Empowering Our Clean Energy Future

MARIN COUNTY | NAPA COUNTY | UNINCORPORATED CONTRA COSTA COUNTY
UNINCORPORATED SOLANO COUNTY | BENICIA | CONCORD | DANVILLE | EL CERRITO
FAIRFIELD | HERCULES | LAFAYETTE | MARTINEZ | MORAGA | OAKLEY | PINOLE
PITTSBURG | PLEASANT HILL | RICHMOND | SAN PABLO | SAN RAMON | WALNUT CREEK

MCE Board of Directors Meeting
Thursday, July 17, 2025
6:30 p.m.

1125 Tamalpais Avenue, San Rafael, CA 94901
2300 Clayton Road, Suite 1500, Concord, CA 94520
955 School Street, Napa, CA 94559, City Hall Committee Room **(City of Napa)**
675 Texas Street, Fairfield, CA 94533, First Floor Hearing Room **(County of Solano)**

Public comments may be made in person or remotely via the details below.
Remote Public Meeting Participation

Video Conference: https://zoomto.me/F6Ogt
Phone: Dial (669) 900-9128, Meeting ID: 890 0487 7785, Passcode: 525690

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.

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.

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 5.15.25 Meeting Minutes
   - C.2. Approved Contracts for Energy Update

C.3 Proposed Resolution No. 2025-03 Establishing the Date, Time, and Location of Regular Board Meetings

C.4 Proposed MCE Policy 019 – Disposition of Surplus Property

C.5 Adoption of Revised MCE Load Management Standards Plan

C.6 Proposed Resolution 2025-04 Authorizing the CEO to Negotiate and Execute Vendor Services Agreements with Community Energy and Equity Resources LLC, Serious Controls LLC, and Lawrence Berkeley National Laboratory for MCE's Virtual Power Plant Program Supported by Funding from the California Energy Commission

6. MCE 24x7 Renewable Energy Pilot Proposal (Discussion/Action)

7. Update of Deep Green Premium Proposed Effective Date October 1, 2025 (Discussion/Action)

8. Customer Operations Update (Discussion)

9. Board & Staff Matters (Discussion)

10. Adjourn

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

DRAFT

MCE BOARD MEETING MINUTES
Thursday, May 15, 2025
6:30 P.M.

Present:

Liz Alessio, The County of Napa and Four Napa Cities/Town (American Canyon, Calistoga, St. Helena, and Yountville)
Stephanie Andre, City of Larkspur
Dion Bailey, City of Hercules
Eli Beckman, Town of Corte Madera
Mark Belotz, Town of Danville
Monica Brown, County of Solano
Barbara Coler, Town of Fairfax
Cindy Darling, City of Walnut Creek
Kevin Jacobs, City of Novato
Maika Llorens-Gulati, City of San Rafael
Aaron Meadows, City of Oakley, joined at 6:35pm
Laura Nakamura, City of Concord
Beth Painter, City of Napa
Max Perrey, City of Mill Valley
Gabe Quinto, City of El Cerrito
Mary Sackett, County of Marin
Shanelle Scales-Preston, County of Contra Costa
Amanda Szakats, City of Pleasant Hill, joined at 6:42pm
Graham Thiel, Town of Moraga, joined at 6:39pm
Holli Thier, Town of Tiburon, joined at 7:05pm
Sridhar Verose, City of San Ramon
Sally Wilkinson, City of Belvedere, joined at 6:47pm
Cesar Zepeda, City of Richmond
Brianne Zorn, City of Martinez

Absent:

Kari Birdseye, City of Benicia
Gina Dawson, City of Lafayette
C. William Kircher, Town of Ross
Arlene Kobata, City of Pittsburg
Tarrell Kullaway, Town of San Anselmo
Devin Murphy, City of Pinole
Elizabeth Pabon-Alvarado, City of San Pablo
Charles Palmares, City of Vallejo
Manveer Sandhu, City of Fairfield
Steven Woodside, City of Sausalito

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Staff & Others:

Jared Blanton, VP of Public Affairs
Jesica Brooks, Lead Board Clerk and Executive Assistant
Alice Havenar-Daughton, VP of Customer Programs
Vicken Kasarjian, Chief Operating Officer
Caroline Lavenue, Legal Counsel II
Tanya Lomas, Board Clerk Associate
Alexandra McGee, VP of Strategic Initiatives
Catalina Murphy, General Counsel
Ashley Muth, Internal Operations Coordinator
Justine Parmelee, VP of Internal Operations
Mike Rodriguez-Vargas, Internal Operations Assistant
Enyonam Senyo-Mensah, Internal Operations Manager
Dan Settlemyer, Internal Operations Associate
Dawn Weisz, Chief Executive Officer

1. Roll Call

Chair Scales-Preston called the regular meeting to order at 6:31 p.m. with quorum established by roll call.

2. Board Announcements (Discussion)

Chair Scales-Preston opened the floor for board announcements, and there were no comments.

3. Public Open Time (Discussion)

Chair Scales-Preston opened the public comment period and there were comments made by member of the public Rebekah Collins.

4. Report from Chief Executive Officer (Discussion)

CEO Weisz introduced this item and addressed questions from Board members.

Chair Scales-Preston opened the public comment period and there were no comments.

5. Consent Calendar (Discussion/Action)

C.1 Approval of 4.17.25 Meeting Minutes
C.2 Approved Contracts for Energy Update
C.3 Addition of Board Members to Committees

Chair Scales-Preston opened the public comment period and there were no comments.

Action: It was M/S/C (Meadows/Darling) to approve Consent Calendar items C.1, C.2, and C.3. Motion carried by unanimous roll call vote. (Absent: Birdseye, Dawson, Kircher, Kobata, Kullaway, Murphy, Pabon-Alvarado, Palmares, Sandhu, Thier, Woodside).

6. Customer Programs Update (Discussion)

Alice Havenar-Daughton, VP of Customer Programs, presented this item and addressed questions from Board members.

Chair Scales-Preston opened the public comment period and there were no comments.

Action: No action required.

7. Public Affairs Update (Discussion)

Jared Blanton, VP of Public Affairs, presented this item and addressed questions from Board members.

Chair Scales-Preston opened the public comment period and there were no comments.

Action: No action required.

8. Strategic Initiatives Update (Discussion)

Alexandra McGee, VP of Strategic initiatives, presented this item and addressed questions from Board members.

Chair Scales-Preston opened the public comment period and there were no comments.

Action: No action required.

9. Board & Staff Matters (Discussion)

There were no comments.

10. Adjournment

Chair Scales-Preston adjourned the meeting at 8:12 p.m. to the next scheduled Board Meeting on June 19, 2025.

DRAFT

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Shanelle Scales-Preston, Chair

Attest:

_____

Dawn Weisz, Secretary

Empowering Our Clean Energy Future
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July 17, 2025

TO:	MCE Board of Directors
FROM:	Adita Farahiyah, Power Resources Analyst
RE:	Approved Contracts for Energy Update (Agenda Item #05 C.2)

Dear Board Members:

Summary:
This report summarizes contracts for energy procurement entered into by the Chief Executive Officer or her delegate and, if applicable, the Chair of the Technical Committee, since the last report was prepared for the regular Board meeting in May 2025. This summary is provided to your Board for information purposes only and no action is needed.

Review of Procurement Authorities:
In November 2020, your Board adopted Resolution 2020-04 which included the following provisions:

> *The CEO and Technical Committee Chair, jointly, are hereby authorized, after consultation with the appropriate Committee of the Board of Directors, to approve and execute contracts for Energy Procurement for terms of less than or equal to five years. The CEO shall timely report to the Board of Directors all such executed contracts.*
>
> *The CEO is authorized to approve and execute contracts for Energy Procurement for terms of less than or equal to 12 months, which the CEO shall timely report to the Board of Directors.*

The CEO is required to report all such contracts and agreements to the MCE Board of Directors on a regular basis.

Item #	Month of Execution	Purpose	Average Annual Contract Amount	Contract Term
1	April 2025	Sale of Resource Adequacy	$933,750	1 Year or less
2	May 2025	Sale of Resource Adequacy	$401,760	1 Year or less
3	May 2025	Purchase of Resource Adequacy	$168,000	1 Year or less

4	May 2025	Sale of Import Allocation Rights	$189,535.50	1 Year or less
5	June 2025	Sale of Resource Adequacy	$225,000	1 Year or less

Contract Approval Process:
Contract Approval Process: Energy procurement is governed by MCE's Energy Risk Management Policy as well as Board Resolutions 2020-04 and 2018-08. The Energy Risk Management Policy (Policy) has been developed to help ensure that MCE achieves its mission and adheres to its procurement policies established by the MCE Board of Directors (Board), power supply and related contract commitments, good utility practice, and all applicable laws and regulations. The Board Resolutions direct the CEO to sign energy contracts up to and including 12 months in length.

The evaluation of every new energy contract is based upon how to best fill MCE's open position. Factors such as volume, notional value, type of product, price, term, collateral threshold and posting, and payment are all considered before execution of the agreement.

After evaluation and prior to finalizing any energy contract for execution, an approval matrix is implemented whereby the draft contract is routed to key support staff and consultants for review, input, and approval. Typically, contracts are routed for commercial, technical, legal, and financial approval, and are then typically routed through the Chief Operating Officer for approval prior to execution. The table below is an example of MCE staff and consultants who may be assigned to review and consider approval prior to the execution of a new energy contract or agreement.

Review Owner	**Review Category**
Vidhi Chawla (MCE, Vice President of Power Resources)	Procurement/Commercial
John Dalessi (Pacific Energy Advisors)	Technical Review
Steve Hall (Hall Energy Law)	Legal
Nathaniel Malcolm (MCE, Senior Commercial Counsel)	Legal/CPUC Compliance
Maira Strauss (MCE, Vice President of Finance)	Credit/Financial
Vicken Kasarjian (MCE, Chief Operating Officer)	Executive

Fiscal Impacts:
Expenses and revenue associated with these Contracts and Agreements that are expected to occur during FY 2025/26 are within the FY 2025/26 Operating Fund Budget. Expenses and revenue associated with future years will be incorporated into budget planning as appropriate.

Recommendation:
Information only. No action required.

Empowering Our Clean Energy Future
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July 17, 2025

TO:	MCE Board of Directors
FROM:	Caroline Lavenue, Legal Counsel Catalina Murphy, General Counsel
RE:	Proposed Resolution No. 2025-03 Establishing the Date, Time, and Location of Regular Board Meetings (Agenda Item #05 C.3)
ATTACHMENT:	Resolution No. 2025-03 Establishing the Date, Time, and Location of Regular Board Meetings

Dear Board Members:

Summary:
MCE's Concord office location is changing from Suite 1150 to Suite 1500 at 2300 Clayton Road. This is a resolution that would formally establish the new regular Board meeting location.

Background
Pursuant to Section 4.12 of the MCE Joint Powers Agreement and Section 54954(a) of the California Government Code Section, MCE must provide by ordinance or resolution, the date, time, and place for holding regular meetings.

On November 16, 2023, the Board of Directors adopted Resolution No. 2023-13 which established the current date, time and location of MCE's regular Board meetings.

Because MCE's office location is changing from Suite 1150 to Suite 1500, MCE has prepared the attached Resolution 2025-03 Establishing the Date, Time, and Location of Regular Board Meetings which sets forth the updated suite number.

Fiscal Impacts:
None.

Recommendation:
Adopt Proposed Resolution No. 2025-03 Establishing the Date, Time, and Location of Regular Board Meetings.

RESOLUTION NO. 2025-03

A RESOLUTION OF THE BOARD OF DIRECTORS OF MARIN CLEAN ENERGY ESTABLISHING THE DATE, TIME, AND LOCATION OF REGULAR BOARD MEETINGS

WHEREAS, Marin Clean Energy (MCE) is a joint powers authority established on December 19, 2008, and organized under the Joint Exercise of Powers Act (Government Code Section 6500 et seq.); and

WHEREAS, MCE members include the following communities: the County of Marin, the County of Contra Costa, the County of Napa, the County of Solano, the City of American Canyon, the City of Belvedere, the City of Benicia, the City of Calistoga, the City of Concord, the Town of Corte Madera, the Town of Danville, the City of El Cerrito, the Town of Fairfax, the City of Fairfield, the City of Hercules, the City of Lafayette, the City of Larkspur, the City of Martinez, the City of Mill Valley, the Town of Moraga, the City of Napa, the City of Novato, the City of Oakley, the City of Pinole, the City of Pittsburg, the City of Pleasant Hill, the City of San Ramon, the City of Richmond, the Town of Ross, the Town of San Anselmo, the City of San Pablo, the City of San Rafael, the City of Sausalito, the City of St. Helena, the Town of Tiburon, the City of Vallejo, the City of Walnut Creek, and the Town of Yountville; and

WHEREAS, the California Government Code Section 54954(a) requires the legislative body of a local agency to "provide by ordinance, resolution, bylaws, or by whatever other rule is required for the conduct of business by that body, the time and place for holding regular meetings"; and

WHEREAS, Section 4.12 of the MCE Joint Powers Agreement provides that the Board shall establish by ordinance or resolution “the date, hour, and place of each regular meeting”; and

WHEREAS, in Resolution 2023-13, MCE established that regular meetings of the Board of Directors of MCE be held on the third Thursday of each month beginning at 6:30 p.m. at the MCE Charles F. McGlashan Board Room, 1125 Tamalpais Avenue, San Rafael, CA 94901; and the MCE Mt. Diablo Room, 2300 Clayton Road, Suite 1150, Concord, CA 94520, or as otherwise designated in the meeting agenda; and

WHEREAS, MCE’s Board of Directors desires to modify the location of the regular Board of Directors meeting at the Concord location from Suite 1150 to Suite 1500.

NOW, THEREFORE, BE IT RESOLVED, by the MCE Board of Directors, that the regular meetings of the Board of Directors of MCE shall be held on the third Thursday of each month beginning at 6:30 p.m. at the MCE Charles F. McGlashan Board Room, 1125 Tamalpais Avenue, San Rafael, CA 94901; and at 2300 Clayton Road, Suite 1500, Concord, CA 94520, or as otherwise designated in the meeting agenda.

PASSED AND ADOPTED at a regular meeting of the MCE Board of Directors on this 17th day of July, 2025, by the following vote:

	AYES	NOES	ABSTAIN	ABSENT
County of Marin				
Contra Costa County				
County of Napa				
County of Solano				
City of American Canyon				
City of Belvedere				
City of Benicia				
City of Calistoga				
City of Concord				
Town of Corte Madera				
Town of Danville				
City of El Cerrito				
Town of Fairfax				
City of Fairfield				
City of Hercules				
City of Lafayette				
City of Larkspur				
City of Martinez				
City of Mill Valley				
Town of Moraga				
City of Napa				
City of Novato				
City of Oakley				
City of Pinole				
City of Pittsburg				
City of Pleasant Hill				
City of San Ramon				
City of Richmond				
Town of Ross				
Town of San Anselmo				
City of San Pablo				
City of San Rafael				
City of Sausalito				
City of St. Helena				

Town of Tiburon				
City of Vallejo				
City of Walnut Creek				
Town of Yountville				

_____
CHAIR, MCE

Attest:

_____
SECRETARY, MCE

Empowering Our Clean Energy Future
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July 17, 2025

TO:	MCE Board of Directors
FROM:	Caroline Lavenue, Legal Counsel Catalina Murphy, General Counsel
RE:	Proposed MCE Policy 019 – Disposition of Surplus Property (Agenda Item #05 C.4)
ATTACHMENT:	MCE Policy 019 – Disposition of Surplus Property

Dear Board Members:

Summary:
The proposed MCE Policy 019 - Disposition of Surplus Property ("Policy 019") would establish procedures for the identification, valuation and disposition of surplus personal property owned by MCE. As proposed, Policy 019 delegates certain authority to the Purchasing Agent and outlines priority recipients and disposition methods. MCE's Chief Executive Officer is the Purchasing Agent for MCE as designated by your Board in 2018 via Resolution 2018-04.

Background:

With MCE's Concord office suite change, furniture that was not able to fit in the new suite or repurposed at MCE's San Rafael office, is no longer required for public use. Policy 019 would allow MCE to dispose of any of the remaining furniture deemed surplus property and reduce offsite storage fees currently hosting the property.

Delegated Authority and Valuation of Property
Policy 019 authorizes the Purchasing Agent to (i) determine whether personal property is surplus, (ii) identify the value of the property based on the book value reflected in MCE's standard asset depreciation schedules, (iii) establish the public purpose to dispose of the surplus property, and (iv) dispose of the surplus property per the disposition methods of Policy 019. The Purchasing Agent will use the most economic means when it comes to the disposition of the surplus property.

Priorities for Disposition via Donation
If the surplus property has no resale market and an aggregate value of $10,000 or less, then the Purchasing Agent may donate the surplus property to the eligible entities listed below in the following order:

1. Local Government entities within MCE's service area.
2. Nonprofit organizations within MCE's service area.

3. Entities located geographically near the surplus property.

Public Sale Option

When surplus property is valued at more than $10,000, the Purchasing Agent may conduct a public sale at MCE's offices or other location deemed appropriate by the Purchasing Agent by posting a notice at MCE's office and providing general notice to the surrounding area.

Fiscal Impacts:

If approved, the Policy would reduce storage costs and potentially generate modest revenue from the sale of unneeded property.

Recommendation:

Approve MCE Policy 019 – Disposition of Surplus Property.

MCE Policy 019 - Disposition of Surplus Property

Pursuant to California Government Code, § 25504 and § 6509, the Purchasing Agent has the authority to sell directly, lease, donate or otherwise dispose of any fixed asset property belonging to the agency that is determined by the purchasing agent to be no longer required for public use. Fixed asset property is deemed no longer required for public use when such property is transferred to the Purchasing Agent as surplus property and is not claimed by any other agency department for use.

A. If the Purchasing Agent determines, based on the book value reflected in MCE's standard asset depreciation schedules, that the aggregate value of the property is $10,000 or less and there is no market for such property, it may be donated upon a finding by the Purchasing Agent that the donation serves the public interest in the following order of preference:
    i. To public entities, including the State of California, counties, cities or special districts within MCE's service area.
    ii. To nonprofit corporations that have been certified as such by the Commissioner of Internal Revenue, that have filed requests with the purchasing agent for surplus property, and that are located within MCE's service area.
    iii. To any other entity located in close proximity to the storage location of the surplus property, for the purpose of reducing greenhouse gas emissions from transport.

B. If the Purchasing Agent determines, based on the book value reflected in MCE's standard asset depreciation schedules, that the aggregate value of the property is more than $10,000 and there is a market for such property, the Purchasing Agent may authorize a public sale. Such sale may be conducted in a format consistent with a community sale (e.g., a garage sale), and shall be publicly noticed by posting information at MCE's offices and providing notice to neighboring entities within the vicinity of the surplus property location. Items shall be priced in a manner that reflects fair market value or nominal value as deemed appropriate by the Purchasing Agent.
    i. Any proceeds from the sale or lease of surplus fixed asset property shall be paid into MCE's Operating Fund.

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July 17, 2025

TO:	MCE Board of Directors
FROM:	Sabrinna Soldavini, Vice President of Policy Jordyn Bishop, Senior Policy Analyst
RE:	Adoption of Revised MCE Load Management Standards Plan (Agenda Item #05 C.5)
ATTACHMENT:	A. Clean – Revised MCE Load Management Standards Plan B. Redline – Revised MCE Load Management Standards Plan

Dear Board Members:

Summary:
Staff recommends your Board adopt MCE's Revised Load Management Standards Plan ("Revised Plan") and authorize Staff to submit the Revised Plan, including any necessary revisions that align with the Board direction, to the California Energy Commission ("CEC").

Background:
In April 2023, the CEC's revised Load Management Standards ("LMS") took effect. The LMS are intended to encourage automated load-shifting of electricity to off-peak hours. The LMS request that Load Serving Entities ("LSEs") submit to its Board a plan outlining how it intends to meet the goals of the LMS, and upon Board approval, submit the adopted plan to the CEC Executive Director for review. On May 16, 2024, your Board approved MCE's Load Management Standards Plan ("LMS Plan") and on June 14, 2024, Staff submitted the LMS Plan to the CEC.

The LMS states that the CEC's Executive Director shall review plans, make an initial determination whether the plan is consistent with the LMS, and either return them to the LSE for recommended changes or submit them to the Commission for review and potential approval. On June 19, 2025, the CEC's Executive Director sent a letter to MCE determining that MCE's LMS Plan is consistent with the LMS, with one exception for which CEC staff is recommending minor plan revisions.

On April 4, 2025, the Technical Committee approved MCE's participation in the Hourly Flex Pricing Pilots authorized by the California Public Utilities Commission ("CPUC") in PG&E's service area. Accordingly, the CEC's June 19 letter requests that MCE modify its LMS Plan to reflect its Board's decision to offer these dynamic rate pilots. The attached Revised LMS Plan includes the respective minor redline edits to Section 4.2 – Dynamic Rates Evaluation, and Section 4.3 – Dynamic Rate Development and Application Plan.

The LMS also requests that all regulated LSEs work together to develop a plan for a single statewide standard tool for authorized rate data access by third parties. On October 1, 2024, the joint LSEs including MCE submitted a proposed plan for the Single Statewide RIN Access Tool. The CEC's June 19 letter also requests that MCE modify its LMS Plan to reflect this submission. The attached Revised LMS Plan includes the respective minor redline edits to Section 3.3 – Plans and Current Participation in the Development of Single Statewide RIN Access Tool.

MCE's original LMS Plan was adopted by your Board in May 2024. The CEC's recommended revisions are incorporated into the attached Revised LMS Plan, but no additional updates are being made at this time. A full LMS Plan update will be completed in the future to align the plan with current conditions.

Fiscal Impacts:
There are no immediate fiscal impacts associated with the adoption of MCE's Revised LMS Plan.

Recommendation:
Adopt and authorize Staff to submit the Revised Plan, including any necessary revisions that align with the Board direction, to the CEC.

MARIN CLEAN ENERGY

LOAD MANAGEMENT STANDARDS PLAN

Approved by MCE Board May 16, 2024

1 Table of Contents

2 Introduction

2.1 About MCE

Marin Clean Energy ("MCE") is California's first Community Choice Aggregation ("CCA") Program, a not-for-profit Joint Powers Authority ("JPA") that began serving customers in 2010. MCE's mission is to confront the climate crisis by eliminating fossil fuel greenhouse gas ("GHG") emissions, producing renewable energy, and creating equitable community benefits. 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.

As a load-serving entity ("LSE") MCE provides electricity generation service to approximately 580,000 customer accounts. These accounts represent more than one million residents and businesses across four Bay Area counties.[1] MCE procures for annual retail sales of approximately 5,729 GWh and a peak load of more than 1,240 MW.

MCE provides service to approximately 87 percent of eligible customers within its service area, which is depicted below in Figure 1. MCE is also the default generation provider for any new or relocated customers therein.

Figure 1: MCE Service Area Map

[1] MCE serves communities across Contra Costa, Marin, Napa, and Solano counties. Those communities currently receiving service include: Unincorporated Contra Costa, Marin, Napa, and Solano counties and the Cities and Towns of Concord, Danville, El Cerrito, Lafayette, Martinez, Moraga, Oakley, Pinole, Pittsburg, Pleasant Hill, Richmond, San Pablo, San Ramon, Walnut Creek, Belvedere, Corte Madera, Fairfax, Larkspur, Mill Valley, Novato, Ross, San Anselmo, San Rafael, Sausalito, Tiburon, American Canyon, Calistoga, Napa, St. Helena, Yountville, Benicia, Vallejo, and Fairfield. MCE expects service to expand to include the City of Hercules in April of 2025.

As a JPA and local government agency, MCE is governed by a 34-member Board of Directors ("Board" or "Governing Board") composed of elected representatives from MCE's member communities. MCE's Board sets policy for the agency and oversees operations, including rates and procurement planning. Through these representatives, MCE is controlled by and accountable to the communities MCE serves.

MCE was formed to empower its member communities to choose the generation resources that reflect their specific values and needs. As a mission-driven local government agency, MCE works toward the following:

- Reducing GHG emissions and accelerating the supply of clean energy being delivered to and used on the grid;
- Developing community programs and local energy projects to expand access to competitively priced renewable energy and energy efficiency programs for all customers;
- Creating economic and workforce benefits associated with renewable energy and energy conservation programs; and
- Leveraging energy and conservation spending to promote more equity throughout MCE's communities and California.

2.2 Load Management Standards

In Docket Number 21-OIR-03 the California Energy Commission ("CEC") adopted Revised Load Management Standards ("LMS" or "Standards"). The amendments to the LMS, which became effective on April 1, 2023, are intended to form the foundation for a statewide system of time and locational dependent signals that can be used by automation-enabled devices to encourage load flexibility on the electric grid. Simply, the Standards are intended to encourage automated load shifting of electricity to off-peak hours.

To accomplish the goals of the LMS, the regulations request California's large CCAs,[2] investor-owned utilities ("IOUs"), and large publicly owned utilities ("POUs") to offer customers access to rate-structures and/or programs that allow automated responses to prices or other grid signals to manage and optimize their energy use.

Specifically, the LMS request large CCAs to (1) develop and propose marginal cost-based rates that vary at least hourly[3] or, (2) if the Board finds that implementing marginal cost-based hourly rates would not materially reduce peak load, be technologically feasible, and/or be cost-effective, offer a load flexibility program that allows at least one option for automating response to the CEC's Market Informed Demand Automation Server ("MIDAS") signals for customer classes where MCE's Board determines such a program would materially reduce peak load and be cost-effective. For the purposes of this plan, MCE will refer to marginal cost-based rates that vary at least hourly as defined in the LMS as "hourly" or "dynamic" rates.

[2] The LMS define Large CCAs as any CCA that provides in excess 700 GWh of electricity to customers in any calendar year.

[3] Section 1623.1(b)(1) of the LMS define a marginal cost-based rate as the sum of the marginal energy cost, the marginal capacity cost (generation, transmission, and distribution), and any other appropriate time and location dependent marginal costs, including the locational marginal cost of associated greenhouse gas emissions, on a time interval of no more than one hour.

2.2.1 MCE LMS Plan and Board Authority

Section 1623.1(a) requests each large CCA submit a plan outlining how it plans to meet the objectives of the LMS to its Board by April 1, 2024.

As a large CCA that shares the goals and objectives of the LMS to better align demand of electricity with periods of high renewable energy supply and encouraging automated load shifting away from peak periods, MCE submits this plan to the Board for approval. [4] The purpose of this plan is to identify the steps and activities MCE plans to voluntarily undertake which align with the goals of the LMS.

MCE notes that nothing in this plan overrides or supersedes MCE's Board's sole authority as the governing and rate-making body of MCE.[5] Nothing in this plan implies any jurisdictional authority of the CEC over MCE's rates and rate programs. MCE is currently voluntarily taking reasonable steps that meet the standards within the LMS regulations.

Additionally, as outlined in the LMS, MCE's Board may approve a plan, or material revisions to a previously approved plan, that delays implementation of or modifies the goals of LMS Subsections 1623.1(b)-(c), if the Board determines that despite good faith efforts implantation:

- Would result in extreme hardship to MCE;
- Would result in reduced system reliability (e.g., equity or safety) or efficiency;
- Would not be technologically feasible or cost effective; or
- Must be modified to provide a more technologically feasible, equitable, safe, or cost-effective way to achieve the LMS or plan's goals.

Accordingly, MCE submits this plan to the Board for adoption and approval to implement as outlined herein. Table 1 below provides a list of each regulatory standard or goal as outlined in the LMS and MCE's plan to meet that standard or goal at the time of this writing. As described, MCE plans to continue to offer its portfolio of current and planned load flexibility programs and time dependent rates aimed at encouraging customers to use energy in off-peak hours, and will continue to explore how it may offer new cost-effective dynamic rates, pilots, and load flexibility programs that materially reduce peak load, encourage load control through automation, and provide reliability and environmental benefits for MCE customers and the California electric grid.

[4] Consistent with Section 1623.1(a) of the LMS, MCE submitted this plan to its Board on March 29, 2024, and will submit this plan to the CEC within 30 days of Board approval.

[5] Public Utilities Code Section 366.2(c)(3) provides that CCAs retain jurisdiction for setting rates for the electricity they purchase on behalf of their communities.

Table 1: MCE LMS Roadmap

Load Management Standards Section	Standard Description	Target Date	MCE Adopted Plan to Meet Standard
§1623.1(c)	Upload existing time-dependent rates to MIDAS database.	July 1, 2023	Status: Achieved MCE plans to maintain future rates in MIDAS to the extent it is cost effective and technologically feasible. MCE cannot confirm that uploading future dynamic rates or programs to MIDAS will be cost effective or technologically feasible.
§1623.1(a)(1)	Develop and submit a plan for adoption to MCE's Board addressing how MCE plans to meet objectives of the LMS. The plan is to be considered for adoption by MCE's Board within 60 days of submission at a duly noticed public meeting.	April 1, 2024	Status: Achieved
§1623.1(a)(3)(A)	Within 30 days of adoption of the plan, submit the plan to the CEC's Executive Director.	30 Days After Board Adoption	Status: MCE will submit this plan to the CEC within 30 days of Board adoption.
§1623(c)	Within one year of LMS effective date, provide customers access to their Rate Identification Numbers on billing statements and in online accounts using both text and quick response code format.	April 1, 2024	Status: In Progress, Expected to Achieve
§1623(c)	In conjunction with the other named LSEs, develop and submit to the CEC a plan for a single statewide standard tool for authorized rate data access by third parties and the terms and conditions for using the tool. Upon CEC approval, maintain and implement the tool.	October 1, 2024	Status: In Progress MCE is engaged in and monitoring the development process for the single statewide tool.

Load Management Standards Section	Standard Description	Target Date	MCE Adopted Plan to Meet Standard
§1623.1(b)(3)	Submit to the CEC a list of load flexibility programs deemed cost effective by MCE. The portfolio of programs should provide at least one option to automate response to MIDAS signals for each customer class where MCE's Board has determined such a program would materially reduce peak load.	October 1, 2024	Status: In Progress MCE cannot determine that such a program will materially reduce peak load for any customer class. MCE will submit a list of programs deemed cost effective to the CEC but does not expect to include an option to automate response to MIDAS signal at this time.
§1623.1(a)(3)(C)	Submit annual reports to the CEC demonstrating implementation of the plan, as approved by the Board.	Annually	Status: In Progress MCE will submit annual reports beginning one year after the adoption of this plan.
§1623.1(b)(2)	Submit at least one marginal cost-based rate to MCE's Board for approval for any customer class(es) where such a rate will materially reduce peak load. An Information copy of the tariff applications will be provided to the CEC.	July 1, 2025	Status: In Progress At this time MCE cannot determine that such a rate or will provide material, incremental reductions to peak load or be cost effective for any customer class. However, MCE is interested in collecting the data necessary to make such determinations and will continue to explore options to offer dynamic rate pilots in its service territory. MCE therefore recommends the Board modify this standard and determine that MCE may, but is not required to, propose such a rate or program by the target date. MCE will continue to evaluate and address in its next plan iteration and any annual reports.
§1623.1(b)(4)	Offer each customer voluntary participation in either a marginal cost-based rate, if approved by the Board, or a cost-effective load flexibility program.	July 1, 2027	Status: To be determined by future Board direction. MCE notes that this target date is after the next review of MCE's LMS is expected to be completed. As such, MCE will likely provide an update in its next LMS plan as appropriate.

Load Management Standards Section	Standard Description	Target Date	MCE Adopted Plan to Meet Standard
§1623.1(b)(5)	Conduct a public information program to inform and educate affected customers on why marginal cost-based rates or load flexibility programs and automation are needed, how they will be used, and how these rates and programs can save customers money.	No Target Date Specified	Status: To be determined by future Board direction and future adoption of dynamic rates or load-modifying programs.
§1623.1(a)(1)(C)	Review the plan at least once every three years after the plan is adopted and submit a plan update to the Board if there is a material change.	Once Every Three Years	Status: MCE will review its LMS plan at least once every three years following the date of adoption.

3 Access to Price Signals

3.1 Time-Dependent Rate Submission to MIDAS

Adopted LMS Amendments Section 1623.1(c) requests each Large CCA upload existing time dependent rates to the MIDAS database by July 1, 2023. On June 1, 2023, the CEC issued Order No. 23-0531-109 approving an extension for CCAs to upload time-dependent generation rates by August 1, 2023, and any remaining time-depending rates with rate modifiers by October 1, 2023. Large CCAs are also asked to upload any new time-dependent rates or changes to existing rates, prior to the effective date of that rate.

3.1.1 Existing Rates Upload

MCE successfully uploaded all of its 70 active Light Green service rates by the CEC's target date of August 1, 2023, and uploaded its Deep Green service rates by the target date of October 1, 2023, to include time-dependent rates with additional modifiers. A complete list of rates uploaded to MIDAS and their associated Rate Identification Numbers ("RIN") is included in Appendix A.

The period covered by the initial upload spanned between three and six months, due to data limitations of the MIDAS system. As such, MCE has made subsequent uploads to keep rates current in MIDAS:

1. In October 2023, MCE uploaded additional intervals to ensure all rates were up-to-date through December 31, 2023.

2. In November 2023, MCE uploaded additional intervals for all rates through May 1, 2024.[6]

3.1.2 Future Rates Upload

To the extent that uploading future rates is feasible and cost effective, MCE plans to maintain its generation rates in MIDAS so that customers and their devices may access them for device automation. However, MCE notes that if hourly rates are approved by MCE's Board, daily uploads of such rates to MIDAS will present significant challenges. Given the current structure of MIDAS and the lack of funding for LSEs to develop systems, processes, and improvements to MIDAS, MCE cannot at this time find that it is cost effective or feasible to maintain current and accurate rates for any future hourly rate offerings in MIDAS.

Nonetheless, MCE is engaged in and monitoring the Demand Flexibility Proceeding at the California Public Utilities Commission ("CPUC") and is committed to working with the CEC, CPUC, and other stakeholders to help customers automate behavioral changes in electric usage and looks forward to further discussion on how MIDAS may be updated and/or will interact with future rate platforms or repositories yet to be developed such as a CPUC approved Price Machine.

MCE recommends that any future rate repositories be equipped to provide composite rates if the goal is to provide customers with a composite or total real-time rate signal. As a CCA, MCE's Board has sole authority over its customers' generation rate component but has no authority to determine the distribution or transmission rate components of its customers' rates. Any distribution and transmission rate components charged to MCE customers are charged by Pacific Gas & Electric Company ("PG&E"). As such, MCE only plans to upload generation rate components to MIDAS and cannot take responsibility for, be required to calculate, or be required to upload marginal cost rates for rate components and myriad PG&E programs that it has no control over.

3.2 Plan to Provide Rate Identification Number(s) on Customer Billing Statements and Online Account Using Both Text and QR Code

Adopted LMS Amendments Section 1623(c)(4) requests each Large CCA to provide customers with access to their RIN on customer billing statements and online accounts using both text and quick response ("QR") or similar machine-readable digital code by April 1, 2024.

MCE customers receive their consolidated billing statements from PG&E. MCE provides itemized charges to PG&E through Electronic Data Interchange ("EDI") transactions. Therefore, MCE is reliant on PG&E to develop its EDI system to accept MCE RINs and display them on customer bills.

[6] As of this writing, six of MCE's Light Green rates are not current in the MIDAS system. These rates serve a small number of large Commercial & Industrial and EV customers with legacy 12p-6p peak periods. Upload attempts are rejected with the message, "An error has occurred." MCE reached first reached out to CEC staff on November 30, 2023, and has had numerous, ongoing communications with CEC staff on this matter. The issue appears to reside with MIDAS, and not with MCE. CEC Staff has indicated they are aware of the issue, that it is not isolated to MCE and the CEC is working to resolve the issue. MCE will continue to engage and collaborate with the CEC in good faith to fix this issue.

CCAs have been working with PG&E to utilize PG&E's billing transactions to include a CCA specific RIN on customers' bills. MCE will supply MCE's RIN mapping table to PG&E who will then include it within the code and display customers' RINs on the generation portion of their bills. This interpretation has also been corroborated by PG&E in recent CPUC Advice Letters seeking approval to modify customers' bill presentations to include RINs and QR codes.

On January 16, 2024, PG&E filed Advice Letter 7136-E at the CPUC outlining the process it is undertaking to provide RINs on customer bills. As outlined by PG&E in its second supplemental Advice Letter 7136-E-B filed on March 1, 2024, customers on time-dependent rates will have their bills updated to include a QR code and the customer's RIN in the top right-hand corner of their bill, which can then be scanned to program a customer's device(s). PG&E notes that RINs will be presented the same way on both bundled and unbundled (CCA and Direct Access) customers' bills.

3.3 Plans and Current Participation in the Development of Single Statewide RIN Access Tool – *Amended July 2025*

Adopted LMS Amendments Section 1623(c)(1)-(3) requests all LSEs named in the Standards to work together to develop a plan for a single statewide standard tool for authorized rate data access by third parties, along with a single set of terms and conditions for third parties using the tool by October 1, 2024. The tool is to provide the customers' RINs, provide eligible RINs, enable switching to an available rate by an authorized third party, incorporate applicable cybersecurity measures, minimize enrollment barriers, and be accessible in digital, machine-readable format.

MCE is monitoring and engaging in the process with the other regulated LSEs to develop a Single Statewide RIN Access Tool pursuant to Adopted LMS Amendments Section 1623(c). A proposed plan for the tool was submitted to the CEC for review on October 1, 2024. MCE will continue to collaborate with other parties and the CEC towards the implementation and maintenance of the tool in a timely manner subject to the tool's approval by the CEC. MCE is unable to specifically identify the full scope and budget of integration of work; commit resources; or review, identify, and plan internal infrastructure needs until the Single Statewide Standard RIN Access Tool's scope has been designed and approved by the CEC.

4 MCE Rates and Dynamic Rate Considerations

Adopted LMS Amendments Section 1623.1(a)(1) requests each large CCA to develop a plan that evaluates the cost-effectiveness, equity, technological feasibility, benefits to the grid, and benefits to customers of dynamic rates for each customer class. After evaluating dynamic rates, the CCA may instead propose and evaluate specified programs and/or delay or modify its implementation of the LMS.

Adopted LMS Amendments Section 1623.1(b)(2) requests MCE apply to its rate-approving body for approval of at least one dynamic rate by July 1, 2025. The LMS state MCE is to apply for approval only of a dynamic rate only for those customer classes for which the Board determines such a rate will materially reduce peak load.

Adopted LMS Amendments Section 1623.1(b)(4) requests each CCA to offer to each of its electricity customers voluntary participation in either a dynamic rate developed according to Section 1623.1(b)(2), if such rate is approved by the Board, or a cost-effective load flexibility program that allows automated response to MIDAS signals for each customer class the Board determines such a program would materially reduce peak load July 1, 2027.

This section provides an overview of MCE's current time-dependent rates and its plan to evaluate and develop dynamic rates as stated in the LMS.

4.1 Overview of MCE's Current Time-Dependent Rate Offerings

MCE currently offers several options for time-dependent or Time-Of-Use ("TOU") pricing, consistent with the options available to the broader PG&E service area. Approximately 66 percent of MCE households are on time-dependent rates. Current residential rate options are displayed in the table below.

Table 2: Current MCE Residential Rate Offerings[7]

MCE Residential Rate	Description of Rate Periods
E-1	Flat Rate Pricing, not time dependent
E-TOU-C - Default Time-of-Use	Utilizes 4pm-9pm peak rates every day
E-TOU-D - Time-of-Use	Utilizes 5pm-9pm peak rates on non-holiday weekdays only
ELEC - Time-of-Use for Qualified Electric Technologies	Utilizes lower rates from 12am-3pm
EV2 - Time-of-Use for Electric Vehicles	Utilizes lower rates from 12am-3pm

Additionally, MCE continues to provide limited service to legacy residential rate schedules that are no longer available to new customers:

- E-TOU-B - Time-of-Use: Utilizes 4pm-9pm peak rates on non-holiday weekdays only; and
- EV - Time-of-Use for Solar Customers with Electric Vehicles: Utilizes lower rates from 11pm-2pm.

MCE also offers a wide range of options for time-dependent pricing for non-residential customers as depicted in Table 3 below. Except in rare circumstances like street lighting, non-residential service is entirely billed according to time-dependent pricing. All of MCE's

[7] A complete list of MCE Residential rates can be found at https://www.mcecleanenergy.org/rates/.

non-residential rates have 4pm-9pm daily peak and seasonal rates, except where noted otherwise.

Table 3: Current MCE Non-Residential Rate Offerings[8]

MCE Non-Residential Rates	Description of Rate Periods
B-1 - Small General Service	Utilizes six TOU periods (three in the Summer and three in the Winter)
B-1ST - Small General Service Plus Storage	Utilizes seven TOU periods (three in the Summer and four in the Winter)
B-6 - Small General Service	Utilizes five TOU periods (two in the Summer and three in the Winter) and stronger pricing signals relative to rate schedule B-1
B-10 - Medium General Service	Utilizes six TOU periods (three in the Summer and three in the Winter) and three voltage levels with discrete rates
B-19 - Medium General Service	Utilizes six TOU periods (three in the Summer and three in the Winter), TOU and seasonal based demand charges, and three voltage levels with discrete rates
B-19 Option R - Medium General Service for Solar	Utilizes six TOU periods (three in the Summer and three in the Winter), no demand charges, and three voltage levels with discrete rates
B-20 Option R - Large General Service for Solar	Utilizes six TOU periods (three in the Summer and three in the Winter), no demand charges, and three voltage levels with discrete rates
BEV - Commercial EV Charging	Utilizes three TOU periods, no seasonality, and three voltage levels with discrete rates
AG-A - Small Agriculture	Utilizes four TOU periods (two in the Summer and two in the Winter), and uses a 5pm-8pm peak pricing period

[8] A complete list of MCE Non-Residential rates can be found at https://www.mcecleanenergy.org/commercial-rates/.

MCE Non-Residential Rates	Description of Rate Periods
AG-B - Medium Agriculture	Utilizes four TOU periods (two in the Summer and two in the Winter), 5pm-8pm peak pricing period
AG-C - Large Agriculture	Utilizes four TOU periods (two in the Summer and two in the Winter), 5p-8p peak, summer peak demand
AG-F - Flexible TOU Agriculture	Utilizes AG-A/AG-B/AG-C variations as above, with two designated 24-hour off-peak days
SB - Standby Service	Utilizes six TOU periods (three in the Summer and three in the Winter), a reservation charge per kW, and three voltage levels with discrete rates
SL-1 - Street, Highway, and Outdoor Lighting	This rate is not time dependent
TC-1 - Traffic Control Service	This rate is not time dependent

MCE also continues to offer limited service to legacy non-residential rate schedules without a 4pm-9pm peak. Eligibility is determined by PG&E according to tariffs approved by the CPUC. These rates have a 12pm-6pm peak and seasonal rates, except where otherwise noted, and have weak pricing signals and are of limited significance to MCE's portfolio. Only 6.5 percent of MCE customers – almost entirely small commercial accounts – are served by these rates.

Table 4: MCE Legacy Rates

MCE Legacy Rates	Description of Rate Periods
A-1 - Small General Service	This is a non-TOU rate
A-1X - Small General Service	Utilizes five TOU periods (three in the Summer and two in the Winter)
A-6 - Small General Service	Utilizes five TOU periods (three in the Summer and two in the Winter)
A-10 - Medium General Service	This is a non-TOU rate but includes three voltage levels with discrete rates

MCE Legacy Rates	Description of Rate Periods
A-10X - Medium General Service	Utilizes five TOU periods (three in the Summer and two in the Winter) and three voltage levels with discrete rates
E-19 - Medium General Service	Utilizes five TOU periods (three in the Summer and two in the Winter), demand charges, and three voltage levels with discrete rates
E-20 - Large General Service	Utilizes five TOU periods (three in the Summer and two in the Winter), and three voltage levels with discrete rates
E-20 Option R - Large General Service for Solar Customers	Utilizes five TOU periods (three in the Summer and two in the Winter), and three voltage levels with discrete rates
AG-1 - Small Agricultural Service	This is a non-TOU rate
AG-4-A - Time-of-Use Agricultural Service	Time-of-Use Agricultural Service: Includes four TOU periods (two in the Summer and two in the Winter) and a connected load charge
AG-4-B - Time-of-Use Agricultural Service	Utilizes four TOU periods (two in the Summer and two in the Winter) and a maximum demand charge
AG-4-C - Time-of-Use Agricultural Service	Utilizes five TOU periods (three in the Summer and two in the Winter) and a peak demand charge
AG-5-A - Time-of-Use Agricultural Service	Utilizes four TOU periods (two in the Summer and two in the Winter) and a connected load charge
AG-5-B - Time-of-Use Agricultural Service	Utilizes four TOU periods (two in the Summer and two in the Winter) and a maximum demand charge
AG-5-C - Time-of-Use Agricultural Service	Utilizes five TOU periods (three in the Summer and two in the Winter) and a peak demand charge
AG-R - Time-of-Use Agricultural Service with Off Peak Days	Utilizes four TOU periods (two in the Summer and two in the Winter), two day-

MCE Legacy Rates	Description of Rate Periods
	of-week options, two service levels, and connected load or demand charges
AG-R - Time-of-Use Agricultural Service with Variable Peak	Utilizes four TOU periods (three in the Summer and two in the Winter), three peak hour options, two service levels, and connected load or demand charges
S - Standby Service	Utilizes five TOU periods (three in the Summer and two in the Winter), reservation charge per kW, and three voltage levels with discrete rates

MCE also offers two energy supply programs that are charged or credited to the customer's energy bill but separate from each customer's electric rate schedule:

- Deep Green Service: This program allows customers to choose 100 percent renewable energy content and includes a $0.01/kWh flat adder to all rates.
- Disadvantaged Communities Green Tariff ("DAC-GT"): This program allows eligible customers in disadvantaged communities to choose 100 percent renewable energy content and receive a 20 percent total bill discount.

4.2 Dynamic Rates Evaluation – *Amended July 2025*

MCE strongly appreciates and supports the LMS' goals to help encourage customers to shift energy consumption away from peak periods to minimize costs, improve reliability, and better align renewable energy supply and demand. MCE also agrees that two tools that can be utilized to encourage such a shift are flexible rate designs and automation technology.

Consistent with the adopted LMS, in this section MCE outlines its plan to evaluate future dynamic marginal cost-based rate offerings for its customers and provides an initial evaluation of the cost-effectiveness, equity, technological feasibility, and benefits of dynamic rates.

As a CCA, MCE's Board has sole authority over its customers' generation rate component and no other entity, including the CEC or CPUC, has the authority to set generation rates for MCE customers. Similarly, this means that MCE does not have authority to determine the distribution or transmission rate components of its customers. Any distribution and transmission rate components charged to MCE customers are determined and charged by PG&E, as approved by the CPUC and/or Federal Energy Regulatory Commission. As such, any dynamic or hourly rates adopted by MCE's Board will be generation-only. MCE and its Board cannot take responsibility for, or be required to calculate, rates for components that it has no control over such as distribution and transmission rate components.

MCE understands that there may be value in dynamic rates or dynamic rate pilots, and is currently offering all the dynamic rate pilots approved by the CPUC for PG&E's service area[9] as well as offering its own, distinct dynamic EV rate pilot to its customers, MCE Sync Dynamic Rewards.[10] These pilots should allow MCE to collect data to evaluate the cost-effectiveness, equity, feasibility, and customer and grid benefits of such rates to inform MCE's future rate designs and offerings. Generally, MCE notes that it has a preference to create and offer MCE specific rates, pilots, and programs that can be uniquely tailored and administered by MCE to meet the needs of its customers, which may be distinct from other regions of PG&E's service area and rely on MCE's significantly clean and GHG-free portfolio in the California Independent System Operator markets.

In evaluating whether to offer future additional dynamic rates and/or pilots, MCE plans to evaluate portfolio-based cost-effectiveness, technical feasibility, equity, and benefits to MCE and its customers and the environment. MCE will consider what pricing options, if any, offer cost-effective and material, incremental, benefits over current rate and load flexibility offerings. Offering dynamic rate pilots should provide necessary and useful data to evaluate and determine the appropriateness (and potential design) of future dynamic rate offerings in MCE's service area.

In the version of this plan approved by the Board on May 16, 2024, MCE found that it did not have sufficient evidence to conclude that developing and implementing dynamic rates in MCE's service area on the timeline outlined in the LMS would be cost effective or provide material incremental reductions to peak load beyond those of its current rate and programs portfolio for any customer class. The Board-approved plan found it necessary to modify Section 1623.1(b)(2)'s request for MCE to apply for approval of a dynamic rate by July 1, 2025. The Board-approved plan concluded that the timeline must be modified to ensure cost-effective implementation and that MCE Staff may, but was not required to, propose such a rate to the Board by the target date of July 1, 2025. At that time, MCE could not commit to creating such a rate for Board approval by July 1, 2025. However, MCE is interested in collecting the data necessary to make such determinations and is now offering dynamic rate pilots in its service territory. MCE began offering the MCE Sync Dynamic Rewards pilot in September 2024, and on April 4, 2025, MCE's Board approved MCE's participation in the dynamic rate pilots offered in PG&E's service area: Expanded Pilot 1, Expanded Pilot 2, and the VGI-Commercial Pilot, and therefore has met the original timeline adopted in Section 1623.1(b)(2). MCE will provide updates to its Board in its next plan iteration and any annual reports.

[9] California Public Utilities Commission Decision (D) 24-01-032 approved the expansion of two demand flexibility pilots in PG&E's service area that allow CCA participation. Under the Transportation Electrification Rulemaking 18-12-006, the CPUC further authorized PG&E's vehicle-to-grid (VGI) pilots with a dynamic rate that allow CCA participation. MCE is currently offering all three pilots to its customers.

[10] The MCE Sync Dynamic Rewards pilot allows customers the chance to receive additional savings in MCE Sync by responding to dynamic hourly price signals (based on day-ahead CAISO prices for the PG&E Default Load Aggregation Point (DLAP). Customers who enroll in the dynamic pilot will receive an enrollment bonus of $50 and then receive a monthly reward payment for allowing MCE Sync to charge their car according to the dynamic price signal.

a. Cost-Effectiveness

In determining whether to offer dynamic rates that vary at least hourly as outlined in the LMS, one evaluation factor that MCE will consider is cost-effectiveness.

MCE notes that the CEC's adopted LMS state there shall be no reimbursement to local government agencies for the costs of carrying out the Standards as the Commission has found them to be cost effective, noting that savings realized will outweigh the costs associated with implementing the programs.[11] While MCE appreciates the plain language of the LMS, MCE disagrees that the cost-effectiveness of any rates or programs could be determined before those rates or programs actually exist. At this point there exists no evidence to conclude that MCE will realize any net savings from implementing the LMS. It is too early in MCE's offering of hourly or dynamic rates or pilot programs to allow for sufficient analysis of the effectiveness (cost or otherwise) of dynamic rates in its service area. MCE has so far incurred only costs associated with the LMS and any benefits remain to be realized.

Nonetheless, MCE shares many of the CEC's stated goals in developing the LMS and is committed to encouraging customers to shift energy consumption to off-peak periods. MCE appreciates and understands that there may be significant value in dynamic rates and is interested in collecting the necessary information and data to determine if, and under what conditions, dynamic rates would be cost effective for MCE and its customers.

As of September 2024, MCE implemented an hourly rate pilot for its electric vehicle ("EV") customers, MCE Sync Dynamic Rewards.[12] MCE is also participating in, monitoring, and evaluating the status of CPUC approved PG&E dynamic rate pilots. However, without such primary data, MCE cannot at this time determine that such a rate or program will provide material incremental reductions to peak load or be cost effective for any customer class.

Significant uncertainties remain in both the cost to develop and the value MCE can reliably realize from implementing hourly rates. MCE anticipates that developing dynamic rates may result in significant costs and MCE's ability to realize the value of such rates will be determined by unknown factors like customer adoption and incremental response levels. Without robust pilot results in MCE's and PG&E's service area to perform a comprehensive analysis, MCE cannot accurately estimate development costs, the estimated total benefits, or whether those benefits would be likely to offset the costs for any customer class. Accordingly, MCE recommends the Board not require MCE to propose dynamic rate to its Board by the target date of July 1, 2025. MCE recommends the Board find that MCE may, but is not required to, propose such a rate by the target date.

MCE will continue to evaluate whether to offer future dynamic rate pilots and rates to its customers and will evaluate the results of its own pilot and the pilots in PG&E's service area. MCE will use the pilots as an opportunity to collect the data necessary to conduct its own cost-

[11] CEC Load Management Standards Section 1623.1(e).

[12] See footnote 10.

effectiveness analysis with MCE specific data, which would be used to inform future rate and program offerings as well as future iterations of MCE's LMS Plan.

In conducting such a future cost-effectiveness analysis, MCE expects to compare the benefits of the rate offering with costs of implementation. Estimated costs include but are not limited to rate development, rate and program administration, and technology costs. Estimated benefits include, but are not limited to, lower energy costs, increased load reduction, avoided energy and capacity costs, and reliability benefits. To demonstrate cost-effectiveness, the expected benefits for each rate must exceed the costs of implementation. MCE looks forward to providing updates to its Board, the CEC, and other interested parties as it moves forward.

b. Equity

Similarly to cost-effectiveness, MCE currently has no primary data sources to quantitatively speak to the equity component of offering hourly rates to its customers. MCE is committed to increasing equitable and affordable access to clean energy for its customers. While reductions in peak demand provide grid benefits to all customers and those benefits could theoretically lower power procurement costs to all customers, currently there is not clear evidence that all MCE customers will benefit from lower rates. As MCE begins to evaluate whether to offer hourly rates to all customers, several equity components will be considered including:

Equitable Access to Automation and Benefits

Customers' ability to benefit from highly differentiated rates is directly linked to their ability to respond to those rates. Customers that can automate portions of their load will be best equipped to respond to pricing signals and benefit through lower energy bills or performance-based payments. Therefore, equitable access to automation devices and technology will be critical in ensuring that all customers can benefit from these rates. As such, MCE Staff believes it is appropriate to explore ways to ensure that customers on dynamic rates can access automation technology in an equitable manner. MCE may therefore explore offering additional incentives to provide automation technology for low-income customers and/or those who live in disadvantaged communities or multi-family properties who may otherwise not be able to benefit from automated load shifting programs or dynamic rates.

Cost Shifting

Assuming any change in rate design is designed to collect the same total level of revenue from all customers (i.e. revenue requirement), any change to rate design or structure means that some customers will pay less and some customers will pay more – without any changes to their behavior.[13] This mathematical reality is often referred to as a cost shift, as costs are shifted from one group of ratepayers to another. When rate offerings are voluntary, or opt-in, there is a greater risk that customers will simply choose the rate which allows them to pay less without making any changes to their behavior. These customers who can elect to participate in a rate that will lower their costs (and shift costs to other customers within their class) without any changes in behavior can be referred to as structural benefactors.

[13] This is at least true in the short-term. However, in the long-term material reductions/changes in behavior may lower the total revenue requirement and those cost savings could be passed through to all customers.

In developing dynamic rates with the goal of encouraging customers to *change* their behavior and shift their energy consumption away from peak hours, one of MCE's goals will be to minimize the amount of cost shifting that occurs between customers, particularly due to structural benefactors. To do so, MCE will aim to ensure that customers on hourly rates are sufficiently able to respond to price signals, whether through automation and/or price signals that are strong enough to incent behavioral change.

Customer Location

With few exceptions, customers do not choose where they are located on the electrical grid. It is partly because of this fact that grid infrastructure and energy costs have historically been spread, or averaged, across all customers. For example, rural customers have not been charged different prices for energy than city dwelling customers and MCE customers in Concord have not paid more than MCE customers in San Rafael, despite the potential differences in costs to serve those customers at any point in time (for example, due to local grid constraints). With a move to dynamic rates and advances in technology, it may be possible to charge customers in the same rate class and on the same tariff at different rates at any point in time given their location on the grid.

In both the CEC's LMS Rulemaking and the CPUC's Demand Flexibility Proceeding, there has been discussion on the level of locational granularity that should be applied to hourly or sub-hourly rates. While MCE and others are likely to first utilize hourly rates that do not vary at a level more granular than the Default Load Aggregation Point, there has been discussion of rates that vary at more granular levels, such the circuit or transformer level. Essentially, this means that the level of local grid constraint can affect the rates a customer in that area pays for electricity. MCE believes this is an important equity concern that cannot be overlooked.

Local grid constraints vary based on grid infrastructure, design, and capacity constraints that are generally outside of any individual customer's control. The more locational granularity in rates, the more potential there is for equity issues to arise. To address this issue, evaluation should be done to ensure that dynamic pricing based on localized grid constraints does not particularly burden low-income residents or those in disadvantaged communities. MCE does not currently have data on how more granular locational variation in rates may impact equity but urges all California LSEs as well as the CEC and CPUC to work to ensure that certain customers are not unfairly harmed by future rate design simply due to their location on the grid.

c. Technological Feasibility

MCE expects that it is technically feasible to offer a dynamic hourly generation rate option by July 1, 2027, as outlined in the LMS, contingent upon PG&E providing revenue quality billing data to MCE on an hourly level or developing a reliable workaround. Current PG&E billing transactions do not include the hourly interval data which would be matched against hourly dynamic prices. MCE hopes that as PG&E develops CPUC approved hourly pricing pilots, this data will become available.

MCE notes that even if dynamic rates are technically feasible, daily rate uploads to MIDAS will need to be supported by the development of new systems, which may delay or otherwise impede offering dynamic rates in the near term. The limitations of the current MIDAS system and

the lack of funding for LSEs to develop systems for interacting with MIDAS may mean that it will not be cost effective or feasible to maintain dynamic rates in MIDAS at this time.

d. Benefits to the Grid and Customers

MCE will also consider benefits to the grid and benefits to customers in its evaluation of dynamic rates. Assuming material changes in energy consumption behavior by customers, potential grid benefits resulting from hourly rates include but are not limited to reliability benefits, deferred, and reduced grid infrastructure investments, and environmental benefits.

Potential direct customer benefits include, but are not limited to, lower energy expenditures, reliability benefits, and theoretically lower rates – assuming material reductions to peak load that result in lower overall energy costs and reduced capacity and compliance costs. MCE does not currently have the data to quantify benefits to the grid and customers resulting from offering hourly rates in its service territory. MCE plans to continue to gather data on this topic and will update this section in future iterations of its plan and annual reports.

4.3 Dynamic Rate Development and Application Plan – *Amended July 2025*

Adopted LMS Amendments Section 1623.1(b)(2) of the LMS requests MCE and other Large CCAs apply to its rate-approving body for approval of at least one dynamic rate by July 1, 2025. The LMS state MCE should apply for approval of a dynamic rate only for those customer classes for which the Board determines such a rate will materially reduce peak load. This section outlines how MCE plans to work toward this goal.

MCE has been, and plans to remain, actively engaged in dynamic rates discussions and proceedings at the CPUC and CEC. To date, MCE has committed considerable staff time, which amounts to significant and material cost to MCE, to these efforts, including making staff available to attend all noticed CEC LMS working group meetings and engaging in the CPUC's Demand Flexibility proceeding. Additionally, MCE is conducting research internally and in collaboration with external partners on how it might best design and offer dynamic rates in the future.

MCE is committed to exploring options for offering dynamic rate offerings to customers, but at this time cannot determine that such rates would provide material incremental reductions to peak load, provide other material benefits to MCE or its customers, or be cost effective for any customer class. In evaluating future potential dynamic rates MCE will consider whether or how any dynamic rate is expected to: 1) drive behavioral change; 2) be cost effective; 3) impact equity outcomes; and 4) provide reliable incremental benefits relative to MCE's current rate offerings.

As of September 2024, MCE began offering a dynamic rate pilot, MCE Sync Dynamic Rewards, for its electric vehicle ("EV") customers. MCE is also participating in, monitoring, and evaluating the status of CPUC approved PG&E dynamic rate pilots. However, without such primary data, MCE cannot at this time determine that such a rate or program will provide material incremental reductions to peak load or be cost effective for any customer class.

Significant uncertainties remain in both the cost to develop and the value MCE can reliably realize from implementing hourly rates. MCE anticipates that developing dynamic rates may result in significant costs and MCE's ability to realize the value of such rates will be determined

by unknown factors like customer adoption and incremental load shifting response levels. Without robust pilot results in MCE's and PG&E's service area to perform a comprehensive analysis, MCE cannot accurately estimate development costs, the estimated total benefits, or whether those benefits would be likely to offset the costs. Accordingly, MCE recommends the Board not require MCE to propose a dynamic, hourly marginal cost-based rate, to its Board by the target date of July 1, 2025. MCE recommends the Board modify the request in LMS Section 1623.1(b)(2) that MCE propose dynamic rates by July 1, 2025, and declare that MCE may, but is not required to, propose such a rate to the Board for approval by July 1, 2025.

MCE will continue to evaluate if and how it may offer dynamic rates to its customers and will provide updates to its Board in its next plan iteration and any annual reports, and looks forward to continuing conversation and collaboration with stakeholders on possible pilot design, including how best to collect data that will effectively illustrate the costs and benefits of different dynamic rate structures and incorporate rates into MIDAS.

Additionally, LMS Section 1623.1(b)(4) requests MCE offer customers voluntary participation in either a dynamic rate, if approved by the Board, or a cost-effective load flexibility program by July 1, 2027. MCE notes that its offerings as of July 1, 2027, cannot be known at present, and the future timeline for deployment of future rate and program offerings will be dependent on future Board guidance and approval.

MCE plans to continue to provide updates to its Board as well as the CEC, as outlined in the LMS, and will further address the details of rate design and infrastructure needs as they become available.

5 Load Flexibility Programs

Adopted LMS Amendments Section 1623.1(b)(3) of the LMS requests MCE submit a list of cost-effective load flexibility programs to the CEC Executive Director by October 1, 2024. The portfolio of load flexibility programs is to provide at least one option to automate response to MIDAS signals for every customer class where such a program is determined by the Board to materially reduce peak load. If MCE's Board does not approve of and offer dynamic rates by July 1, 2027, the Standards state that MCE can meet the goals of the LMS by offering voluntary participation in a cost-effective MIDAS-integrated load flexibility program.

This section of MCE's Plan provides an overview of MCE's current load flexibility programs and addresses how MCE will evaluate and propose specified programs on the timeframes set forth in the LMS.

5.1 Overview of MCE Load Flexibility Programs

Residential Programs

MCE Sync

MCE Sync is an MCE-funded Automated Load Management program that utilizes a smart charging app to reduce EV owner's charging load during peak times, while also seeking to align

EV charging load with high-solar daytime hours.[14] MCE began offering MCE Sync to eligible customers in 2021 and the program offers customers a flat monthly credit for participating in events.

Through 2023, MCE Sync had approximately 2,200 enrolled MCE customers who charge their EVs at home via a software platform which delivers direct load control of EV charging using vehicle telematics and networked electric vehicle supply equipment. To date, the program has shifted 90 percent of EV charging events out of the 4 pm – 9 pm window. An analysis of program data through May 2022 showed that customers saved an average of $10 shifting charging to off-peak hours.

MCE Sync does not currently have rates associated with events. MCE Staff are currently exploring the possibility of expanding the program in MCE's service area, including integrating dynamic pricing elements into future program offerings.

Peak FLEXmarket

MCE's Peak FLEXmarket program is a market-driven demand flexibility program that assigns an hourly value to measured, behind-the-meter ("BTM") impacts.[15] Peak FLEXmarket is aimed at shifting load away from peak periods and provides customers with direct payments for measured load shedding or shifting during events, based on deviations from their individual baseline.

Peak FLEXmarket has successfully engaged new aggregators who have not participated in demand response, as well as program partners who have traditionally been confined to energy efficiency project development by presenting a value proposition for load flexibility. This program is a framework with the tools to measure and value hourly reductions in energy use and is technology agnostic.

Richmond Virtual Power Plant (VPP) Pilot

MCE is working to launch an innovative VPP pilot in Richmond, California, which will provide bill savings and increase local grid reliability, safety, and efficiency for low-income residents as part of Richmond's Advanced Energy Community project.[16] The VPP pilot includes $8 million in funding from the CEC and will provide a suite of clean distributed energy resources ("DERs") targeting low-income households in Richmond for dispatchability, flexibility, and resiliency purposes.

MCE's Richmond VPP Pilot is expected to provide significant bill savings for customers and significant local and grid benefits. MCE currently expects the pilot to launch in 2025.

Residential Efficiency Market

MCE's Residential Efficiency Market program is focused on incentivizing customers to install measures that can help reduce peak load.[17] Customers can receive a 20 percent upfront cash

[14] *See* https://www.mcecleanenergy.org/mce-sync/.
[15] *See* https://www.mcecleanenergy.org/peak-flexmarket/.
[16] *See* http://mcecleanenergy.org/vpp.
[17] *See* https://www.mcecleanenergy.org/flexmarket/.

payment for the forecasted value of their energy efficiency projects and additional payments for metered savings of those energy efficiency projects.

Solar Storage Credit

MCE's Solar Storge Credit program is aimed at encouraging customers to discharge their energy storage systems from 4-9pm daily.[18] To be eligible for the credit, customers must be enrolled in a time-of-use rate, automate their battery to discharge from 4-9 p.m. daily and set their battery reserve to no more than 20 percent, except when preparing for or during a power outage. Customers are eligible to receive up to $20/month for participation based on their solar system's size.

Nonresidential Programs

Peak FLEXmarket

MCE's Peak FLEXmarket program is a market-driven demand flexibility program that assigns an hourly value to measured BTM impacts. Peak FLEXmarket is aimed at shifting load away from peak periods and provides customers with direct payments for measured load shedding or shifting during events, based on deviations from their individual baseline.

Peak FLEXmarket has successfully engaged new aggregators who have not participated in demand response, as well as program partners who have traditionally been confined to energy efficiency project development by presenting a value proposition for load flexibility. This program is a framework with the tools to measure and value hourly reductions in energy use and is technology agnostic.

Commercial Efficiency Market

MCE's Commercial Efficiency Market program is focused on incentivizing non-residential customers to install measures that can help reduce peak load.[19] Customers can receive a 20 percent upfront cash payment for the forecasted value of their energy efficiency projects and additional payments for metered savings of those energy efficiency projects.

5.2 Evaluation of Programs

This section evaluates the cost-effectiveness, equity, technological feasibility, and benefits to the grid and customers of implementing programs that enable automated response to MIDAS signals. As discussed below, MCE cannot currently conclude that creating a new, or modifying an existing, load-modifying program to allow automated responses to MIDAS signals would be cost effective or offer material incremental benefit, such as material incremental peak load reduction, for any customer class.

Accordingly, MCE will continue to offer voluntary participation in its existing and future load flexibility programs. MCE will continue to consider the cost-effectiveness and peak load reduction potential of programs that enable automated response to MIDAS signals. To the extent that MCE's Board does not approve a dynamic rate offering by 2027, *and* MCE is at that

[18] *See* https://www.mcecleanenergy.org/solar-storage-credit/.
[19] *See* https://www.mcecleanenergy.org/flexmarket/.

time able to determine that modifying an existing program or creating a new program that enables automated response to MIDAS signals is cost effective and provides material incremental reductions to peak load for at least one customer class, MCE may at that time integrate a load-modifying program into MIDAS.

MCE will therefore submit to the CEC a list of load-modifying programs deemed cost-effective by October 1, 2024, but recommends the Board find that MCE is not required to include a program that allows automated response to MIDAS signals as it cannot determine such a program would be cost effective or produce material reductions to peak load for any customer class.

5.2.1 Cost Effectiveness

As outlined by section 1623.1(b)(3) of the LMS, MCE will provide a list of load-modifying programs deemed cost effective to the CEC by October 1, 2024. At present, MCE expects that the list of cost-effective programs will include the following MCE load-modifying programs:

1. Peak FLEXmarket;
2. Commercial Efficiency Market; and
3. Residential Efficiency Market.

These programs are funded by ratepayers through MCE's Energy Efficiency Portfolio as authorized by the CPUC. To receive ratepayer funding, the CPUC requires MCE to demonstrate its energy efficiency portfolio is cost effective using CPUC-approved cost-effectiveness criteria.

As it relates to the cost-effectiveness of MCE's current and future self-funded and/or grant-funded load-modifying programs (MCE Sync, Solar Storage Credit, Richmond VPP Pilot, etc.) MCE has not yet evaluated these programs for cost-effectiveness in the same manner as its ratepayer funded energy efficiency programs. Generally, MCE notes that cost-effectiveness is just one measure used to determine whether to offer a program and is not necessarily a determining factor. For example, programs that are focused on providing equity benefits may not be cost-effective utilizing traditional cost-effectiveness evaluation criteria, but still provide significant benefit to certain customer segments and society at large. MCE may robustly evaluate these programs for cost-effectiveness in the future when evaluating the effectiveness of the programs, and as it makes future determinations on program offerings.

MCE does not currently expect to utilize program offerings with automated responses to MIDAS signals; however, if MCE's Board does not adopt an hourly rate by July 1, 2027, MCE may then evaluate whether there is an opportunity to create a new program or modify an existing program to allow responses to MIDAS signals. In doing so, MCE would look at the incremental value of each option, and if modifying an existing, or creating a new, program is deemed cost-effective and found to provide material reductions to peak load may elect to do so at that time.

MCE cannot currently conclude that the modification of current or development of new programs that allow for automated responses to dynamic price signals would be cost effective for any customer class. Developing new programs or modifying existing programs would require MCE to incur costs associated with design and implementation, along with new technology costs.

While these costs could potentially be offset with capacity or energy cost savings, the magnitude of those benefits is uncertain.

In conducting future cost-effectiveness analyses, MCE would compare expected program benefits to expected costs of program design and implementation. Assuming incremental load shift that can be attributed to the program, expected benefits of a new load flexibility program that allows for automated response to MIDAS signals may include, but are not limited to, avoided energy and capacity costs, improved reliability, and environmental benefits. Expected costs may include, but are not limited to, program development costs, program administration costs, and technology and implementation costs.

5.2.2 Equity

MCE is committed to creating more equitable communities and providing equitable access to clean energy benefits throughout its service area. In choosing to modify or offer any program, MCE carefully considers equity impacts and has demonstrated its commitment to equitable program offerings since its inception. MCE aims to offer a suite of programs that provide customers with access to clean energy technology and services while lowering bills and greenhouse gas emissions. Some examples of MCE's commitment to equity include MCE's:

1. Income-qualified customer programs such as the Low-Income Families and Tenants Program, the MCE Cares Credit Program, DAC-GT program, and EV Rebate Program;
2. Commercial Equity Program;
3. Commitment to advancing supplier diversity and workforce development; and
4. MCE's Community Power Coalition.[20]

In evaluating any future load-modifying program offerings, MCE will plan to evaluate how that offering may impact customer equity. Potential evaluation criteria include, but are not limited to, equitable access to technology, direct customer benefits and bill impacts, and cost-shifting between and within rate classes. For example, most customers' ability to benefit from highly differentiated rates will be directly linked to their ability to respond to those rates. Customers that can automate portions of their load will be best equipped to respond and benefit. Therefore, equitable access to automation devices and technology will be critical in ensuring that all customers can benefit from load-modifying programs. To promote equitable access to automation technology MCE may explore providing additional incentives for low-income customers and/or those who located in disadvantaged communities or multi-family properties who may otherwise not be able to benefit from automated load shifting programs or dynamic rates.

5.2.3 Technological Feasibility

MCE is committed to offering load-modifying programs that encourage customers to shift their load away from periods of grid constraint and high greenhouse gas emissions. MCE strongly supports the LMS' goals to provide customers and their devices access to signals that may help

[20] More information on MCE's energy equity efforts can be found on its website at https://www.mcecleanenergy.org/energy-equity/#energyequity.

automate their response to marginal signals such as prices and greenhouse gas signals to provide the greatest level of benefit for both the customer and the grid. MCE has demonstrated this support through the development of its MCE Sync EV charging mobile application and the MCE Peak FLEXmarket platform, both of which are technology platforms that help customers adjust their energy consumption through greater visibility. And while MCE believes it is technically feasible to offer customers programs that allow customers to respond to MIDAS signals, currently, both of these load-modifying programs are incompatible with the MIDAS database, and MCE cannot conclude that modifying them to be compatible would be cost effective or result in material incremental load reduction:[21]

- MCE Sync - This program provides a flat monthly credit to customers for participating in events, and does not have rates associated with events, and thus would not support inclusion in MIDAS.
- PeakFLEX Market - There is currently no way for MIDAS to show customers their current real-time rate for this program, as it is based on separate prices (baseline and above-baseline) that depend on a customers' individual usage history, which is not a component of MIDAS.

As MCE's existing load-modifying programs are not currently technologically compatible with MIDAS, if MCE at a later date elects to work towards the goals of the LMS via a MIDAS enabled program offering MCE would need to determine how it could either integrate its existing programs with MIDAS or explore the creation of a new program that would be compatible with the current or future design of MIDAS. Such determinations will need to be made by the Board at a future date.

5.2.4 Benefits to the Grid and Customers

In considering whether to modify existing or offer new load-modifying programs, including those that allow automated response to MIDAS signals, MCE may consider benefits to the grid and customers.

Assuming incremental load shift or reduction that can be attributed to the program, potential grid benefits include reduced capacity costs (for example through lower Resource Adequacy costs), reduced of deferred transmission and distribution system upgrades, lower energy costs, increased reliability benefits, and environmental benefits.

Assuming incremental load shift or reduction that can be attributed to the program, potential customer benefits include pass-through energy cost savings from grid benefits as well as pass-through cost savings from potential reduced compliance costs for MCE, improved reliability, improved environmental benefits, and direct cost savings from participation in load-modifying programs.

[21] While not a load-modifying program, MCE also notes that its Disadvantaged Community Green Tariff program is also not included in MIDAS currently as it is not compatible with the current design of MIDAS. The 20 percent bill discount for the DAC-GT program is calculated from a customer's total billed charges, inclusive of non-volumetric and variable IOU charges, by reading the total charges from the previous bill. As such, MCE cannot generate a volumetric price inclusive of this discount.

All of these potential grid and customer benefits depend on the reliability and magnitude of load shift and reduction that load-modifying programs are able to achieve. MCE is at this time unable to conclude that future programs or modifications to existing programs to allow automated responses to MIDAS signals would result in material grid benefits relative to MCE's existing offerings or result in pass through savings to customers for any customer class. If MCE creates a load-modifying program that allows automated response to MIDAS signals in the future it will aim to design the program in such a way to generate material benefits to the grid and MCE customers.

6 Public Information Program

Adopted LMS Amendments Section 1623.1(b)(5) of the LMS requests MCE and other Large CCAs to conduct a public information program to inform and educate affected customers on why dynamic rates or load flexibility programs and automation are needed, how they will be used, and how these rates and programs can save customers money.

MCE appreciates the LMS' intent to ensure that any load-modifying rates or programs developed are effectively marketed to customers with the aim of encouraging enrollment and maximizing customer success and grid benefits. As a local, community-based organization, MCE values and is deeply committed to providing quality customer and community communication, education, collaboration, and customer service.

As a general matter, all MCE rates and programs can be found on MCE's website. Any future dynamic rates or load-modifying programs will also be listed and described on its webpage.[22] MCE utilizes best practices to provide consistent and accurate communications and response support with its customers and communities. This includes utilizing various communication mediums including joint rate mailers, emails, direct mail, e-newsletters, press releases, webinars, social media posts, public presentations and event attendance and sponsorship throughout MCE's member communities. In 2023 alone, MCE attended more than 250 events in our service area and presented to 69 local community organizations and city councils. MCE plans to continue communication best practices to maintain its outreach, education, and marketing of rates, programs, and pilots that support load flexibility and recognize the benefits of reducing peak load and using energy during periods of higher renewables supply. In addition, MCE has developed an in-house service center to support and effectively respond to customer inquiries and further the education and benefits of load-modifying programs.

Historically, MCE has voluntarily utilized various types of marketing campaigns to drive enrollment and successful participation in rate and program offerings including those created for load-modifying purposes. For example, to encourage customers to shift load on Time-of-Use rates, MCE conducted a public information campaign that included direct mail, website updates, digital advertising, streaming, and radio placement encouraging customers to use less energy during the 4pm - 9pm peak period targeted to customers throughout MCE's service area.[23]

[22] MCE Residential rates can be viewed at https://www.mcecleanenergy.org/rates/. MCE Commercial rates can be viewed at https://www.mcecleanenergy.org/commercial-rates/. MCE program offerings can be found at https://www.mcecleanenergy.org/customer-programs/.
[23] *See* https://www.mcecleanenergy.org/4-9/.

MCE notes that the LMS do not include a timeline for the public information campaign. As there is no timeline expressed in the Standards and MCE has not created or recommended Board approval of any new hourly marginal cost-based rates or programs that allow automated response to MIDAS signals, MCE does not have details on what future public information programs may entail. MCE expects that if dynamic rates or new load flexibility programs are adopted MCE would utilize a public information program to drive customer adoption, understanding, and success in said rates or programs.

At a minimum, MCE would expect the public information program to highlight how individual customers may be impacted (i.e. bill impacts) and how changes to their behavior can create grid and/or environmental benefits for all customers. This type of public information program would utilize some or all the following communication mediums: direct mail, email correspondence, website updates, social media posts, webinars, television/streaming commercials, press releases or news articles, and public presentations. MCE may also work with its community partners and/or program and technology partners to develop and deliver any public information programs.

MCE expects that any public information campaign would require incremental costs that are not currently accounted for, and MCE would need to factor these public information and response program costs and their recovery into any cost-effectiveness analysis and recommendation to its Board.

7 Appendix

Appendix A – MCE MIDAS Rate Identification Numbers

The below table displays the RINs associated with each of MCE's residential and non-residential rates and rate permutations that have been uploaded to MIDAS.

RIN	Rate Schedule	Energy Supply Product
USCA-XXMC-PBZD-0000	ETOUB	Deep Green
USCA-XXMC-PCZD-0000	ETOUC	Deep Green
USCA-XXMC-PDZD-0000	ETOUD	Deep Green
USCA-XXMC-OZZD-0000	ELEC	Deep Green
USCA-XXMC-QAZD-0000	EVA	Deep Green
USCA-XXMC-QUZD-0000	EV2	Deep Green
USCA-XXMC-AXZD-0000	A1X	Deep Green
USCA-XXMC-EZZD-0000	B1	Deep Green
USCA-XXMC-ETZD-0000	B1ST	Deep Green
USCA-XXMC-CZZD-0000	A6	Deep Green
USCA-XXMC-IZZD-0000	B6	Deep Green
USCA-XXMC-BXCD-0000	A10SX	Deep Green
USCA-XXMC-FZCD-0000	B10S	Deep Green
USCA-XXMC-BXBD-0000	A10PX	Deep Green
USCA-XXMC-FZBD-0000	B10P	Deep Green
USCA-XXMC-BXDD-0000	A10TX	Deep Green
USCA-XXMC-FZDD-0000	B10T	Deep Green
USCA-XXMC-LZCD-0000	E19S	Deep Green
USCA-XXMC-GZCD-0000	B19S	Deep Green
USCA-XXMC-LZBD-0000	E19P	Deep Green
USCA-XXMC-GZBD-0000	B19P	Deep Green
USCA-XXMC-LZDD-0000	E19T	Deep Green
USCA-XXMC-GZDD-0000	B19T	Deep Green
USCA-XXMC-LRCD-0000	E19SR	Deep Green
USCA-XXMC-GRCD-0000	B19SR	Deep Green
USCA-XXMC-LRBD-0000	E19PR	Deep Green
USCA-XXMC-GRBD-0000	B19PR	Deep Green
USCA-XXMC-LRDD-0000	E19TR	Deep Green
USCA-XXMC-GRDD-0000	B19TR	Deep Green
USCA-XXMC-MZCD-0000	E20S	Deep Green
USCA-XXMC-HZCD-0000	B20S	Deep Green
USCA-XXMC-MZBD-0000	E20P	Deep Green
USCA-XXMC-HZBD-0000	B20P	Deep Green

RIN	Rate Schedule	Energy Supply Product
USCA-XXMC-MZDD-0000	E20T	Deep Green
USCA-XXMC-HZDD-0000	B20T	Deep Green
USCA-XXMC-MRCD-0000	E20SR	Deep Green
USCA-XXMC-HRCD-0000	B20SR	Deep Green
USCA-XXMC-MRBD-0000	E20PR	Deep Green
USCA-XXMC-HRBD-0000	B20PR	Deep Green
USCA-XXMC-MRDD-0000	E20TR	Deep Green
USCA-XXMC-HRDD-0000	B20TR	Deep Green
USCA-XXMC-DAED-0000	AGA1	Deep Green
USCA-XXMC-DAFD-0000	AGA2	Deep Green
USCA-XXMC-DBZD-0000	AGB	Deep Green
USCA-XXMC-DCZD-0000	AGC	Deep Green
USCA-XXMC-DGED-0000	AGFA1	Deep Green
USCA-XXMC-DGFD-0000	AGFA2	Deep Green
USCA-XXMC-DGGD-0000	AGFA3	Deep Green
USCA-XXMC-DHED-0000	AGFB1	Deep Green
USCA-XXMC-DHFD-0000	AGFB2	Deep Green
USCA-XXMC-DHGD-0000	AGFB3	Deep Green
USCA-XXMC-DIED-0000	AGFC1	Deep Green
USCA-XXMC-DIFD-0000	AGFC2	Deep Green
USCA-XXMC-DIGD-0000	AGFC3	Deep Green
USCA-XXMC-DJZD-0000	AG4A	Deep Green
USCA-XXMC-DKZD-0000	AG4B	Deep Green
USCA-XXMC-DLZD-0000	AG4C	Deep Green
USCA-XXMC-DMZD-0000	AG5A	Deep Green
USCA-XXMC-DNZD-0000	AG5B	Deep Green
USCA-XXMC-DOZD-0000	AG5C	Deep Green
USCA-XXMC-TZCD-0000	STOUS	Deep Green
USCA-XXMC-TZBD-0000	STOUP	Deep Green
USCA-XXMC-TZDD-0000	STOUT	Deep Green
USCA-XXMC-SZCD-0000	SBS	Deep Green
USCA-XXMC-SZBD-0000	SBP	Deep Green
USCA-XXMC-SZDD-0000	SBT	Deep Green
USCA-XXMC-JZED-0000	BEV1	Deep Green
USCA-XXMC-JUCD-0000	BEV2S	Deep Green
USCA-XXMC-JUBD-0000	BEV2P	Deep Green
USCA-XXMC-NZZD-0000	E6	Deep Green
USCA-XXMC-PBZL-0000	ETOUB	Light Green
USCA-XXMC-PCZL-0000	ETOUC	Light Green
USCA-XXMC-PDZL-0000	ETOUD	Light Green
USCA-XXMC-OZZL-0000	ELEC	Light Green

RIN	Rate Schedule	Energy Supply Product
USCA-XXMC-QAZL-0000	EVA	Light Green
USCA-XXMC-QUZL-0000	EV2	Light Green
USCA-XXMC-AXZL-0000	A1X	Light Green
USCA-XXMC-EZZL-0000	B1	Light Green
USCA-XXMC-ETZL-0000	B1ST	Light Green
USCA-XXMC-CZZL-0000	A6	Light Green
USCA-XXMC-IZZL-0000	B6	Light Green
USCA-XXMC-BXCL-0000	A10SX	Light Green
USCA-XXMC-FZCL-0000	B10S	Light Green
USCA-XXMC-BXBL-0000	A10PX	Light Green
USCA-XXMC-FZBL-0000	B10P	Light Green
USCA-XXMC-BXDL-0000	A10TX	Light Green
USCA-XXMC-FZDL-0000	B10T	Light Green
USCA-XXMC-LZCL-0000	E19S	Light Green
USCA-XXMC-GZCL-0000	B19S	Light Green
USCA-XXMC-LZBL-0000	E19P	Light Green
USCA-XXMC-GZBL-0000	B19P	Light Green
USCA-XXMC-LZDL-0000	E19T	Light Green
USCA-XXMC-GZDL-0000	B19T	Light Green
USCA-XXMC-LRCL-0000	E19SR	Light Green
USCA-XXMC-GRCL-0000	B19SR	Light Green
USCA-XXMC-LRBL-0000	E19PR	Light Green
USCA-XXMC-GRBL-0000	B19PR	Light Green
USCA-XXMC-LRDL-0000	E19TR	Light Green
USCA-XXMC-GRDL-0000	B19TR	Light Green
USCA-XXMC-MZCL-0000	E20S	Light Green
USCA-XXMC-HZCL-0000	B20S	Light Green
USCA-XXMC-MZBL-0000	E20P	Light Green
USCA-XXMC-HZBL-0000	B20P	Light Green
USCA-XXMC-MZDL-0000	E20T	Light Green
USCA-XXMC-HZDL-0000	B20T	Light Green
USCA-XXMC-MRCL-0000	E20SR	Light Green
USCA-XXMC-HRCL-0000	B20SR	Light Green
USCA-XXMC-MRBL-0000	E20PR	Light Green
USCA-XXMC-HRBL-0000	B20PR	Light Green
USCA-XXMC-MRDL-0000	E20TR	Light Green
USCA-XXMC-HRDL-0000	B20TR	Light Green
USCA-XXMC-DAEL-0000	AGA1	Light Green
USCA-XXMC-DAFL-0000	AGA2	Light Green
USCA-XXMC-DBZL-0000	AGB	Light Green
USCA-XXMC-DCZL-0000	AGC	Light Green

RIN	Rate Schedule	Energy Supply Product
USCA-XXMC-DGEL-0000	AGFA1	Light Green
USCA-XXMC-DGFL-0000	AGFA2	Light Green
USCA-XXMC-DGGL-0000	AGFA3	Light Green
USCA-XXMC-DHEL-0000	AGFB1	Light Green
USCA-XXMC-DHFL-0000	AGFB2	Light Green
USCA-XXMC-DHGL-0000	AGFB3	Light Green
USCA-XXMC-DIEL-0000	AGFC1	Light Green
USCA-XXMC-DIFL-0000	AGFC2	Light Green
USCA-XXMC-DIGL-0000	AGFC3	Light Green
USCA-XXMC-DJZL-0000	AG4A	Light Green
USCA-XXMC-DKZL-0000	AG4B	Light Green
USCA-XXMC-DLZL-0000	AG4C	Light Green
USCA-XXMC-DMZL-0000	AG5A	Light Green
USCA-XXMC-DNZL-0000	AG5B	Light Green
USCA-XXMC-DOZL-0000	AG5C	Light Green
USCA-XXMC-TZCL-0000	STOUS	Light Green
USCA-XXMC-TZBL-0000	STOUP	Light Green
USCA-XXMC-TZDL-0000	STOUT	Light Green
USCA-XXMC-SZCL-0000	SBS	Light Green
USCA-XXMC-SZBL-0000	SBP	Light Green
USCA-XXMC-SZDL-0000	SBT	Light Green
USCA-XXMC-JZEL-0000	BEV1	Light Green
USCA-XXMC-JUCL-0000	BEV2S	Light Green
USCA-XXMC-JUBL-0000	BEV2P	Light Green
USCA-XXMC-NZZL-0000	E6	Light Green

MARIN CLEAN ENERGY

LOAD MANAGEMENT STANDARDS PLAN

~~March 29~~Approved by MCE Board May 16, 2024

1 Table of Contents

2 Introduction

2.1 About MCE

Marin Clean Energy ("MCE") is California's first Community Choice Aggregation ("CCA") Program, a not-for-profit Joint Powers Authority ("JPA") that began serving customers in 2010. MCE's mission is to confront the climate crisis by eliminating fossil fuel greenhouse gas ("GHG") emissions, producing renewable energy, and creating equitable community benefits. 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.

As a load-serving entity ("LSE") MCE provides electricity generation service to approximately 580,000 customer accounts. These accounts represent more than one million residents and businesses across four Bay Area counties.[1] MCE procures for annual retail sales of approximately 5,729 GWh and a peak load of more than 1,240 MW.

MCE provides service to approximately 87 percent of eligible customers within its service area, which is depicted below in Figure 1. MCE is also the default generation provider for any new or relocated customers therein.

Figure 1: MCE Service Area Map

[1] MCE serves communities across Contra Costa, Marin, Napa, and Solano counties. Those communities currently receiving service include: Unincorporated Contra Costa, Marin, Napa, and Solano counties and the Cities and Towns of Concord, Danville, El Cerrito, Lafayette, Martinez, Moraga, Oakley, Pinole, Pittsburg, Pleasant Hill, Richmond, San Pablo, San Ramon, Walnut Creek, Belvedere, Corte Madera, Fairfax, Larkspur, Mill Valley, Novato, Ross, San Anselmo, San Rafael, Sausalito, Tiburon, American Canyon, Calistoga, Napa, St. Helena, Yountville, Benicia, Vallejo, and Fairfield. MCE expects service to expand to include the City of Hercules in April of 2025.

As a JPA and local government agency, MCE is governed by a 34-member Board of Directors ("Board" or "Governing Board") composed of elected representatives from MCE's member communities. MCE's Board sets policy for the agency and oversees operations, including rates and procurement planning. Through these representatives, MCE is controlled by and accountable to the communities MCE serves.

MCE was formed to empower its member communities to choose the generation resources that reflect their specific values and needs. As a mission-driven local government agency, MCE works toward the following:

- Reducing GHG emissions and accelerating the supply of clean energy being delivered to and used on the grid;
- Developing community programs and local energy projects to expand access to competitively priced renewable energy and energy efficiency programs for all customers;
- Creating economic and workforce benefits associated with renewable energy and energy conservation programs; and
- Leveraging energy and conservation spending to promote more equity throughout MCE's communities and California.

2.2 Load Management Standards

In Docket Number 21-OIR-03 the California Energy Commission ("CEC") adopted Revised Load Management Standards ("LMS" or "Standards"). The amendments to the LMS, which became effective on April 1, 2023, are intended to form the foundation for a statewide system of time and locational dependent signals that can be used by automation-enabled devices to encourage load flexibility on the electric grid. Simply, the Standards are intended to encourage automated load shifting of electricity to off-peak hours.

To accomplish the goals of the LMS, the regulations request California's large CCAs,[2] investor-owned utilities ("IOUs"), and large publicly owned utilities ("POUs") to offer customers access to rate-structures and/or programs that allow automated responses to prices or other grid signals to manage and optimize their energy use.

Specifically, the LMS request large CCAs to (1) develop and propose marginal cost-based rates that vary at least hourly[3] or, (2) if the Board finds that implementing marginal cost-based hourly rates would not materially reduce peak load, be technologically feasible, and/or be cost-effective, offer a load flexibility program that allows at least one option for automating response to the CEC's Market Informed Demand Automation Server ("MIDAS") signals for customer classes where MCE's Board determines such a program would materially reduce peak load and be cost-effective. For the purposes of this plan, MCE will refer to marginal cost-based rates that vary at least hourly as defined in the LMS as "hourly" or "dynamic" rates.

[2] The LMS define Large CCAs as any CCA that provides in excess 700 GWh of electricity to customers in any calendar year.

[3] Section 1623.1(b)(1) of the LMS define a marginal cost-based rate as the sum of the marginal energy cost, the marginal capacity cost (generation, transmission, and distribution), and any other appropriate time and location dependent marginal costs, including the locational marginal cost of associated greenhouse gas emissions, on a time interval of no more than one hour.

2.2.1 MCE LMS Plan and Board Authority

Section 1623.1(a) requests each large CCA submit a plan outlining how it plans to meet the objectives of the LMS to its Board by April 1, 2024.

As a large CCA that shares the goals and objectives of the LMS to better align demand of electricity with periods of high renewable energy supply and encouraging automated load shifting away from peak periods, MCE submits this plan to the Board for approval. [4] The purpose of this plan is to identify the steps and activities MCE plans to voluntarily undertake which align with the goals of the LMS.

MCE notes that nothing in this plan overrides or supersedes MCE's Board's sole authority as the governing and rate-making body of MCE.[5] Nothing in this plan implies any jurisdictional authority of the CEC over MCE's rates and rate programs. MCE is currently voluntarily taking reasonable steps that meet the standards within the LMS regulations.

Additionally, as outlined in the LMS, MCE's Board may approve a plan, or material revisions to a previously approved plan, that delays implementation of or modifies the goals of LMS Subsections 1623.1(b)-(c), if the Board determines that despite good faith efforts implantation:

- Would result in extreme hardship to MCE;
- Would result in reduced system reliability (e.g., equity or safety) or efficiency;
- Would not be technologically feasible or cost effective; or
- Must be modified to provide a more technologically feasible, equitable, safe, or cost-effective way to achieve the LMS or plan's goals.

Accordingly, MCE submits this plan to the Board for adoption and approval to implement as outlined herein. Table 1 below provides a list of each regulatory standard or goal as outlined in the LMS and MCE's plan to meet that standard or goal at the time of this writing. As described, MCE plans to continue to offer its portfolio of current and planned load flexibility programs and time dependent rates aimed at encouraging customers to use energy in off-peak hours, and will continue to explore how it may offer new cost-effective dynamic rates, pilots, and load flexibility programs that materially reduce peak load, encourage load control through automation, and provide reliability and environmental benefits for MCE customers and the California electric grid.

[4] Consistent with Section 1623.1(a) of the LMS, MCE submitted this plan to its Board on March 29, 2024, and will submit this plan to the CEC within 30 days of Board approval.

[5] Public Utilities Code Section 366.2(c)(3) provides that CCAs retain jurisdiction for setting rates for the electricity they purchase on behalf of their communities.

Table 1: MCE LMS Roadmap

Load Management Standards Section	Standard Description	Target Date	MCE Adopted Plan to Meet Standard
§1623.1(c)	Upload existing time-dependent rates to MIDAS database.	July 1, 2023	Status: Achieved MCE plans to maintain future rates in MIDAS to the extent it is cost effective and technologically feasible. MCE cannot confirm that uploading future dynamic rates or programs to MIDAS will be cost effective or technologically feasible.
§1623.1(a)(1)	Develop and submit a plan for adoption to MCE's Board addressing how MCE plans to meet objectives of the LMS. The plan is to be considered for adoption by MCE's Board within 60 days of submission at a duly noticed public meeting.	April 1, 2024	Status: Achieved
§1623.1(a)(3)(A)	Within 30 days of adoption of the plan, submit the plan to the CEC's Executive Director.	30 Days After Board Adoption	Status: MCE will submit this plan to the CEC within 30 days of Board adoption.
§1623(c)	Within one year of LMS effective date, provide customers access to their Rate Identification Numbers on billing statements and in online accounts using both text and quick response code format.	April 1, 2024	Status: In Progress, Expected to Achieve
§1623(c)	In conjunction with the other named LSEs, develop and submit to the CEC a plan for a single statewide standard tool for authorized rate data access by third parties and the terms and conditions for using the tool. Upon CEC approval, maintain and implement the tool.	October 1, 2024	Status: In Progress MCE is engaged in and monitoring the development process for the single statewide tool.

Load Management Standards Section	Standard Description	Target Date	MCE Adopted Plan to Meet Standard
§1623.1(b)(3)	Submit to the CEC a list of load flexibility programs deemed cost effective by MCE. The portfolio of programs should provide at least one option to automate response to MIDAS signals for each customer class where MCE's Board has determined such a program would materially reduce peak load.	October 1, 2024	Status: In Progress MCE cannot determine that such a program will materially reduce peak load for any customer class. MCE will submit a list of programs deemed cost effective to the CEC but does not expect to include an option to automate response to MIDAS signal at this time.
§1623.1(a)(3)(C)	Submit annual reports to the CEC demonstrating implementation of the plan, as approved by the Board.	Annually	Status: In Progress MCE will submit annual reports beginning one year after the adoption of this plan.
§1623.1(b)(2)	Submit at least one marginal cost-based rate to MCE's Board for approval for any customer class(es) where such a rate will materially reduce peak load. An Information copy of the tariff applications will be provided to the CEC.	July 1, 2025	Status: In Progress At this time MCE cannot determine that such a rate or will provide material, incremental reductions to peak load or be cost effective for any customer class. However, MCE is interested in collecting the data necessary to make such determinations and will continue to explore options to offer dynamic rate pilots in its service territory. MCE therefore recommends the Board modify this standard and determine that MCE may, but is not required to, propose such a rate or program by the target date. MCE will continue to evaluate and address in its next plan iteration and any annual reports.
§1623.1(b)(4)	Offer each customer voluntary participation in either a marginal cost-based rate, if approved by the Board, or a cost-effective load flexibility program.	July 1, 2027	Status: To be determined by future Board direction. MCE notes that this target date is after the next review of MCE's LMS is expected to be completed. As such, MCE will likely provide an update in its next LMS plan as appropriate.

Load Management Standards Section	Standard Description	Target Date	MCE Adopted Plan to Meet Standard
§1623.1(b)(5)	Conduct a public information program to inform and educate affected customers on why marginal cost-based rates or load flexibility programs and automation are needed, how they will be used, and how these rates and programs can save customers money.	No Target Date Specified	Status: To be determined by future Board direction and future adoption of dynamic rates or load-modifying programs.
§1623.1(a)(1)(C)	Review the plan at least once every three years after the plan is adopted and submit a plan update to the Board if there is a material change.	Once Every Three Years	Status: MCE will review its LMS plan at least once every three years following the date of adoption.

3 Access to Price Signals

3.1 Time-Dependent Rate Submission to MIDAS

Adopted LMS Amendments Section 1623.1(c) requests each Large CCA upload existing time dependent rates to the MIDAS database by July 1, 2023. On June 1, 2023, the CEC issued Order No. 23-0531-109 approving an extension for CCAs to upload time-dependent generation rates by August 1, 2023, and any remaining time-depending rates with rate modifiers by October 1, 2023. Large CCAs are also asked to upload any new time-dependent rates or changes to existing rates, prior to the effective date of that rate.

3.1.1 Existing Rates Upload

MCE successfully uploaded all of its 70 active Light Green service rates by the CEC's target date of August 1, 2023, and uploaded its Deep Green service rates by the target date of October 1, 2023, to include time-dependent rates with additional modifiers. A complete list of rates uploaded to MIDAS and their associated Rate Identification Numbers ("RIN") is included in Appendix A.

The period covered by the initial upload spanned between three and six months, due to data limitations of the MIDAS system. As such, MCE has made subsequent uploads to keep rates current in MIDAS:

1. In October 2023, MCE uploaded additional intervals to ensure all rates were up-to-date through December 31, 2023.

2. In November 2023, MCE uploaded additional intervals for all rates through May 1, 2024.[6]

3.1.2 Future Rates Upload

To the extent that uploading future rates is feasible and cost effective, MCE plans to maintain its generation rates in MIDAS so that customers and their devices may access them for device automation. However, MCE notes that if hourly rates are approved by MCE's Board, daily uploads of such rates to MIDAS will present significant challenges. Given the current structure of MIDAS and the lack of funding for LSEs to develop systems, processes, and improvements to MIDAS, MCE cannot at this time find that it is cost effective or feasible to maintain current and accurate rates for any future hourly rate offerings in MIDAS.

Nonetheless, MCE is engaged in and monitoring the Demand Flexibility Proceeding at the California Public Utilities Commission ("CPUC") and is committed to working with the CEC, CPUC, and other stakeholders to help customers automate behavioral changes in electric usage and looks forward to further discussion on how MIDAS may be updated and/or will interact with future rate platforms or repositories yet to be developed such as a CPUC approved Price Machine.

MCE recommends that any future rate repositories be equipped to provide composite rates if the goal is to provide customers with a composite or total real-time rate signal. As a CCA, MCE's Board has sole authority over its customers' generation rate component but has no authority to determine the distribution or transmission rate components of its customers' rates. Any distribution and transmission rate components charged to MCE customers are charged by Pacific Gas & Electric Company ("PG&E"). As such, MCE only plans to upload generation rate components to MIDAS and cannot take responsibility for, be required to calculate, or be required to upload marginal cost rates for rate components and myriad PG&E programs that it has no control over.

3.2 Plan to Provide Rate Identification Number(s) on Customer Billing Statements and Online Account Using Both Text and QR Code

Adopted LMS Amendments Section 1623(c)(4) requests each Large CCA to provide customers with access to their RIN on customer billing statements and online accounts using both text and quick response ("QR") or similar machine-readable digital code by April 1, 2024.

MCE customers receive their consolidated billing statements from PG&E. MCE provides itemized charges to PG&E through Electronic Data Interchange ("EDI") transactions. Therefore, MCE is reliant on PG&E to develop its EDI system to accept MCE RINs and display them on customer bills.

[6] As of this writing, six of MCE's Light Green rates are not current in the MIDAS system. These rates serve a small number of large Commercial & Industrial and EV customers with legacy 12p-6p peak periods. Upload attempts are rejected with the message, "An error has occurred." MCE reached first reached out to CEC staff on November 30, 2023, and has had numerous, ongoing communications with CEC staff on this matter. The issue appears to reside with MIDAS, and not with MCE. CEC Staff has indicated they are aware of the issue, that it is not isolated to MCE and the CEC is working to resolve the issue. MCE will continue to engage and collaborate with the CEC in good faith to fix this issue.

CCAs have been working with PG&E to utilize PG&E's billing transactions to include a CCA specific RIN on customers' bills. MCE will supply MCE's RIN mapping table to PG&E who will then include it within the code and display customers' RINs on the generation portion of their bills. This interpretation has also been corroborated by PG&E in recent CPUC Advice Letters seeking approval to modify customers' bill presentations to include RINs and QR codes.

On January 16, 2024, PG&E filed Advice Letter 7136-E at the CPUC outlining the process it is undertaking to provide RINs on customer bills. As outlined by PG&E in its second supplemental Advice Letter 7136-E-B filed on March 1, 2024, customers on time-dependent rates will have their bills updated to include a QR code and the customer's RIN in the top right-hand corner of their bill, which can then be scanned to program a customer's device(s). PG&E notes that RINs will be presented the same way on both bundled and unbundled (CCA and Direct Access) customers' bills.

3.3 Plans and Current Participation in the Development of Single Statewide RIN Access Tool – *Amended July 2025*

Adopted LMS Amendments Section 1623(c)(1)-(3) requests all LSEs named in the Standards to work together to develop a plan for a single statewide standard tool for authorized rate data access by third parties, along with a single set of terms and conditions for third parties using the tool by October 1, 2024. The tool is to provide the customers' RINs, provide eligible RINs, enable switching to an available rate by an authorized third party, incorporate applicable cybersecurity measures, minimize enrollment barriers, and be accessible in digital, machine-readable format.

MCE is monitoring and engaging in the process with the other regulated LSEs to develop a Single Statewide RIN Access Tool ~~and~~pursuant to Adopted LMS Amendments Section 1623(c). A proposed plan for the tool was submitted to the CEC for review on October 1, 2024. MCE will continue to collaborate with other parties ~~on~~and the CEC towards the implementation and maintenance of the tool in a timely manner subject to the tool's ~~development ahead of the October 1, 2024, target date. At the time of this writing~~approval by the CEC. MCE is unable to specifically identify the full scope and budget of integration of work; commit resources; or review, identify, and plan internal infrastructure needs until the Single Statewide Standard RIN Access Tool's scope has been designed and approved by the CEC.

4 MCE Rates and Dynamic Rate Considerations

Adopted LMS Amendments Section 1623.1(a)(1) requests each large CCA to develop a plan that evaluates the cost-effectiveness, equity, technological feasibility, benefits to the grid, and benefits to customers of dynamic rates for each customer class. After evaluating dynamic rates, the CCA may instead propose and evaluate specified programs and/or delay or modify its implementation of the LMS.

Adopted LMS Amendments Section 1623.1(b)(2) requests MCE apply to its rate-approving body for approval of at least one dynamic rate by July 1, 2025. The LMS state MCE is to apply for approval only of a dynamic rate only for those customer classes for which the Board determines such a rate will materially reduce peak load.

Adopted LMS Amendments Section 1623.1(b)(4) requests each CCA to offer to each of its electricity customers voluntary participation in either a dynamic rate developed according to Section 1623.1(b)(2), if such rate is approved by the Board, or a cost-effective load flexibility program that allows automated response to MIDAS signals for each customer class the Board determines such a program would materially reduce peak load July 1, 2027.

This section provides an overview of MCE's current time-dependent rates and its plan to evaluate and develop dynamic rates as stated in the LMS.

4.1 Overview of MCE's Current Time-Dependent Rate Offerings

MCE currently offers several options for time-dependent or Time-Of-Use ("TOU") pricing, consistent with the options available to the broader PG&E service area. Approximately 66 percent of MCE households are on time-dependent rates. Current residential rate options are displayed in the table below.

Table 2: Current MCE Residential Rate Offerings[7]

MCE Residential Rate	Description of Rate Periods
E-1	Flat Rate Pricing, not time dependent
E-TOU-C - Default Time-of-Use	Utilizes 4pm-9pm peak rates every day
E-TOU-D - Time-of-Use	Utilizes 5pm-9pm peak rates on non-holiday weekdays only
ELEC - Time-of-Use for Qualified Electric Technologies	Utilizes lower rates from 12am-3pm
EV2 - Time-of-Use for Electric Vehicles	Utilizes lower rates from 12am-3pm

Additionally, MCE continues to provide limited service to legacy residential rate schedules that are no longer available to new customers:

- E-TOU-B - Time-of-Use: Utilizes 4pm-9pm peak rates on non-holiday weekdays only; and
- EV - Time-of-Use for Solar Customers with Electric Vehicles: Utilizes lower rates from 11pm-2pm.

MCE also offers a wide range of options for time-dependent pricing for non-residential customers as depicted in Table 3 below. Except in rare circumstances like street lighting, non-residential service is entirely billed according to time-dependent pricing. All of MCE's

[7] A complete list of MCE Residential rates can be found at https://www.mcecleanenergy.org/rates/.

non-residential rates have 4pm-9pm daily peak and seasonal rates, except where noted otherwise.

Table 3: Current MCE Non-Residential Rate Offerings[8]

MCE Non-Residential Rates	Description of Rate Periods
B-1 - Small General Service	Utilizes six TOU periods (three in the Summer and three in the Winter)
B-1ST - Small General Service Plus Storage	Utilizes seven TOU periods (three in the Summer and four in the Winter)
B-6 - Small General Service	Utilizes five TOU periods (two in the Summer and three in the Winter) and stronger pricing signals relative to rate schedule B-1
B-10 - Medium General Service	Utilizes six TOU periods (three in the Summer and three in the Winter) and three voltage levels with discrete rates
B-19 - Medium General Service	Utilizes six TOU periods (three in the Summer and three in the Winter), TOU and seasonal based demand charges, and three voltage levels with discrete rates
B-19 Option R - Medium General Service for Solar	Utilizes six TOU periods (three in the Summer and three in the Winter), no demand charges, and three voltage levels with discrete rates
B-20 Option R - Large General Service for Solar	Utilizes six TOU periods (three in the Summer and three in the Winter), no demand charges, and three voltage levels with discrete rates
BEV - Commercial EV Charging	Utilizes three TOU periods, no seasonality, and three voltage levels with discrete rates
AG-A - Small Agriculture	Utilizes four TOU periods (two in the Summer and two in the Winter), and uses a 5pm-8pm peak pricing period

[8] A complete list of MCE Non-Residential rates can be found at https://www.mcecleanenergy.org/commercial-rates/.

MCE Non-Residential Rates	Description of Rate Periods
AG-B - Medium Agriculture	Utilizes four TOU periods (two in the Summer and two in the Winter), 5pm-8pm peak pricing period
AG-C - Large Agriculture	Utilizes four TOU periods (two in the Summer and two in the Winter), 5p-8p peak, summer peak demand
AG-F - Flexible TOU Agriculture	Utilizes AG-A/AG-B/AG-C variations as above, with two designated 24-hour off-peak days
SB - Standby Service	Utilizes six TOU periods (three in the Summer and three in the Winter), a reservation charge per kW, and three voltage levels with discrete rates
SL-1 - Street, Highway, and Outdoor Lighting	This rate is not time dependent
TC-1 - Traffic Control Service	This rate is not time dependent

MCE also continues to offer limited service to legacy non-residential rate schedules without a 4pm-9pm peak. Eligibility is determined by PG&E according to tariffs approved by the CPUC. These rates have a 12pm-6pm peak and seasonal rates, except where otherwise noted, and have weak pricing signals and are of limited significance to MCE's portfolio. Only 6.5 percent of MCE customers – almost entirely small commercial accounts – are served by these rates.

Table 4: MCE Legacy Rates

MCE Legacy Rates	Description of Rate Periods
A-1 - Small General Service	This is a non-TOU rate
A-1X - Small General Service	Utilizes five TOU periods (three in the Summer and two in the Winter)
A-6 - Small General Service	Utilizes five TOU periods (three in the Summer and two in the Winter)
A-10 - Medium General Service	This is a non-TOU rate but includes three voltage levels with discrete rates

MCE Legacy Rates	Description of Rate Periods
A-10X - Medium General Service	Utilizes five TOU periods (three in the Summer and two in the Winter) and three voltage levels with discrete rates
E-19 - Medium General Service	Utilizes five TOU periods (three in the Summer and two in the Winter), demand charges, and three voltage levels with discrete rates
E-20 - Large General Service	Utilizes five TOU periods (three in the Summer and two in the Winter), and three voltage levels with discrete rates
E-20 Option R - Large General Service for Solar Customers	Utilizes five TOU periods (three in the Summer and two in the Winter), and three voltage levels with discrete rates
AG-1 - Small Agricultural Service	This is a non-TOU rate
AG-4-A - Time-of-Use Agricultural Service	Time-of-Use Agricultural Service: Includes four TOU periods (two in the Summer and two in the Winter) and a connected load charge
AG-4-B - Time-of-Use Agricultural Service	Utilizes four TOU periods (two in the Summer and two in the Winter) and a maximum demand charge
AG-4-C - Time-of-Use Agricultural Service	Utilizes five TOU periods (three in the Summer and two in the Winter) and a peak demand charge
AG-5-A - Time-of-Use Agricultural Service	Utilizes four TOU periods (two in the Summer and two in the Winter) and a connected load charge
AG-5-B - Time-of-Use Agricultural Service	Utilizes four TOU periods (two in the Summer and two in the Winter) and a maximum demand charge
AG-5-C - Time-of-Use Agricultural Service	Utilizes five TOU periods (three in the Summer and two in the Winter) and a peak demand charge
AG-R - Time-of-Use Agricultural Service with Off Peak Days	Utilizes four TOU periods (two in the Summer and two in the Winter), two day-

MCE Legacy Rates	Description of Rate Periods
	of-week options, two service levels, and connected load or demand charges
AG-R - Time-of-Use Agricultural Service with Variable Peak	Utilizes four TOU periods (three in the Summer and two in the Winter), three peak hour options, two service levels, and connected load or demand charges
S - Standby Service	Utilizes five TOU periods (three in the Summer and two in the Winter), reservation charge per kW, and three voltage levels with discrete rates

MCE also offers two energy supply programs that are charged or credited to the customer's energy bill but separate from each customer's electric rate schedule:

- Deep Green Service: This program allows customers to choose 100 percent renewable energy content and includes a $0.01/kWh flat adder to all rates.
- Disadvantaged Communities Green Tariff ("DAC-GT"): This program allows eligible customers in disadvantaged communities to choose 100 percent renewable energy content and receive a 20 percent total bill discount.

4.2 Dynamic Rates Evaluation – *Amended July 2025*

MCE strongly appreciates and supports the LMS' goals to help encourage customers to shift energy consumption away from peak periods to minimize costs, improve reliability, and better align renewable energy supply and demand. MCE also agrees that two tools that can be utilized to encourage such a shift are flexible rate designs and automation technology.

Consistent with the adopted LMS, in this section MCE outlines its plan to evaluate future dynamic marginal cost-based rate offerings for its customers and provides an initial evaluation of the cost-effectiveness, equity, technological feasibility, and benefits of dynamic rates.

As a CCA, MCE's Board has sole authority over its customers' generation rate component and no other entity, including the CEC or CPUC, has the authority to set generation rates for MCE customers. Similarly, this means that MCE does not have authority to determine the distribution or transmission rate components of its customers. Any distribution and transmission rate components charged to MCE customers are determined and charged by PG&E, as approved by the CPUC and/or Federal Energy Regulatory Commission. As such, any dynamic or hourly rates adopted by MCE's Board will be generation-only. MCE and its Board cannot take responsibility for, or be required to calculate, rates for components that it has no control over such as distribution and transmission rate components.

~~While MCE has not yet offered any dynamic rates or dynamic rate pilots,~~ MCE understands that there may be value in ~~such~~dynamic rates or dynamic rate pilots, and is currently ~~evaluating~~

whether it may offer one ofoffering all the dynamic rate pilots approved by the CPUC for PG&E's service area[9] or whether it may proposeas well as offering its own, distinct dynamic EV rate pilot(s) to its customers, which wouldMCE Sync Dynamic Rewards.[10] These pilots should allow MCE to collect the data necessary to evaluate the cost-effectiveness, equity, feasibility, and customer and grid benefits of such rates to inform MCE's future rate designs and offerings. Generally, MCE notes that it has a preference to create and offer MCE specific rates, pilots, and programs that can be uniquely tailored and administered by MCE to meet the needs of its customers, which may be distinct from other regions of PG&E's service area and rely on MCE's significantly clean and GHG-free portfolio in the California Independent System Operator markets.

In evaluating whether to offer future additional dynamic rates and/or pilots, MCE plans to evaluate portfolio-based cost-effectiveness, technical feasibility, equity, and benefits to MCE and its customers and the environment. MCE will consider what pricing options, if any, offer cost-effective and material, incremental, benefits over current rate and load flexibility offerings. PotentialOffering dynamic rate pilots should provide necessary and useful data to evaluate and determine the appropriateness (and potential design) of future dynamic rate offerings in MCE's service area.

As discussed below MCE does not at this timeIn the version of this plan approved by the Board on May 16, 2024, MCE found that it did not have sufficient evidence to conclude that developing and implementing dynamic rates in MCE's service area on the timeline outlined in the LMS would be cost effective or provide material incremental reductions to peak load beyond those of its current rate and programs portfolio for any customer class. As such MCE cannot currentlyThe Board-approved plan found it necessary to modify Section 1623.1(b)(2)'s request for MCE to apply for approval of a dynamic rate by July 1, 2025. The Board-approved plan concluded that the timeline must be modified to ensure cost-effective implementation and that MCE Staff may, but was not required to, propose such a rate to the Board by the target date of July 1, 2025. At that time, MCE could not commit to creating such a rate for Board approval by July 1, 2025. However, MCE is interested in collecting the data necessary to make such determinations and is exploring options to offernow offering dynamic rate pilots in its service territory. -MCE therefore recommendsbegan offering the Board find it necessary to modify Section 1623.1(b)(2)'s request for MCE to apply for approval of a Sync Dynamic Rewards pilot in September 2024, and on April 4, 2025, MCE's Board approved MCE's participation in the dynamic rate by July 1, 2025. MCE recommends the Board conclude that pilots offered in PG&E's service area: Expanded Pilot 1, Expanded Pilot 2, and the VGI-Commercial Pilot, and therefore has met the original timeline must be modified to ensure cost-effective implementation and determine that MCE Staff may, but is not required to, propose such a rate to the Board by the target date of July 1,

[9] For example, California Public Utilities Commission Decision (D) 24-01-032 approved the expansion of two demand flexibility pilots in PG&E's service area that would allow CCA participation. Under the Transportation Electrification Rulemaking 18-12-006, the CPUC further authorized PG&E's vehicle-to-grid (VGI) pilots with a dynamic rate that allow CCA participation. MCE is currently evaluating whether it may participate beginning in the Summer of 2025offering all three pilots to its customers.

[10] The MCE Sync Dynamic Rewards pilot allows customers the chance to receive additional savings in MCE Sync by responding to dynamic hourly price signals (based on day-ahead CAISO prices for the PG&E Default Load Aggregation Point (DLAP). Customers who enroll in the dynamic pilot will receive an enrollment bonus of $50 and then receive a monthly reward payment for allowing MCE Sync to charge their car according to the dynamic price signal.

~~2025.~~adopted in Section 1623.1(b)(2). MCE will provide updates to its Board in its next plan iteration and any annual reports.

a. Cost-Effectiveness

In determining whether to offer dynamic rates that vary at least hourly as outlined in the LMS, one evaluation factor that MCE will consider is cost-effectiveness.

MCE notes that the CEC's adopted LMS state there shall be no reimbursement to local government agencies for the costs of carrying out the Standards as the Commission has found them to be cost effective, noting that savings realized will outweigh the costs associated with implementing the programs.[11] While MCE appreciates the plain language of the LMS, MCE disagrees that the cost-effectiveness of any rates or programs could be determined before those rates or programs actually exist. At this point there exists no evidence to conclude that MCE will realize any net savings from implementing the LMS. ~~MCE has not yet offered any~~It is too early in MCE's offering of hourly or dynamic rates or pilot programs to allow for sufficient analysis of the effectiveness (cost or otherwise) of dynamic rates in its service area. MCE has so far incurred only costs associated with the LMS and any benefits remain to be realized.

Nonetheless, MCE shares many of the CEC's stated goals in developing the LMS and is committed to encouraging customers to shift energy consumption to off-peak periods. MCE appreciates and understands that there may be significant value in dynamic rates and is interested in collecting the necessary information and data to determine if, and under what conditions, dynamic rates would be cost effective for MCE and its customers.

~~At present~~As of September 2024, MCE ~~is exploring the possibility of creating~~implemented an hourly rate pilot for its electric vehicle ("EV") customers, ~~as well as~~MCE Sync Dynamic Rewards.[12] MCE is also participating in, monitoring, and evaluating the status of CPUC approved PG&E dynamic rate pilots~~ and considering participation for Summer 2025~~. However, without such primary data, MCE cannot at this time determine that such a rate or program will provide material incremental reductions to peak load or be cost effective for any customer class.

Significant uncertainties remain in both the cost to develop and the value MCE can reliably realize from implementing hourly rates. MCE anticipates that developing dynamic rates may result in significant costs and MCE's ability to realize the value of such rates will be determined by unknown factors like customer adoption and incremental response levels. Without robust pilot results in MCE's and PG&E's service area to perform a comprehensive analysis, MCE cannot accurately estimate development costs, the estimated total benefits, or whether those benefits would be likely to offset the costs for any customer class. Accordingly, MCE recommends the Board not require MCE to propose dynamic rate to its Board by the target date of July 1, 2025.

[11] CEC Load Management Standards Section 1623.1(e).

[12] See footnote 10.

MCE recommends the Board find that MCE may, but is not required to, propose such a rate by the target date.

MCE will continue to evaluate whether to offer future dynamic rate pilots and rates to its customers and will evaluate the results of ~~any~~ its own pilot and the pilots in PG&E's service area. ~~To the extent MCE does participate in or offer dynamic rate pilots,~~ MCE will use the ~~pilot(s)~~pilots as an opportunity to collect the data necessary to conduct its own cost-effectiveness analysis with MCE specific data, which would be used to inform future rate and program offerings as well as future iterations of MCE's LMS Plan.

In conducting such a future cost-effectiveness analysis, MCE expects to compare the benefits of the rate offering with costs of implementation. Estimated costs include but are not limited to rate development, rate and program administration, and technology costs. Estimated benefits include, but are not limited to, lower energy costs, increased load reduction, avoided energy and capacity costs, and reliability benefits. To demonstrate cost-effectiveness, the expected benefits for each rate must exceed the costs of implementation. MCE looks forward to providing updates to its Board, the CEC, and other interested parties as it moves forward.

b. Equity

Similarly to cost-effectiveness, MCE currently has no primary data sources to quantitatively speak to the equity component of offering hourly rates to its customers. MCE is committed to increasing equitable and affordable access to clean energy for its customers. While reductions in peak demand provide grid benefits to all customers and those benefits could theoretically lower power procurement costs to all customers, currently there is not clear evidence that all MCE customers will benefit from lower rates. As MCE begins to evaluate whether to offer hourly rates to all customers, several equity components will be considered including:

Equitable Access to Automation and Benefits

Customers' ability to benefit from highly differentiated rates is directly linked to their ability to respond to those rates. Customers that can automate portions of their load will be best equipped to respond to pricing signals and benefit through lower energy bills or performance-based payments. Therefore, equitable access to automation devices and technology will be critical in ensuring that all customers can benefit from these rates. As such, MCE Staff believes it is appropriate to explore ways to ensure that customers on dynamic rates can access automation technology in an equitable manner. MCE may therefore explore offering additional incentives to provide automation technology for low-income customers and/or those who live in disadvantaged communities or multi-family properties who may otherwise not be able to benefit from automated load shifting programs or dynamic rates.

Cost Shifting

Assuming any change in rate design is designed to collect the same total level of revenue from all customers (i.e. revenue requirement), any change to rate design or structure means that some customers will pay less and some customers will pay more – without any changes to their

behavior.[13] This mathematical reality is often referred to as a cost shift, as costs are shifted from one group of ratepayers to another. When rate offerings are voluntary, or opt-in, there is a greater risk that customers will simply choose the rate which allows them to pay less without making any changes to their behavior. These customers who can elect to participate in a rate that will lower their costs (and shift costs to other customers within their class) without any changes in behavior can be referred to as structural benefactors.

In developing dynamic rates with the goal of encouraging customers to *change* their behavior and shift their energy consumption away from peak hours, one of MCE's goals will be to minimize the amount of cost shifting that occurs between customers, particularly due to structural benefactors. To do so, MCE will aim to ensure that customers on hourly rates are sufficiently able to respond to price signals, whether through automation and/or price signals that are strong enough to incent behavioral change.

Customer Location

With few exceptions, customers do not choose where they are located on the electrical grid. It is partly because of this fact that grid infrastructure and energy costs have historically been spread, or averaged, across all customers. For example, rural customers have not been charged different prices for energy than city dwelling customers and MCE customers in Concord have not paid more than MCE customers in San Rafael, despite the potential differences in costs to serve those customers at any point in time (for example, due to local grid constraints). With a move to dynamic rates and advances in technology, it may be possible to charge customers in the same rate class and on the same tariff at different rates at any point in time given their location on the grid.

In both the CEC's LMS Rulemaking and the CPUC's Demand Flexibility Proceeding, there has been discussion on the level of locational granularity that should be applied to hourly or sub-hourly rates. While MCE and others are likely to first utilize hourly rates that do not vary at a level more granular than the Default Load Aggregation Point, there has been discussion of rates that vary at more granular levels, such the circuit or transformer level. Essentially, this means that the level of local grid constraint can affect the rates a customer in that area pays for electricity. MCE believes this is an important equity concern that cannot be overlooked.

Local grid constraints vary based on grid infrastructure, design, and capacity constraints that are generally outside of any individual customer's control. The more locational granularity in rates, the more potential there is for equity issues to arise. To address this issue, evaluation should be done to ensure that dynamic pricing based on localized grid constraints does not particularly burden low-income residents or those in disadvantaged communities. MCE does not currently have data on how more granular locational variation in rates may impact equity but urges all California LSEs as well as the CEC and CPUC to work to ensure that certain customers are not unfairly harmed by future rate design simply due to their location on the grid.

c. Technological Feasibility

[13] This is at least true in the short-term. However, in the long-term material reductions/changes in behavior may lower the total revenue requirement and those cost savings could be passed through to all customers.

MCE expects that it is technically feasible to offer a dynamic hourly generation rate option by July 1, 2027, as outlined in the LMS, contingent upon PG&E providing revenue quality billing data to MCE on an hourly level or developing a reliable workaround. Current PG&E billing transactions do not include the hourly interval data which would be matched against hourly dynamic prices. MCE hopes that as PG&E develops CPUC approved hourly pricing pilots, this data will become available.

MCE notes that even if dynamic rates are technically feasible, daily rate uploads to MIDAS will need to be supported by the development of new systems, which may delay or otherwise impede offering dynamic rates in the near term. The limitations of the current MIDAS system and the lack of funding for LSEs to develop systems for interacting with MIDAS may mean that it will not be cost effective or feasible to maintain dynamic rates in MIDAS at this time.

d. Benefits to the Grid and Customers

MCE will also consider benefits to the grid and benefits to customers in its evaluation of dynamic rates. Assuming material changes in energy consumption behavior by customers, potential grid benefits resulting from hourly rates include but are not limited to reliability benefits, deferred, and reduced grid infrastructure investments, and environmental benefits.

Potential direct customer benefits include, but are not limited to, lower energy expenditures, reliability benefits, and theoretically lower rates – assuming material reductions to peak load that result in lower overall energy costs and reduced capacity and compliance costs. MCE does not currently have the data to quantify benefits to the grid and customers resulting from offering hourly rates in its service territory. MCE plans to continue to gather data on this topic and will update this section in future iterations of its plan and annual reports.

4.3 Dynamic Rate Development and Application Plan *– Amended July 2025*

Adopted LMS Amendments Section 1623.1(b)(2) of the LMS requests MCE and other Large CCAs apply to its rate-approving body for approval of at least one dynamic rate by July 1, 2025. The LMS state MCE should apply for approval of a dynamic rate only for those customer classes for which the Board determines such a rate will materially reduce peak load. This section outlines how MCE plans to work toward this goal.

MCE has been, and plans to remain, actively engaged in dynamic rates discussions and proceedings at the CPUC and CEC. To date, MCE has committed considerable staff time, which amounts to significant and material cost to MCE, to these efforts, including making staff available to attend all noticed CEC LMS working group meetings and engaging in the CPUC's Demand Flexibility proceeding. Additionally, MCE is conducting research internally and in collaboration with external partners on how it might best design and offer dynamic rates in the future.

MCE is committed to exploring options for offering dynamic rate offerings to customers, but at this time cannot determine that such rates would provide material incremental reductions to peak load, provide other material benefits to MCE or its customers, or be cost effective for any customer class. In evaluating future potential dynamic rates MCE will consider whether or how any dynamic rate is expected to: 1) drive behavioral change; 2) be cost effective; 3) impact equity outcomes; and 4) provide reliable incremental benefits relative to MCE's current rate offerings.

~~At present~~As of September 2024, MCE ~~is exploring the possibility of~~ began offering a dynamic rate pilot, MCE Sync Dynamic Rewards, for its electric vehicle ("EV") customers~~, as well as~~. MCE is also participating in, monitoring, and evaluating the status of CPUC approved PG&E dynamic rate pilots ~~and considering participation for Summer 2025~~. However, without such primary data, MCE cannot at this time determine that such a rate or program will provide material incremental reductions to peak load or be cost effective for any customer class.

Significant uncertainties remain in both the cost to develop and the value MCE can reliably realize from implementing hourly rates. MCE anticipates that developing dynamic rates may result in significant costs and MCE's ability to realize the value of such rates will be determined by unknown factors like customer adoption and incremental load shifting response levels. Without robust pilot results in MCE's and PG&E's service area to perform a comprehensive analysis, MCE cannot accurately estimate development costs, the estimated total benefits, or whether those benefits would be likely to offset the costs. Accordingly, MCE recommends the Board not require MCE to propose a dynamic, hourly marginal cost-based rate, to its Board by the target date of July 1, 2025. MCE recommends the Board modify the request in LMS Section 1623.1(b)(2) that MCE propose dynamic rates by July 1, 2025, and declare that MCE may, but is not required to, propose such a rate to the Board for approval by July 1, 2025.

MCE will continue to evaluate if and how it may offer dynamic rates to its customers and will provide updates to its Board in its next plan iteration and any annual reports, and looks forward to continuing conversation and collaboration with stakeholders on possible pilot design, including how best to collect data that will effectively illustrate the costs and benefits of different dynamic rate structures and incorporate rates into MIDAS.

Additionally, LMS Section 1623.1(b)(4) requests MCE offer customers voluntary participation in either a dynamic rate, if approved by the Board, or a cost-effective load flexibility program by July 1, 2027. MCE notes that its offerings as of July 1, 2027, cannot be known at present, and the future timeline for deployment of future rate and program offerings will be dependent on future Board guidance and approval.

MCE plans to continue to provide updates to its Board as well as the CEC, as outlined in the LMS, and will further address the details of rate design and infrastructure needs as they become available.

5 Load Flexibility Programs

Adopted LMS Amendments Section 1623.1(b)(3) of the LMS requests MCE submit a list of cost-effective load flexibility programs to the CEC Executive Director by October 1, 2024. The portfolio of load flexibility programs is to provide at least one option to automate response to MIDAS signals for every customer class where such a program is determined by the Board to materially reduce peak load. If MCE's Board does not approve of and offer dynamic rates by July 1, 2027, the Standards state that MCE can meet the goals of the LMS by offering voluntary participation in a cost-effective MIDAS-integrated load flexibility program.

This section of MCE's Plan provides an overview of MCE's current load flexibility programs and addresses how MCE will evaluate and propose specified programs on the timeframes set forth in the LMS.

5.1 Overview of MCE Load Flexibility Programs

Residential Programs

MCE Sync

MCE Sync is an MCE-funded Automated Load Management program that utilizes a smart charging app to reduce EV owner's charging load during peak times, while also seeking to align EV charging load with high-solar daytime hours.[14] MCE began offering MCE Sync to eligible customers in 2021 and the program offers customers a flat monthly credit for participating in events.

Through 2023, MCE Sync had approximately 2,200 enrolled MCE customers who charge their EVs at home via a software platform which delivers direct load control of EV charging using vehicle telematics and networked electric vehicle supply equipment. To date, the program has shifted 90 percent of EV charging events out of the 4 pm – 9 pm window. An analysis of program data through May 2022 showed that customers saved an average of $10 shifting charging to off-peak hours.

MCE Sync does not currently have rates associated with events. MCE Staff are currently exploring the possibility of expanding the program in MCE's service area, including integrating dynamic pricing elements into future program offerings.

Peak FLEXmarket

MCE's Peak FLEXmarket program is a market-driven demand flexibility program that assigns an hourly value to measured, behind-the-meter ("BTM") impacts.[15] Peak FLEXmarket is aimed at shifting load away from peak periods and provides customers with direct payments for measured load shedding or shifting during events, based on deviations from their individual baseline.

Peak FLEXmarket has successfully engaged new aggregators who have not participated in demand response, as well as program partners who have traditionally been confined to energy efficiency project development by presenting a value proposition for load flexibility. This program is a framework with the tools to measure and value hourly reductions in energy use and is technology agnostic.

Richmond Virtual Power Plant (VPP) Pilot

MCE is working to launch an innovative VPP pilot in Richmond, California, which will provide bill savings and increase local grid reliability, safety, and efficiency for low-income residents as part of Richmond's Advanced Energy Community project.[16] The VPP pilot includes $8 million in funding from the CEC and will provide a suite of clean distributed energy resources ("DERs") targeting low-income households in Richmond for dispatchability, flexibility, and resiliency purposes.

[14] *See* https://www.mcecleanenergy.org/mce-sync/.
[15] *See* https://www.mcecleanenergy.org/peak-flexmarket/.
[16] *See* http://mcecleanenergy.org/vpp.

MCE's Richmond VPP Pilot is expected to provide significant bill savings for customers and significant local and grid benefits. MCE currently expects the pilot to launch in 2025.

Residential Efficiency Market

MCE's Residential Efficiency Market program is focused on incentivizing customers to install measures that can help reduce peak load.[17] Customers can receive a 20 percent upfront cash payment for the forecasted value of their energy efficiency projects and additional payments for metered savings of those energy efficiency projects.

Solar Storage Credit

MCE's Solar Storge Credit program is aimed at encouraging customers to discharge their energy storage systems from 4-9pm daily.[18] To be eligible for the credit, customers must be enrolled in a time-of-use rate, automate their battery to discharge from 4-9 p.m. daily and set their battery reserve to no more than 20 percent, except when preparing for or during a power outage. Customers are eligible to receive up to $20/month for participation based on their solar system's size.

Nonresidential Programs

Peak FLEXmarket

MCE's Peak FLEXmarket program is a market-driven demand flexibility program that assigns an hourly value to measured BTM impacts. Peak FLEXmarket is aimed at shifting load away from peak periods and provides customers with direct payments for measured load shedding or shifting during events, based on deviations from their individual baseline.

Peak FLEXmarket has successfully engaged new aggregators who have not participated in demand response, as well as program partners who have traditionally been confined to energy efficiency project development by presenting a value proposition for load flexibility. This program is a framework with the tools to measure and value hourly reductions in energy use and is technology agnostic.

Commercial Efficiency Market

MCE's Commercial Efficiency Market program is focused on incentivizing non-residential customers to install measures that can help reduce peak load.[19] Customers can receive a 20 percent upfront cash payment for the forecasted value of their energy efficiency projects and additional payments for metered savings of those energy efficiency projects.

[17] *See* https://www.mcecleanenergy.org/flexmarket/.
[18] *See* https://www.mcecleanenergy.org/solar-storage-credit/.
[19] *See* https://www.mcecleanenergy.org/flexmarket/.

5.2 Evaluation of Programs

This section evaluates the cost-effectiveness, equity, technological feasibility, and benefits to the grid and customers of implementing programs that enable automated response to MIDAS signals. As discussed below, MCE cannot currently conclude that creating a new, or modifying an existing, load-modifying program to allow automated responses to MIDAS signals would be cost effective or offer material incremental benefit, such as material incremental peak load reduction, for any customer class.

Accordingly, MCE will continue to offer voluntary participation in its existing and future load flexibility programs. MCE will continue to consider the cost-effectiveness and peak load reduction potential of programs that enable automated response to MIDAS signals. To the extent that MCE's Board does not approve a dynamic rate offering by 2027, *and* MCE is at that time able to determine that modifying an existing program or creating a new program that enables automated response to MIDAS signals is cost effective and provides material incremental reductions to peak load for at least one customer class, MCE may at that time integrate a load-modifying program into MIDAS.

MCE will therefore submit to the CEC a list of load-modifying programs deemed cost-effective by October 1, 2024, but recommends the Board find that MCE is not required to include a program that allows automated response to MIDAS signals as it cannot determine such a program would be cost effective or produce material reductions to peak load for any customer class.

5.2.1 Cost Effectiveness

As outlined by section 1623.1(b)(3) of the LMS, MCE will provide a list of load-modifying programs deemed cost effective to the CEC by October 1, 2024. At present, MCE expects that the list of cost-effective programs will include the following MCE load-modifying programs:

1. Peak FLEXmarket;
2. Commercial Efficiency Market; and
3. Residential Efficiency Market.

These programs are funded by ratepayers through MCE's Energy Efficiency Portfolio as authorized by the CPUC. To receive ratepayer funding, the CPUC requires MCE to demonstrate its energy efficiency portfolio is cost effective using CPUC-approved cost-effectiveness criteria.

As it relates to the cost-effectiveness of MCE's current and future self-funded and/or grant-funded load-modifying programs (MCE Sync, Solar Storage Credit, Richmond VPP Pilot, etc.) MCE has not yet evaluated these programs for cost-effectiveness in the same manner as its ratepayer funded energy efficiency programs. Generally, MCE notes that cost-effectiveness is just one measure used to determine whether to offer a program and is not necessarily a determining factor. For example, programs that are focused on providing equity benefits may not be cost-effective utilizing traditional cost-effectiveness evaluation criteria, but still provide significant benefit to certain customer segments and society at large. MCE may robustly evaluate these programs for cost-effectiveness in the future when evaluating the effectiveness of the programs, and as it makes future determinations on program offerings.

MCE does not currently expect to utilize program offerings with automated responses to MIDAS signals; however, if MCE's Board does not adopt an hourly rate by July 1, 2027, MCE may then evaluate whether there is an opportunity to create a new program or modify an existing program to allow responses to MIDAS signals. In doing so, MCE would look at the incremental value of each option, and if modifying an existing, or creating a new, program is deemed cost-effective and found to provide material reductions to peak load may elect to do so at that time.

MCE cannot currently conclude that the modification of current or development of new programs that allow for automated responses to dynamic price signals would be cost effective for any customer class. Developing new programs or modifying existing programs would require MCE to incur costs associated with design and implementation, along with new technology costs. While these costs could potentially be offset with capacity or energy cost savings, the magnitude of those benefits is uncertain.

In conducting future cost-effectiveness analyses, MCE would compare expected program benefits to expected costs of program design and implementation. Assuming incremental load shift that can be attributed to the program, expected benefits of a new load flexibility program that allows for automated response to MIDAS signals may include, but are not limited to, avoided energy and capacity costs, improved reliability, and environmental benefits. Expected costs may include, but are not limited to, program development costs, program administration costs, and technology and implementation costs.

5.2.2 Equity

MCE is committed to creating more equitable communities and providing equitable access to clean energy benefits throughout its service area. In choosing to modify or offer any program, MCE carefully considers equity impacts and has demonstrated its commitment to equitable program offerings since its inception. MCE aims to offer a suite of programs that provide customers with access to clean energy technology and services while lowering bills and greenhouse gas emissions. Some examples of MCE's commitment to equity include MCE's:

1. Income-qualified customer programs such as the Low-Income Families and Tenants Program, the MCE Cares Credit Program, DAC-GT program, and EV Rebate Program;
2. Commercial Equity Program;
3. Commitment to advancing supplier diversity and workforce development; and
4. MCE's Community Power Coalition.[20]

In evaluating any future load-modifying program offerings, MCE will plan to evaluate how that offering may impact customer equity. Potential evaluation criteria include, but are not limited to, equitable access to technology, direct customer benefits and bill impacts, and cost-shifting between and within rate classes. For example, most customers' ability to benefit from highly differentiated rates will be directly linked to their ability to respond to those rates. Customers that can automate portions of their load will be best equipped to respond and benefit. Therefore, equitable access to automation devices and technology will be critical in ensuring that all

[20] More information on MCE's energy equity efforts can be found on its website at https://www.mcecleanenergy.org/energy-equity/#energyequity.

customers can benefit from load-modifying programs. To promote equitable access to automation technology MCE may explore providing additional incentives for low-income customers and/or those who located in disadvantaged communities or multi-family properties who may otherwise not be able to benefit from automated load shifting programs or dynamic rates.

5.2.3 Technological Feasibility

MCE is committed to offering load-modifying programs that encourage customers to shift their load away from periods of grid constraint and high greenhouse gas emissions. MCE strongly supports the LMS' goals to provide customers and their devices access to signals that may help automate their response to marginal signals such as prices and greenhouse gas signals to provide the greatest level of benefit for both the customer and the grid. MCE has demonstrated this support through the development of its MCE Sync EV charging mobile application and the MCE Peak FLEXmarket platform, both of which are technology platforms that help customers adjust their energy consumption through greater visibility. And while MCE believes it is technically feasible to offer customers programs that allow customers to respond to MIDAS signals, currently, both of these load-modifying programs are incompatible with the MIDAS database, and MCE cannot conclude that modifying them to be compatible would be cost effective or result in material incremental load reduction:[21]

- MCE Sync - This program provides a flat monthly credit to customers for participating in events, and does not have rates associated with events, and thus would not support inclusion in MIDAS.
- PeakFLEX Market - There is currently no way for MIDAS to show customers their current real-time rate for this program, as it is based on separate prices (baseline and above-baseline) that depend on a customers' individual usage history, which is not a component of MIDAS.

As MCE's existing load-modifying programs are not currently technologically compatible with MIDAS, if MCE at a later date elects to work towards the goals of the LMS via a MIDAS enabled program offering MCE would need to determine how it could either integrate its existing programs with MIDAS or explore the creation of a new program that would be compatible with the current or future design of MIDAS. Such determinations will need to be made by the Board at a future date.

[21] While not a load-modifying program, MCE also notes that its Disadvantaged Community Green Tariff program is also not included in MIDAS currently as it is not compatible with the current design of MIDAS. The 20 percent bill discount for the DAC-GT program is calculated from a customer's total billed charges, inclusive of non-volumetric and variable IOU charges, by reading the total charges from the previous bill. As such, MCE cannot generate a volumetric price inclusive of this discount.

5.2.4 Benefits to the Grid and Customers

In considering whether to modify existing or offer new load-modifying programs, including those that allow automated response to MIDAS signals, MCE may consider benefits to the grid and customers.

Assuming incremental load shift or reduction that can be attributed to the program, potential grid benefits include reduced capacity costs (for example through lower Resource Adequacy costs), reduced of deferred transmission and distribution system upgrades, lower energy costs, increased reliability benefits, and environmental benefits.

Assuming incremental load shift or reduction that can be attributed to the program, potential customer benefits include pass-through energy cost savings from grid benefits as well as pass-through cost savings from potential reduced compliance costs for MCE, improved reliability, improved environmental benefits, and direct cost savings from participation in load-modifying programs.

All of these potential grid and customer benefits depend on the reliability and magnitude of load shift and reduction that load-modifying programs are able to achieve. MCE is at this time unable to conclude that future programs or modifications to existing programs to allow automated responses to MIDAS signals would result in material grid benefits relative to MCE's existing offerings or result in pass through savings to customers for any customer class. If MCE creates a load-modifying program that allows automated response to MIDAS signals in the future it will aim to design the program in such a way to generate material benefits to the grid and MCE customers.

6 Public Information Program

Adopted LMS Amendments Section 1623.1(b)(5) of the LMS requests MCE and other Large CCAs to conduct a public information program to inform and educate affected customers on why dynamic rates or load flexibility programs and automation are needed, how they will be used, and how these rates and programs can save customers money.

MCE appreciates the LMS' intent to ensure that any load-modifying rates or programs developed are effectively marketed to customers with the aim of encouraging enrollment and maximizing customer success and grid benefits. As a local, community-based organization, MCE values and is deeply committed to providing quality customer and community communication, education, collaboration, and customer service.

As a general matter, all MCE rates and programs can be found on MCE's website. Any future dynamic rates or load-modifying programs will also be listed and described on its webpage.[22] MCE utilizes best practices to provide consistent and accurate communications and response support with its customers and communities. This includes utilizing various communication mediums including joint rate mailers, emails, direct mail, e-newsletters, press releases, webinars,

[22] MCE Residential rates can be viewed at https://www.mcecleanenergy.org/rates/. MCE Commercial rates can be viewed at https://www.mcecleanenergy.org/commercial-rates/. MCE program offerings can be found at https://www.mcecleanenergy.org/customer-programs/.

social media posts, public presentations and event attendance and sponsorship throughout MCE's member communities. In 2023 alone, MCE attended more than 250 events in our service area and presented to 69 local community organizations and city councils. MCE plans to continue communication best practices to maintain its outreach, education, and marketing of rates, programs, and pilots that support load flexibility and recognize the benefits of reducing peak load and using energy during periods of higher renewables supply. In addition, MCE has developed an in-house service center to support and effectively respond to customer inquiries and further the education and benefits of load-modifying programs.

Historically, MCE has voluntarily utilized various types of marketing campaigns to drive enrollment and successful participation in rate and program offerings including those created for load-modifying purposes. For example, to encourage customers to shift load on Time-of-Use rates, MCE conducted a public information campaign that included direct mail, website updates, digital advertising, streaming, and radio placement encouraging customers to use less energy during the 4pm - 9pm peak period targeted to customers throughout MCE's service area.[23]

MCE notes that the LMS do not include a timeline for the public information campaign. As there is no timeline expressed in the Standards and MCE has not created or recommended Board approval of any new hourly marginal cost-based rates or programs that allow automated response to MIDAS signals, MCE does not have details on what future public information programs may entail. MCE expects that if dynamic rates or new load flexibility programs are adopted MCE would utilize a public information program to drive customer adoption, understanding, and success in said rates or programs.

At a minimum, MCE would expect the public information program to highlight how individual customers may be impacted (i.e. bill impacts) and how changes to their behavior can create grid and/or environmental benefits for all customers. This type of public information program would utilize some or all the following communication mediums: direct mail, email correspondence, website updates, social media posts, webinars, television/streaming commercials, press releases or news articles, and public presentations. MCE may also work with its community partners and/or program and technology partners to develop and deliver any public information programs.

MCE expects that any public information campaign would require incremental costs that are not currently accounted for, and MCE would need to factor these public information and response program costs and their recovery into any cost-effectiveness analysis and recommendation to its Board.

[23] *See* https://www.mcecleanenergy.org/4-9/.

7 Appendix

Appendix A – MCE MIDAS Rate Identification Numbers

The below table displays the RINs associated with each of MCE's residential and non-residential rates and rate permutations that have been uploaded to MIDAS.

RIN	Rate Schedule	Energy Supply Product
USCA-XXMC-PBZD-0000	ETOUB	Deep Green
USCA-XXMC-PCZD-0000	ETOUC	Deep Green
USCA-XXMC-PDZD-0000	ETOUD	Deep Green
USCA-XXMC-OZZD-0000	ELEC	Deep Green
USCA-XXMC-QAZD-0000	EVA	Deep Green
USCA-XXMC-QUZD-0000	EV2	Deep Green
USCA-XXMC-AXZD-0000	A1X	Deep Green
USCA-XXMC-EZZD-0000	B1	Deep Green
USCA-XXMC-ETZD-0000	B1ST	Deep Green
USCA-XXMC-CZZD-0000	A6	Deep Green
USCA-XXMC-IZZD-0000	B6	Deep Green
USCA-XXMC-BXCD-0000	A10SX	Deep Green
USCA-XXMC-FZCD-0000	B10S	Deep Green
USCA-XXMC-BXBD-0000	A10PX	Deep Green
USCA-XXMC-FZBD-0000	B10P	Deep Green
USCA-XXMC-BXDD-0000	A10TX	Deep Green
USCA-XXMC-FZDD-0000	B10T	Deep Green
USCA-XXMC-LZCD-0000	E19S	Deep Green
USCA-XXMC-GZCD-0000	B19S	Deep Green
USCA-XXMC-LZBD-0000	E19P	Deep Green
USCA-XXMC-GZBD-0000	B19P	Deep Green
USCA-XXMC-LZDD-0000	E19T	Deep Green
USCA-XXMC-GZDD-0000	B19T	Deep Green
USCA-XXMC-LRCD-0000	E19SR	Deep Green
USCA-XXMC-GRCD-0000	B19SR	Deep Green
USCA-XXMC-LRBD-0000	E19PR	Deep Green
USCA-XXMC-GRBD-0000	B19PR	Deep Green
USCA-XXMC-LRDD-0000	E19TR	Deep Green
USCA-XXMC-GRDD-0000	B19TR	Deep Green
USCA-XXMC-MZCD-0000	E20S	Deep Green
USCA-XXMC-HZCD-0000	B20S	Deep Green
USCA-XXMC-MZBD-0000	E20P	Deep Green
USCA-XXMC-HZBD-0000	B20P	Deep Green

RIN	Rate Schedule	Energy Supply Product
USCA-XXMC-MZDD-0000	E20T	Deep Green
USCA-XXMC-HZDD-0000	B20T	Deep Green
USCA-XXMC-MRCD-0000	E20SR	Deep Green
USCA-XXMC-HRCD-0000	B20SR	Deep Green
USCA-XXMC-MRBD-0000	E20PR	Deep Green
USCA-XXMC-HRBD-0000	B20PR	Deep Green
USCA-XXMC-MRDD-0000	E20TR	Deep Green
USCA-XXMC-HRDD-0000	B20TR	Deep Green
USCA-XXMC-DAED-0000	AGA1	Deep Green
USCA-XXMC-DAFD-0000	AGA2	Deep Green
USCA-XXMC-DBZD-0000	AGB	Deep Green
USCA-XXMC-DCZD-0000	AGC	Deep Green
USCA-XXMC-DGED-0000	AGFA1	Deep Green
USCA-XXMC-DGFD-0000	AGFA2	Deep Green
USCA-XXMC-DGGD-0000	AGFA3	Deep Green
USCA-XXMC-DHED-0000	AGFB1	Deep Green
USCA-XXMC-DHFD-0000	AGFB2	Deep Green
USCA-XXMC-DHGD-0000	AGFB3	Deep Green
USCA-XXMC-DIED-0000	AGFC1	Deep Green
USCA-XXMC-DIFD-0000	AGFC2	Deep Green
USCA-XXMC-DIGD-0000	AGFC3	Deep Green
USCA-XXMC-DJZD-0000	AG4A	Deep Green
USCA-XXMC-DKZD-0000	AG4B	Deep Green
USCA-XXMC-DLZD-0000	AG4C	Deep Green
USCA-XXMC-DMZD-0000	AG5A	Deep Green
USCA-XXMC-DNZD-0000	AG5B	Deep Green
USCA-XXMC-DOZD-0000	AG5C	Deep Green
USCA-XXMC-TZCD-0000	STOUS	Deep Green
USCA-XXMC-TZBD-0000	STOUP	Deep Green
USCA-XXMC-TZDD-0000	STOUT	Deep Green
USCA-XXMC-SZCD-0000	SBS	Deep Green
USCA-XXMC-SZBD-0000	SBP	Deep Green
USCA-XXMC-SZDD-0000	SBT	Deep Green
USCA-XXMC-JZED-0000	BEV1	Deep Green
USCA-XXMC-JUCD-0000	BEV2S	Deep Green
USCA-XXMC-JUBD-0000	BEV2P	Deep Green
USCA-XXMC-NZZD-0000	E6	Deep Green
USCA-XXMC-PBZL-0000	ETOUB	Light Green
USCA-XXMC-PCZL-0000	ETOUC	Light Green
USCA-XXMC-PDZL-0000	ETOUD	Light Green
USCA-XXMC-OZZL-0000	ELEC	Light Green

RIN	Rate Schedule	Energy Supply Product
USCA-XXMC-QAZL-0000	EVA	Light Green
USCA-XXMC-QUZL-0000	EV2	Light Green
USCA-XXMC-AXZL-0000	A1X	Light Green
USCA-XXMC-EZZL-0000	B1	Light Green
USCA-XXMC-ETZL-0000	B1ST	Light Green
USCA-XXMC-CZZL-0000	A6	Light Green
USCA-XXMC-IZZL-0000	B6	Light Green
USCA-XXMC-BXCL-0000	A10SX	Light Green
USCA-XXMC-FZCL-0000	B10S	Light Green
USCA-XXMC-BXBL-0000	A10PX	Light Green
USCA-XXMC-FZBL-0000	B10P	Light Green
USCA-XXMC-BXDL-0000	A10TX	Light Green
USCA-XXMC-FZDL-0000	B10T	Light Green
USCA-XXMC-LZCL-0000	E19S	Light Green
USCA-XXMC-GZCL-0000	B19S	Light Green
USCA-XXMC-LZBL-0000	E19P	Light Green
USCA-XXMC-GZBL-0000	B19P	Light Green
USCA-XXMC-LZDL-0000	E19T	Light Green
USCA-XXMC-GZDL-0000	B19T	Light Green
USCA-XXMC-LRCL-0000	E19SR	Light Green
USCA-XXMC-GRCL-0000	B19SR	Light Green
USCA-XXMC-LRBL-0000	E19PR	Light Green
USCA-XXMC-GRBL-0000	B19PR	Light Green
USCA-XXMC-LRDL-0000	E19TR	Light Green
USCA-XXMC-GRDL-0000	B19TR	Light Green
USCA-XXMC-MZCL-0000	E20S	Light Green
USCA-XXMC-HZCL-0000	B20S	Light Green
USCA-XXMC-MZBL-0000	E20P	Light Green
USCA-XXMC-HZBL-0000	B20P	Light Green
USCA-XXMC-MZDL-0000	E20T	Light Green
USCA-XXMC-HZDL-0000	B20T	Light Green
USCA-XXMC-MRCL-0000	E20SR	Light Green
USCA-XXMC-HRCL-0000	B20SR	Light Green
USCA-XXMC-MRBL-0000	E20PR	Light Green
USCA-XXMC-HRBL-0000	B20PR	Light Green
USCA-XXMC-MRDL-0000	E20TR	Light Green
USCA-XXMC-HRDL-0000	B20TR	Light Green
USCA-XXMC-DAEL-0000	AGA1	Light Green
USCA-XXMC-DAFL-0000	AGA2	Light Green
USCA-XXMC-DBZL-0000	AGB	Light Green
USCA-XXMC-DCZL-0000	AGC	Light Green

RIN	Rate Schedule	Energy Supply Product
USCA-XXMC-DGEL-0000	AGFA1	Light Green
USCA-XXMC-DGFL-0000	AGFA2	Light Green
USCA-XXMC-DGGL-0000	AGFA3	Light Green
USCA-XXMC-DHEL-0000	AGFB1	Light Green
USCA-XXMC-DHFL-0000	AGFB2	Light Green
USCA-XXMC-DHGL-0000	AGFB3	Light Green
USCA-XXMC-DIEL-0000	AGFC1	Light Green
USCA-XXMC-DIFL-0000	AGFC2	Light Green
USCA-XXMC-DIGL-0000	AGFC3	Light Green
USCA-XXMC-DJZL-0000	AG4A	Light Green
USCA-XXMC-DKZL-0000	AG4B	Light Green
USCA-XXMC-DLZL-0000	AG4C	Light Green
USCA-XXMC-DMZL-0000	AG5A	Light Green
USCA-XXMC-DNZL-0000	AG5B	Light Green
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USCA-XXMC-TZCL-0000	STOUS	Light Green
USCA-XXMC-TZBL-0000	STOUP	Light Green
USCA-XXMC-TZDL-0000	STOUT	Light Green
USCA-XXMC-SZCL-0000	SBS	Light Green
USCA-XXMC-SZBL-0000	SBP	Light Green
USCA-XXMC-SZDL-0000	SBT	Light Green
USCA-XXMC-JZEL-0000	BEV1	Light Green
USCA-XXMC-JUCL-0000	BEV2S	Light Green
USCA-XXMC-JUBL-0000	BEV2P	Light Green
USCA-XXMC-NZZL-0000	E6	Light Green

Empowering Our Clean Energy Future
CONTRA COSTA | MARIN | NAPA | SOLANO

July 17, 2025

TO:	MCE Board of Directors
FROM:	Alexandra McGee, Vice President of Strategic Initiatives Catalina Murphy, General Counsel
RE:	Proposed Resolution 2025-04 Authorizing the CEO to Negotiate and Execute Vendor Services Agreements with Community Energy and Equity Resources LLC, Serious Controls LLC, and Lawrence Berkeley National Laboratory for MCE's Virtual Power Plant Program Supported by Funding from the California Energy Commission (Agenda Item #05 C.6)
ATTACHMENT:	Resolution 2025-04 Authorizing the CEO to Negotiate and Execute Vendor Services Agreements with Community Energy and Equity Resources LLC, Serious Controls LLC, and Lawrence Berkeley National Laboratory for MCE's Virtual Power Plant Program Supported by Funding from the California Energy Commission

Dear Board Members:

Summary:
In February 2025, your Board accepted the grant MCE was awarded from the California Energy Commission (CEC) in the amount of $5,000,000 with MCE matching an additional $5,000,000 to advance MCE's Virtual Power Plant (VPP) initiative aimed at creating a cleaner, more reliable electric grid (the Grant). Since your Board accepted the Grant, staff has worked with the CEC to finalize the Grant contract and work with the Grant partners on their agreements with MCE including: Community Energy Equity Resources LLC (CEER), Serious Controls LLC (SC), and Lawrence Berkeley National Laboratory (LBNL), (collectively "Grant Partners"). Approving the proposed Resolution 2025-04 would authorize the Chief Executive Officer (CEO) to negotiate and execute vendor agreements with the Grant Partners to continue the efforts under the Grant within the budget parameters as proposed to the CEC.

Background

Instead of being sited in one place like a physical power plant, a VPP harnesses energy resources that are distributed across a participating community. By coordinating these devices – like rooftop solar, heat pump water heaters, smart thermostats, smart plugs, electric vehicles, and batteries - VPPs can quickly supply power to the grid, take power from the grid, or lower energy consumption during critical times to reduce grid-strain. With enough grid-smart homes and businesses, a load serving

entity like MCE can reduce costs and pass savings on to customers in the form of direct payment, credits, or reduced rates.

The VPP's bidirectional power flow capabilities provide a unique ability to participate in the California Independent System Operator (CAISO) markets and capture value from those markets in a way previously unexplored by Community Choice Aggregators (CCA). MCE's initial VPP pilot efforts were funded in part by the CEC's Electric Program Investment Charge (EPIC) grant and were focused solely on serving sites within the City of Richmond, thereby ensuring that grid-smart technologies are accessible and actively deployed in low-income and historically underserved communities.

The VPP pilot phase included the creation of a customized Distributed Energy Resources Management System (DERMS) to communicate with, and dispatch power to and from, the installed grid-smart devices. This DERMS is the first of its kind, as it is custom-made for CCA operators. It leverages a first-of-its-kind VPP tariff which pays customers for the flexibility of these grid-smart, demand-flexible, devices. MCE then leveraged this experience to pursue additional funding opportunities to scale the VPP pilot phase from the City of Richmond to all of MCE's service area. MCE's proposal was then awarded the Grant.

Grant Partner Agreements

The Grant includes the Grant Partners listed above to implement key components of the Grant. The agreements with the Grant Partners are still in negotiation and not yet final. Any applicable obligations to MCE imposed by the CEC in the Grant agreement will pass through to the Grant Partners as terms and conditions in the agreements with the Grant Partners. Therefore, staff have prepared the anticipated terms below that would be included in each of the agreements with the Grant Partners for your Board to review.

It is anticipated that the agreements with the Grant Partners would include the following terms:

- Compliance with all applicable federal, state, and local laws.

- Compliance with the terms and conditions of the Grant.

- The agreement with CEER will have a not-to-exceed payment by MCE of up to ***$600,000***. As part of their scope, CEER will provide services responsible for ensuring management of the workplan and efforts of other subcontractors, ensure a VPP toolkit is developed with customer settlement procedures, and ensure the DERMS platform is built out and tested for scale of customer use.

- The agreement with SC will have a not-to-exceed payment by MCE of up to ***$2,250,000***. As part of their scope, SC will develop an updated DERMS platform that is Open ADR 3.0 certified, integrate the expanded VPP with California Independent System Operator (CAISO) markets so that MCE can bid into CAISO markets, and achieve load shifting through strategic deployment and optimization of installed devices.

- The agreement with LBNL will have a not-to-exceed payment by MCE of up to ***$600,000***. As part of their scope, LBNL will provide analysis and value forecasting methodologies to assess

the VPP value streams including revenues gainable by having the VPP participate in CAISO markets. LBNL services will help calculate the value distribution among participating customers and help inform incentive designs for participating and potential customers.

- The agreements with the Grant Partners will have a term of ***5 years***.

- Payments made to the Grant Partners under these agreements will be subject to the terms and conditions of the Grant ensuring that allowable expenses are captured and MCE receives applicable reimbursements under the Grant.

Fiscal Impacts:
The agreements with the Grant Partners will have a total not-to-exceed amount of $3,450,000 over a term of five years. The funds to pay the Grant Partners will be supported by funds received from the CEC under the Grant in addition to funds from MCE's Operating Fund to satisfy MCE's match fund requirement of the Grant. MCE's match fund obligations applicable to Fiscal Year 2024/25 have been included in the Board-approved budget and funds spent in future fiscal years will be captured in applicable budgets.

Recommendation:
Approve proposed Resolution 2025-04 Authorizing the CEO to Negotiate and Execute Vendor Services Agreements with Community Energy and Equity Resources LLC, Serious Controls LLC, and Lawrence Berkeley National Laboratory for MCE's Virtual Power Plant Program Supported by Funding from the California Energy Commission.

RESOLUTION 2025-04

A RESOLUTION OF THE BOARD OF DIRECTORS OF MARIN CLEAN ENERGY AUTHORIZING THE CEO TO NEGOTIATE AND EXECUTE VENDOR SERVICES AGREEMENTS WITH COMMUNITY ENERGY AND EQUITY RESOURCES LLC, SERIOUS CONTROLS LLC, AND LAWRENCE BERKELEY NATIONAL LABORATORY FOR MCE'S VIRTUAL POWER PLANT PROGRAM SUPPORTED BY FUNDING FROM THE CALIFORNIA ENERY COMMISSION

WHEREAS, Marin Clean Energy (MCE) is a joint powers authority established on December 19, 2008, and organized under the Joint Exercise of Powers Act (Government Code Section 6500 et seq.); and

WHEREAS, MCE members include the following communities: the County of Marin, the County of Contra Costa, the County of Napa, the County of Solano, the City of American Canyon, the City of Belvedere, the City of Benicia, the City of Calistoga, the City of Concord, the Town of Corte Madera, the Town of Danville, the City of El Cerrito, the Town of Fairfax, the City of Fairfield, the City of Hercules, the City of Lafayette, the City of Larkspur, the City of Martinez, the City of Mill Valley, the Town of Moraga, the City of Napa, the City of Novato, the City of Oakley, the City of Pinole, the City of Pittsburg, the City of Pleasant Hill, the City of San Ramon, the City of Richmond, the Town of Ross, the Town of San Anselmo, the City of San Pablo, the City of San Rafael, the City of Sausalito, the City of St. Helena, the Town of Tiburon, the City of Vallejo, the City of Walnut Creek, and the Town of Yountville; and

WHEREAS, MCE and project partners submitted a project proposal to the California Energy Commission ("CEC") to expand the Virtual Power Plant (VPP) pilot from the City of Richmond to all MCE member communities; and

WHEREAS, the project partners submitted in the project proposal included Community Energy Equity Resources LLC ("CEER"), Serious Controls LLC ("SC"), and Lawrence Berkeley National Laboratory ("LBNL"), (collectively "Grant Partners"); and

WHEREAS, MCE's project proposal was approved by the CEC and MCE was awarded a grant in the amount for $5,000,000 ("MCE Awarded Funds") with a required cost share by MCE in the amount of $5,000,000 ("MCE Match Funds"), for a project total of $10,000,000, to perform the work required to expand the Virtual Power Plant to all MCE member communities ("the Grant"); and

WHEREAS, In February 2025, your Board accepted the awarded Grant and authorized the CEO to enter into the Grant agreement with the CEC. Since your Board accepted the Grant, MCE desires to enter into agreements with the Grant Partners to continue the efforts under the Grant within the budget parameters as listed in the approved Grant;

NOW, THEREFORE, BE IT RESOLVED, by the MCE Board of Directors:

1. The Board of Directors finds that the aforementioned recitals are true and correct, and are herein incorporated into this Resolution.

2. CEO is hereby authorized to negotiate and execute Vendor Services Agreements with the Grant Partners, subject to approval by MCE's General Counsel, for the provision of services to implement the Grant to scale the VPP pilot phase from the City of Richmond to all of MCE's service area, which may include the following deal points:

    - Compliance with all applicable federal, state, and local laws.

    - Compliance with the terms and conditions of the Grant.

    - The agreement with CEER will have a not-to-exceed payment by MCE of up to ***$600,000***. As part of their scope, CEER will provide services responsible for ensuring management of the workplan and efforts of other subcontractors, ensure a VPP toolkit is developed with customer settlement procedures, and ensure the DERMS platform is built out and tested for scale of customer use.

    - The agreement with SC will have a not-to-exceed payment by MCE of up to ***$2,250,000***. As part of their scope, SC will develop an updated DERMS platform that is Open ADR 3.0 certified, integrate the expanded VPP with California Independent System Operator (CAISO) markets so that MCE can bid into CAISO markets for future revenue benefits, and achieve load shifting through strategic deployment and optimization of installed devices.

    - The agreement with LBNL will have a not-to-exceed payment by MCE of up to ***$600,000***. As part of their scope, LBNL will provide analysis and value forecasting methodologies to assess the VPP value streams including revenues gainable by having the VPP participate in CAISO markets. LBNL services will help calculate the value distribution among participating customers and help inform incentive designs for participating and potential customers.

    - The agreements with the Grant Partners will have a term of ***5 years***.

    - Payments made to the Grant Partners under these agreements will be subject to the terms and conditions of the Grant ensuring that allowable expenses are captured and MCE receives applicable reimbursements under the Grant.

PASSED AND ADOPTED at a regular meeting of the MCE Board of Directors on this 17th day of July, 2025, by the following vote:

	AYES	**NOES**	**ABSTAIN**	**ABSENT**

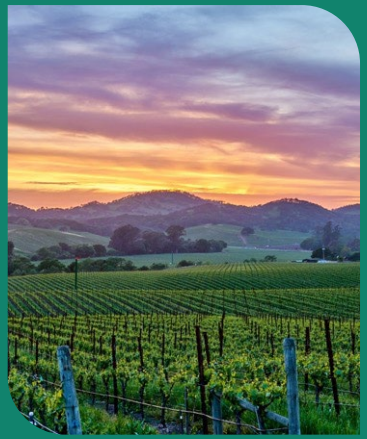
County of Marin				
Contra Costa County				
County of Napa				
County of Solano				
City of American Canyon				
City of Belvedere				
City of Benicia				
City of Calistoga				
City of Concord				
Town of Corte Madera				
Town of Danville				
City of El Cerrito				
Town of Fairfax				
City of Fairfield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

_____
CHAIR, MCE

Attest:

_____
SECRETARY, MCE

Customer Operations Overview



MCE Board of Directors
July 17, 2025

Meet our Team!

Amy Allum-Poon
Customer Operations Manager

Jared Sherwood
Senior Account Analyst

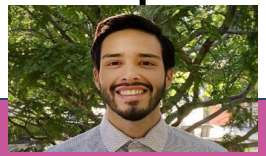
Robert Grote
Manager of Customer Service

Jazmin Nava Cid
Bilingual Customer Success Advisor II

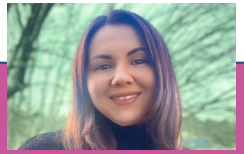
Ben Choi
Senior Account Manager

Coming in July

Customer Operations Analyst

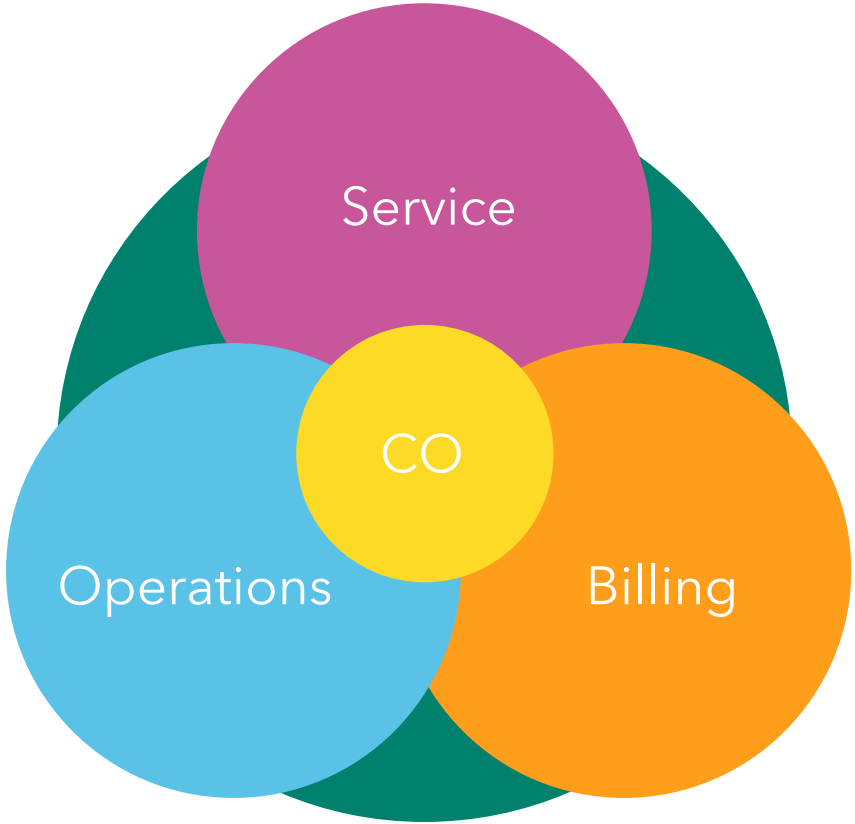


Eddie Mercado
Customer Success Advisor II



Maria Echeverry
Bilingual Customer Success Advisor

What We Do



- MCE in-house, centralized service center (1-stop shop)
- Billing Support and Management
- Program Management: Net Energy Metering, Solar Billing Plan, Green Access, Arrearage Management Plan, Percentage of Income Payment Plan
- Relationship Management: PG&E & SMUD (Billing Vendor)
- Customer data, reporting information, and dashboards
- Salesforce CRM Development Support

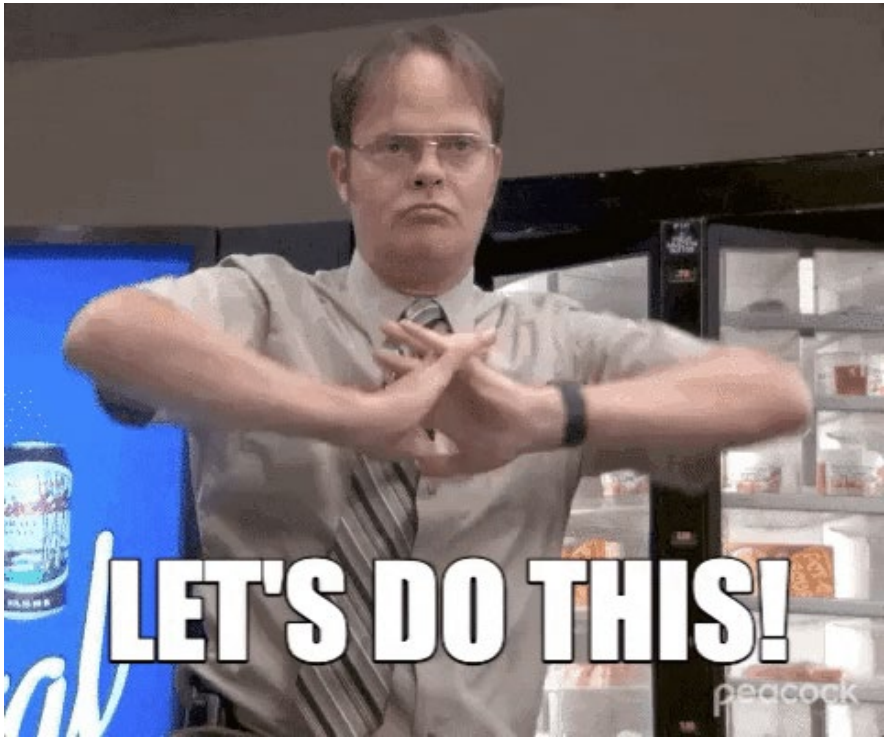
MCE's In-House Customer Service

- 4 Customer Success Advisors (CSAs) with 2 Bilingual (English and Spanish)
- Answer all customer calls, respond to voicemails, and customer email inquiries
- Educate customers on value of MCE and its offerings
- Support Customer Programs with customer service and customer satisfaction-related projects

Billing

- Solar Billing Plan,Net Energy Metering (NEM) and Battery Storage programs
- Billing agent (PG&E) relationship management
- Customer data & cost comparisons
- Billing vendor (SMUD) management
- New community enrollments
- Billing operations & billing expertise

Operations



- Process documentation & training for CO Department
- Identify opportunities to improve and streamline internal processes
- Manage MCE's Green Access (DAC-GT) and Solar Storage Programs and Support Finance on Accounts Receivables
- Cross-departmental Coordination: Communication, Processes and Salesforce for Business Users

Affordability Focuses

Percentage of Income Payment Plan (PIPP)

- Caps customer costs for gas and electricity

Green Access

- Bill savings for highly impacted disadvantaged communities

MCE Cares Credit

- Monthly bill credit for income-qualified and Small Business customers

Arrearage Management Program (AMP)

- Eliminates up to $8,000 of debt

Affordability Outcomes

Percentage of Income Payment Plan (PIPP)

- $416,000 in distributed savings so far

Green Access

- Over $3M in bill savings since 2021 (now ~5200 customers enrolled)

MCE Cares Credit

- >28,000 residents/ 800 Small Business enrolled and $5.5M distributed

Arrearage Management Program (AMP)

- 6,952 customers; $4M of debt enrolled

Customer Communications

MCE PG&E

Your energy choices explained

As part of our mutual commitment to support your energy choice, MCE and Pacific Gas and Electric Company (PG&E) have partnered to provide you with a comparison of typical residential electric rates, average monthly charges, and sources of energy generated.

Residential Electric Rate Comparison, ETOUC

	PG&E	MCE Light Green 60% renewable	MCE Deep Green 100% renewable
Generation Rate ($/kWh)	$0.17422	$0.14617	$0.15617
PG&E Delivery Rate ($/kWh)	$0.29030	$0.29030	$0.29030
PG&E PCIA/FF ($/kWh)	–$0.02327	$0.01178	$0.01178
Total Electricity Cost ($/kWh)	$0.44125	$0.44825	$0.45825
Average Monthly Bill ($)	**$193.08**	**$196.14**	**$200.52**

Monthly usage: 438 kWh

MCE

Save up to 35% on your energy bill.

Scan QR code to see if you qualify

documents. If you don't qualify, PG&E will check if you qualify for the Family Electric Rate Assistance (FERA) program, which offers an 18% discount on electricity. You don't need to apply for both programs.

See today if you qualify at **mceCleanEnergy.org/care** or scan the QR code.

Find other ways to save on your bill at mceCleanEnergy.org/lower-bill

Presente su solicitud y ahorre hasta un 35% en su factura de electricidad

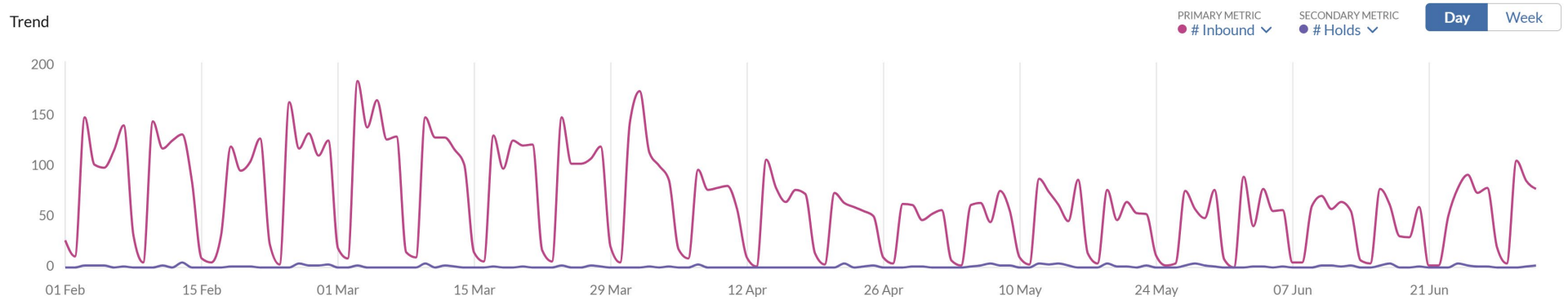
Para presentar su solicitud, escanee el código QR

Si no reúne los requisitos, PG&E verá si puede reunir los del programa Family Electric Rate Assistance (FERA, por sus siglas en inglés), que ofrece un descuento en electricidad del 18%. No es necesario que presente la solicitud para los dos programas.

Vea hoy mismo si reúne los requisitos en **mceCleanEnergy.org/es/care** o escanee el código QR.

Podemos ayudarle a buscar otras formas de ahorrar en su factura en mceCleanEnergy.org/es/lower-bill

Call Trends



Top 3 Call Reasons

- Affordability/Opt Actions
- Bill Questions
- Program Questions

Customer Retention

- 35% Retained
- 3,910 Retained since Call Center launch
- 810 Retained in 2025

Call Language

- 22% of all calls serviced in Spanish

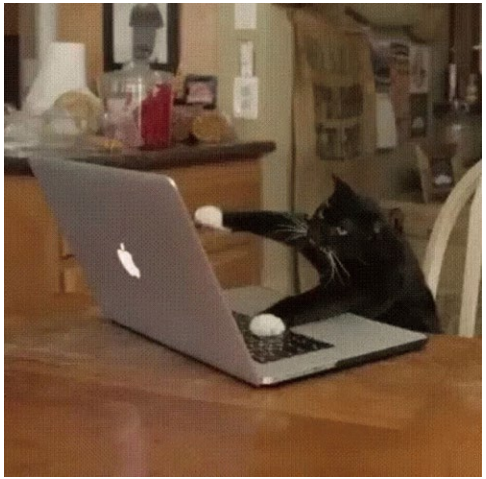
MCE Participation Trends

	Jun-24	Jun-25	Change From Prior Year		
MCE Participation Rate (% of all active SAs[1])	**86.9%**	**87.1%**	-	**0.2%**	
Number of MCE Service Agreements	**586,137**	**599,561**	**10,179**	**1.7%**	
Contra Costa Co.	88.6%	88.7%		**0.1%**	
Marin County	80.8%	81.7%		**0.9%**	
Napa County	88.9%	89.0%		**0.1%**	
Solano County	86.2%	86.2%		**0.0%**	

Contacting Customer Operations

Single Point of Contact for all inquiries

- Call us Monday - Friday 9am - 5pm at (888) 632-3674
- Email us anytime at **info@mcecleanenergy.org**



Thank you!

MCE

mceCleanEnergy.org
info@mceCleanEnergy.org

Empowering Our Clean Energy Future
CONTRA COSTA | MARIN | NAPA | SOLANO

July 17, 2025

TO:	MCE Board of Directors
FROM:	Jackie Nuñez, Senior Communications Manager
RE:	Language Accessibility Study Report
ATTACHMENT:	Enhancing Language Accessibility

Dear Board Members:

Summary:
As part of an initiative to build trust and enhance language accessibility to non-English speaking customers, MCE conducted a study to understand the best communication channels and approaches for engaging with people who experience language barriers.

Background
In 2023, MCE formed an internal working group among various departments to build on the agency's existing language accessibility efforts and identify the most effective ways to serve non-English speaking customers. That year, nearly one in three calls to MCE's service center were received in Spanish. This prompted MCE to better understand community language needs and identify approaches to providing excellent service to this population.

The working group:

- Assessed community language demographics and processes for serving individuals proficient in languages other than English
- Met with other Community Choice Aggregators and public agencies to share best practices
- Developed internal guidelines to operationalize language accessibility procedures

This initiative revealed that:

- Spanish is the most prevalent language among non-English speakers in MCE's area, followed by Tagalog and Chinese
- Roughly 8% of households in MCE's service area are linguistically isolated, meaning members of the family above the age of 14 do not speak English proficiently

In response to these findings, MCE hired a local vendor, Soluna Outreach Solutions, to conduct a language study. The study aimed to understand community priorities, identify the best communication channels to reach individuals, and find the most culturally appropriate terminology to engage with communities around clean energy and climate change.

Soluna Outreach Solutions conducted focus groups in Spanish, one in each county across MCE's service area in partnership with the following local community-based organizations (CBOs).

- Latina Center, Contra Costa County
- Multicultural Center of Marin, Marin County
- Puertas Abiertas, Napa County
- First Five, Solano County

The study found:

- There is an opportunity to build trust with the community around electricity service and clean energy, providing clearer and less technical communications in various formats ranging from written communications and video
- People are interested in in-person conversations and learning opportunities about how to lower bills
- Customers prefer email and physical mail for detailed information and text messages for urgent notices
- Working with local partners, including nonprofits and CBOs, is an effective strategy to build trust especially with non-English speaking communities

MCE has used the results of the study to inform its communications, community engagement, and customer service strategies to establish excellence in service to people facing language barriers. Staff will continue to assess best practices and identify opportunities to work toward an inclusive and equitable approach to serving non-English speaking customers.

Fiscal Impacts: All contractual and staff costs are within the approved fiscal year budget.

Recommendation: Discussion only.

MCE

Language Accessibility Study Report

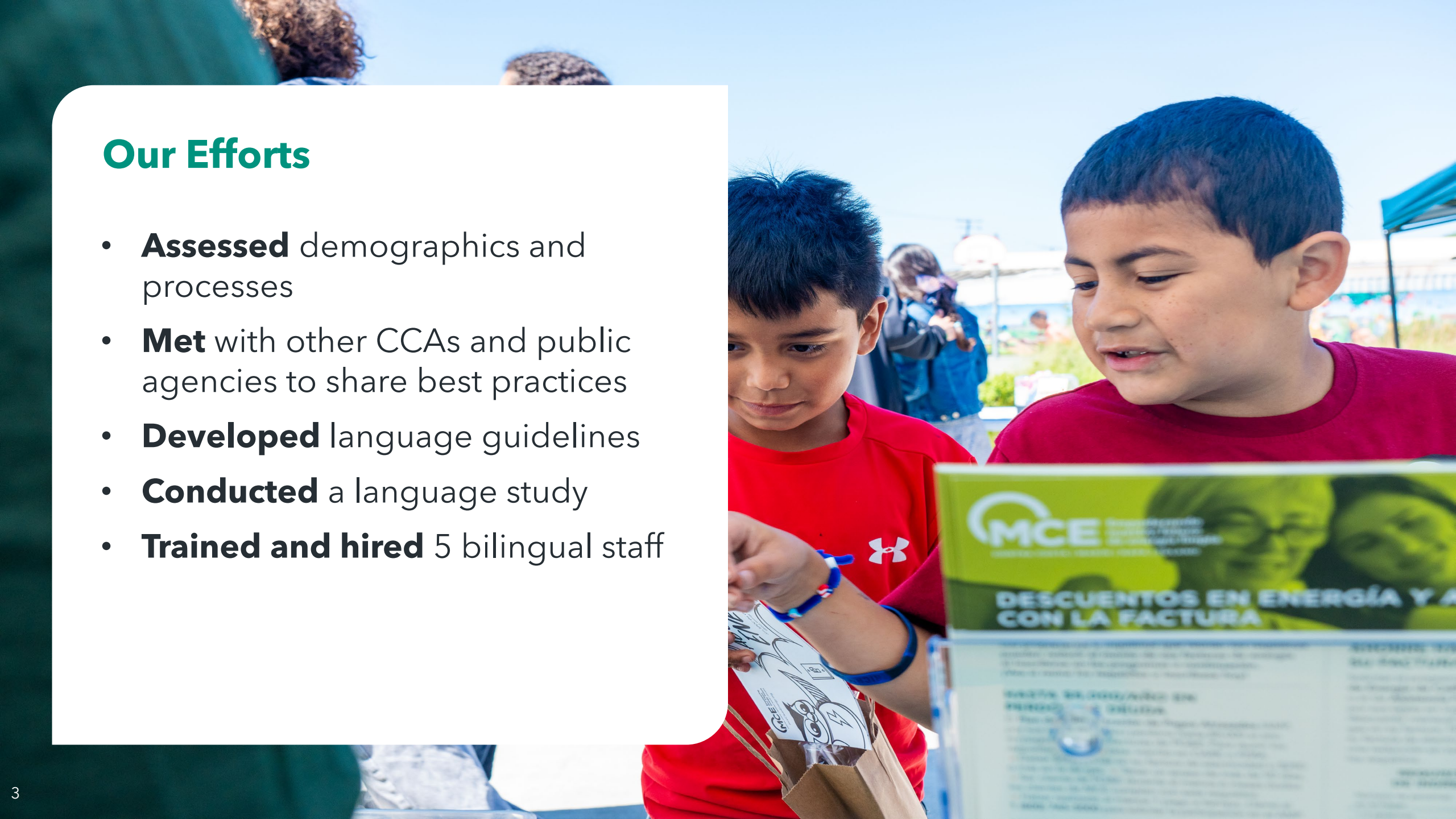
Enhancing Language Access

- **24% of MCE's inbound calls were in Spanish** in 2024
- **More than 8%** of households are linguistically isolated
- **Spanish is the most prevalent language** among non-English speakers in our area, followed by Tagalog and Chinese

Supports those **most impacted by our changing climate.**

Our Efforts

- **Assessed** demographics and processes
- **Met** with other CCAs and public agencies to share best practices
- **Developed** language guidelines
- **Conducted** a language study
- **Trained and hired** 5 bilingual staff



Language Study

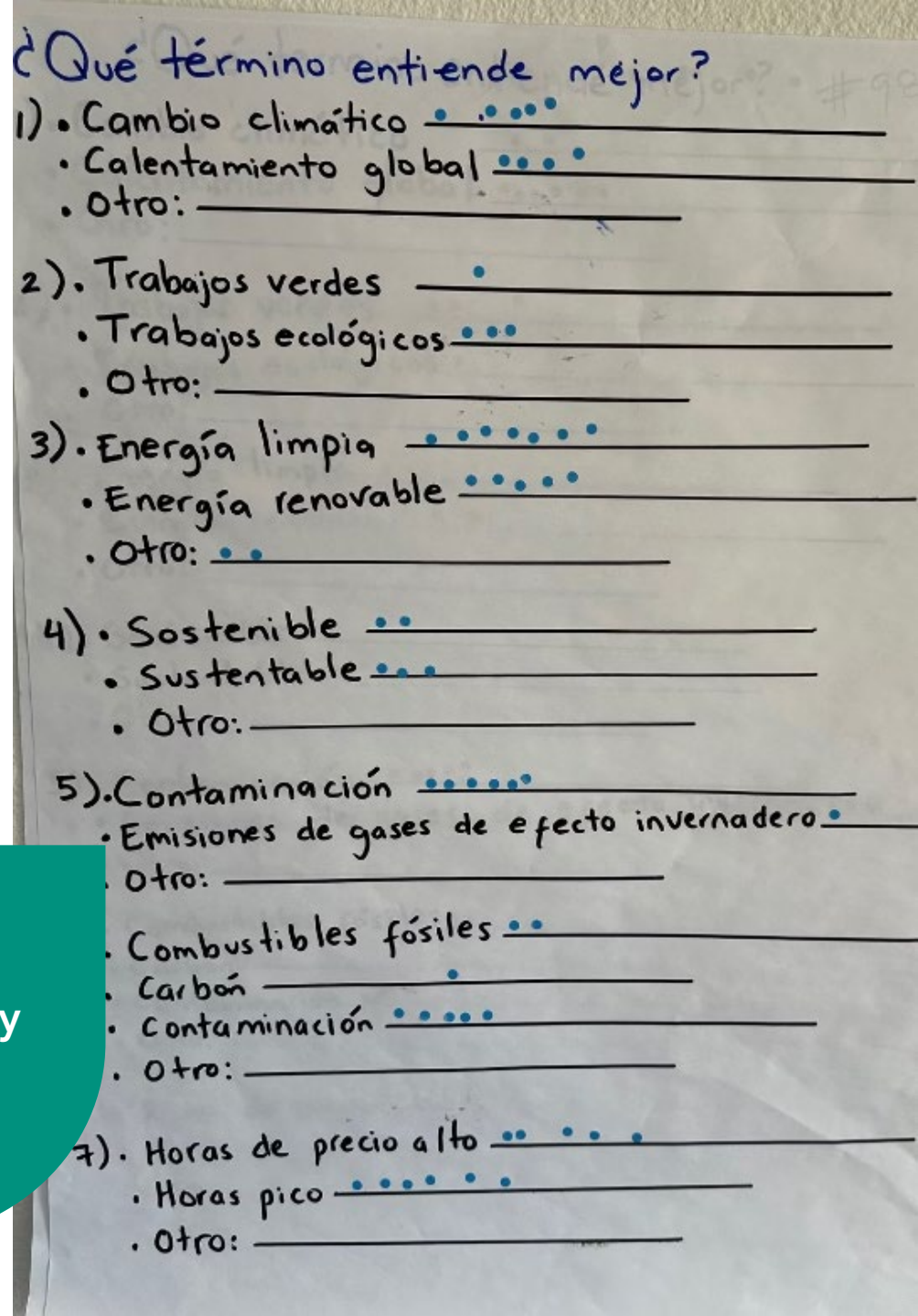
- Understand language and communication channels preferred by Spanish speakers
- One focus group in each county, total of 24 participants
- Hosted with local partners to build trust
- Diverse participants of various ages, including MCE customers and non-customers

"We need more culturally-sensitive outreach that **helps people learn about MCE through trusted community sources**."

– Community Power Coalition member

Findings

- **An opportunity to build trust** around electricity service and clean energy
- **Interest in in-person conversations**, learning opportunities
- **Customers prefer email and physical mail** for detailed information
- **Text message for urgent** notices
- **Continue collaborations with local partners** to build trust
- Topics of interest
  - How to lower bills
  - More clarity about billing and rates
  - Financial assistance programs



Terminology exercise

Next Steps

- Use findings to inform MCE's public engagement and communications
- Discussion with ComPow in July
- Continue to refine internal practices to support non-English speakers
- Explore other community accessibility needs including for people with disabilities, technology and other barriers

Thank you!

MCE

mceCleanEnergy.org
info@mceCleanEnergy.org

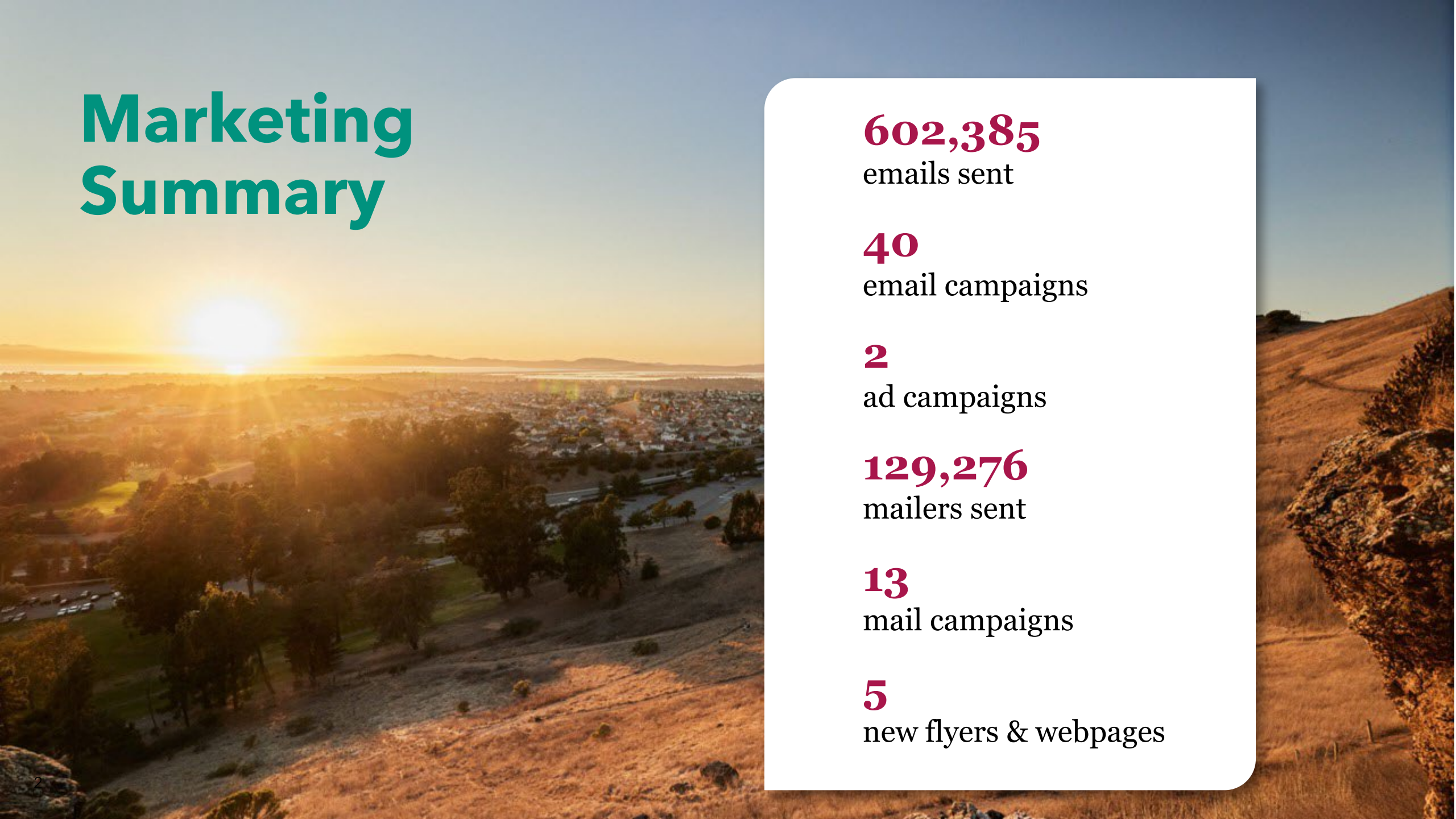
Q2 CY2025

Marketing & Communications

Quarterly Executive Report

April – June 2025

Marketing Summary



602,385
emails sent

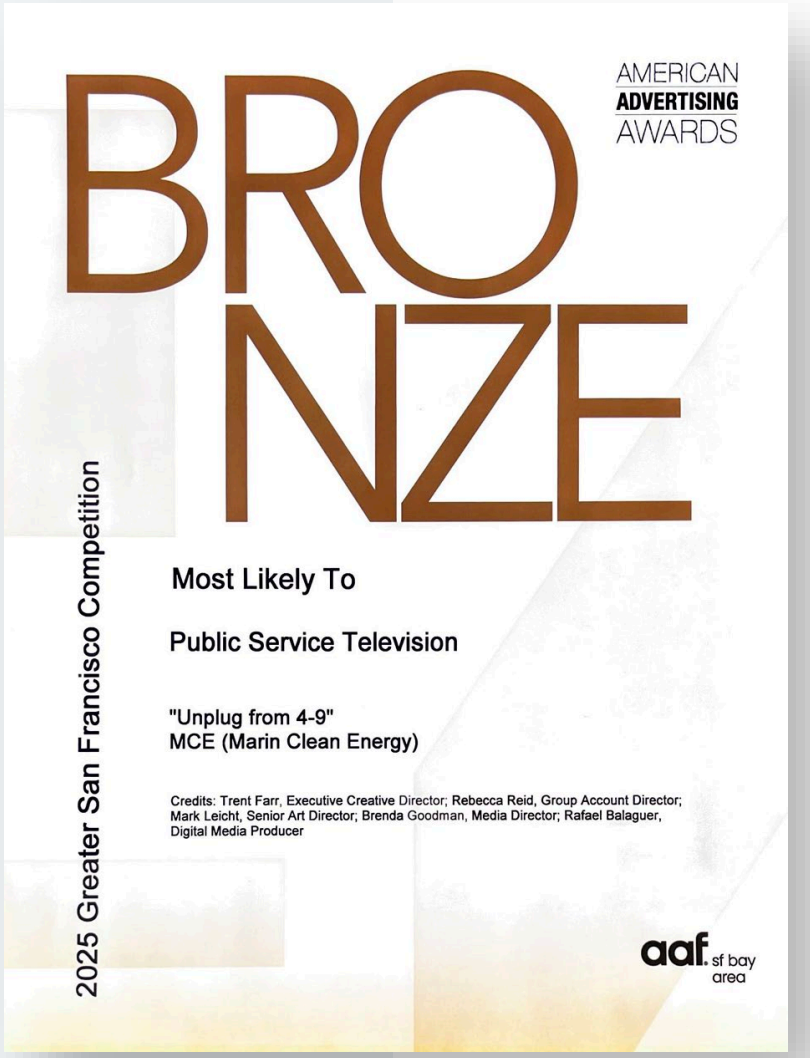
40
email campaigns

2
ad campaigns

129,276
mailers sent

13
mail campaigns

5
new flyers & webpages



Team Highlights

- Won a **Bronze SF ADDY Award in the Best Public Service TV category** for MCE's "Unplugged" 4-9 video campaign
- Hercules Enrollment and Brand Awareness Ad Campaigns: over-delivered on campaign impressions and learned that radio is highly effective channel to reach Spanish speakers
- Nicole Busto, Director of Marketing, presented MCE's rebranding and website refresh at the CalCCA Conference Marketing session
- Madeline Sarvey begins new role as Marketing Coordinator
- Team welcomes Marketing Intern, Maddie Chiu
- Allen Chiu, Senior Digital Marketing Manager and Nicole Busto achieve 10-year MCE anniversary

3

Service Area-wide Ad Campaign

Hercules, MCE's newest member community

4-9 Load Shifting Campaign

Messaging

- "Save money when using appliances."
  "Supercharge your savings before 4 p.m."

Ad placements

- Out-of-home (30 EV charging stations, 1 digital billboard), social ads in English and Spanish (static, animated and 4 user-generated content videos): 5M+ estimated impressions

Timeframe

June 23 – September 14, 2025

Team

- Lead: Heather; Vendor: Most Likely To

5

Special Projects

Anniversary Branding

Materials created

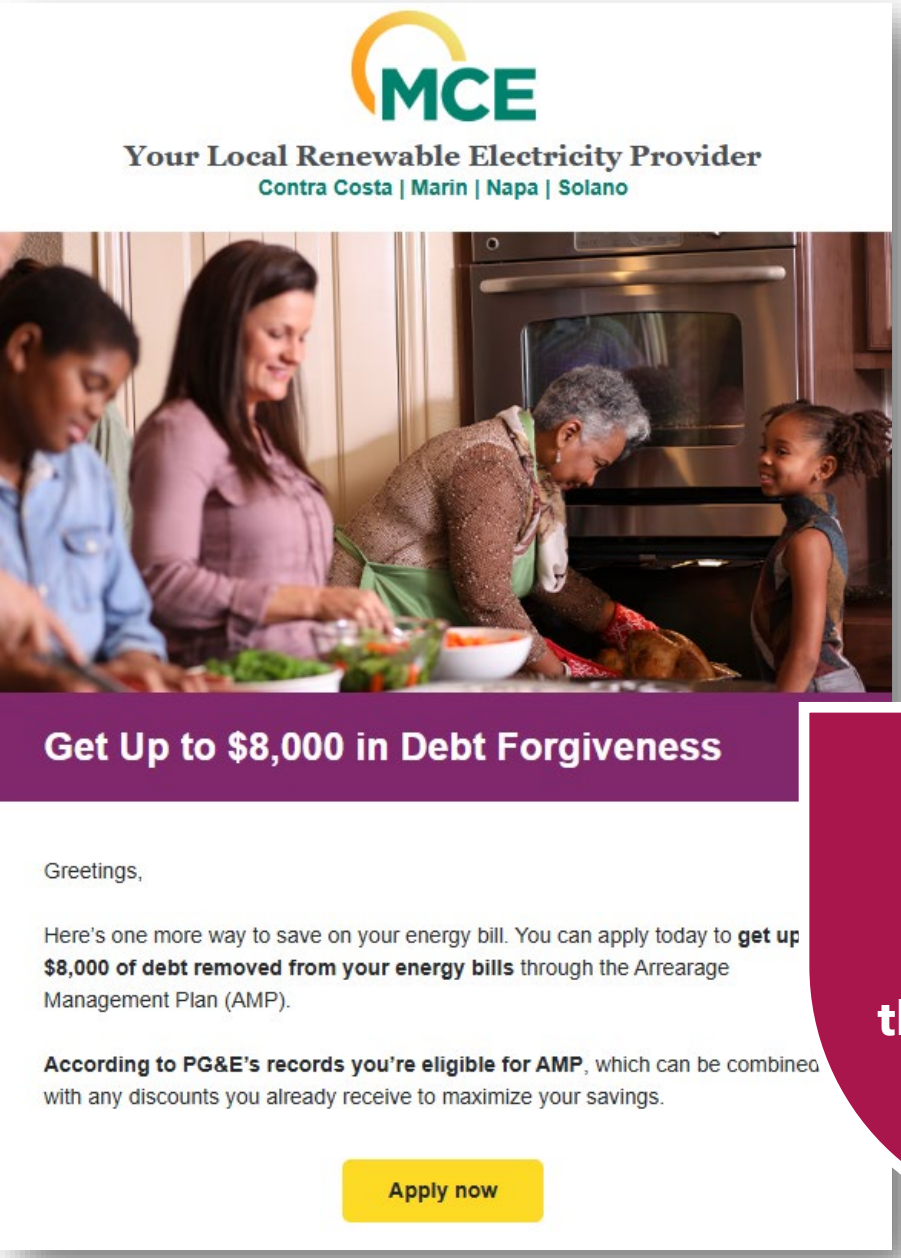
- Zoom backgrounds
- Staff email signatures
- Slide deck template

Team

- Leads: Spike, Heather

Targeted Marketing Campaigns

Marina Bay Northshore residents enjoy their recently installed EV chargers



Email enrollment was 4 times the typical rate (12% vs. 3%)

Arrearage Management Plan

Enrollment Campaign

Target customers: Enrolled in California Alternate Rates for Energy or Family Electric Rate Assistance, owes at least $500 with bills over 90 days past due, and have made at least one on-time payment

Message: Get up to $8,000 in debt forgiveness

Call to action: Apply on PG&E's website

Campaign + materials created:

- Email - 8,610 sent
- Mailer - 292 sent

Program goal: 50% participation rate

Performance to date: 997 enrolled

Team: Leads: Kalicia, Allen

Enrolled 72% of goal with first marketing email

Deep Green Fairfax Credit

Target customers: Residential Fairfax customers without solar

Message: Receive a $5 bill credit for 100% renewable energy

Call to action: Enroll in Deep Green

Campaign + materials created:

- Co-branded email with simplified checkbox form – 3,373 sent
- Webpage
- Flyers for Fairfax events with QR code

Program goal: 100 customers

Performance to date: 92 forms submitted; 88 submissions approved

Team: Leads: Nicole, Allen

Energy Management

Benicia Co-branded Campaign

Co-branded with the City of Benicia!

Target customers: Benicia commercial customers

Message: Receive equipment upgrades and rebates through MCE's Energy Management programs

Call to action: Scan QR to learn more

Campaign + materials created:

- Mailer – 93 mailed

Team: Lead: Jayne

Hercules Enrollment

Target customers: Hercules residents and businesses

Message: MCE will be your new electricity provider starting in April

Call to action: Visit or contact us to learn more

Campaign + materials created:

- General customers:
  - Notice 2: 2,362 English and Spanish emails; 303 bilingual mailers
  - Notice 3 + 4: 12,186 English and Spanish emails; 2,175 bilingual mailers
- Solar customers:
  - Notice 1 + 2: 862 bilingual mailers sent
  - Notice 3 + 4: 690 bilingual mailers sent
- Workshop invitations and post-event emails
- Ads: social, digital, bus bench February to May
- Flyers: English; Spanish; Commercial
- Webpage

Team: Lead: Nicole; Support: Spike, Allen, Sarah

MCE Sync
EV Charging App

Target customers: EV drivers in a state-designated priority population within MCE's service area

Message: Save up to $220 annually on your EV charging

Call to action: Download the MCE Sync app

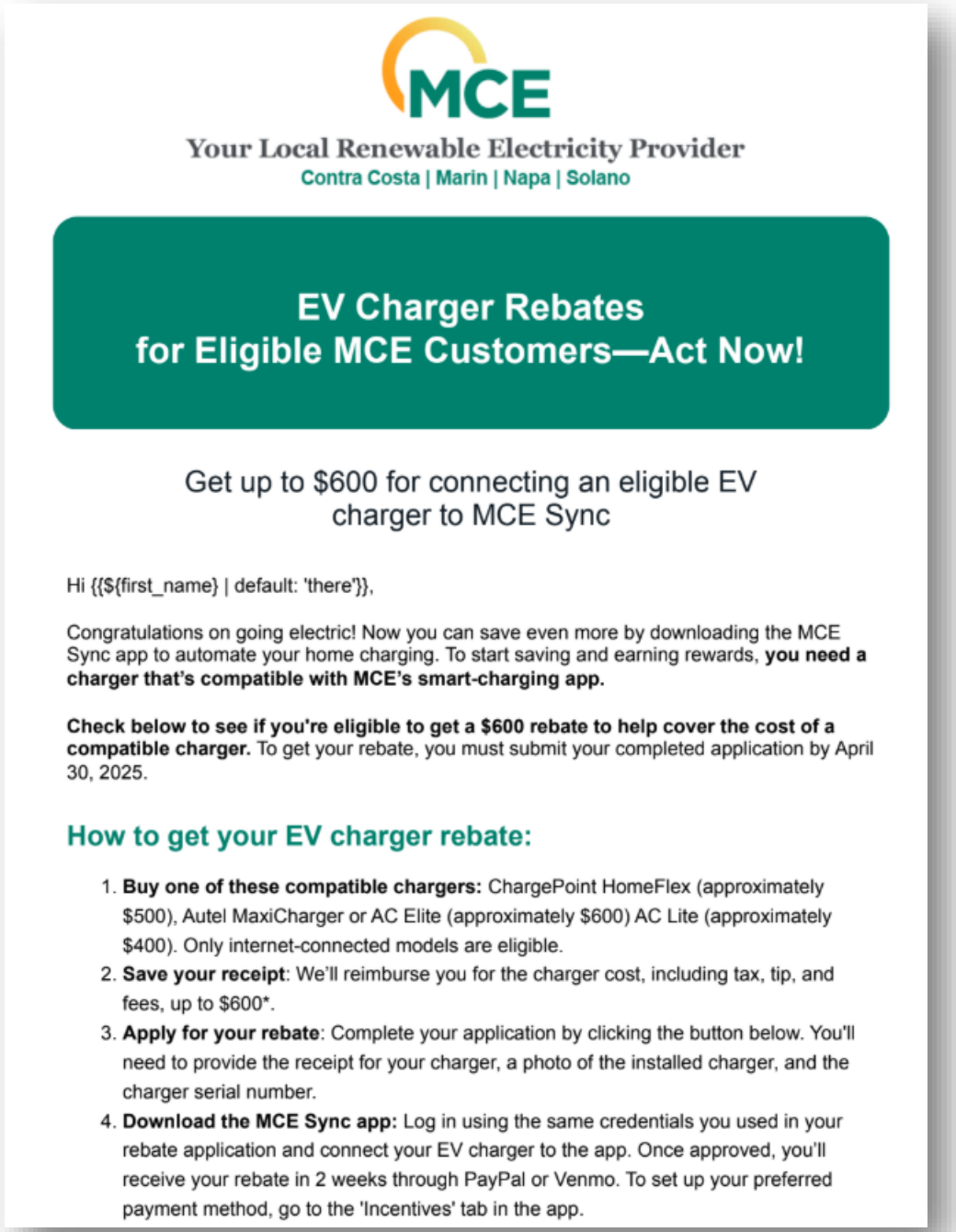
Campaign + materials created:

- Mailer - 7,442 sent

Program goal: 5,000 participants by Q1 2026

Performance to date: 33 downloads, 21 accounts created

Team: Lead: ev.energy; Support: Kalicia



MCE

Your Local Renewable Electricity Provider

Contra Costa | Marin | Napa | Solano

EV Charger Rebates for Eligible MCE Customers—Act Now!

Get up to $600 for connecting an eligible EV charger to MCE Sync

Hi {{${first_name} | default: 'there'}},

Congratulations on going electric! Now you can save even more by downloading the MCE Sync app to automate your home charging. To start saving and earning rewards, **you need a charger that's compatible with MCE's smart-charging app.**

Check below to see if you're eligible to get a $600 rebate to help cover the cost of a compatible charger. To get your rebate, you must submit your completed application by April 30, 2025.

How to get your EV charger rebate:

1. **Buy one of these compatible chargers:** ChargePoint HomeFlex (approximately $500), Autel MaxiCharger or AC Elite (approximately $600) AC Lite (approximately $400). Only internet-connected models are eligible.
2. **Save your receipt**: We'll reimburse you for the charger cost, including tax, tip, and fees, up to $600*.
3. **Apply for your rebate**: Complete your application by clicking the button below. You'll need to provide the receipt for your charger, a photo of the installed charger, and the charger serial number.
4. **Download the MCE Sync app:** Log in using the same credentials you used in your rebate application and connect your EV charger to the app. Once approved, you'll receive your rebate in 2 weeks through PayPal or Venmo. To set up your preferred payment method, go to the 'Incentives' tab in the app.

MCE Sync

EV Charger Rebate

Target customers: EV drivers who live in a state-designated priority population within MCE's service area and received MCE's EV Instant Rebate

Message: Get up to $600 off an EV charger

Call to action: Buy an MCE Sync-compatible EV charger and apply for the rebate

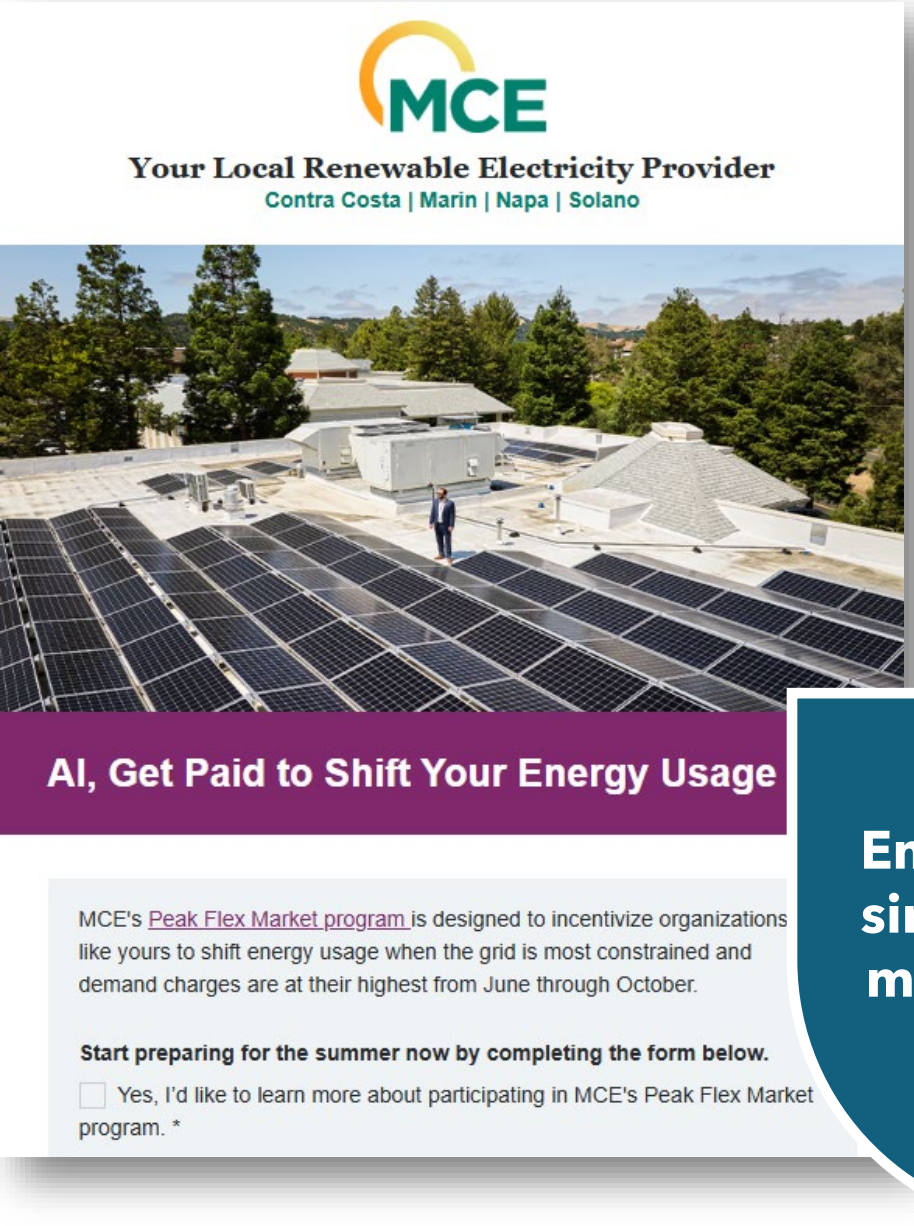
Campaign + materials created:

- Email - 1,172 sent

Program goal: Provide 100 home charger rebates by Q1 2026

Performance to date: 6 rebates issued

Team: Lead: ev.energy; Support: Kalicia



Embedded and simplified form makes it easier to show interest!

Peak Flex Market

2025 Season

Target customers: Non-residential customers

Message: Get paid to shift your energy usage

Call to action: Submit interest form

Campaign + materials created:

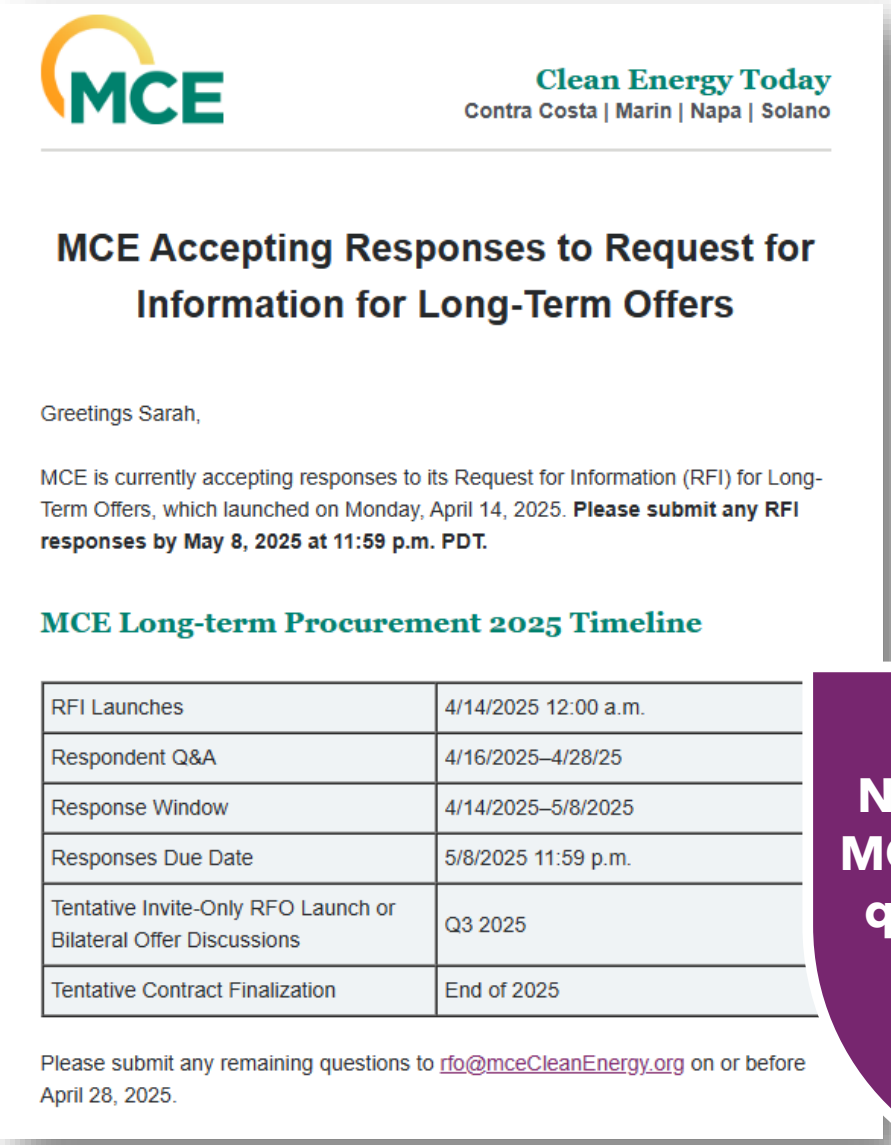
- Email – 604 sent
- Mailer – 308 mailed

Program goal: 13 forms submissions based on 1% campaign conversion rate

Performance to date: 9 form submissions

Team: Lead: Jayne

2025 RFI for Long-Term Offers



MCE

Clean Energy Today
Contra Costa | Marin | Napa | Solano

MCE Accepting Responses to Request for Information for Long-Term Offers

Greetings Sarah,

MCE is currently accepting responses to its Request for Information (RFI) for Long-Term Offers, which launched on Monday, April 14, 2025. **Please submit any RFI responses by May 8, 2025 at 11:59 p.m. PDT.**

MCE Long-term Procurement 2025 Timeline

RFI Launches	4/14/2025 12:00 a.m.
Respondent Q&A	4/16/2025–4/28/25
Response Window	4/14/2025–5/8/2025
Responses Due Date	5/8/2025 11:59 p.m.
Tentative Invite-Only RFO Launch or Bilateral Offer Discussions	Q3 2025
Tentative Contract Finalization	End of 2025

Please submit any remaining questions to rfo@mceCleanEnergy.org on or before April 28, 2025.

New streamlined MCE-administered questionnaire to simplify submission process

Target customers: Energy supply project developers and trade organizations

Message: Notice of MCE's 2025 Request for Information for Long-Term Offers

Call to action: Submit Request for Information Questionnaire

Campaign + materials created:

- Request for Information Questionnaire
- Save-the-Date Email – 423 sent
- Request for Information Launch Email – 427 sent
- Reminder Emails (2 rounds) – 862 sent

Program goal: Test alternative Open Season procedure to streamline process for participants and Power Resources staff

Performance to date: 113 project offer submissions

Team: Lead: Sarah; Support: Allen

Co-branded with the City of Vallejo!

Small Business Energy Advantage

Vallejo Campaign

Target customers: Vallejo small businesses

Message: Free energy assessments and upgrades for small businesses in Vallejo

Call to action: Submit interest form

Campaign + materials created:

- Email – 604 sent
- Mailer – 308 mailed

Program goal: 3 community engagement events

Performance to date: 10 pre-event form submissions (2.4%), 3 post-event form submissions (1.5%), 26 Vallejo businesses enrolled

Team: Lead: Jayne

Additional Support

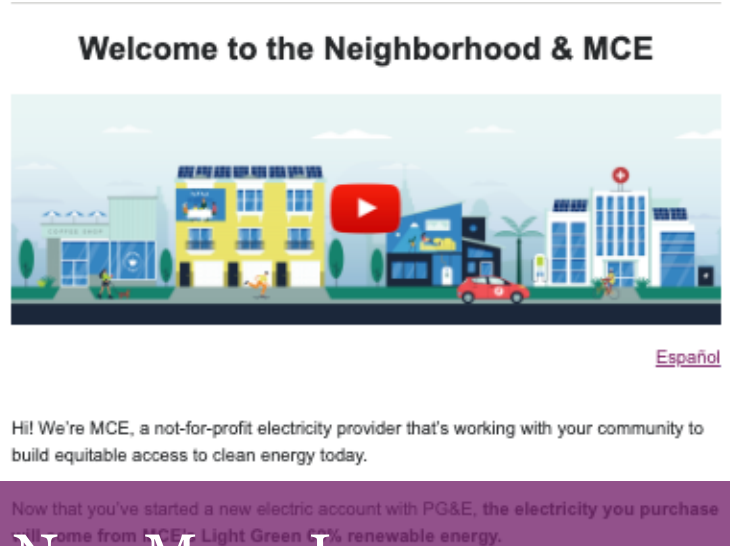
MCE's Small Business Energy Advantage program staff getting the word out to Vallejo businesses

- Community Power Coalition Event
  - March post-event email
  - May invitation, reminder, and post-event emails
- Certify & Amplify 2025 Event
  - Small Business Energy Advantage invitation email
- New webpages
  - EV rebate dealership enrollment – 86 form submissions from organic traffic
- New flyers:
  - MCE contractor programs
  - Co-branded Commercial Flex Market program
- **Team:** Leads: Sarah, Kalicia, Jayne; Support: Nicole, Ayaka

Ongoing Notices

Team

- Lead: Allen, Spike (New Move-in; Deep Green Welcome)
- Support: Kalicia (Green Access)



Welcome to the Neighborhood & MCE

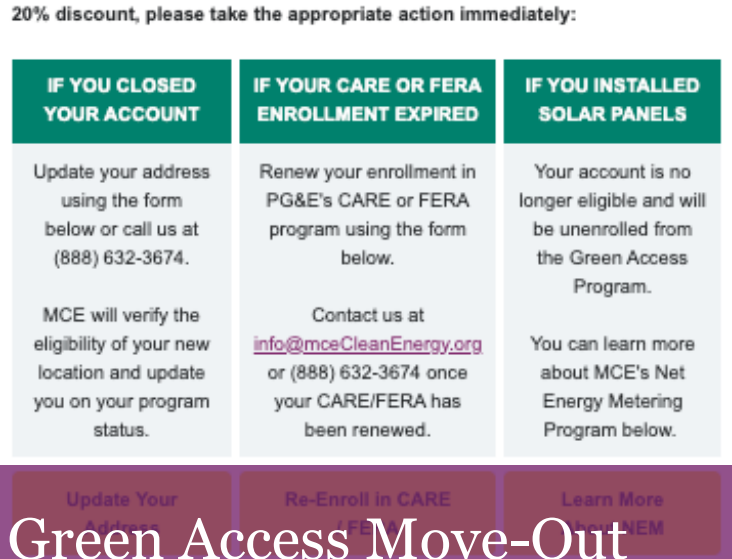
Español

Hi! We're MCE, a not-for-profit electricity provider that's working with your community to build equitable access to clean energy today.

Now that you've started a new electric account with PG&E, the electricity you purchase

New Move-In

39,741 emails + 29,287 mailers sent



20% discount, please take the appropriate action immediately:

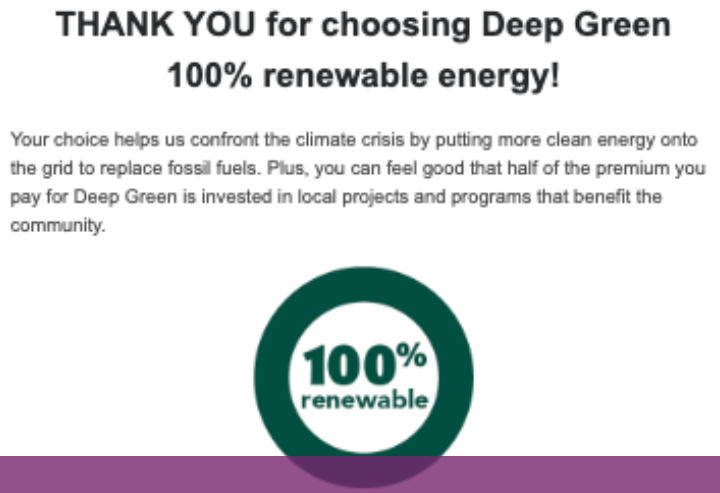
IF YOU CLOSED YOUR ACCOUNT	IF YOUR CARE OR FERA ENROLLMENT EXPIRED	IF YOU INSTALLED SOLAR PANELS
Update your address using the form below or call us at (888) 632-3674. MCE will verify the eligibility of your new location and update you on your program status.	Renew your enrollment in PG&E's CARE or FERA program using the form below. Contact us at info@mceCleanEnergy.org or (888) 632-3674 once your CARE/FERA has been renewed.	Your account is no longer eligible and will be unenrolled from the Green Access Program. You can learn more about MCE's Net Energy Metering Program below.

Update Your Address | Re-Enroll in CARE / FERA | Learn More about NEM

/ to learn about other ways to save on your electric bill.

Green Access Move-Out

262 emails sent



THANK YOU for choosing Deep Green 100% renewable energy!

Your choice helps us confront the climate crisis by putting more clean energy onto the grid to replace fossil fuels. Plus, you can feel good that half of the premium you pay for Deep Green is invested in local projects and programs that benefit the community.

100% renewable

Account Name: City of Walnut Creek

Walnut Creek, 94598

Opt Up Effective Date: 7/15/2024

Deep Green Welcome

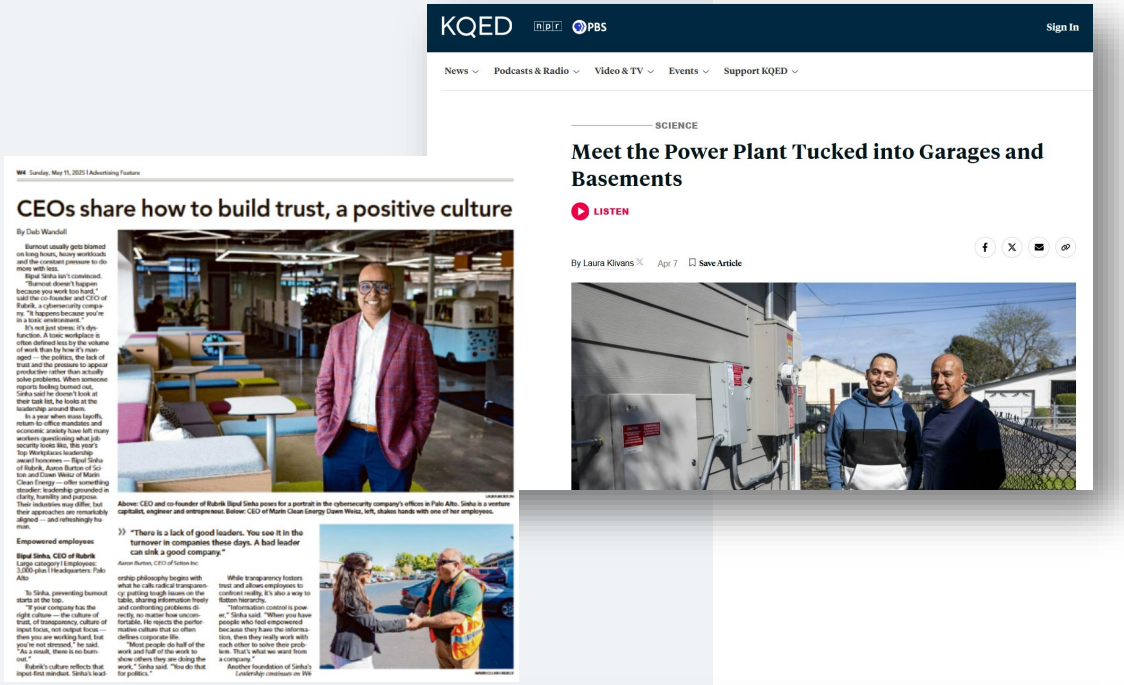
285 emails sent

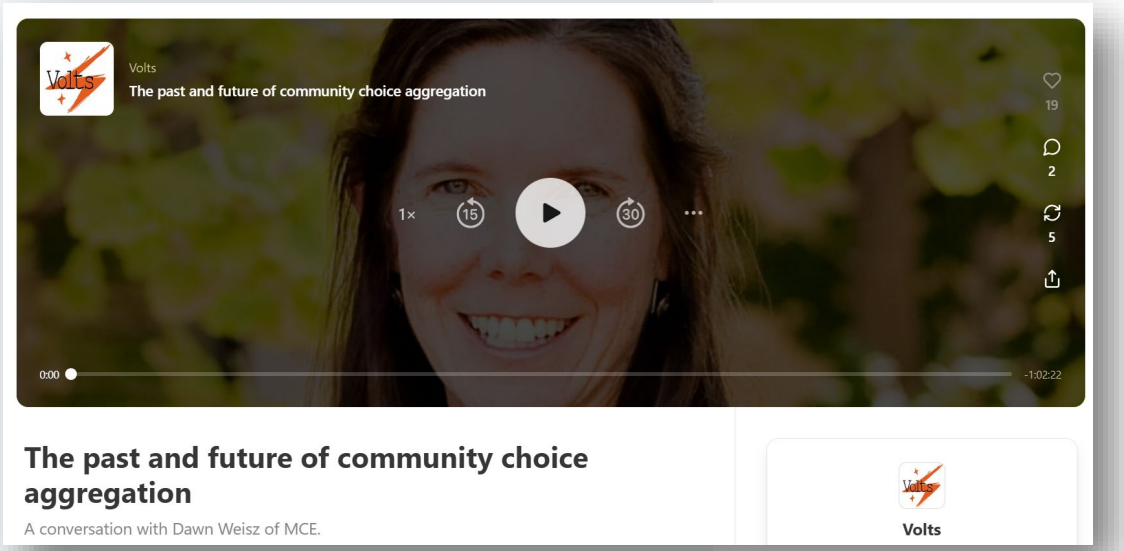
Communications

Green Workforce Pathways promotes workforce development curriculums

Press Releases + Newsletters

- Green Leadership in Action: MCE Recognizes Bay Area Changemakers – 789 emails sent
- MCE Celebrates 15 Years as California's First Community Choice Energy Provider – 791 emails sent
- MCE and Calpine Add More Renewable, Reliable Power from The Geysers, the World's Largest Geothermal Complex – 1,042 emails sent
- Bay Area Residents to Save $65 Million With MCE's Clean Energy Projects – 1,014 emails sent
- Newsletters – 17,449 emails sent
  - **Top ranked content:** April – McGlashan Award (32 page visits); May – 4 to 9 tips (51 page visits); June – Calpine (57 page visits)
- **Team:** Lead: Jackie; Support: Madeline, Sarah





Earned Media

- Volts podcast interview with Dawn: The Past and Future of CCAs
- San Francisco Chronicle CEOs share how to build trust, a positive culture
- San Francisco Business Times Most Influential Women in Bay Area Business Feature on Dawn
- KQED The Bay Podcast - Can 'Virtual Power Plant' Technology Help Our Power Grid?
- Edible Marin & Wine Country Fallon Two Rock Feature
- The EV Report Dynamic Pricing Optimizes California EV Charging
- Richmond Standard Deal brings 24/7 geothermal energy to local homes, businesses
- **Team:** Lead: Jared, Jackie **Support:** Shyna

Blog Posts

- City of Martinez Goes 100% Renewable
- An Inside Look at MCE's Power Resources Team with Stephen Mariani
- The Power of Partnerships: How MCE Strengthens Communities
- Youth Take the Lead at Our First-Ever Because of Youth Festival
- 4 Ways Your Business Can Beat Summer's Peak Energy Costs
- Renters: How to Save Energy during 4-9
- **Team:** Lead: Shyna, Madeline

Other Updates

- **Reached 8,000 LinkedIn followers, 16% increase year over year**
- Awards
  - San Francisco Business Times Most Influential Women in Business Award gala for Dawn
  - San Francisco Chronicle Top Workplace award
- Sponsorships:
  - Pacific Offshore Wind Summit
  - RISE Climate & Wine Symposium
  - CA Energy Demand Management Council Spring Symposium
- **Team:** Leads: Jackie, Shyna

Thank you!

mceCleanEnergy.org
marketing@mceCleanEnergy.org

Empowering Our Clean Energy Future
CONTRA COSTA | MARIN | NAPA | SOLANO

July 17, 2025

TO: MCE Board of Directors

FROM: Sabrinna Soldavini, Director of Policy

RE: Policy Update of Legislative and Regulatory Items

ATTACHMENT: Regulatory Packet with Filings since the April Board Meeting

Dear Board Members:

Below is a summary of the key activities at the state and federal legislatures and the California Public Utilities Commission (CPUC), California Energy Commission (CEC), and the California Independent System Operator (CAISO) impacting Community Choice Aggregation (CCA) and MCE.

I. Legislative Advocacy

a. California

By the time of this board meeting, all remaining active bills will have been heard in second house policy committees unless a rule waiver has been negotiated. As usual, many large and/or controversial issues will be granted exceptions to bypass the normal process and be addressed in the weeks just before the end of session on September 12th. Staff expect that among energy and climate issues, regional markets, electric affordability, and cap and trade reauthorization are likely to be included in the late summer sprint to the finish. As was the case last year, the state budget deficit as well as the forecasts of future deficits are providing context for policy bills under consideration, as there is little to no money the state can spend on new or expanded initiatives.

Since the last staff report, MCE has registered an Oppose Unless Amended position on AB 825 (Petrie-Norris). While the bill contains several provisions designed to deliver meaningful affordability benefits to electric customers by reducing transmission and distribution costs, it contains a section that would infringe upon CCA autonomy and the authority of our governing boards to make decisions about the programs CCAs offer our customers. We continue to work transparently and productively with the author's staff to discuss our concerns and are hopeful that they can be addressed through future amendments.

The below table lists the positions MCE has registered to date.

Bill Number and Author	**Subject**	**MCE Position**
SB 540 (Becker, Stern)	Pathways Initiative, regional energy markets	Support
SB 330 (Padilla)	Alternative financing for transmission	Support
SB 302 (Padilla)	Renewable tax conformity	Support
AB 443 (Bennett)	Green hydrogen, curtailed renewables	Support
SB 326 (Becker)	Wildfire mitigation strategic planning	Support
AB 1280 (Garcia)	IBank Climate Catalyst funding eligibility for industrial decarbonization projects	Support
AB 806 (Connolly)	Supporting installation of cooling units in mobile homes	Support
SB 541 (Becker)	Load-shifting and rates requirements	Oppose Unless Amended
AB 825 (Petrie-Norris)	Electric affordability (multiple topics)	Oppose Unless Amended

b. Federal

H.R. 1,[1] the federal budget reconciliation omnibus bill, was signed into law on July 4th. Among other provisions, the bill contains the following significant changes to the Inflation Reduction Act's (IRA) clean energy tax credits. MCE staff are still analyzing the impacts of these changes on our procurement, programs, and agency costs, and will have more information to share as the implications of these changes become more clear.

Over the last several months, MCE joined the chorus of clean energy advocates and other impacted stakeholders lobbying against these changes, and will continue to work with these coalitions as the effects of this significant legislation begin to take shape.

Credits for commercial renewables

H.R. 1 significantly accelerates the sunset dates for the Investment Tax Credit and Production Tax Credit for solar and wind projects. Projects must start construction before July 4, 2026 in order to be eligible for existing tax credits, assuming all other eligibility criteria have been met. Projects that start construction after July 4, 2026 must come online before Dec. 31, 2027 in order to be eligible for credits. Credits for these technologies do not phase out gradually.

For all other technologies, including batteries, geothermal, hydroelectric, and nuclear, projects must begin construction by Dec. 31, 2033 in order to be eligible for the full tax credit. After 2033, the credit ramps down annually until it is fully eliminated for projects that start construction in or after 2036.

H.R. 1 also imposes a set of complex new restrictions on "foreign entities of concern" (FEOC). Broadly speaking, prohibited foreign entities (as defined in the bill) cannot receive these tax credits. Additionally, projects that use more than a specified percentage of components, calculated by cost, that are sourced from a prohibited foreign entity are ineligible to receive the credits.

Credits for individual customers

H.R. 1 accelerates the sunset of the IRA's customer-facing tax credits as well. These changes will not impact MCE's agency finances but will make clean energy investments more expensive for our customers. Customers will still have access to incentives funded either by MCE or by state sources, but will be unable to stack federal incentives after the following dates:

- Previously-owned Clean Vehicle Credit (25E) ends for vehicles acquired after Sept. 30, 2025
- Clean Vehicle Credit (30D) (new vehicles) ends for vehicles acquired after Sept. 30, 2025
- Commercial Clean Vehicle Credit (45W) ends for vehicles acquired after Sept. 30, 2025
- Alternative Fuel Vehicle Refueling Property Credit (30C) ends for property placed in service after June 30, 2026

[1] H.R. stands for House of Representatives, where the bill was originally introduced.

- Energy Efficient Home Improvement Credit (25C) ends for property placed in service after Dec. 31, 2025
- Residential Clean Energy Credit (solar, batteries, etc.) (25D) ends for expenditures made after Dec. 31, 2025 (for systems owned by the customer/taxpayer)
- Credits end for solar systems leased to residential customers after Dec. 31, 2027
- Energy Efficient Commercial Buildings Deduction (179D) ends for property on which construction starts after June 30, 2026
- New Energy Efficient Home Credit (45L) ends for homes acquired after June 30, 2026

MCE-specific funding

While MCE has a small number of federal grants from different programs, staff are not aware of any impacts resulting from H.R. 1.

II. California Public Utilities Commission (CPUC)

a. Power Charge Indifference Adjustment (PCIA) Proceeding

In February 2025, the CPUC issued an Order Instituting Rulemaking (OIR) to update Energy Resource Recovery Account (ERRA) and Power Charge Indifference Adjustment (PCIA) policies and processes. Per law, the CPUC is required to ensure "indifference" and prevent cost shifts between bundled and unbundled customers. This entails the Investor-Owned Utilities (IOUs), such as Pacific Gas & Electric (PG&E) recovering electricity costs from CCA customers that were incurred on their behalf before they departed PG&E service, and reducing those costs by the value of benefits that remain with PG&E customers. To facilitate this process, the Commission established the PCIA, a charge paid by all customers on the PG&E side of the bill.

In this proceeding, the CPUC is evaluating potential changes to the methodology of calculating the PCIA through two tracks. Track 1 considered interim changes to the calculation of the Resource adequacy (RA) Market Price Benchmark (MPB), one of the inputs used to calculate the PCIA, on an expedited basis. Track 2 will consider broader, long term changes to the overall PCIA methodology and will begin in 2026.

The CPUC issued a Proposed Decision (PD) in Track 1 of the proceeding in May 2025 approving the RA MPB methodology changes and allowing the IOUs' to apply these changes retroactively to previously approved rates. CalCCA filed opening and reply comments on the PD reiterating our position of preserving accuracy, transparency and fairness in calculating the RA MPB. The comments highlighted the absence of substantial evidence throughout the process of reaching the decision and the lack of legal analysis to support application of a new methodology to previously approved rates. The CPUC voted to finalize the PD with no major changes on June 26, 2025.

MCE will continue to actively engage in this proceeding through 2025 and provide updates as they become available.

Fiscal Impacts: There are no immediate fiscal impacts to MCE, but changes to the methodology will impact the PCIA charge paid by MCE customers for 2026 and beyond and are expected to increase PCIA rates for MCE customers. MCE Staff will continue to provide updates on expected PCIA rates for 2026 as we approach January 2026.

b. PG&E Billing Modernization Initiative

In October 2024, PG&E submitted an Application for approval to recover 2023-2030 revenue requirements ($761.3 million) for its Billing Modernization Initiative (BMI). BMI will replace PG&E's aging billing system currently used to serve its electric and gas customers, including MCE customers, as PG&E serves as the billing agent for MCE, in the areas of billing, customer service, and customer data management. PG&E proposes to recover the costs of these upgrades from all customers, bundled and unbundled.

MCE is working with a group of Joint CCAs in PG&E's service territory and in June 2025, the Joint CCA group filed Intervenor Testimony advocating for billing systems and processes that result from this upgrade to be: 1) sufficient to meet CCA customer needs and 2) designed to equitably serve both PG&E's bundled and unbundled (CCA) customers. The Joint CCAs stated the need for the costs of this upgrade to be fairly allocated and urged the CPUC to ensure that PG&E's billing system and cost allocation proposals do not confer an unfair competitive advantage to PG&E.

MCE will continue to work with the Joint CCA group in this case and engage with PG&E throughout the BMI upgrade process.

Fiscal Impacts: There are no immediate fiscal impacts to MCE, but costs from the upgrade will impact the distribution charge paid by MCE customers in the future.

c. Provider of Last Resort (POLR) Phase II

MCE is currently engaging in Phase 2 of the POLR proceeding with the California Community Choice Association (CalCCA) to implement relevant provisions of SB 520 (2019). SB 520 required the CPUC to determine the requirements and regulatory framework for a POLR (the entity required to serve customers if a Load Serving Entity (LSE) can no longer serve their customers and designated the IOUs as the POLRs for their respective service areas. The CPUC is also required to determine the conditions and process for the transfer of POLR responsibilities from an IOU to a non-IOU LSE, including a CCA.

In May 2025, the CPUC issued a ruling seeking responses to (1) the CPUC's authority over a non-IOU POLR; and (2) a potential procedural path to consider any future applications for POLR status by a non-IOU LSE. In June 2025, CalCCA filed Opening and Reply Comments in response to the ruling. CalCCA advocated that the CPUC's authority over a non-IOU POLR is limited to only the provision of POLR service, and does not extend beyond those services to any other operations. CalCCA supported the CPUC's proposal to issue an interim decision that provides a framework for its regulatory authority over a non-IOU POLR and the services it provides. Further details on the transfer of POLR responsibilities will be finalized if and when a non-IOU entity demonstrates interest in assuming POLR status.

MCE will continue to work with CalCCA to ensure that reasonable terms are established for any CCAs interested in assuming POLR responsibilities in the future.

Fiscal Impacts: There is no direct fiscal impact to MCE at this time.

d. Disconnections

In May 2025, the CPUC issued a PD addressing reconnection and extreme heat protections in the Disconnections proceeding. The PD requires the IOUs to reconnect customers who have been disconnected for the first-time with no conditions beyond enrolling the customer in a payment plan. Following that first-time disconnection, customers will be protected from disconnection for three months. The PD also requires the IOUs file proposals for heat-based disconnection thresholds within six months and to adopt them by May 1, 2026.

CalCCA filed opening comments recommending that the CPUC approve the PD's reconnection framework. CalCCA also recommended that the CPUC require the IOUs to include a breakdown of unbundled customers in monthly disconnection reports, and to provide regular reports to CCAs regarding customers at risk of disconnection. The CPUC adopted a Final Decision at the June 12, 2025, Voting Meeting, and declined to adopt CalCCA's recommendations.

Fiscal Impacts: There are no direct fiscal impacts to MCE at this time.

e. Distributed Energy Resources Data Working Group

In May 2025, the CPUC's Data Working Group held its final meeting. CalCCA and MCE have been participating in the working group series since August 2024. At the final meeting, the working group facilitators invited stakeholders to submit informal comments on the data use cases compiled during the course of the working group. On June 13, 2025, CalCCA submitted informal comments recommending 1) that CCA data use cases be prioritized due to the large number of CCA customers and the longstanding nature of ongoing data needs, and 2) that the

primary outcome of the working group be an action plan including an implementation timeline and a prioritized list of data use cases. A draft of the working group report will be published by the facilitators and made available for comment in Fall 2025.

Fiscal Impacts: There are no direct fiscal impacts to MCE at this time.

f. Resource Adequacy (RA)

In June 2025, the CPUC adopted a Final Decision in Track 3 of the RA proceeding. Track 3 considered a number of near-term changes to the RA program including: adoption of an updated Planning Reserve Margin (PRM) for 2026 and 2027 (the PRM is the additional amount of RA-eligible capacity above base RA requirements to ensure sufficient capacity is available for grid operations under stressed conditions); compliance methodology modifications to account for the RA program's transition to the Slice-of-Day (SOD) framework; and whether to adopt and implement a System RA waiver process whereby a Load Serving Entity (LSE) would be able to seek a penalty waiver for a portion of its RA requirements provided the LSE demonstrated it took sufficient commercial action to meet those requirements.

The Final Decision increased the PRM for 2026 and 2027 to 18 percent (from the current 17 percent), which represents a more modest increase than the CPUC originally contemplated. The Final Decision, however, also continued the effective PRM for the IOUs, which authorizes the IOUs to procure additional RA capacity beyond the PRM from June to October as an additional capacity buffer during the high demand summer months.

The Final Decision declined to adopt RA waiver proposals, which were intended to help balance reliability and affordability and mitigate cost impacts of the anticipated PRM increase. The Final Decision also declined to adopt CalCCA's proposed enhancements to the RA framework that would allow LSEs to trade hourly load obligations - a proposal that would incentivize LSEs to optimize their SOD portfolios and bring cost savings to the RA program. The Final Decision, however, directed CPUC Staff to continue to assess the feasibility and need for load obligation trading and potentially adopt the proposal in a future stage of the proceeding.

Fiscal Impacts: While the exact impact is undetermined, the PRM increase will impact procurement costs as the PRM affects the amount of RA MCE will be required to purchase to meet its compliance needs and support reliability.

g. Disadvantaged Communities Green Tariff (DAC-GT)

Through the CPUC's Disadvantaged Communities Green Tariff (DAC-GT), MCE offers the Green Access Program, which provides low-income MCE customers living in pollution

burdened communities with a 20% discount on their electricity bill, and 100% solar energy from a project located in a pollution burdened community.

In May 2024, the CPUC adopted D.24-05-065 which ordered PG&E and Southern California Edison Company (SCE) to work with participating CCAs to develop a proposal for updating the cost containment cap applicable to the DAC-GT program. The cost cap is a key factor in determining which renewable projects are eligible for participation in the program. In August 2024, the Joint IOUs proposed a methodology to reduce the cost cap that renders the DAC-GT program unworkable for many program administrators. In May 2025, the CPUC issued a Draft Resolution adopting the Joint IOUs' methodology.

MCE worked with a group of CCAs that filed comments on the Draft Resolution. The Joint CCAs reiterated their interest in operating a successful DAC-GT program and highlighted the shortcomings of the methodology. The Joint CCAs also proposed reasonable alternatives that could be implemented in case no bids are received under the cost cap.

MCE is awaiting a decision on a Final Resolution and will share updates as they become available.

Fiscal Impacts: There is no direct fiscal impact to MCE at this time, but a reduced cost cap may impact MCE's ability to procure new projects to serve the DAC-GT program. MCE will provide updates on future DAC-GT solicitations when they become available.

h. Energy Efficiency (EE)

In June 2025, MCE submitted opening and reply comments on the proposed scope of the CPUC's new order instituting a rulemaking on EE policies and portfolios. MCE's comments supported the proposed scope's discussion of oversight of EE programs generally and for program years 2024-2027, advancing decarbonization through EE programs, and policy guidance for 2026 EE applications.

MCE also supported adding a discussion of the CPUC's Environmental and Social Justice Action Plan, non-energy benefits, energy affordability and the California Energy Efficiency Coordinating Committee to the proposed scope of the proceeding. MCE participated in a Prehearing Conference on the proposed scope and schedule of the proceeding offering similar comments in June 2025. MCE anticipates a scoping ruling from the Commission this summer.

In June 2025, MCE also received a disposition letter approving the Joint EE Program Administrator submitted advice letter on EE program overlap, mitigation activities and assessing any corresponding financial risks to ratepayers. MCE and other program administrators jointly prepared and submitted this advice letter in October 2024. In its June

disposition the CPUC agreed with jointly submitted program administrator analysis that existing mechanisms to prevent and mitigate any financial risk from overlapping EE programs are very effective reducing the risk to less than 0.08% of annual EE funding.

Fiscal Impacts: There is no direct fiscal impact to MCE at this time.

III. California Independent System Operator (CAISO)

a. Demand and Distributed Energy Market Integration

The CAISO's Demand and Distributed Energy Market Integration (DDEMI) working group held two meetings in April-May 2025 to discuss problem statements for performance evaluation methodologies, which are generally used to create an estimated baseline of expected use had there not been a Demand Response event.

MCE participated in both meetings and submitted written comments on May 1 and May 27, 2025. MCE's comments recommended that the working group move forward with the problem statements focused on improvements to the control group methodology. MCE also recommended that the working group deprioritize the problem statements that included a narrow focus on device-level measurement and registration. On June 13, 2025, the CAISO issued an updated discussion paper incorporating some of MCE's recommendations. MCE will continue to participate in the working group.

Fiscal Impacts: There are no immediate fiscal impacts to MCE.