [describe change and associated charges]: DOES NOT APPLY

does not apply change facility from one type to another (e.g., Techpath to PRI) [describe change and associated charges]:

XX change router equipment from one type to another [describe change and associated charges]: does not apply

ii. does not apply **Add an additional facility at the existing Service location** (describe): DOES NOT APPLY.

iii. xx **Add a new Service to existing location** (describe): adding 5 Allworx IP phones, Allworx Hardware Warranty, Netvanta 48 Port FE switch

iv. XX **Modify the Minimum Monthly Fee** from \$1,086.81 to \$1669.64 effective as of the first full billing cycle following installation/disconnection of the changed Service(s).

v. XX **Modify the Term** of the Agreement to end as of 11 MONTHS REMAINING.

vi. DOES NOT APPLY **Relocate the Service location** from DOES NOT APPLY to DOES NOT APPLY. There will be a one time non-recurring charge to Customer to relocate the facility(ies) and/or service(s) in connection with this relocation in the amount of \$0000.

B. Attachment A to this Amendment, Quote #ISGQ80453 which is incorporated by reference, sets forth the rates and other terms and conditions to apply to the additional facilities and/or Services ordered hereunder.

C. Except as modified by this Amendment, the terms and conditions set forth in the Agreement remain unchanged.

IN WITNESS WHEREOF, the undersigned have caused this Amendment to be executed by their duly authorized representative, to be effective as of the date first above written.

MARIN CLEAN ENERGY
BY: _____
NAME: DAMON CONNOLLY
TITLE: MCE CHAIR

PAETEC
BY: _____
NAME: MICHAEL COLACHICO
TITLE: SALES DIRECTOR

DATE:

DATE:

**Attachment A to Amendment
Rates for the new facilities and/or Services only.**

The Rate Schedule attached hereto (if applicable) sets forth the rates that will apply to the services added pursuant to this Amendment:



May 1, 2014

TO: Marin Clean Energy Board of Directors

FROM: Emily Goodwin, Director of Internal Operations

RE: Records Retention Compliance (Agenda Item #05)

ATTACHMENT: A. MCE Edited Records Retention Policy 003
B. MCE Clean Records Retention Policy 003 Draft

Dear Executive Committee Members:

SUMMARY:

On July 7, 2011, your Board adopted Policy No. 003, Records Retention. Pursuant to Policy 003, MCE staff recommended various documents be discarded following the December 5, 2013 Board meeting. Based on suggestions from the Board about the timeframes for certain document types, your Board recommended MCE staff instead revisit and revise Policy 003 at the next Executive Committee meeting.

At the January 15, 2014 Executive Committee meeting, those concerns were discussed and additional suggestions were made to Policy 003 with consideration for items that needed to be held in perpetuity, contract drafts, electronic correspondence and accounting records. MCE staff took those recommendations and sought external counsel to ensure compliance with the law when making changes to the policy. These changes were incorporated into a draft policy for review at the March 19, 2014 Executive Committee meeting.

At the March meeting, Committee members reviewed the updated document categories in greater detail and determined the need to omit any date ranges on storing information in addition to adding a category to acknowledge retention of accounting records maintained by MCE's CPA Maher Accountancy. Having done so, the following changes were approved by external counsel and now sufficiently meet the requests of MCE Board Members. These final changes were additionally reviewed and endorsed by your Executive Committee at the April meeting. Therefore, staff recommends the following changes to Policy 003, Records Retention:

1. **Executed Contracts** -10 years after termination date of the contract
2. **Board Approved Decisions** - retained in perpetuity
3. **Board and Committee Meeting Materials** – retained in perpetuity
4. **Board Approved Budgets** – retained in perpetuity
5. **Customer-Specific Usage Information and Data** – retained for 5 years
6. **Personnel Information** – 10 years after employee end date
7. **Accounting Records** – 7 years in accordance with MCE’s CPA Firm

Recommendation: Approve the proposed changes to Policy 003.



POLICY NO. 003 – RECORDS RETENTION

Records will be retained according to the following schedule. After the required retention date has passed all documents or electronic files will be deleted or discarded.

Record Type	Required Retention	Sample Descriptions
Executed Contracts	10 5 years after termination date of the contract	Power supply contracts, contracts with vendors or consultants
Invoices from Vendors	2 years after completion of contract	Vendor invoices for payment
Non-Disclosure Agreements	In perpetuity	NDA with vendor, employee, Board member or advisor
Board Approved Decisions	In perpetuity 5 years after date of approval or longer for archived materials at staff discretion	Resolutions, meeting minutes, and other items approved at regular or special Board meetings
Board and Committee Meeting Materials	In perpetuity 2 years	Agendas, staff reports and other material provided to Board members in preparation for meetings
Board Approved Budgets	In perpetuity 2 years	Final, approved budgets
Drafts of Documents	30 days after final version is approved	Draft contracts, programs, RFPs, etc.
General Electronic Correspondence	2 years	Relevant email correspondence at staff discretion
Customer-Specific Usage Information and Data	5 years	Electronic information and reporting from Data Manager, bill analyses
Marketing Material	2 years after public distribution	Flyers, brochures, electronic advertisements
General Educational or Informational Material	2 years	Brochures, reports, electronic information
Personnel Information	5 to 10 years after employee end date	Offer letter, resume, evaluations

~~May 1, 2014~~ February 4, 2010

<u>Accounting Records</u>	<u>7 years</u>	<u>Unaudited financials, bank statements, payables/receivables and controls back up documentation, etc.</u>
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DRAFT



POLICY NO. 003 – RECORDS RETENTION

Records will be retained according to the following schedule. After the required retention date has passed all documents or electronic files will be deleted or discarded.

Record Type	Required Retention	Sample Descriptions
Executed Contracts	10 years after termination date of the contract	Power supply contracts, contracts with vendors or consultants
Invoices from Vendors	2 years after completion of contract	Vendor invoices for payment
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Board Approved Budgets	In perpetuity	Final, approved budgets
Drafts of Documents	30 days after final version is approved	Draft contracts, programs, RFPs, etc.
General Electronic Correspondence	2 years	Relevant email correspondence at staff discretion
Customer-Specific Usage Information and Data	5 years	Electronic information and reporting from Data Manager, bill analyses
Marketing Material	2 years after public distribution	Flyers, brochures, electronic advertisements
General Educational or Informational Material	2 years	Brochures, reports, electronic information
Personnel Information	10 years after employee end date	Offer letter, resume, evaluations
Accounting Records	7 years	Unaudited financials, bank statements, payables/receivables and controls back up documentation, etc.

Marin Clean Energy Applicant Analysis for the County of Napa

March 31, 2014

SUMMARY

MCE's currently effective policy regarding new membership requires the completion of a quantitative analysis as part of the preliminary evaluative process. The primary focus of the quantitative analysis is to determine the anticipated net rate impacts that would affect MCE's existing customer base following the addition of the prospective new community – in particular, the quantitative analysis must demonstrate that the addition of the prospective new community will result in a projected net rate reduction for MCE's existing customer base; this is a threshold requirement that must be met before proceeding with further membership activities. In addition, the quantitative analysis addresses the projected environmental impacts that would result from offering CCA service to the prospective new community. More specifically, the analysis prospectively determines whether or not the new community will accelerate greenhouse gas (GHG) reductions (beyond those reductions already achieved by MCE's existing membership) while increasing the amount of renewable energy being used within California's energy market.

On September 17, 2013, MCE received a letter from the County of Napa expressing interest in joining MCE. The electric accounts to be considered as part of this membership request include all accounts located within the unincorporated areas of Napa County. On December 5, 2013, the MCE Board of Directors authorized completion of a quantitative membership analysis related to Napa County's membership request. This analysis has been completed and the results are discussed below in this summary report.

In general, the quantitative analysis indicated that rate benefits would likely accrue to existing MCE customers following the addition of prospective CCA accounts located within Napa County. The additional customer base within Napa County would likely result in an approximate 3% rate reduction for MCE customers, including all existing and prospective accounts. The analysis also indicated that including Napa County in MCE's membership would increase the amount of renewable energy being used in California's energy market by approximately 72 thousand MWh per year while reducing GHG emissions by an estimated 21 million pounds of carbon dioxide equivalent per year.¹

ANALYSIS

MCE conducted an analysis of the potential new electric customers to estimate the revenues and costs associated with extending MCE service to Napa County. The analysis incorporated historical monthly electric usage data provided by PG&E for all current electric customers located within the

¹ GHG emission reduction estimates are based on MCE's actual 2012 emission factor of 373 lbs CO₂e/MWh and PG&E's verified 2012 emission factor of 445 lbs CO₂e/MWh, as released in February 2014: <http://www.pgecurrents.com/2014/02/06/new-numbers-confirm-pge%E2%80%99s-energy-among-the-cleanest-in-nation/>. The projected GHG savings of 72 lbs CO₂e/MWh (based on the difference between MCE's emission factor PG&E's emission factor) was multiplied by the projected increase in MCE's annual sales volume resulting from the addition of CCA customers located within Napa County, a volume approximating 288,000 MWh/year. Note that these projections are subject to change.

unincorporated areas of Napa County. The data indicate the potential for nearly 16,000 new MCE customers with a potential increase in annual electricity sales approximating 336,000 MWh per year. The aggregate peak demand of these customers is estimated at 62 MW.²

Table 1: 2013 Napa County Electricity Data

Classification	Accounts	Annual Energy (MWh)	Monthly Per Account (KWh)
Residential	11,929	116,495	814
Small Commercial	1,933	53,972	2,327
Medium Commercial	246	67,621	22,907
Large Commercial & Industrial	94	79,515	332,442
Agricultural and Pumping	1,606	18,262	948
Street Lighting	<u>162</u>	<u>359</u>	<u>185</u>
Total	15,970	336,223	1,754
Peak Demand (MW)			62

² These figures are for bundled electric customers of PG&E and exclude customers taking service from non-utility energy service providers through the state's direct access program. These figures are unadjusted for expected customer participation rates.

As compared to the current MCE customer base shown in Table 2 below, Napa County includes significantly more Agricultural and Pumping accounts, and proportionately fewer residential accounts. The Napa County Agricultural and Pumping accounts are relatively small in terms of electricity consumption. On the other hand, the residential sector in Napa County uses nearly 70% more electricity per capita than the current MCE residential customer base. The Napa commercial sector also exhibits higher average electricity consumption than MCE’s current commercial base. In aggregate, the average monthly usage of Napa County customers (1,754 KWh/month) is nearly twice as high as that of the current MCE customer base (896 kWh per month).

Table2: 2013 MCE Electricity Data

Classification	Accounts	Annual Energy (MWh)	Monthly Per Account (KWh)
Residential	106,762	618,385	483
Small Commercial	11,755	195,505	1,386
Medium Commercial	884	155,315	14,642
Large Commercial	329	188,289	47,694
Industrial	16	121,391	633,830
Agricultural and Pumping	99	3,880	3,266
Street Lighting	<u>850</u>	<u>14,929</u>	<u>1,464</u>
Total	120,695	1,297,694	896
Peak Demand (MW)			221

In regards to seasonal consumption patterns, Napa County electric usage peaks during the summer months, whereas the current MCE load tends to peak during the colder winter months of December and January. These differences can be seen in comparing Figure 1 and Figure 2 below. The seasonal load diversity can help contribute to a flatter overall load profile for MCE, which provides benefits in resource planning and supply management.

Figure 1: Napa County Hourly Load Profile (KW)

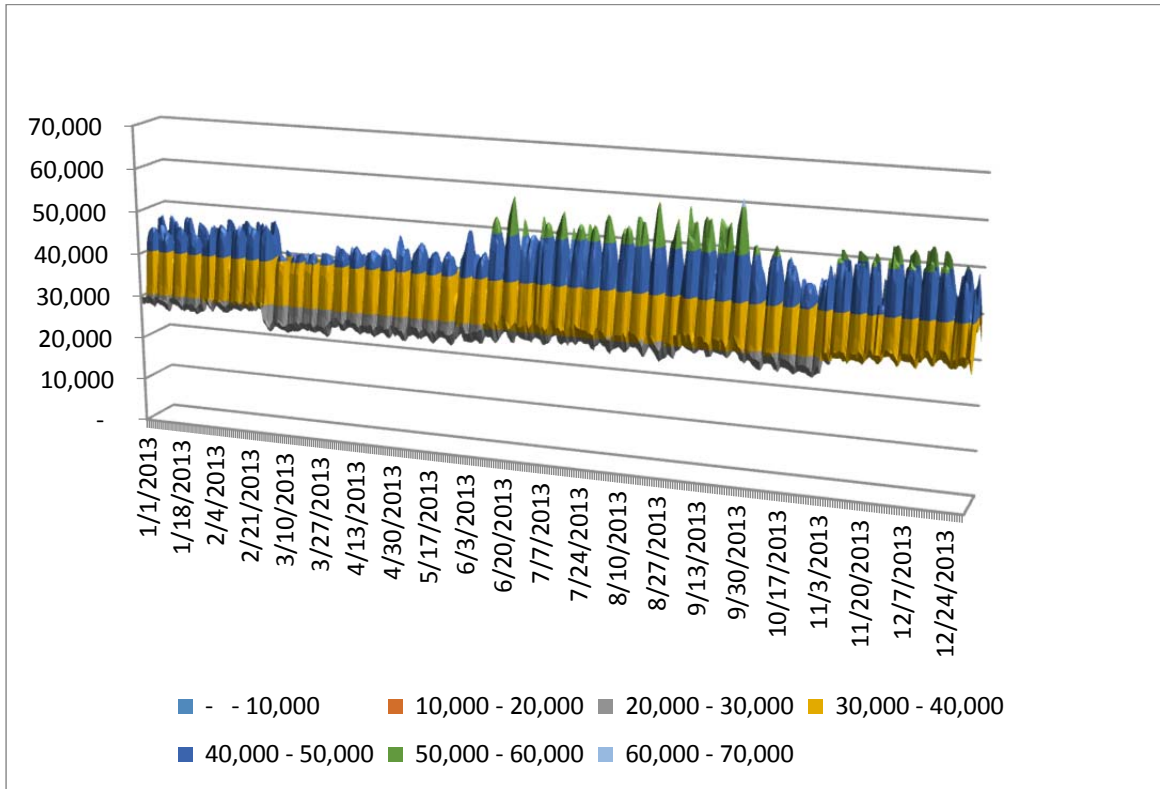
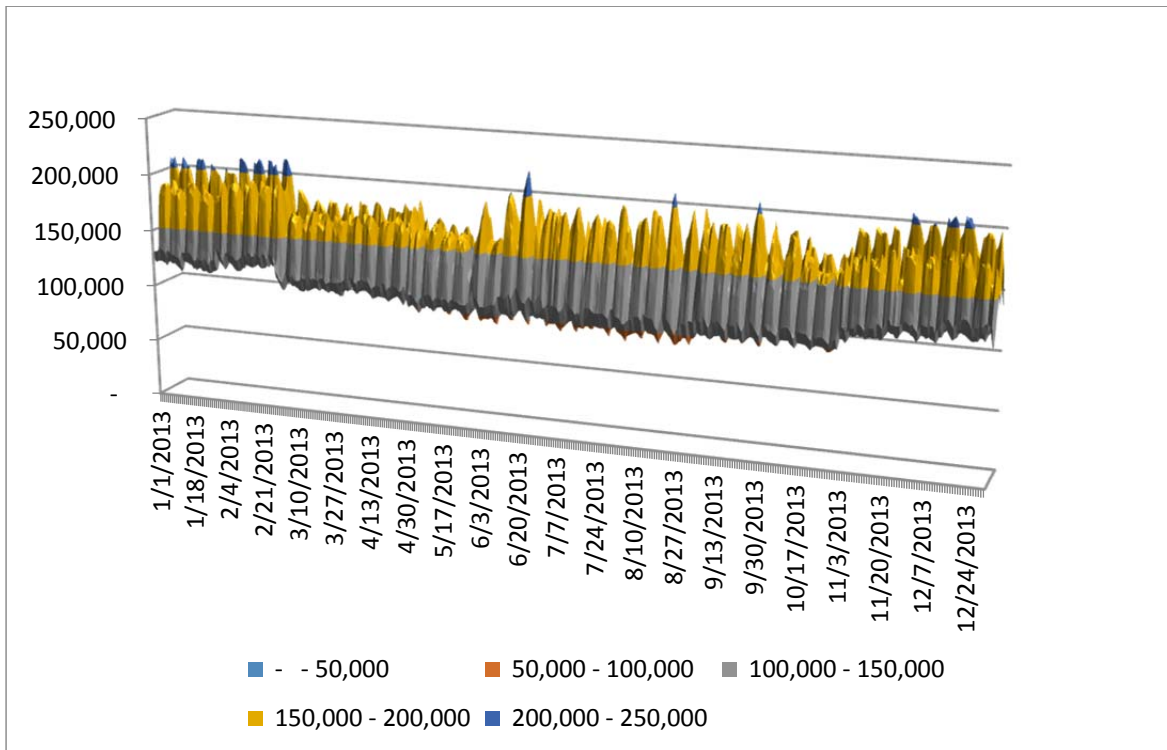


Figure 2: MCE Hourly Load Profile (KW)



RATE IMPACTS

For purposes of the rate impact analysis, it was assumed that service would be initiated to Napa County customers in April, 2015 and that 85% of customers who would be offered CCA service would elect to participate in the MCE program. This would equate to an increase in annual MCE electricity sales of 288,319 MWh or approximately 22%. The rate impact was examined beginning with the 2015/2016 fiscal year, with the new service accounts switched to MCE service during the month of April (April 1st through April 30th, depending on each customer’s scheduled meter reading schedule).³

Incremental revenues and costs were quantified for the Napa County customer additions, and the revenue surplus (based on the difference between projected revenues and costs directly related to the addition of Napa County customers) was also calculated for the year. The surplus is assumed to offset a share of MCE’s fixed costs and can be used to reduce overall MCE rates. The incremental cost analysis accounts for ongoing costs related to additional power supplies, customer billing, customer service support (call center), and PG&E service fees associated with the additional customers. One-time costs associated with the expansion of MCE to Napa County are not included in these figures and are discussed below. Table 3 presents the estimated rate impact for the 2015/2016 fiscal year.

Table 3: FY2015/2016 MCE Rate Impact from Napa County

Volume (MWh)	275,313
Revenue	\$ 23,200,550
Costs	
Power Supply Cost	\$ 17,516,967
Billing and Other Costs	\$ 428,310
Total Cost	\$ 17,945,277
Rate Benefit	\$ 5,255,274
MCE Rate Impact	3%

The rate impact analysis indicates that the addition of Napa County customers to MCE’s total customer base would provide benefits to MCE ratepayers; it is estimated that expanding MCE service to Napa County would allow for MCE rates to be 3% lower than without such customers.

Additional costs related to the expansion would be incurred prior to initiation of service to the new customers. These costs would be incurred for regulatory, resource planning and procurement activities that would be necessary to incorporate the new member community and its customers into MCE as well as for communication and outreach to the new customers. The projected implementation costs related to a Napa County expansion are expected to be less than the \$450,000 expended in preparation for the expansion to Richmond. This appears to be a reasonable assumption because existing staff (previously added to support the Richmond expansion) and technical resources can be leveraged to support the Napa expansion; the number of prospective customer accounts within Napa County is also less than half

³ During the first year, the increase in annual sales volume is slightly lower, estimated at 275,313 MWh, due to the gradual transfer of accounts to MCE service during the first month.

of the prospective customer base that was transitioned to MCE service during the Richmond expansion. It should also be noted that the regulatory, resource planning and procurement costs would not be entirely attributable to Napa County if there are other new members brought into MCE at the same time. To the extent that other municipalities are contemporaneously added, such activities could be performed jointly rather than at separate times for each new member.

RENEWABLE ENERGY IMPACTS

Renewable energy requirements were calculated for Napa County to ensure compliance with the statewide Renewables Portfolio Standard (RPS) as well as the more aggressive MCE renewable energy content standards adopted by MCE. The total renewable energy requirement associated with prospective expansion to Napa County would be approximately 144 thousand MWh annually. This renewable energy volume is equivalent to the energy produced by 16 MW of geothermal capacity (or a similar baseload renewable generating technology using a fuel source such as biomass or landfill gas) or approximately 50 MW to 80 MW of solar generating capacity, depending upon location and technology. Including Napa County's electric customers in MCE service will increase the amount of renewable energy being used in California's energy market by approximately 72 thousand MWh annually based on the increased renewable energy procurement targets voluntarily adopted by MCE's governing Board relative to California's then-current RPS mandate (which must be followed by PG&E).

GHG IMPACTS

With regard to projected GHG emission reductions that would result from the expansion of MCE service to Napa County, estimates were derived by comparing the most current, validated emission statistics related to the MCE and PG&E electric supply portfolios. With regard to these statistics, PG&E and MCE both recently reported their respective emission statistics for the 2012 calendar year. Due to typical timelines affecting the availability of such information, PG&E's current statistics (focused on the 2012 calendar year) will generally reference data related to utility operations occurring 12 to 24 months prior to the current calendar year. This waiting period is necessary to facilitate the compilation of final electric energy statistics (e.g., customer energy use and renewable energy deliveries) and to allow sufficient time for data computation, review and third-party audit before releasing such information to the public. As noted by PG&E, its 2012 emission factor was determined to be 445 lbs CO₂/MWh. By comparison, MCE's aggregate portfolio emission factor for the 2012 calendar year was determined to be 373 lbs CO₂e/MWh, a difference of 19%.

MCE's 2012 emission factor was derived by using publicly available emission statistics determined by the California Air Resources Board (CARB) for certain unspecified electricity purchases included within the MCE supply portfolio as well as assumed zero carbon emission rates for various renewable energy purchases and deliveries from non-polluting power sources, such as hydroelectric generators. With regard to electricity purchases from unspecified sources, or "system power," as reported on a California retail electricity seller's annual Power Content Label, CARB has assigned an emissions rate of 943.58 lbs CO₂e/MWh. This emission rate can be referenced in section 95111(b)(1) of CARB's February 2014 update to the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions: <http://www.arb.ca.gov/cc/reporting/ghg-rep/regulation/mrr-2013-clean.pdf>. PG&E appears to have applied a similar factor when calculating emissions associated with unspecified generating sources.

In 2012, MCE’s supply portfolio was heavily weighted towards non-carbon emitting resources. In fact, over 60% of MCE’s energy supply was attributable to various renewable energy and hydroelectric purchases, which do not emit GHGs (MCE’s 2013 and 2014 procurement percentages reflect similar ratios). When determining MCE’s aggregate portfolio emission factor, the aforementioned CARB statistic of 943.58 lbs CO₂e/MWh was applied to MCE’s system energy purchases, which totaled 225,593 MWh during the 2012 calendar year. All other non-emitting resources were assigned an emission factor of zero. As such, MCE’s portfolio emissions for the 2012 calendar year totaled approximately 213 million pounds. This emission total was divided by MCE’s aggregate sales volume of 570,144 MWhs, resulting in an MCE portfolio emissions rate of 373 lbs/MWh, for the 2012 calendar year. The following table provides additional detail regarding these emissions computations for MCE’s 2012 supply portfolio.

Table 4: MCE 2012 Greenhouse Gas Emissions

2012 Calendar Year	MWh Purchased/Sold	% Total	Emission Rate (lbs CO ₂ e/MWh)	Total Emissions (lbs)
Total Renewable Energy	304,551	53.4%	0	0
RPS – Eligible	166,522	29.2%	0	0
Non-RPS Eligible Renewable	138,029	24.2%	0	0
Zero Carbon	40,000	7.0%	0	0
System Power	225,593	39.6%	944	212,864,133
Totals	570,144	100%	373	212,864,133

To estimate the projected GHG emissions reductions that would likely result from the addition of prospective CCA customers located within Napa County, MCE calculated the difference between its own emission factor (373 lbs CO₂e/MWh) and the related metric reported by PG&E (445 lbs CO₂/MWh): 72 lbs CO₂/MWh. This difference was multiplied by the projected increase in annual electricity sales that would result from the addition of Napa County’s CCA customers (228,319 MWh), resulting in a projected GHG emissions savings related to the transition of Napa County’s customers to MCE’s cleaner electricity supply. The projected emissions savings/reduction related to this service transition (from PG&E to MCE) was determined to be approximately 21 million pounds of carbon dioxide equivalent per year. It is noteworthy that the future emission factors reported by MCE and PG&E will likely differ from the statistics applied in this analysis – this is due to a variety of factors, including planned/unplanned changes in renewable energy procurement (including planned increases in California’s RPS procurement requirements), variations in hydroelectric power production (which may change substantially from year to year based on prevailing regional hydrological conditions) and changes/adjustments in the general procurement policies of each service provider as well as many other factors. Also note that MCE has committed to assembling a power supply portfolio that not only exceeds the renewable energy content offered by PG&E but also provides customers with a “cleaner” energy alternative, as measured by a comparison of the portfolio GHG emission rate (or emission factor) published by each organization. As such, MCE plans to continue procuring electricity from non-GHG emitting resources in sufficient quantities to maintain an emission rate that is continually lower than PG&E’s.



MCE Membership Expansion

Program Impact Analysis: Napa County

Marin Clean Energy | May 1, 2014



MCE's Current Customer Base

Key Statistics (2014 – projected)

- **Customer base \approx 125,000**
- **Projected annual energy sales (2014) \approx 1,300,000 MWh**
- **Projected peak demand \approx 250 MW**
- **Projected RPS-eligible procurement: 27%+**
- **Projected total renewable procurement: 50%+**
- **Projected carbon free procurement: 60%+**
- **Projected portfolio emission rate: \approx 370 lbs CO²e/MWh**

Prospective Addition of Napa County

Summary

- **September 17, 2013: MCE received letter expressing membership interest from Napa County**
- **December 5, 2013: MCE Governing Board authorized completion of a quantitative membership analysis**
- **March 31, 2014: draft quantitative analysis completed by MCE**
- **Analytical findings are favorable:**
 - **≈3% rate reduction for all MCE customers (existing and prospective)**
 - **72,000 MWh annual increase in statewide renewable energy consumption**
 - **21 million pound annual GHG reduction**

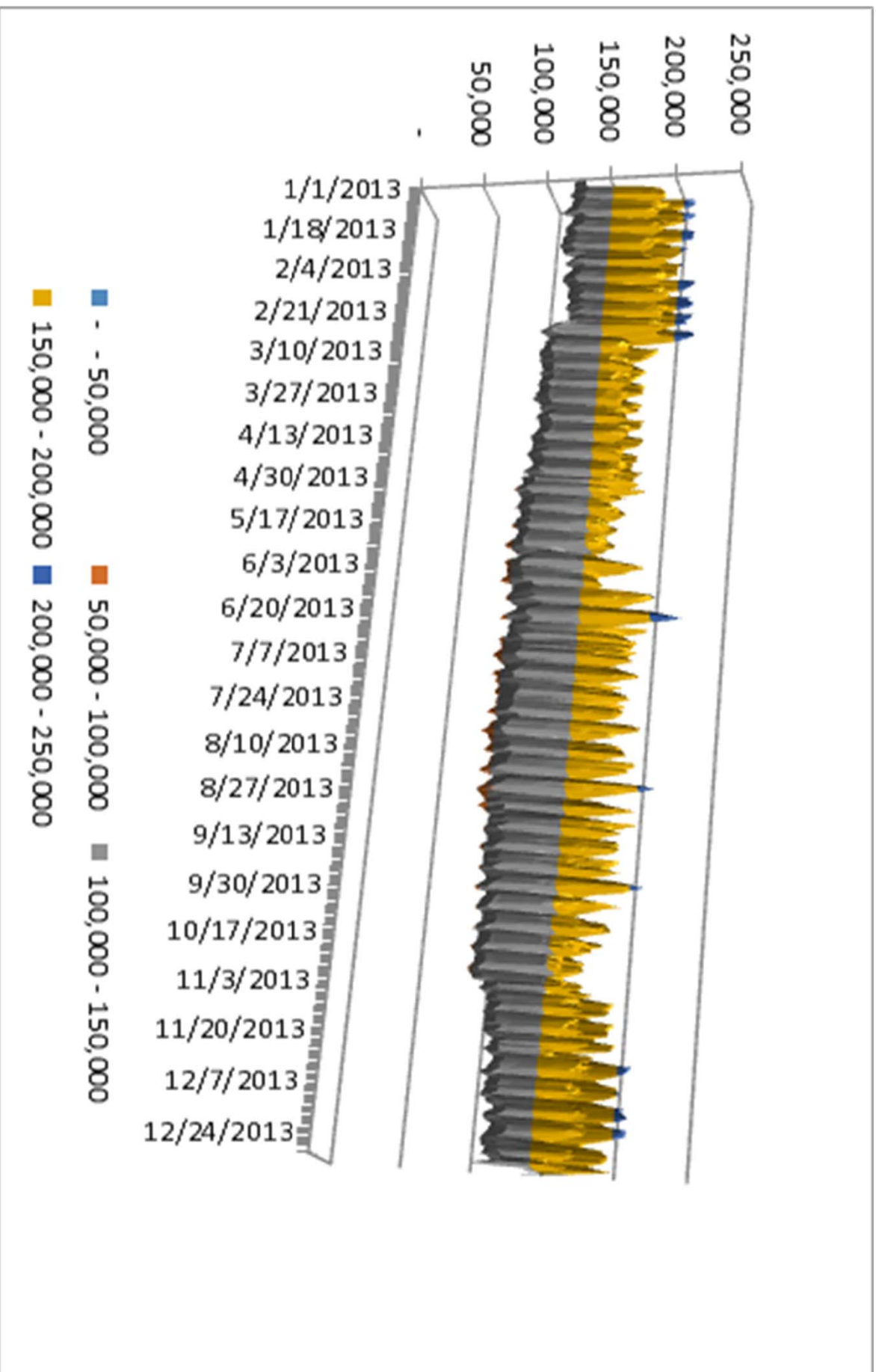
Napa County Customer Base

Classification	Accounts	Annual Energy (MWh)	Monthly Energy (per account, kWh)
Residential	11,929	116,495	814
Small Commercial	1,933	53,972	2,327
Medium Commercial	246	67,621	22,907
Large Commercial & Industrial	94	79,515	332,442
Agricultural and Pumping	1,606	18,262	948
Street Lighting	<u>162</u>	<u>359</u>	<u>185</u>
Total	15,970	336,223	1,754
Peak Demand (MW)			62

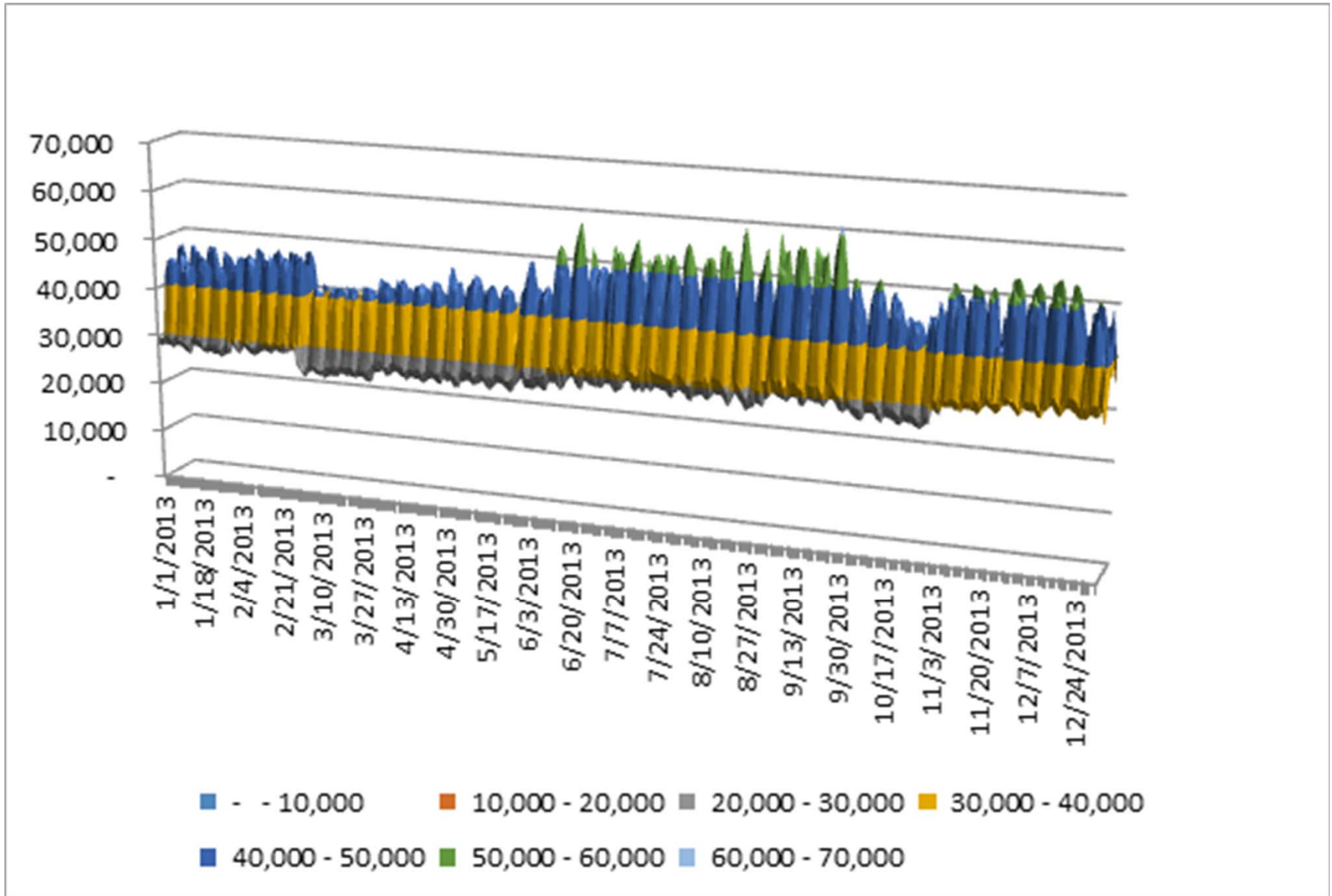
Key Napa County Statistics

- **Nearly 16,000 potential new customers**
- **Potential retails sales increase of $\approx 336,000$ MWh/year**
- **Aggregate peak demand increase ≈ 62 MW**
- **Significantly higher proportion of Agricultural & Pumping accounts relative to MCE (nearly 10% of total Napa accounts, relative to $<1\%$ for MCE)**
- **Napa County residential customers use nearly 70% more energy per account than MCE's current residential customer base: 814 kWh/month vs. 483 kWh/month**
- **Per account energy use in the commercial sector is also comparatively higher in Napa County**
- **Average monthly usage (across all accounts) is nearly double that of MCE's current customer base: 1,754 kWh/month vs. 896 kWh/month**

MCE Hourly Load Profile



Napa County Hourly Load Profile



Key Assumptions & Projected Outcomes

- **Service assumed to commence in April 2015**
- **Assumed 85% participation rate**
- **Participatory rate translates to a retail sales increase of $\approx 290,000$ MWh, or approximately 22%**
- **Projected revenue surplus**
- **Revenue surplus was assumed to offset a share of MCE's fixed costs... which would reduce MCE's overall rates**
- **Incremental cost analysis accounts for: additional power supply, customer billing, call center support, PG&E service fees**
- **Overall rate reduction approximating 3%**

Cost & Revenue Summary

Volume (MWh)		275,313
<i>Revenue</i>	\$	23,200,550
<i>Costs</i>		
Power Supply Cost	\$	17,516,967
Billing and Other Costs	\$	428,310
Total Cost	\$	17,945,277
Rate Benefit	\$	5,255,274
MCE Rate Impact		3%



**LEGISLATIVE UPDATE
SUMMARY OF LEGISLATIVE ITEMS**

MCE BOARD MEETING – MAY 1, 2014

HIGH PRIORITY ITEMS

1) Monopoly Protection Bill AB 2145

<u>Summary:</u>	The bill would require: <ul style="list-style-type: none"> - An opt-in mechanism for new CCA customers after January 1, 2015 - A five year forecast of rates - A five year forecast of greenhouse gas emissions
<u>MCE’s Interest:</u>	Encouraging the formation and growth of more CCAs and protecting MCE’s ability to expand.
<u>Actions Taken:</u>	MCE Letter of Opposition submitted April 15 MCE co-leads a coalition of grassroots organizations, governmental entities, and ratepayer advocates that have received the following letters of opposition: <ul style="list-style-type: none"> - 350 Bay Area.org - Alliance for Retail Energy Markets - Asian Pacific Environmental Network - CA State Association of Counties - City of Lancaster - City of Richmond - City of San Carlos - City of San Pablo - City of Sunnyvale - Climate Protection Campaign - Communities for a Better Environment - Energy 2001, Inc. - GenPower, Inc. - Greenlining Institute - Local Energy Aggregation Network (attached) - Mainstreet Moms - Marin County Board of Supervisors - Monterey Bay Community Power - Napa County Supervisor Wagenknecht - Office of Ratepayer Advocates (CPUC) - OurEvolution Energy and Engineering - Pacific Energy Advisors

	<ul style="list-style-type: none"> - Resilient Neighborhoods - Richmond Progressive Alliance - Rifkind Law Group - San Francisco Clean Energy Alliance - San Luis Obispo Clean Energy - Sonoma Clean Power Authority - Sonoma County Water Agency - Solar Energy Industries Association (SEIA) - Sierra Club of California - SolEd Benefit Corporation - School Project for Utility Rate Reduction - Shell Energy of North America - Sonoma County - Sustainable Marin - Sustainable Novato - The Utility Reform Network (TURN) - Western Power Trading Forum 	
<u>Next Steps:</u>	- Assembly Utilities & Commerce Committee Hearing	April 28

2) Additional CCA Analyst Positions in the Budget for the CPUC

<u>Summary:</u>	The Governor has requested three new staff members at the California Public Utilities Commission (CPUC) to fully implement Senate Bill 790 (2011). - The positions include two level four staff analysts and one temporary two-year Administrative Law Judge.	
<u>MCE's Interest:</u>	Encouraging the Legislature to approve these positions in order to receive more attention on CCA issues at the CPUC.	
<u>Actions Taken:</u>	- MCE Letter of Support Submitted	January 29
<u>Next Steps:</u>	- Assembly Committee on Budget, Sub Committee 3 on Resources and Transportation Hearing	May 7

MCE PARTICIPATION ITEMS

3) Clean Power SF AB 2159

<u>Summary:</u>	The bill: <ul style="list-style-type: none"> - Authorizes the Board of Supervisors of the City and County of San Francisco to elect to enter into a CCA program with an existing CCA program - Allows over-the-fence energy transactions 	
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	- Requires PG&E to provide electrical and gas consumption data to CCAs	
<u>MCE's Interest:</u>	Encouraging the formation and growth of more CCAs. MCE has remained neutral but has participated in community discussions on the bill.	
<u>Actions Taken:</u>	- Passed hearing in Utilities and Commerce Committee	April 21
<u>Next Steps:</u>	- TBD	

4) Energy Efficiency Financing Options for Tenants AB 2017

<u>Summary:</u>	Authorizes the CPUC to create a financing option for renters to receive Energy Efficiency upgrades in rental homes and apartments. Was identified as	
<u>MCE's Interest:</u>	Expanding the broad use of Energy Efficiency programs by both landlords and tenants in order to reduce usage.	
<u>Actions Taken:</u>	- MCE Letter of Support Submitted	April 15
<u>Next Steps:</u>	- Hearing in Utilities and Commerce Committee	April 28

5) Solar Permit Streamlining Bill AB 2188

<u>Summary:</u>	Streamlines the permit application process of residential rooftop solar systems up to 10kW on the same day. Reimburses costs mandated by the state for local agencies and school districts.	
<u>MCE's Interest:</u>	Streamlining permitting process for solar facilities within MCE's jurisdiction improves the affordability and deployment of rooftop solar systems.	
<u>Actions Taken:</u>	- MCE Letter of Support Submitted	March 3
<u>Next Steps:</u>	- TBD	

MONITORING ITEMS

6) Addressing Grid Security Risks SB 699

<u>Summary:</u>	Requires the CPUC to adopt rules to address security threats to the distribution systems of electrical corporations. Requires IOUs to submit security plans to the CPUC and coordinate with law enforcement to achieve security plan goals.	
<u>MCE's Interest:</u>	Ensuring the ongoing security of electrical supply, avoiding potential disruption of service to MCE customers, and advocating proper cost allocation.	

<u>Actions Taken:</u>	- N/A
<u>Next Steps:</u>	- TBD

7) Prohibiting CCA Employees from Appointment as CEC Commissioners.....AB 2661

<u>Summary:</u>	Prohibits an individual from serving as a Commissioner of the California Energy Commission (CEC) if s/he has worked at a CCA in the previous two years. There is already a rule in place prohibiting utility employees from serving as a CEC Commissioner for two years.
<u>MCE's Interest:</u>	Monitoring restrictions on CCA employees.
<u>Actions Taken:</u>	- N/A
<u>Next Steps:</u>	- TBD

8) Electrical RestructuringSB 1277

<u>Summary:</u>	Prohibits the Independent System Operator from submitting any proposal to the Federal Energy Regulatory Commission (FERC) that seeks approval of a new auction or market-based mechanism for forward procurement of electricity or capacity products in California unless it first obtains the formal concurrence of the California Public Utilities Commission.
<u>MCE's Interest:</u>	Ratepayer advocates have labeled this bill as an attempt for FERC to go around California's renewable energy goals. This bill is designed in order to ensure the policy objectives of California remain when dealing with federal processes. MCE is monitoring this bill in alignment with its renewable energy goals.
<u>Actions Taken</u>	- Referred to Energy, Utilities, and Commerce Committee April 10
<u>Next Steps</u>	- Assembly Committee Hearing April 28



KEY LEGISLATION AND GLOSSARY OF TERMINOLOGY AND ACRONYMS

KEY LEGISLATION:

AB 32 – Assembly Bill 32, the Global Warming Solutions Act of 2006

AB 32 is an environmental law in California that establishes a timetable to bring California into near compliance with the provisions of the Kyoto Protocol.

AB 117 – Assembly Bill 117, Community Choice Aggregation Enabling Legislation

AB 117 is the California legislation passed in 2002 that enabled community choice aggregation, authored by then Assemblywoman Carole Migden.

SB 790 – Senate Bill 790, Charles McGlashan Community Choice Aggregation Act

SB 790, authored by state Senator Mark Leno, was passed in 2012. This bill institutes a code of conduct, associated rules, and enforcement procedures for IOUs' regarding how they interact with CCA. This bill also clarified a CCA's equal right to participating in ratepayer-funded energy efficiency programs.

SB (1X) 2 – Senate Bill 2 (1st Extd. Session) California Renewable Energy Resources Act

SB (1X) 2 was approved in April of 2011 to expand upon previous RPS legislation. It raised the statewide RPS procurement target to 33% by 2020 and also includes interim procurement targets, new RPS content categories, and limitations. All IOUs, CCAs, ESPs, and POU's are all required to meet these procurement goals (with certain exceptions). The CPUC is addressing the implementation of SB (1X) 2 through its rulemaking process (R.11-05-005).

TERMINOLOGY:

Bundled Customers: receive both their electricity generation and distribution services from the same entity, typically the resident IOU.

Energy: the amount of work that can be (or has been) performed. When electrical appliances are run to wash cloths, watch television, chill food, or create light, these are all instances of

electricity performing work. Within the electric sector, the amount of electricity (or energy) that it takes to perform this work is expressed in units of kilowatt-hours (kWh) or megawatt-hours (MWh). The amount of electricity usage that appears on one's electricity bill is a common expression of energy consumption and is typically noted in units of kWh.

Power: the amount of energy generated, transmitted, or consumed per unit of time. Within the electric sector, power is expressed in units of kilowatts (kW) or megawatts (MW). In this context these measurements of power are often used to describe (i) the capacity (i.e. bandwidth) of a generation facility to supply electricity to the grid, (ii) the amount of electricity a portion of the grid infrastructure can transmit, and (iii) the rate of consumption (i.e. demand) of electricity by customers.

Unbundled Customers: receive their electricity generation and distribution services from separate entities. Customers of MCE are considered unbundled customers because they purchase their electricity generation for MCE and their electricity distribution from PG&E.

KEY ACRONYMS:

CAISO – California Independent System Operator

The CAISO maintains reliability and accessibility to the California transmission grid. The CAISO manages, but does not own, the transmission system and oversees grid maintenance.

CAM – Cost Allocation Mechanism

CAM relates to the socialized costs of capacity (i.e. power) and is a mechanism for passing through RA-related procurement costs within an IOU's service territory. In cases where there is a system or local reliability need, the Commission may authorize an IOU to procure RA on behalf of other LSEs and to recover the related capacity costs through a NBC.

CARB – California Air Resources Board

CARB was established by California's Legislature in 1967 to: 1) attain and maintain healthy air quality; 2) conduct research to determine the causes of and solutions to air pollution; and 3) address the issue of motor vehicles emissions.

CCA – Community Choice Aggregation

CCA allows cities and counties to aggregate the buying power of individual customers within a defined jurisdiction in order to secure alternative energy supply. MCE is the only operational CCA in California.

CEC – California Energy Commission

The CEC is California's primary energy policy and planning agency. It has responsibility for activities that include forecasting future energy needs, promoting energy efficiency through appliance and building standards, and supporting renewable energy technologies.

CHP – Combined Heat and Power

CHP (also referred to as Cogeneration) is the use of a heat engine or a power station to convert waste heat (usually steam) into additional electricity. Not necessarily considered renewable energy, CHP is still encouraged by state policy and regulations because it is more energy efficient than conventional power generation systems.

CIA – Conservation Incentive Adjustment

The CIA is a NBC unrelated to generation, transmission or distribution. This rate design was implemented in the PG&E service territory in July 2012, replacing tiered generation and distribution rates with a flat rates and an added CIA charge/credit. Low usage customers receive a credit from the CIA, while high usage customers see added fees.

CPUC – California Public Utilities Commission

The CPUC, also simply called the Commission, is the entity that regulates privately-owned utilities in the state of California, including electric power, telecommunications, natural gas and water companies. The CPUC has limited jurisdiction over CCAs.

DA – Direct Access

DA is an option that allows eligible customers to purchase their electricity directly from competitive ESPs. There are legislatively mandated caps on DA that have gradually increased since the energy crisis. Large energy users in particular seek the cost certainty associated with being on DA service.

DG – Distributed Generation

DG refers to small, modular electricity sources sited at the point of electricity consumption. One example of residential distributed generation is an array of solar panels installed on a home's roof.

DR – Demand Response

DR refers to intentional changes in electric usage by customers from their normal consumption patterns in response to changes in the price of electricity over time, or to incentive payments designed to induce lower electricity use.

EE – Energy Efficiency

EE is a way of managing and restraining the growth in energy consumption. It refers to using less energy to provide the same service. For example: In the summer, efficient windows keep the heat out so that the air conditioner runs less often which helps save electricity.

ES – Energy Storage

ES refers to various types of technologies that store energy to perform useful operation at a later time. ES devices can provide various benefits to electricity suppliers, electricity customers, and the electricity grid depending upon how they are leveraged. ES devices can be located at many different levels within the electricity grid (customer-sited, generation-sited, or within the distribution or transmission grid infrastructure), and where these devices are located influences what benefits these devices can provide.

ESP – Electricity Service Provider

ESPs are non-utility entities that offer DA electric service to customers within the service territory of an electric utility. ESPs share various regulatory interests with CCAs because the customers of both types of entities face departing load charges through the PCIA and other non-bypassable charges.

EV – Electric Vehicle

EV is a general term for an electric vehicle. Within EV there are many subtypes. The two main types are Plug-in Hybrid Electric Vehicles (PHEV) and Battery Electric Vehicles (BEV). PHEV use a combination of gasoline and electricity (e.g. Plug-In Hybrid Prius and Chevy Volt). BEV use only electricity to fuel the vehicle (e.g. Tesla Model S, Tesla Roadster, and Nissan Leaf). Because EVs depend on batteries to store their energy, they can behave like ES devices as well.

FC – Flexible Capacity

FC is a specialized type of capacity that can respond more quickly than conventional RA (*see below*) resources to fluctuations in the supply and demand of electricity within the grid. Obligations to procure FC resources may soon be required for all LSEs (*see below*) in order to help offset increased instability within the grid due to wider-spread usage of intermittent generation resources such as solar and wind and changes in customer usage patterns.

FFS – Franchise Fee Surcharge

The Franchise Fee is a small percentage of gross receipts collected by PG&E to pay for the right to use public streets to run gas and electric service. In the case of MCE, a “Franchise Fee Surcharge” is added to bills to represent MCE’s share of the Franchise Fee which must be paid.

FIT – Feed-In Tariff

FITs are long-term, standard-offer, must-take contracts offered by electricity retailers to small-scale renewable developers for the procurement of DG renewable energy. MCE currently offers a FIT.

IOU – Investor Owned Utility

IOU refers to an electric utility provider that is a private company, owned by shareholders. The three largest IOUs in California are Pacific Gas and Electric (PG&E), Southern California Edison (SCE) and San Diego Gas and Electric (SDG&E).

LSE – Load Serving Entity

LSEs are a categorization term that refers to IOUs, ESPs, CCAs, and any other entity serving electricity load to end-use or wholesale customers. POUs are excluded from this categorization.

NBC – Non-Bypassable Charge

NBCs are line item charges that all distribution customers (both Bundled and Unbundled) must pay. Types of NBCs include transmission access charges and nuclear power plant decommissioning costs.

NEM – Net Energy Metering

NEM allows a customer to be credited when their renewable generation system generates more electricity than is used on site. The customer continues to pay for electricity when more electricity is used on site than the system produces.

PCIA – Power Charge Indifference Adjustment

The PCIA is an “exit fee” imposed on departing load that is intended to protect bundled utility customers. When customers leave bundled service to purchase electricity from an alternative supplier, such as MCE, the IOU, who had previously contracted for generation to serve these customers on a going-forward basis, is able to charge these departing customers the above market costs of that electricity (i.e. energy).

PDP – Peak Day Pricing

The primary demand response program offered by PG&E. Demand response programs allow customers to receive credit for reducing their electrical usage during certain high-usage periods. Continued usage during these periods can result in penalties. This program is one of the only PG&E programs unavailable to CCA customers.

POU – Publicly Owned Utility

POUs are locally publicly owned electric utilities that are administered by a board of publicly appointed representatives (similar to a CCA). POUs are not within the jurisdiction of the CPUC, and are thus subject to different regulation and enforcement than IOUs, CCAs, and ESPs.

PV – Photovoltaic

PV is solar electric generation by conversion of light into electrons. The most commonly known form of solar electric power is roof panels on homes.

RA – Resource Adequacy

RA refers to a statewide mandate for all LSEs to procure a certain quantity of electricity resources that will ensure the safe and reliable operation of the grid in real time. RA also provides incentives for the siting and construction of new resources needed for reliability in the future.

RPS – Renewable Portfolio Standard

The RPS was created in 2002 under Senate Bill 1078 was most recently modified by SB (1X) 2 (2011). RPS requires that electricity providers meet certain minimum RPS requirements over time, and no less than 33% RPS by 2020.

VNEM/NEMV – Virtual Net Energy Metering

VNEM allows credit for renewable generation from a single account to be distributed to several other accounts, typically on-site. It otherwise generally functions the same as NEM.