



Kathrin Sears, Chair
County of Marin

Tom Butt, Vice Chair
City of Richmond

Bob McCaskill
City of Belvedere

Alan Schwartzman
City of Benicia

Sloan C. Bailey
Town of Corte Madera

Greg Lyman
City of El Cerrito

Barbara Coler
Town of Fairfax

Brandt Andersson
City of Lafayette

Kevin Haroff
City of Larkspur

Sashi McEntee
City of Mill Valley

Brad Wagenknecht
County and Cities of Napa

Denise Athas
City of Novato

P. Rupert Russell
Town of Ross

Ford Greene
Town of San Anselmo

Genoveva Calloway
City of San Pablo

Andrew McCullough
City of San Rafael

Ray Withy
City of Sausalito

Emmett O'Donnell
Town of Tiburon

Bob Simmons
City of Walnut Creek

1125 Tamalpais Avenue
San Rafael, CA 94901

1 (888) 632-3674
mceCleanEnergy.org

Board of Directors Meeting
Thursday, November 17, 2016
7:00 P.M.

The Charles F. McGlashan Board Room
1125 Tamalpais Avenue, San Rafael, CA 94901

Agenda Page 1 of 2

- 1. Board Announcements (Discussion)**
- 2. Public Open Time (Discussion)**
- 3. Report from Chief Executive Officer (Discussion)**
- 4. Consent Calendar (Discussion/Action)**
 - C.1 8.18.16 Meeting Minutes
 - C.2 9.29.16 Board Retreat Meeting Minutes
 - C.3 Approved Contracts Update
- 5. Charles F. McGlashan Advocacy Award (Discussion/Action)**
- 6. Ad Hoc Ratesetting Committee for 2017 (Discussion/Action)**
- 7. Customer Programs – 2015 Multifamily Case Studies (Discussion)**
- 8. Update on Fourth Addendum with Noble Energy Americas (Discussion)**
- 9. Update on CPUC Power Charge Indifference Adjustment Vintaging Decision (Discussion)**



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10. Communications Update (Discussion)

11. Board Member & Staff Matters (Discussion)

12. Adjourn



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Walnut Creek and County Connection Announce Electric Trolley Launch

County Connection, in partnership with the City of Walnut Creek, is pleased to announce the roll out of four new electric trolleys in downtown Walnut Creek. A ribbon-cutting event will be held on Saturday, November 5, 2016 from 10:00 to 11:30 a.m. in the Leshar Center Plaza in downtown Walnut Creek. The event is free and open to the public.

The four new electric trolleys represent the latest in cutting-edge technology to achieve the cleanest and most energy-efficient systems possible, with zero emissions. The four new all-electric trolleys were funded by a \$4,320,000 Federal Transit Administration (FTA) grant awarded to County Connection. The new electric trolleys will replace four diesel trolleys in service since 2002.

The Free Ride Trolleys will continue to run between the Walnut Creek BART station, the downtown shopping district, and the Broadway Plaza. The trolley service will remain completely free to the public, thanks to continued funding by the City of Walnut Creek. The new buses will be put into service on Sunday, November 6 -- just in time for the start of the busy holiday shopping season!

Light refreshments will be provided by County Connection. Local residents and transit users are invited to attend and strongly encouraged to use public transit to get to and from the Leshar Center event location. (Trolley service will be fully operational on November 5.)

For more information about the electric trolleys or the ribbon-cutting event, please visit County Connection's website at <http://countyconnection.com/> or contact **Mary Burdick** at [\(925\) 680-2040](tel:9256802040).



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MCE BOARD MEETING MINUTES

Thursday, August 18, 2016

7:00 P.M.

**THE CHARLES F. MCGLASHAN BOARD ROOM
1125 TAMALPAIS AVENUE, SAN RAFAEL, CA 94901**

Roll Call: Director Kate Sears called the regular Board meeting to order at 7:06 p.m. An established quorum was met.

Present: Brandt Andersson, City of Lafayette
Jim Andrews, Representative, Town of Corte Madera
Denise Athas, City of Novato
Matt Brown, Town of San Anselmo
Genoveva Calloway, City of San Pablo
Peter Lacques, Alternate, Town of Fairfax
Greg Lyman, City of El Cerrito
Sashi McEntee, City of Mill Valley
Emmett O'Donnell, Town of Tiburon
Kate Sears, Chair, County of Marin
Bob Simmons, City of Walnut Creek
Brad Wagenknecht, County of Napa
Ray Withy, City of Sausalito

Absent: Tom Butt, Vice Chair, City of Richmond
Kevin Haroff, City of Larkspur
Bob McCaskill, City of Belvedere
Andrew McCullough, City of San Rafael
Alan Schwartzman, City of Benicia

Staff: Greg Brehm, Director of Power Resources
John Dalessi, Operations & Development
Carol Dorsett, Administrative Assistant
Kirby Dusel, Resource Planning & Renewable Energy Programs
Sarah Estes-Smith, Director of Internal Operations
Darlene Jackson, Board Clerk
Michael Maher, Maher Accountancy
David McNeil, Finance and Project Manager
Dawn Weisz, Chief Executive Officer

1. Swearing in of New Board Member Brandt Andersson, City of Lafayette

CEO Weisz conducted the Oath of Office with new Board Member Brandt Andersson from the City of Lafayette. A round of applause followed and Directors welcomed Director Andersson.

2. Board Announcements (Discussion)

There were no announcements.

3. Public Open Time (Discussion)

Member of the public Wynn Scott Stokes.

4. Report from Chief Executive Officer (Discussion)

Dawn Weisz, Executive Officer reported on the following:

- Welcomed MCE's newest Board members, Director Simmons from Walnut Creek and Director Andersson from Lafayette. She also extended a welcome to visiting council members Matt Brown, Alternate from San Anselmo, Peter Lacques, Alternate from Fairfax and Jim Andrews from Corte Madera.
- Announced that outreach in the new communities is going well with many events and meetings happening each week.
- Meeting date reminders:
 - September 29th, MCE Board Retreat, 30 Sir Francis Drake Blvd., Marin Art & Garden Center, Livermore Pavilion, 9am – 4pm. Breakfast and lunch will be available.
 - Save-the-date: MCE Holiday Party, Friday, December 9th, 6-11pm, Deer Park Villa in Fairfax.
- Provided a new community enrollment update

5. Consent Calendar (Discussion/Action)

- C.1 6.16.16 Meeting Minutes
- C.2 Approved Contracts Update
- C.3 Resolution 2016-06 Approving Proposed Amendment to MCE's Conflict of Interest Code
- C.4 Amendment to MCE Policy 003: Records Retention
- C.5 2nd Amendment to 5th Agreement with Community Energy Services Corporation (CESC)

ACTION: It was M/S/C (Lyman/Athas) to approve Consent Calendar Items C.1 through C.5. Motion carried by unanimous roll call vote: (Abstain on C.1: Brown, Calloway and Withy) (Absent: Butt, Haroff, McCaskill, McCullough, and Schwartzman).

6. Board Member Assignment to Committees (Discussion/Action)

Dawn Weisz, CEO, presented this item and addressed questions from Board members.

Chair Sears opened the public comment period and there were no speakers.

ACTION: No action taken on this item. Staff was directed to bring it back to the September Board. Interested Board members were encouraged to sit in on a meeting before deciding to commit.

7. Regulatory and Legislative Update (Discussion)

Michael Callahan, Regulatory Counsel presented this discussion item and addressed questions from Board members.

Chair Sears opened the public comment period and there were no speakers.

ACTION: No action required

8. FY 2015/16 Financial Statement Presentation (Discussion)

David McNeil, Finance and Project Manager, presented this discussion item and addressed questions from Board members.

Chair Sears opened the public comment period and there were no speakers.

ACTION: No action required

9. Resolution 2016-07 Approving Amendment 12 to MCE Joint Powers Agreement (Discussion/Action)

Emily Fisher, Legal Counsel, presented this item and addressed questions from Board members.

Chair Sears opened the public comment period and there were no speakers.

ACTION: No action was taken on this item.

10. Transportation Fund for Clean Air Funding Agreement with Bay area Air Quality Management District (Discussion/Action)

Sarah Estes-Smith, Director of Internal Operations, introduced this item and addressed questions from Board members.

Chair Sears opened the public comment period and there were no speakers.

Noted: Director Coler left meeting prior to the vote.

ACTION: It was M/S/C (O'Donnell/McEntee) to authorize execution of Funding Agreement with The Bay Area Air Quality Management District. Motion carried by unanimous roll call vote. (Absent: Butt, Coler, Haroff, McCaskill, McCullough and Schwartzman).

11. FY 2016/17 Budget Amendment (Discussion/Action)

David McNeil, Finance and Project Manager, presented this item and addressed questions from Board members.

Chair Sears opened the public comment period and there were no speakers.

ACTION: It was M/S/C (Wagenknecht/Withy to approve 1) the proposed FY 2016/17 Energy Efficiency Program Fund Budget and, 2) the proposed FY 2016/17 Operating Fund Budget. Motion carried by unanimous roll call vote. (Absent: Butt, Coler, Haroff, McCaskill, McCullough, O'Donnell and Schwartzman).

12. Board Member & Staff Matters (Discussion)

There were none.

ACTION: No action required

13. Adjournment

The Board of Directors adjourned the meeting at 9:28 p.m. to the next Special Board Retreat on September 29, 2016.

Kate Sears, Chair

Attest:

Dawn Weisz, Secretary

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MCE

BOARD RETREAT/BOARD MEETING MINUTES

Thursday, September 29, 2016

9:00 A.M.

**Marin Art and Garden Center, Livermore Pavilion
30 Sir Francis Drake Boulevard, Ross, CA 94957**

Roll Call: Director Kate Sears called the Retreat to order at 9:10 a.m. An established quorum was met.

Present: Brandt Andersson, City of Lafayette
Denise Athas, City of Novato
Sloan Bailey, Town of Corte Madera
Tom Butt, City of Richmond
Barbara Coler, Town of Fairfax
Ford Greene, Town of San Anselmo
Kevin Haroff, City of Larkspur
Greg Lyman, City of El Cerrito
Bob McCaskill, City of Belvedere
Sashi McEntee, City of Mill Valley
Andrew McCullough, City of San Rafael
Emmett O'Donnell, Town of Tiburon
P. Rupert Russell, Town of Ross
Alan Schwartzman, City of Benicia
Kate Sears, County of Marin
Bob Simmons, City of Walnut Creek
Brad Wagenknecht, County of Napa
Ray Withy, City of Sausalito

Absent: Genoveva Calloway, City of San Pablo

Staff: Greg Brehm, Director of Power Resources
John Dalessi, Operations & Development
Kirby Dusel, Resource Planning & Renewable Energy Programs
Carol Dorsett, Administrative Associate
Sarah Estes-Smith, Director of Internal Operations
Brian Goldstein, Resource Planning and Implementation
Darlene Jackson, Board Clerk
David McNeil, Finance and Project Manager
Beckie Menten, Director of Customer Programs
Justine Parmalee, Administrative Associate
Shalini Swaroop, Regulatory Counsel
Jamie Tuckey, Director of Public Affairs
Dawn Weisz, Chief Executive Officer

Swearing in of New Board Member P. Rupert Russell

CEO Weisz conducted the Oath of Office with new Board Member P. Rupert Russell from the Town of Ross. Director Russell was welcomed to the Board.

1. Welcome, Introductions, Opening Remarks & Board Announcements (Discussion)

Chairperson Kate Sears opened the meeting with a welcome to all and asked the Board to introduce themselves and the community they serve. Director Sears explained the purpose of the MCE Board Retreat is to provide an opportunity to reflect on the state of MCE.

Appreciation was offered to Directors Lyman and Bailey for participating in the development of MCE's Strategic Plan and Directors McCaskill and McEntee for their service on the Ad Hoc Audit Committee, Directors Butt, Coler, Haroff and Bailey for their service on MCE's EPA Green Power Partnership, Directors Bailey, Coler, Greene, Haroff, Wagenknecht, Lyman and Schwartzman who serve on MCE's Ad Hoc Contracts Committee and, Directors Wagenknecht, Simmons and Andersson for their leadership in growing MCE in their communities.

Director Sears provided history and accomplishments of MCE as well as the fact that MCE currently serves over 250,000 customers. She also indicated that the focus of the day would be on MCE's future.

2. Prior Year Highlights & Goals for the Coming Year (Discussion)

Chief Executive Officer, Dawn Weisz introduced this item and explained that MCE staff will provide overviews and goals for the coming year. MCE staff members will introduce the members of their teams and how each team's goals align with the organization's overall strategic plan.

- Finance Accomplishments – Finance Manager, David McNeil presented this item with the primary focus being financial highlights. He indicated that MCE's financial position is strong.
- Power Resources Accomplishments - Power Resources Director, Greg Brehm presented this item and the team introduced themselves. Mr. Brehm shared Power Resources Accomplishments which included: new and existing Renewable Projects for MCE built since 2010 and workforce accomplishments since 2010.
- Customer Programs Accomplishments – Customer Programs Director, Beckie Menten presented this item and the team introduced themselves. Ms. Menten shared Customer Programs Accomplishments which included: a 7-fold increase in energy savings from 2013 to 2015, results of the Small Commercial project and results of the Multifamily project.
- Public Affairs Accomplishments – Public Affairs team member, Alexandra McGee shared how MCE's customer growth is up by 50%, 7 new communities have joined MCE and MCE is currently serving approximately 256,472 customers.
- Public Affairs Accomplishments – Public Affairs team member, Chris Kubik shared how there has been a 30% increase in Deep Green customers: up from 3,232 in September of 2015 to 4,214 in 2016.
- Public Affairs Accomplishments – Public Affairs team member, Justin Kudo shared the Solar Cash Out results for 2016.
- Public Affairs' Accomplishments – Public Affairs team member, J.R. Killigrew shared Public Outreach results which included: of the 444 community stakeholders contacted, 24 events have been scheduled and 11 people enrolled in Deep Green; 242 events representing a 30% increase

from 2015; there have been 15 MCE mentions from community organizations; there has been 80% growth social media activity and 21% growth in e-newsletters; 72 MCE mentions in news articles.

- Legal and Regulatory Accomplishments – The Legal team introduced themselves and Regulatory Counsel, Shalini Swaroop shared Legal and Regulatory Accomplishments which included: Spotlight on PCIA fees, policy coordination with CCAs, legislative advocacy as well as legislative outcomes in 2016.

Chair Sears opened the public comment period and there were no speakers.

- Goals for the Coming Year - In relation to MCE's Five Strategic Plan Goals, the following was reported:
 - Goal #1 – Serve our customers and communities with care and excellence. This item was presented by Public Affairs Director, Jamie Tuckey
 - Goal #2 – Ensure financial strength and sustain market competitiveness. This item was presented by Finance Manager, David McNeil
 - Goal #3 – Reduce greenhouse gas emissions through effective energy services and customer programs. This item was presented by Power Resources Director, Greg Brehm
 - Goal #4 – Be efficient in our administration while supporting and developing our staff. This item was presented by Internal Operations Director, Sarah Estes-Smith and,
 - Goal #5 – Support CCA by cultivating key partnerships and opportunities. This item was presented by Regulatory Counsel, Shalini Swaroop

Chair Sears opened the public comment period and there were no speakers.

3. Overview & Case Studies of MCE's Local Renewable Energy Projects (Discussion)

Power Resources Contracts Manager, David Potovsky presented this item which included nine distinct projects in MCE's Renewable Energy portfolio.

Board questions were addressed. Director Sears opened public comment period and there were no speakers.

4. California Community Choice Association & Statewide Policy Role (Discussion)

CEO, Dawn Weisz presented this discussion item and addressed questions from the Board.

Director Sears opened public comment period and there were no speakers.

5. Board Member Assignment to Committees (Discussion/Action)

CEO, Dawn Weisz presented this discussion item and addressed questions from the Board.

Director Sears opened public comment period and there were no speakers.

ACTION: It was M/S/C (Haroff/Athas) to approve to add Bob Simmons to the Executive Committee and Brandt Andersson to the Technical Committee. Motion carried by unanimous roll call vote: (Absent: Calloway).

6. Update from MCE Lafayette's Community Leadership Advisory Group (Discussion)

Steve Richard, former President of Sustainable Lafayette presented this item and addressed questions from the Board as well as members of the public.

Director Sears opened public comment period and there were no additional speakers.

7. Invitation Period for Contra Costa County (Discussion/Action)

CEO, Dawn Weisz presented this item and addressed questions from the Board.

ACTION: It was M/S/C (Butt/Athas) to approve the Invitation Period for Contra Costa County to Commence December 1, 2016 through May 31, 2017. Motion carried by unanimous roll call vote: (Absent: Calloway).

Former MCE Chairman of the Board, Damon Connolly was introduced and asked to have a few words. Mr. Connolly expressed how proud he is of MCE's accomplishments and its continued efforts to set the CCA standard for the entire State of California on local empowerment and how communities can establish their own energy destiny.

8. MCE Power Content Label & Attestation (Discussion/Action)

Kirby Dusel, Resource Planning & Renewable Energy Programs Consultant presented this item and addressed questions from the Board.

ACTION: It was M/S/C (Bailey/Coler) to approve MCE Power Content Label & Attestation. Motion carried by unanimous roll call vote: (Absent: Calloway).

9. Emerging Technology & Innovation Programs (Discussion)

- a. SunVerge Presentation on Solar Generation Tied to Battery Storage - Jason Smith, Director of Solutions Engineering at SunVerge presented this item and addressed questions from the Board.
- b. Update from American Canyon on Zero Water Footprint Initiative - Jason Holley, Public Works Director at American Canyon presented this item and addressed questions from the Board.
- c. eMotorWerks Presentation on MCE Electric Vehicle Charging Pilot Program - Steve Taber, Senior Advisor to eMotorWerks presented this item and addressed questions from the Board.

10. Complete any Unfinished Items

11. The Board Chair adjourned the Special Meeting at 2:54 P.M. to the next Regular Board Meeting on October 20, 2016.

Kate Sears, Chair

Attest:

Dawn Weisz, Secretary



November 17, 2016

TO: MCE Board of Directors

FROM: Catalina Murphy, Contracts Manager & Legal Assistant

RE: Report on Approved Contracts (Agenda Item #04 – C.3)

Dear Board Members:

SUMMARY: This report summarizes agreements entered into by the Chief Executive Officer since the last board meeting in August. This summary is provided to your Board for information purposes only.

Review of Procurement Authorities

In March 2013 your Board adopted Resolution 2013-04 as follows;

The Chief Executive Officer is hereby authorized to enter into and execute contracts for an amount not to exceed \$25,000 per contractor per fiscal year, consistent with the Board approved budget, the Joint Powers Agreement, and the Operating Rules and Regulations.

In November 2012 your Board approved the MCE Integrated Resource Plan stating;

Power purchase agreements (energy, capacity, RECs) with terms of 12 months or less may be entered into on MCE's behalf by the Chief Executive Officer.

Power purchase agreements (energy, capacity, RECs) with terms of greater than 12 months and less than or equal to 5 years and which are made pursuant to a Board approved resource plan may be entered into on MCE's behalf by the Chief Executive Officer in conjunction with the MCE Board Chair. An ad hoc committee of the MCE Board will be consulted prior to execution of any medium-term contracts.

Power purchase agreements (energy, capacity, RECs) with terms of greater than 5 years shall require Board approval prior to execution.

The Chief Executive Officer is required to report all such contracts and agreements to the MCE Board on a regular basis.

At its May 2016 Board Meeting the Board authorized the CEO to enter into contracts relating to the development of the Solar One project. Contracts with Goebel Construction and Able Fence Company relating to their work on Solar One are also recorded below.

Summary of Agreements entered into by the Chief Executive Officer in the past month

Month	Purpose	Contractor	Maximum Annual Contract Amount	Term of Contract
August	Pilot program using OpenEEmeters to track customer savings	Open Energy Efficiency LLC	\$23,500	7 months
August	Provide excavation and grading, liner adjustments, and fence construction at MCE Solar One	Goebel Construction, Inc.	\$233,107	3 months
August	Provide environmental consulting and construction monitoring services for MCE Solar One	Barnett Environmental	\$12,500	9 months
August	Provide monitoring of CAISO initiatives and technical advisory support for CAISO and CPUC regulatory issues	RTO Advisors, LLC	\$5,000	8 months
August	Addendum to existing contract for additional video and audio edits of MCE Buck Institute time-lapse video	REP Energy	\$8,250	12 months
August	Addendum extending the term of the agreement to complete CCA Benefits Study performed by UCLA Luskin Center	UC Regents	\$32,309	12 months
August	200,000 MWh PCC1 of Renewable Energy for 2017	Silicon Valley Power	\$2,900,000	12 months
August	550 MW Resource Adequacy for 2017	Tenaska Power Services Co.	\$742,500	12 months
September	Addendum to the Master Professional Services Agreement for Data Manager Services to reduce monthly meter fees	Noble Americas Energy Solutions LLC	Price reduction to \$1.15 per meter per month	3 years
September	Provide legal advisory services to MCE	Olson Hagel & Fishburn LLP	\$3,000	8 months
September	Provide design services including the procurement of new pieces and installation of previously procured pieces at MCE offices	Malen Concepts	\$10,000	7 months
September	Construction of a wall partition at MCE offices	James P. Silva Construction	\$6,785	1 month
September	Provide assistance and consultation services to the PA team and transitioning new staff	Ashley Aberi	\$5,600	1.5 months
September	Addendum reallocating services and costs (no additional funds added to the contract)	Bevilacqua-Knight, Inc.	\$25,000	8 months

September	Addendum further defining scope for electric vehicle pilot (no increase in funds)	eMotorWerks, Inc.	\$6,500	20 months
September	Provide professional engineering services to assist in construction support and oversight at MCE Solar One	Sage Renewable Energy Consulting, Inc.	\$24,500	12 months
September	Addendum to extend the contract one month for services at MCE Solar One (no increase in funds)	Wood Rodgers, Inc.	\$10,200	5 months
September	Addendum to extend the contract one month for services at MCE Solar One (no increase in funds)	Able Fence Company, Inc.	\$67,890	3 months
September	25 MW Resource Adequacy for 2017	East Bay Municipal Utility District	\$154,513	12 months
September	120 MW Resource Adequacy for 2017	SENA	\$270,000	4 months
September	210 MW Resource Adequacy for 2017	SENA	\$472,500	7 months
September	30 MW Resource Adequacy for 2017	SENA	\$67,500	1 month
October	Addendum to the Qualified Reporting Entity Service Agreement to include generation data for Cost Plus Plaza Solar FIT Facility	Noble Americas Energy Solutions LLC	N/A	N/A
October	Addendum to increase contract amount for general consulting services	Zell & Associates	\$8,500	9 months
October	Addendum to increase contract amount for new scope of identifying existing utility lines at MCE Solar One and extend contract by one month	Able Fence Company, Inc.	\$77,865	4 months
October	Addendum to extend the contract one month for services at MCE Solar One (no increase in funds)	Goebel Construction, Inc.	\$233,107	4 months
October	Addendum to extend the contract one month for services at MCE Solar One (no increase in funds)	Wood Rodgers, Inc.	\$10,200	6 months
October	Wall painting services at MCE offices	ALCO General Contractors	\$3,579	1 month
October	235,000 MWh Renewable Wind Energy for 2017	3 Phases Renewables Inc.	\$1,398,250	12 months
October	55,000 MWh Renewable Wind Energy for 2017	3 Phases Renewables Inc.	\$327,250	12 months

October	28 MW Resource Adequacy for 2017	Direct Energy	\$267,078	12 months
October	16 MW Resource Adequacy for 2017	Tenaska Power Services Co.	\$316,800	12 months
October	200,000 MWh Renewable Wind Energy for 2017	NextEra Energy Power	\$2,950,000	12 months
October	3 MW Resource Adequacy for 2017	SENA	\$2,250	1 month

Fiscal Impact: Expenses associated with these Agreements that occur prior to March 31, 2017 are included in the FY2016/17 Operating Fund, Energy Efficiency Program Fund, Local Renewable Energy Development Fund and Renewable Energy Reserve Fund Budgets. Expenses that will occur beyond March 31, 2017 will be recorded in the FY2017/18 Budgets.

Recommendation: Information only. No action required.



November 17, 2016

TO: MCE Board of Directors

FROM: Alexandra McGee, Community Power Organizer

RE: Charles F. McGlashan Advocacy Award Recipient (Agenda Item #05)

Dear Board Members:

SUMMARY:

On June 2, 2011, your Board established the Charles F. McGlashan Advocacy Award to recognize individuals and organizations who have demonstrated passion, dedication, and leadership to promote MCE. The annual award also honors and commemorates the life and legacy of environmental leadership left behind by former founding MCE Chairman, Charles F. McGlashan.

To date, the Charles F. McGlashan Advocacy Award has been awarded to Barbara George of Women's Energy Matters in 2011; the Mainstreet Moms in 2012; Lea Dutton of the San Anselmo Quality of Life Commission in 2013; Doria Robinson of Urban Tilth in 2014, and Constance Beutel of Benicia's Community Sustainability Commission in 2015.

On November 4, 2016, the MCE Executive Committee voted unanimously to honor Sustainable Napa County as the sixth recipient of the Charles F. McGlashan Advocacy Award.

As a cornerstone of sustainability, Sustainable Napa County (SNC) has played a key role in Napa County's smooth transition to MCE. When unincorporated Napa County voted to join MCE in 2015, SNC was an early supporter of the County's decision. Then, when a new inclusion period became available in 2016, SNC was instrumental in arranging and attending meetings to introduce MCE to the City and Town Councils of American Canyon, Napa, Yountville, St. Helena, and Calistoga. Due in no small part to SNC's endorsement of MCE, these Councils would later go on to vote to join MCE.

In both the 2015 and 2016 enrollments, SNC participated in MCE's Community Leader Advisory Group to guide MCE's community outreach and messaging. This included providing valuable feedback on outreach materials, helping connect customers to appropriate MCE staff, and providing feedback for the development of MCE's Energy Efficiency programs to better serve Napa County customers.

SNC has continued to actively connect MCE to outreach opportunities, even co-presenting with MCE on KVON 1440 AM in September 2016. They also co-sponsored

community workshops, like one in August 2016 specifically for solar installers to learn about MCE's Net Energy Metering program. SNC continues to send out information about MCE via their e-newsletter, is one of the newest members of MCE's Community Power Coalition, and recently has been in early discussions about how to promote Deep Green opt-ups throughout the County.

Fiscal impact: None

Recommendation: Honor Sustainable Napa County as the sixth recipient of the Charles. F. McGlashan Advocacy Appreciation Award.

Overview of MCE Board Offices and Committees *(Updated 9.29.16)*

Board Offices

Kate Sears, Chair

Tom Butt, Vice Chair

Denise Athas, Auditor/Treasurer

Dawn Weisz, Secretary

Executive Committee

1. Tom Butt, Chair
2. Denise Athas
3. Sloan Bailey
4. Ford Greene
5. Kevin Haroff
6. Bob McCaskill
7. Kate Sears
8. Bob Simmons

Technical Committee

1. Kate Sears, Chair
2. Kevin Haroff
3. Ford Greene
4. Emmett O'Donnell
5. Ray Withy
6. Greg Lyman
7. Brandt Anderson

Ad Hoc Contracts Committee for 2016 Open Season

1. Sloan Bailey
2. Barbara Coler
3. Ford Greene
4. Kevin Haroff
5. Brad Wagenknecht
6. Greg Lyman
7. Alan Schwartzman

Ad Hoc Audit Committee 2016

1. Bob McCaskill
2. Sashi McEntee
3. Ray Withy

Ad Hoc Expansion Committee

1. Barbara Coler
2. Andrew McCullough
3. Brad Wagenknecht
4. Ray Withy

Ad Hoc Ratesetting Committee - 2017

1. Greg Lyman - *Proposed*
2. Sashi McEntee - *Proposed*
3. Sloan Bailey - *Proposed*
4. Bob McCaskill - *Proposed*
- 5.



November 17, 2016

TO: MCE Board of Directors

FROM: Meaghan Doran, Energy Efficiency Program Manager

RE: Customer Programs – 2015 Multifamily Case Studies
(Agenda Item #07)

ATTACHMENT: 2015 Multifamily Program Presentation

Dear Board Members:

SUMMARY:

MCE's Multifamily Energy Savings Program provides technical assistance to identify energy and water saving opportunities for both market rate and affordable multifamily properties. The program provides properties with cash rebates and financing options to implement those upgrades.

On November 4, 2016, the Customer Programs team presented case studies of three of our most representative projects to the MCE Executive Committee. These projects are:

- EAH Housing - Affordable Housing (Tiburon, Novato and San Rafael)
- San Rafael Manor – Home Owners Association (San Rafael)
- Drotman Properties – Portfolio of Market Rate Properties (San Rafael and San Quentin)

MCE's Multifamily Program is completely customizable allowing properties to drive the process. Instead of offering a multitude of programs that could confuse property owners and managers and could limit participation, MCE works with properties to understand their needs, capacity, budget, and overall goals, and then designs a project within these constraints. The properties highlighted in this presentation demonstrate the benefits of this type of program.

Budget Impact: None

Recommendation: Discussion only



MCE Multifamily Program

Energy Efficiency Programs

Available to **market rate** and **affordable** multifamily properties in **all member communities**



Multifamily

Offerings



- No cost **energy assessments**
(valued at \$3,000-\$5,000; max deposit \$500 reimbursed at completion)
- No cost **technical assistance** to solicit bids and develop scope of work
- **Rebates** average 20-60% of total project cost
- No cost **direct install** measures for tenant units
(valued at \$25 per unit)
- Post-project **quality assurance**
- Minimum 1 year **contractor warranty**

1

- Complete Online Questionnaire

2

- Submit Intent to Proceed & Good Faith Deposit

3

- Schedule Assessment

4

- Finalize Scope, Secure Financing & Hire Contractors

5

- Complete Construction & Direct Install

6

- Schedule Site Verification

7

- Receive Rebate from MCE within 2 Weeks of Project Sign-off

Program Process

Case Study



Tiburon, Novato & San Rafael



206

Total units served

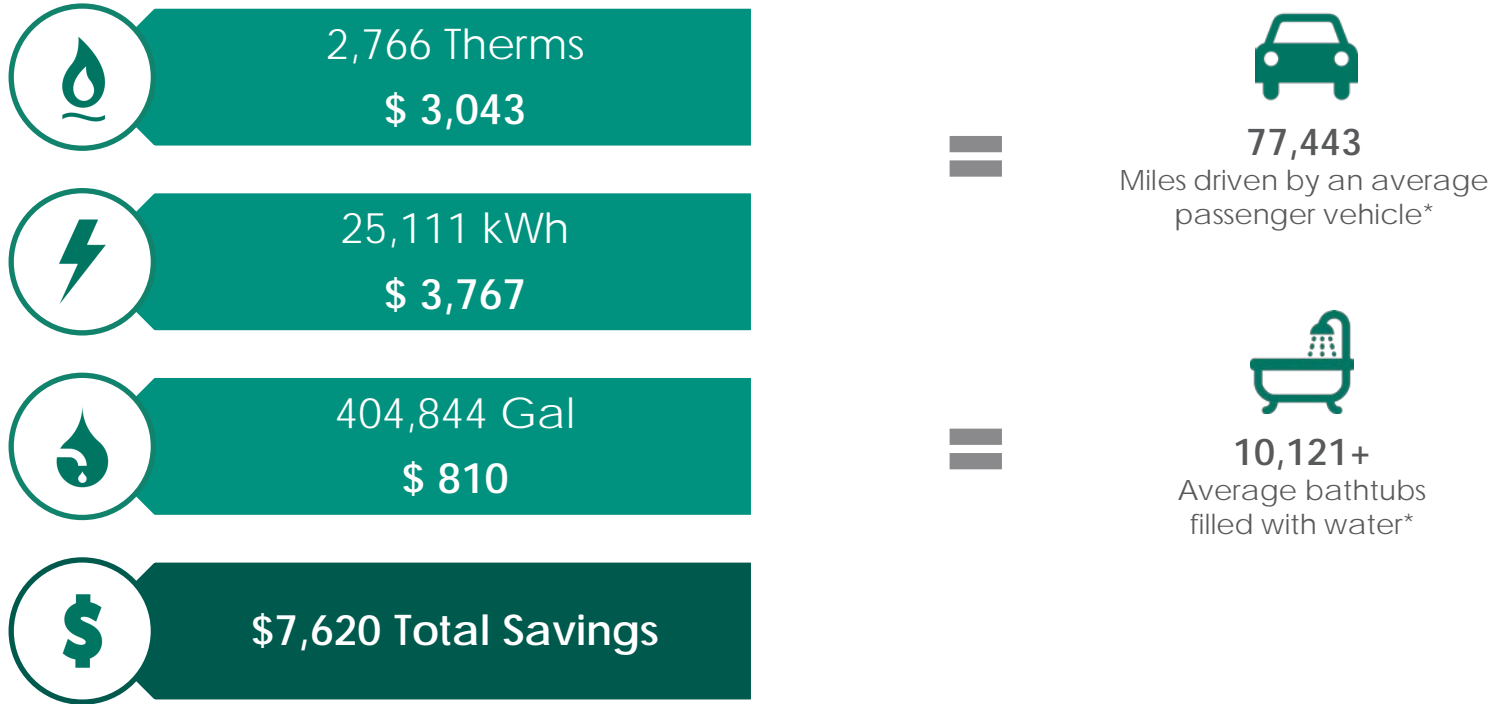


\$13,200

Total Rebates

EAH

Affordable
Housing



*EPA

EAH Estimated Annual Savings

Case Study



San Rafael
Manor
HOA



San Rafael



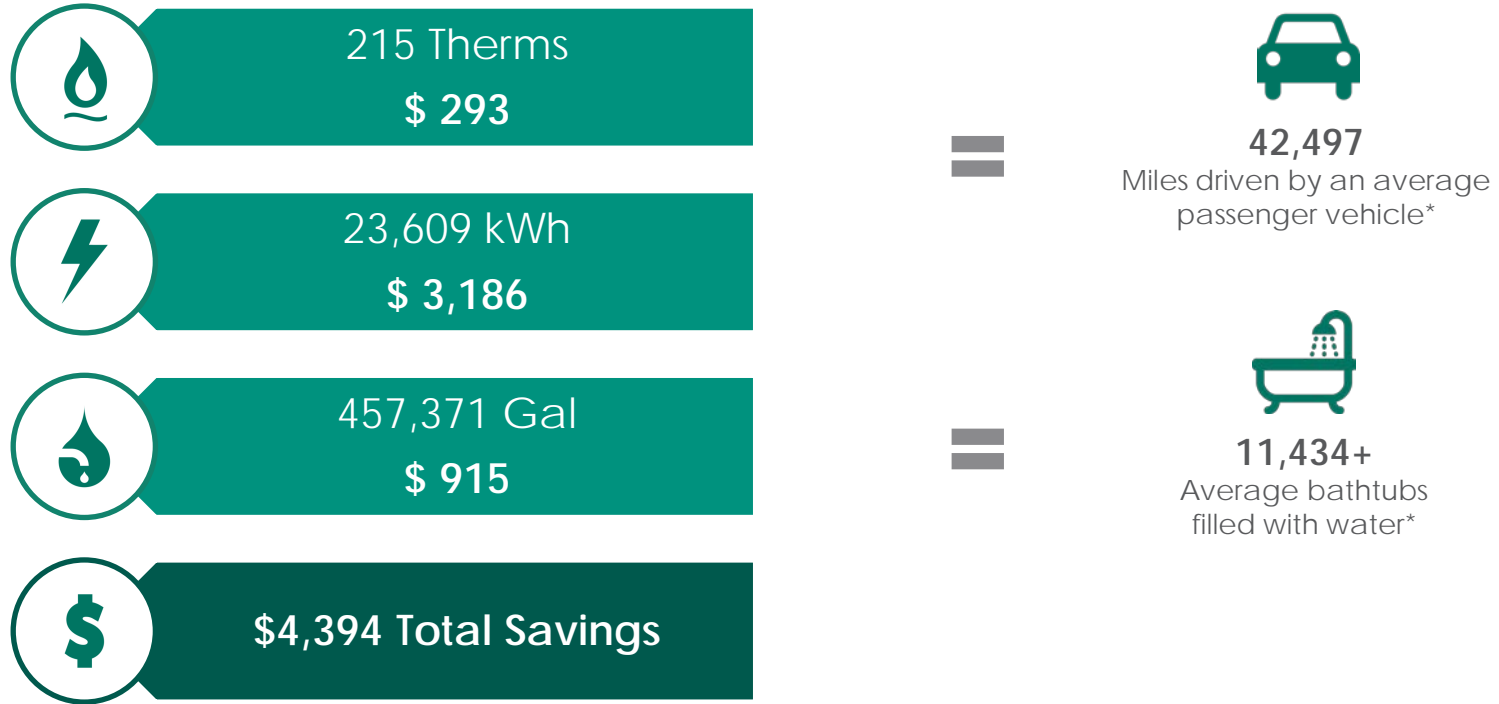
160

Total units served



\$3,417

Total Rebates



*EPA

San Rafael Manor Estimated Annual Savings

Case Study



Drotman
Properties
Market Rate



San Rafael & San Quentin



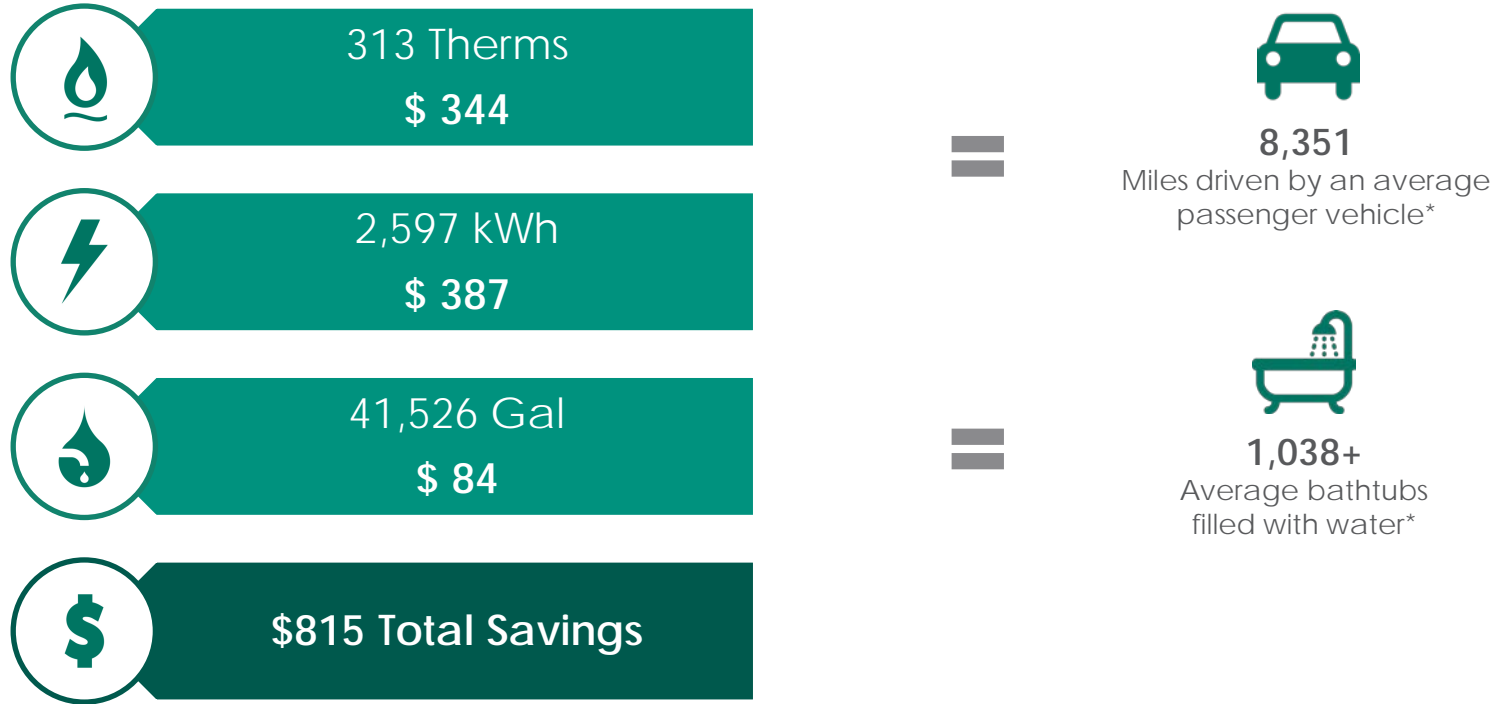
12

Total units served



\$1,155

Total Rebates



*EPA

Drotman Properties Estimated Annual Savings

Thank You!

Meaghan Doran

Agenda Item #07_Att: 2015 Multifamily Program Presentation

Energy Efficiency Program Manager

mdoran@mceCleanEnergy.org

(415) 464-6039





November 17, 2016

TO: MCE Board of Directors

FROM: Jamie Tuckey, Director of Public Affairs

RE: Update on Fourth Addendum with Noble Energy Americas
(Agenda Item #08)

ATTACHMENTS: A. Fourth Addendum for Data Manager Services between Noble
Americas Energy Solutions LLC, and MCE

B. Third Addendum for Data Manager Services between Noble
Americas Energy Solutions LLC, and MCE

C. Second Addendum for Data Manager Services between Noble
Americas Energy Solutions, LLC and Marin Energy Authority MCE
dated February 7, 2013

D. First Addendum for Data Manager Services between Noble
Americas Energy Solutions, LLC and Marin Energy Authority dated
March 1, 2012

E. Master Professional Services Agreement for Data Manager
Services between Semptra Energy Solutions (now Noble Americas
Energy Solutions, LLC) and Marin Energy Authority dated February 5,
2010

Dear Board Members:

SUMMARY:

On February 5, 2010 your Board approved a Master Professional Services Agreement (Master Agreement or "Agreement") between Semptra Energy Solutions (now Noble Americas Energy Solutions, LLC or "Noble") and MCE to provide data manager services and customer support. Under this Agreement data manager and customer support responsibilities include:

- maintaining a current database of active and departed customers
- processing customer service requests (e.g., opting out, switching to Deep Green, Light Green, Local Sol or any other MCE service)
- administering community-wide customer enrollments

- managing the electronic exchange of usage, billing, and payments data with PG&E and MCE
- coordinating the issuance of monthly bills through PG&E's billing department
- tracking customer payments and accounts receivable
- issuing late payment and new account enrollment notices
- operating a call center to respond to customer inquiries

On March 1, 2012 your Board approved the First Addendum with Noble to account for service growth due to the completion of enrollments in Marin County. The First Addendum increased the number of customer accounts being served, eliminated a monthly volumetric charge for accounts between 71,001 and 115,000, resulting in a lower average cost of service and was set to terminate on April 30, 2015.

On February 2, 2013 your Board approved the Second Addendum to account for service growth due to the City of Richmond enrollments. The Second Addendum reduced the fee from \$1.75 to \$1.50 per meter per month, included a monthly flat fee of \$30,000 to cover fixed costs and extended the term of the agreement to December 31, 2017.

On November 6, 2014 your Board approved the Third Addendum to implement reduced fees resulting from economies of scale achieved by Noble after entering into contracts with Sonoma Clean Power and Lancaster Choice Energy. The Third Addendum eliminated the \$30,000 monthly flat fee and set the following revised fee structure.

- First 100,000 meters: \$1.50 per meter per month
- Meters 100,001 - 200,000: \$1.25 per meter per month
- Meters 200,001 - 300,000: \$1.20 per meter per month
- Meters 300,001 and up: \$1.10 per meter per month

The Third Addendum extended the term of the agreement to April 30, 2019.

On September 27, 2016 MCE's Chief Executive Officer executed the Fourth Addendum with Noble to reduce fees to \$1.15 per meter per month for all customers and to include remedies for substantial failure by Noble to meet key performance standards in the form of liquidated damages of \$10,000 per month.

The Fourth Addendum also clarifies the work already undertaken by Noble, including an expanded Definitions section and increased call center performance standards and quality assurance, adds data security provisions, and expands data manager services and reporting requirements.

The operational period of the Fourth Addendum is from September 27, 2016 through April 30, 2019 and will automatically be extended until April 30, 2022, unless either party notifies the other by January 31, 2019 that it wishes to cancel the extended term.

Fiscal Impact: The fee reduction included in the Fourth Addendum will decrease the expected annual expense associated with the Noble contract from \$4.1 million to \$3.45 million. The fee reduction was incorporated into the fiscal 2016/17 Budget.

Recommendation: This is a discussion item only.

Fourth Addendum for Data Manager Services
To
MASTER PROFESSIONAL SERVICES AGREEMENT
Between Noble Americas Energy Solutions LLC
And MARIN CLEAN ENERGY (formerly Marin Energy Authority)
Dated March 15, 2010 (or as subsequently amended)

Addendum Date: September 28, 2016

This Fourth Addendum for Data Manager Services ("Addendum") supplements the above-referenced Master Professional Services Agreement ("Agreement") between MARIN CLEAN ENERGY ("MCE") and NOBLE AMERICAS ENERGY SOLUTIONS, LLC ("Noble"), collectively, the Parties. This Addendum supersedes any Addendum for Data Manager Services previously executed by the Parties.

1. OPERATIONAL PERIOD: This Addendum ("Addendum") is hereby incorporated by reference to and made part of the above-referenced Agreement for the duration of the Operational Period of this Addendum, which shall be from September 27, 2016 through April 30, 2019.

Further, the Operational Period for this Addendum shall automatically be extended until April 30, 2022, (the "First Extended Term"), unless either Party notifies the other Party by January 31, 2019, in a manner consistent with the notice provisions of the Agreement, that the notifying Party wishes, in its sole discretion, to cancel the First Extended Term.

2. DEFINITIONS

"Billing Window" refers to the period between receipt of metered usage data from PG&E and submission of related bill data to PG&E for CCA Services, typically 3 Business Days.

"CARE" refers to the California Alternate Rates for Energy program administered by PG&E which provides discounts on energy bills for income qualified households designated by PG&E.

"Customer Data Acquisition" refers to acquisition of customer electricity usage data under PG&E's Share My Data program.

"Community Choice Aggregation/Aggregator" (CCA) refers to local government entities or joint powers agencies whose governing boards have elected to acquire and provide electric power and energy services to utility end-use customers located within their service area(s), as set forth in California Public Utilities Code Section 366.2 and other California Public Utilities Commission (CPUC) directives.

"CCA Service" means the sale of retail electric power by a Community Choice Aggregator, to utility end-use customers located within its service area(s), as set forth in California Public Utilities Code Section 366.2 and other California Public Utilities Commission (CPUC) directives.

"CCA Service Request" (CCASR) means a request in a form approved by PG&E to change a CCA customer's or utility customer's choice of services, which could include returning a CCA customer to bundled utility service or direct access service.

“Customer Information System” (CIS) refers to the systems used by Noble to store MCE customer-specific information, including account enrollment status, rate tariff, payment history, collection status, correspondence and other information that is necessary for Noble to effectively administer Data Manager Services.

“Customer Relationship Manager” (CRM) refers to a software platform populated by a database, and designed to manage and analyze customer interactions and data through the customer lifecycle with the goal of improving business relationships with customers, assisting in customer retention and driving customer participation.

“Direct Access Customer” refers to a PG&E customer purchasing retail power from an Electric Service Provider.

“Electronic Data Interchange” (EDI) refers to the transfer of data between PG&E and Noble related to customers of MCE CCA Service. The EDI file types used for Data Manager Services are as follows:

- 810 – CCA invoice information that appears on customer’s PG&E bill
- 814 – CCA enrollments, changes, opt outs and disconnects
- 820 – Remittance advice identifying the detail needed to perform cash application to accounts receivable by customer
- 824 – Application Advice for Invoices, used to reject invoice transactions
- 867 – Electric meter usage data by customer account

“First-Contact or First Call Resolution” refers to addressing the customer's need the first time they contact or call for assistance, thereby eliminating the need for the customer to follow up with a second call.

“Interactive Voice Response” (IVR) refers to the call center voice-recorded system that enables customers, through keypad input, to select options related to their account or access a live call center agent.

“Local Distribution Company” or “Utility Distribution Company” (LDC or UDC) refers to the relevant electric utility (such as Pacific Gas and Electric Company).

Mass Enrollment refers to the phase-in of a group of new customers (who have not opted out) onto CCA Service over one billing cycle beginning with each customers’ regularly scheduled meter read date, as further defined in PG&E’s Electric Schedule E-CCA.

“MCE-Designated Third Party” refers to any third party that acts in the place or stead of MCE under the terms of the Agreement. For the avoidance of doubt, any such MCE-Designated Third Party shall be abide by and be bound by the terms of the Agreement, in the same way as MCE.

“MCE Data” refers to all data and information provided, collected, or produced on MCE’s behalf in connection with the services provided under this Addendum and the Agreement; including, but not limited to, confidential personally identifiable information and/or utility customer data protected under state privacy laws, billing data, usage data, Settlement Quality Meter Data, enrollment information, contact history, and any other confidential and/or proprietary information which relates to current, prospective, or former MCE customers.

“Medical Baseline” refers to the Medical Baseline Allowance program administered by PG&E which provides a higher baseline quantity on energy bills for eligible customers designated by PG&E.

“Meter Data Management Agent” (MDMA) Services include: reading customers’ meters, validating the meter reads, editing the meter reads if necessary and transferring the meter reading data to a server pursuant to MCE and PG&E standards.

“Net Energy Metering” refers to one of the various Net Energy Metering programs administered by PG&E as described in its Electric Schedules, for which MCE may provide bill credits for qualifying self-generation to participating CCA Service customers.

NAICS (North American Industry Classification System) refers to the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data.

“Non-Enrollment Period” refers to any other period that is not a Statutory Enrollment Period.

“Qualified Reporting Entity” (QRE) refers to an entity authorized by WREGIS to submit meter data associated with renewable energy on behalf of the generator owner using the WREGIS application.

“Service Agreement” refers to the agreement between customers and PG&E documenting the customer’s billing arrangement, including rate plan, used to calculate PG&E charges.

“Settlement Quality Meter Data” (SQMD) refers to meter data gathered, edited, validated, and stored in a settlement-ready format, for settlement and auditing purposes.

“Statutory Enrollment Period” refers to the three-month period prior to a Mass Enrollment, the month in which the Mass Enrollment occurs, and the two months following Mass enrollment. The Statutory Enrollment Period takes place over a six-month period.

“Western Region Energy Generation Information System” (WREGIS) refers to the independent, renewable energy tracking system for the region covered by the Western Electricity Coordinating Council (WECC).

3. DESCRIPTION OF STANDARD DATA MANAGER SERVICES. During the Operational Period, Noble shall provide the Standard Data Manager Services listed below.

(a) Electronic Data Exchange Services:

- i. Process CCA Service Requests (CCASRs) from/to PG&E, which specify the changes to a customer’s choice of services, such as enrollment in Marin Clean Energy’s CCA Service or customer initiated returns to bundled utility service or customer initiated returns to direct access service (814 Electronic Data Interchange Files).
- ii. If no payment for CCA Service is received from the customer within 60 days of late payment notice being sent by Noble, issue a CCASR to return customer to PG&E.

- iii. Obtain all customer usage data from PG&E's MDMA server, and validate usage data to ensure required billing determinants are provided to generate customer bills for CCA Service.
- iv. Ensure timely billing (according to PG&E requirements) of each customer (867 Electronic Data Interchange Files).
- v. Maintain and communicate the amount to be billed by PG&E for services provided by MCE (810 Electronic Data Interchange Files).
- vi. Receive, maintain, and make accessible to MCE or a MCE-Designated Third Party, all data related to payment transactions toward MCE charges from PG&E after payment is received by PG&E from customers (820 Electronic Data Interchange Files).
- vii. Process CCASRs with PG&E when customer status changes.
- viii. Participate in the Customer Data Acquisition Program (CDA) beta testing for SmartMeter data sharing as MCE's Data Manager.

(b) Qualified Reporting Entity (QRE) Services:

- i. Consistent with terms and conditions included in the QRE Services Agreement(s) between MCE and Noble, serve as QRE for up to fifteen (15) locally situated, small-scale renewable generators supplying electric energy to MCE through its Feed-in Tariff (FIT).
- ii. Noble shall receive applicable electric meter data from PG&E for MCE FIT projects, consistent with PG&E's applicable meter servicing agreement, and shall retain this data and provide such data to MCE monthly or, using commercially reasonable efforts, more frequently for purposes of performance tracking and invoice creation by MCE.
- iii. Submit a monthly generation extract file to WREGIS on MCE's behalf, which will conform to the characteristics and data requirements set forth in the WREGIS Interface Control Document for Qualified Reporting Entities.

(c) Customer Information System/Customer Relationship Management System:

- i. Store, maintain and make accessible to MCE or a MCE-Designated Third Party, an accurate database of all accounts eligible for CCA Service who are located in the MCE service area and identify each account's enrollment status (opt out, re-enrollment, Light Green, Deep Green, Local Sol or any other MCE CCA Service offering), rate tariff election(s), payment history, collection status, on-site generating capacity, if applicable, any correspondence with customer as well as other information that may become necessary to effectively administer CCA Service as mutually agreed to by parties from time to time.
- ii. Receive, load, and make accessible to MCE or a MCE-Designated Third Party the following historical information by account provided by PG&E or MCE: energy usage data, service address, customer service activity, standardized PG&E snapshots, rate information and NAICS codes.
- iii. Allow MCE to have functional access to the online database to add customer interactions and other account notes.
- iv. Provide MCE with quarterly training and as-needed training for MCE employees, to functionally access CRM. Provide MCE with user guides describing CRM functionality and navigation within sixty (60) days of start of Operational Period.

- v. Allow MCE to view customer email or written letter correspondence within online database.
- vi. Document in the CRM all email and telephone calls between Noble and MCE CCA Service customers, using commercially reasonable efforts to submit in CRM within 1 business day.
- vii. Maintain and provide energy usage data on all CCA Service customers for a time period equal to the lesser of either (a) the start of service to present or (b) 5 years.
- viii. Upon request for data relating to usage more than 5 years in the past according to written parameters provided by MCE, Noble will use commercially reasonable efforts to provide within 10 business days.
- ix. Maintain viewing access, available to appropriate MCE staff, to view PG&E bills for MCE customers, including supporting the intuitive parsing and labeling of PG&E provided files. Billing records for usage within the past 18 months should be attached to their respective service agreement and accessible via the CRM.
- x. Upon request for billing records relating to usage more than 18 months prior to the date such request is received by Noble, Noble will use commercially reasonable efforts to provide within 10 business days.
- xi. Maintain and communicate as needed record of customers who have been offered service with MCE but have elected to opt out, either before or after starting service with MCE.
- xii. Maintain and communicate as needed records of Net Energy Metering credits and generation data for customers to be posted on bill and settled annually.
- xiii. When requested by MCE, identify appropriate Balanced Payment Plan (BPP) type estimated charges and implement for customers.
- xiv. When requested by MCE, perform quarterly BPP reviews to assess appropriate customer charge level.

(d) Customer Call Center:

- i. Receive calls from MCE CCA Service customers referred to Noble by PG&E and receive calls directly from MCE CCA Service customers.
- ii. Provide professional Interactive Voice Response (IVR) recordings for MCE customer call center.
- iii. Implement IVR self-service, according to parameters provided by MCE, and track how many customers start and complete self-service options without live-agent assistance. Provide updates to the IVR process map and scripts each calendar year according to parameters provided by MCE.
- iv. Staff a call center during non-enrollment period between the hours of 8 AM and 5 PM PPT Monday through Friday, excluding MCE and PG&E holidays. These hours may be adjusted as mutually agreed.
- v. Provide sufficient call center staffing to meet the requirements set forth herein, including designating MCE specific agents to the extent needed to meet the performance standards in Section 3(e).
- vi. Provide a sufficient number of Data Manager Experts to manage escalated calls during regular business hours between 8:00 a.m. and 5:00 p.m. Pacific Time, Monday through Friday, excluding MCE and PG&E holidays.
- vii. The call center will be staffed with personnel located within the continental United States.

- viii. Provide callers with the estimated hold time, if they are placed on hold. Provide an automated 'call back' option for callers who will be put on hold for an estimated five minutes or longer.
- ix. Record all inbound calls and make recordings available to MCE staff upon request. Maintain an archive of such recorded calls for a minimum period of 24 months.
- x. Track call center contact quality with criteria, including:
 - i. Use of appropriate greetings and other call center scripts
 - ii. Courtesy and professionalism
 - iii. Capturing key customer data
 - iv. Providing customers with correct and relevant information
 - v. First-contact or first-call resolution
 - vi. Accuracy in data entry and call coding
 - vii. Appropriate grammar and spelling in text communication (email and chat)
- xi. Evaluate customer satisfaction through voluntary customer surveys asking general questions about call quality, call resolution and the customer's overall satisfaction level with the service received.
- xii. Provide the call center number on the LDC invoice allowing MCE CCA Service customers to contact the call center.
- xiii. Respond to telephone inquiries from MCE CCA Service customers using a script developed by MCE. Ensure call center staff are trained on and have fluency in the MCE scripts by monitoring and reporting on call center recordings as described in Section 5(b). Escalate calls as needed for customers requiring additional handling by Data Manager Experts.
- xiv. Respond to CCA Service customer inquiries along the following guidelines for customer complaints:
 - a. Customer complaints on matters under the control of MCE:
 - i. Noble will relay the complaint to MCE staff within 1 business day.
 - ii. MCE staff will decide on a course of action to resolve the complaint and communicate it to the customer within 3 working days.
 - iii. Noble will communicate the complaint resolution to the customer within 5 business days.
 - b. Customer complaints on matters under the control of PG&E: Noble will refer the customer to PG&E.
- xv. Provide bi-annual cross training and coordination with PG&E call center in coordination with MCE.
- xvi. Provide Spanish speaking call center staff available to customers during regular business hours.
- xvii. Provide translation services for inbound calls for the following languages: Spanish, Vietnamese, Mandarin, Cantonese, Tagalog, Russian, Korean and Laotian. Use commercially reasonable efforts to provide translation services for additional languages requested by MCE.
- xviii. Create and maintain online forms for the MCE websites so that customers may change their account status to enroll or opt out of various MCE programs under MCE's CCA Service. Noble will use commercially reasonable efforts to develop

functionality in the online forms to enable customers to opt down from various MCE programs.

- xix. Transition of Call Center Duties.
 - a. MCE reserves the right to transition all call center duties from Noble to MCE, with at least 90 days' notice to Noble. Upon completion of transition, the service fee will be reduced as stipulated in the section Fees for Data Manager Standard Service.
 - b. Transition of call center duties may occur in phases, according to all needs and demands, overflow call center options, and third-party translation services.
 - c. MCE shall be responsible for any additional infrastructural or programming costs incurred by Noble to facilitate this transition. Noble will invoice these costs to MCE without any added charges.
 - d. In the event MCE partially transitions a portion of the call center duties from Noble by hiring internal customer service representatives, Noble will credit MCE for any avoided cost realized by such transition in lieu of the reduction stipulated in the section Fees for Data Manager Standard Service. Parties will develop a cost reduction methodology upon finalizing the call allocation mechanism between MCE and Noble.

(e) Call Center Performance Standards and Contact Quality Tracking Criteria

- i. During Non-Enrollment Periods, the following performance standards shall apply:
 - a. A minimum of 80% of all calls will be answered within 45 seconds.
 - b. A minimum of 98% of calls will be answered within 3 minutes.
 - c. 100% of voicemail messages answered within 1 business day.
 - d. Achieve a no greater than 10% abandon rate for all calls.
- ii. During Statutory Enrollment Periods, the following performance standards shall apply:
 - a. A minimum of 75% of all calls will be answered within 60 seconds.
 - b. A minimum of 90% of calls will be answered within 3 minutes.
- iii. In accordance with Section 5(b) of this Addendum, Noble shall provide monthly reports documenting whether the above performance standards have been met.

(f) Quality Assurance:

- i. Project list. Parties will maintain a project list of current MCE requests and other initiatives related to Data Manager Services, which will include request date, project owners, project status and next steps, expected completion date and actual completion date. Parties will coordinate to make progress on items on the list and resolve issues.
- ii. Monthly operational call. Noble will host a monthly call to discuss operational issues requested by MCE, including call center performance, opportunities to improve call center service and progress on projects. Parties will communicate items at least 1 business day in advance.
- iii. Quarterly management meeting. At MCE's request, Noble will attend quarterly management meetings at MCE's offices. Parties will communicate discussion items at least 5 business days in advance of the meeting.

- iv. Review of work products. Noble shall take reasonable care to ensure that its work products associated with carrying out the services in this Addendum are free of error including typographical, formatting and other inconsistencies.
- (g) Customer Enrollments (Statutory Enrollment Period):
 - i. Staff a call center, during any MCE Statutory Enrollment Period, 24 hours-a-day, 7 days-a-week to process opt out requests according to the provisions in Section 3(d).
 - ii. For new CCA Service customers, update CIS and CRM to track enrollment status and store account information provided by PG&E.
 - iii. Provide weekly update of opt outs during Statutory Enrollment Periods.
- (h) Mailing Lists:
 - i. Generate and provide mailing lists to an MCE-designated printer, within 10 business days of MCE's request according to written parameters provided by MCE, for each of the following:
 - a. Mass enrollment notifications during statutory enrollment periods;
 - b. Late payment notifications to CCA Service customers that are over 90 days and \$250 overdue, generated on a monthly basis;
 - c. New CCA Service account/new move-in customer enrollments (during non-enrollment and statutory enrollment periods) within 7 days of enrollment receipt of CCASR;
 - d. Deep Green residential welcome packets within 7 days of opt up request;
 - e. Opt out confirmation letters within 7 days of opt out request;
 - f. Customers eligible for MCE's Net Energy Metering annual settlement process, where multiple balances occur under the same MCE customer are aggregated and such aggregated amount is equal to or greater than \$100.
 - ii. All mailing lists will adhere to the following parameters, unless otherwise specified by MCE:
 - a. Remove duplicate occurrences of identical Service Agreement account holder name and full mailing address.
 - b. Remove Direct Access customers.
 - c. Send the above lists to MCE staff via SFTP for approval. Within 2 business days of MCE approval, send a copy to MCE's designated printer via SFTP.
- (i) Billing Administration:
 - i. Receive data on CCA Service from PG&E, and provide PG&E with appropriate charges for applicable rate class, including Light Green, Deep Green, and Local Sol and other charges related to CCA Service.
 - ii. Send On Bill Repayment (OBR) Charges to PG&E for non-MCE customers, when supported by PG&E, based on information provided to Noble by MCE.
 - iii. Send OBR and Solar Loan Charges as a separate line item to PG&E for placement on monthly bill during term of repayment.

- iv. Timely submit billing information for each CCA Service customer to PG&E to meet PG&E Billing Window.
- v. Use commercially reasonable efforts to remedy CCA Service billing errors for any customer in a timely manner, within two billing cycles from discovery of the error.
- vi. Update MCE's CCA Service rates according to written parameters provided by MCE.
- vii. Conduct testing to ensure CCA Service rates are being applied correctly to all customers, and make testing results available to MCE upon request.
- viii. Assist with annual settlement process for Net Energy Metering customers by identifying eligible customers and providing accrued charges and credits.

(j) Reporting:

- i. Noble will deliver the reports to MCE as follows:

Report	Frequency	Delivery Method
Aging	Weekly & Monthly	SFTP
Cash Receipts	Weekly & Monthly	SFTP
County Invoice Summary Reports	Monthly	SFTP
Days To Invoice	Weekly & Monthly	SFTP
Utility User Tax (UUT) where applicable	Monthly	SFTP or Email
Invoice Summary Report	Weekly & Monthly	SFTP
Invoice Summary Report – Mid Month	Monthly	SFTP
Monthly Transaction Summary	Monthly	SFTP or Email
Opt Out with Rate Class	Weekly & Monthly	SFTP
Retroactive Returns	Monthly	SFTP or Email
Sent to Collections	Monthly	SFTP or Email
Snapshot	Weekly	SFTP
Snapshot with Addresses	Weekly	SFTP
Unbilled Usage	Monthly	SFTP
Full Volume Usage by Rate Class	Monthly	SFTP

(k) Settlement Quality Meter Data:

- i. Noble shall provide MCE or MCE's designated Load Serving Entity ("LSE") with Settlement Quality Meter Data ("SQMD") based on usage data for MCE CCA Service customers as provided by PG&E and required by the CAISO.
- ii. Upon MCE's request, Noble shall submit the SQMD directly to the CAISO on behalf of MCE or MCE's designated LSE.
- iii. The parties shall work together and agree on an acceptable format for the SQMD, attached to this Addendum as Exhibit A.
- iv. MCE agrees that Noble shall have no responsibility for any charges or penalties assessed by the CAISO associated with the SQMD under an indemnity provision or otherwise unless such charge/penalty is the result of error(s) by Noble in processing the data, for which MCE's exclusive remedy will be in accordance with Section 9.

- i. In the event of a deviation of six percent (6%) or greater between the total T+8 estimated SQMD and T+48 actual SQMD reported for a calendar month to the CAISO, upon MCE's request Noble will investigate the cause of the deviation and provide MCE with its findings within 10 business days or as required using commercially reasonable efforts to determine cause. If the deviation was caused by a Noble error, MCE's exclusive remedy will be in accordance with Section 9.
- ii. Parties acknowledge that T+8 estimated SQMD data is comprised of data from prior periods due to unavailability of actual meter data for which the date the T+8 estimated SQMD is submitted, therefore does not reflect the T+48 actual SQMD.
- iii. Noble shall prepare the SQMD using the same level of care that Noble would use if preparing the SQMD for its own account as an LSE, however, Noble hereby disclaims in advance that any representation is made or intended that the SQMD is necessarily complete, or free from error.

4. FEES FOR STANDARD DATA MANAGER SERVICE

- (a) Effective September 1, 2016 for all meters, the fee will be \$1.15 per meter per month.
- (b) Cancellation Fee: The Parties agree that the condition set forth in Section 7(a) of the Agreement has been satisfied and therefore the Cancellation Fee described in Section 7(a) of the Agreement shall no longer be applicable.
- (c) Without Full Call Center: In the event that MCE elects to remove full call center services (Section 3(d)) for any meter, the per meter per month fee shall be reduced by \$0.15 for that meter.

5. DESCRIPTION OF EXPANDED DATA MANAGER SERVICES

During the Operational Period, Noble shall provide Expanded Data Manager Services as described below.

- (a) Letter templates. Noble will save letter templates in CRM specified below as provided by MCE, and use commercially reasonable efforts to update additional templates upon request. At MCE's request, Parties will review letter templates during the monthly operational call.
 - i. Opt out confirmation emails
 - ii. Opt out confirmation letters
 - iii. Late payment letters
 - iv. Canned reports provided via CRM dashboard
- (b) Reports generation. Generate additional reports specified in the table below. For reports requiring customized programming, use commercially reasonable efforts to provide requirements and estimated completion time to MCE within 5 business days, based on written parameters provided by MCE.

Report	Frequency	Delivery Method
Call center statistics required to evaluate performance against standards established in Sections 3(e).	Monthly	SFTP or Email

Overall participation rate by Town or Territory, including Light Green, Deep Green and Opt Out	Weekly & Monthly	SFTP or Email
Overall customer retention rate	Monthly	SFTP or Email
Call center statistics including call volume, call types, language selections, average call duration, hold times and customer survey results available from the IVR.	Monthly	SFTP or Email
Call center quality assurance reports (QAs) on call center representatives, using commercially reasonable efforts to perform at least 2 QAs per customer service representative per month and at least 4 QAs per month for low-performing customer service representatives.	Monthly	SFTP or Email
Analysis of call center activity including any significant changes, outliers or trends.	Monthly	SFTP or email
Update and make available an organizational chart of Noble's CCA business on a quarterly basis to MCE. Notify MCE of changes to call center and MCE-facing Noble staff within 2 business days.	Quarterly	SFPT or email
Customer count and consumption by customer rate class and TOT	Monthly	SFTP or email

- (c) Customer participation in programs. Identify and track customer participation in the following programs and make this information available via the CRM and reports: On-bill Repayment, Balanced Payment Plan, CARE, and Medical Baseline.
- (d) CRM reports and dashboard. Provide access to customer data via the CRM portal for routine reports and dashboards according to written parameters provided by MCE. Provide tracking dashboard of customer activity, including new community enrollments, opt outs and Deep Green enrollments over time.
- (e) Storage of customer communication in CRM. Store in CRM letter correspondence, late payment notifications, Net Energy Metering cash-out notifications, enrollment notices, California Energy Commission power content labels, PG&E joint cost and power comparison mailers, Green-e mailers and other notifications related to CCA Services provided by MCE staff.

- (f) Supplemental CSR scripting. According to parameters provided by MCE, communicate the following to MCE CCA Service customers contacting the call center via inbound calls or inbound emails:
 - i. Invite CCA Service customers to sign up for MCE's community newsletter;
 - ii. Request and/or confirm mailing address, email address and phone number;
 - iii. Collect permission (via voice recording and email request) from customers to send electronic correspondence instead of printed mail.
- (g) IVR enhancements. Enable IVR system to inform CSRs of IVR selections made by customers prior to handling the call, including translation service language selections, when such IVR capability is made available to Noble.
- (h) Update online forms. Noble will use commercially reasonable efforts to implement updates to configurable text fields according to written parameters provided by MCE within 10 business days. In the event that platform, template or formatting constraints prevent Noble from accurately and completely implementing MCE's mock-ups, designs, instructions or other requests, Noble will inform MCE staff and, when possible, offer feasible alternatives. Noble will coordinate with MCE and other CCAs to release new versions of the online forms, using commercially reasonable efforts to incorporate requested design updates beyond the scope of configurable text fields.
- (i) Ad hoc reports and mailing lists. Generate ad hoc reports, including Mass Enrollment ramp-on schedule of accounts by load profile by day, and mailing lists requested by MCE, using commercially reasonable efforts to provide within 10 business days of MCE's request. Parties will coordinate to ensure the business requirements for development of such reports and mailing lists are reasonably finalized to minimize revisions. Noble will participate on calls as needed with MCE to discuss the Mass Enrollment ramp-on schedule.
- (j) Review of Summary Invoice Report. Noble will use commercially reasonable efforts to perform a review of Invoice Summary Report data according to written parameters provided by MCE, including large or unusual credits and comparison of current versus historical customer usage, within 5 business days.
- (k) Town or Territory (TOT) validation. Noble will use commercially reasonable efforts to validate TOT of addresses received from PG&E according to written parameters provided by MCE to ensure that the addresses are within MCE jurisdictions, within 10 business days.
- (l) Noble will provide information related to significant planned system updates to applications that generate billing and SQMD data. Such information will include a general description of work and estimated timing, but in no way limit or obligate Noble to implement such system updates. This information will be provided as a supplement to the Project List described in 3(f)(i) and be discussed during the monthly operational calls described in 3(f)(ii).

6. FEES FOR EXPANDED DATA MANAGER STANDARD SERVICE

- (a) \$0.00 (zero) per meter per month.

7. DATA SECURITY

- (a) Noble and/or its employees, contractors, officers, agents or successors, shall comply with all applicable data security laws and regulations.
- (b) Maintain all customer data in compliance with MCE's customer privacy policy attached hereto as Exhibit B, the Non-Disclosure Agreement, attached hereto as Exhibit C, and the requirements of relevant CPUC Decisions including D.12-08-045, including a daily backup process.
- (c) Maintain NES Security Breach Policy attached hereto as Exhibit D and provide any updates to the Policy within 7 days, excluding changes to the Covered Information Users Lists.
- (d) Return of Customer Data. Upon MCE request which shall be made with reasonable notice, Noble shall provide to MCE, or MCE's designee, all existing MCE Data used by Noble for administration of MCE's customer information system. Noble shall maintain, return, or (if so directed by MCE) subsequently destroy or delete all customer-related data in accordance with the provisions of the Non-Disclosure Agreement between the Parties and any other applicable confidentiality requirements, subject to the Parties' reasonable mutual agreement that the data identified for return, destruction or deletion are not necessary for Noble's performance of continuing obligations under the Agreement and this Addendum.
- (e) Return of Data Generally.
 - i. At MCE's reasonable direction during the term of this Addendum and the Agreement, Noble shall provide to MCE or its designee a copy of all or specified items of MCE Data. Parties will confer to determine the method and form of delivering such data.
 - ii. Upon termination or expiration of this Addendum and/or the Agreement for any reason, Noble shall provide to MCE or its designee all MCE data, whether in written, electronic or other form or media, and at MCE's written request, shall securely dispose of all copies of MCE data. Noble shall thereafter certify in writing to MCE that all such data has been returned to MCE and/or disposed of securely.
 - iii. MCE reserves the right to request return and/or destruction of specified items of data during the term of this Addendum and the Agreement, subject to the Parties' reasonable mutual agreement that the data in question are no longer necessary for Noble's performance of its obligations under this Addendum and Agreement.

- (f) In the event of any detected breach of data security or unauthorized access concerning any data, particularly data that includes personal information, in accordance with applicable MCE and NES privacy and data security policies, Noble shall immediately notify MCE of any breach or unauthorized access, and shall assist and cooperate in investigating security breaches and obtaining the return of any misappropriated data and other appropriate remedies.

8. THIRD-PARTY AUDIT REQUIREMENT

Within 30 days of the Addendum Date, Noble shall use commercially reasonable efforts to enter into an agreement with a qualified CPA firm to conduct a SOC 1 Type II Report audit. Noble shall be responsible for all associated costs and fees of the SOC audit. Alternatively, MCE may select a third-party auditor to perform a similar audit of Noble's systems and processes related to performance of its obligations under this Addendum and the Agreement. Parties shall agree to the scope, and MCE shall be responsible for all associated costs and fees, of such audit.

9. REMEDIES FOR FAILURE TO MEET CERTAIN PERFORMANCE STANDARDS

The Parties acknowledge that Noble's failure to achieve substantial compliance with the performance standards and reporting thereon as specified in Section 3(c)(i), 3(d), 3(e), 3(h), 3(i), 3(j) and 3(k) of this Addendum may cause MCE to incur substantial economic damages and losses of types and in amounts which are impossible to compute and ascertain with certainty as a basis for recovery by MCE of actual damages, including increased opt-out rates, reputational harm and customer dissatisfaction, and that liquidated damages represent a fair, reasonable and appropriate estimate thereof. Accordingly, in lieu of actual damages, Noble agrees that liquidated damages may be assessed and recovered by MCE against Noble, in the event of a failure to substantially meet these performance standards. For any month in which MCE believes Noble has failed to substantially meet these performance standards, MCE will provide notification to Noble within 30 calendar days describing the performance standard(s) that have not been met, and Parties shall then confer to establish a plan to remedy such failure. In the event Noble is unable to achieve such remedy within 30 calendar days of notification, Noble shall be liable to MCE for payment of liquidated damages in an amount of Ten Thousand Dollars (\$10,000) for each month that Noble fails to substantially meet these performance standards. The foregoing liquidated damages payment shall be limited to \$10,000 regardless of how many performance standards are not met in any given month. The liquidated damages payment shall not apply to any performance standard that is of a subjective nature. Such liquidated damages are intended to represent estimated actual damages and are not intended as a penalty, and Noble shall pay them to MCE without limiting MCE's right to terminate this agreement for default as provided elsewhere herein.

10. PRIMARY POINTS OF CONTACT

Noble shall provide a primary point of contact for each of the following areas: (1) day-to-day billing issues and customer contact including call center interactions; (2) call center operations, including reporting, staffing, training and scripting; (3) other services provided in this Addendum; (4) services not included in this Addendum and general client relationship issues. For email communication related to (1), (2) and (3) above, MCE shall copy distribution lists provided by Noble.

MCE shall provide a primary point of contact for each of the following areas: (1) day-to-day billing issues and customer contact including call center interactions; (2) call center operations, including reporting,

staffing, training and scripting; (3) other services provided in this Addendum; (4) services not included in this Addendum and general client relationship issues. For email communication related to (1), (2) and (3) above, Noble shall copy distribution lists provided by MCE.

Each Party's points of contact shall coordinate to ensure that all concurrently active requests and issues are managed in accordance with MCE priorities and availability of Noble resources.

11. PRICING ASSUMPTIONS

The Fees defined herein include only the services and items expressly set forth in this Addendum. Unless otherwise agreed to by the Parties in an Addendum any additional deliverable provided by Noble to MCE shall be billed at a labor rate of \$150.00 per hour plus any out-of-pocket costs incurred by Noble without mark-up. Any such additional deliverable shall be first agreed to by the parties in writing.

12. NOTICES

The notice addresses as set forth in Section 21 of the Agreement are updated as follows:

Contract Manager: MCE; Attn.: Catalina Murphy

MCE Address: 1125 Tamalpais Ave.

San Rafael, CA 94901

Telephone No.: (415) 464-6014

Notices shall be given to Contractor at the following address:

Contractor: Noble Americas Energy Solutions; Attn.: Drake Welch

MCE Address: 401 West A Street, Suite 500

San Diego, CA 92101

Telephone No.: (619) 684-8039

NOBLE AMERICAS ENERGY SOLUTIONS LLC

By: 

 Title: President

MARIN CLEAN ENERGY

By: 

Title: CEO

Addendum for Data Manager Services

Reference:

MASTER PROFESSIONAL SERVICES AGREEMENT
Between Noble Americas Energy Solutions LLC ("Noble")
And MARIN CLEAN ENERGY ("MCE")
As of ("February 5, 2010")
Addendum Date: December 16, 2014

This Addendum (the "Addendum") supplements the MARIN CLEAN ENERGY Master Professional Services Agreement referred to above (the "Agreement") and supersedes the previously executed Addendum for Data Manager Services for the Operational Period set forth below.

This Addendum ("Addendum") is made part of the Master Professional Services Agreement ("Master Agreement") referred to above.

1. **OPERATIONAL PERIOD:** The Operational Period for the Addendum shall be from December 1, 2014 through April 30, 2019.
2. **DESCRIPTION OF DATA MANAGER SERVICES:** During the Operational Period Noble shall provide the Data Manager Services listed below.

(a) Electronic Data Exchange Services:

- i. Process CCASRs from/to the LDC which specify the changes to a customer's choice of services such as enrollment in Marin Clean Energy ("MCE") Light Green, Deep Green, or Local Sol services, On Bill Repayment (OBR) service, Balanced Payment Plan (BPP), customer initiated returns to bundled utility service or customer initiated returns to direct access service (814 Electronic Data Interchange Files).
- ii. Obtain all customer usage data from the LDC's MDMA server to allow for timely billing (according to PG&E requirements) of each customer (867 Electronic Data Interchange Files).
- iii. Maintain and communicate the amount to be billed by the LDC for services provided by MCE (810 Electronic Data Interchange Files).
- iv. Receive and maintain all data related to payment transactions toward MCE charges from the LDC after payment is received by the LDC from customers (820 Electronic Data Interchange Files).
- v. Process CCASRs with PG&E when customer status changes.
- vi. Noble shall participate in the Customer Data Acquisition Program ("CDA") beta testing for SmartMeter data sharing as MCE's Data Manager.

(b) Qualified Reporting Entity ("QRE") Services:

- i. Consistent with terms and conditions included in the Qualified Reporting Entity Services Agreement(s) between MCE and Noble, serve as QRE for certain locally situated, small-scale renewable generators supplying electric energy to MCE through its feed-in tariff ("FIT").
- ii. Submit a monthly generation extract file to WREGIS on MCE's behalf, which will conform to the characteristics and data requirements set forth in the WREGIS Interface Control Document for Qualified Reporting Entities.

- iii. Noble shall receive applicable electric meter data from the LDC for MCE FIT projects, consistent with the LDC's applicable meter servicing agreement, and shall provide such data to MCE for purposes of performance tracking and invoice creation.

(c) Customer Information System:

- i. Maintain an accurate database of all eligible accounts who are located in the MCE service area and identify each account's enrollment status (opt out, re-enrollment, Light Green, Deep Green, Local Sol or any other MCE service offering), rate tariff election(s), payment history, collection status, on-site generating capacity, if applicable, and any correspondence with customer as well as other information that may become necessary to effectively administer MCE as mutually agreed to by parties from time to time.
- ii. Allow MCE to have functional access to the online database to add customer interactions and other account notes.
- iii. Allow MCE to view customer email or written letter correspondence within online database.
- iv. Maintain and provide as needed historical usage data on all customers for a time period equal to the lesser of either (a) the start of service to present or (b) five years.
- v. Until a cloud based storage solutions for SmartMeter historical usage data is implemented, Noble will store SmartMeter historical usage data, as received by the MDMA, for a 48 hour window.
- vi. Maintain viewing access, available to appropriate MCE staff, to view PG&E bills for MCE customers, including supporting the intuitive parsing and labeling of PG&E provided files. Maintain accessible archive of billing records for all CCA customers from the start of CCA Service or a period of no less than five years.
- vii. Maintain and communicate as needed record of customers who have been offered service with MCE but have elected to opt out, either before or after starting service with MCE.
- viii. Maintain and communicate as needed records of Net Energy Metering credits and generation data for customers to be posted on bill and settled annually.
- ix. When requested by MCE, place OBR charges on the relevant customer account, identified by SAID.
- x. Identify customers participating in OBR and BPP programs in database.
- xi. Include OBR and BPP payment information in all relevant reports.
- xii. Perform quarterly BPP reviews to assess appropriate customer charge level.
- xiii. Maintain all customer data according to MCE's customer privacy policy and the requirements of relevant California Public Utilities Commission Decisions including D.12-08-045, including a daily backup process.
- xiv. Maintain NES Security Breach Policy.

(d) Customer Call Center:

- i. Provide professional Interactive Voice Response ("IVR") recordings for MCE customer call center.
- ii. Provide option for IVR self-service and track how many customers start and complete self-service options without live-agent assistance.

- iii. Staff a call center, during any MCE Statutory Enrollment Period, 24 hours a day 7 days a week to process opt out requests.
- iv. Staff a call center during Non-Enrollment Period between the hours of 7 AM and 7 PM PPT Monday through Friday, excluding MCE and LDC holidays.
- v. Provide sufficient call center staffing to meet the requirements set forth herein, including designating MCE specific agents to the extent needed to provide for full functionality.
- vi. Provide sufficient number of Data Manager Experts (trained to Tier 3 level proficiency) are available to manage escalated calls between the hours of 8 AM and 5 PM PPT Monday through Friday, excluding MCE and LDC holidays ("Regular Business Hours").
- vii. Ensure that a minimum of 75% of all calls will be answered within 20 seconds during Non-Enrollment Periods.
- viii. Achieve a no greater than 10% abandon rate for all Non-Enrollment Period calls.
- ix. Provide callers with the estimated hold time, if applicable. Provide an automated 'call back' option for callers who will be put on hold for an estimated five minutes or longer.
- x. Record all inbound calls and make recordings available to MCE staff upon request. Maintain an archive of such recorded calls for a minimum period of 24 months.
- xi. Track call center contact quality with criteria including:
 - Use of appropriate greetings and other call center scripts
 - Courtesy and professionalism
 - Capturing key customer data
 - Providing customers with correct and relevant information
 - First-contact resolution
 - Accuracy in data entry and call coding
 - Grammar and spelling in text communication (email and chat)
- xii. Evaluate customer satisfaction through voluntary customer surveys that ask general questions about call quality, call resolution, and how satisfied the customer was with the service received.
- xiii. Respond to customer emails.
- xiv. Receive calls from MCE customers referred to Noble by the LDC and receive calls from MCE customers choosing to contact Noble directly without referral from the LDC.
- xv. Provide the call center number on the LDC invoice allowing MCE customers to contact the call center. Collect and/or confirm current email, mailing address and phone number of customers and add to or update database during inbound call.
- xvi. Collect permission (via voice recording, email request, or electronic form submittal) from customers to send electronic correspondence instead of printed mail.
- xvii. Respond to telephone inquiries from MCE customers using a script developed and updated quarterly by MCE. For questions not addressed within the script, refer inquiries either back to the LDC or to MCE.
- xviii. Respond to customer inquiries within 24 hours, excluding weekends and holidays, including inquiries received either through telephone calls, email, fax or web-portal.

- xix. Offer bi-annual cross training to LDC call center in coordination with MCE.
- xx. Ensure monthly status reports are provided during the first week of each month.
- xxi. Provide weekly status reports during Statutory Enrollment Periods.
- xxii. Use commercially reasonable efforts to make Spanish speaking call center staff available to customers during Regular Business Hours.
- xxiii. Provide translation services for inbound calls for Spanish, Vietnamese, Mandarin, Cantonese, Tagalog and Laotian language.
- xxiv. Create and maintain forms for the MCE websites so that customers may change their account status to enroll or opt out of various MCE programs.
- xxv. Host MCE meetings with call center management and representatives on a monthly basis.
- xxvi. MCE reserves the right to transition all call center duties from Noble to MCE, with at least 90 days' notice to Noble.
- xxvii. MCE reserves the right to transition call center duties from Noble to MCE in phases, according to all needs and demands related to all tiers, overflow call center options, and third-party translation services. MCE shall be responsible for any additional infrastructural or programming costs incurred by Noble to facilitate this transition. Noble will invoice these costs to MCE without any added charges.

(e) Billing Administration:

- i. Maintain a table of rate schedules provided by MCE, including Deep Green, Local Sol and On-Bill Repayment (OBR) Charges.
- ii. Send Repayment (OBR) Charges to PG&E for non-MCE customers, when supported by PG&E, based on information provided to Noble by MCE.
- iii. Send OBR and Solar Charges as a separate line item to PG&E for placement on monthly bill during term of repayment.
- iv. Apply LDC account usage for all MCE customers against applicable rate to allow for customer billing.
- v. Review application of MCE rates to LDC accounts to ensure that the proper rates are applied to the accounts.
- vi. Timely submit billing information for each customer to the LDC to meet the LDC billing window.
- vii. Use commercially reasonable efforts to remedy billing errors for any customer in a timely manner, no more than two billing cycles.
- viii. Assist with annual settlement process for Net Energy Metering customers by identifying eligible customers, providing accrued charges and credits, and providing mailing list to MCE designated printer.
- ix. Provide customer mailing list to MCE designated printer for new move-in customer notices and opt out confirmation letters routinely within 7 days of enrollment or opt out.
- x. Send an MCE provided letter to customers that are over 90 days and \$250 overdue. If no payment is received from the customer within 60 days of notice being sent, issue a CCASR to return customer to LDC.

(f) Reporting:

Report	Frequency	Delivery Method
Aging	Weekly, Monthly	SFTP
Call Center Stats	Weekly, Monthly	Email
Cash Receipts	Weekly, Monthly	SFTP
County Invoice Summary Reports	Monthly	SFTP
Days To Invoice	Weekly, Monthly	SFTP
Deep Green Opt Up with Address	Weekly, Monthly	SFTP
Utility User Tax (UUT) where applicable	Monthly	Email
Invoice Summary Report	Weekly, Monthly	SFTP
Invoice Summary Report – Mid Month	Monthly	SFTP
Monthly Transaction Summary	Monthly	Email
Opt Out with Rate Class	Weekly, Monthly	SFTP
Retroactive Returns	Monthly	Email
Sent to Collections	Monthly	Email
Snapshot	Weekly	SFTP
Snapshot with Addresses	Weekly	SFTP
Unbilled Usage	Monthly	SFTP
Full Volume Usage by Rate Class	Monthly	SFTP

(g) Settlement Quality Meter Data:

- i. Noble shall provide MCE or MCE's designated Load Serving Entity ("LSE") with Settlement Quality Meter Data ("SQMD") as required from LSE's by the CAISO.
- ii. Upon MCE's request, Noble shall submit the SQMD directly to the CAISO on behalf of MCE or MCE's designated LSE.
- iii. The parties shall work together and agree on an acceptable format for the SQMD.
- iv. MCE agrees that Noble shall have no responsibility for any charges or penalties assessed by the CAISO associated with the SQMD under an indemnity or otherwise.
- v. Noble shall prepare the SQMD using the same level of care that Noble would use if preparing the SQMD for its own account as an LSE, however, Noble hereby disclaims in advance that any representation is made or intended that the SQMD is necessarily complete, or free from error.

3. FEES

- (a) For the first 100,000 meters, the fee will be \$1.50 per meter per month
- (b) For meters 100,001 – 200,000, the fee will be \$1.25 per meter per month
- (c) For meters 200,001 – 300,000, the fee will be \$1.20 per meter per month
- (d) For meters in excess of 300,000, the fee will be \$1.10 per meter per month
- (e) Cancellation Fee: The Parties agree that the condition set forth in Section 7(a) of the Agreement has been satisfied and therefore the Cancellation Fee described in Section 7(a) of the Agreement shall no longer be applicable.
- (f) Without Full Call Center: In the event that MCE elects to remove full call center services (Section 2(d)) for any meter, the per meter fee shall be reduced by \$0.15 for that meter.

4. PRICING ASSUMPTIONS

The Fees defined in Section 3 include only the services and items expressly set forth in this Addendum. Unless otherwise agreed to by the Parties in an Addendum, the cost of any additional deliverable provided by NES to MCE shall be passed through directly to MCE without mark-up using a labor rate of \$150.00 per hour.

5. NOTICES

The notice addresses as set forth in Section 21 of the Agreement are updated as follows:

Contract Manager: MCE; Attn.: Emily Goodwin

MCE Address: 781 Lincoln Ave., Suite 320

San Rafael, CA 94901

Telephone No.: (415) 464-6035

Notices shall be given to Contractor at the following address:

Contractor: Noble Americas Energy Solutions; Attn.: Drake Welch

MCE Address: 401 West A Street, Suite 500

San Diego, CA 92101

Telephone No.: (619) 684-8039

6. DEFINITIONS

"CCA Service" means Community Choice Aggregation Service which permits cities, counties or a joint powers agency whose governing boards have elected to acquire their electric power needs, hereinafter referred to as Community Choice Aggregators (CCA), to provide electric services to utility end-use customers located within their service area(s) as set forth in California Public Utilities Code Section 366.2 and other Commission directives.

"CCA Service Request ("CCASR")" means requests in a form approved by MCE's Local Utility to change a CCA's customer or utility customer's choice of services which could include returning a CCA's customer to bundled utility service or direct access service.

"LDC" means the relevant electric utility such as Pacific Gas and Electric Company. Also sometimes referred to as UDC.

"Meter Data Management Agent (MDMA) Services" reading the LDC's customers' meters, validating the meter reads, editing the meter reads if necessary and transferring the meter reading data to a server pursuant to MCE's LDC standards.

"Non-Enrollment Period" any other period that is not a Statutory Enrollment Period.

"Statutory Enrollment Period" three months prior to a Mass Enrollment, the month in which the Mass Enrollment occurs, and the two months following Mass enrollment. The Statutory Enrollment Period takes place over a six month period.

NOBLE AMERICAS ENERGY SOLUTIONS LLC

By: 

 Title: **James M. Wood**
President

MARIN CLEAN ENERGY

By: 

Title: Executive Officer

By: 

Title: Chairperson of the Board

Addendum for Data Manager Services

Reference:

**MASTER PROFESSIONAL SERVICES AGREEMENT
Between Noble Americas Energy Solutions LLC ("Noble")
And Marin Energy Authority ("MEA")
As of ("February 5, 2010")
Addendum Date: [February 8], 2013**

This Addendum (the "Addendum") supplements the Marin Energy Authority Master Professional Services Agreement referred to above (the "Agreement") and supersedes the previously executed Addendum for Data Manager Services for the Operational Period set forth below.

This Addendum ("Addendum") is made part of the Master Professional Services Agreement ("Master Agreement") referred to above.

1. **OPERATIONAL PERIOD** The Operational Period for the Addendum shall be from April 1, 2013 through Dec 31, 2017.

2. **DESCRIPTION OF DATA MANAGER SERVICES** During the Operational Period Noble shall provide the Data Manager Services listed below.

(a) **Electronic Data Exchange Services:**

- Process CCASRs from/to the LDC which specify the changes to a customer's choice of services such as enrollment in Marin Clean Energy ("MCE") Light Green or Deep Green service, On Bill Repayment (OBR) service, Balanced Payment Plan (BPP), customer initiated returns to bundled utility service or customer initiated returns to direct access service (814 Electronic Data Interchange Files).
- Obtain all customer usage data from the LDC's MDMA server to allow for timely billing (according to PG&E requirements) of each customer (867 Electronic Data Interchange Files).
- Maintain and communicate the amount to be billed by the LDC for services provided by MCE (810 Electronic Data Interchange Files).
- Receive and maintain all data related to payment transactions toward MCE charges from the LDC after payment is received by the LDC from customers (820 Electronic Data Interchange Files).
- Process CCASRs with PG&E when customer status changes.

(b) **Qualified Reporting Entity ("QRE") Services:**

- Consistent with terms and conditions included in the Qualified Reporting Entity Services Agreement(s) between MEA and Noble, serve as a QRE for certain locally situated, small-scale renewable generators supplying electric energy to MCE through its feed-in tariff ("FIT").
- Submit a monthly generation extract file to WREGIS on MCE's behalf, which will conform to the characteristics and data requirements set forth in the WREGIS Interface Control Document for Qualified Reporting Entities.
- For the purpose of collecting applicable generation and usage data for MCE FIT projects and consistent with the LDC's applicable meter servicing agreement, serve as designated "subcontractor" for certain FIT projects: Noble shall receive applicable electric meter data from the LDC and shall provide such data to MCE for purposes of performance tracking and invoice creation.

(c) **Customer Information System:**

- Maintain an accurate customer database of all customers who are offered MCE service and identify each customer's enrollment status, payment, collection status and correspondence with customer.
- Allow MCE to have functional access to the online database to add customer interactions and other account notes.
- Within eight months of contract date, allow MCE to view customer email or written letter correspondence within online database.
- Maintain and provide as needed historical usage data on all customers going back from start of service or no less than five years.

- Maintain viewing access, available to appropriate MEA staff, to view PG&E bills for MCE customers, including supporting the intuitive parsing and labeling of PG&E provided files.
- Process CCASR's with PG&E when customer status changes.
- Maintain and communicate as needed record of customers who have been offered service with MCE but have elected to opt out, either before or after starting service with MCE.
- Maintain and communicate as needed records of Net Energy Metering credits for customers to be posted on bill and settled annually.
- When requested by MCE, place OBR charges on the relevant customer account, identified by SAID.
- When requested by customer and approved by MCE, place BPP charges on the relevant customer account, identified by SAID.
- Identify customers participating in OBR and BPP programs in database.
- Include OBR and BPP payment information in all relevant reports.
- Perform quarterly BPP reviews to assess appropriate customer charge level.
- Maintain all customer data according to MCE's customer privacy policy and the requirements of relevant California Public Utilities Commission Decisions including D.12-08-045, including a daily backup process.
- Maintain NES Security Breach Policy.
- Provide master customer list weekly, via SFTP, for MCE importation to web portal.

(d) Customer Call Center:

- Staff a call center during any Statutory Enrollment Period 24 hours a day, 7 days a week.
- Staff a call center during non-enrollment period between the hours of 7 AM and 7 PM PPT Monday through Friday, excluding LDC holidays.
- Ensure sufficient number of Data Manager Experts (trained to Tier 3 level proficiency) are available to seamlessly manage escalated calls between the hours of 8 AM and 5 PM PPT Monday through Friday, excluding LDC holidays.
- Ensure that a minimum of 80% of all calls will be answered within 60 seconds during non-enrollment periods.
- Ensure a no greater than 10% abandon rate for all non-enrollment period calls.
- Record all inbound calls and make available to MEA staff upon request.
- Receive calls from MCE customers referred to Noble by the LDC and receive calls from MCE customers choosing to contact Noble directly without referral from the LDC.
- Provide a contact telephone number on the LDC invoice that would allow MCE customers to contact Noble directly.
- Collect and/or confirm current email, mailing address and phone number of customers and add to or update database during inbound call.
- Respond to telephone inquiries from MCE customers using a script developed and updated quarterly by MEA. For questions not addressed within the script, refer inquiries either back to the LDC or to MEA.
- Respond to customer inquiries within 24 hours, including inquiries received either through telephone calls, email, fax or web-portal.
- Offer bi-annual cross training to LDC call center.
- Ensure monthly status reports are provided during the first week of each month
- Ensure weekly status reports are provided during enrollment periods.
- Provide translation services for messaging and inbound calls for Spanish, Vietnamese, Mandarin, Cantonese, Tagalog and Laotian languages.

(e) Billing Administration:

- Maintain a table of rate schedules provided by MEA, including Deep Green and On-Bill Repayment (OBR) Charges.
- Send OBR as a separate line item to PG&E for placement on monthly bill during term of repayment. Apply LDC account usage for all MCE customers against applicable rate to allow for customer billing.
- Review application of MCE rates to LDC accounts to ensure that the proper rates are applied to the accounts.
- Timely submit billing information for each customer to the LDC to meet the LDC billing window.
- Use commercially reasonable efforts to remedy billing errors for any customer in a timely manner, no more than two billing cycles.

- Assist with annual settlement process for Net Energy Metering customers by identifying eligible customers, providing accrued charges and credits, and providing mailing list to MCE designated printer.
- Provide customer mailing list to MCE designated printer for new move-in customer notices and opt out confirmation letters routinely within 7 days of enrollment or opt out.
- Send an MCE provided letter to customers that are over 90 days and \$250 overdue. If no payment is received from the customer within 60 days of notice being sent, issue a CCASR to return customer to LDC.

(f) Reporting:

Report	Frequency	Delivery Method
Aging	Weekly, Monthly	SFTP
Call Center Stats	Weekly, Monthly	Email
Cash Receipts	Weekly, Monthly	SFTP
County Invoice Summary Reports	Monthly	SFTP
Days To Invoice	Weekly, Monthly	SFTP
Deep Green Opt Up with Address	Weekly, Monthly	SFTP
Fairfax UUT	Monthly	Email
Invoice Summary Report	Weekly, Monthly	SFTP
Invoice Summary Report - Mid Month	Monthly	SFTP
Monthly Transaction Summary	Monthly	Email
Opt Out with Rate Class	Weekly, Monthly	SFTP
Retroactive Returns	Monthly	Email
Sent to Collections	Monthly	Email
Snapshot	Weekly	SFTP
Snapshot with Addresses	Weekly	SFTP
Unbilled Usage	Monthly	SFTP
Full Volume Usage by Rate Class	Monthly	SFTP

(g) Settlement Quality Meter Data:

- Noble shall provide MCE or MCE's designated Load Serving Entity ("LSE") with Settlement Quality Meter Data ("SQMD") as required from LSE's by the CAISO.
- Upon MEA's request, Noble shall submit the SQMD directly to the CAISO on behalf of MCE or MCE's designated LSE.
- The parties shall work together and agree on an acceptable format for the SQMD.
- MEA agrees that Noble shall have no responsibility for any changes or penalties assessed by the CAISO associated with the SQMD under an indemnity or otherwise.
- Noble shall prepare the SQMD using the same level of care that Noble would use if preparing the SQMD for its own account as an LSE, however, Noble hereby disclaims in advance that any representation is made or intended that the SQMD is necessarily complete, or free from error.

4. FEES

- Monthly Fee.** Each month during the Operational Period, MEA shall pay Noble a \$30,000 fee.
- Meter Fee.** Each month during the Operational Period, MEA shall pay Noble \$1.50 for each MCE Customer meter enrolled in the CCA service.
- Cancellation Fee.** The Parties agree that the condition set forth in Section 7(a) of the Agreement has been satisfied and therefore the Cancellation Fee described in Section 7(a) of the Agreement shall no longer be applicable.

5. PRICING ASSUMPTIONS

The Fees defined in Section 4 are based on service to 125,000 meters. The parties acknowledge that a "material change" in such quantities may cause Noble to incur higher marginal costs to perform its obligations under this Agreement. A "material change" shall be at least a 20% deviation from 125,000 meters served. In the event of material change in Contract Quantities, Noble may adjust the fees in Section 4 as necessary to cover the higher marginal costs.

The Fees defined in Section 4 include only the services and items expressly set forth in this Addendum. Unless otherwise agreed to by the Parties in an Addendum, the cost of any additional deliverables provided by NES to MEA shall be passed through directly to MEA without mark-up using a labor rate of \$150.00 per hour.

6. NOTICES

The notice addresses as set forth in Section 21 of the Agreement are updated as follows:

Contract Manager: MCE; Attn.: Emily Goodwin

MCE Address: 781 Lincoln Ave., Suite 320

San Rafael, CA 94901

Telephone No.: (415) 464-6035

Notices shall be given to Contractor at the following address:

Contractor: Noble Americas Energy Solutions; Attn: Drake Welch

Address: 401 West A Street, Suite 500

San Diego, CA 92101

Telephone No.: (619) 684-8039

7. DEFINITIONS

"CCA Service" means Community Choice Aggregation Service which permits cities, counties or a joint powers agency whose governing boards have elected to acquire their electric power needs, hereinafter referred to as Community Choice Aggregators (CCA), to provide electric services to utility end-use customers located within their service area(s) as set forth in California Public Utilities Code Section 366.2 and other Commission directives.

"CCA Service Request ("CCASR")" means requests in a form approved by MCE's Local Utility to change a CCA's customer or utility customer's choice of services which could include returning a CCA's customer to bundled utility service or direct access service.

"LDC" means the relevant electric utility such as Pacific Gas and Electric Company.

"Mass Enrollment" means the automatic enrollment of customers into a CCA program where new service is being offered for the first time to a group of eligible customers.

"Meter Data Management Agent (MDMA) Services" means reading the LDC's customers' meters, validating the meter reads, editing the meter reads if necessary and transferring the meter reading data to a server pursuant to MCE's LDC standards.

"Statutory Enrollment Period" means three months prior to a Mass Enrollment, the month in which the Mass Enrollment occurs, and the two months following Mass Enrollment. The Statutory Enrollment Period takes place over a six month period.

NOBLE AMERICAS ENERGY SOLUTIONS LLC

By:  _____

Title: **James M. Wood**
President

pr

MARIN ENERGY AUTHORITY

By:  _____

Title: Executive Officer

By:  _____

Title: Chairman of the Board

Addendum for Data Manager Services

Reference:

MASTER PROFESSIONAL SERVICES AGREEMENT
Between Noble Americas Energy Solutions LLC ("Noble")
And ("Marin Energy Authority")
As of ("February 5, 2010")
Addendum Date: March 1, 2012

This Addendum (the "Addendum") supplements the Marin Energy Authority Master Professional Services Agreement referred to above (the "Agreement") and supersedes the previously executed Addendum in its entirety.

This Addendum ("Addendum") is made part of the Master Professional Services Agreement ("Master Agreement") referred to above.

1. **EFFECTIVE PERIOD** This Addendum and the Master Agreement shall be in full force and effect as of the date that the Addendum and Master Agreement are executed by both Parties through the end of the Operational Period. The Operational Period shall be from May 1, 2010 through April 30, 2015.
2. **TECHNICAL TESTING**
 - (a) **Noble Requirements.** Noble shall complete the technical testing of all necessary electronic interfaces with the LDC, which provide for the communication by Internet and Electronic Data Interchange ("EDI") between Noble and LDCs to confirm system compatibility related to CCA Service Requests ("CCASR's"), billing collections, meter reading and electricity usage data. Noble shall demonstrate successful completion of all standard LDC technical testing and shall have the capability and signed agreements necessary to communicate or exchange the information using EDI, Internet or an electronic format acceptable to the LDC.
 - (b) **LDC Requirements.** The LDC will provide the Meter Data Management Agent services and will make the data accessible to Noble on an MDMA server pursuant to the LDC standards.
3. **DESCRIPTION OF DATA MANAGER SERVICES** During the Operational Period Noble shall provide the Data Manager Services listed below.
 - (a) **Electronic Data Exchange Services:**
 - Receive CCASRs from the LDC which specify the changes to a CCA customer's choice of services such as customer initiated returns to bundled utility service or customer initiated returns to direct access service (814 Electronic Data Interchange Files).
 - Obtain customer usage data from the LDC's MDMA server (867 Electronic Data Interchange Files).
 - Communicate the amount to be billed by the LDC for services provided by the CCA (810 Electronic Data Interchange Files).
 - Receive payment transactions toward CCA charges from the LDC after payment is received by the LDC from customers (820 Electronic Data Interchange Files).
 - (b) **Customer Information System:**
 - Maintain a customer data base of all CCA Customers and identify each customer's enrollment status, payment and collection status.
 - (c) **Customer Call Center:**
 - Staff a call center between the hours of 8 AM and 5 PM PPT Monday through Friday, excluding LDC holidays.
 - Receive calls from CCA customers referred to Noble by the LDC and receive calls from CCA customers choosing to contact Noble directly without referral from the LDC.
 - Provide a contact telephone number on the LDC invoice that would allow CCA customers to contact Noble directly.

- Respond to telephone inquiries from CCA customers using a script developed by the CCA. For questions not addressed by the script, refer inquiries either back to the LDC or to the CCA.
- Respond to customer inquiries within an average of 24 hours. Inquiries would be received either through telephone calls, Internet Chat or email.

(d) Billing Administration:

- Maintain a table of rate schedules provided by the CCA
- Apply LDC account usage against applicable rate
- Review application of CCA rates to LDC accounts to ensure that the proper rates are applied to the accounts.
- Timely provide billing information to the LDC to meet the LDC billing window.
- Use commercially reasonable efforts to remedy billing errors in a timely manner, no more than two billing cycles.

(e) Reporting

- Daily and monthly report of billing information (usage, dollars, etc)
- Daily and monthly report of payment transactions received
- Weekly report of delinquent accounts
- Weekly report of exceptions (usage delayed, usage received but unbilled, usage gaps, etc)
- Weekly report of accounts added and dropped
- Monthly report of error rate
- Monthly report of billing timeliness
- Monthly report to MEA that indicate the number of Customer Call Center inquiries received, the average time required to respond to the inquiry, the percentage of issues resolved per inquiry

(f) Settlement Quality Meter Data

- Noble shall provide MEA or MEA's designated Load Serving Entity ("LSE") with Settlement Quality Meter Data ("SQMD") as required from LSE's by the CAISO.
- Upon MEA's request, Noble shall submit the SQMD directly to the CAISO on behalf of MEA or MEA's designated LSE.
- The parties shall work together and agree on an acceptable format for the SQMD.
- MEA agrees that Noble shall have no responsibility for any changes or penalties assessed by the CAISO associated with the SQMD under an indemnity or otherwise.
- Noble shall prepare the SQMD using the same level of care that Noble would use if preparing the SQMD for its own account as an LSE, however, Noble hereby disclaims in advance that any representation is made or intended that the SQMD is necessarily complete, or free from error.

4. FEEES

4.1 Cancellation Fee. The Cancellation Fee described in 7(a) of the Agreement shall be \$125,000.

4.1 Electricity Usage Fee. For the Tier 1 Electricity Usage as defined in Section 5, each month during the Operational Period MEA shall pay Noble \$0.45/MWh for every MWh of metered usage of CCA customers. There will be no Electricity Usage Fee for the Tier 2 Electricity Usage as defined in Section 5. The monthly Tier 1 usage limit shall be estimated by dividing the annual Electricity Usage figure shown in Section 5 by 12. The actual Tier 1 and Tier 2 usage shall be determined at the end of each twelve-month period ending on June 30, and the subsequent monthly invoice shall include a charge or credit to reconcile the actual and estimated Electricity Usage Fees during such period.

4.2 Meter Fee. Each month during the Operational Period MEA shall pay Noble \$1.75 for each CCA Customer meter enrolled in the CCA service. This charge applies to all meters – Tier 1 and Tier 2.

5. PRICING ASSUMPTIONS

The Fees defined in Section 4 are based on the assumed Contract Quantities identified below. The parties acknowledge that a "material change" in such quantities may cause Noble to incur additional costs to perform its obligations under this Agreement. A "material change" shall be at least a 20% deviation from the assumed

Contract Quantities of either Number of Meters or Electricity usage in the aggregate. In the event of material change in Contract Quantities, Noble may adjust the fees in Section 4 as necessary to cover its additional costs.

Contract Quantities		
Tier	Number of Meters – PG&E Territory	Electricity Usage (MWh/ year) – PG&E territory
1	Up to 71,000	800,000
2	More than 71,000 but less than 115,000	n/a

6. DEFINITIONS

"CCA Customer" means a customer enrolled in the MEA CCA Service.

"CCA Service" means Community Choice Aggregation Service which permits cities, counties or a joint powers agency whose governing boards have elected to acquire their electric power needs, hereinafter referred to as Community Choice Aggregators (CCA), to provide electric services to utility end-use customers located within their service area(s) as set forth in California Public Utilities Code Section 366.2 and other Commission directives.

"CCA Service Request ("CCASR")" means requests in a form approved by MEA's Local Utility to change a CCA's customer or utility customer's choice of services which could include returning a CCA's customer to bundled utility service or direct access service.

"LDC" means the relevant electric utility such as Pacific Gas & Electric or Southern California Edison as appropriate.

"Meter Data Management Agent (MDMA) Services" means reading the LDC's customers' meters, validating the meter reads, editing the meter reads if necessary and transferring the meter reading data to a server pursuant to MEA's LDC standards.

NOBLE AMERICAS ENERGY SOLUTIONS LLC

By: 

Title: James M. Wood
President

MARIN ENERGY AUTHORITY

By: 

Title: EXECUTIVE OFFICER

By: 

Title: CHAIR, MARIN ENERGY AUTHORITY

MASTER PROFESSIONAL SERVICES AGREEMENT

This Master Professional Services Agreement ("Agreement") is entered into effective the fifth day of February 2010, by and between Sempra Energy Solutions LLC ("SES") and Marin Energy Authority ("MEA"). Each may be referred to individually as a "Party," and collectively as the "Parties."

WITNESSETH

WHEREAS, MEA is scheduled to begin providing Community Choice Aggregation Services Program (CCA Program) on or around May 7, 2010; and

WHEREAS, MEA has requested that SES perform the data management services described in the Addendum for Data Manager Services attached hereto and incorporated herein by this reference (the "Addendum"); and

WHEREAS, MEA will be purchasing electricity for the CCA Program from Shell Energy North America ("Supplier").

NOW, THEREFORE, for and in consideration of the mutual benefits, obligations, covenants, and consideration, the receipt and sufficiency of which are hereby acknowledged, SES and MEA hereby agree as follows:

1. SERVICES. Subject to the terms and conditions of this Agreement and during the term of this Agreement, SES shall provide to MEA, the services described in the Addendum (the "Services"). From time to time the parties may add new addenda, which upon execution by both parties, shall be subject to the terms and conditions of this Agreement.
2. CONDITIONS TO SES PERFORMANCE.
 - (a) Information and Assistance. MEA shall provide SES with information and reasonable assistance so that SES can effectively provide the Services. To the extent that MEA delays in providing SES with the requested information or assistance, SES shall be excused from timely providing the affected Services.
 - (b) Notification. MEA shall notify all other relevant parties of the existence of this Agreement and SES role as contemplated in this Agreement, as necessary. MEA will execute the necessary agreements or other documents with other relevant parties to permit SES to provide the Services contemplated in this Agreement.
 - (c) CCA Completion. The following are conditions precedent to SES' performance under this Agreement:
 - (1) An executed CCA Service Agreement in the form approved by the LDC shall be submitted to the California Public Commission ("CPUC");
 - (2) MEA shall satisfy LDC's credit-worthiness requirements set forth in the LDC tariffs; and
 - (3) MEA shall be registered with the CPUC as a CCA and shall have filed a CCA implementation Plan with the CPUC.

3. FEES AND BILLING.

(a) Fees. MEA shall pay all fees due in accordance with the Addendum.

(b) Billing and Payment Terms. Unless otherwise indicated in the applicable Addendum, SES shall invoice MEA monthly for all fees related to Services performed during the previous month. Payment of fees shall be due within thirty (30) days after the date of invoice. All payments must be made in U.S. dollars. Late payments hereunder shall accrue interest at the lower of the rate of one percent (1%) per month, or the highest rate allowed by law.

(c) Taxes. Payments due to SES under this Agreement shall be net of all sales, value-added, use or other taxes and obligations.

4. REPRESENTATIONS AND WARRANTIES. On the Effective Date and the date of entering into each Addendum, each Party represents and warrants to the other Party that: (i) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation; (ii) it has all regulatory authorizations necessary for it to legally perform its obligations under this Agreement and each Addendum; (iii) the execution, delivery and performance of this Agreement and each Addendum are within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it; (iv) this Agreement, each Addendum, and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms; and (v) it is not Bankrupt and there are no proceedings pending or being contemplated by it or, to its knowledge, threatened against it which would result in it being or becoming Bankrupt.

5. INDEMNIFICATION. Each Party shall indemnify, defend and hold harmless the other Party from and against any Claims arising from or out of the negligence, gross negligence or willful misconduct of the Party subject to the limitations of liability set forth in Section 9 of this Agreement. "Claims" means all third party claims or actions, threatened or filed and, whether groundless, false, fraudulent or otherwise, that directly or indirectly relate to the subject matter of an indemnity, and the resulting losses, damages, expenses, attorneys' fees and court costs, whether incurred by settlement or otherwise, and whether such claims or actions are threatened or filed prior to or after the termination of this Agreement.

6. TERM. Unless earlier terminated pursuant to the terms of Section 7, the term of this Agreement shall be the Effective Period described in the Addendum.

7. TERMINATION.

(a) Early Termination Due to Cancellation of CCA program. If MEA determines on or before May 7, 2010, in its sole and absolute discretion, not to proceed with the CCA program, MEA may terminate this Agreement by giving written notice to SES as provided in Section 21 of this Agreement. In that event: (a) SES shall be entitled to keep any fees already paid; (b) MEA shall pay the Cancellation Fee set forth in Section 4 the Addendum; and (c) MEA shall pay any amounts owed, under Section 4 of the Addendum, but MEA shall have no obligation to pay any additional fees or costs.

(b) Termination for Default. Either Party may terminate this Agreement or the applicable Addendum if any one of the following events (each a "Default") occurs with respect to the other

Party: (i) with respect to MEA, MEA fails to pay amounts due hereunder and such failure continues for seven (7) business days after written notice from SES; (ii) default in the observance or performance by a Party of any of such Party's material covenants or agreements in this Agreement (other than a default in a payment obligation) and such default continues unremedied for twenty (20) Business Days after written notice is given to such Party failing to perform its covenants or agreements under this Agreement; or; (iii) either Party makes an assignment for the benefit of creditors (other than with regard to a collateral assignment to an entity providing financing to such Party) or files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause under any bankruptcy or similar law for the protection of creditors or has such a petition filed against it or otherwise becomes bankrupt or insolvent (however evidenced) or is unable to pay its debts as they fall due.

(c) Effect of Termination. Upon the effective date of expiration or termination of this Agreement: (i) SES may immediately cease providing Services hereunder; and (b) any and all payment obligations of MEA under this Agreement will become due immediately.

8. DAMAGES ON TERMINATION FOR DEFAULT OF AGREEMENT. The parties agree that upon termination of this Agreement, their respective damages for any Default of this Agreement shall be as follows:

(a) For MEA Default. If this Agreement is terminated due to MEA Default, MEA shall pay to SES an amount equal to: (i) the Electricity Usage Fee and the Meter Fee each multiplied by their respective Contract Quantities for the remaining term of this Agreement, which are set forth in the addendum, less (ii) SES' costs of providing the Services over the remaining term of the Agreement, plus (iii) any amounts owed to SES but not paid for.

(b) For SES Default. If this Agreement is terminated due to SES Default, SES shall pay MEA an amount equal to:

(i) MEA's cost of funds incurred during any delay due to an SES billing error, which is agreed to be simple interest accruing at the prime interest rate as established by the Wall Street Journal on any amounts not accurately and timely billed during the "Default Period." The Default period shall commence on the latest date that the amount in question could have been paid to MEA without being delinquent, had the amount been accurately and timely billed. The Default Period shall end when all billing errors are corrected for the amount in question, and an accurate bill is delivered to the customer by the LDC; provided that such corrections are performed within a commercially reasonable amount of time. All such corrections shall be limited to the previous six months of billings.

(ii) MEA's incremental cost of obtaining replacement Services under similar terms and conditions, which shall be calculated as the positive difference, if any, by subtracting the Fees that would be due to SES for the remaining term of the Addendum from cost of replacement Services from a new service provider, provided that such amount shall not exceed the total amount due from Buyer to Seller under the Addendum.

9. EXCLUSIVE REMEDY. To avoid doubt, MEA's sole and exclusive remedy if MEA is not satisfied with SES' s performance of Services or SES's failure to perform Services shall terminate this Agreement according to Section 8. Any damages associated with an SES Default shall be limited to recovery of damages as provided in Section 8. THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED HEREIN SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OR DEFAULT ARISING FROM ANY PROVISION FOR WHICH AN EXPRESS REMEDY IS PROVIDED

HEREIN, SUCH REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, LIABILITY SHALL BE LIMITED TO DIRECT, ACTUAL DAMAGES ONLY, SUCH DIRECT, ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. EXCEPT AS MAY BE INCLUDED IN AN EXPRESS REMEDY PROVIDED FOR HEREIN, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT, INCLUDING LOST PROFITS OR BUSINESS INTERRUPTION DAMAGES, WHETHER BASED ON STATUTE, CONTRACT, TORT, UNDER ANY INDEMNITY, INCLUDING ANY CLAIMS FOR MONETARY PENALTIES ASSESSED BY THE CAISO ASSOCIATED WITH SQMD REPORTING OR OTHERWISE, WITHOUT REGARD TO CAUSE OR THE NEGLIGENCE OF ANY PARTY, WHETHER SOLE, JOINT, ACTIVE OR PASSIVE, AND EACH PARTY HEREBY RELEASES THE OTHER PARTY FROM ANY SUCH LIABILITY, EVEN IF DURING THE TERM HEREOF IT ADVISES THE OTHER OF THE POSSIBILITY OF SUCH DAMAGES. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

10. FORCE MAJEURE. If a Party is rendered unable, by an event of Force Majeure, to carry out wholly or in part its obligations under this Agreement and if such Party gives notice and full particulars of such event of Force Majeure to the other Party promptly after the occurrence of the event relied on, then the obligations of the Party affected by such event of Force Majeure, other than the obligation to make payments then due or becoming due hereunder, shall be suspended from the inception and throughout the period of continuance of any such inability so caused, but for no longer period, and the affected Party shall use commercially reasonable efforts to remedy the event of Force Majeure with all reasonable dispatch. The term "Force Majeure" shall mean an event that is beyond the control of the Party affected including but not limited to flood, earthquake, tornado, storm, fire, lightning, epidemic, war, riots, civil disturbance or disobedience, labor dispute, material shortage, sabotage, terrorist activity, restraint by court order or public authority, and action or non-action by or inability to obtain the necessary authorization or approvals from any governmental agency or authority, which by exercise of due diligence such Party has been unable to overcome. Force Majeure shall not include economic hardship or unscheduled outage of equipment or imminent breakage of equipment or other imminent property damage for any reason.

11. RELATIONSHIP OF PARTIES. SES and MEA are independent contractors and this Agreement will not establish any relationship or partnership, joint venture, employment, franchise, or agency between SES and MEA. Neither SES nor MEA will have the power to bind the other or incur obligations on the other's behalf with the other's prior written consent, except as otherwise expressly provided for herein.

12. ASSIGNMENT OF RIGHTS. Neither Party shall assign any of its rights or delegate any of its responsibilities hereunder without first obtaining the consent of the other Party except it may be assigned or transferred without such consent: (i) by either Party to a successor acquiring all or substantially all of the shares and/or the assets of the transferring Party, whether by merger or acquisition, (ii) by either Party to any wholly-owned Affiliate. Any such request shall be made in writing and the consent, if any, shall be made in writing. Any transfer in violation of this provision shall be void.

13. FURTHER ACTIONS. The Parties agree to take all such further actions and to execute such additional documents as may be reasonably necessary to effectuate the purposes of this Agreement.

14. **CONFIDENTIALITY.** This Agreement and all information shared between the Parties regarding this Agreement and the Services to be provided hereunder (e.g., reports, etc.) is strictly confidential and shall not be disclosed by a Party (except to such Party's Affiliates, employees, lenders, counsel and other advisors, permitted assignees, or prospective purchasers who have agreed to treat such information as confidential) without the prior written consent of the other Party, except (i) as required by Law and (ii) MEA may share all such data with Supplier. In addition, SES shall comply with the requirements of the customer information confidentiality policy adopted by MEA. The Parties agree that damages would be an inadequate remedy for breach of this provision and that either Party shall be entitled to equitable relief in connection herewith, provided that any damages shall be limited to actual damages as provided herein.
15. **COMPLIANCE WITH LAW.** Each party shall be responsible for compliance with all laws or regulations applicable to the Services being provided under this Agreement. If either Party's activities hereunder become subject to law or regulation of any kind, which renders the activity illegal, unenforceable, or which imposes additional costs on such Party for which the Parties cannot mutually agree upon an acceptable price modification, then such Party shall at such time have the right to terminate this Agreement upon written notice to the other Party with respect to the illegal, unenforceable, or uneconomic provisions only, the remaining provisions will remain in full force and effect. Any such termination shall not constitute a Default as defined in Section 7, above.
16. **CHOICE OF LAW.** This Agreement, and the rights and duties of the Parties arising hereunder, shall be governed by and construed in accordance with the laws of the State of California, without giving effect to any choice of law rules that may require the application of the laws of another jurisdiction.
17. **INTEGRATION.** This Agreement contains the complete understanding between the Parties, supersedes all previous discussions, communications, writings and agreements related to the subject matter of this Agreement, and, except to the extent otherwise provided for herein, may not be amended, modified or supplemented except in a writing signed by both Parties.
18. **WAIVER.** No waiver by either Party of any right or obligation hereunder, including in respect to any Default by the other Party, shall be considered a waiver of any future right or obligation, whether of a similar or different character. Any waiver shall be in writing.
19. **ATTORNEY'S FEES.** In the event that an action, suit or other proceeding is brought to enforce or interpret this Agreement or any part hereof or the rights or obligations of any Party to this Agreement, the prevailing Party will be entitled to recover from the other Party reasonable attorneys' fees and direct out-of-pocket costs and disbursements associated with the dispute that are incurred by the prevailing Party.
20. **GOVERNMENTAL ENTITY.** MEA shall not claim immunity on the grounds of sovereignty or similar grounds from enforcement of this Agreement. Except as provided in Section 7(a) above, MEA's failure to obtain any necessary budgetary approvals, appropriations, or funding for its obligations under this Agreement shall not excuse MEA's performance hereunder.
21. **NOTICES.** All notices and other communications required under this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of service, if served personally on the person to whom notice is to be given, (ii) on the date of service if sent by telecopier, provided the original is concurrently sent by first class mail, and provided that notices received by telecopier after 5:00 p.m. shall be deemed given on the next business day, (iii) on the next business day after deposit with a recognized overnight delivery service, or (iv) on the third (3rd) day after mailing, if mailed to the party to whom notice is to be given by first class mail, registered or certified, postage-prepaid, and properly addressed as follows:

If to SES:

SEMPRA ENERGY SOLUTIONS LLC

401 West A Street, Suite 500
San Diego, CA 92101
Drake Welch
619-684-8360

With a copy to: SEMPRA ENERGY SOLUTIONS LLC
401 West A Street, Suite 500
San Diego, CA 92101
Legal Department
619-684-8350

If to MEA: MARIN ENERGY AUTHORITY
3501 Civic Center Drive, Room 308
San Rafael, CA 94903
Dawn Weisz
415-499-7880

With a Copy to: SUPPLIER
<ADDRESS>
<CITY, STATE AND ZIPCODE>
<CONTACT>
<FASCIMILE>

22. TIME. Time is of the essence of this Agreement and each and all of its provisions. The parties agree that the time for performance of any action permitted or required under this Agreement shall be computed as if such action were "an act provided by law" within the meaning of California Civil Code §10, which provides: "The time in which any act provided by law to be done is computed by excluding the first day and including the last, unless the last day is a holiday, and then it is also excluded."

23. LIMITATIONS. Nothing contained in this Agreement shall in any way limit SES from marketing any of its products and services. SES agrees not to use any of the CCA data for its own marketing purposes.

24THIRD PARTY BENEFICIARIES. The Parties agree that there are no third party beneficiaries to this Agreement either expressed or implied.

25. NO RECOURSE AGAINST CONSTITUENT MEMBERS OF MEA. MEA is organized as a Joint Powers Authority in accordance with the Joint Powers Act of the State of California (Government Code Section 6500 et seq.) pursuant to a Joint Powers Agreement dated December 19, 2008 and is a public entity separate from its constituent members. MEA shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. SES shall have no rights and shall not make any claims, take any actions or assert any remedies against any of MEA's constituent members in connection with this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed the Agreement as of the effective date provided herein.


Sempra Energy Solutions LLC

Marin Energy Authority

By: 
Name: _____
Title: _____

James M. Wood
President



By: 
Name: Dana Weiss
Title: Interim Director



November 17, 2016

TO: MCE Board of Directors

FROM: Jeremy Waen, Senior Regulatory Analyst

RE: Update on CPUC Power Charge Indifference Adjustment Vintaging Decision (Agenda Item #09)

ATTACHMENT: CPUC Decision Resolving Vintaging Methodology for PCIA for CCA Customers

Dear Board Members:

Summary: MCE Achieved Power Charge Indifference Adjustment Reform through a final decision by the Public Utilities Commission in proceeding A.14-05-024.



On July 19, the California Public Utilities Commission (CPUC or “Commission”) released a Proposed Decision (PD) regarding Power Charge Indifference Adjustment (PCIA) vintaging assignments for CCA customers. A vintage is a year assigned to a CCA customer that reflects the date that customer left bundled service with an Investor Owned Utility (IOU). A customer is financially responsible for IOU energy contracts until their vintage year through the PCIA. MCE first raised a vintaging issue to the Commission in mid-2014: CCA customers who moved to a new location were being assigned a new PCIA vintage once they opened a new utility account. This “re-setting” of the PCIA vintage would have caused some MCE customers to pay the PCIA indefinitely.

Although the PD was held from multiple Commission voting meeting agendas and underwent two rounds of substantial revisions, MCE staff remained closely engaged in the process through comments and *ex parte* meetings with key decision makers.

A Final Decision was approved by the Commission on October 5. The new vintaging methodology prevents the “resetting” of PCIA vintages and ties PCIA vintages for almost all customers to the CCA launch date in a particular community. The Commission retroactively

applied the new vintaging rules; however, the Commission did not attempt to adjust PCIA charges that were already collected.

Fiscal Impact: This fiscal impact of this decision is likely to result in some cost savings for MCE customers in the future, but does not have a direct impact on the MCE budget.

Recommendation: This is a discussion item only.

ALJ/SPT/jt2

Date of Issuance 10/5/16

Decision 16-09-044 September 29, 2016

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric
Company for Adoption of Electric
Revenue Requirements and Rates
Associated with its 2015 Energy Resource
Recovery Account (ERRA) and Generation
Non-Bypassable Charges Forecast (U39E).

Application 14-05-024
(Filed May 30, 2014)

**DECISION RESOLVING VINTAGING METHODOLOGY FOR POWER
CHARGE INDIFFERENCE ADJUSTMENT FOR COMMUNITY CHOICE
AGGREGATION CUSTOMERS**

A.14-05-024 ALJ/SPT/jt2

Table of Contents

Title	Page
DECISION RESOLVING VINTAGING METHODOLOGY FOR POWER CHARGE INDIFFERENCE ADJUSTMENT FOR COMMUNITY CHOICE AGGREGATION CUSTOMERS.....	1
Summary	2
1. Background.....	3
2. PCIA Vintaging Methodology	5
2.1. Party Positions	5
2.1.1. Pacific Gas and Electric Company and Southern California Edison Company	5
2.1.2. Marin Clean Energy, City of Lancaster, and Sonoma Clean Power (CCAs)	8
2.1.3. Direct Access Customer Coalition	10
2.2. Legislative History and Commission Precedents	10
2.3. Discussion	13
3. The 2016 PCIA Workshop	18
4. Comments on Proposed Decision	20
5. Assignment of Proceeding	21
Findings of Fact.....	21
Conclusions of Law	23
ORDER	24

A.14-05-024 ALJ/SPT/jt2

**DECISION RESOLVING VINTAGING METHODOLOGY FOR POWER
CHARGE INDIFFERENCE ADJUSTMENT FOR COMMUNITY CHOICE
AGGREGATION CUSTOMERS**

Summary

Today's Decision resolves the issue on a vintaging methodology for Power Charge Indifference Adjustment (PCIA) for Community Choice Aggregation (CCA) customers.¹ The term "Vintaging" refers to the process of grouping departing customers based on the date they leave utility bundled service so that they are responsible for generation costs incurred on their behalf before their departure to a CCA. If a CCA enters a Binding Notice of Intent (BNI) with the incumbent utility, the PCIA vintage for customers and territories identified by the BNI will be the date of the notice. Absent a BNI, if a CCA initiates service in a territory to all eligible customer classes, we direct PCIA vintages to be fixed based on the initial date of CCA service. Absent a BNI, if a CCA initiates service in a territory in multiple phases, customers will be assigned a PCIA vintage based on their actual phase-in date. Customers that affirmatively opt out of CCA service and then opt back in at a later time will be assigned a PCIA vintage based on their initial CCA service date. This proceeding is closed.

Pursuant to Decision 15-12-022 in Application 15-06-001, a separate proceeding, a workshop was held on March 8, 2016 to review PCIA inputs and methodologies. A workshop report was produced by the Commission's Energy Division staff and Parties at the workshop expressed their views on the need for various PCIA reforms. While those views merit further exploration, they are

¹ Assembly Bill 117 (Chapter 838, September 24, 2002) added Pub. Util. Code §§ 218.3, 331.1, 366.2, 381.1, and 394.25 and permits local governments the opportunity to purchase energy on behalf of the citizens and businesses in their communities.

A.14-05-024 ALJ/SPT/jt2

outside the scope of the current Energy Resource Recovery Account proceeding. Parties are directed to form a working group and submit their recommendations as petitions to modify existing Commission decisions or petitions for a new rulemaking.

1. Background

The Commission issued Decision (D.) 14-12-053 in this proceeding on December 18, 2014, approving Pacific Gas and Electric Company's (PG&E) 2015 electric procurement cost revenue, 2015 electric sales forecast and rate proposals associated with its electric procurement to be effective on January 1, 2015. We postponed review on the limited issue of Power Charge Indifference Adjustment (PCIA) vintaging for departing customers in Community Choice Aggregation territories until the second phase. The PCIA is a charge assessed by a utility on departing load customers to cover generation costs incurred on that customer's behalf before the customer decided to leave bundled service. "Vintages" are assigned to customers based on the date of their departure so that a departing customer is responsible only for generation costs incurred before, and not after their departure from the utility.

On February 26, 2015, the assigned Administrative Law Judge (ALJ) issued a ruling establishing the second phase and amending the scope of Application (A.) 14-05-024 (First Amended Scope). The First Amended Scope was additionally served on Southern California Edison Company (SCE) and San Diego Gas & Electric Company (SDG&E). Pursuant to the First Amended Scope, a workshop was held on March 12, 2015 (2015 Workshop). PG&E filed and served its workshop report on March 27, 2015; Opening Comments to the workshop report were submitted on April 30, 2015 by SCE and jointly by Marin

A.14-05-024 ALJ/SPT/jt2

Clean Energy (MCE) and the City of Lancaster (Lancaster); Reply Comments were submitted on May 15, 2015 by PG&E and SCE.

On August 10, 2015, the assigned Commissioner issued the Second Amended Scoping Memorandum (Second Amended Scope) further amending the scope of the proceeding and setting out a briefing schedule. We asked parties to propose a PCIA vintaging methodology that is consistent with Commission precedents, and describe how it would be implemented in six hypothetical scenarios.²

On September 4, 2015, MCE, the City of Lancaster, and Sonoma Clean Power (the CCAs) jointly filed their opening brief while SCE, PG&E and Direct Access Customer Coalition (DACC) filed separate opening briefs. On September 25, 2015, the CCAs, PG&E, and SCE filed reply briefs.

Separately, in A.15-06-001 (2016 Energy Resource Recover Account [ERRA] Forecast), we issued D.15-12-022 approving PG&E's 2016 ERRA forecast. In that proceeding, many parties expressed concerns about the PCIA, the amount it had increased compared to the 2015 forecast, the availability of data used to calculate it, and the inputs and methodologies used. As a result, the Commission ordered "a workshop be held in the first quarter of 2016, in Phase 2 of A.14-05-024, PG&E's 2015 ERRA Forecast proceeding, by the Commission's Energy Division,

² The six scenarios are as follows: (a) Current CCA customer moves into new address where prior customer also has CCA service; (b) Current CCA customer moves to new address where prior customer had opted out of CCA service and remained a bundled customer; (c) New CCA customer moves into an address where the prior customer had CCA service; (d) New CCA customer moves into an address where the prior customer had opted out of CCA service and remained a bundled customer; (e) New CCA customer moves into a new service point established within the CCA territory after the phase-in date; and (f) A customer in a CCA territory that had previously opted out and remained a bundled service customer, but decides later to take CCA service.

A.14-05-024 ALJ/SPT/jt2

to address the methodologies and inputs used for calculating the PCIA.”³ Furthermore, the Commission ordered that the scope of the PCIA workshop shall discuss the methodology for calculating the PCIA; whether the calculation of the PCIA should be different for Direct Access (DA) and Community Choice Aggregation (CCA) entities, and if so, what those different methodologies should be; the inputs to the calculation of the PCIA; and ensuring that all proposals are in compliance with existing Public Utilities Code Sections, including but not limited to, ensuring no bias or harm to DA, CCA, or bundled customers.

The workshop was held by Energy Division staff on March 8, 2016 and a workshop report was issued for comment by the parties on June 7, 2016. Parties have provided their comments and reply comments on the workshop report.

2. PCIA Vintaging Methodology

2.1. Party Positions

PG&E believes that PCIA vintage should be assigned to the address when a service address begins receiving CCA service; SCE believes that PCIA vintage should be assigned to the customer when that customer begins receiving CCA service. The CCAs believe that PCIA vintage should be assigned based on the date a CCA initiates service in a territory.

2.1.1. Pacific Gas and Electric Company and Southern California Edison Company

Both Investor-Owned Utilities (IOUs) cite to D.08-09-012 as requiring that an individual customer pay their “fair share” of the cost the IOU incurred on behalf of the customer of the load associated with them.⁴ While PG&E and SCE

³ D.15-02-022 at Ordering Paragraph (OP) 3.

⁴ See SCE’s Opening Comments to the 2015 workshop report at 7.

A.14-05-024 ALJ/SPT/jt2

have different proposals, both believe that CCA customers, with the option to opt in and out of bundled service, should be treated individually and assigned vintage dates based on that customer's actions.

PG&E proposes that PCIA vintages to be assigned based on when a service point address begins receiving service from a CCA,⁵ while SCE believes that PCIA vintages should be assigned based on when an individual customer begins receiving service from a CCA.⁶

PG&E argues that its address based vintaging method is reasonable, equitable for CCA and bundled load customers, and consistent with Commission precedent.⁷ By tying PCIA vintage to service addresses, PG&E believes it most logically reflects the procurement activities undertaken based on the energy requirements of the particular buildings corresponding to those service addresses.⁸ PG&E argues that PCIA "vintaging is intended to recover stranded costs incurred to provide service until a customer's actual departure, not on the date that a CCA began to offer service in a specific geographic territory."⁹ When a customer opts out of CCA service or opts into CCA service at a different date

5 See PG&E's Opening Brief filed on September 22, 2014 (PG&E's 2014 Opening Brief) at 13-19; PG&E's Reply Brief filed on September 29, 2014 (PG&E's 2014 Reply Brief) at 7-9; PG&E's Phase 2 Workshop Reply Comments filed on May 15, 2015 (PG&E's 2015 Reply Comments) at 2-7; PG&E's Opening Brief in response to Assigned Commissioner's Ruling Amending Scope of Phase 2 (PG&E's 2015 Opening Brief) at 3-4.

6 See SCE's Phase 2 Workshop Comments filed on April 30, 2015 (SCE's 2015 Comments) at 2-3; SCE's Opening Brief in response to Assigned Commissioner's Ruling Amending Scope of Phase 2 filed September 4, 2015 (SCE's 2015 Opening Brief) at 3-4.

7 See PG&E's Opening Brief in response to Assigned Commissioner's Ruling Amending Scope of Phase 2 and Setting Out (2015 Opening Brief).

8 *Ibid.*

9 See PG&E's Phase 2 Workshop Report Reply Comments at 3.

A.14-05-024 ALJ/SPT/jt2

than the phase-in date, the IOU serving that territory incurs costs on that customer's behalf. PG&E believes it's unfair for that customer to receive an earlier vintage based on the phase-in date of CCA service.¹⁰

Under PG&E's address based methodology, a new vintage is triggered each time an address under bundled service opts into CCA service. This occurs regardless of whether the customer was a CCA customer before moving to the new service address.

PG&E acknowledges that in some instances, service point based vintaging results in an earlier vintage relative to customer based vintaging methodology while in other instances it may result in a later vintage. It argues that "so long as the methodology is applied consistently, the result is one where bundled customers are generally protected for any generation commitments that PG&E undertakes on behalf of customers that depart for CCA service."¹¹

SCE's proposal assigns PCIA vintage based on the date a customer begins receiving CCA service. The "vintage would be fixed based on a given customer's initial, uninterrupted default onto CCA service."¹² While the two IOUs differ in their proposed methodology, they both believe that either the service address or customer based approach is equitable and consistent with Commission precedent. Since PCIA vintage would be based on when bundled service ended for the customer or service point, the customer or service point would pay its "fair share" of costs incurred on its behalf.

¹⁰ *Ibid.*

¹¹ See PG&E 2015 Opening Brief at 4.

¹² *Ibid.* at 5.

A.14-05-024 ALJ/SPT/jt2

Since IOUs are required to plan for and provide service as the provider of last resort, PG&E argues that new service points established within a CCA territory after the phase-in date should receive an assigned vintage based on the date it begins receiving CCA service.¹³ SCE, by applying the customer based vintaging approach, reaches the same conclusion based on the date that customer initiates CCA service at the new service point.

2.1.2. Marin Clean Energy, City of Lancaster, and Sonoma Clean Power (CCAs)

The CCAs believe that PCIA vintages should be assigned based on the phase-in date of various CCA territories. They believe that the PCIA vintage for a particular CCA program is categorically set when the CCA initiates service to customers within the service territory of that CCA. The CCAs use the term “initiate” to refer to a CCA’s action in either entering into a BNI or simply commencing service to some or all CCA customers in that territory.¹⁴ To the CCAs, initiating service should have the same effect as entering a BNI for purposes of assigning PCIA vintages. They believe that the vintage date within a CCA service territory should remain static and unaffected by customers’ actions.¹⁵ We define the term “service territory” for the purposes of this Decision to mean a distinct geographic area, whether a city, county, voting district, or some other clearly delineated geographic zone. According to the CCAs, new service points (created through development or new construction) within a CCA

¹³ See Southern California Edison Company’s Opening Brief in Pacific Gas & Electric’s 2015 EERRA Proceeding, Phase 2 (SCE’s 2015 Opening Brief) at 4.

¹⁴ See CCA’s Opening Brief filed on September 4, 2015 (CCA’s 2015 Opening Brief) at 5.

¹⁵ *Ibid.*

A.14-05-024 ALJ/SPT/jt2

territory should not be assigned a PCIA vintage at all since those service points never received bundled service, so are not “departing” from utility service.¹⁶

The CCAs believe that setting a static vintage date for all CCA service territories is fair and equitable, consistent with Commission precedent, and would address all permutations of customer action within their territories.

PG&E and SCE argue that the CCAs’ proposed approach is inequitable and against Commission precedents. If PCIA vintage is set based on the phase-in date of CCA service, even if the service address or the customer moving to CCA service had previously received bundled service, they would receive an earlier vintage and shift procurement costs incurred on their behalf onto the remaining bundled customers.¹⁷

PG&E’s primary argument against a phased-in date approach to vintaging focus on a specific customer opting into or out of CCA service separate from the phase-in date.¹⁸ In those scenarios, customers opting out of CCA service and then later opting in would receive a vintage based on the initial CCA service date. SCE concurs with PG&E’s arguments, but states that CCAs may use the notice date to set PCIA vintages for all CCA customers if it provides the IOU with a Binding Notice of Intent (BNI) pursuant to Electric Rule 23.2 for PG&E and SCE.¹⁹ When a CCA elects to submit a BNI, it would specify a date at which the IOU’s planning responsibility for the CCA load terminates. The CCA would

¹⁶ *Ibid.* at 15.

¹⁷ See PG&E 2015 Opening Brief at 5, 6.

¹⁸ See PG&E’s 2014 Opening Brief at 17; PG&E’s 2015 Opening Brief at 4-9; PG&E’s 2015 Reply Brief at 5.

¹⁹ See SCE’s 2015 Workshop Comments at 3-5.

A.14-05-024 ALJ/SPT/jt2

then be responsible for this function, relieving the CCA's customers from the stranded costs responsibility for utility procurements entered into after the CCA specified (BNI) date.²⁰

2.1.3. Direct Access Customer Coalition

The DACC believes that many of the same PCIA related issues apply to Direct Access (DA) customers. They believe that actions taken in this proceeding on PCIA vintaging for CCA customers will be applicable to the DA community in the future. It submits that while the PCIA was created to maintain bundled customer indifference, bundled customers are actually treated far better than departing load customers.²¹ DACC point to bundled customers who leave the state or move from one IOU service territory to another, these customers do not have to pay indifference charges for leaving IOU territory but departing load customers must pay PCIA charges for choosing a competitive service provider. DACC proposes that the PCIA be modified and that a workshop or a rulemaking proceeding be opened by the Commission to fully address all issues related to the PCIA.²²

2.2. Legislative History and Commission Precedents

Assembly Bill 117 (Chapter 838, September 24, 2002) added Pub. Util. Code §§ 218.3, 331.1, 366.2, 381.1, and 394.25 and permits local governments the opportunity to purchase energy on behalf of the citizens and businesses in their

²⁰ Electric Rule 23.2 § A.1.

²¹ See DACC's Opening Brief on Power Charge Indifference Adjustment Issues (DACC's 2015 Opening Brief) filed on September 4, 2015 at 3.

²² *Ibid.* at 4-5.

A.14-05-024 ALJ/SPT/jt2

communities. When the legislature established CCAs, it conditioned the opportunity to create CCAs on “bundled customer indifference” - the concept that CCA implementation “shall not result in shifting of costs between the customers of the community choice aggregator and the bundled service customers of an electrical corporation.”²³

In order to preserve bundled customer indifference, the concept of vintaging was created to differentiate between customers that leave bundled service at different times. The Commission has issued a series of decisions related to PCIA vintaging. Specifically, parties cite to D.04-12-046, D.05-12-041, D.08-09-012, and Commission’s Resolution E-4256 in support of their vintaging proposals.

Rulemaking (R.) 03-10-003 was opened to implement portions of AB 117 and the Commission issued D.04-12-046 and D.05-12-041 resolving different issues in two phases. In D.04-12-046, we addressed a number of preliminary issues regarding the implementation of AB 117. We stated a predisposition toward the concept of cost responsibility surcharge (CRS) vintaging to provide equity between CCAs implemented at different times, but deferred adopting a way of allocating CRS liabilities until phase 2. We also stated a preference for a method that resulted in “administrative simplicity and certainly for the CCAs and the Utilities.”²⁴ In D.05-12-041, we defined “vintaging” as a “policy under which the CRS is calculated separately for each generation of CCA thereby

²³ Pub. Util. Code § 366.2(a)(4).

²⁴ See D.14-12-046 at 27.

A.14-05-024 ALJ/SPT/jt2

reflecting the specific liabilities associated with the customers of each CCA according to the date the utility ceases to procure power for CCA customers.”²⁵

In D.08-09-012, the Commission implemented new generation non-bypassable charges and further defined vintaging as “the process of assigning a departure date to departing customers in order to determine those customers’ generation resource obligations.”²⁶ In that Decision, we recognized the difficulty in tracking customers by the day, the week or the month of departure, and determined that it was “necessary to have some simplifying methodology so that the IOU does not have to figure out and administer the actual vintage for every customer.”²⁷ We adopted SCE’s proposal to vintage departing customers by the calendar year in which they depart and whether they depart in the first or second half of the calendar year. Customers departing in the first half of the year would have a departure date for vintaging purposes of December 31 of the prior year, while customers departing in the second half of the year would have a departure date for vintaging purposes of December 31 of the year in which they depart.²⁸

We further addressed issues related to PCIA vintages in Resolution E-4256 by directing all three IOUs in California to adopt the same CRS tariff language:

A CCA CRS vintage is determined based on when the CCA commits to begin providing CCA service to customers. CCAs may formally commit to begin providing generation service to a group of customers by:

²⁵ See D.05-12-041 at 23.

²⁶ See D.08-09-012 at 56-57.

²⁷ *Ibid.* at 62.

²⁸ *Ibid.* at 58.

A.14-05-024 ALJ/SPT/jt2

(1) Entering into a Binding Notice of Intent (BNI) with a utility during each utility's Open Season process, as described in Rule 23.2 for PG&E and SCE; and Rule 27.2 for SDG&E.

(2) Through a mutually agreed upon binding commitment date, set outside of the Open Season process.

(3) Initiating service to CCA customers (i.e. "cut-over" customers to CCA service).²⁹

2.3. Discussion

PG&E and SCE cite to many Commission precedents to support their argument that PCIA vintages should be assigned on an individual basis. The CCAs cite to different portions of those same precedents for the proposition that PCIA vintages should be assigned to a service territory as a whole. While the positions of the parties seem to be in opposition, they are not actually that far apart. Most CCA customers default to a PCIA vintage based on the date a CCA initiates service. The variation in vintage represents a relatively minor portion of the total CCA departing load. According to MCE, approximately 1.6 percent of its CCA customer accounts turnover monthly due to move-ins and move-outs of customers.³⁰ The PCIA vintage is reset due to variations, including but not limited to, customers opting out of CCA service then back in; customers being assigned new vintages upon a move; new customers being assigned new vintages when moving from outside a CCA territory; and new service points within CCA territory being assigned a new vintage.

The concept of bundled customer indifference is central to the creation and promulgation of CCAs in California; state law compels that departing customers

²⁹ See Resolution E-4256 at 15-16.

³⁰ See MCE Response filed on July 2, 2014 at 5.

A.14-05-024 ALJ/SPT/jt2

pay their fair share of generation costs which were incurred on their behalf before their departure from bundled service. At the time we issued the series of decisions and resolutions related to PCIA vintage, we had not anticipated the permutations in which PCIA vintages can be reset. The current methodology is also administratively cumbersome and still unable to perfectly track individual customers' vintages. It was not our intent for the PCIA to be reset each time a CCA customer moves to a new address; nor does it make sense for vintages to be tied to an address when our decisions have always referred to departing customers, not departing addresses. We also see no reason why new vintages would need to be assigned to new service points in a CCA territory after initiation of CCA service. The PCIA vintage should be reset only when a customer affirmatively opts out of CCA service, and then opts back in at a later time. We agree with PG&E and SCE that utilities incur generation liabilities on behalf of those customers, and a new PCIA vintage should be assigned when they elect to leave bundled service at a later date.

SCE argues that CCAs may only lock in a single vintage in its territory by entering into a BNI with the incumbent utility. This is incorrect. We clearly stated in Resolution E-4256 that a CCA may formally commit to begin providing generation service to a group of customers by entering a BNI, a separate agreement, or initiating service. Throughout this proceeding the CCA parties have argued for a vintaging methodology that is tied to the date a service territory begins receiving CCA service. We agree with this concept, so long as on the date of initial service the CCA enrolls all customers who had not opted out of CCA service, whether the territory is defined as a city, county, supervisor voting district, or some other clearly defined geographic zone. Under this scenario, we direct PCIA vintages to be assigned to CCA customers based on the date that

A.14-05-024 ALJ/SPT/jt2

CCA service is initiated in a service territory whether it is through initiating service, or the BNI process.

Rather than identifying how vintages should be assigned to the permutations of customer movement, we direct IOUs to track only customers that affirmatively opt out of CCA service and then opt back in at a later time. For those customers, their PCIA vintage should be set on the date they depart from bundled service and start receiving CCA service. Since vintages are assigned based on initial service in a territory, the PCIA vintage should be locked to the service territory. If a CCA customer with one vintage moves to a CCA territory with a different vintage, that customer would adopt the vintage of his new location.

In comments and reply comments to the Proposed Decision, the IOUs and the CCAs requested clarification in circumstances where CCAs phase-in service in a single service territory over an extended period of time. Historically, CCAs in California have initiated service to partial loads in a territory during the launching phase, but have enrolled entire territories in later phases.³¹

The CCAs interpreted our July 19, 2016 Proposed Decision to mean that a single PCIA vintage should be set even when a CCA chooses to roll out service over different periods of time.³² It is against the principle of bundled customer indifference if PCIA vintages are fixed when service is provided to only a portion of the load in a service territory. To avoid multiple PCIA vintages within a

³¹ MCE and Sonoma phased in different customer classes during its initial launching phase, but enrolled cities in its later phases; Lancaster submitted a BNI to SCE and secured one vintage date for its different phases.

³² See Opening Comments of CCA parties at 5.

A.14-05-024 ALJ/SPT/jt2

service territory, the CCA may participate in the BNI process as set out in Electric Rule 23.2.

When a CCA chooses to initiate service through phases within the same territory, a BNI which commits to provide electric service in phases has the advantage of setting a single PCIA vintage date for CCA customers in that area. A CCA may submit a BNI which specifies and binds the CCA to a service date for the first and each subsequent phase or separate BNIs for each phase. The PCIA vintage would be based on the BNI notice date that transferred the legal responsibility of electric procurement to the CCA.

Conversely, if a CCA chooses not to submit a BNI, then customers in different phases are assigned different vintage dates based on their service initiation date.

Electric Rule No. 23.2 for California IOUs was created for the purpose of mitigating CRS charges and transfers the legal responsibility for electrical power procurement from the IOU to the CCA. By submitting the BNI, the CCA commits to providing electrical power for its customers and the IOU can stop procuring power for those customers. The commission created the BNI process with input from parties and stakeholders to transfer the legal responsibility of customer power procurement, this process cannot be replaced by the filing of an implementation plan. If the CCA chooses not to participate in the BNI process, its customers must then assume the risk for all IOU power purchased up to the CCA's initiation of service.

If a CCA chooses to not submit a BNI and to phase in customers within a single territory, then the PCIA vintage will necessarily be assigned to departing customers based on the date they begin receiving CCA service. Those customers shall carry their PCIA vintage with them until they move to a CCA territory with

A.14-05-024 ALJ/SPT/jt2

a different vintage. Since CCAs are public entities not under Commission jurisdiction, we cannot prescribe how they choose to implement service.

However, if a CCA is interested in a uniform PCIA vintage for its customers in a set territory, we urge it to consider utilizing the BNI process or today's vintaging methodology in rolling out service to their customers. SCE and PG&E argue that new load within a CCA territory should receive a new vintage based on its date of initial service while the CCAs believe no PCIA vintages should be assigned for those accounts. Since we task each CCA with forecasting its load once it initiates service, any additional load within CCA territory should be assigned the same vintage based on the CCA phase-in date.

In D.08-09-012, we directed utilities to assign PCIA vintages annually because the Commission and the parties recognized the difficulty in tracking customer departures based on the day, week, or even month of that departure. Utilities make procurement decisions on an aggregate basis and then allocate cost responsibility to individual customers.³³ PG&E concedes in its briefs that the current methodology still results in some customers receiving earlier or later vintages than their actual departure date, in effect shifting some of the "fair share" costs to or from bundled customers. PG&E reconciles this departure from their general argument by stating that "bundled customers are generally protected for any generation commitments that PG&E undertakes on behalf of customers that depart for CCA service." The method we adopt today seeks to achieve the same goal by generally assessing a vintage based on phase-in date, and tracking only those customers that affirmatively opt out of CCA service. We

³³ See 2014 Workshop Report at 3.

A.14-05-024 ALJ/SPT/jt2

believe this method is consistent with commission precedent, is administratively simpler than the current system, and conforms to the bundled customer indifference principle.

The PCIA vintaging methodology we adopt today differs from PG&E's existing methodology. As such, PG&E will need to adjust PCIA vintages for CCA customers who have been reset due to a change in address. PG&E should re-set PCIA vintages for CCA customers where appropriate and collect future PCIA charges according to the method we adopt today. The re-setting of vintages should be completed within 60 days of the effective date of today's Decision. In order to avoid retroactive ratemaking, we do not re-adjust PCIA charges that have already been assessed.

3. The 2016 PCIA Workshop

In Application 15-06-001, PG&E's 2016 ERRR forecast application, many parties expressed concerns over the increase in the PCIA compared to past years and raised issues related to the availability of data used to calculate the PCIA and its inputs and methodologies. We issued D.15-12-022 directing Energy Division to host a workshop in 2016 addressing those issues.

The workshop took place on March 8, 2016 and a number of issues and proposals related to PCIA were discussed. The three IOUs jointly presented on the mechanics of the PCIA calculation, Energy Division staff presented the mechanics of calculating the Market Price Benchmark, and groups representing departing load customers presented their PCIA reform proposals.

During the 2016 workshop, the CCA and Direct Access (DA) representatives expressed frustration with their lack of access to confidential

A.14-05-024 ALJ/SPT/jt2

terms and pricing information related to IOUs' power purchase contracts so as to verify the PCIA calculations.³⁴ The DA and CCA parties indicated that they find it difficult to meet the conditions of non-disclosure agreements under Commission rules since they are market participants, and to find consultants who meet the non-market participant condition. CCA and DA representatives proposed changes to the commission's non-disclosure rules so they can better forecast long term PCIA trends and to check the utilities' PCIA calculations.³⁵

In addition to concerns regarding transparency, the DA and CCAs proposed a number of PCIA reforms including a 10 year cost recovery period, requiring the utility to provide a forecast of PCIA charges, providing a menu of options in paying off the PCIA, and changes to the Market Price Benchmark to reduce year to year volatility. Most parties at the workshop seemed amenable to working together whether as a working group or through settlement negotiations to propose changes to the PCIA. While there were a number of issues raised at the workshop, transparency and certainty related to PCIA were the main concerns.

As we stated in our Scoping Memorandum, the First Amended Scope and the Second Amended Scope, the second phase of this proceeding is limited to reviewing PCIA vintaging for CCA customers only. The workshop was ordered to be held in this proceeding simply because PG&E's 2016 ERRRA Forecast proceeding was closed. While parties expressed legitimate concerns and proposals in the workshop, these issues are not in scope and cannot be resolved

³⁴ See 2016 Workshop report at 7-8.

³⁵ *Ibid.* at 13.

A.14-05-024 ALJ/SPT/jt2

in this proceeding. However, we recognize DA and CCA parties' legitimate interest in increased transparency and the ability to forecast long term PCIA trends. We therefore direct the formation of a working group to be led by Sonoma Clean Power and SCE, with participation from other interested groups, on the issues of improved transparency and certainty related to PCIA. We would particularly like the working group to consider the transparency proposal offered by Sonoma Clean Power at the workshop, and as described in the workshop report. The working group should meet and confer, and may agree to examine additional issues related to the PCIA. However, we ask parties to limit the scope of their petitions to issues raised in the 2016 workshop and discussed in the workshop report. The working group shall present their recommendations to the commission either as petitions to modify existing decisions or a petition for a rulemaking proceeding within six months of this Decision. Any petitions should be filed in R.02-01-011, R.03-10-003, R.06-02-013, or R.07-05-025.

4. Comments on Proposed Decision

The Proposed Decision of ALJ Tsen in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on August 8, 2016, by PG&E, SCE, Shell Energy, LEAN Energy, and jointly by MCE, SCP and the City of Lancaster, and reply comments were filed on August 15, 2016, by PG&E, SCE, LEAN Energy, the City and County of San Francisco and jointly by MCE, SCP and the City of Lancaster. Our decision has been modified where appropriate to address the parties' comments and reply comments.

A.14-05-024 ALJ/SPT/jt2

5. Assignment of Proceeding

Michael P. Florio is the assigned Commissioner and S. Pat Tsen is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. PG&E filed A.14-05-024 on May 30, 2014 requesting approval of its forecasted 2015 ERRRA and generation non-bypassable charges.
2. The Commission issued D.14-12-053 approving PG&E's forecasted procurement costs, sales forecast, and rate proposals and postponed review on the limited issue of PCIA vintaging methodology.
3. The PCIA is intended to preserve bundled customer indifference and prevent the shifting of costs from departing customers to bundled customers of an electric corporation.
4. The Commission has issued a series of decisions and resolutions on PCIAs but parties differ in their interpretation of Commission precedent on the issue of vintaging methodology.
5. D.04-12-046, D.05-12-041, D.08-09-012 and Resolution E-4256 all point to "vintaging" as the method through which departing customers are held responsible for generation costs incurred on their **behalf** based on the time they leave bundled service.
6. To comply with Commission precedents, a vintaging method for the PCIA should be administratively simple and provide certainty to the CCAs and the utilities. The method should also hold customers opting out of CCA service, but later opting back in, responsible for generation costs incurred on their behalf during the period they choose to remain with the utility.

A.14-05-024 ALJ/SPT/jt2

7. Historically, most CCA customers default to a PCIA vintage based on initial date of service by a CCA and the remaining variations represent a relatively minor portion of the CCA departing Load.

8. While the utilities argue for tracking departing customers on an individual basis, PG&E concedes its current methodology still results in earlier or later vintages being assigned to departing customers when they move.

9. When a customer in a CCA territory opts out of CCA service and remains a bundled customer, the utility incurs generation costs on that customer's behalf.

10. Pursuant to Resolution E-4256 and for the purpose of assigning PCIA vintage, a CCA may formally commit to begin providing generation service to a group of customers by entering a BNI, a separate agreement, or initiating service.

11. As the provider of last resort, incumbent utilities are tasked with procuring power on behalf of customers in their territory until that legal responsibility is transferred.

12. When a CCA enters into a BNI with the incumbent utility which covers all eligible customers in a territory, the legal responsibility of procuring power for all customers identified in that notice is transferred from the utility to the CCA.

13. When a CCA enters into a BNI which only covers a portion of the eligible customers in a territory, the legal responsibility of procuring power for those customers are transferred, while the remaining customers remain bundled customers with the incumbent utility.

14. An implementation plan does not transfer the legal responsibility of procuring power, and therefore has no significance for purposes of assigning a PCIA vintage.

A.14-05-024 ALJ/SPT/jt2

15. When a CCA initiates service to a territory by enrolling all customers who had not opted out, the legal responsibility of procuring power for that territory is transferred from the utility to the CCA.

16. When a CCA initiates service to a territory in phases without a BNI, the legal responsibility of procuring power for that territory is transferred from the utility to the CCA in phases as determined by the CCA.

17. A workshop was held in this proceeding on March 8, 2016 pursuant to D.15-12-022. The workshop report and comments by the parties identify reform measures to the PCIA not within scope of the current ERRA proceeding.

18. The departing load community has legitimate interests in improving transparency and certainty for PCIA, but any proposed changes must occur within the appropriate forum.

Conclusions of Law

1. When a CCA enters into a BNI which specifies and binds the CCA for the first and each subsequent phase, the PCIA vintage should be set based on the date of the notice.

2. When a CCA enters a BNI which binds the CCA for a phase within a service territory, only the phase as identified and bound by the BNI should receive a PCIA vintage based on the date of the notice.

3. When a CCA does not enter into a BNI with the incumbent utility, but instead initiates service to an entire territory, the PCIA vintage should be set based on the date of initial CCA service.

4. When a CCA does not enter a BNI and initiates service to a territory in phases, the PCIA vintage should be set for that territory based on the date of CCA service for each phase.

A.14-05-024 ALJ/SPT/jt2

5. Resetting a CCA customer's vintage each time that customer moves is inconsistent with Commission precedents.
6. Customers opting out of CCA service should be assigned a new vintage if and when they opt into CCA service at a later date.
7. New loads within a CCA territory should not be assigned a new vintage date.
8. PG&E should adjust its current vintaging methodology to comply with the methodology adopted today and begin assessing revised PCIA within 60 days of today's decision.
9. Groups that participated in the March 8, 2016 workshop should meet and confer to form a working group. The PCIA working group should identify and make recommendations on issues identified during the workshop within six months of this decision.

O R D E R

IT IS ORDERED that:

1. When a Community Choice Aggregation (CCA) enters into a Binding Notice of Intent which specifies and binds the CCA for the first phase and each subsequent phase in a territory, the Investor-Owned Utility shall assign a Power Charge Indifference Adjustment vintage based on the date of the notice.
2. When a Community Choice Aggregation (CCA) enters into a Binding Notice of Intent which specifies and binds the CCA for a phase within a territory, the Investor-Owned Utility shall assign a Power Charge Indifference Adjustment vintage to the identified phase based on the date of the notice.
3. When a Community Choice Aggregation (CCA) initiates service to the entirety of a defined territory without a Binding Notice of Intent, the

A.14-05-024 ALJ/SPT/jt2

Investor-Owned Utility shall assign a Power Charge Indifference Adjustment vintage based on the date of initial service.

4. When a Community Choice Aggregation (CCA) initiates service to a territory in phases without a Binding Notice of Intent, the Investor-Owned Utility shall assign a Power Charge Indifference Adjustment vintage to each phase based on the date of initial CCA service.

5. If Customers opt out of Community Choice Aggregation (CCA) service and opt back into CCA service at a later date, the Investor-Owned Utilities shall assign a Power Charge Indifference Adjustment vintage based on the customers' date of departure from bundled service.

6. Within 60 days of today's decision, Pacific Gas and Electric Company shall change Power Charge Indifference Adjustment vintages for existing Community Choice Aggregation customers to comply with the vintaging method we adopt today.

7. Southern California Edison Company and Sonoma Clean Power will co-lead a working group with participation from other interested parties on improving transparency and access to Power Charge Indifference Adjustment related information.

8. The working group shall present its recommendation as Petitions to Modify or a Petition for a Rulemaking within six months of this decision. The Petitions to Modify should be filed in Rulemaking (R.) 02-01-011, R.03-10-003, R.06-02-013, or R.07-05-025.

A.14-05-024 ALJ/SPT/jt2

9. Application 14-05-024 is closed.

This order is effective today.

Dated September 29, 2016, at San Francisco, California.

MICHAEL PICKER

President

MICHEL PETER FLORIO

CATHERINE J.K. SANDOVAL

LIANE M. RANDOLPH

Commissioners

Carla J. Peterman, being necessarily
absent, did not participate.



November 17, 2016

TO: MCE Board of Directors
FROM: Jeremy Waen, Senior Regulatory Analyst
RE: Regulatory Update

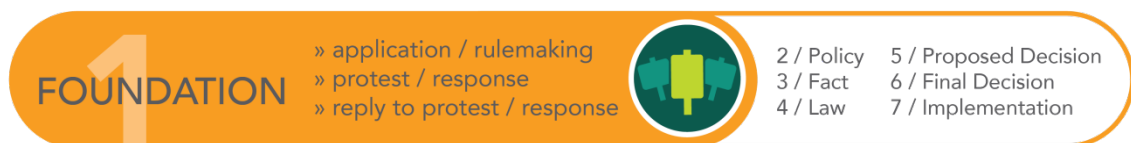
SUMMARY:

Below is a summary of the key activities at the California Public Utilities Commission (CPUC) for August, September, October and November 2016 impacting Community Choice Aggregation (CCA) and MCE. Highlights include:

1. MCE Protests PG&E's Proposal to Procure Replacement Power and Impose New Non-Bypassable Charges on CCA Customers due to Proposed Diablo Canyon Nuclear Facility Shut-Down (A.16-08-006)
2. MCE Coordinates with Other CCAs to Address Energy Storage (ES) and PCIA Matters (A.15-12-003 et al.)
3. CCAs Address SDG&E's Efforts to Market Against CCA Formation (Resolution E-4874)

More detail is set forth below for each of these items.

1. MCE Protests PG&E's Proposal to Procure Replacement Power and Impose New Non-Bypassable Charges on CCA Customers due to Proposed Diablo Canyon Nuclear Facility Shut-Down (A.16-08-006)



On August 11, PG&E filed its Application to shut down the Diablo Canyon Nuclear Facility by 2025. PG&E is seeking funds for the shut down and for "replacement resources" for the facility. The proposal for replacement resources would undermine CCA procurement autonomy because PG&E requested that all customers, including CCA customers, pay for its replacement resources through the Cost Allocation Mechanism and a new non-bypassable charge named the "Clean Energy Charge." Additionally, PG&E's proposal indicates that a large portion of replacement power should be avoided through the implementation of an exclusive Energy

Efficiency program that is approved outside of the Commission's existing Energy Efficiency proceeding. This would have significant and lasting impacts on CCA administration of energy efficiency programs.

On September 15, MCE presented its formal Protest to the Application. MCE argued that PG&E is seeking to circumvent existing Commission processes for procurement and energy efficiency and that non-bypassable charges on CCA customers are unlawful and inappropriate. MCE remains deeply engaged in the proceeding to ensure that no improper cost allocation, cross-subsidization or deterioration of CCA procurement autonomy results from this proposal.

2. MCE Coordinates with Other CCAs to Address Energy Storage (ES) and PCIA Matters (A.15-12-003 et al.)



On July 20, the Commission issued is PD allowing the inclusion of Energy Storage costs within the PCIA. MCE, Sonoma Clean Power Authority, the City of Lancaster, and the County of Los Angeles jointly advocated for a CCA-sponsored solution to this matter through *ex parte* meetings and filings. However, on September 15, the Commission issued a Final Decision that largely approved the IOU-sponsored solution to include energy storage costs into the PCIA without properly reflecting the market price of energy storage resources. Therefore, storage contracts that are input into the PCIA will be above the market benchmark from the date the resource becomes operational and inflate the PCIA. The IOU-led Energy Storage may start to appear within the PCIA within the next few years, at which point MCE staff will have a better sense of the financial magnitude of this Decision.

3. CCAs Address SDG&E's Efforts to Market Against CCA Formation (Resolution E-4874)



SDG&E submitted an Advice Letter to set up an independent marketing affiliate to directly market against CCA formation in SDG&E's service territory. As a direct result of joint efforts by MCE and the City of Lancaster, the Commission made significant revisions to its Draft Resolution E-4874. This revised draft was ultimate approved by the Commission during its August 19 meeting.

Subsequently, SDG&E filed an Application for Rehearing claiming the Commission committed legal error by adopting the revisions made to the Resolution as a part of CCA input. Again MCE and the City of Lancaster jointly responded with comments opposing SDG&E's attempts to further undermine the Commission's oversight of this potential marketing affiliate.

Although these marketing affiliates are permitted under the SB 790 Code of Conduct, no IOU has successfully formed an affiliate because no IOU has taken adequate steps to demonstrate

how this affiliate would be functionally separate from the IOU's utility business. MCE continues to monitor this matter closely due to the potential precedent for the other IOUs. The Commission has yet to release a determination on the Application.