Outlook

## Public Comment – August 25 MCE Power Resources Workshop

**From** Leslie Austin <leslie@strongerccas.org>
**Date** Mon 8/24/2026 6:35 PM
**To** MCE Clerk <clerk@mcecleanenergy.org>
**Cc** Eric Veium <eric@strongerccas.org>; Tim Frank <tim-frank@msn.com>

1 attachment (160 KB)
CCA_WEJ_Alliance__MCE_Comment_Letter__August_25_Workshop.pdf;

You don't often get email from leslie@strongerccas.org. Learn why this is important

Dear MCE Clerk,

Attached please find a public comment letter from the **CCA Workforce & Environmental Justice Alliance** regarding the August 25, 2026 Special Board Meeting and Public Workshop, Agenda Item 3, **Power Resources Workshop #3: Community Feedback and the Path Forward**.

Please distribute the letter to the MCE Board of Directors and appropriate staff, and include it in the public record for tomorrow's meeting. If possible, would you also please confirm once it has been shared with both staff and the Board?

Thank you,

Leslie Austin

--

**Leslie Austin**

Co-Director, CCA Workforce & EJ Alliance

Leslie@StrongerCCAs.org | 831.726.6242 | StrongerCCAs.org

Schedule a Meeting | About Me | Add to Contacts

CCA WORKFORCE & EJ ALLIANCE
STRONGER TOGETHER

**CCA WORKFORCE & EJ ALLIANCE**

August 24, 2026

MCE Board of Directors
c/o Clerk of the Board
1125 Tamalpais Avenue, San Rafael, CA 94901
Submitted for the public record

**Re: Public Comment for the Aug. 25, 2026 Special Meeting & Public Workshop — Agenda Item 3, "Power Resources Workshop #3: Community Feedback and the Path Forward"**

Dear Chair Scales-Preson and Members of the Board:

**About the CCA Workforce & EJ Alliance.** The CCA Workforce & EJ Alliance (strongerCCAs.org) includes more than 40 organized labor, climate, and environmental justice organizations working to strengthen California's community choice energy agencies through high-road labor standards, environmental justice, and community benefits. We have worked collaboratively with SCP, AVA, SJCE, SVCE, 3CE, Westlight Energy (PCE), and CleanPowerSF, together representing 57% of CCA load, on high-road clean energy project selection standards. We thank MCE staff and the Board for a workshop series that has put complex procurement practices before the public with unusual candor, and we submit these comments in the same collaborative spirit as our June 22 letter.

### 1. The feedback summary is largely accurate; three additions are needed

Slides 7 through 10 fairly reflect the Alliance's June comments on additionality, resource shuffling, transparency, and the preference for long-term PPAs over Index+ purchases. We ask that the record and the materials presented to the Board in November include three additions:

- **Distinguish reducing paper claims from reducing real ambition.** The summary presents "reduce voluntary targets toward the RPS floor" as a path co-equal with phasing out non-additional attributes. **The Alliance did not recommend lowering MCE's ambition.** Our recommendation is to redefine MCE's targets around contracted and MCE-owned additional clean supply, report the remainder honestly, and grow real investment from there.
- **Restore high-road procurement standards to the record.** A central request of our June comments was the adoption of labor, environmental justice, and community-benefit standards across long-, medium-, and short-term contracts. This request does not appear in the summary and should be carried forward as a policy priority.
- **Add MCE's role as an advocate for systemic reform.** The summary treats every issue as a question about MCE's own portfolio. As discussed in Section 3 below, these are industry-wide problems rooted in state rules and market design, and MCE's leadership beyond its own portfolio should be a named theme in the November and December discussions.

### 2. Responses to the staff report's policy questions

Slide 12 poses ten policy questions under two scenarios. We respond to each in Appendix A. In brief: **Index+ purchases should have no ongoing role now that contracted PPAs satisfy RPS,** and the Board should direct staff to prepare the "PPA-only" phase-out plan identified in Workshop 1; guardrails should be built around additionality for attributes, transparency and defined climate, EJ, and workforce preferences for conventional products, and high-road standards for long-term projects; and **MCE should not retreat to the RPS floor but should restate its targets to measure real supply while raising its ambition** for high-road utility-scale procurement, local development, energy efficiency, and community resilience. **The savings from ending non-additional attribute purchases**, which we conservatively estimate at tens of millions of dollars per year, **should be reinvested in new generation, high-road programs, workforce development, and affordability.**

### 3. The missing question: MCE's role in fixing these problems industry-wide

**The Alliance's strongest recommendation, beyond MCE's own portfolio, is that MCE take on an active, positive advocacy role.** Every issue raised across the three workshops, including non-additional attributes, resource shuffling, annual versus hourly accounting, the limits of the Power Content Label, and the treatment of gas Resource Adequacy, is an industry-wide problem that no single agency can fully solve alone. Honest accounting by one CCA carries a marketing risk relative to peers that continue to buy paper; that risk disappears when the rules change for everyone. Slide 10 already commits MCE to "continue supporting regulatory and market reforms." We ask the Board to make that commitment specific and adopt it as policy in December, with three elements:

- **At CalCCA:** advocate for a member-wide standard on additionality and against resource shuffling, and for CalCCA to support, rather than resist, CEC and CPUC reforms to power source disclosure and the Power Content Label that would make clean-energy claims more honest across all load-serving entities.
- **With peer CCAs:** join 3CE and the other agencies that have adopted high-road standards, share MCE's transition plan and data openly, and help build a coalition of leadership CCAs so that no agency bears the risk of honest accounting alone.
- **In MCE's state legislative and regulatory agenda:** sponsor or co-sponsor measures that give full effect to SB 100's prohibition on resource shuffling (Pub. Util. Code § 454.53(a)), tighten what counts toward voluntary clean-energy claims, require transparent reporting of unspecified power, and better recognize the RA value of customer-side resources, a reform MCE already supports.

MCE launched community choice in California. **Leading on procurement integrity, and on the state policy that governs it, is the natural next chapter**, and it would turn a difficult internal conversation into a statewide contribution.

### Requests

We respectfully ask the Board to: **(1) direct staff to add the three items in Section 1 to the feedback record** and to the September 4 Technical Committee and November 19 Board staff reports and presentations; **(2) direct staff to prepare the "PPA-only" phase-out plan and a reinvestment framework** as a policy option for December, together with high-road procurement standards developed in partnership with the Board, community, and Alliance; **(3) adopt an advocacy policy, as described in Section 3, committing MCE to lead at CalCCA, among peer CCAs, and in Sacramento; and (4) open a working channel for the Alliance to support staff and the Board through the fall policy process.** We would be glad to share the model standards already in use at peer CCAs and to offer draft language for a Board resolution on advocacy priorities.

Thank you for your consideration. We look forward to continuing this dialogue.

Respectfully submitted,

Eric Veium, Tim Frank, Leslie Austin
Co-Directors, CCA Workforce & EJ Alliance
strongerCCAs.org

# Appendix A: Responses to the Policy Considerations Posed in the Staff Report (Slide 12)

The staff report frames its questions under two scenarios. **The Alliance's position is a third path: maintain or raise MCE's real ambition, measure it honestly, and stop buying non-additional attributes.** Our responses below address each question on its own terms.

## *Scenario A: If targets are maintained or continue to exceed RPS*

### 1. What guardrails should govern procurement, by cost/rate impact, resource type, and contract type?

**Guardrails should be organized by what a transaction actually delivers.** For environmental attributes and any unbundled or Index+ product, the guardrail is additionality:

- MCE should purchase only attributes not already claimed by or contracted to another load-serving entity's compliance or retail portfolio, and should not accept attributes that trigger fossil backfill in the seller's jurisdiction.
- For conventional energy and RA, the guardrail is transparency plus defined preferences: transactions disclosed to the Board and public with resource type and counterparty, evaluated against stated climate, EJ, and workforce criteria, including avoiding the gas plants with the greatest impact on frontline neighbors and favoring organized plants or contracts with labor neutrality terms.
- For long-term PPAs and MCE-owned projects, the guardrail is high-road standards: prevailing wage and project labor agreements, apprenticeship utilization, EJ siting protections, and community benefits. **A cost cap alone would simply steer MCE toward the cheapest paper attributes; the additionality guardrail is what makes a cost guardrail meaningful.** The Alliance can share model standards already adopted by peer CCAs.

### 2. Should the target include a range (exceed by X% if cost-effective, fall short by X% if costs are too high)?

**A range is reasonable if it applies to real resources rather than paper claims.** We would support a firm floor of contracted, additional clean energy from PPAs and owned generation, with a stretch range above it that MCE fills only through additional resources when cost-effective. The range should not permit filling the gap with non-additional attributes whenever prices are favorable, which would institutionalize the current problem. **We also ask the Board to revisit the 95% GHG-free target as currently constructed: a target that can be met only through attribute purchases is a target for a label, not for clean energy.**

### 3. How much discretion should staff have to act without returning to the Board?

**Discretion should be bounded by resource type and transparency, not only by dollar threshold.** Routine hedging within a Board-approved strategy is appropriate staff territory. Any purchase of environmental attributes, any new Index+ or similar structured product, and any energy or RA contract with a gas resource above a defined size should come to the Board or a committee with a public staff report identifying the resource, counterparty, and expected emissions and community impacts. Because short- and medium-term transactions still represent a significant portion of MCE's annual spending, Board oversight should be proportional to that share. **We support the retrospective hedging review requested in Workshop 1 and ask that it become a recurring annual item.**

### 4. What role, if any, should Index+ purchases play now that RPS is met through contracted PPAs?

**None, on a planned phase-out schedule.** MCE's own materials confirm that contracted PPAs satisfy RPS compliance, which removes the last compliance rationale for Index+ purchases. What remains is a voluntary marketing claim purchased with customer money that frequently produces no net emissions reduction and can increase emissions elsewhere through resource shuffling. **We ask the**

**Board to direct staff to prepare the "PPA-only" plan identified in Workshop 1, with a phase-out over a defined period, honest reporting of unspecified power during the transition, and a plan to redirect savings into new generation, high-road programs, community resilience, and rates.** 3CE made this transition; its founding CEO described Index+ purchases as "an accounting exercise with no environmental benefit." As the fourth-largest CCA, MCE can set the standard for the rest.

## *Scenario B: If targets are reduced toward the RPS floor*

### 5. Should MCE adjust its clean energy targets, which currently exceed state RPS requirements?

MCE should redefine its targets, not lower its ambition. The Alliance does not support a retreat to the RPS floor. The right move is to restate the target in terms of contracted and MCE-owned additional clean supply and report the remainder honestly as unspecified power. Measured that way, MCE's real performance is strong and improving, with renewable content rising from 60% today to 85% by 2031 under the Light Green schedule, and it can keep growing without attribute purchases. At the same time, **MCE should raise its ambition where it creates durable local value:** an explicit target for high-road local development, including MCE-owned and locally sited generation and storage built under project labor agreements with local hire and apprenticeship; a stronger energy efficiency and building electrification commitment that lowers customer bills and reduces the load MCE must serve; and a community resilience goal, including resilience hubs, customer-sited storage, and microgrids in disadvantaged and high-fire-risk communities. These are targets MCE controls, that customers can see, and that no attribute purchase can substitute for.

### 6. Should MCE adopt partial clean capacity targets for Resource Adequacy?

**Yes. We support a clean RA target that grows over time, paired with high-road criteria for remaining gas RA.** MCE should prioritize storage, demand-side, and customer-sited resources for RA; among gas resources, avoid plants with the greatest impact on EJ communities and prefer organized plants or contracts with labor neutrality provisions; and disclose the dispatch frequency and emissions of gas RA resources, as participants requested in Workshop 2. Clean RA is also where MCE can create local jobs and resilience, so the target should be linked to the high-road standards described in Question 1.

### 7. What would the new target be, and should it include a range?

**The Alliance is not proposing a specific percentage; that should come from staff analysis of MCE's contracted pipeline and costs.** Our recommendation is on structure: a floor equal to current contracted and owned clean supply; a growth trajectory tied to new PPAs and MCE-owned projects; a separate and rising clean RA target; companion targets for local development, efficiency, and resilience; and an explicit zero for non-additional attributes. **Any range should apply to the timing of new resource additions, not to whether MCE buys paper to fill a gap.**

### 8. How does that reduction affect customer value (rate impacts, environmental benefits)?

**Ending non-additional attribute purchases improves customer value on both counts.** On rates, we conservatively estimate that tens of millions of dollars per year currently go to attributes with no additionality, money that can go to rates or to real investments; we ask staff to publish the actual annual Index+ spend so the Board and public can work from one number. On environmental benefit, the "reduction" is not real: the emissions reductions claimed through shuffled attributes were not occurring, and in some cases the transactions increased emissions elsewhere. **Honest reporting does not reduce MCE's environmental performance; it reveals it, and gives MCE a credible baseline from which real progress can be measured and communicated,** which directly answers participants' request for plainer, more accurate communication.

**9. Are there other ways MCE can and should invest in customers and clean energy with the difference?**

**Yes, and this is the heart of the opportunity.** Redirected savings should go to four things: **new renewable and storage PPAs and MCE-owned generation built to high-road standards; customer programs including energy efficiency, electrification, demand flexibility, community resilience hubs, and customer-sited RA; and bill affordability, particularly for low-income and disadvantaged-community customers.** We would welcome working with staff and the Board on a reinvestment framework as part of the December policy options.

**10. (Added) What role should MCE play in addressing these problems across the CCA industry and in state policy?**

See Section 3 of the letter. **We ask that this question be added to the feedback record and appear as a named policy option in December**, and we offer to provide draft language for a Board resolution on advocacy priorities at CalCCA, among peer CCAs, and in MCE's state legislative and regulatory agenda.