



**Marin Clean Energy
Technical Committee Meeting
Monday, August 3, 2015
5:00 P.M.**

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

Kevin Haroff
City of Larkspur

Garry Lion
City of Mill Valley

Brad Wagenknecht
County of Napa

Denise Athas
City of Novato

Carla Small
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

1125 Tamalpais Avenue
San Rafael, CA 94901

1 (888) 632-3674
mceCleanEnergy.org

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

Agenda Page 1 of 1

1. Board Announcements (Discussion)
2. Public Open Time (Discussion)
3. Report from Executive Officer (Discussion)
4. Approval of 7.6 15 Meeting Minutes (Discussion/Action)
5. Energy Efficiency 2016 Program Implementation Plan (Discussion/Action)
6. Authorization to File Petition for Rulemaking with the California Public Utilities Commission regarding Power Charge Indifference Adjustment (PCIA) Charges to Customers (Discussion/Action)
7. Agreement with River City Bank for Power Supply Collateral (Discussion/Action)
8. Members & Staff Matters (Discussion)
9. Board Member & Staff Matters (Discussion)
10. Adjourn



Agenda material can be inspected at 1125 Tamalpais Avenue, San Rafael, CA 94901 on the Mission Avenue side of the building. The meeting facilities are in accessible locations. If you are a person with a disability and require this document in an alternate format (example: Braille, Large Print, Audiotape, CD-ROM), you may request it by using the contact information below. If you require accommodation (example: ASL Interpreter, reader, note taker) to participate in any MCE program, service or activity, you may request an accommodation by calling (415) 464-6032 (voice) or 711 for the California Relay Service or by e-mail at djackson@mceCleanEnergy.org not less than four work days in advance of the event.

**MARIN CLEAN ENERGY
TECHNICAL COMMITTEE MEETING
July 6, 2015
5:00PM**

**The Barbara George Conference Room
1125 Tamalpais Avenue, San Rafael, CA 94901**

Roll Call

Present:

Kate Sears, County of Marin, Chair
Kevin Haroff, Town of Larkspur
Carla Small, Town of Ross
Emmett O'Donnell, Town of Tiburon
Greg Lyman, City of El Cerrito
Ford Greene, Town of San Anselmo
Ray Withy, City of Sausalito

Absent: None

Staff: Greg Brehm, Director of Power Resources
 Rafael Silberblatt, Program Specialist

Action taken:

Agenda Item #4 – Approval of Minutes from 6.1.15 Meeting (Discussion/Action)

M/s Lyman/Haroff (passed 7-0) approved minutes from 6.1.15 meeting.

Kate Sears, Chair

ATTEST:

Dawn Weisz, Chief Executive Officer

Public Comments Tracking Spreadsheet
MCE 2016 and Beyond Energy Efficiency Application

#	Submitter	Date of Submission	Comment	MCE Responder	Date of MCE Response
1	Martha Amram	7/12/2015	[Constance Beutel forwarded Martha's email to Allison Hang requesting that it be added to the 2016 EE PIP comments. Martha's comments centered on PG&E and MCE rate comparison, for solar in particular.]	Allison Hang	7/13/2015
2	Constance Beutel	7/12/2015	Could you either create a glossary of acronyms or, when used again, like TRC in a table, spell it out under the table? > As I live in Benicia and have been instrumental in bringing MCE to our City through work on the Community Sustainability Commission (CSC), I recommend that the City's Climate Action Coordinator and Director of Economic Development have a chance to comment on the program plans. The Economic Development director has BRIP (Business Resource Incentive Plan) funding (through the CSC). Further, Martha Amram, CEO of Wattzon, is another individual who should comment given over 5 years of work in Benicia for commercial and residential energy and water savings. > I scanned the Industrial and Commercial sections quickly so I may be off base on this comment but in your budget tables it shows dollars in for a two year period. I am uncertain if the dollars budgeted are for the who two years or are for each year? > I am really interested in the Multi and Single family reports when they are available. I hope we will be notified when they are complete and ready for review. Thank you, Constance Beutel, EdD. Former Chair, Community Sustainability Commission	Katie Elliott	7/17/2015

Public Comments Tracking Spreadsheet
MCE 2016 and Beyond Energy Efficiency Application

#	Submitter	Date of Submission	Comment	MCE Responder	Date of MCE Response
3	Emmett O'Donnell	7/13/2015	<p>As a board member, I remained concerned that MCE's EE proposal to the CPUC is overly ambitious, not particularly innovative, and vastly overlaps what is offered through other EE programs from Upgrade California, PG&E, and others. Recognizing the importance of the mission goal of EE in reducing greenhouse gas emissions, I believe MCE should adopt a more focused approach in reaching goals rather attempting to head in an "all encompassing" direction. Unfortunately it seems a lot of staff work and effort has already been expended in a certain direction, which I recognize renders it hard to reverse course, but I'm leery of whether this is right course. ... When I read of these goals and the vast array of responses required to each different EE scenario, I think "you and whose army?" I believe MCE's success has been built on its nimbleness and simplistic approach to solving energy issues. Big programs usually equal big staff. I'd not like to see a large administrative element become so much a part of the rate payer's grant money utilized, and I believe there are more streamlined and better approaches for MCE to accomplish its mission of greenhouse reductions through EE. I believe MCE should partner with other public agencies in need of EE. I've mentioned school districts within our jurisdiction as one possibility; others have mentioned partnering with water districts, etc. The benefit of directing energy efficiency dollars to such a public agency is that we are serving a larger populace with our EE. For example, we all use water or have a keen interest in public schools in our communities. Let the energy efficiency be put to more public good than simply helping a few agricultural, industrial, commercial customers, or an apartment owner, or a relatively few property owners. As a public agency ourselves, why shouldn't we be directing EE programs to other public agencies in need of them and not to private customers, who could be well served in making upgrades on their own. I believe it would also allow us to differentiate ourselves from other entities seeking to direct EE to private enterprise. It will also benefit us in marketing opportunities for Deep Green and an overall greater market share, if for example, it was known that MCE directs its EE programs and money into public schools, thereby allowing schools to put more money into classrooms. The role of board member is to look at the forest from a distance not from the trees within the forest. I regret to advise that I cannot agree with the approach MCE is taking in this regard.</p>	Dawn Weisz	7/21/2015
4	Pamela Reaves	7/13/2015	Please be aware that we cannot view the Commercial PIP online.	Beckie Menten	7/13/2015

Public Comments Tracking Spreadsheet
MCE 2016 and Beyond Energy Efficiency Application

#	Submitter	Date of Submission	Comment	MCE Responder	Date of MCE Response
5	Constance Beutel	7/22/2015	<p>Re: Single Family The program is extremely comprehensive. I would suggest more spelling out of the many acronyms used..e.g. Spoc, etc. I strongly recommend you add life-cycle costs/benefits when promoting upgrade projects. Often 'buy' decisions are made looking at the immediate cost of a project or appliance. However, looking at the life cycle costs provides real data to the consumer. For example, a ten dollar led light bulb or a one dollar cfl? But working through the numbers, the ten dollar led will save money. The same logic applies for an energy upgrade increasing insulation vs a buy decision to add or replace air conditioning. After my own energy upgrade I don't use my air conditioner ...and actually don't need ac. Further, I use less energy for heating in the winter.</p>	Katie Elliott	7/22/2015



July 3, 2015

Marin Clean Energy
Dawn Weisz, Executive Officer
1125 Tamalpais Avenue
San Rafael, CA 94901

Re: Revised Proposal for a Non-Revolving Line Credit with Letters of Credit feature for Marin Clean Energy

Dear Dawn,

River City Bank (Bank) is pleased to provide this expression of interest term sheet for a \$15,000,000 Non-Revolving Line of Credit (LOC) with the option to issue Standby Letters of Credit (SBLC) up to the available amount of the line. The SBLC's will be issued via Union Bank on 1-year terms with the option to renew on an annual basis.

Please understand that this proposal is intended for discussion purposes only and does not represent a commitment to lend. A formal commitment may be offered following a more comprehensive review of Marin Clean Energy's financial position and other pertinent components. The interest rate, terms and conditions of this proposal are subject to change based on the Bank's further analysis and loan approval.

Borrower:	Marin Clean Energy
Loan Type:	Non-Revolving Line of Credit ("LOC")
Line Amount:	\$15,000,000
Purpose:	Provide working capital and/or credit enhancements in the form of Standby Letters of Credit ("SBLC") for forward purchases of energy procurement contracts.
Term:	One year, with the Borrower option to term-out principal advances for up to 5 years ("Term Repayment Option"). Standby Letters of Credit issued under the line will have a term of one year from the date of issuance. They will be subject to auto-renewal for another year (up to a total of 5 years) unless the Bank notifies the beneficiary in writing (up to 120 days prior to the expiry date of the letter of credit) of its intent to cancel the letter of credit upon its expiry date.
Available Instruments:	Cash Advances and Standby Letters of Credit

Interest Rate (applicable to Cash Advances):

The Term Repayment Option will be subject to the Interest Rate.

The Bank calculates interest on an Actual/360 day basis.

Loan Fee: 0.25% of the loan amount, payable upon loan closing. Note: in the event that the Bank and Borrower agree to renew the LOC upon its maturity for an additional term of 1 year, it is the Bank's intent to charge a fee for the renewal of 0.15%.

Documentation Fee: \$2,500, payable upon loan closing

Letter of Credit Fees:

Collateral: MCE will be required to establish a Debt Service Reserve Account in the amount of \$1,657,487, which represents six months of debt service based on a 5 year term-out of the Loan Amount at an assumed 4.0% interest rate.

Repayment: **Cash Advances:** Interest payable monthly with all accrued interest and unpaid principal due at maturity.

Term Repayment Option: 60 equal principal payments plus interest on a fully amortizing basis.

Conditions: Reporting:

- Interim Financials. Borrower to provide within 45 days after the close of each quarter an unaudited balance sheet and income statement of Borrower for the period then ended, prepared in accordance with GAAP and in a form acceptable to lender.
- Annual Financials. Borrower to provide within six months after the close of each annual accounting period a copy of the audited balance sheet, income statement, retained earnings and cash flows for the period then ended, prepared in accordance with GAAP and in a form acceptable to lender.

- **Depository Relationship.** Borrower agrees to maintain its primary operating deposit account with Lender. In the event that this condition is not met, as determined by Lender, the interest rate on the Note and the commission on any outstanding SBLCs will immediately increase by adding an additional 0.25 percentage point. This margin shall apply to each succeeding interest rate change that may apply hereafter.

Financial Covenants:

- **Fixed Charge Coverage Ratio (“FCCR”).** Borrower agrees to maintain a minimum Fixed Charge Coverage Ratio not at any time less than 1.25, measured quarterly as of the end of each fiscal quarter. DSCR is calculated as Cash Flow divided by Debt Service. "Cash Flow" is hereby defined as net profit after tax, plus depreciation, amortization and interest expense, for the twelve (12) month period ending the most recent fiscal quarter end. “Fixed Charge Coverage Ratio” is hereby defined as EBIDAR divided by total required Debt Service plus rent expense.

“EBIDAR” is hereby defined as Change in Net Position plus depreciation, amortization, interest expense, and rent expense.

“Debt Service” is hereby defined as interest expense for the calculated period, plus current maturities of long term debt reported at the beginning of the calculated period, plus current maturities of capital lease payments.

- **Total Liabilities to Tangible Unrestricted Net Position.** Borrower agrees to maintain a maximum Total Liabilities to Tangible Unrestricted Net Position not at any time greater than 2.50:1.00, measured quarterly.

“Total Liabilities to Tangible Unrestricted Net Position” is hereby defined as the total of current liabilities, non-current liabilities and contingent liabilities, then divided by Tangible Unrestricted Net Position.

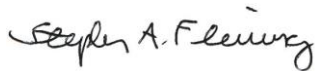
“Tangible Unrestricted Net Position” is hereby defined as total Unrestricted Net Position less any intangible assets.

The Bank reserves the right to terminate this expression of interest at any time prior to the Bank's receipt of acknowledgment by the Borrower. This expression of interest may not be transferred or assigned without prior written consent of the Bank.

Please be advised that the loan is subject to underwriting and final credit approval by the Bank. Notwithstanding any other language of agreement that may appear elsewhere in this non-binding letter of intent, it is expressly understood and agreed that this letter of intent does not and shall not constitute a binding agreement between the parties in any manner, but only reflects proposed terms of a transaction which may become acceptable to the parties when fully documented and signed by all of the appropriate parties to such documentation.

Thank you for considering River City Bank for your financing needs. If you would like us to move forward on the basis proposed, please indicate your acknowledgment by signing below and remit to Bank. Sincerely,

Best regards,



Stephen Fleming
President & CEO
(916) 567-2649



Rosa Cucicea
Credit Analyst
(916) 567-2731

Acknowledged and Accepted:



Marin Clean Energy

7/10/15

Date

By: Dawn Weisz

Its: CEO