



MCE Executive Committee Meeting
Monday, February 3, 2025
12:00 p.m.

Primary Location: 1125 Tamalpais Avenue, San Rafael, CA 94901 (MCE)

Secondary Location: 2300 Clayton Road, Suite 1150, Concord, CA, 94920 (MCE)

Public comments may be made in person or remotely via the details below

Remote Public Meeting Participation

Video Conference: <https://t.ly/DnY7U>

Phone: Dial (669) 900-9128, Meeting ID: 861 2234 3784, Passcode: 415565

Materials related to this agenda are available for physical inspection at MCE's offices in San Rafael at 1125 Tamalpais Ave., San Rafael, CA 94901, and in Concord at 2300 Clayton Road, Suite 1150, Concord, CA 94920.

DISABLED ACCOMMODATION: If you are a person with a disability who requires an accommodation or an alternative format, please contact MCE at (888) 632-3672 or ada-coordinator@mceCleanEnergy.org at least 72 hours before the meeting start time to ensure arrangements are made.

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1. Roll Call/Quorum
2. Board Announcements (Discussion)
3. Public Open Time (Discussion)
4. Report from Chief Executive Officer (Discussion)
5. Consent Calendar (Discussion/Action)
 - C. 1. Approval of 12.4.24 Meeting Minutes
 - C. 2. Approval of 11.21.24 Meeting Minutes

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C. 3. Proposed Second Amendment to Second Agreement with Energy Solutions

C.4. Review Draft 2.20.25 Board Agenda

6. Selection of Executive Committee Chair (Discussion/Action)
7. MCE's Asset Management (Discussion)
8. Strategic Plan for Energy Services (Discussion)
9. Fiscal Year 2025/26 Budget Introduction on Power Supply and Staffing (Discussion)
10. Initial 2025 Agenda Planning (Discussion)
11. Committee & Staff Matters (Discussion)
12. Adjourn

The Executive Committee may discuss and/or take action on any or all of the items listed on the agenda irrespective of how the items are described.

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MCE EXECUTIVE COMMITTEE MEETING MINUTES
Wednesday, December 4, 2024
12:00 P.M.

Present: Eli Beckman, Town of Corte Madera
Cindy Darling, City of Walnut Creek, Acting Chair
Maika Llorens Gulati, San Rafael
Lisa Motoyama, Alternate, City of El Cerrito, joined at 12:28pm
Devin Murphy, City of Pinole, joined at 12:22pm
Laura Nakamura, City of Concord
Mathew Salter, Town of Ross
Sally Wilkinson, City of Belvedere

Absent: Eduardo Martinez, City of Richmond
Max Perrey, City of Mill Valley, Chair
Shanelle Scales-Preston, City of Pittsburgh

**Staff
& Others:** Jesica Brooks, Lead Board Clerk and Executive Assistant
Vicken Kasarjian, Chief Operations Officer
Shaheen Khan, VP of Human Resources, Diversity, and Inclusion
Caroline Lavenue, Legal Counsel
Tanya Lomas, Internal Operations Coordinator
Lindsay Meehan, Manager of Human Resources
Catalina Murphy, General Counsel
Ashley Muth, Internal Operations Coordinator
Justine Parmelee, VP of Internal Operations
Enyonam Senyo-Mensah, Internal Operations Manager
Dan Settlemeyer, Internal Operations Associate
Javier Montalbo, Customer Programs Manager
Carol Dorsett, Human Resources Specialist, Talent, Diversity, & Inclusion
Evelyn Reyes, Customer Programs Specialist
Maira Strauss, Director of Finance
Martin Bond, Senior Business Development Manager
Sol Phua, Customer Programs Specialist II
Nicole Busto, Director of Marketing
Efren Oxlaj, Finance Manager
Jackie Nunez, Senior Bilingual Communications Manager
Shyna Deepak, Communications Manager
Alice Havenar-Daughton, VP of Customer Programs
Jenn Green, Manager of Customer Programs
Jenna Tenney, Director of Communications & Community Engagement
Alexandra McGee, VP of Strategic Initiatives

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Zena Meyer, Finance Analyst
Jamie Tuckey, Chief Customer Officer
Dawn Weisz, Chief Executive Officer

1. Roll Call

Acting Chair Darling called the regular Executive Committee meeting to order at 12:01 p.m. with quorum established by roll call.

2. Board Announcements (Discussion)

There were no comments.

3. Public Open Time (Discussion)

Acting Chair Darling opened the public comment period and there were no comments.

4. Report from Chief Executive Officer (Discussion)

CEO, Dawn Weisz, introduced this item and addressed questions from Committee members.

5. Consent Calendar (Discussion/Action)

C.1 Approval of 11.6.24 Meeting Minutes

C.2 Proposed Fifth Agreement with Strategic Energy Innovations

Acting Chair Darling opened the public comment period and there were no comments.

Action: It was M/S/C (Gulati/Beckman) to approve **Consent Calendar C.1 and C.2**. Motion carried by unanimous roll call vote. (Absent: Martinez, Motoyama, Murphy, Perrey, and Scales-Preston).

6. Revisiting MCE's Committee Structure (Discussion/Action)

Justine Parmelee, VP of Internal Operations, presented this item and addressed questions from Committee members.

Acting Chair Darling opened the public comment period and there were comments from member of the public Dan Segedin.

Action: It was M/S/C (Gulati/Nakamura) to approve Staff's recommendation of no change to the current Committee Structure. Motion carried by roll call vote. 6-Yay, 2-No. (No: Salter, Wilkinson; Absent: Martinez, Perrey, and Scales-Preston).

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7. Streamlined Executive Committee Meetings (Discussion/Action)

Justine Parmelee, VP of Internal Operations, presented this item and addressed questions from Committee members.

Acting Chair Darling opened the public comment period and there were no comments.

Action 1: It was M/S/C (Beckman/Gulati) **to recommend to the Board of Directors:**

- i. Require one year of Board membership prior to joining the Executive Committee.**
- ii. Require one year of Executive Committee membership to be eligible to become Chair of the committee.**
- iii. Remove any member if the member community representative is absent for more than two meetings annually.**

Motion does not carry. 4-yay, 4-no (No: Darling, Murphy, Motoyama, Murphy, Salter; Absent: Martinez, Perrey, and Scales-Preston).

Action 2: It was M/S/C (Salter/Motoyama) **to recommend to the Board of Directors:**

- i. Require 6 months of Board membership prior to joining the Executive Committee.**
- ii. Require one year of Executive Committee membership to be eligible to become Chair of the committee.**
- iii. Remove any member if the member community representative is absent for more than two meetings annually.**

Motion carried by roll call vote. 7-yays, 1-no. (No: Murphy; Absent: Martinez, Perrey, and Scales-Preston).

Action 3: It was M/S/C (Darling/Wilkinson) **to hold two in-person meetings annually, alternating Primary Location between MCE's San Rafael and Concord offices for every meeting, and to establish recommended best practices for deliberations: to allow one round of questions from each committee member, one round of comments from each committee member, then a call for action.** Motion carried by roll call vote. 7-yays, 1-no. (No: Murphy; Absent: Martinez, Perrey, and Scales-Preston).

Action 4: It was M/S/C (Beckman/Wilkinson) **to limit the term of the Executive Committee Chair to two one-year terms and to forward a recommendation to the Board and Technical Committee to adopt the**

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same. Motion carried by unanimous roll call vote. (Absent: Martinez, Perrey, and Scales-Preston).

8. Update on Attracting and Retaining MCE Staff (Discussion)

Shaheen Khan, Vice President of Human Resources, Diversity, and Inclusion, presented this item and addressed questions from Committee members.

Acting Chair Darling opened the public comment period and there were no comments.

Action: No action required.

After agenda item #08, Acting Chair Darling had to leave the meeting and passed facilitation to Director Beckman to continue the meeting.

9. Committee & Staff Matters (Discussion)

There were no comments

10. Adjournment

Acting Chair Beckman adjourned the meeting at 2:34 p.m. to the next scheduled Executive Committee Meeting on January 1, 2025.

Cindy Darling, Acting Chair

Attest:

Dawn Weisz, Secretary

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MCE SPECIAL EXECUTIVE COMMITTEE MEETING MINUTES
Thursday, November 21, 2024
9:00 A.M.

Call to Order: Chair Perrey called the Special Meeting to order at 9:10 a.m.

Present: Eli Beckman, Town of Corte Madera
Cindy Darling, City of Walnut Creek
David Fong, Town of Danville
Maika Llorens Gulati, City of San Rafael
Eduardo Martinez, City of Richmond
Gabriel Quinto, City of El Cerrito
Laura Nakamura, City of Concord
Max Perrey, City of Mill Valley, Chair
Mathew Salter, Town of Ross
Sally Wilkinson, City of Belvedere

Absent: Devin Murphy, City of Pinole
Shanelle Scales-Preston, City of Pittsburg

**Staff
& Others:** Vicken Kasarjian, COO
Caroline Lavenue, Legal Counsel
Catalina Murphy, General Counsel
Justine Parmelee, VP of Internal Operations
Jamie Tuckey, Chief of Staff
Dawn Weisz, CEO

1. Public Open Time (Discussion)

There were no comments.

1. Review Agenda, Establish Ground Rules and Identify Desired Outcomes from this Session, 9:00 - 9:20 AM (Discussion)

Action: Discussion only – No Action taken.

2. It's a RELAY Race - Roles, Expectation, Lanes, Approaches and You, 9:20 - 9:50 AM (Discussion)

Action: Discussion only – No Action taken.

3. Discussion on Suggested Next Steps for Streamlined Board Meetings and Coordination, 9:50 - 11:00 AM (Discussion)

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Action: Discussion only – No Action taken.

4. Characteristics of Effective Groups, 11:00 - 11:50 AM (Discussion)

Action: Discussion only – No Action taken.

Lunch 11:50 AM -12:45 PM

5. Stages of Group/Team Development, 12:50 - 1:45 PM (Discussion)
The Executive Committee is a formal group/team, and as such will experience five stages of development: 1) Exploring; 2) Testing; 3) Harmonizing; 4) Individuating; and 5) Performing. In this segment, each of these stages will be described accompanied by a group discussion. Refer to handout.

Action: Discussion only – No Action taken.

6. Strategies for Creating a More Effective Executive Committee, 1:45 - 2:20 PM (Discussion)

Action: Discussion only – No Action taken.

7. Practical Advice from other Elected Officials, 2:20 - 2:45 PM (Discussion)

Action: Discussion only – No Action taken.

8. Wrap up and Next Steps, 2:45 - 3:00 PM (Discussion)

Action: Discussion only – No Action taken.

9. Adjourn

Chair Perrey adjourned the Special Meeting at 2:30 p.m. to the next Regular Board Meeting on December 4, 2024.

Max Perrey, Chair

Attest:

Dawn Weisz, Secretary



February 3, 2025

TO: MCE Executive Committee

FROM: Melanie Biesecker, Customer Programs Manager

RE: Proposed Second Amendment to Second Agreement with Energy Solutions (Agenda Item #05 C.3)

ATTACHMENTS: A. Second Amendment to Second Agreement with Energy Solutions
B. First Amendment to Second Agreement with Energy Solutions
C. Second Agreement with Energy Solutions

Dear Executive Committee Members:

Summary:

The proposed Second Amendment to Second Agreement with Energy Solutions ("Amendment") would continue to provide MCE the ability to scale up adoption of new and used electric vehicles (EVs) to income-qualified customers by providing public educational resources and incentives.

Background

Since Fall 2019, MCE has offered an EV incentive program that educates customers about EVs and charging and provides income-qualified customers up to \$3,500 toward the purchase or lease of an EV. Between 2019 and 2023, the program was managed largely in-house by MCE staff with a vendor supporting financial verification and application processing and provided 347 post-purchase EV rebates to income-qualified customers.

In May 2023, MCE launched the EV Instant Rebates program in response to customer feedback about the continuing barriers to EV adoption. The EV Instant Rebates program is now largely managed by Energy Solutions, with oversight by MCE staff. The EV Instant Rebates program has allowed MCE to continue expanding EV adoption for income-qualified customers, while directly addressing some of the largest barriers for those customers to participate by:

- Changing the post-purchase rebate processed by MCE into a point-of-sale instant rebate processed by car dealers and approved by Energy Solutions to reduce the upfront financial burden;
- Adding a \$2,000 incentive for used EVs in parallel to the \$3,500 incentive for new EVs;
- Offering a dealer bonus of \$100 for used EVs and \$200 for new EVs (now closed); and

- Managing marketing, education, and outreach to MCE customers, local auto dealers, and some automakers to boost EV incentive program participation.

The EV Instant Rebates program continues to be successful in addressing key barriers to EV adoption for low-income customers and has provided more than 1,200 instant rebates in just under two years. The EV Instant Rebates program is expected to fully draw down the balance in the Fiscal Year (FY) 2024/25 budget ahead of the next FY approved budget.

In 2024, staff completed a program audit and evaluation, which resulted in improved program materials, processes, and procedures. Additionally, the program evaluation found a healthy level of dealership participation and determined dealer bonuses were no longer needed. Dealer bonuses were discontinued at the end of 2024 and the funding was redirected to customer rebates.

The proposed Amendment would provide at least 850 additional rebates for income-qualified customers in FY 2025/26, building on the success of MCE's point-of-sale EV incentive model in overcoming barriers, expanding the EV incentive program's impacts, and deepening MCE's reach to priority communities. Additionally, the Amendment proposes to include enhancements to rebate claims submission and processing guidelines, further strengthening the EV Instant Rebates program's risk mitigation processes and procedures.

Fiscal Impacts:

The proposed Amendment would increase the total cost of the Second Agreement with Energy Solutions from \$6,028,520 to \$9,600,700 which would provide sufficient funding for the EV incentive program through FY 2025/26. These funds derive from the Local Renewable Energy & Program Development Fund, which is generated from a portion of Deep Green customer revenue.

Recommendation:

Approve the proposed Second Amendment to Second Agreement with Energy Solutions.

SECOND AMENDMENT TO SECOND AGREEMENT BY AND BETWEEN MARIN CLEAN ENERGY AND ENERGY SOLUTIONS

This SECOND AMENDMENT is made and entered into on February 3, 2025 by and between MARIN CLEAN ENERGY (hereinafter referred to as "MCE") and COHEN VENTURES, INC. dba ENERGY SOLUTIONS (hereinafter referred to as "Contractor").

RECITALS

WHEREAS, MCE and Contractor entered into an agreement on February 3, 2023, and amended on March 21, 2024, to provide MCE Electric Vehicle (EV) Incentive Program ("Program") management services ("Agreement"); and

WHEREAS, Section 3 and Exhibit B to the Agreement, as amended, provided for Contractor to be compensated in an amount not to exceed \$6,028,520 for the Program management services described within the scope therein; and

WHEREAS, the parties desire to amend the Agreement to increase the contract amount by \$3,572,180 for total consideration not to exceed \$9,600,700; and

WHEREAS, Section 4 of the Agreement, as amended, stated the Agreement shall terminate on May 31, 2025; and

WHEREAS, the parties desire to amend the Agreement to extend the time of the Agreement; and

WHEREAS, Exhibit A to the Agreement specified the tasks Contractor will complete for the Program services as described in the scope therein; and

WHEREAS, the parties desire to amend the Agreement to add to the scope of work of the Agreement; and

WHEREAS, Exhibit B to the Agreement specified the fee and payment schedule MCE would use to compensate Contractor for the Program management services described within the scope therein; and

WHEREAS, the parties desire to amend the Agreement to modify the fee and payment schedule therein.

NOW, THEREFORE, the parties agree to modify Section 3, Section 4, Exhibit A and Exhibit B as set forth below.

AGREEMENT

1. Section 3 is hereby amended to read as follows:

MAXIMUM COST TO MCE:

In no event will the cost to MCE for the Services to be provided herein exceed the maximum sum of **\$9,600,700**.

2. Section 4 is hereby amended to read as follows:

TERM OF AGREEMENT:

This Agreement shall commence on **February 4, 2023** ("Effective Date"), and shall terminate on **March 31, 2026**, unless earlier terminated pursuant to the terms and conditions set forth in Section 12.

3. In Exhibit A, Task 2.4: Quality Assurance/Quality Control Procedures is hereby removed and replaced in its entirety to read as follows:

Task 2.4: Quality Assurance/Quality Control Procedures

Contractor will work with MCE to determine the data to be collected by the Program upon rebate claim submission. Claim review will occur daily on weekdays and Contractor will reach out to dealers to follow up on any claims that need edits or clarification.

- Contractor will develop a Quality Assurance/Quality Control Claim Processing Guide that will define Program claim processing requirements that confirm that the rebate recipient is an eligible MCE customer, the vehicle is on the QPL, the claim is not a duplicate, and that the rebate was provided to the customer via a line item discount on the customer's purchase or lease agreement.
 - After making a qualifying sale or lease, participating dealers have two weeks to submit a claim to Contractor.
 - Claims will be flagged by Contractor if they contain missing data, data discrepancies, possible errors, or unusual sales activity.
 - If claims are flagged, Contractor will reach out to the appropriate dealer contact within 2 business days to seek clarification or to make an edit/correction to a flagged claim.
 - If asked for clarification or to make an edit/correction to a flagged claim, Contractor will make two attempts to contact the participating dealer.
 - If no changes/responses have been made by the participating dealer within a month from the first contact attempt, the claim will be subject to rejection
 - Contractor will track participating dealers' rejected and flagged claims, provide additional training if needed, and work with participating dealers to identify potential solutions to improve claim approval rates while ensuring, as much as possible, that only accurate claims are processed. Contractor will review with MCE the specific metrics used for flagging claims during the Project Kickoff and ongoing check-ins. Additional flags can be programmed, and metrics can be modified as needed to meet MCE's preferences.
 - Contractor will review all submitted rebate claims and process claims that have not been rejected and/or flagged on the following schedule:
 - Claims submitted between Mondays at 8:00 am and Fridays at 12:00 pm that do not require revisions will be reviewed and approved within 48 hours of claim submittal or by Fridays at 5:00 pm, whichever comes first. For claims that require revisions, Program participants will be contacted via email within 48 hours of claim submittal or by Fridays at 5:00 pm, whichever comes first.
 - Claims submitted between Fridays at 12:00 pm and Mondays at 8:00 am that do not require revisions will be reviewed and approved by the following Tuesday at 5:00 pm. For claims that require revisions, Program participants will be contacted via email by the following Tuesday at 5:00 pm.
 - MCE Customer Programs staff may authorize Contractor in writing to grant an exception to the claims processing requirements listed above.
4. The fee and payment schedule in Exhibit B is hereby removed and replaced in its entirety to read as follows:

EXHIBIT B FEES AND PAYMENT SCHEDULE

For Services provided under this Agreement, MCE shall pay Contractor in accordance with the amount(s) and the payment schedule as specified below:

The Program is intended to provide the following point-of-sale incentives: 1) 1,632 new EV incentives in the amount of \$3,500 per new EV; and 2) 483 used EV incentives in the amount of \$2,000 per used EV; for a total of \$6,678,000 (collectively the "Rebate Incentives") for the term of the Agreement.

Contractor will invoice \$250,000 in Rebate Incentives upon execution of the Second Amendment and will invoice MCE monthly to replenish the advanced Rebate Incentives to \$250,000 each month to cover:

funds needed for distribution at the point-of-sale for EVs, and any funds needed to cover Rebate Incentives beyond the prior month's \$250,000 payment. This process shall repeat until MCE's funds for Rebate Incentives have been exhausted. Contractor shall ensure that all such Rebate Incentives are held in an FDIC-insured account. Contractor shall draw against these Rebate Incentives to pay valid point-of-sale requests according to the amounts listed above (\$3,500 for new EV, \$2,000 for used EV). Contractor will return all undisbursed Rebate Incentives to MCE within 10 business days upon written request by MCE Customer Programs staff or the termination of the Agreement.

Task	Category	Units	Amount/Unit	Total Budget, Not to Exceed by Categories	Invoice Schedule
1	Startup Fee	1	\$66,250	\$66,250	Upon 4/30/23 Program Launch
1	Assess Viability of Customer Search API	1	\$5,000	\$5,000	Upon Contractor's Viability Determination
1	Customer Search API Integration	1	\$60,000	\$60,000	Upon API Launch
2	Implementation Fees	2,115	\$1,210	\$2,559,150	Per claim paid, invoiced monthly
2	Dealer Spiffs*	1,118	\$200 new \$100 used	\$202,300	Per claim paid until December 31, 2024, invoiced twice per month
2	Vehicle Rebates**	2,115	\$3,500 new \$2,000 used	\$6,678,000***	Per claim paid beyond MCE's monthly \$250,000 incentive prepayment, invoiced monthly
3	Program Closeout	3	\$10,000	\$30,000	Monthly for 3 months after Program shutdown
Total				\$9,600,700	

*Until December 31, 2024, this amount passed through to the participating dealer to incentivize the stocking and upselling of EVs.

**This amount will be passed through to the participating dealer as a reimbursement for applying a discount in the amount of the rebate at the point of sale for legitimate claims.

***Assuming 1,632 new EVs and 483 used EVs receiving incentives through the Program

Except for Assess Viability of Customer Search API and Customer Search API Integration which will be billed according to the invoice schedule listed above, Contractor shall bill for the deliverables in task 1, included within the Startup Fee, on 4/30/23. After the initial payment of the Start Up Fee, Contractor shall bill monthly for Services rendered the month prior.

In no event shall the total cost to MCE for the services provided herein exceed the maximum sum of \$9,600,700 for the term of the Agreement.

5. Except as otherwise provided herein all terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this SECOND Amendment on the day first written above.

MARIN CLEAN ENERGY:

CONTRACTOR:

By:

By:

Date:
Chairperson:

Date:

By:

Date:

FIRST AMENDMENT TO SECOND AGREEMENT BY AND BETWEEN MARIN CLEAN ENERGY AND ENERGY SOLUTIONS

This FIRST AMENDMENT is made and entered into on March 21, 2024 by and between MARIN CLEAN ENERGY (hereinafter referred to as "MCE") and COHEN VENTURES, INC., DBA Energy Solutions (hereinafter referred to as "Contractor") (each, a "Party," and, together, the "Parties").

RECITALS

WHEREAS, MCE and Contractor entered into an agreement on February 3, 2023 to provide MCE Electric Vehicle ("EV") Incentive Program ("Program") management services ("Agreement"); and

WHEREAS, Section 3 and Exhibit B to the Agreement provided for Contractor to be compensated in an amount not to exceed \$2,399,410 for the MCE EV Incentive Program management services described within the scope therein; and

WHEREAS, the Parties desire to amend the Agreement to increase the contract amount by \$3,629,110 for total consideration not to exceed \$6,028,520; and

WHEREAS, Section 4 of the Agreement stated the Agreement shall terminate on March 31, 2026; and

WHEREAS, the Parties desire to amend the Agreement to modify the term length of the Agreement; and

WHEREAS, Section 6 of the Agreement included the insurance coverages that are required by MCE; and

WHEREAS, the Parties desire to amend the Agreement to add to the insurance coverages that are required; and

WHEREAS, Section 17 of the Agreement included the indemnification protections Contractor would provide to MCE; and

WHEREAS, the Parties desire to amend the Agreement to add to the indemnification protections; and

WHEREAS, Exhibit A to the Agreement specified the tasks Contractor will complete for the MCE EV Incentive Program management services as described in the scope therein; and

WHEREAS, the Parties desire to amend the Agreement to modify the scope of work of the Agreement; and

WHEREAS Exhibit B to the Agreement specified the fee and payment schedule MCE would use to compensate Contractor for the MCE EV Incentive Program management services described within the scope therein; and

WHEREAS, the Parties desire to amend the Agreement to modify the fee and payment schedule therein; and

WHEREAS, Exhibit C to the Agreement specified the protective measures Contractor must provide in order to access MCE's Customer Relationship Management software; and

WHEREAS, the Parties desire to amend the Agreement to update the Customer Relationship Management access protocols therein;

NOW, THEREFORE, the Parties agree to modify Section 3, Section 4, Section 6, Section 17, Exhibit A, Exhibit B, and Exhibit C as set forth below.

AGREEMENT

1. Section 3 is hereby amended to read as follows:

MAXIMUM COST TO MCE:

In no event will the cost to MCE for the Services to be provided herein exceed the maximum sum of **\$6,028,520**.

2. Section 4 is hereby amended to read as follows:

TERM OF AGREEMENT:

This Agreement shall commence on **February 4, 2023** ("Effective Date"), and shall terminate on **May 31, 2025**, unless earlier terminated pursuant the terms and conditions set forth in Section 12.

3. Section 6 is hereby amended to include the following as 6.4:

6.4 PRIVACY AND CYBERSECURITY LIABILITY. Contractor shall maintain privacy and cybersecurity liability (including costs arising from data destruction, hacking or intentional breaches, crisis management activity related to data breaches, and legal claims for security breach, privacy violations, and notification costs) of at least \$1,000,000 US per occurrence.

4. Section 17 is hereby amended to read as follows:

17. INDEMNIFICATION. To the fullest extent permitted by Applicable Law, Contractor shall indemnify, defend, and hold MCE and its employees, officers, directors, representatives, and agents ("MCE Parties"), harmless from and against any and all actions, claims, liabilities, losses, costs, damages, and expenses (including, but not limited to, litigation costs, attorney's fees and costs, physical damage to or loss of tangible property, and injury or death of any person) (collectively, the "Losses") arising out of, resulting from, or caused by: a) the negligence, recklessness, intentional misconduct, or fraud of all Contractor Parties; b) the failure of a Contractor Party to comply with the provisions of this Agreement or Applicable Law; c) any defect in design, workmanship, or materials carried out or employed by any Contractor Party; or d) any unauthorized disclosure of, access to, or use of MCE Data processed or otherwise stored on hardware or software controlled by Contractor Party. The foregoing indemnity obligation does not apply to the extent such Losses are attributable to the gross negligence or willful misconduct of any MCE parties.

5. The following tasks in Exhibit A are hereby modified or added to read as follows:

- a. In Exhibit A Task 1: Startup & Administration, the following bullets are hereby added to 1:4 Systems Configuration:
 - Work with MCE to assess the viability of a customer search application programming interface ("API").
 - If deemed viable by Contractor, work with MCE to integrate with MCE's customer search API in order to transfer MCE Data to Iris.
- b. In Exhibit A Task 1, the following bullets are hereby added to Task 1 Deliverables:
 - Assess viability of customer search API
 - If viable, integrate API for customer search transfer
- c. In Exhibit A Task 2:1: Program Marketing, the second bullet is hereby modified to read as follows:
 - Contractor will engage CBOs, community leaders, and other groups that work with traditionally underserved, low-income, and disadvantaged populations to build trust, understand customer needs, and ultimately drive Program participation and EV uptake within these communities. Engagement will include

1-on-1s with CBOs or community leaders that serve the above mentioned customers and one co-hosted in-person or virtual listening/education session per quarter, after one quarter of ramp up, in partnership with one or more local community groups to build a trusting relationship, educate customers about EVs, and identify barriers and potential solutions for how the Program and Evs can benefit their lives.

- d. In Exhibit A, the following is added as a Task 3: Program Closeout to follow Task 2 Deliverables:

Task 3: Program Closeout

Task 3.1: Program Closeout

Contractor will work with MCE to closeout the Program, including transferring any relevant Program data to MCE, providing closeout messaging for the Program website and FAQs, outreach communications to dealer participants and customers, reporting, meeting with MCE bi-weekly, and supporting MCE in transferring the Program to a new implementer, if applicable.

Task 3 Deliverables:

- o Closeout the Program
 - o Provide MCE with any relevant Program data or reports
 - o Provide closeout messaging for the Program website and FAQs
 - o Support transfer to new contractor, if applicable
- e. In Exhibit A **Schedule**, the following cells are added below 2.7 Software Management

Tasks	Description	Timeline
3.1 Program Closeout	Program closeout activities	03/01/2025 – 05/31/2025

- 6. The fee and payment schedule in Exhibit B is hereby removed and replaced in its entirety to read as follows:

**EXHIBIT B
FEES AND PAYMENT SCHEDULE**

For Services provided under this Agreement, MCE shall pay Contractor in accordance with the amount(s) and the payment schedule as specified below:

The Program is intended to provide the following point-of-sale incentives: 1) 1108 new EV incentives in the amount of \$3,500 per new EV; and 2) 129 used EV incentives in the amount of \$2,000 per used EV; for a total of \$4,136,000 (collectively the “Rebate Incentives”) for the term of the Agreement.

Contractor will invoice \$250,000 in Rebate Incentives upon execution of the First Amendment and will invoice MCE monthly to replenish the advanced Rebate Incentives to \$250,000 each month to cover: funds needed for distribution at the point-of-sale for EVs, and any funds needed to cover Rebate Incentives beyond the prior month’s

\$250,000 payment. This process shall repeat until MCE's funds for Rebate Incentives have been exhausted. Contractor shall ensure that all such Rebate Incentives are held in an FDIC-insured account. Contractor shall draw against these Rebate Incentives to pay valid point-of-sale requests according to the amounts listed above (\$3,500 for new EV, \$2,000 for used EV). Contractor will return all undisbursed Rebate Incentives to MCE within 10 business days upon written request by MCE Customer Programs staff or the termination of the Agreement.

Task	Category	Units	Amount/Unit	Total Budget, Not to Exceed by Categories	Invoice Schedule
1	Startup Fee	1	\$66,250	\$66,250	Upon 4/30/23 Program Launch
1	Assess Viability of Customer Search API	1	\$5,000	\$5,000	Upon Contractor's Viability Determination
1	Customer Search API Integration	1	\$60,000	\$60,000	Upon API Launch
2	Implementation Fees	1237	\$1,210	\$1,496,770	Per claim paid, invoiced monthly
2	Dealer Spiffs*	1237	\$200 new \$100 used	\$234,500***	Per claim paid, invoiced monthly
2	Vehicle Rebates**	1237	\$3,500 new \$2,000 used	\$4,136,000***	Per claim paid beyond MCE's monthly \$250,000 incentive prepayment, invoiced monthly
3	Program Closeout	3	\$10,000	\$30,000	Monthly for 3 months after Program shutdown
Total				\$6,028,520	

*This amount will be passed through to the dealer to incentivize the stocking and upselling of EVs.

**This amount will be passed through to the dealer as a reimbursement for applying a discount in the amount of the rebate at the point of sale.

***Assuming 1108 new EVs and 129 used EVs receiving incentives through the Program

Except for Assess Viability of Customer Search API and Customer Search API Integration which will be billed according to the invoice schedule listed above, Contractor shall bill for the deliverables in task 1, included within the Startup Fee, on 4/30/23. After the initial payment of the Start Up Fee, Contractor shall bill monthly for Services rendered the month prior.

In no event shall the total cost to MCE for the services provided herein exceed the **maximum sum of \$6,028,520** for the term of the Agreement.

7. Exhibit C is hereby removed and replaced in its entirety to read as follows:

**EXHIBIT C
MCE CRM ACCESS PROTOCOLS**

Contractor shall implement the following security measures as part of the Agreement according to program needs up to the time/fees allowed under the Agreement in order to gain access to MCE's Customer Relationship Management software ("MCE CRM"), whether through direct portal access or via application programming interface ("API") integration.

To access MCE CRM, Contractor must first agree to and comply with the following protocols, including, if applicable, those related to API integration:

1. MCE CRM access is subject to the NDA between the Parties dated January 20, 2023.
2. MCE CRM login information, passwords, and any information retrieved from MCE CRM shall be treated as Confidential Information.
 - A. Confidential Information shall have the same meaning as defined in the MCE NDA between the Parties dated January 30, 2023.
 - B. No Contractor employee is to give, tell, or hint at their login information or password to another person under any circumstance.
 - C. MCE CRM passwords are required to be changed every 90 days at least.
 - D. MCE encourages strong passwords (such as minimum character length, and use of special characters) that are not reused for other logins.
 - E. MCE CRM shall only be accessed from an Internet Protocol (IP) address in the United States.
 - Any suspicious or unauthorized IP access may be blocked without notice by MCE.
 - Contractor agrees that MCE is not liable for any interruption or restriction of access to the CRM resulting from the blocking of suspicious or unauthorized IP addresses.
 - F. MCE reserves the right to use approved public IP addresses to control and limit access to MCE's systems.
3. MCE CRM access shall be provided through MCE's selected Single Sign-On (SSO) provider, Okta, Inc. or another MCE-designated SSO provider.
4. Direct MCE CRM Portal Access Restrictions.
 - A. Direct MCE CRM portal access shall only be provided to those employees of Contractor who have a "need to access" such information in the course of their duties with respect to Contractor's Services ("Designated Employees").
 - Designated Employees who access MCE CRM shall only update or view fields related to the tasks assigned.
 - Contractor shall maintain a list of Designated Employees that have been authorized to access MCE CRM.
 - The list shall be updated and verified by Contractor quarterly and provided to MCE upon request.
 - In the event of an employment status change for a Designated Employee who had been granted access to MCE CRM, Contractor shall provide the following information to MCE:
 - Name and email of pertinent Contractor employee.
 - Notification to MCE within 3 days of employment status change.
 - B. Designated Employees who access MCE CRM shall first review and agree to be bound by these MCE CRM Access Protocols.
 - C. Designated Employees' use of MCE CRM is restricted to that which is necessary to provide the Services described in Exhibit A.
 - D. Designated Employees shall not copy, download, record or reproduce in any way any data existing within MCE CRM.
 - Any customer data that is utilized or uploaded must be removed from Designated Employees' computers and Contractor's systems within 24 hours of upload or utilization.

5. API Integration Restrictions

- A. Contractor shall only use an MCE-authorized API to the extent its use is necessary for the completion of contracted work as included in Exhibit A.
- B. Contractor shall use industry best standards and significant access control in a closed API system. This includes, but is not limited to:
 - If accessing Personal Identifiable Information (PII) data, only employees of Contractor who have a “need to access” such information in the course of their duties with respect to Contractor’s Services (“Designated Employees”) will be allowed to access information available through the API.
 - For an employee to become a Designated Employee, they must first successfully pass a background screening, which may include a screening of the individual’s educational background, employment history, valid driver’s license, and court record.
 - If a Designated Employee leaves Contractor’s employment or if a Designated Employee’s position changes such that they no longer need API access, Contractor will close the employee’s access within 24 hours and provide the following information to MCE:
 - Name and email of pertinent employee.
 - Notification to MCE within 3 days of employment status change.
 - Contractor must keep MCE informed of the names, positions, and data access levels of all Designated Employees with a Designated Employee List which shall be updated and verified by Contractor quarterly and provided to MCE upon request.
 - Designated Employees are prohibited from copying, downloading, recording, or reproducing any MCE data except through the approved API integration.

6. Contractor having any interaction with an MCE customer shall do the following:

- A. Contractor shall comply at all times during the Term with any MCE-provided MCE co-branding and/or customer engagement protocol that provides MCE’s expectations for customer interactions by Contractor. Failure of Contractor to comply at all times with this section will constitute a material breach pursuant to Agreement section 12 and may result in the discontinuation of work with MCE at MCE’s request.
- B. Contractor and any approved subcontractors responding to, or engaging directly with, MCE customers shall respond to direct customer inquiries within 3 business days after the inquiry is received. Unless otherwise agreed to, Contractor and subcontractors are to provide two options for customer contact (email and phone). Contractor shall provide MCE with a process to document any customer issues, escalations and resolutions.

8. Except as otherwise provided herein all terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this FIRST Amendment on the day first written above.

MARIN CLEAN ENERGY:

DocuSigned by:
By: *Vicken Kasyan*
ACC4B8FA2E834F3...

Date: 3/26/2024

CONTRACTOR:

DocuSigned by:
By: *Chris Burmester, Chief Operating Officer*
32E2B2DEF043488...
Chris Burmester, Chief Operating Officer

Date: 3/28/2024

CHAIRPERSON:

DocuSigned by:
By: *And 2 to*
05EC4611497E45C...

Date: 3/25/2024

**MARIN CLEAN ENERGY
STANDARD SHORT FORM CONTRACT
SECOND AGREEMENT
BY AND BETWEEN
MARIN CLEAN ENERGY AND ENERGY SOLUTIONS**

THIS SECOND AGREEMENT ("Agreement") is made and entered into on February 3, 2023, by and between MARIN CLEAN ENERGY (hereinafter referred to as "MCE") and COHEN VENTURES, INC., DBA Energy Solutions, a California corporation with principal address at: 449 15th Street, Oakland, California 94612 (hereinafter referred to as "Contractor") (each, a "Party," and, together, the "Parties").

RECITALS:

WHEREAS, MCE desires to retain Contractor to provide the services described in **Exhibit A** attached hereto and by this reference made a part hereof ("Services");

WHEREAS, Contractor desires to provide the Services to MCE;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. SCOPE OF SERVICES:

Contractor agrees to provide all of the Services in accordance with the terms and conditions of this Agreement. "Services" shall also include any other work performed by Contractor pursuant to this Agreement.

2. FEES AND PAYMENT SCHEDULE; INVOICING:

The fees and payment schedule for furnishing Services under this Agreement shall be based on the rate schedule which is attached hereto as **Exhibit B** and by this reference incorporated herein. Said fees shall remain in effect for the entire term of the Agreement ("Term"). Contractor shall provide MCE with Contractor's Federal Tax I.D. number prior to submitting the first invoice. Contractor is responsible for billing MCE in a timely and accurate manner. Contractor shall email invoices to MCE by the fifteenth (15th) calendar day of each month, on a monthly basis for any Services rendered or expenses incurred hereunder. Fees and expenses invoiced beyond ninety (90) days will not be reimbursable. The final invoice must be submitted within thirty (30) days of completion of the stated scope of services or termination of this Agreement. MCE will process payment for undisputed invoiced amounts within thirty (30) days of receipt of such invoice.

3. MAXIMUM COST TO MCE:

In no event will the cost to MCE for the Services to be provided herein exceed the maximum sum of **\$2,399,410**.

4. TERM OF AGREEMENT:

This Agreement shall commence on **February 4, 2023** ("Effective Date") and shall terminate on **March 31, 2026**, unless earlier terminated pursuant to the terms and conditions set forth in Section 12.

5. REPRESENTATIONS; WARRANTIES; COVENANTS:

5.1. CONTRACTOR REPRESENTATIONS AND WARRANTIES. Contractor represents, warrants and covenants that (a) it is a corporation duly organized, validly existing and in good standing under the laws of the State of **California**, (b) it has full power and authority and all regulatory authorizations required to execute, deliver and perform its obligations under this Agreement and all exhibits and addenda and to engage in the business it presently conducts and contemplates conducting, (c) it is and will be duly licensed or qualified to do business and in good standing under the laws of the State of California and each other jurisdiction wherein the nature of its business transacted by it makes such licensing or qualification necessary and where the failure to be licensed or qualified would have a material adverse effect on its ability to perform its obligations hereunder, (d) it is qualified and competent to render the Services and possesses the requisite expertise to perform its obligations hereunder, (e) the execution, delivery and performance of this Agreement and all exhibits and addenda hereto are within its powers and do not violate 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, (f) this Agreement and each exhibit and addendum constitutes its legally valid and binding obligation enforceable against it in accordance with its terms, and (g) 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.

5.2. COMPLIANCE WITH APPLICABLE LAW. At all times during the Term and the performance of the Services, Contractor shall comply with all applicable federal, state and local laws, regulations, ordinances and resolutions ("Applicable Law")

- 5.3. LICENSING.** At all times during the performance of the Services, Contractor represents, warrants and covenants that it has and shall obtain and maintain, at its sole cost and expense, all required permits, licenses, certificates and registrations required for the operation of its business and the performance of the Services. Contractor shall promptly provide copies of such licenses and registrations to MCE at the request of MCE.
- 5.4. NONDISCRIMINATORY EMPLOYMENT.** Contractor shall not unlawfully discriminate against any individual based on race, color, religion, nationality, sex, sexual orientation, gender identity, age or condition of disability. Contractor understands and agrees that Contractor is bound by and shall comply with the nondiscrimination mandates of all federal, state, and local statutes, regulations, and ordinances.
- 5.5. PERFORMANCE ASSURANCE; BONDING.** At all times during the performance of the Services, Contractor represents, warrants and covenants that it has and shall obtain and maintain, at its sole cost and expense, all bonding requirements of the California Contractors State License Board ("CSLB"), as may be applicable. Regardless of the specific Services provided, Contractor shall also maintain any payment and/or performance assurances as may be requested by MCE during the performance of the Services.
- 5.6. SAFETY.** At all times during the performance of the Services, Contractor represents, warrants and covenants that it shall:
- abide by all applicable federal and state Occupational Safety and Health Administration requirements and other applicable federal, state, and local rules, regulations, codes and ordinances to safeguard persons and property from injury or damage;
 - abide by all applicable MCE security procedures, rules and regulations and cooperate with MCE security personnel whenever on MCE's property;
 - abide by MCE's standard safety program contract requirements as may be provided by MCE to Contractor from time to time;
 - provide all necessary training to its employees, and require Subcontractors to provide training to their employees, about the safety and health rules and standards required under this Agreement;
 - have in place an effective Injury and Illness Prevention Program that meets the requirements all applicable laws and regulations, including but not limited to Section 6401.7 of the California Labor Code. Additional safety requirements (including MCE's standard safety program contract requirements) are set forth elsewhere in the Agreement, as applicable, and in MCE's safety handbooks as may be provided by MCE to Contractor from time to time;
 - be responsible for initiating, maintaining, monitoring and supervising all safety precautions and programs in connection with the performance of the Agreement; and
 - monitor the safety of the job site(s), if applicable, during the performance of all Services to comply with all applicable federal, state, and local laws and to follow safe work practices.
- 5.7. BACKGROUND CHECKS.**
- Contractor hereby represents, warrants and covenants that any employees, members, officers, contractors, Subcontractors and agents of Contractor (each, a "Contractor Party," and, collectively, the "Contractor Parties") having or requiring access to MCE's assets, premises, customer property ("Covered Personnel") shall have successfully passed background screening on each such individual, prior to receiving access, which screening may include, among other things to the extent applicable to the Services, a screening of the individual's educational background, employment history, valid driver's license, and court record for the seven (7) year period prior to hiring.
 - Notwithstanding the foregoing and to the extent permitted by applicable law, in no event shall Contractor permit any Covered Personnel to have one or more convictions during the seven (7) year period immediately preceding the individual's date of assignment to perform the Services, or at any time after the individual's date of, assignment to perform the Services, for any of the following ("Serious Offense"): (i) a "serious felony," similar to those defined in California Penal Code Sections 1192.7(c) and 1192.8(a), or a successor statute, or (ii) any crime involving fraud (such as, but not limited to, crimes covered by California Penal Code Sections 476, 530.5, 550, and 2945, California Corporations Code 25540), embezzlement (such as, but not limited to, crimes covered by California Penal Code Sections 484 and 503 et seq.), or racketeering (such as, but not limited to, crimes covered by California Penal Code Section 186 or the Racketeer Influenced and Corrupt Organizations("RICO") Statute (18 U.S.C. Sections 1961-1968)).
 - To the maximum extent permitted by applicable law, Contractor shall maintain documentation related to such background and drug screening for all Covered Personnel and make it available to MCE for audit if required pursuant to the audit provisions of this Agreement.
 - To the extent permitted by applicable law, Contractor shall notify MCE if any of its Covered Personnel is charged with or convicted of a Serious Offense during the term of this Agreement. Contractor shall also immediately prevent that employee, representative, or agent from performing any Services.

5.8. FITNESS FOR DUTY. Contractor shall ensure that all Covered Personnel report to work fit for their job. Covered Personnel may not consume alcohol while on duty and/or be under the influence of drugs or controlled substances that impair their ability to perform the Services properly and safely. Contractor shall, and shall cause its Subcontractors to, have policies in place that require their employees, contractors, subcontractors and agents to report to work in a condition that allows them to perform the work safely. For example, employees should not be operating equipment under medication that creates drowsiness.

5.9. QUALITY ASSURANCE PROCEDURES. Contractor shall comply with the Quality Assurance Procedures identified in Exhibit A (if any) (the "Quality Assurance Procedures"). Additionally, Quality Assurance Procedures must include, but are not limited to: (i) industry standard best practices; (ii) procedures that ensure customer satisfaction; and (iii) any additional written direction from MCE.

5.10. ASSIGNMENT OF PERSONNEL. The Contractor shall not substitute any personnel for those specifically named in its proposal, if applicable, unless personnel with substantially equal or better qualifications and experience are provided, acceptable to MCE, as is evidenced in writing.

5.11. ACCESS TO CUSTOMER SITES. Contractor shall be responsible for obtaining any and all access rights for Contractor Parties, from customers and other third parties to the extent necessary to perform the Services. Contractor shall also procure any and all access rights from Contractor Parties, customers and other third parties in order for MCE and CPUC employees, representatives, agents, designees and contractors to inspect the Services.

6. INSURANCE:

At all times during the Term and the performance of the Services, Contractor shall maintain the insurance coverages set forth below. All such insurance coverage shall be substantiated with a certificate of insurance and must be signed by the insurer or its representative evidencing such insurance to MCE. The general liability policy shall be endorsed naming Marin Clean Energy and its employees, directors, officers, and agents as additional insureds. The certificate(s) of insurance and required endorsement shall be furnished to MCE prior to commencement of Services. Certificate(s) of insurance must be current as of the Effective Date, and shall remain in full force and effect through the Term. If scheduled to lapse prior to termination date, certificate(s) of insurance must be automatically updated before final payment may be made to Contractor. Each certificate of insurance shall provide for thirty (30) days' advance written notice to MCE of any cancellation or reduction in coverage. Insurance coverages shall be payable on a per occurrence basis only.

Nothing in this Section 6 shall be construed as a limitation on Contractor's indemnification obligations in Section 17 of this Agreement.

Should Contractor fail to provide and maintain the insurance required by this Agreement, in addition to any other available remedies at law or in equity, MCE may suspend payment to the Contractor for any Services provided during any period of time that insurance was not in effect and until such time as the Contractor provides adequate evidence that Contractor has obtained the required insurance coverage.

6.1. GENERAL LIABILITY. The Contractor shall maintain a commercial general liability insurance policy in an amount of no less than **one million dollars (\$1,000,000) with a two million dollar (\$2,000,000)** aggregate limit. "Marin Clean Energy" shall be named as an additional insured on the commercial general liability policy and the certificate of insurance shall include an additional endorsement page (see sample form: ISO - CG 20 10 11 85).

6.2. AUTO LIABILITY. Where the Services to be provided under this Agreement involve or require the use of any type of vehicle by Contractor in order to perform said Services, Contractor shall also provide comprehensive business or commercial automobile liability coverage including non-owned and hired automobile liability in the amount of one million dollars combined single limit (\$1,000,000).

6.3. WORKERS' COMPENSATION. The Contractor acknowledges that the State of California requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code. If Contractor has employees, it shall comply with this requirement and a copy of the certificate evidencing such insurance or a copy of the Certificate of Consent to Self-Insure shall be provided to MCE prior to commencement of Services.

6.4. INTENTIONALLY OMITTED

7. FINANCIAL STATEMENTS:

Contractor shall deliver financial statements as may be reasonably requested by MCE within seven (7) days of MCE's request for the financial statements. Such financial statements or documents shall be for the most recently available audited or reviewed period and prepared in accordance with generally-accepted accounting principles.

8. SUBCONTRACTING:

The Contractor shall not subcontract nor assign any portion of the work required by this Agreement without prior, written approval of MCE, except for any subcontract work expressly identified herein in Exhibit A. If Contractor hires a subcontractor under this Agreement (a "Subcontractor"), Subcontractor shall be bound by all applicable terms and conditions of this Agreement, and Contractor shall ensure the following:

- 8.1.** Subcontractor shall comply with the following terms of this Agreement: Sections 9, 10, Exhibit A.
- 8.2.** Subcontractor shall provide, maintain and be bound by the representations, warranties and covenants of Contractor contained in Section 5 hereof (as may be modified to be applicable to Subcontractor with respect to Section 5.1(a) hereof) at all times during the Term of such subcontract and its provision of Services.
- 8.3.** Subcontractor shall comply with the terms of Section 6 above, including, but not limited to providing and maintaining insurance coverage(s) identical to what is required of Contractor under this Agreement, and shall name MCE as an additional insured under such policies. Contractor shall collect, maintain, and promptly forward to MCE current evidence of such insurance provided by its Subcontractor. Such evidence of insurance shall be included in the records and is therefore subject to audit as described in Section 9 hereof.
- 8.4.** Subcontractor shall be contractually obligated to indemnify the MCE Parties (as defined in Section 17 hereof) pursuant to the terms and conditions of Section 17 hereof.
- 8.5.** Subcontractors shall not be permitted to further subcontract any obligations under this Agreement.

Contractor shall be solely responsible for ensuring its Subcontractors' compliance with the terms and conditions of this Agreement made applicable above and to collect and maintain all documentation and current evidence of such compliance. Upon request by MCE, Contractor shall promptly forward to MCE evidence of same. Nothing contained in this Agreement or otherwise stated between the Parties shall create any legal or contractual relationship between MCE and any Subcontractor, and no subcontract shall relieve Contractor of any of its duties or obligations under this Agreement. Contractor's obligation to pay its Subcontractors is an independent obligation from MCE's obligation to make payments to Contractor. As a result, MCE shall have no obligation to pay or to enforce the payment of any monies to any Subcontractor.

9. RETENTION OF RECORDS AND AUDIT PROVISION:

Contractor shall keep and maintain on a current basis full and complete records and documentation pertaining to this Agreement and the Services, whether stored electronically or otherwise, including, but not limited to, valuation records, accounting records, documents supporting all invoices, employees' time sheets, receipts and expenses, and all customer documentation and correspondence (the "Records"). MCE shall have the right, during regular business hours, to review and audit all Records during the Term and for at least five (5) years from the date of the completion or termination of this Agreement. Any review or audit may be conducted on Contractor's premises or, at MCE's option, Contractor shall provide all records within a maximum of fifteen (15) days upon receipt of written request from MCE. Contractor shall refund any monies erroneously charged. Contractor shall have an opportunity to review and respond to or refute any report or summary of audit findings, and shall promptly refund any overpayments made by MCE based on undisputed audit findings.

10. DATA, CONFIDENTIALITY AND INTELLECTUAL PROPERTY:

- 10.1. DEFINITION OF "MCE DATA".** "MCE Data" shall mean all data or information provided by or on behalf of MCE, including but not limited to, customer Personal Information; energy usage data relating to, of, or concerning, provided by or on behalf of any customers; all data or information input, information systems and technology, software, methods, forms, manuals, and designs, transferred, uploaded, migrated, or otherwise sent by or on behalf of MCE to Contractor as MCE may approve of in advance and in writing (in each instance); account numbers, forecasts, and other similar information disclosed to or otherwise made available to Contractor. MCE Data shall also include all data and materials provided by or made available to Contractor by MCE's licensors, including but not limited to, any and all survey responses, feedback, and reports subject to any limitations or restrictions set forth in the agreements between MCE and their licensors.

"Confidential Information" under this Agreement shall have the same meaning as defined in the Marin Clean Energy Non-Disclosure Agreement between the Parties dated **January 20, 2023**.

10.2. DEFINITION OF CONTRACTOR'S "IRIS PLATFORM". "Iris Platform" is defined as the Iris online software and associated data, owned and maintained by Contractor and provided as a part of the services to MCE under this Agreement, that functions as an incentive processing and program reporting platform for MCE's customers and other third parties.

10.3. DEFINITION OF "PERSONAL INFORMATION". "Personal Information" includes but is not limited to the following: personal and entity names, e-mail addresses, addresses, phone numbers, any other public or privately-issued identification numbers, IP addresses, MAC addresses, and any other digital identifiers associated with entities, geographic locations, users, persons, machines or networks. Contractor shall comply with all applicable federal, state and local laws, rules, and regulations related to the use, collection, storage, and transmission of Personal Information.

10.4. MCE DATA SECURITY MEASURES. Prior to Contractor receiving any MCE Data, Contractor shall comply, and at all times thereafter continue to comply, in compliance with MCE's Data security policies set forth in MCE Policy 009 (available upon request) and MCE's Advanced Metering Infrastructure (AMI) Data Security and Privacy Policy ("Security Measures") and pursuant to MCE's Confidentiality provisions in Section 5 of the Marin Clean Energy Non-Disclosure Agreement between the parties dated **January 20, 2023**, and as set forth in MCE Policy 001 - Confidentiality. MCE's Security Measures and Confidentiality provisions require Contractor to adhere to reasonable administrative, technical, and physical safeguard protocols to protect the MCE's Data from unauthorized handling, access, destruction, use, modification or disclosure.

10.5. CONTRACTOR DATA SECURITY MEASURES. Additionally, Contractor shall, at its own expense, adopt and continuously implement, maintain and enforce reasonable technical and organizational measures consistent with the sensitivity of Personal Information and Confidential Information including, but not limited to, measures designed to (1) prevent unauthorized access to, and otherwise physically and electronically protect, the Personal Information and Confidential Information, and (2) protect MCE content and MCE Data against unauthorized or unlawful access, disclosure, alteration, loss, or destruction.

10.6. RETURN OF MCE DATA. Promptly after this Agreement terminates, (i) Contractor shall securely destroy all MCE Data in its possession and certify the secure destruction in writing to MCE, and (ii) each Party shall return (or if requested by the disclosing Party, destroy) all other Confidential Information and property of the other (if any), provided that Contractor's attorney shall be permitted to retain a copy of such records or materials solely for legal purposes.

10.7. OWNERSHIP AND USE RIGHTS.

- a) **MCE Data.** Unless otherwise expressly agreed to in writing by the Parties, MCE shall retain all of its rights, title and interest in MCE's Data.
- b) **Intellectual Property.** Unless otherwise expressly agreed to in writing by the Parties, any and all materials, information, or other intellectual property created, prepared, accumulated or developed by Contractor or any Contractor Party under this Agreement ("Intellectual Property"), including finished and unfinished inventions, processes, templates, documents, drawings, computer programs, designs, calculations, valuations, maps, plans, workplans, text, filings, estimates, manifests, certificates, books, specifications, sketches, notes, reports, summaries, analyses, manuals, visual materials, data models and samples, including summaries, extracts, analyses and preliminary or draft materials developed in connection therewith, shall be owned by MCE. MCE shall have the exclusive right to use Intellectual Property in its sole discretion and without further compensation to Contractor or to any other party. Contractor shall, at MCE's expense, provide Intellectual Property to MCE or to any party MCE may designate upon written request. Contractor may keep one file reference copy of Intellectual Property prepared for MCE solely for legal purposes and if otherwise agreed to in writing by MCE. In addition, Contractor may keep one copy of Intellectual Property if otherwise agreed to in writing by MCE.
- c) **Intellectual Property Rights to the Iris Platform.** All right, title, and interest in and to the Iris Platform (including without limitation all intellectual property rights therein) and all modifications, improvements, extensions, customizations, scripts or other definitive works of the Iris Platform provided or developed by the Contractor, whether prior to or during the Term of this Agreement, are and shall remain at all times solely vested in the Contractor. The Iris Platform was developed in its entirety by Contractor prior to the term of this Agreement, is the sole and exclusive property of Contractor, and Contractor retains all intellectual property rights thereto, including but not limited to copyrights (including all registrations and applications therefor), trade secrets, service marks, trademarks, trade names, trade dress, trademark applications and registrations, internet domain names, and all other proprietary and intellectual property rights, including moral rights. Use of the Iris Platform by MCE, its customers or any third party as part of these Services shall not convey any rights of ownership to the Iris Platform, express or implied, including any intellectual property rights thereto, to any such party. During the term of this Agreement, Contractor grants to MCE a non-exclusive, non-assignable, royalty-free, worldwide limited right to access and use the Iris Platform in connection with the Services. Except as expressly provided herein, MCE agrees not to assign, sublicense, transfer, copy,

reproduce, distribute, republish, display, post or transmit in any form or by any means, any part of the Iris Platform to any third party. MCE agrees not to access the Iris Platform by any means other than through the interfaces that are provided by Contractor. The Iris Platform and any and all works, expressions, inventions, ideas, discoveries, improvements and developments made to the Iris Platform by any person during the term of this Agreement, are explicitly excluded as "Intellectual Property" pursuant to this Agreement. Any MCE Data provided by MCE to Contractor on the Iris Platform remains the property of MCE and, upon request, shall be exported and/or deleted from the Iris Platform.

- d) **Iris Platform Terms of Use.** All users of the Iris Platform shall be required to comply with the Iris Platform's standard Terms of Use, including MCE's employees who accesses the Iris Platform in connection with the Services; provided, however, that if any Terms of Use applicable to MCE's employees conflict with any provisions of this Agreement, with respect to MCE employee's use of the Iris Platform in connection with the Services, the provision of this Agreement shall control.
- e) **Intellectual Property shall be owned by MCE upon its creation.** Contractor agrees to execute any such other documents or take other actions as MCE may reasonably request to perfect MCE's ownership in the Intellectual Property.
- f) **Contractor's Pre-Existing Materials** Contractor is, and shall remain the sole and exclusive owner of all right, title and interest in and to all documents, works, codebases, software, data, know-how, methodologies, and materials provided, developed, acquired or used by Contractor prior to the Effective Date ("Contractor's Pre-Existing Materials"). To the extent any of Contractor's Pre-Existing Materials are used to create, develop, and prepare the Intellectual Property, Contractor hereby grants MCE on behalf of its customers and the CPUC for governmental and regulatory purposes an irrevocable, assignable, non-exclusive, perpetual, fully paid up, worldwide, royalty-free, unrestricted license to use and sublicense others to use, reproduce, display, prepare and develop derivative works, perform, distribute copies of any intellectual or proprietary property right of Contractor or any Contractor Party for the sole purpose of using such Intellectual Property for the conduct of MCE's business and for disclosure to the CPUC for governmental and regulatory purposes related thereto. Any and all claims to Contractor's Pre- Existing Materials to be furnished or used to prepare, create, develop or otherwise manifest the Intellectual Property must be expressly disclosed to MCE prior to performing any Services under this Agreement. Any such Pre-Existing Material that is modified by work under this Agreement is owned by Contractor and licensed to MCE.

10.8. EQUITABLE RELIEF. Each Party acknowledges that a breach of this Section 10 would cause irreparable harm and significant damages to the other Party, the degree of which may be difficult to ascertain. Accordingly, each Party agrees that MCE shall have the right to obtain immediate equitable relief to enjoin any unauthorized use or disclosure of MCE Data or Personal Information, in addition to any other rights and remedies that it may have at law or otherwise; and Contractor shall have the right to obtain immediate equitable relief to enjoin any unauthorized use or disclosure of Contractor's Pre-Existing Materials, in addition to any other rights and remedies that it may have at law or otherwise.

11. FORCE MAJEURE:

A Party shall be excused for failure to perform its obligations under this Agreement if such obligations are prevented by an event of Force Majeure (as defined below), but only for so long as and to the extent that the Party claiming Force Majeure ("Claiming Party") is actually so prevented from performing and provided that (a) the Claiming Party gives written notice and full particulars of such Force Majeure to the other Party (the "Affected Party") promptly after the occurrence of the event relied on, (b) such notice includes an estimate of the expected duration and probable impact on the performance of the Claiming Party's obligations under this Agreement, (c) the Claiming Party furnishes timely regular reports regarding the status of the Force Majeure, including updates with respect to the data included in Section 10 above during the continuation of the delay in the Claiming Party's performance, (d) the suspension of such obligations sought by Claiming Party is of no greater scope and of no longer duration than is required by the Force Majeure, (e) no obligation or liability of either Party which became due or arose before the occurrence of the event causing the suspension of performance shall be excused as a result of the Force Majeure; (f) the Claiming Party shall exercise commercially reasonable efforts to mitigate or limit the interference, impairment and losses to the Affected Party; (g) when the Claiming Party is able to resume performance of the affected obligations under this Agreement, the Claiming Party shall give the Affected Party written notice to that effect and promptly shall resume performance under this Agreement. "Force Majeure" shall mean acts of God such as floods, earthquakes, fires, orders or decrees by a governmental authority, civil or military disturbances, wars, riots, terrorism or threats of terrorism, utility power shutoffs, strikes, labor disputes, pandemic, or other forces over which the responsible Party has no control and which are not caused by an act or omission of such Party.

12. TERMINATION:

12.1. Either Party may terminate this contract, in whole or in part, immediately upon notice to the other Party if: (a) the non-breaching Party determines that the actions or inactions of the breaching Party, its agents, employees or subcontractors have caused, or reasonably could cause, jeopardy to health, safety, or property, or (b) If either party fails to fulfill any material

requirement of this contract, is in violation of a material provision of this contract, or either party determines that the other party lacks the financial resources to perform the contract, The non-breaching party shall give the breaching party fifteen (15) days prior written notice of the non-breaching party's intent to terminate, and the grounds therefor. Termination shall occur if the parties fail to agree on a plan for the breaching party to cure within fifteen (15) days of the breaching party's receipt of such notice.

12.2. Either Party hereto may terminate this Agreement for any reason by giving thirty (30) calendar days' written notice to the other Party. Notice of termination shall be by written notice to the other Party and be sent by registered mail or by email to the email address listed in Section 19.

12.3. In the event of termination not the fault of the Contractor, the Contractor shall be paid for Services performed up to the date of termination in accordance with the terms of this Agreement so long as proof of required insurance is provided for the periods covered in the Agreement or Amendment(s). Notwithstanding anything contained in this Section 12, in no event shall MCE be liable for lost or anticipated profits or overhead on uncompleted portions of the Agreement. Contractor shall not enter into any agreement, commitments or subcontracts that would incur significant cancellation or termination costs without prior written approval of MCE, and such written approval shall be a condition precedent to the payment of any cancellation or termination charges by MCE under this Section 12. Also, as a condition precedent to the payment of any cancellation or termination charges by MCE under this Section 12, Contractor shall have delivered to MCE any and all Intellectual Property (as defined in Section 10.6(b)) prepared for MCE before the effective date of such termination.

12.4. MCE may terminate this Agreement if funding for this Agreement is reduced or eliminated by a third-party funding source.

12.5. Without limiting the foregoing, 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, and the remaining provisions will remain in full force and effect.

12.6. Upon termination of this Agreement for any reason, Contractor shall and shall cause each Contractor Party to bring the Services to an orderly conclusion as directed by MCE and shall return all MCE Data (as defined in Section 10.1 above) and Intellectual Property to MCE.

12.7. Notwithstanding the foregoing, this Agreement shall be subject to changes, modifications, or termination by order or directive of the California Public Utilities Commission ("CPUC"). The CPUC may from time to time issue an order or directive relating to or affecting any aspect of this Agreement, in which case MCE shall have the right to change, modify or terminate this Agreement in any manner to be consistent with such order or directive.

12.8. Notwithstanding any provision herein to the contrary, Sections 2, 3, 8.4, 9, 10, 12, 15, 16, 17, 18, 19, 20, 21, 22, 24 and Exhibit B of this Agreement shall survive the termination or expiration of this Agreement.

13. ASSIGNMENT:

The rights, responsibilities, and duties under this Agreement are personal to the Contractor and may not be transferred or assigned without the express prior written consent of MCE.

14. AMENDMENT; NO WAIVER:

This Agreement may be amended or modified only by written agreement of the Parties. Failure of either Party to enforce any provision or provisions of this Agreement will not waive any enforcement of any continuing breach of the same provision or provisions or any breach of any provision or provisions of this Agreement.

15. DISPUTES:

Either Party may give the other Party written notice of any dispute which has not been resolved at a working level. Any dispute that cannot be resolved between Contractor's contract representative and MCE's contract representative by good faith negotiation efforts shall be referred to Legal Counsel of MCE and an officer of Contractor for resolution. Within 20 calendar days after delivery of such notice, such persons shall meet at a mutually acceptable time and place, and thereafter as often as they reasonably deem necessary to exchange information and to attempt to resolve the dispute. If MCE and Contractor cannot reach an agreement within a reasonable period of time (but in no event more than 30 calendar days), MCE and Contractor shall have the right to pursue all rights and remedies that may be available at law or in equity. All negotiations and any mediation agreed to by the Parties are confidential and shall be treated as

compromise and settlement negotiations, to which Section 1119 of the California Evidence Code shall apply, and Section 1119 is incorporated herein by reference.

16. JURISDICTION AND VENUE:

This Agreement shall be construed in accordance with the laws of the State of California and the Parties hereto agree that venue shall be in Marin County, California.

17. INDEMNIFICATION:

To the fullest extent permitted by Applicable Law, Contractor shall indemnify, defend, and hold MCE and its employees, officers, directors, representatives, and agents ("MCE Parties"), harmless from and against any and all actions, claims, liabilities, losses, costs, damages, and expenses (including, but not limited to, litigation costs, attorney's fees and costs, physical damage to or loss of tangible property, and injury or death of any person) (collectively, the "Losses") arising out of, resulting from, or caused by: a) the negligence, recklessness, intentional misconduct, fraud of all Contractor Parties; b) the failure of a Contractor Party to comply with the provisions of this Agreement or Applicable Law; or c) any defect in design, workmanship, or materials carried out or employed by any Contractor Party. The foregoing indemnity obligation does not apply to the extent such Losses are attributable to the gross negligence or willful misconduct of any MCE parties.

18. NO RECOURSE AGAINST CONSTITUENT MEMBERS OF MCE:

MCE is organized as a Joint Powers Authority in accordance with the Joint Exercise of Powers Act of the State of California (Government Code Section 6500, et seq.). Pursuant to MCE's Joint Powers Agreement, MCE is a public entity separate from its constituent members. MCE shall solely be responsible for all debts, obligations, and liabilities accruing and arising out of this Agreement. No Contractor Party shall have rights and nor shall any Contractor Party make any claims, take any actions, or assert any remedies against any of MCE's constituent members in connection with this Agreement.

19. INVOICES; NOTICES:

This Agreement shall be managed and administered on MCE's behalf by the Contract Manager named below. All invoices shall be submitted by email to:

Email Address:	invoices@mcecleanenergy.org
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All other notices shall be given to MCE at the following location:

Contract Manager:	Troy Nordquist
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MCE Address:	1125 Tamalpais Avenue
	San Rafael, CA 94901

Email Address:	contracts@mcecleanenergy.org
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Telephone No.:	(925) 378-6767
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Notices shall be given to Contractor at the following address:

Contractor:	Ryan Bird
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Address:	449 15th Street
	Oakland, California 94612

Email Address:	rbird@energy-solution.com
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Telephone No.:	510.482.4420 ext. 269
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20. ENTIRE AGREEMENT; ACKNOWLEDGMENT OF EXHIBITS:

This Agreement along with the attached Exhibits marked below constitutes the entire Agreement between the Parties. In the event of a conflict between the terms of this Agreement and the terms in any of the following Exhibits, the terms in this Agreement shall govern.

	<input checked="" type="checkbox"/>	<u>Check applicable Exhibits</u>	<u>CONTRACTOR'S INITIALS</u>	<u>MCE'S INITIALS</u>
<u>EXHIBIT A.</u>	X	Scope of Services		
<u>EXHIBIT B.</u>	X	Fees and Payment		
<u>EXHIBIT C.</u>	X	CRM Access Protocols		
<u>EXHIBIT D.</u>	X	Key Performance Indicators		
<u>EXHIBIT E.</u>	X	Service Level Agreement		

21. SEVERABILITY:

Should any provision of this Agreement be held invalid or unenforceable by a court of competent jurisdiction, such invalidity will not invalidate the whole of this Agreement, but rather, the remainder of the Agreement which can be given effect without the invalid provision, will continue in full force and effect and will in no way be impaired or invalidated.

22. INDEPENDENT CONTRACTOR:

Contractor is an independent contractor to MCE hereunder. Nothing in this Agreement shall establish any relationship of partnership, joint venture, employment or franchise between MCE and any Contractor Party. Neither MCE nor any Contractor Party will have the power to bind the other or incur obligations on the other's behalf without the other's prior written consent, except as otherwise expressly provided for herein.

23. TIME:

Time is of the essence in this Agreement and each and all of its provisions.

24. THIRD PARTY BENEFICIARIES:

The Parties agree that there are no third-party beneficiaries to this Agreement either express or implied.

25. 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.

26. PREPARATION OF AGREEMENT:

This Agreement was prepared jointly by the Parties, each Party having had access to advice of its own counsel, and not by either Party to the exclusion of the other Party, and this Agreement shall not be construed against either Party as a result of the manner in which this Agreement was prepared, negotiated or executed.

27. DIVERSITY SURVEY:

Pursuant to Senate Bill 255 which amends Section 366.2 of the California Public Utilities Code, MCE is required to submit to the California Public Utilities Commission an annual report regarding its procurement from women-owned, minority-owned, disabled veteran-owned and LGBT-owned business enterprises ("WMDVLGBTBE"). Consistent with these requirements, Contractor agrees to provide information to MCE regarding Contractor's status as a WMDVLGBTBE and any engagement of WMDVLGBTBEs in its provision of Services under this Agreement. Concurrently with the execution of this Agreement, Contractor agrees to complete and deliver MCE's Supplier Diversity Survey, found at the following link: <https://form.asana.com/?k=jSGYk4x3sf2dHfSzywc2fg&d=163567039999692> (the "Diversity Survey"). Because MCE is required to submit annual reports and/or because the Diversity Survey may be updated or revised during the term of this Agreement, Contractor agrees to complete and deliver the Diversity Survey, an updated or revised version of the Diversity Survey or

a similar survey at the reasonable request of MCE and to otherwise reasonably cooperate with MCE to provide the information described above. Contractor shall provide all such information in the timeframe reasonably requested by MCE.

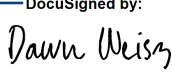
28. COUNTERPARTS:

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall be deemed one and the same Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

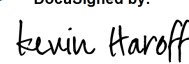
APPROVED BY

MARIN CLEAN ENERGY:

DocuSigned by:
By: 
A59878416EBC4F8...
Name: Dawn Weisz

Title: CEO

Date: 2/7/2023

DocuSigned by:
By: 
F40838117816455...
Name: Kevin Haroff

Date: 2/7/2023

CONTRACTOR:

DocuSigned by:
By: 
F40838117816455...
Name: Christine Riker

Title: Senior Director

Date: 2/8/2023

MODIFICATIONS TO STANDARD SHORT FORM

☐ Standard Short Form Content Has Been Modified

List sections affected: 2 (modified), 5.7 (modified), 7 (modified), 10.2 (added), 10.7(c) (added), 10.7(d) (added), 10.7(f) (modified), 12.1 (modified), 17 (modified)

DocuSigned by:
Approved by MCE Counsel: 
A90D5C36DBF141C...

Date: 2/7/2023

EXHIBIT A SCOPE OF SERVICES

Contractor shall provide the following Services under the Agreement as requested and directed by MCE Customer Programs staff, up to the maximum time/fees allowed under this Agreement:

Task 1: Startup & Administration

1.1: Program Kickoff

Contractor will schedule an on-site or virtual kickoff within two weeks of contract execution and include all relevant MCE stakeholders. Attendees at this meeting will discuss the MCE Electric Vehicle ("EV") Incentive Program ("Program") objectives and success metrics, MCE goals, roles and responsibilities, and specific Program design elements. Based on collaboration with MCE in the Program Kickoff Meeting, Contractor will create:

- A Program Implementation Plan ("PIP"), which will include the scope and schedule of activities, MCE reporting requirements, Data & Integration Requirements, Quality Assurance/Quality Control procedures and risk mitigation strategies, communication protocols for internal and external stakeholders, and project roles & responsibilities.
- A Marketing, Education & Outreach ("ME&O") Plan, subject to MCE Public Affairs team approval, which will include a recommended outreach strategy with messaging, marketing tools (such as digital materials and collateral), and timing. The ME&O Plan will include details about recruiting and enrolling Program participants. The ME&O Plan will leverage existing MCE collateral and establish a marketing tool kit for EV dealers. Deliverables to include, but not be limited to:
 - Email and direct mail¹ campaign to eligible MCE customers
 - At Program Kick-off
 - Throughout Program, frequency of which will be determined in ME&O Plan
 - Customer testimonials
 - A signed Customer Testimonial Waiver is required to be signed before a customer's testimonial can be used in marketing materials
 - Informational blog posts (top of funnel marketing to improve searchability)
 - Fliers (three types of fliers include: customer facing, dealer and partner/Community Based Organization ("CBO") facing, and referral materials)
 - The number of fliers required will be identified in the ME&O Plan
 - Frequently Asked Questions ("FAQs") handout available in print and on MCE's website.

1.2: MCE Support

Contractor will collaborate with MCE throughout the Program and meet MCE's goals. This collaboration will include:

- Regular virtual meetings with MCE Customer Programs staff to discuss Program status and action items. Check-in meetings will take place every other week during Program launch and then transition to monthly upon agreement by Contractor and MCE.
- Monthly Status Reports to MCE with relevant Program and participation data. The data elements, visualizations, and narrative for this report will be determined in the Program Kickoff Meeting.

1.3: Annual Reporting

Contractor will create an Annual Program Report for MCE each year of Program implementation which will include, but not be limited to, information on: Annual Highlights, Year Overview, Marketshare Report, Marketing Initiatives, Customer Equity based on information in KPIs, Dealer Outreach, and Program Influence (to be defined in PIP).

1.4: Systems Configuration

¹ If MCE stakeholders decide that a direct mail campaign should be utilized, the direct mail campaigns would be developed and designed by Contractor. MCE will pay an additional cost for this marketing tactic.

Contractor will configure its application processing software platform, Iris, to serve as a portal for Program participants. Contractor will:

- Create an MCE-branded landing page allowing dealers to log in with a username and password
- Configure an online incentive application (claim) form that allows participants to submit claims individually or in bulk, monitor the status of their claims, and view payment details
- Deploy reports for MCE to track Key Performance Indicators (preferences on format, graphic depictions, charts, and key data points for these dashboards will be determined at the Project Kickoff) and based on Exhibit D
- Import MCE customer data via flat file to Iris and set a recurring cadence for data import during Program Kickoff Meeting
- Establish Web-services based application programming interface (“API”) between Iris and MCE’s CRM system to share MCE Program participation data and establish a mechanism to push the relevant Program participation data continuously into the MCE CRM
- Utilize MCE’s CRM continuously to log Customer and Dealer/Original Equipment Manufacturer (“OEM”) Interaction Data
- Establish a Program Qualified Product List (“QPL”) of all vehicles that are eligible for Program rebates

Task 1 Deliverables:

- Project Kickoff Meeting
- Program Implementation Plan
- Regular Meetings
- ME&O Plan
- Email and direct mail² campaigns, to be determined in the ME&O Plan
- Customer testimonials
- Informational blog posts
- Fliers, to be determined in the ME&O Plan
- Frequently Asked Questions (“FAQs”)
- Status Reports
- Annual Program Report
- MCE branded customer portal
- Transfer of MCE customer data via flat file to Contractor
- Establish an API for transfer of Program Participation data into MCE CRM
- Access MCE’s CRM to log Customer and Dealer/OEM Data upon Program launch
- Establish a Program QPL

Contractor will work with MCE to finalize the data requirements and API specifications. Contractor will integrate with MCE CRM to publish the Program participation and customer related activities in real time using web services-based APIs, maintaining the MCE CRM data integrity. Contractor will import the ongoing Program participation data into Contractor’s applications and provide the updates on these imports to MCE as soon as the API is implemented.

Task 2: Implementation

Task 2.1: Program Marketing

In collaboration with MCE Customer Programs and Public Affairs staff and EV dealer participants, Contractor will develop new marketing materials for the Program. Contractor will develop drafts and coordinate approval with relevant MCE programmatic, marketing, branding, and communications staff on all marketing initiatives, including the development of campaigns or materials. Contractor will provide content to update the MCE website with Program information and links for customer and dealer resources, ensuring resources are up-to-date as the market changes during implementation, and will plan adequate time for MCE approvals.

- Contractor will develop Program marketing materials including, but not limited to, point-of-purchase (“POP”) collateral, EV dealer-facing materials, and congratulatory post-purchase customer-facing.

² Ibid.

- Contractor will engage CBOs and other groups that serve traditionally underserved, low-income, and disadvantaged populations to drive Program participation.

Contractor will collaborate with the implementers of complementary EV and EV Supply Equipment (“EVSE”) programs to include promotional material for the Program in with their existing ME&O efforts while also clearly noting in the promotional materials that the Program is independent of the complementary programs. These programs may include the MCE EV Charging Program, forthcoming PG&E Multifamily EVSE Direct Install Program, Clean Vehicle Assistance Program, Drive Clean Assistance Program, Clean Cars for All, Consumer Assistance Program Vehicle Retirement, and other EV, low-income, or multifamily Programs as appropriate.

Task 2.2: Dealer Outreach & Enrollment

Contractor will engage a variety of sales channels, including franchised dealers, online dealers, and OEMs that sell directly to customers, with the goal of reaching Program enrollment and participation targets. The primary engagement strategy will be via calls and in-person visits from the Contractor team at dealer locations.

- Contractor will provide MCE standard Dealer Participation Agreement (“DPA”) language and will work with MCE to determine specific dealer eligibility requirements, customer data requirements, participant compliance, and the impacts to non-compliant participants.
- Contractor will recruit dealers to the Program. In these visits and conversations, Contractor will promote the Program and its benefits, collect all required information for participation, and ensure all potential participants meet “Participating Dealer” criteria and are approved for enrollment prior to collecting signed DPAs.
- Once new dealer participants enroll, Contractor will train salespeople, management, and administrative staff on Program participation. These trainings will include how to submit claims to the online system and what is expected of staff during the sales process.

Task 2.3: Ongoing Dealer Engagement

Contractor will provide ongoing in-person and virtual outreach and support to dealers as needed to ensure they are promoting EV sales and applying rebates to eligible customers. The level of continuing outreach with individual EV dealer participants will depend on a variety of factors, including MCE priorities, participant capacity to deliver EV sales, participant level of engagement, and location, and will continue to be discussed between MCE and Contractor at regular meetings.

- Contractor will perform regular outreach to all enrolled dealers with the goal of increasing Program participation and increasing adoption of EVs.
- Contractor will distribute Program marketing materials and maintain POP collateral at dealer locations.
- Contractor will distribute a quarterly newsletter to dealers to alert them of Program updates, newly eligible vehicles, other MCE Programs, and additional customer incentive opportunities.
- On an annual basis, Contractor will create and distribute dealer performance reports which show each dealer how they are performing in the Program compared to their prior year’s performance and to other anonymized participants.

Task 2.4: Quality Assurance/Quality Control Procedures

Contractor will work with MCE to determine the data to be collected by the Program upon rebate claim submission. Claim processing will occur daily on weekdays and Contractor will reach out to dealers to follow up on any claims that need edits or clarification.

- Contractor will develop a Quality Assurance/Quality Control Claim Processing Guide that will define Program claim processing requirements that confirm that the rebate recipient is an eligible MCE customer, the vehicle is on the QPL, the claim is not a duplicate, and that the rebate was provided to the customer via a line item discount on the customer’s purchase or lease agreement.
- Contractor will process all submitted rebate claims on the following schedule. If claims require further action or revision from dealer participants, Contractor will reach out to the appropriate dealer contact to make any necessary edits or clarifications.

- Claims submitted between Mondays at 8:00 am and Fridays at 12:00 pm that do not require revisions will be reviewed and approved within 48 hours of claim submittal or by Fridays at 5:00 pm, whichever comes first. For claims that require revisions, Program participants will be contacted via email within 48 hours of claim submittal or by Fridays at 5:00 pm, whichever comes first.
- Claims submitted between Fridays at 12:00 pm and Mondays at 8:00 am that do not require revisions will be reviewed and approved by the following Tuesday at 5:00 pm. For claims that require revisions, Program participants will be contacted via email by the following Tuesday at 5:00 pm.

Contractor will track participants' rejected and flagged claims and will contact participants regularly to discuss the errors or omissions, request updates or edits to flagged claims, provide additional training if needed, and work with participants to identify potential solutions to improve claim approval rates. Contractor will review with MCE the specific metrics used for flagging data discrepancies, possible errors, or unusual sales activity during the Project Kickoff and ongoing check-ins. Additional flags can be programmed, and metrics can be modified as needed to meet MCE's preferences.

Task 2.5: Rebate Processing

Once a participating dealer's claims have been reviewed and approved, Contractor will provide secondary review to approve claims for payment.

- Contractor will approve claims for payment weekly, on Mondays, which will include all claims that have been reviewed and approved the week prior.
- Contractor will deliver rebate reimbursement payments and spiffs to Program participants according to payee information provided during enrollment weekly, on Thursdays, within 2 weeks of claim approval.

Contractor will work with MCE during Program kickoff to determine the best way to collaborate with the other relevant post-sale vehicle rebate Programs available to MCE customers. Through this collaboration, Contractor will collect submitted customer information and transmit that information securely to the implementers of the other Programs. It will be the responsibility of those Programs to follow up directly with customers for any additional income verification or documentation needed and pay the downstream rebate.

- Contractor will engage the implementation teams of the other EV rebate programs available to MCE customers to develop a collaboration plan. The collaboration plan will provide guidance on how the Program will transmit information to the other Programs and explore the potential for future Program modifications that would integrate those rebates at the point-of-sale.

Task 2.6: Customer Support

Contractor will

- Establish a Program support hotline and email to provide support to dealers and customers. The support number and email will answer questions on Program policies, claim submissions, customer and vehicle eligibility, additional incentives, access to Program materials, and general EV and EV charging topics. Phone and email contact information for the hotline will be listed prominently on the Program website and marketing materials.
- Provide MCE Customer Operations Team with ongoing and updated FAQs
- Operate the Program support hotline seven days a week from 8 AM to 9 PM Pacific Time. Contractor will respond to most inquiries immediately, but all inquiries will receive a response within 24 hours.
- Follow the MCE Service Level Agreements (SLAs) outlined in Attachment X

If a complaint is made regarding a participating dealer or the Program, Contractor will respond within 24 hours with a resolution plan and a timeline. MCE will be informed of any complaints and be kept informed of progress towards resolution.

Task 2.7 Software Management

Contractor's information systems maintain a SOC Type 2 Certification for data security, software development and hosting, and data management. This certification is audited annually by an accredited SOC2 auditor, Moss Adams. Contractor's SOC2 certification explicitly includes our systems and processes which support the transfer, storage, and handling of sensitive customer and market data.

- Contractor will operate and maintain the Program online system and will store all sales data and supporting documents collected from dealers in claims, as well as all data documenting completed validation checks, eligible vehicle specifications, and payments to dealers, for at least three years. Data stored in Iris will be available to support all automated and manual QA/QC and Evaluation, Measurement and Verification (EM&V) processes.

Contractor releases new code to the Iris production server on a bi-weekly basis on Tuesdays after business hours Pacific Time. This release process will not impact users' ability to access or use the system; if maintenance activities need to be scheduled, Contractor will notify MCE at least 48 hours in advance. Similarly, MCE will be promptly notified in the event of an emergency outage. The Iris team has a dedicated Quality Assurance and support team trained to respond quickly to unforeseen software problems, allowing Contractor to uphold the integrity of Iris and minimize the impacts such events may have on users.

Task 2 Deliverables:

- MCE branded Program Marketing Materials
- Program DPA
- Recruit and Enroll Program Participants
- In-person and/or virtual dealer trainings
- Regular Program outreach to enrolled dealers
- Distribute Program materials and maintain POP collateral
- Program Newsletter
- Delivery of Dealer Performance Reports
- Claim Processing Guide
- Rebate claim processing
- Approve claims for payment
- Rebate reimbursement and spiff payments
- Additional incentive Program collaboration plan
- Maintain and Provide support through the Program hotline and email address
- Hosting and maintenance of online claims portal

Schedule

Tasks	Description	Timeline
Task 1 — Startup & Administration		
1.1 Program Kickoff	Attend Program Kickoff Meeting to finalize Program design and implementation	2/6/2023 – 2/17/2023
	Draft and Finalize PIP <ol style="list-style-type: none"> PIP draft PIP semifinal 	<ol style="list-style-type: none"> By 3/1/23 (MCE reviews by 3/10) By 3/17 (MCE reviews by 3/24)

	3. Final PIP	3. By 3/31 (MCE approves by 4/7)
	Draft and Finalize ME&O Plan <ol style="list-style-type: none"> 1. ME&O Plan draft 2. ME&O Plan semifinal 3. Final ME&O Plan 	<ol style="list-style-type: none"> 1. By 3/1/23 (MCE reviews by 3/10) 2. By 3/17 (MCE reviews by 3/24) 3. By 3/31 (MCE approves by 4/7)
1.2 MCE Support	Regular check-ins	Every two weeks during Program launch, Monthly once agreed to by MCE and Contractor
	Status Reports	Monthly, by the 10th of the following month
1.3 Annual Reporting	Create and deliver Annual Program Report	Yearly, by January 31 each year
1.4 Systems Configuration	Launch of MCE branded Claim Portal	4/30/2023
	Transfer of MCE customer data via flat file to Contractor	3/31/2023, followed by a regular cadence set during Project Kickoff Meeting
	Establish an API for transfer of Program Participation data into MCE CRM	4/28/2023
	Utilize MCE's CRM for Customer and Dealer/OEM Data	4/28/2023
	Establish a Program QPL	4/28/2023
Task 2 — Implementation		

2.1 Program Marketing	<p>Develop MCE branded Program Marketing Materials</p> <ol style="list-style-type: none"> 1. Draft launch materials 2. Semifinal launch materials 3. Final launch materials 4. Draft supporting materials 5. Semifinal supporting materials 6. Final supporting materials 	<ol style="list-style-type: none"> 1. By 3/1/23 (MCE reviews by 3/10) 2. By 3/17/23 (MCE reviews by 3/24) 3. By 3/31/23 (MCE approves by 4/7) 4. By 5/5/23 (MCE reviews by 5/12) 5. By 5/19/23 (MCE reviews by 5/26) 6. By 6/2/23 (MCE reviews by 6/9)
2.2 Dealer Outreach & Enrollment	<p>Develop and Launch Dealer Participation Agreement (DPA)</p> <ol style="list-style-type: none"> 1. Draft DPA 2. Semifinal DPA 3. Final DPA 	<ol style="list-style-type: none"> 1. By 3/1/23 (MCE reviews by 3/10) 2. By 3/17/23 (MCE reviews by 3/24) 3. By 3/31/23 (MCE approves by 4/7)
	Recruit and Enroll Program Participants	March 2023, ongoing
	In-person and/or virtual dealer trainings	April 2023, ongoing
2.3 Ongoing Dealer Engagement	Regular Program outreach to enrolled dealers	April 2023, ongoing
	Distribute Program materials and maintain POP collateral	April 2023, Ongoing
	Send Program Newsletter	Quarterly, by the last day of each quarter
	Delivery of Dealer Performance Reports	Yearly, by February 28th each year
2.4 Rebate Processing	<p>Develop and Launch Claim Processing Guide</p> <ol style="list-style-type: none"> 1. Draft Guide 2. Semifinal Guide 	<ol style="list-style-type: none"> 1. By 3/31/23 (MCE reviews by 4/7)

	3. Final Guide	2. By 4/14/23 (MCE reviews by 4/21) 3. By 4/28/23 (MCE approves by 5/2)
	Rebate claim processing	Daily, on weekdays
2.5 Rebate Processing	Approve claims for payment	Weekly, on Mondays
	Rebate reimbursement and spiff payments	Weekly, on Thursdays
	Additional incentive program collaboration plan	July 28, 2023
2.6 Customer Support	Maintain and Provide support through the Program hotline and email address	5/1/2023 – ongoing (Daily)
2.7 Software Management	Hosting and maintenance of online claims portal	4/30/2023 - ongoing

All dates included in the above Schedule are estimates based on likely contract execution date and are subject to change upon mutual agreement of the Parties.

EXHIBIT B
FEES AND PAYMENT SCHEDULE

For Services provided under this Agreement, MCE shall pay Contractor in accordance with the amount(s) and the payment schedule as specified below:

Task	Category	Units	Amount/Unit	Total Budget, Not to Exceed by Categories	Invoice Schedule
1	Startup Fee	1	\$66,250	\$66,250	Upon 4/30/23 Program Launch
2	Implementation Fees	556	\$1,210	\$672,760	Per claim paid, invoiced monthly
2	Dealer Spiffs*	556	\$200 new \$100 used	\$86,400***	Per claim paid, invoiced monthly
2	Vehicle Rebates**	556	\$3,500 new \$2,000 used	\$1,574,000***	Per claim paid, invoiced monthly
Total				\$2,399,410	

*This amount will be passed through to the dealer to incentivize the stocking and upselling of EVs.

**This amount will be passed through to the dealer as a reimbursement for applying a discount in the amount of the rebate at the point of sale.

***Assuming 308 new EVs and 248 used EVs receiving incentives through the Program

Contractor shall bill for the deliverables in task 1, included within the Startup Fee, on 4/30/23. After the initial payment of the Start Up Fee, Contractor shall bill monthly for Services rendered the month prior. In no event shall the total cost to MCE for the services provided herein exceed the **maximum sum of \$2,399,410** for the term of the Agreement.

EXHIBIT C
MCE CRM ACCESS PROTOCOLS

Contractor shall provide the following protective measures under the Agreement in order to access the MCE Customer Relationship Management software ("MCE CRM") according to program needs up to the time/fees allowed under this Agreement.

In order for Contractor to access MCE CRM, Contractor must first agree to and comply with the following protocols:

1. MCE CRM access is subject to the NDA between the Parties dated January 20, 2023.
2. MCE CRM login information, passwords, and any information retrieved from MCE CRM shall be treated as Confidential Information.
 - o Confidential Information shall have the same meaning as defined in the MCE NDA between the Parties dated January 20, 2023.
 - o No Contractor employee is to give, tell, or hint at their login information or password to another person under any circumstance.
 - o MCE CRM passwords are required to be changed every 90 days.
 - o MCE encourages strong passwords (such as minimum character length, and use of special characters) that are not reused for other logins.
 - o MCE CRM shall only be accessed from an Internet Protocol (IP) address in the United States.
3. MCE CRM access shall be provided through MCE's selected Single Sign-On (SSO) provider, Okta, Inc. or any MCE-designated SSO provider.
4. MCE CRM access shall be restricted.
 - o MCE CRM access shall only be provided to those employees of Contractor who have a "need to access" such information in the course of their duties with respect to Contractor's Services.
 - Contractor employees who access MCE CRM shall only update or view fields related to the tasks assigned.
 - Contractor shall maintain a list of Contractor employees that have been authorized to access MCE CRM.
 - The list shall be updated and verified by Contractor quarterly, upon Contractor employee turnover, and upon MCE's request.
 - o Contractor employees who access MCE CRM shall first review and agree to be bound by these MCE CRM Access Protocols.
 - o Contractor's use of the CRM is restricted to that which is necessary to provide the Services described in Exhibit A.
 - o Contractor shall not copy, download, record or reproduce in any way any data existing within MCE's CRM.
5. In the event of an employment status change for a Contractor employee who had been granted access to MCE CRM, Contractor shall provide the following information to MCE:
 - o Name and email of pertinent Contractor employee.
 - o Notification to MCE within 3 days of employment status change.
6. Contractor having any interaction with an MCE customer shall do the following:
 - o Contractor shall comply at all times during the Term with any MCE-provided MCE co-branding and/or customer engagement protocol that provides MCE's expectations for customer interactions by Contractor. Failure of Contractor to comply at all times with this section will constitute a material breach pursuant to Agreement section 12, and may result in the discontinuation of work with MCE at MCE's request.
 - o Contractor and any approved subcontractors responding to, or engaging directly with, MCE customers shall respond to direct customer inquiries within 3 business days after the inquiry is received. Unless otherwise agreed to, Contractor and subcontractors are to provide two options for customer contact (email and phone). Contractor shall provide MCE with a process to document any customer issues, escalations and resolutions.

EXHIBIT D
Key Performance Indicators (KPIs)

EV Grant Goals	
Objective	How It's Measured
Expanding educational reach of EVs	Number of residents engaged by zip code
	Number of dealer employees engaged by zip code
	Percent of residents engaged by ME&O tactic
	Percent of dealers engaged by ME&O tactic
	Number of applications submitted and approved
Reducing administrative burden	Avg days between application submitted and approved/rejected
	Total additional funding that applicants are automatically qualified for and how much was received with a single application
Equitable attainment of incentive funds	Percent of incentive dollars spent by zip code, with a break out among low-income census tracts or Disadvantaged Communities (DACs)
	Avg household size and avg household income of applicants
	Percent of incentive dollars spent based on race of participants*

	Percent of incentive dollars spent on Hispanic and non-Hispanic participants*
--	---

* This metric is used for data gathering only and is not a basis for incentive dollar distribution.

EXHIBIT E

Service Level Agreement (SLA)

Both Parties shall comply at all times during the Term with the following MCE SLA that provides MCE's expectations for customer interactions by Contractor:

- Contractor shall keep a 99% platform uptime.
- Contractor and all subcontractors responding to, or engaging directly with, MCE customers shall respond to direct customer inquiries no later than within 3 business days after the inquiry is received. Unless otherwise agreed to, Contractor and subcontractors are to provide two options for customer contact (email and phone). Unless otherwise agreed to, the Contractor shall provide MCE with a process to document customer issues, escalations and resolutions.
- MCE to review and approve the Outreach Plan.
- MCE to review and approve all branded customer facing materials (digital and physical content) before Contractor and/or subcontractor uses and distributes them.
- Contractor will provide the following customer information ("Customer Information") to MCE: when and how the Pilot participants and potential Pilot participants will be contacted, what data will be collected, how that information will be stored, how that information will be shared with MCE, the process for handling customer complaint escalation, and identification of key individuals associated with Contractor or subcontractor who have been specifically assigned to work with MCE customers and the key individuals' subsequent outreach and response activities throughout the X Phases.
- Contractor to provide to MCE monthly reports which will include lead generation, outreach status, Customer Information updates and any customer complaints, feedback and escalations.

a) Availability Service Level.

1) Definitions.

(a) "Maintenance Window" shall mean the total minutes in the reporting month represented by the mutually agreed day(s) and time(s) during which Service Provider shall maintain the Services.

(b) "Scheduled Downtime" shall mean the total minutes in the reporting months represented by the Maintenance Window.

(c) "Scheduled Uptime" shall mean the total minutes in the reporting month less the total minutes represented by the Scheduled Downtime.

2) Service Level Standard. Services will be available to Authorized Users for normal use 99% of the Scheduled Uptime.

b) Technical Support Problem Response and Resolution Service Level.

1) Service Level Standard. The Service Provider will respond to two categories of problems associated with delivery of the Services:

- i) Problems that shall be investigated and resolved within 3 working days if the problem prevents >25% of Authorized Users from accessing the Services to MCE residential customers as required; and
- ii) Problems that shall be investigated and resolved within 15 working days if >25% of Authorized Users are able to access the Services to MCE residential customers as required but are unable to access a specific functionality delivered by the Service Provider.



DRAFT

MCE Board of Directors Meeting
Thursday, February 20, 2025
6:30 p.m.

2300 Clayton Road, Suite 1150, Concord, CA 94520 (MCE)

Remote Public Meeting Participation

Video Conference: <https://zoomto.me/F6Ogt>

Phone: Dial (669) 900-9128, Meeting ID: 890 0487 7785, Passcode: 525690

Public comments may be made in person, remotely, or via email. Members of the public wishing to submit written comments may email them to board@mcecleanenergy.org at least 24 hours before the start of the meeting.

Materials related to this agenda are available for physical inspection at MCE's offices in San Rafael at 1125 Tamalpais Ave, San Rafael, CA 94901 and in Concord at 2300 Clayton Road Suite 1150, Concord, CA 94920.

DISABLED ACCOMMODATION: If you are a person with a disability who requires an accommodation or an alternative format, please contact MCE at (888) 632-3674 or ada-coordinator@mceCleanEnergy.org at least 72 hours before the meeting start time to ensure arrangements are made.

Agenda Page 1 of 2

1. Roll Call/Quorum
2. Board Announcements (Discussion)
3. Public Open Time (Discussion)
4. Report from Chief Executive Officer (Discussion)
5. Consent Calendar (Discussion/Action)
 - C.1. Approval of 11.21.24 Meeting Minutes

Agenda Page 2 of 2

C.2. Approved Contracts for Energy Update

6. Board Introductions (Discussion)
7. Selection of Chair & Vice Chair (Discussion/Action)
8. Accept Grant Funds From California Energy Commission for GFO-23-309 – Virtual Power Plant Approaches for Demand Flexibility (VPP-FLEX) (Discussion/Action)
9. MCE 2025 Priorities (Discussion)
10. Fiscal Year 2025/26 Budget Introduction on Power Supply and Staffing (Discussion)
11. Board & Staff Matters (Discussion)
12. Adjourn

The Board may discuss and/or take action on any or all of the items listed on the agenda irrespective of how the items are described.

MCE Board Offices and Committee Rosters

BOARD OFFICES

Chair:	Shanelle Scales-Preston, City of Pittsburg
Vice Chair:	Gabe Quinto, City of El Cerrito
Treasurer:	Maira Strauss, MCE Vice President of Finance (November 2024)
Secretary:	Dawn Weisz, MCE Chief Executive Officer

BOARD OFFICES SELECTION PROCESS

The Chair and Vice Chair offices are held for 1 year and there are no limits on the number of terms held by either Chair or Vice Chair.¹ The selection of these offices shall take place on or near December of each year.² The office of Treasurer is appointed by the Board via an approved resolution and may be a non-board member. The Treasurer appointment, along with the delegated authority, is held for 1 year and there are no limits on the number of terms held.³ Deputy Treasurers are appointed directly by the Treasurer each year. Once appointed by the Board, the Secretary shall continue to hold the office each year until the Secretary chooses to resign from the role or the Board decides to remove the individual from the Secretary position.⁴ The Secretary does not need to be a member of the Board. All officer appointments/selections by the Board require a majority vote of the full membership of the Board.⁵

EXECUTIVE COMMITTEE *(Membership Approved 9.19.24)*

1. Max Perrey, Chair	City of Mill Valley
2. Eli Beckman	Town of Corte Madera
3. Cindy Darling	City of Walnut Creek
4. Maika Llorens Gulati	City of San Rafael
5. Eduardo Martinez	City of Richmond
6. Devin Murphy	City of Pinole
7. Laura Nakamura	City of Concord
8. Gabe Quinto	City of El Cerrito
9. Mathew Salter	Town of Ross
10. Shanelle Scales-Preston	City of Pittsburg
11. Sally Wilkinson	City of Belvedere

¹ Section 4.13.1 of MCE Joint Powers Agreement.

² Article V, Section 1 of MCE's Operating Rules and Regulations.

³ Article V, Section 1 of MCE's Operating Rules and Regulations; California Government Code § 53607.

⁴ Article IV, Section 1(c) of MCE's Operating Rules and Regulations.

⁵ Article VI, Section 2 of MCE's Operating Rules and Regulations. At MCE's current membership of 37 communities with appointed Directors, the vote needed is 19.

TECHNICAL COMMITTEE *(Membership Approved 6.20.24)*

- | | |
|------------------------|--------------------|
| 1. Devin Murphy, Chair | City of Pinole |
| 2. Dion Bailey | City of Hercules |
| 3. Gina Dawson | City of Lafayette |
| 4. Eduardo Martinez | City of Richmond |
| 5. Charles Palmares | City of Vallejo |
| 6. Gabe Quinto | City of El Cerrito |



MCE Executive Committee Overview

Scope

The scope of the MCE Executive Committee is to explore, discuss and provide direction or approval on general issues related to MCE including legislation, regulatory compliance, strategic planning, outreach and marketing, contracts with vendors, human resources, finance and budgeting, debt, rate setting, and agenda setting for the regular MCE Board meetings and annual Board retreat.

Authority

Executive Committee is authorized to make decisions regarding:

- Legislative positions outside of the Board-approved legislative plan
- Procurement pursuant to Resolution 2018-04 or its successor
- Compensation and evaluation of the CEO
- Ad hoc committees
- Honorary awards

The Executive Committee also serves to make recommendations to the Board regarding:

- The annual budget and budget adjustments
- Rate setting
- Entering into debt
- MCE Policies (such as Policy 013: Reserve Policy and Policy 014: Investment Policy)

Committee Member Selection Process

MCE strives to assemble an Executive Committee comprised of at least one county representative and one city/town representative from each county in the MCE service area. Available seats on the Executive Committee are therefore first offered to any interested and applicable Board member whose county is not yet represented by one county and one city/town member. Interested members can be added at a meeting of the Board of Directors when it is included in the agenda.

The Executive Committee selects its own chair for a term of one year. The Executive Chair is limited to two one-year terms.

Current Meeting Schedule

First Monday of each month at 12:00 pm. Two meetings per year will be designated as “in-person” only. For the other meetings of the year, a “Primary Location” will be designated for each meeting, and this will be the location of staff presentations along with a light lunch. The Primary Location will alternate between MCE’s San Rafael and Concord offices every meeting, and the non-primary location will be available, but with minimum support.

Strategic Plan for Energy Services





Strategic Plan for Energy Services

January 2025

1125 Tamalpais Avenue, San Rafael, CA 94901
2300 Clayton Road, Suite 1150, Concord, CA 94520
(888) 632-3674

info@mcecleanenergy.org

www.mcecleanenergy.org

Leading California to an equitable, clean, affordable, and reliable energy future.

Cover photos, clockwise: 3 MW Silveira Ranch solar in Novato;

MCE customers and Marina Bay HOA Board Members Afsar Ali (left) and Mike Mahoney (right) flank Joy Massey, MCE Senior Customer Program Manager, celebrating installation of their new EV charging station;

MCE and partners Claire Trombadore, U.S. EPA Pacific Southwest Region Division Director, Dawn Weisz, MCE CEO, Jim Becker, RCF Connects CEO, Eduardo Martinez, City of Richmond Mayor, and MCE Board Director, Shanelle Scales-Preston, Contra Costa County Supervisor and MCE Board Chair, and Patty Monahan, California Energy Commissioner, unveil a newly renovated home, part of MCE's Virtual Power Plant project in Richmond.

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Section 1: Overview

Introduction

MCE's Strategic Plan for Energy Services is a roadmap outlining our continued commitment to sustainable, innovative energy solutions and equitable community engagement. At MCE, we recognize that the success and impact of our work is not confined to any single department or team. Instead, it's a collective effort that spans from our Board of Directors and across all MCE departments, with each staff member playing a crucial role in bringing our mission to life and helping achieve our strategic goals.

As we navigate challenges and opportunities ahead, this plan serves as both a guide and a reminder of the important work we all contribute to at MCE. Together, we are shaping a sustainable future for our communities and setting a benchmark for responsible, community-focused energy management.

MCE's Strategic Plan for Energy Services is an evolving document and staff aims to update it annually, at minimum. Where applicable, the plan includes goals, key performance indicators (KPIs), metrics, impacts, and results.

Vision & Mission

MCE's vision is to lead California to an equitable, clean, affordable, and reliable energy economy by serving as a model for community-based renewable energy, energy efficiency, and cutting-edge clean-tech products and programs.

MCE's mission is to confront the climate crisis by eliminating fossil fuel greenhouse gas emissions, producing renewable energy, and creating equitable community benefits.

Values

- **Innovation:** We fight climate change with leading edge, community-centered programs and policies.
- **Equity:** We prioritize environmental and economic justice for communities of concern.
- **Accessibility:** We serve our communities and customers through open and transparent engagement.
- **Inclusivity:** We celebrate diverse identities at work and in our communities.
- **Sustainability:** We strive for a sustainable workplace, community, and planet.
- **Fiscal Responsibility:** We invest in financial strength to deliver stable rates and programs.

Agency Priorities

MCE's agency priorities are firmly rooted in our vision, mission, and core values, steering us toward an equitable, clean, affordable, and reliable energy economy as we confront the climate crisis.

1. **Reduce greenhouse gas emissions** through strategic programs and fossil-free energy, maximizing both renewable and carbon-free sources.
2. **Foster equity** by focusing on inclusive participation and equitable access to clean energy, programs, and benefits.
3. **Inspire others** to take action, by telling our story, to confront the climate crisis and create energy equity.
4. **Sustain an engaging employee experience** through simplified workflows, enhanced internal processes, and cross-team collaboration.
5. **Amplify our impact** by using our funds wisely, providing competitively priced energy to our customers, and pursuing diverse funding, innovative finance strategies, and prudently diversified investments.
6. **Achieve operational excellence** by leveraging advanced technology for automation, enhancing existing resources, and refining processes to ensure peak efficiency and effectiveness.

Our Impact

The community choice model is a commitment to locally led efforts for a sustainable future. From individual lifestyle adjustments to large-scale industrial changes, our communities are building a cleaner, greener, and more resilient environment that works for everyone.

In 2010, local advocates launched MCE as California's first Community Choice Aggregation (CCA) electricity provider to give their communities a true, renewable alternative that was not-for-profit and governed at the local level.

Today, MCE serves over 1.5 million people with clean energy service and cutting-edge energy programs across 38 communities. Discover what we've accomplished in our [2024 Impact Report](#).

- 585,000 customer accounts
- 500,000 metric tons of greenhouse gas emissions reduced since 2010
- \$97.5 million in customer bill savings since 2010
- 48 MW new renewable projects built locally
- 6,500 California jobs supported

Section 2: Member Communities

As a Joint Powers Authority, MCE's Board of Directors is composed of locally-elected public officials representing each of the communities we serve, united in decarbonization and electrification goals. Recognizing each community's unique challenges, MCE tailors programs, services, and projects to meet their specific needs.

Current Members

There are 38 member communities across four Bay Area counties - Contra Costa, Marin, Napa, and Solano.

- **Contra Costa County**, Concord, Danville, El Cerrito, Hercules, Lafayette, Martinez, Moraga, Oakley, Pinole, Pittsburg, Pleasant Hill, Richmond, San Pablo, San Ramon, Walnut Creek
- **Marin County**, Belvedere, Corte Madera, Fairfax, Larkspur, Mill Valley, Novato, Ross, San Anselmo, San Rafael, Sausalito, Tiburon
- **Napa County**, American Canyon, Calistoga, Napa, St. Helena, Yountville
- **Solano County**, Benicia, Fairfield, Vallejo

Hercules Enrollment

In November 2023, MCE's Board voted to approve the **City of Hercules** as the newest member. A revised Implementation Plan to serve over 26,000 people and 10,060 new accounts in Hercules was submitted to and approved by the California Public Utilities Commission (CPUC), and service is scheduled to start in April 2025.

Outlined within MCE's [Community Outreach Plan](#) for the City of Hercules are the marketing, education, and outreach initiatives that will be implemented to engage the general customer base, spanning residential, commercial, industrial, and municipal account holders. The plan combines successful strategies used for previous new community enrollments and incorporates the unique characteristics and different information channels available in the City of Hercules.

As part of our community outreach efforts, we will measure success by holding a minimum of 2 in-person workshops and 4 online workshops in partnership with City staff, with an enrollment target of at least 85%.

Future Member Potential

Eight communities in Contra Costa and Solano counties, listed below, are eligible for MCE membership but have not applied. Due to current renewable energy market challenges, MCE will not prioritize new requests in 2025 but is open to future discussions on inclusion.

Communities Eligible for MCE Service

County	Community	Population	Household Count
Contra Costa	Brentwood	64,000	21,000
Contra Costa	Clayton	11,000	4,000
Contra Costa	Orinda	19,000	7,700
Contra Costa	Antioch	115,000	36,000
Solano	Dixon	19,000	6,700
Solano	Rio Vista	8,000	5,200
Solano	Suisun City	29,000	9,800
Solano	Vacaville	95,000	35,000

Section 3: Energy Equity

At MCE equity means ensuring all communities, especially those historically underserved or affected by environmental and economic injustices, have fair access to clean, affordable, and reliable energy. MCE actively addresses disparities by working to make renewable energy and clean technologies accessible to everyone, regardless of socio-economic status, race, ethnicity, or location.

MCE fosters equity by tailoring programs, policies, outreach, and decision-making processes to meet the diverse needs of our communities. This ensures equitable participation and benefits, particularly addressing historical injustices that have created “sacrifice zones” in frontline and fenceline communities. It means actively working to:

- **Advocate for and implement policies and programs** that reduce environmental and health impacts of energy production and consumption, especially in disproportionately pollution-affected communities.
- **Identify and address disparities** in energy access and costs, especially in underserved and industrially-impacted communities.
- **Ensure equitable distribution of benefits** from clean energy, such as reductions in air pollution and greenhouse gas emissions, cleaner renewable electricity, increased access to energy efficiency programs, cost savings, and benefits from new technologies.
- **Proactively incorporate diverse community voices and needs** in decision-making processes, ensuring that energy solutions are tailored to the unique contexts of all served communities.
- **Foster economic opportunities** by prioritizing job creation, training, and workforce development in underrepresented groups and partnering with organized union labor on utility scale projects.

These commitments are aligned with decades of activism and environmental justice work throughout the country. Of particular importance is MCE’s alignment with the 17 Principles of Environmental Justice (1991). Among them are the declarations that with our programs, policies, and power purchase we:

- protect our ecological environment,
- write public policy based on mutual respect and justice for all people,
- invest in ethical, balanced and responsible uses of land and renewable resources;
- protect from nuclear;
- allow for equal partners in every level of decision making;
- allow for workers in a safe and healthy work environment;
- educate generations on social and environmental issues with appreciation of diverse cultural perspectives and
- be careful with how we consume resources, reduce waste, and reprioritize our lifestyles to ensure the health of the natural world for present and future generations.

Other recent examples of how MCE is centering equity in programs and energy services are detailed in [MCE’s 2024 Impact Report](#).

Language Access

In 2025, MCE will conduct a language study across its service area to better understand customer needs, communication preferences, and effective outreach channels for individuals with limited English proficiency, particularly Spanish-speaking customers. The results will inform MCE's communications and community engagement strategies to ensure more equitable access to clean energy programs and services. This effort underscores MCE's commitment to tailoring solutions to meet the diverse needs of its customers, particularly those facing language barriers.

Supplier Diversity

MCE submits an annual [Supplier Diversity Report](#) to the CPUC that outlines our voluntary work. Our supplier diversity efforts help businesses whose owners are women, minority, LGBTQ, and/or disabled veterans to access opportunities in California's energy sector. By leading our supplier diversity workshops and training sessions over several years, MCE has helped many businesses receive certification in the state's Supplier Diversity Clearinghouse to access utility contracts and more easily grow their local businesses. In 2023, MCE spent more than \$40 million on small local and diverse businesses.

Community Power Coalition

MCE's [Community Power Coalition](#) is a network of 115 community-based organizations (CBOs) that advise MCE on areas including environmental, social, and racial justice issues as they intersect with the work of delivering renewable energy to our communities. These organizations also help MCE to raise awareness and reach new audiences.

In 2024, MCE hosted 6 Community Power Coalitions meetings. Cumulatively, 198 people were engaged to discuss topics including rates, MCE's budget, MCE's greenhouse gas emissions reductions by program area, Diablo Canyon nuclear power, and language accessibility.

- **Goal:** Create bi-directional pathways for community partners to engage in climate crisis conversations and partnerships.
 - **KPI:** Increase environmental justice CBO engagement by 15% in cumulative attendance.
- **Goal:** Facilitate engagement and education opportunities for existing and new partners to build energy-adjacent partnerships (between MCE, CBOs, policymakers, and local municipalities) to advance climate equity goals.
 - **KPI:** Identify and engage 2-3 new organizations (or re-engage non active partners) per county.
- **Goal:** Ensure MCE's Community Power Coalition membership reflects the diversity of our service area by amplifying the voices of underrepresented groups and better understanding the needs of all communities.
 - **KPI:** Analyze the demographics and focus areas of Com Pow member organizations to identify gaps in representation, such as farmworkers, youth,

BIPOC communities, workforce development, and environmental justice groups. Use findings to guide outreach and recruitment of new members.

- **Goal:** Strengthen MCE brand and create engagement touchpoints in our service area.
 - **KPI:** Measure brand familiarity increase of meeting attendees in post-survey participation following the annual listening sessions and annual symposium.

Priority Populations

MCE identifies and serves communities and groups with specific challenges or energy needs through inclusive program and service offerings. State-designated Disadvantaged Communities (CalEnviroScreen) and Low-Income Communities (AB 1550) are identified based on specific criteria that reflect economic, health, and environmental challenges. These areas often face higher pollution levels, limited access to clean energy, and socioeconomic barriers that exacerbate health and environmental risks.

Prioritizing these communities and customer groups ensures targeted support to those most in need, aiming to reduce disparities, improve health outcomes, and enhance access to clean, affordable energy.

Priority Communities

Richmond, Pittsburg, Concord, and Vallejo are the greatest areas of concern within MCE's service area, based on state designations as disadvantaged and/or low-income communities. The following communities have the greatest area of concern by member county:

- **Richmond, Pittsburg, and Concord** in Contra Costa County;
- **Vallejo and Fairfield** in Solano County;
- **San Rafael and Novato** in Marin County; and
- **Napa** in Napa County

A complete list of member communities with designations from CalEnviroScreen, AB 1550, and the Climate and Economic Justice Screen Tool, is in **Appendix A**.

Vulnerable Populations

- People with lower income including those that qualify for [discount and assistance programs](#)
- People dependent on electrically-powered medical devices
- Non-English speakers
- Multifamily properties, which frequently provide housing for lower-income individuals, families, and multigenerational families.
- **Tribal communities:** MCE's service area includes unceded lands of Indigenous groups including Me-Wuk (Coast Miwok and Bay Miwok), Muwekma Ohlone, Wappo, Karkin, Lisjan, Wintun and South Patwin peoples.
- Older adults
- Youth
- Customers in [High Fire Threat Districts](#)

Critical Facilities

Critical facilities help maintain community safety, health, and welfare, especially during emergencies or power outages. These facilities include, but are not limited to:

- Emergency Services: Fire stations, police stations, emergency operations centers, and other facilities for public safety and emergency response.
- Healthcare Facilities: Hospitals, clinics, and other medical centers.
- Public Transportation Hubs: Key transportation infrastructure like bus depots and train stations.
- Shelters and Community Centers: Locations that serve as emergency shelters or aid distribution centers, including schools, community centers, and senior care facilities.
- Utilities and Infrastructure: Water treatment plants, sewage facilities, telecommunications centers, and other utilities for public health and safety.

Section 4: Electric Supply Options

Through the CCA model, MCE is the primary and default electricity provider within our service area, aggregating the electricity needs of more than 585,000 customer accounts - 87% of the eligible residents, businesses, and municipal facilities. This collective approach is not just about negotiating and buying power, it's about reshaping the energy landscape in line with our community's values and need to champion sustainability, competitive rates, and local empowerment.

MCE's energy procurement hinges on three pillars:

1. **Consumer Choice and Stable, Competitive Rates:** By pooling the energy needs of our customers, MCE engages in strategic negotiations with power generators. This collective bargaining strength enables us to secure electricity at competitive and stable rates, often surpassing the offerings of traditional utilities in both cost and quality.
2. **Commitment to Carbon-Free and Renewable Energy:** MCE is steadfast in our commitment to procuring electricity from cleaner sources like solar and storage, wind, geothermal, biogas, and hydropower.
3. **Enhanced Local Control and Benefits:** MCE's model embodies local empowerment in energy decision-making. By choosing where and how our electricity is produced, MCE fosters local economic growth and job creation, while also contributing to the reduction of greenhouse gas emissions. Our approach ensures that the community's voice is central in shaping an energy future that is equitable, sustainable, and resilient.

MCE's energy procurement objectives are detailed in [MCE's Integrated Resource Plan](#) and are considered with a ten year planning period that takes into account numerous dimensions:

- Load forecasts based on the number and types of customers, potential service territory expansions, opt-out rates, electrification trends, demand-side resources, and weather;
- Renewables and emissions targets;
- Agency-wide budgetary considerations and customer rate implications;
- Long-term contracting requirements and goals for new steel in the ground;
- Grid reliability needs and capacity requirements, including regulatory mandates;
- Goals for local resources, local resiliency, and local workforce development; and
- Goals for more equitable communities.

Renewable Energy Prepayment Transactions

MCE has been a leader in 100% renewable energy prepayment transactions completing its first in 2021. By prepaying for renewable energy Power Purchase Agreements (PPAs) through non-recourse tax-exempt bonds, MCE reduces the cost of energy from these fixed-price contracts by 10-13%. MCE's \$600 million inaugural issue in 2021 and a subsequent \$1 billion issue in late 2023 will save customers an estimated \$10 million/year in renewable energy costs during the first 6 years.

MCE was the impetus behind the creation of the California Community Choice Financing Authority (CCCFA), the Joint Power Authority established to be the conduit issuer of the tax-exempt bonds. Almost \$17 billion in prepayment transactions have been issued by CCCFA

since 2021 saving CCA customers over \$113 million annually. The popularity of prepayment transactions has resulted in CCCFA being the third largest issuer of tax-exempt bonds in the US in 2023 - behind only the State of California and City of New York.

This leadership in renewable energy prepayment transactions exemplifies MCE's commitment to driving California towards an equitable, clean, affordable, and reliable energy economy, leveraging innovative financial strategies.

State and Regional Goals and Policies

California's Renewable and Carbon-Free Energy Goals

California is aiming for 100% renewable and/or carbon-free energy by 2045, guided by SB 100 (2018) and SB 1020 (2022). While some renewables such as geothermal and bioenergy may emit minimal carbon, the state aims to balance environmental goals with affordability. The following table details the renewable energy milestones set to achieve California's ambitious objectives.

Target Year	Power Supply Target ¹	Established By	MCE Status
2029	85% renewable	MCE	On track
2030	60% renewable	California Renewable Portfolio Standard/SB 100 (2018)	Achieved since 2017
2035	90% renewable and carbon-free	California SB 1020 (2022)	Achieved since 2017
2035	100% renewable and carbon-free for all state agencies by 2035	California SB 1020 (2022)	N/A
2040	95% renewable and carbon-free	California SB 1020 (2022)	Achieved since 2022
2045	100% renewable and carbon-free	California SB 100 (2018)	On track

Resource Adequacy

The CPUC established the Resource Adequacy (RA) policy framework in 2004, aimed at ensuring the safe and reliable operation of the grid in real-time. This policy mandates electricity providers, like MCE, to procure resources amounting to 117% of their forecasted peak demand. This extra 17% acts as a reserve, ensuring that even during unexpected demand surges or resource

¹ Targets are for all retail electricity sales unless otherwise indicated. Any targets that include renewable and carbon-free refer to power supply from a combination of renewable and carbon-free sources.

shortfalls, there's always sufficient power available to meet customer needs, and may increase in 2026.

In 2025, the [CPUC's RA framework](#) is expected to undergo significant changes, requiring MCE to secure RA capacity hourly, moving away from the current peak-hour for any given month.

Hourly Emissions Reporting

In 2028, the CEC plans to reform the Power Source Disclosure Program, requiring MCE to report emissions on an hourly basis, in addition to annually. The CEC is also proposing more near-term changes affecting annual reporting as early as 2026, and procurement changes in 2025. The changes will account for line losses and attempt to accurately reflect the extent to which a Load Serving Entity has procured sufficient energy on both an annual and hourly basis to meet its energy needs. This granular approach to emissions reporting aligns with the state's move towards more precise and transparent environmental accountability.

Strategic Implications for MCE

With the more granular emissions and RA accounting frameworks, MCE will need to focus procurement strategy on securing resources that align closely with our hourly energy and capacity needs, including procuring sufficient excess energy to account for line losses and possibly even battery charging. In instances where MCE's procurement does not align with these hourly needs, a higher attribution of emissions to our energy portfolio is expected.

The increased demand for carbon-free renewables within California and the broader western region may lead to a rise in costs for these resources, including new builds.

To maintain consistency and clarity in reporting and messaging regarding emissions, MCE will align its internal goals with the regulatory changes. This may involve developing parallel reporting metrics to reconcile MCE's internal targets and objectives with the new external regulatory requirements.

Current Offerings

MCE offers four electricity service options: Light Green, Deep Green, Local Sol, and Green Access. To ensure transparency, each year MCE provides the [Power Content Label](#), required by the California Energy Commission, with a breakdown of energy sources and a comparison to California's "grid average" power mix. The Power Content Label is released each fall or winter for the previous calendar year.

2023 POWER CONTENT LABEL										
MCE										
mceCleanEnergy.org/energy-sources										
Greenhouse Gas Emissions Intensity (lbs CO ₂ e/MWh)					Energy Resources	2023 MCE Light Green	2023 MCE Deep Green	2023 MCE Local Sol	2023 MCE Green Access	2023 CA Power Mix
2023 MCE Light Green Power Mix	2023 MCE Deep Green Power Mix	2023 MCE Local Sol Power Mix	2023 MCE Green Access Power Mix	2023 CA Utility Average	Eligible Renewable ¹	59.6%	100.0%	100.0%	100.0%	36.9%
4	0	0	0	373	Biomass & Biowaste	2.2%	0.0%	0.0%	0.0%	2.1%
<p>■ 2023 MCE Light Green ■ 2023 MCE Deep Green ■ 2023 MCE Local Sol ■ 2023 MCE Green Access ■ 2023 CA Utility Average</p>					Geothermal	1.0%	0.0%	0.0%	0.0%	4.8%
					Eligible Hydroelectric	7.7%	0.0%	0.0%	0.0%	1.8%
					Solar	33.3%	50.0%	100.0%	100.0%	17.0%
					Wind	15.3%	50.0%	0.0%	0.0%	11.2%
					Coal	0.0%	0.0%	0.0%	0.0%	1.8%
					Large Hydroelectric	40.1%	0.0%	0.0%	0.0%	11.7%
					Natural Gas	0.0%	0.0%	0.0%	0.0%	36.6%
					Nuclear	0.2%	0.0%	0.0%	0.0%	9.3%
					Other	0.0%	0.0%	0.0%	0.0%	0.1%
					Unspecified Power ²	0.1%	0.0%	0.0%	0.0%	3.7%
					TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Percentage of Retail Sales Covered by Retired Unbundled RECs ³						2%	0%	0%	0%	
¹ The eligible renewable percentage above does not reflect RPS compliance, which is determined using a different methodology.										
² Unspecified power is electricity that has been purchased through open market transactions and is not traceable to a specific generation source.										
³ Renewable energy credits (RECs) are tracking instruments issued for renewable generation. Unbundled renewable energy credits (RECs) represent renewable generation that was not delivered to serve retail sales. Unbundled RECs are not reflected in the power mix or GHG emissions intensities above.										
For specific information about this electricity portfolio, contact:						MCE (888) 632-3674				
For general information about the Power Content Label, visit:						https://www.energy.ca.gov/programs-and-topics/programs/power-source-disclosure-program				

¹The eligible renewable percentage above does not reflect RPS compliance, which is determined using a different methodology.

²Unspecified power is electricity that has been purchased through open market transactions and is not traceable to a specific generation source.

³Renewable energy credits (RECs) are tracking instruments issued for renewable generation. Unbundled renewable energy credits (RECs) represent renewable generation that was not delivered to serve retail sales. Unbundled RECs are not reflected in the power mix or GHG emissions intensities above.

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Light Green

Established in 2010, Light Green is MCE's primary service option. Customers initiating new electricity service within MCE's service area or starting MCE service as part of a new member community enrollment are automatically enrolled in Light Green unless they choose a different plan.

Light Green has maintained at least 60% renewable energy content since 2017, surpassing the state goal 13 years ahead of schedule, and 95% carbon-free since 2022, almost two decades ahead of state goals. Light Green is on track to achieve 85% renewable energy by 2029.

As of December 2024, approximately 564,760 accounts are enrolled in Light Green.

Deep Green Equity Focus

Established in 2010, Deep Green is MCE's most popular 100% renewable energy service option. Deep Green costs \$0.01 per kWh more than MCE's Light Green service. Half of the premium is allocated to a Local Development Fund to support new programs and renewable projects within our service area. In Fiscal Year 2024/25, \$1 million was added to the Local Development Fund. To promote equitable access to renewable energy, CARE and FERA customers, who have lower income, are not charged the premium.

From January to August 2023, MCE implemented a pilot to make Deep Green the default service (instead of Light Green) for customers starting new electricity service. This pilot resulted in an increase of more than 400% in Deep Green accounts, peaking at 71,000 accounts.

As of December 2024, 42,727 customers are enrolled in Deep Green and just over 7,700 of those are CARE or FERA customers.

Local Sol **Equity Focus**

Established in 2017, Local Sol is 100% solar energy sourced from a 1 MW solar farm in Novato. Local Sol guarantees stable rates directly tied to a 20-year Feed-In Tariff contract, initially costing about 30% more than Deep Green. By 2023, Local Sol became the most affordable service option, aside from Green Access, which is limited to specific customer groups. The Feed-In Tariff contract for Local Sol expires in 2037, prompting MCE to assess Local Sol's future as the date approaches.

As of December 2024, Local Sol was at full capacity, serving nearly 350 residential customers.

Green Access **Equity Focus**

Established in 2021, Green Access is 100% renewable energy at a 20% discount available to households who meet the income eligibility requirements for the CARE and FERA programs and are in one of the top 25% most disadvantaged communities statewide or the census tracts in the highest 5% of CalEnviroScreen's Pollution Burden. This includes Pittsburg, Richmond, and Vallejo in MCE's service area. Green Access is sourced from a 23 MW Cottonwood Solar project in Kern and Kings County. Green Access is funded through the CPUC Disadvantaged Communities-Green Tariff program.

As of December 2024, there were more than 3,100 customers enrolled in Green Access who had received \$2.44 million in discounts.

Future Endeavors

100% Fossil-Free 24/7 Load Matching Pilot

MCE will be exploring a pilot program to offer a 100% fossil-free product with hourly load matching. If successful, it may become part of MCE's electricity service offerings in the future.

Asset Ownership

In response to volatile pricing and supply chain challenges that impact the reliability and efficiency of traditional contract-based resource acquisition, MCE is strategically considering direct ownership of renewable energy generation, storage, resource adequacy, and potentially grid enhancing technologies that optimize the efficiency, capacity, and reliability of electricity transmission networks.

MCE's steps toward asset ownership include:

- Securing **Investment Grade Credit Ratings** (Fitch "A-" and S&P "A" both with Stable Outlooks);

- Increasing and exceeding our **Reserve Policy Goals** – achieved 108% of our Reserve target and 276 days of our 240 “days-cash-on-hand” target;
- Funding the **Operating Reserve Fund** (rate stabilization fund) with a current balance of \$70 million;
- Adopting a **Bond Resolution** allowing MCE to quickly access the bond market if needed to finance an acquisition;
- Establishing a **Debt Policy** to guide the situations where MCE may issue tax-exempt or taxable bonds to finance capital projects;
- Establishing and funding of an **Asset Acquisition Account** for equity contributions toward the purchase of a capital asset in the 2025/26 Fiscal Year.

Asset ownership, in part or in whole, can introduce additional risks that MCE would not be exposed to normally through purchase contracts with third parties. However, these risks are offset by operational contracts, and the incremental value and savings gained through asset dispatch and control, lower operational and financing costs and project life cycle benefits. Asset ownership is the next logical step for MCE in our journey to lead California to an equitable, clean, affordable, and reliable energy economy.

Green Hydrogen

MCE is interested in green hydrogen as a long-duration storage resource to diversify beyond lithium-ion batteries and utilize excess solar energy that may otherwise be curtailed. Given the state-wide push for hydrogen development, staff is engaging in regional coordination efforts to secure funding, assess partnerships, and ensure community engagement and concerns are proactively addressed. MCE’s [Responsible Green Hydrogen Principles](#) outline the green hydrogen projects MCE seeks partners for - including guidance regarding community, environment, and safety.

The [Alliance for Renewable Clean Hydrogen Energy Systems \(ARCHES\)](#) is the State of California’s initiative to accelerate renewable hydrogen projects and the necessary infrastructure. Alongside over 400 other groups, MCE is a founding member and a participant in the Power Working Group to develop a strategy to adopt responsible green hydrogen projects.

Section 5: Customer Programs

The purpose of MCE's Customer Programs is to reduce greenhouse gas (GHG) emissions, create more equitable communities, promote grid reliability, and deepen customer engagement. Customer Programs are directly funded by MCE, the California Public Utilities Commission, grants, and federal funding.

Grants and Federal Funding Awarded Since 2019

California Energy Commission (CEC) Virtual Power Plant Approaches for Demand Flexibility (prime)	\$5,000,000	Expand the Virtual Power Plant
Strategic Growth Council Transformative Climate Communities – (sub to City of Richmond)	\$3,000,000	Expand Home Energy Savings Program in Richmond
2022 Earmark (prime)	\$2,000,000	EV Charging Stations
Department of Energy (DOE) "Charged by Public Power" (prime)	\$1,000,000	Community focus groups for EV programs
2023 Earmark (prime)	\$850,000	Panel upgrades & ancillary services
Marin Community Foundation (MCF) Resiliency Grant (prime)	\$750,000	Solar + Storage for critical facilities in Marin
2022 Earmark (prime)	\$750,000	Expand Healthy Homes Program
2022 Earmark (prime)	\$500,000	Expand Energy Storage
MCF Climate Justice Initiative (prime)	\$380,000	Build green workforce in Marin
MCF EV Grant (prime)	\$180,000	EV Charging for multifamily sites in Marin
CEC Advanced Energy Community (sub to Zero Net Energy Alliance)	\$99,999	Virtual Power Plant (VPP) pilot in Richmond
TOTAL \$14,509,999		

Reduce GHG Emissions

MCE's programs reduce GHG emissions and minimize grid strain by helping customers lower the amount of energy used in their homes and businesses. By reducing energy use during target peak hours, we help balance supply and demand, mitigating the need for more polluting energy sources (ie, "gas-fired peaker plants"). Additionally, MCE's programs support clean transportation electrification, transitioning us away from fossil fuel dependency, which is a vital step in reducing our carbon footprint.

Foster Equity

MCE's programs address the disproportionate burden of environmental pollution and the unequal access to climate-smart technology by prioritizing customers who may not otherwise have the opportunity to participate in the Just Transition to a clean energy economy.

Promote Grid Reliability

With the growing impacts of climate change, such as more frequent and intense climate events from heatwaves, droughts, and wildfires, and the resulting power outages, customer programs are crucial in helping promote grid reliability by reducing overall energy consumption and shifting energy use out of peak hours.

Deepen Customer Engagement & Relationships

MCE's programs promote MCE as a trusted advisor to serve customers as a partner and resource in managing their energy needs, one that offers support and solutions beyond the role of

electricity provider. This relationship-building is essential for creating a sense of community and shared purpose in tackling energy and environmental challenges.

Virtual Power Plant Strategies

MCE's Virtual Power Plant (VPP) strategy exemplifies our commitment to delivering efficient, sustainable, and equitable energy solutions. A VPP is a network of decentralized energy resources (DERs) that work together as a single power plant, orchestrated through advanced technology to optimize energy production, storage, and consumption. By integrating resources such as rooftop solar, batteries, smart thermostats, heat pumps, and EV chargers, VPPs enhance electricity distribution for efficient and sustainable energy use, especially during peak hours.

MCE's VPP initiatives vary from fully dispatchable systems, allowing MCE direct control for precise management, to non-dispatchable systems that use price signals to encourage customers to reduce their energy use. These strategies, coupled with performance-based incentives and automated EV charging tools, contribute significantly to stabilizing the grid to prevent power outages and promoting sustainable energy use.

Our approach to the VPP is deeply rooted in equity, ensuring that advanced energy technologies are not only accessible but are also actively deployed in low-income and historically underserved communities. This strategy democratizes access to clean energy technology, addresses energy insecurity, and provides stable, affordable energy solutions to those most in need.

State and Regional Efforts

Grid reliability has been a priority focus of the CA legislature, regulators and the Governor's office since the rolling blackouts in August 2020. To enhance grid stability, the CPUC has authorized several new programs intended to reduce customer energy use during high-demand periods.

One such initiative, the investor-owned utility's (IOU) Emergency Load Reduction Program, was established as an additional measure to decrease energy consumption on days when the grid is under strain, beyond existing efforts of the IOU's Demand Response (DR) programs.

MCE's advocacy at the CPUC on DR has largely been to ensure that CCAs can use load-modifying programs and rates to reduce their peak demand without being limited by dual enrollment provisions established by the CPUC for event-based DR programs.

The CEC and CPUC are exploring the adoption of real-time *rates* as an alternative way to manage peak loads (Load Management Standards proceeding and Demand Flexibility proceeding, respectively).

Current offerings

MCE Sync Equity Focus

MCE Sync, launched in 2021, is an app-based load shifting program that helps customers automate EV charging at home using the least expensive and cleanest energy. In 2024, MCE launched a Dynamic Pricing Pilot aimed at saving drivers money while scheduling charging based on hourly dynamic grid signals. The program is expanding to enable more EV households to benefit from VGI (Vehicle to Grid Integration) functionality and incentives that

reduce the cost of EV charging at home, with a marketing focus on low- to moderate-income populations.

In 2025, MCE will launch a pilot under MCE Sync to offer free smart home EV chargers to income qualified customers for whom vehicle compatibility is a barrier to enrolling in MCE Sync.

Category	Details
Goals	<ul style="list-style-type: none"> - Enroll 5,000 EVs by March 2026 - Distribute 100 smart home EV chargers by March 2026 - Enroll 225 vehicles in the Dynamic Pricing Pilot by the end of 2024
Progress to Date	<ul style="list-style-type: none"> - 3,014 enrolled EVs (as of 12/2024) - Average monthly customer savings: \$17.11 - Total customer incentives: \$191,059 - 299 vehicles participating in the Dynamic Pricing Pilot
Funding	MCE
Implementer	EV.energy

Peak FLEXmarket

Peak FLEXmarket, launched June 2021, is designed to help balance electrical supply and demand and support grid reliability by encouraging program participants to reduce demand during summer peak hours (4 - 9 p.m. from June 1-September 30). Rather than predetermining technologies or partners to deliver results, the program works with an open market of qualified aggregators, each with a portfolio of projects delivering their own demand flexibility solutions.

The program pays aggregators and customers for shifting energy usage out of peak periods and during demand response events, with energy savings calculated using meter data. The program offers both a daily load shifting rate and a higher event-based rate for Flex Alert days. This structure blends load shifting and demand response into a cohesive value proposition for aggregators and end use customers, with an added focus on grid reliability.

Category	Details
Goals	500,000 kWh peak hours savings over up to 30 DR events in 2025
Progress to Date	As of 2022: <ul style="list-style-type: none"> - 2,192 sites participated - 6 participating aggregators - 11 demand response events called - \$76,000 in customer incentives - 38,980 kWh saved during 4-9pm peak - Max hourly reduction: 3MW
Funding	- \$500,000 MCE

	- \$4,000,000 CPUC through 2027
Implementer	Alternative Energy Systems Consulting (AESC)

Energy Storage Equity Focus

MCE's Energy Storage Program, launched in 2020, provides rebates, monthly bill credits and financing to support our customers to install battery energy storage systems paired with solar, in exchange for allowing MCE to discharge the battery daily from 4-9pm to manage peak loads and mitigate high energy costs. Non-residential customers may also qualify for annual performance-based payments. The program is currently closed to new residential customers but will be recruiting new critical facilities in 2025.

Category	Details
Goals	- Recruit at least four new non-residential energy storage projects to be funded with the Federal Earmark Funds and completed by 2028
Progress to Date	- Over 2.5 MWhs of storage installed at 76 homes and 13 critical facilities
Funding	- \$9,000,000 MCE Resiliency Fund - \$750,000 Marin Community Foundation grant - \$500,000 Federal Earmark
Implementer	MCE

Solar Storage Credit

MCE offers customers with solar and storage at their home a monthly bill credit (\$10-\$20) in exchange for automating battery discharge down to a 20% reserve margin daily from 4-9 p.m.

Category	Details
Goals	Enroll 1,330 solar + storage residential customers (20% of those identified) by the end of 2025
Progress to Date	1,210 customers enrolled as of December 2024
Funding	MCE
Implementer	MCE

Richmond VPP Pilot Equity Focus

MCE was asked to join a collaborative effort to develop a [Virtual Power Plant pilot](#) in the City of Richmond, one of California's environmental justice communities, in 2022. The pilot uses a variety of networked DERs like rooftop solar, batteries, EV chargers, smart thermostats, and heat pumps to shift participant demand in real time. MCE uses a first of its kind custom-built

Distributed Energy Resources Management System (DERMS), licensed in perpetuity to MCE, to shift and shape customer load to times of day when the energy is cleanest and least expensive for participants. Customers are compensated for their load shifting based on MCE's VPP Tariff.

Participants include the previously abandoned, blighted homes that are being acquired by RCF Connects and then fully rehabbed into 21st century all-electric homes (Zero Net Carbon Ready, ZNCR). These ZNCR homes are sold for less-than-market rates to first-time, lower-income homeowners to simultaneously support grid reliability while aiding in community revitalization - showcasing how technology and equity can work hand in hand. Other participants include homes MCE has previously subsidized the cost of solar for lower income residents, where we return to optimize their solar systems with flexible grid-smart devices. Local businesses and public buildings are also eligible to participate and offer a larger opportunity to shift load for grid-strength.

Category	Details
Goals	Up to 100 residential and 20 commercial participants by January 2026
Progress to Date	<ul style="list-style-type: none"> - 3 Zero Net Carbon Ready homes fully rebuilt and sold to first-time lower-income homebuyers - 9 DER types successfully integrated with the DERMS - \$382,826 invested in DER technologies and incentives invested in Richmond, a state-identified Disadvantaged and Low-income community - 33 residential participants and 1 multifamily (with 144 units) in the pipeline, 12 DERs installed
Funding	MCE & CEC (\$5,000,000 total grant funding, \$99,999 for MCE)
Implementer	MCE, Serious Controls, Zero Net Energy Alliance, Community Energy & Equity Resources (CEER) LLC

Future offerings

VPP FLEX Equity Focus

The California Energy Commission awarded MCE a \$5,000,000 VPP FLEX grant to expand the VPP pilot to the full service area. This will allow MCE to weave together all eligible customer programs under a singular umbrella under the VPP.

MCE will update the DERMS to be OpenADR 3.0 certified, integrate the VPP with CAISO markets to capture CCA revenues, and implement a value sharing plan between MCE and participants.

Importantly, there is no “one size fits all” for DER installation. Collectively, we will schedule the VPP in the California Independent System Operator's (CAISO) markets, just as we do today with traditional power plants. Residents will be paid for their participation, and their load-shifting and reduction will help reduce MCE's power costs, which benefits all customers. MCE will begin enrolling new participants beginning in 2026.

Category	Details
Goals	<ul style="list-style-type: none"> - Adapt eligible MCE Programs to be VPP-ready by expanding from 9 DERMS-integrated DERs to 15 (low target) or up to 30 (high target) by 2029 - Coordinate a 3 MW load shift by 2029 - Demonstrate a 20% cost recovery within by 2029
Funding	MCE (requesting Board approval for \$5,000,000) and CEC (\$5,000,000)
Implementer	<ul style="list-style-type: none"> - MCE - Major Partners: Serious Controls, CEER, Lawrence Berkeley National Labs - Minor partners: GPT, ZNEA, OpenADR Alliance

Building Electrification

MCE is at the forefront of promoting building electrification as a key strategy to reduce greenhouse gas emissions and transition to a cleaner energy future. Our programs support the adoption of electric heat pumps, water heating solutions, and other electric technologies that enhance energy efficiency and reduce reliance on fossil fuels.

MCE developed a “Reach Code Toolkit” and webpage in partnership with Marin County. The toolkit is designed to help municipalities interested in adopting building codes that go beyond the California Building Standards Code in terms of supporting the adoption of electric equipment. Staff has served in an advisory role to the County of Marin’s all-electric reach code steering committee since 2022.

The [Bay Area Regional Network \(BayREN\)](#) also has a program to promote reach code development.

State & regional goals & policies

BAAQMD NOx Appliance Ban

On March 15, 2023, the Bay Area Air Quality Management District (BAAQMD) adopted rules that regionally prohibits the sale of new natural gas water heaters, furnaces and large commercial water heaters starting in 2027, 2029, and 2031 respectively.

Self Generation Incentive Program Heat Pump Water Heater Program

In 2022, the California Public Utilities Commission adopted additional incentives and guidance to promote the distribution of electric heat pump water heaters in broader support of the state’s decarbonization goals. MCE’s programs will apply for these funds to complement our rebates.

CPUC Energy Efficiency Motion to Eliminate Natural Gas Incentives

In April 2023, the California Public Utilities Commission adopted a decision to eliminate incentives for natural gas energy efficiency measures.

Current offerings

Green Workforce Pathways Equity Focus

To meet California's climate goals and realize a just and equitable transition from fossil fuels to a low-carbon energy economy, contractors need education and support to expand their businesses to electric technologies, scale their workforce, and create sustainable green jobs. MCE's Green Workforce Pathways program supports both residential service contractors and job seekers. For contractors, MCE offers free long-term education and training opportunities on cutting-edge clean technologies as well as connections to vetted job seekers. For job seekers, MCE creates pathways into sustainable, long-term careers.

Green Workforce Pathways provides:

- Industry roundtables and ongoing outreach to energy efficiency industry professionals, workforce development groups, community-based organizations, and local governments
- Education and technical support to upskill the workforce
- Matching for job seekers with local contractors for short-term workforce experience placements
- Recruitment and mentorship support
- Stipends for new hires
- Career development support for job seekers, including interview and resume skills

Category	Details
Goals	In 2024: <ul style="list-style-type: none">- 4 new contractors enrolled- 5 contractors awarded training stipends- 13 job seekers placed in paid on-the-job training- 60 job seekers provided with supporting job placement services 2025 goals in development
Progress to Date	<ul style="list-style-type: none">- 5 online electrification workshops with 340 registrants- 2 in-person electrification trainings- 15 local contractors completed individualized field meetings to build electrification skills and get support growing their business- 11 local contractors enrolled and available to provide on-the-job experience to local job-seekers- 5 contractors received stipends to attend manufacturer training- 154 trainees received supportive job placement services- 80 potential trainees identified and vetted- 41 trainees passed to contractors- 50% of trainees placed with local contractors were hired into permanent jobs
Funding	CPUC Energy Efficiency Funds (\$948,945 for 2025), Marin Community Foundation (\$380,000)

Implementer	Strategic Energy Innovation, Association for Energy Affordability, Lime Foundation
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Home Energy Savings Equity Focus

MCE's Home Energy Savings Program delivers energy savings, improves comfort, enhances indoor air quality, and contributes to the reduction of greenhouse gas emissions. This program offers assessments and home upgrades at no cost to eligible homeowners and tenants residing in single-family dwellings within MCE's service area. To ensure equitable reach, the program focuses on homeowners and renters in specific neighborhoods with a higher concentration of lower-middle-income customers.

The program specifically targets moderate-income customers whose household income falls between 200% and 400% of the Federal Poverty Guidelines. These customers typically exceed the income limit for services provided by programs like the Energy Savings Assistance program and Low-Income Families and Tenants program. However, their income constraints still prevent them from participating in market rate programs, placing them in the lower-middle income bracket. MCE is also waiting for approval from the CPUC to lower Home Energy Savings program eligibility to any customer earning less than 400% FPL.

The program offers the following services: initial energy assessment and education with single point of contact customer service, and energy-efficient and electrification measures installed in single-family homes.

In 2024, HES will be leveraging TECH/SGIP funding by compensating the program implementer, Franklin Energy, for applying for these rebates on behalf of our customers.

Additionally, HES has been selected as a quick start grant recipient under the Equitable Building Decarbonization Program. Created by Assembly Bill 205 (2022), the goals of the Equitable Building Decarbonization Program are to reduce greenhouse gas emissions in homes and advance energy equity statewide by serving historically underserved communities.

Category	Details
Goals	<ul style="list-style-type: none"> - 325 home upgrades in 2025 - 60 customers enrolled in the statewide TECH program for additional HPWH rebates in 2025
Progress to Date	<ul style="list-style-type: none"> - 1,780 single family homes upgraded with energy efficiency and/or electrification from 2019-2024 - 123 homes received no-cost electrification measures

Funding	CPUC (\$2,000,000 annually), California Strategic Growth Council grant ² (\$3,000,000), MCE Local Programs Fund (\$230,000)
Implementer	Franklin Energy

Multifamily Energy Savings Equity Focus

The Multifamily Energy Savings program provides no-cost comprehensive energy efficiency assessments, assists with contractor solicitations and project planning to ensure quality work, disburses rebates for individual unit and whole-building upgrades, installs energy and water efficiency upgrades that reduce energy costs, and improves home comfort. The program addresses many social and economic challenges that can hinder energy improvements in multifamily buildings, including both common areas and individual tenant units. Typical barriers include costs, coordinating numerous stakeholders, and lack of technical knowledge needed to assess needs and evaluate options.

Category	Details
Goals	- 4 properties and 150 units upgraded in 2025
Progress to Date	- 5,300 multifamily units received energy efficiency improvements (2013-2023) - 123 homes received no-cost electrification measures
Funding	CPUC (\$765,000 annually), MCE Local Programs Fund (\$230,000)
Implementer	Association for Energy Affordability

Heat Pump Water Heater

To help increase adoption, MCE offers \$1,000 rebates to contractors for each energy-efficient heat pump water heater (HPWH) unit they install in the home of an MCE market-rate customer and slightly higher incentives for equipment installed in low/moderate income homes or multifamily properties. This can be combined with other energy efficiency rebates to further reduce costs.

Category	Details
Goals	273 homes and 4 multifamily properties by April 2026
Progress to Date	300 HPWHs installed

² The City of Richmond was awarded \$35M by the California Strategic Growth Council to support 10 disadvantaged, unincorporated and tribal communities with capital improvement projects to reduce emissions, improve public health and expand economic activity. GRID Alternatives will provide solar installs and MCE will provide energy efficiency through Home Energy Savings.

Funding	MCE (\$540,000 in 2025)
Implementer	AEA, Franklin Energy, AESC, MCE

Emergency Water Heater Loaner Program

Approximately 90 percent of water heater replacements are emergency replacements. The urgency of restoring hot water to a home compresses a customer's timeframe in deciding whether to switch to a heat pump water heater or continue burning fossil fuels. Customers are often unwilling to go without hot water during the time it takes to complete the retrofit requirements. The ability to provide an emergency replacement heat pump water heater solution that doesn't inconvenience the customer is essential to moving California toward its carbon-neutral goals.

MCE's Emergency Water Heater Incentive, launched in September 2024, provides contractors \$1,500 to help cover the cost of installing and maintaining a temporary loaner water heater (gas or electric) as part of the customer's permanent heat pump water heater (HPWH) installation.

Category	Details
Goals	90 heat pump water heaters installed by April 2026
Progress to Date	<ul style="list-style-type: none"> - 11 contractors vetted and approved to participate - 4 installations completed
Funding	MCE Local Programs Fund (\$145,000)
Implementer	MCE

Electric Vehicles

State & regional goals & policies

In alignment with state and regional goals, MCE is actively supporting the transition to zero-emission vehicles. This aligns with Governor's Executive Order N-79-20, targeting 100% zero-emission new vehicle sales by 2035, with medium- and heavy- duty vehicles to follow in 2045. MCE's initiatives complement the CPUC's statewide incentive program for EVSE, set to launch in 2024, focusing on multi-unit dwellings and the medium-duty, heavy duty sector.

MCE must ensure that our EV charging program is complementary to this new statewide program. Furthermore, MCE must coordinate with PG&E on technical assistance provided to program participants which focuses on enrollment of customers in load modifying programs and rates.

Under the CARB's Low-Carbon Fuel Standard (LCFS) program, CCAs, including MCE, are working towards a fair distribution of LCFS credits, striving for parity with electric distribution utilities in

both incremental and base credit allocations. However, given the LCFS market's volatility and decreasing value, as well as the recent cancellation of MCE's LCFS pilot program, our focus on LCFS policy engagement has been reduced.

Current offerings

EV Charging Equity Focus

To reach California's goal of 5 million EVs on the road by 2030, we'll need 250,000 charging stations by 2025. Approximately 80% of EV charging is done at home and MCE is focused on installing EV chargers at multifamily properties and workplaces, which are lagging behind in EV adoption. Installation of charging equipment is typically much more expensive at multifamily homes compared to single-family homes, deterring residents and property managers from installing them.

MCE's EV Charging program provides EV charging station rebates, with bonus incentives for stations connected to 100% renewable energy service, free technical assistance to support the property manager, and tenant education and engagement to speed up EV adoption.

The program offers:

- Up to \$3,500 per networked Level 2 charging port
- Up to \$5,500 in DACs and low-income communities in Contra Costa County through a CEC-funded grant with the Contra Costa Transportation Authority
- Free Level 2 charging ports at affordable multifamily properties in Marin through a Marin Community Foundation grant
- Up to \$875 per networked Level 1 charging port
- Support to align and combine with other incentives

Category	Details
Goals	900 new charging ports in 2025
Progress to Date	1,200 new charging ports at 70 locations
Funding	<ul style="list-style-type: none"> - MCE Local Programs Fund \$5.7M from 2019-2026 - Marin Community Foundation \$180,000 - California Energy Commission grant \$1,500,000 - Department of Energy grant \$986,461 - California Energy Commission Reliable, Equitable, and Accessible Charging for multi-family Housing (REACH) program \$86,000
Implementer	CLEAResult

MCE Sync Equity Focus

This program is described under the Virtual Power Plant section above [\(link\)](#).

EV Instant Rebate Equity Focus

MCE's service area density of electric vehicle ownership is among the highest in the nation at 4%, making us a prime testbed for innovation. Switching to an EV saves the average household \$1,000 annually. However, the higher upfront cost of an EV keeps them out of reach for lower-income households, who could greatly benefit from lower fuel and maintenance costs. MCE's EV Instant Rebate program lowers the cost of purchasing or leasing EVs for income-qualified customers.

The program offers up to \$3,500 in savings (\$3,500 for new and \$2,000 for used) on the purchase or lease of an EV at participating dealerships. MCE's EV Instant Rebate can be combined with other available incentives to reduce the final vehicle cost by up to \$20,500 depending on vehicle and customer eligibility.

Category	Details
Goals	1,200 Participants by March 2025
Progress to Date	1,071 Low Income Customers purchased or leased an EV with an MCE rebate
Funding	MCE \$6.2M
Implementer	Energy Solutions

Bidirectional Vehicle Tariff Pilot

MCE's Bidirectional Vehicle tariff is a three year pilot, launched in 2025, that provides customers a credit for energy exported from a compatible EV to their property (Vehicle-to-Home) or directly to the grid (Vehicle-to-Grid) during peak time periods of the day. As a pilot, MCE reserves the right to limit the amount of customers enrolled in the tariff.

The pilot tariff offers to following incentives:

- 2025 Incentive Rates
 - Summer: \$0.26/kWh
 - Winter: \$0.20/kWh
- Maximum Monthly Bill Credits
 - Residential: \$70 (\$90 if located in a state-designated disadvantaged community)
 - Commercial: \$300 (\$400 if located in a state-designated disadvantaged community)

Future offerings

Fleets (as early as 2025)

MCE has developed a two-pronged approach to support the electrification of medium-duty (MD) and heavy-duty (HD) vehicles for local governments in MCE's service area. The first approach is focused on incentive funding and "concierge services" for the deployment of EV fleets at municipal facilities. Fleets are envisioned to have vehicle to load (V2L) capabilities. The second approach is focused on developing EV transition roadmaps to support local governments in

meeting proposed Advanced Clean Fleet compliance requirements. We are currently seeking grant funding to allow us to launch this program.

E-bike Rebates

MCE customers are eligible for e-bike rebates from several sources, including a statewide rebate program. The participatory budgeting exercise under the Charged by Public Power Grant will collect feedback as to whether an MCE E-bike program is needed.

Energy Efficiency

State & regional goals & policies

Equity Segment Programs

In 2021, the California Public Utilities Commission created an Equity Segment within its ratepayer funded energy efficiency portfolio programs. The goal of the Equity Segment is to provide the benefits of energy efficiency programs, beyond energy savings, to communities and customers historically underserved by similar programs. Equity Segment programs are exempt from traditional CPUC cost-effectiveness requirements.

Layering Program Funding

In June 2023, the California Public Utilities Commission adopted a Decision allowing and encouraging ratepayer funded program administrators of energy efficiency programs to supplement program funds with outside funding sources to the greatest extent possible. The CPUC allows program administrators to layer in additional funds without including them in cost-effectiveness calculations.

Meter-Based Savings

Assembly Bill 802 (2015)

Requires the California Public Utilities Commission to incorporate meter-based performance into its determinations of goals, energy efficiency portfolio cost-effectiveness, and authorized budgets.

Normalized Metered Energy Consumption

Since 2015, the California Public Utilities Commission has consistently reaffirmed its preference for continuing to expand the deployment of energy efficiency programs that use normalized metered energy consumption (NMEC) to measure energy savings. This preference is included in the Commission's move to a Total Systems Benefit Metric.

Current offerings

Strategic Energy Management

MCE's Strategic Energy Management program offers a long-term approach to help businesses save money, earn financial incentives, and better manage their energy usage. Participants can access cohort-style training, onsite assessments, individual coaching, and peer-to-peer learning to build a stronger energy culture within their organization. The Strategic Energy Management program has a special focus on finding opportunities to change how existing equipment is used (as opposed to installing new equipment) that have little to no-upfront cost but result in significant

bill savings for the customer. The Strategic Energy Management program reports on annual savings with detailed energy models to capture changes made to equipment or operations from the previous year.

Category	Details
Goals	3 GWh and 140,000 Therms savings in 2025
Progress to Date	25 customers participating, saved over 4.3 GWh and over 300,000 therms
Funding	CPUC \$1,500,000 annually
Implementer	CLEAResult

Flex Market

MCE's Commercial and Residential Efficiency Market Programs provide energy efficiency incentives directly to project developers or contractors known as aggregators. The incentives are based on metered energy savings, instead of traditional energy efficiency programs, which utilize deemed or custom models. As a result these programs do not limit the technology or energy saving strategies implemented, resulting in the opportunity to maximize energy efficiency and load-shifting projects.

As the incentive is paid directly to the aggregator, the value is passed along to the customer in the way that best drives the success of the project, either by buying down up front costs or being paid out based on site performance.

Category	Details
Goals	23 GWh and 100,000 Therms savings by the end of 2025
Progress to Date	97 projects with over 5.5 GWh of savings
Funding	CPUC Energy Efficiency (\$7,500,000 for 2025)
Implementer	Alternative Energy Systems Consulting (AESC)

Agricultural and Industrial Resources

Agricultural and industrial customers are among the most intensive energy users and incur some of the highest energy costs. These customers often prioritize production needs, quality, safety, and standard maintenance over utility and maintenance costs, overlooking the financial and safety benefits of energy efficient equipment and practices. These customers require specialized support to bring savings opportunities to fruition, and to drive confidence that the recommendations they receive are appropriate, accurate, and capable of delivering expected savings and incentives.

MCE's Agricultural and Industrial Resources (AIR) program helps customers reduce their energy consumption and costs while supporting core business objectives, including improvements in facility operations, reliability, and efficiency. AIR provides MCE's agricultural, industrial, and large commercial customers with the information and support they need to successfully pursue energy efficiency projects. The program provides customers with a tailored approach to energy efficiency with technical assistance, support sourcing appropriate equipment, incentive funding, and ongoing feedback on performance.

Category	Details
Goals	696,859 kWh and 102,363 Therms savings in 2025
Progress to Date	61 projects installed (as of December 2024) totalling over 600,000 kWh savings
Funding	CPUC Energy Efficiency (\$400,000 annually)
Implementer	CLEAResult

Small Business Energy Advantage Equity Focus

MCE's Small Business Energy Advantage program serves MCE's small and medium businesses located in Disadvantaged Communities with the goal of delivering meaningful bill savings and other non-energy benefits. The program objectives include:

- Filling gaps in services that are not currently provided by other MCE programs;
- Providing solutions that compliment or leverage existing programs in MCE's service area;
- Sustained energy efficiency benefits, as well as those focused during the summer peak period of 4-9pm June - September.
- Creating value through behavioral modification or non-capital measures
- Providing on-going technical support, commissioning, and training;
- Reduced or no copays.
- Providing targeted marketing and direct networking within communities to reach Equity Commercial Customers; and
- Focusing on Non-Energy Benefits ("NEBs"), including a methodology to quantify its value.

Category	Details
Goals	900 Projects by December 2026
Progress to Date	11 projects completed (since Oct. 2024)
Funding	CPUC Energy Efficiency (\$913,923 for 2025)
Implementer	Resource Innovations

Section 6: Risk Mitigation

MCE is committed to proactively addressing risks that could impact the success of our programs and initiatives.

MCE regularly reviews risks, updates mitigation strategies, and engages staff and stakeholders to ensure a proactive approach to challenges such as market volatility, supply barriers, and regulatory risks. MCE's Risk Oversight Committee includes MCE's Executive Team, leadership from the Finance, Power Resources, Legal and Policy Departments, and consultants. It meets quarterly to monitor key market indicators, agency performance, and compliance with the [MCE Energy Risk Management Policy](#). By embedding risk management into our planning, we can continue delivering equitable, reliable, and sustainable energy solutions.

Erosion of CCA Autonomy

Increasing legislative and regulatory oversight threatens the independence of CCAs. Examples include:

- CPUC interference in service expansion plans based on Resource Adequacy (RA) compliance.
- Centralized procurement efforts reducing CCAs' procurement autonomy and risking over-procurement or misalignment with specific resource needs, increasing costs and reducing flexibility.
- Legislative mandates, such as AB 3264, requiring CPUC oversight of demand-side programs funded solely by CCAs, and judicial rulings expanding CPUC jurisdiction over CCAs.
- *Mitigation:* Advocate for CCA interests in regulatory and legislative arenas, engage stakeholders to highlight the value of local decision-making, and collaborate with industry groups to protect CCA autonomy.

Regulatory Complexity and Expanding Scope

Shifts in state or federal regulations may affect compliance, increase costs, and stifle innovation. The increasing scope of regulations, such as Load Management Standards (LMS) and stricter reporting requirements, creates operational and compliance challenges.

- *Mitigation:* Maintain active engagement in regulatory proceedings for more flexible solutions, build internal capacity for compliance, and invest in technology to streamline regulatory reporting.

Supply and Demand Imbalance

California expects to need to add over 100 GW of capacity by 2024 due to load growth and its mandate for 100% carbon-free and renewable electricity places pressure on resource adequacy and grid infrastructure. The "duck curve," caused by midday solar oversupply and evening demand peaks, challenges grid stability.

- *Mitigation:* Expand programs like Virtual Power Plants, promote demand-side flexibility, off-peak energy use and energy efficiency, and enhance storage and solar integration to match supply with demand.

Financial Constraints

Rising procurement costs, supply shortages, and increasing demand from electrification could strain resources. Changes to PG&E's Power Charge Indifferent Adjustment fees could increase MCE customer costs, reducing competitiveness.

- *Mitigation:* Build and maintain robust financial reserves, pursue diverse funding sources, and invest in cost-saving strategies like renewable energy prepayment transactions.
- *Mitigation:* Defer revenue (\$70 million) to recognize in years where results may not be strong, work with rating agencies to continue MCE's investment grade credit ratings, and negotiate collateral thresholds with suppliers to reduce collateral postings.

Market Dynamics

Volatility in energy markets could impact procurement strategies.

- *Mitigation:* Diversify energy procurement, leverage long-term contracts, seek opportunities for asset ownership and monitor market trends.

Technology Risks

Emerging technologies may face adoption, scalability, or cost barriers.

- *Mitigation:* Pilot emerging technologies before scaling, collaborate with industry experts, and prioritize proven solutions while exploring new innovations.

Climate and Grid Resiliency

Climate events like wildfires and extreme weather may disrupt grid reliability and energy access.

- *Mitigation:* Expand DERs, enhance local resilience, and support customers with backup energy solution

Appendix A

State-Designated Disadvantaged & Low-Income Communities

County	Community	Designation & # of Census Tracks ³
Contra Costa <ul style="list-style-type: none"> 36 CalEnviroScreen census tracts 92 AB 1550 census tracts 36 CEJST census tracts 31 Department of Water Resources (DWR) Disadvantaged Communities census tracts 17 Federally Designated IRS Opportunity Zones census tracts 	Richmond	CalEnviroScreen (10), AB 1550 (16), CEJST (11), DWR Disadvantaged Communities (8), IRS Opportunity Zones (1)
	North Richmond	CalEnviroScreen (1), AB 1550 (1), CEJST (1), DWR Disadvantaged Communities (1), IRS Opportunity Zones (1)
	Martinez	CalEnviroScreen (1), CEJST (1)
	Concord	CalEnviroScreen (2), AB 1550 (15), CEJST (6), DWR Disadvantaged Communities (3), IRS Opportunity Zones (4)
	Baypoint	CalEnviroScreen (4), AB 1550 (4), CEJST (3), DWR Disadvantaged Communities (2), IRS Opportunity Zones (2)
	Pittsburg	CalEnviroScreen (7), AB 1550 (12), CEJST (7), DWR Disadvantaged Communities (5), IRS Opportunity Zones (3)
	Antioch	CalEnviroScreen (5), AB 1550 (14), DWR Disadvantaged Communities (5), IRS Opportunity Zones (4)
	Oakley	CalEnviroScreen (1), AB 1550 (2), CEJST (1)
	San Pablo	CalEnviroScreen (5), CEJST (5), DWR Disadvantaged Communities (3), IRS Opportunity Zones (1)
	Crocket	AB 1550 (1)
	Pinole	AB 1550 (2)
	Tara Hills	AB 1550 (1)
	El Sobrante	AB 1550 (3)
	El Cerrito	AB 1550 (4), CEJST (1), DWR Disadvantaged Communities (1), IRS Opportunity Zones (1)
	Brentwood	AB 1550 (3)
	Bethel Island	AB 1550 (1)
	Byron	AB 1550 (1)

³ Number of census tracks in California's top 25% most disadvantaged

	Martinez	CalEnviroScreen (1), AB 1550 (6), DWR Disadvantaged Communities (1)
	Walnut Creek	DWR Disadvantaged Communities (2)
Solano <ul style="list-style-type: none"> 13 CalEnviroScreen census tracts 31 AB 1550 census tracts 18 CEJST census tracts 20 Department of Water Resources (DWR) Disadvantaged Communities census tracts 9 Federally Designated IRS Opportunity Zones census tracts 	Fairfield	CalEnviroScreen, AB 1550 (10), CEJST (8), DWR Disadvantaged Communities (8), IRS Opportunity Zones (3)
	East Solano County	CalEnviroScreen
	Vallejo	CalEnviroScreen, AB 1550 (18), CEJST (10), DWR Disadvantaged Communities (10), IRS Opportunity Zones (6)
	Vacaville	AB 1550 (3), DWR Disadvantaged Communities (2)
Marin <ul style="list-style-type: none"> 29 AB 1550 census tracts 3 CEJST census tracts 4 Department of Water Resources (DWR) Disadvantaged Communities census tracts 1 Federally Designated IRS Opportunity Zones census tracts 	West Marin	AB 1550 (5)
	Fairfax	AB 1550 (1)
	San Anselmo	AB 1550 (1)
	Greenbrae	AB 1550 (1)
	San Rafael	AB 1550 (10), CEJST (2), DWR Disadvantaged Communities (3), IRS Opportunity Zones (1)
	Novato	AB 1550 (7)
	Marin City	CEJST (1), DWR Disadvantaged Communities (1)
	Mill Valley	AB 1550 (4)
Napa <ul style="list-style-type: none"> 14 AB 1550 census tracts 4 CEJST census tracts 3 Department of Water Resources (DWR) Disadvantaged Communities census tracts 2 Federally Designated IRS Opportunity Zones census tracts 	Calistoga	AB 1550 (1)
	Yountville	AB 1550 (1)
	Napa	AB 1550 (11), CEJST (4), DWR Disadvantaged Communities (3), IRS Opportunity Zones (2)
	Lake Berryessa/Knoxville	AB 1550 (1)

Appendix B

Indigenous Communities on Unceded Territories and Indigenous Serving Organizations

MCE staff works to educate itself on indigenous communities on unceded territories and indigenous serving organizations in MCE Service Area: MCE's service area sits in the territory of the Miwok (Coast Miwok and Bay Miwok), Ohlone (including Lisjan, Karkin, Muwekma) and Wintun People (South Patwin).

Marin:

- [Coast Miwok Tribal Council of Marin](#), Marin: council focused on cultivating the Miwok unique identity and heritage, rights protection, the sustainability and development of Miwok traditional culture, economic development, education, and workforce training
- [Marin Coast Miwoks](#), Marin: small, local organization that is fundraising to build Miwok statues in Marin and cemetery repairs for their ancestors
- [Marin American Indian Alliance](#) is an inter-tribal cultural and educational organization based out of San Rafael

Napa:

- [Suscol Intertribal Council](#), Napa County: develops a sustainable open space that will serve as a prototype to preserve and protect Native American culture and traditions. Council promotes communication between indigenous peoples and the general public and preserve human rights for indigenous people with other NGOs globally

Contra Costa:

- [Federated Indians Graton Rancheria](#), San Pablo: governs and supports the Coast Miwok and Southern Pomo people in the Graton Rancheria reservation area
- [California Indian Environmental Alliance](#), El Cerrito: Promotes tribal sovereignty and self advocacy, youth leadership, tribal health
- [Confederated Villages of Lisjan](#): provide cultural consultations
- [Lytton Band of Pomo Indians](#) owns and operates the Lytton Casino in San Pablo and has recently re-acquired land in Sonoma County for housing
- [American Indian Cultural and Education Program](#) is run out of Martinez and is focused on education of Native students and their families in Contra Costa County

Solano:

- [Tribal TANF Solano](#) – resources for Indian children, office located in Fairfield
- [Yocha Dehe Wintun Nation](#) – mostly in Yolo County and Colusa County (Capay Valley), but ancestral lands include present-day Solano County and have programs here. Have also partnered with Solano County Resources Conservation District.

More Resources:

- [California Tribal Groups Map](#)
- Indigenous Voices and Reading Circle: [Chapter Events — Climate Reality Bay Area](#)

- [U.S. Native History & Building Relationships with Native Communities for Effective Climate Work Video](#)
- Native Land Resource on [Territory Acknowledgement](#)



February 3, 2025

TO: MCE Executive Committee

FROM: Maíra Strauss, Vice President of Finance and Treasurer
Efren Oxlaj, Finance Manager

RE: Fiscal Year 2025/26 Budget Introduction on Power Supply and Staffing (Agenda Item #09)

ATTACHMENT: Fiscal Year 2025/26 Budget Introduction on Power Supply and Staffing

Dear Executive Committee Members:

Summary:

This report presents preliminary projections on the cost of energy and personnel for the upcoming fiscal year (FY) 2025/26. The cost of energy is projected to increase by 11.2% compared to the current Approved Budget for FY 2024/25. This increase is driven largely by higher prices for renewable energy, potential changes to the power disclosure requirements, and the addition of the City of Hercules to MCE's service area. Additionally, personnel costs are projected to increase by 12.7% compared to the current Approved Budget due to increased personnel and higher benefit costs. Although both projections are subject to change, the cost of energy is particularly sensitive to changes in customer demand and extreme weather events. The projections are being provided for discussion and no action is required.

Background

MCE's fiscal year runs from April 1st through March 31st. Before the beginning of every fiscal year, staff present budgets to the Executive Committee and Board of Directors for consideration. Following discussions in March of 2024, your Board expressed an interest in reviewing preliminary budget projections earlier to be able to provide improved feedback. The interest was especially focused on MCE's cost of energy and personnel costs. As a result, staff has worked closely with consultants and department heads to provide the best available forecasted projections for these line items for the upcoming fiscal year.

Cost of Energy: \$765,792,000 (11.2% increase from the FY 2024/25 Approved Budget)

The cost of energy is by far the largest expense in MCE’s annual budget, representing approximately 94% of the Operating Budget. It captures the cost of procuring all the energy products needed to serve our customers’ load. The current forecast shows this line item increasing by \$77 million or 11.2% year over year. The increase is driven by higher prices for renewable energy, potential changes to the power source disclosure requirements, and the addition of Hercules to MCE’s service area.

The price of renewable energy, also known as PCC1 (Product Content Category 1) energy, has risen tremendously in the past two years. Driven largely by insufficient supply linked to a broad need for transmission upgrades and adequate interconnection timelines as well as increased demand from other load serving entities, prices reached a high of \$95 per MWh in late 2024. The upcoming fiscal year will capture these high prices, contributing about \$54.2 million to the year over year increase. Staff anticipates these costs to decrease in future years as more renewable energy and storage projects come online.

The California Energy Commission is contemplating changing the power source disclosure reporting requirements to account for distribution losses. These losses naturally occur as electricity travels through the grid. Up until now, the rules did not require load serving entities to account for losses in their power source disclosure reporting. Under the new rules, MCE would have to procure 4-6% of additional renewable and carbon-free volumes to account for the energy lost during distribution. This creates an open position and would force MCE to procure the needed volumes at currently elevated market prices. Staff estimates that this change would contribute about \$13 million to the year-over-year increase.

The remaining \$9.8 million increase comes from the additional volumes needed to serve the City of Hercules which will begin in April this year. The City of Hercules represents an increase to MCE’s load of 1.3%. A breakdown of the overall variance is shown below.

	Increase (in Millions)		Increase (As %)
Increased Cost of Renewables	\$	54.2	7.9%
Power Source Disclosure Changes		13.0	1.9%
Addition of Hercules		9.8	1.4%

Total	\$	77.0	11.2%
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Personnel Costs: \$30,477,000 (12.7% increase from the FY 2024/25 Approved Budget)

Personnel costs represent approximately 3% of MCE's Operating Budget and the forecast reflects a year-over-year increase of 12.7% to support MCE's capacity, expertise, and competitive positioning. This increase includes cost-of-living adjustments, benefits cost increases, promotions, merit increases, the full-year integration of costs for new full-time employees (FTEs) added this current fiscal year, and the anticipated addition of 16 new FTEs in the upcoming fiscal year. These costs would be offset by \$3.9 million in grant funding, reducing the total staffing budget to \$26.6 million.

Key cost drivers include:

- 17% increase in medical, dental, and vision premiums (no change in coverage)
- 15.5% increase in headcount growth (103 to 119 FTEs)
- 8% increase in employer taxes
- 5.6% in merit increases and promotions
- 4% increase in ancillary benefits (e.g., life insurance, short-term disability, retirement health savings)
- 2% increase in retirement costs (401(a) retirement contributions and 457(f) plan)
- 1.65% in Cost-of-Living Adjustments (based on U.S. Labor Bureau guidelines)

When evaluating new headcount, MCE prioritizes:

- Funding through external grant sources,
- Offsetting costs currently contracted out, and
- Enhancing internal efficiencies.

The agency has seen key growth in specific departments, particularly Customer Programs. Customer Programs administers multiple grant-funded programs, including CPUC Energy Efficiency (EE) programs, which have seen expenditures rise by 250% in the last five years. To support these expanding programs and related operational needs, Customer Programs has increased headcount by 62% over the last five years, including proposed new hires for FY 2025/26. Public Affairs has

grown by 36% during the same period to support outreach efforts, community engagement, and marketing for MCE's growing customer programs. Furthermore, the Technology and Analytics department has seen a 100% head-count increase during that period. Since its creation in 2020, the Technology and Analytics (TA) team has built out MCE's data warehouse and data services platform, implemented MCE's Customer Relationship Management (CRM) system to bring MCE's call center in-house, overseen the move from Calpine to SMUD as MCE's data manager, and now provides data services to nearly every department at MCE. While this has meant a significant increase in the TA department's budget, many of the services TA now provides internally were being served by external vendors, and some of the new data services that have come online in the last 5 years were not available at all.

Additionally, MCE's workforce development efforts include a Board-approved internship program, which now provides opportunities for up to 20 interns annually from MCE's service area. Similarly, MCE provides workforce opportunities with fellowships and temporary coverage for employees on extended protected leaves.

MCE remains committed to attracting and retaining top talent aligned with our mission. Turnover increased from 7.5% in 2023 to 13.5% in 2024, which includes employees who retired, were terminated, or voluntarily left, remaining below the industry average of 15.4%. However, enhancements to employee benefits and a continued focus on solidifying culture have proven effective. MCE was recognized as a "Top Place to Work" two years in a row by the San Francisco Chronicle. Salaries are adjusted annually based on the U.S. Bureau of Labor Statistics Consumer Price Index for the San Francisco Area, and performance-based merit increases of 0-5% are awarded using standardized criteria. Regular salary and market reviews ensure competitiveness, equity, and alignment with industry standards while mitigating unintended bias.

The forecasted personnel costs, projected to make up 3.3% of the total Operating Fund Budget (up from 2.9% in FY 2024/25), represent a strategic investment to enhance MCE's expertise, employee satisfaction, and operational efficiency.

Recommendation: No action.



Fiscal Year 2025/26 Budget Introduction on Power Supply and Staffing

Executive Committee
February 2025



Summary

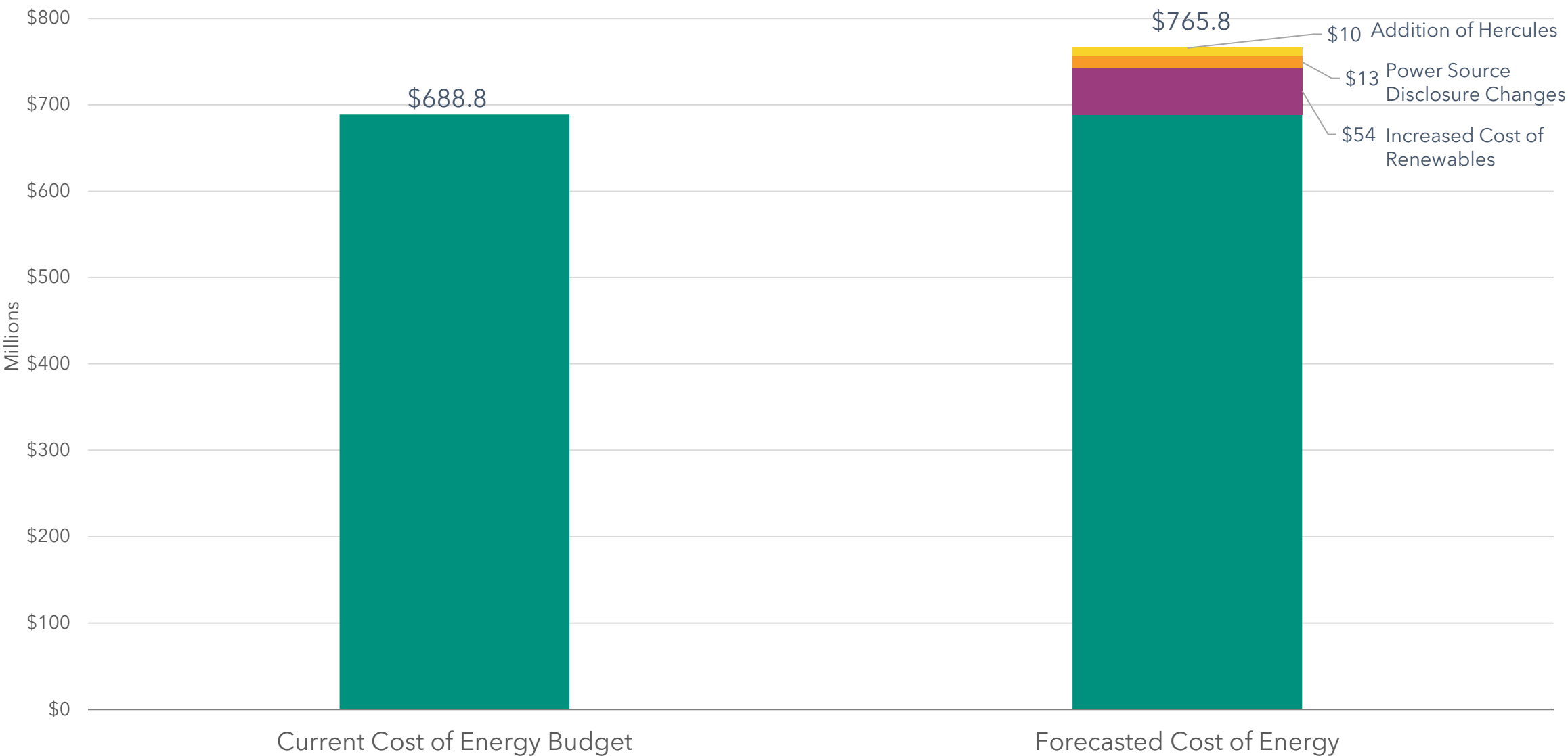
Cost of Energy - \$765,792,000 (11.2% increase from the FY 2024/25 Approved Budget)

- Increase of \$77 million year over year
 - Increased cost of renewables
 - Additional volumes of renewables and carbon free energy (MWh) needed for power content disclosure requirements
 - Additional volumes needed (MWh) for the city of Hercules

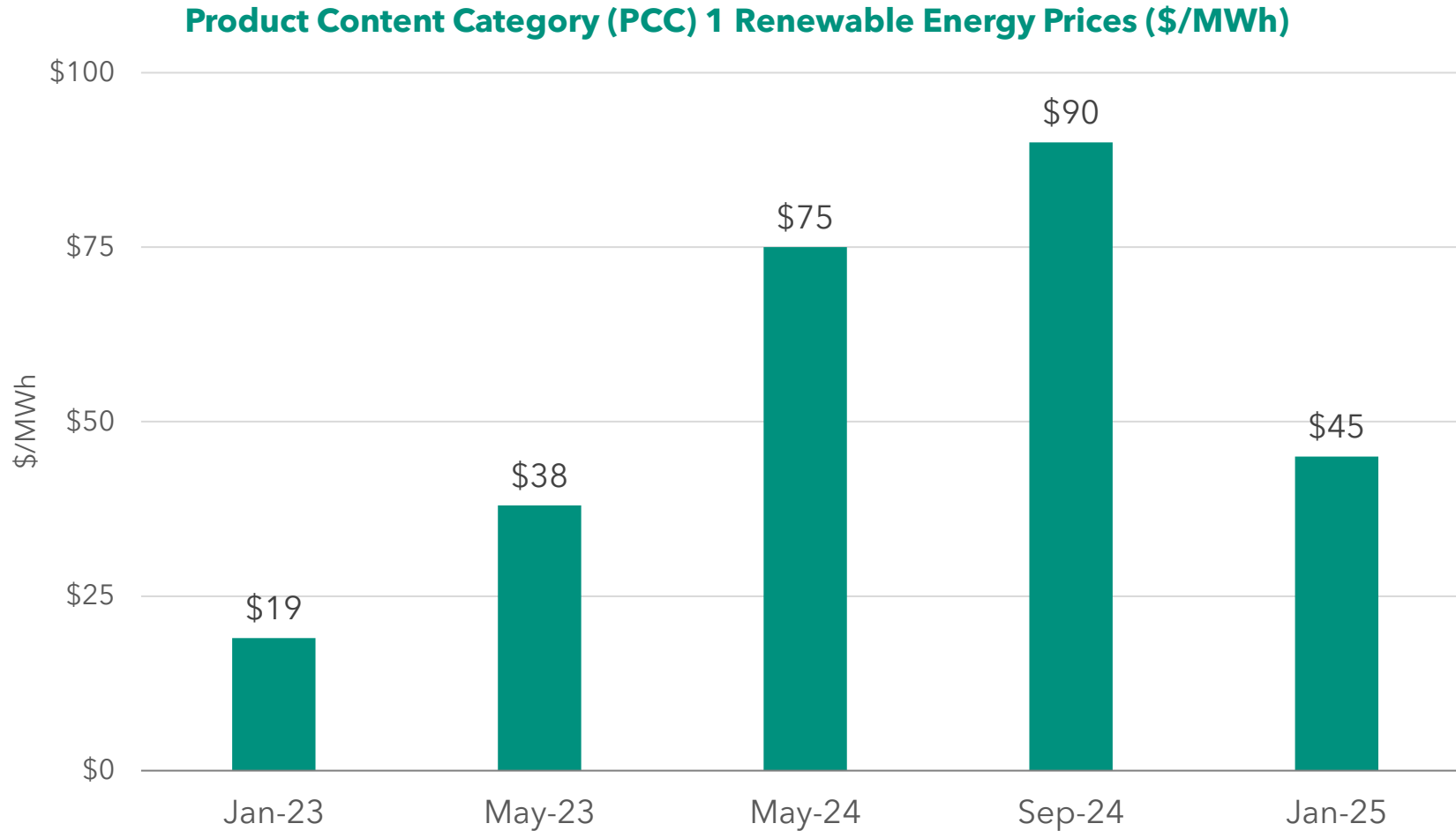
Personnel - \$30,477,000 (12.7% increase from the FY 2024/25 Approved Budget)

- Increase of \$3.4 million year over year
 - Proposed addition of 16 new staff
 - Increased premiums for medical, dental, and vision plus other ancillary benefits
 - Increased employer taxes

Forecasted Cost of Energy vs FY 2024/25 Approved Budget



Cost of Renewables



Drivers

- Increased demand
- Insufficient supply
- Project curtailments

Prices appear to be cooling off, but savings won't be captured until FY 2026/27 and beyond

Impact: +\$54 million

Changes to Power Source Disclosure Requirements & Addition of the City of Hercules

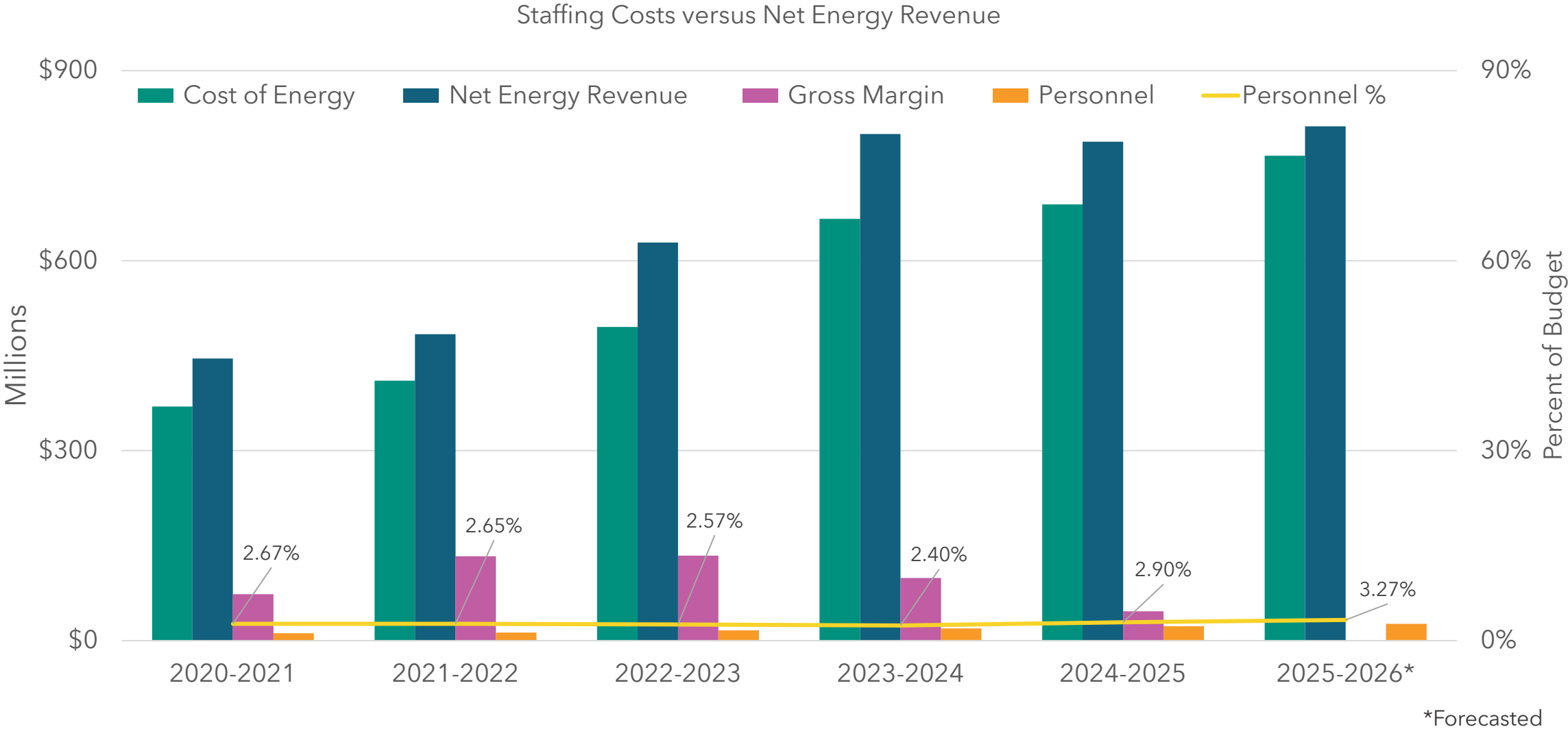
Changes to Power Source Disclosure Requirements

- To be decided at the next California Energy Commission (CEC) meeting on Feb 12
- Introduces a Total Power Content category on the power content label
- Requires MCE to buy more renewable and carbon-free volumes (MWh) to account for load losses
- Changes are meant to better capture what is actually being generated to serve load
- **Impact:** +\$13 million

Addition of the City of Hercules

- Represents an increase to MCE's load of 1.3%
- Customers (10,000) start enrolling in April, 2025
- **Impact:** +\$10 million

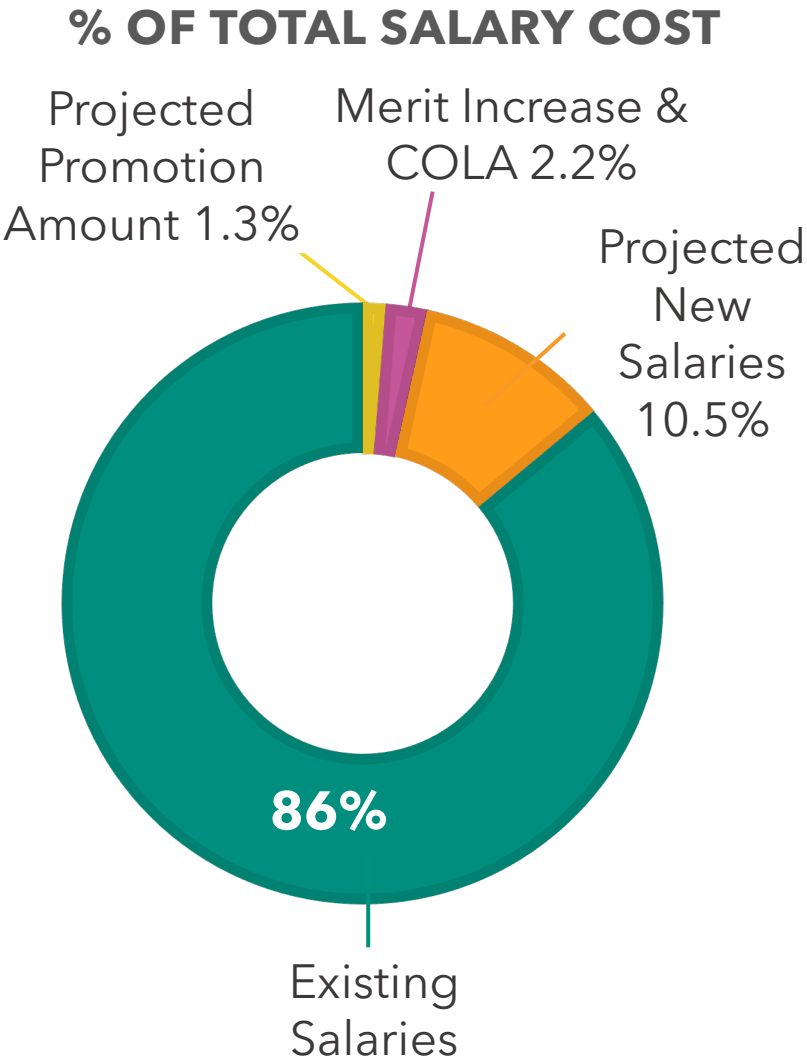
Percentage of Staffing to Energy Cost and Revenue



Staffing Cost Snapshot

	Amount Change from FY 24/25 Approved Budget	Total Proposed Amount for FY 25/26	Percent Change
Total Staffing Cost	\$3.4 Million	\$30.4 Million	12.7%
Salary	\$2.7 Million	\$19.4 Million	16.2%
Benefits	\$0.7 Million	\$ 11 Million	6.9%

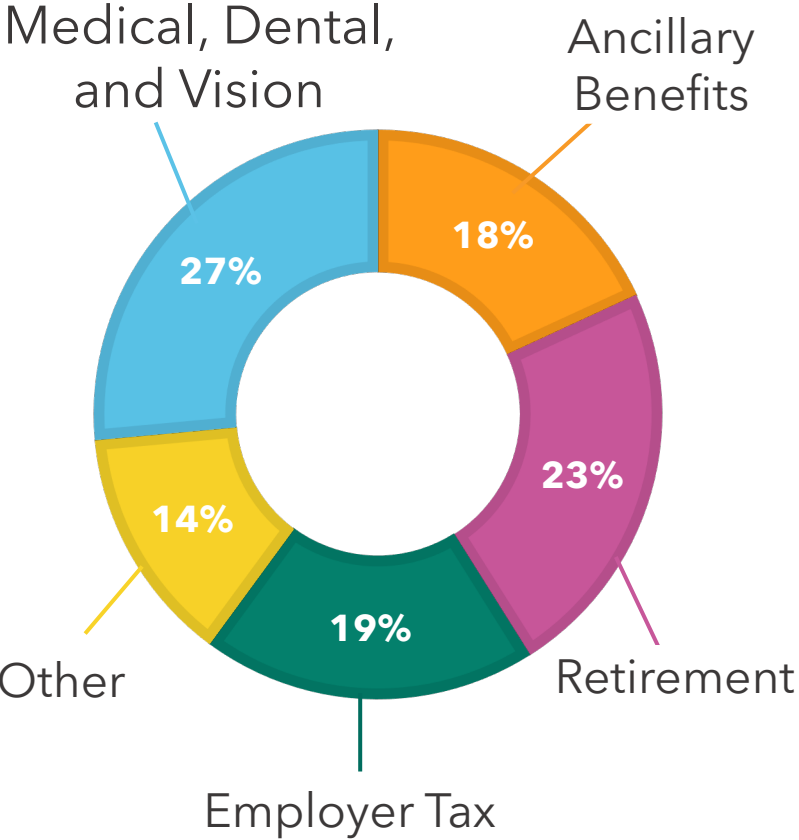
MCE Salary Breakdown



Salary Type	Total Projected Cost of Salary Amount	Total % Change from Approved FY 2024/25 Budget	Increase as %
Existing Staff Salaries	\$ 16,684,950.97	0 %	0 %
New Salaries (16 Additional FTE Headcount)	\$ 2,036,510.10	107 %	12.2 %
Merit Increases (Max 5%)	\$ 242,409.57	14 %	1.5 %
Promotions (35 projected)	\$ 234,967.03	30 %	1.4 %
Cost of Living Adjustment (COLA)	\$ 193,927.65	14 %	1.2 %
Total	\$ 19,392,765.32	16.23%	

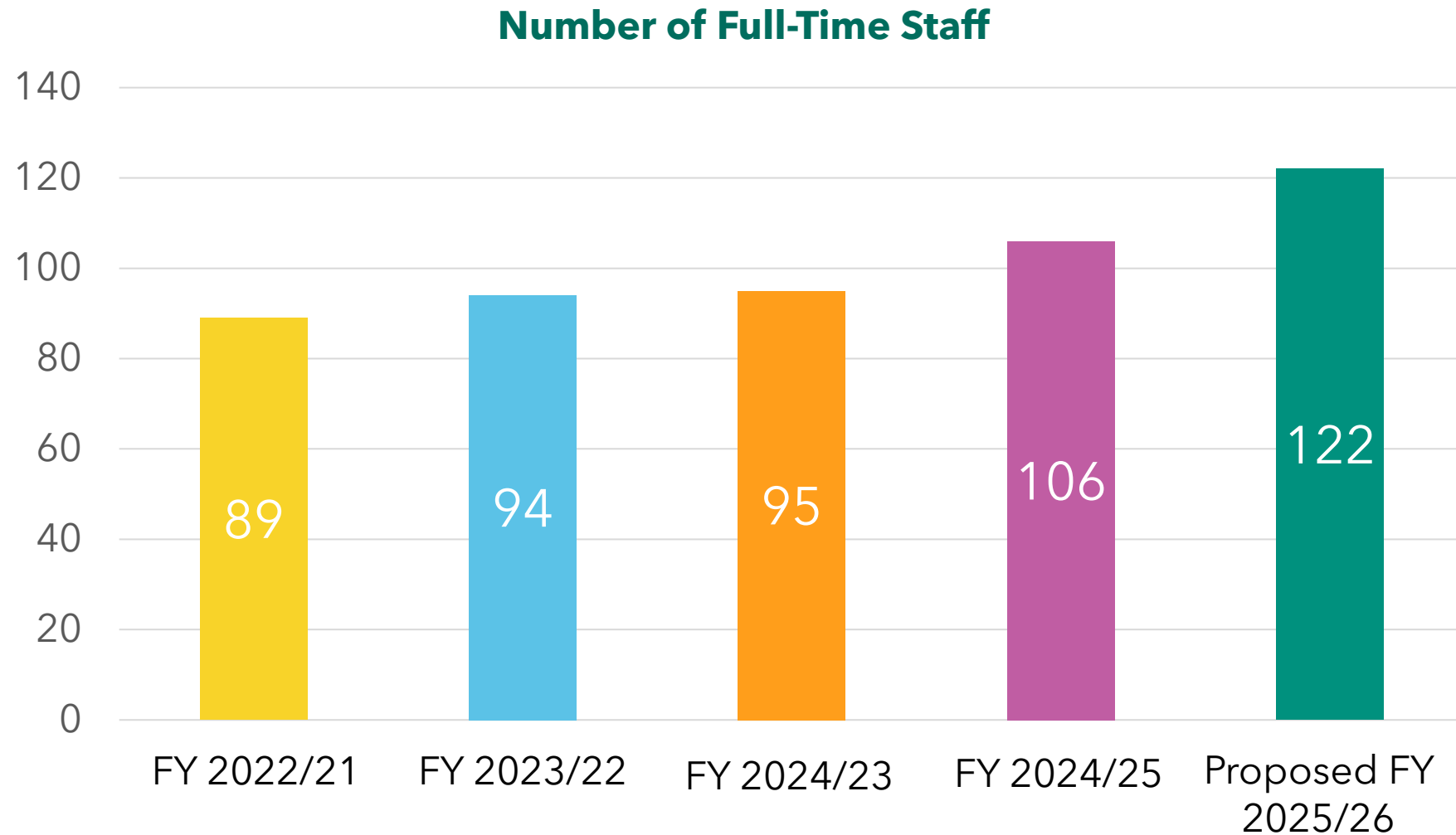
MCE Benefits Breakdown

% OF TOTAL BENEFIT COST

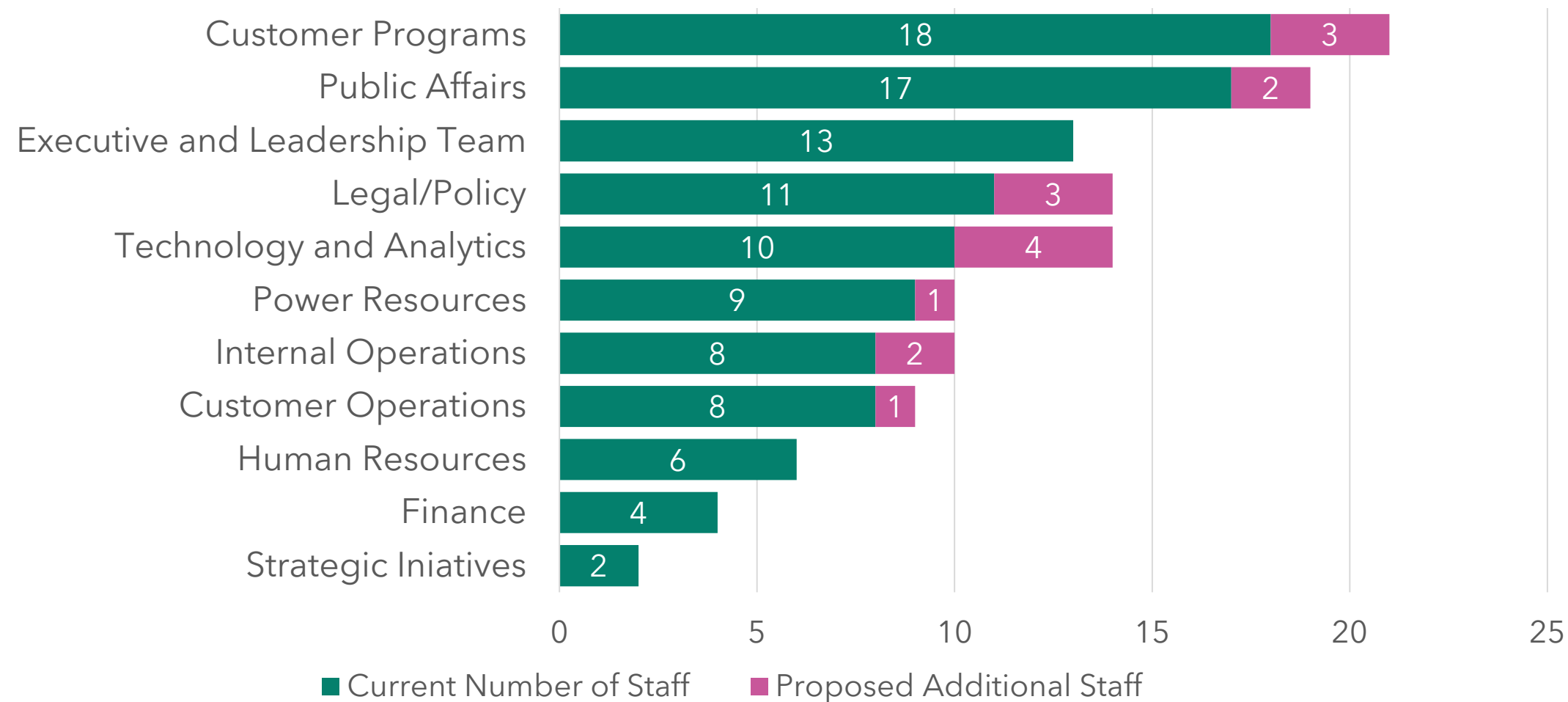


Benefit Type	Total Projected Cost of Benefit Dollar Amount	Total % Change from Approved FY 2024/25 Budget	Increase as %
Medical, Dental, and Vision	\$ 2,944,736.57	17 %	4.1 %
Employer Tax	\$ 2,123,438.59	8 %	1.6 %
Ancillary Benefits	\$ 2,018,799.14	4 %	0.7 %
Retirement and 457(f)	\$ 2,498,160.11	2 %	0.6 %
Other (<i>Workers Comp, Vacation Cashout</i>)	\$ 1,498,923.51	0 %	0%
Total	\$ 11,084,057.91	6.9 %	

Employee Headcount



Current Department FTE Headcount with 16 Proposed New Hires



Grant Offset

FY 2025/2026 CPUC Grant Dollar Offset for Staff

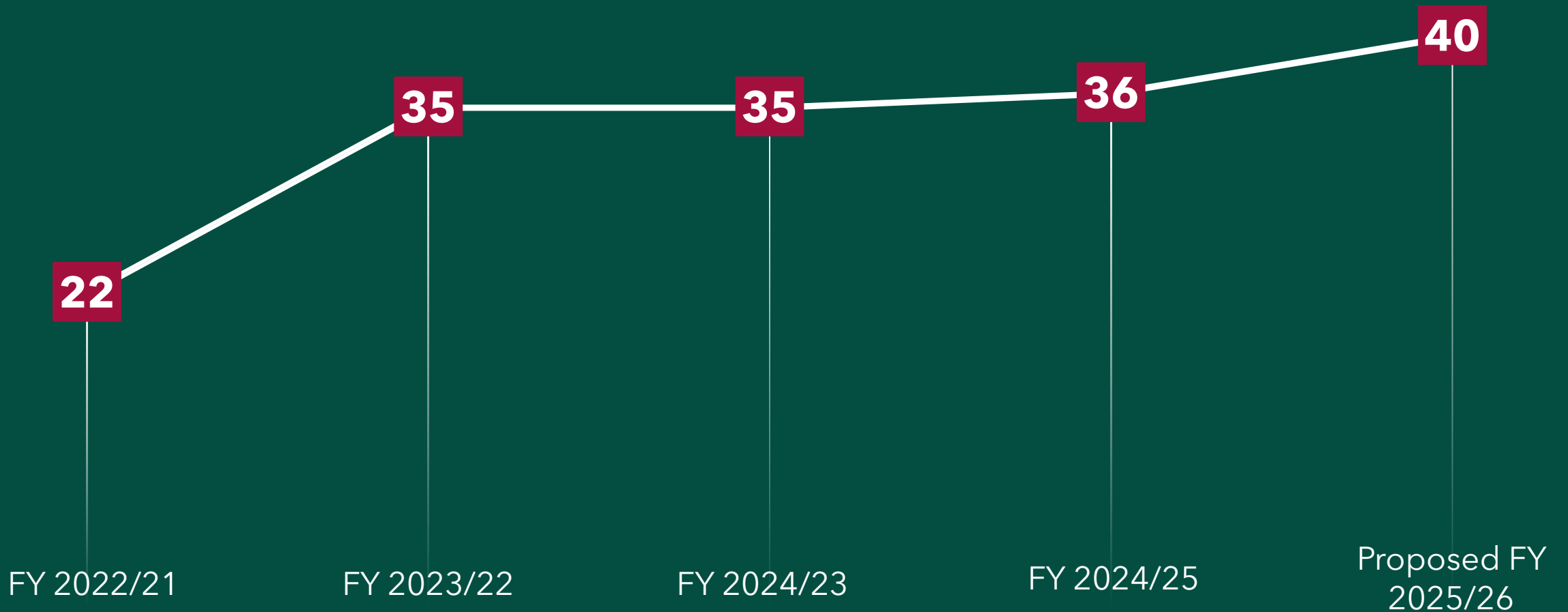
Grant	Department					Total
	Customer Programs	Public Affairs	Customer Operations	Policy	Technology & Analytics	
CPUC EE Funds	\$3,046,003	\$200,000	\$200,000	\$80,500	\$185,000	\$3,711,503
Richmond TCC	\$140,000	-	-	-	-	\$140,000
REACH	\$23,982	\$22,792	-	-	-	\$46,774
Total	\$3,209,985	\$222,792	\$200,000	\$80,500	\$185,000	\$3,898,277

Personnel Budget Total with Grant Offset

	FY 2024/25	FY 2025/26	Percent Change	Amount Change From Approved Budget Last Year to Proposed Budget for FY 25/26
Total Grants offset	\$ 4,322,477	\$ 3,898,277.36	-9.8%	(\$424,199.64)
Total Personnel Budget	\$ 22,829,647	\$ 26,578,546	16.4%	\$3.7 Million

Grant Dollar - Staff Salary Offset

NUMBER OF STAFF WHOSE SALARY IS PARTIALLY OR FULLY
OFFSET BY GRANTS





Thank you!



mceCleanEnergy.org
info@mceCleanEnergy.org



February 3, 2025

TO: MCE Executive Committee
FROM: Justine Parmelee, VP of Internal Operations
RE: Initial 2025 Agenda Planning (Agenda Item #10)
ATTACHMENT: Initial Preliminary Schedule of 2025 Meeting Topics

Dear Executive Committee Members:

Summary:

On November 21, 2024, your committee requested a preview of proposed meeting topics for 2025. Attached is a forecasted schedule of likely 2025 meeting topics. Please note that the schedule is intended as a preliminary outline, and as a dynamic load-serving agency, MCE frequently encounters time-sensitive items that need to be agendized throughout the course of the year to report out on key developments and issues, or to respond to newly emerging trends or events.

As such, this schedule will be updated continuously throughout the year to accommodate evolving needs and issues in our community, the energy markets, and the regulatory environment.

Fiscal Impacts:

None.

Recommendation:

Discussion only.

Att. Initial Preliminary Schedule of 2025 Meeting Topics

	Executive Committee	Board
March	March 3, 2025: Single Location - Concord <ul style="list-style-type: none"> → CEO Report → Consent <ul style="list-style-type: none"> ○ Approval of Meeting Minutes ○ Approved Contracts for Energy Update ○ Review of Board Agenda ○ Fiscal Year Contract Renewals Exceeding CEO Authority → Charles F. McGlashan Award Nomination → Proposed Fiscal Year 2025/26 Budget → Committee and Staff Matters 	March 20, 2025 <ul style="list-style-type: none"> → CEO Report → Consent <ul style="list-style-type: none"> ○ Approval of Meeting Minutes ○ Approved Contracts for Energy Update → Charles F. McGlashan Award Presentation → Proposed Fiscal Year 2025/26 Budget → 2025 Legislative Session Preview → Legislative and Regulatory Updates (written only) → Board and Staff Matters
April	April 7, 2025: Primary - San Rafael¹ <ul style="list-style-type: none"> → CEO Report → Consent <ul style="list-style-type: none"> ○ Approval of Meeting Minutes ○ Approved Contracts for Energy Update ○ Review of Board Agenda → Committee and Staff Matters 	April 17, 2025 <ul style="list-style-type: none"> → CEO Report → Consent <ul style="list-style-type: none"> ○ Approval of Meeting Minutes ○ Approved Contracts for Energy Update ○ Addition of Board Members to Committees ○ Voting Shares Update → Policy Update → Prepay Contract Approval → Proposed Governance Recommendations from the Executive Committee → Legislative and Regulatory Updates (written only) → Board and Staff Matters

¹ Primary location will alternate and is subject to change in case of meeting cancellations during the year.

May	May 5, 2025: Primary - Concord <ul style="list-style-type: none"> → CEO Report → Consent <ul style="list-style-type: none"> ○ Approval of Meeting Minutes ○ Approved Contracts for Energy Update ○ Review of Board Agenda → Committee and Staff Matters 	May 15, 2025: Single Location - San Rafael <ul style="list-style-type: none"> → CEO Report → Consent <ul style="list-style-type: none"> ○ Approval of Meeting Minutes ○ Approved Contracts for Energy Update → Customer Programs Update → Public Affairs Update → Legislative and Regulatory Updates (written only) → Board and Staff Matters
June	June 2, 2025: Primary - San Rafael <ul style="list-style-type: none"> → CEO Report → Consent <ul style="list-style-type: none"> ○ Approval of Meeting Minutes ○ Approved Contracts for Energy Update ○ Review of Board Agenda → Power Supply Risk and Opportunities → Committee and Staff Matters 	June 19, 2025 <p>(Note: this meeting falls on Juneteenth)</p> <ul style="list-style-type: none"> → CEO Report → Consent <ul style="list-style-type: none"> ○ Approval of Meeting Minutes ○ Approved Contracts for Energy Update → Legislative and Regulatory Updates (written only) → Board and Staff Matters
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