

VALLEY CLEAN ENERGY ALLIANCE

Staff Report Item - 9

TO: Valley Clean Energy Alliance Board of Directors

FROM: Mitch Sears, Interim General Manager

SUBJECT: CalCCA Membership

DATE: December 14, 2017

Recommendation

Approve resolution authorizing VCEA membership in CalCCA, the trade association for CCA programs in California, and payment of annual membership fees of approximately \$62,000 due following program launch (prorated for 2018).

Analysis and Discussion

In 2016 the City of Davis joined CalCCA, the newly formed trade association for CCA programs in California as an Affiliate member. Affiliate member dues are \$1,500/yr and allow for access to educational sessions and materials, and attendance of CalCCA business meetings as non-voting members. The City's membership was transferred to VCEA upon its formation in December 2016. Currently there are 13 full members and a number of affiliate members.

CalCCA has been an effective voice in both the regulatory (CPUC) and legislative arenas. For example, CalCCA is leading efforts of CCA's at the California Public Utilities Commission on the cost of and transparency/accountability related to the Power Charge Indifference Adjustment (PCIA) charge levied on CCA program customers. On the legislative front, CalCCA coordinated and led CCA activities in Sacramento during the legislative sessions in the past several years, successfully countering efforts that could harm CCA's.

With the submission of its Implementation Plan in October, VCEA is eligible to join CalCCA as a full member which includes a voting seat on the Board of Directors. Annual association fees are divided into two categories: (1) Membership dues and (2) litigation fund. Fees are deferred until CCA programs begin generating revenue and include a base amount plus a variable amount based on program revenue. Based on annual revenue projections of \$50 million dollars when fully operational in 2019, VCEA's annual CalCCA fees would be approximately \$35,000 for membership dues and \$60,000 for its contribution to the CalCCA litigation fund. In total, annual CalCCA fees would be approximately \$105,000 for 2019. Prorated for 7 months of operation, anticipated fees would be approximately \$62,000 in 2018. These costs have been incorporated into the VCEA financial proforma. While these fees represent a significant investment, staff believes they are a prudent and ultimately an economical

approach to ensuring that VCEA's positions are consistently and skillfully represented at the CPUC and California legislature.

Staff is recommending the Board approve membership in CalCCA and authorize expenditure of annual fees as outlined above.

Attachment

1. Resolution

VALLEY CLEAN ENERGY ALLIANCE

RESOLUTION NO. 2017- _____

A RESOLUTION OF THE VALLEY CLEAN ENERGY ALLIANCE APPROVING FULL
MEMBERSHIP IN CALCCA, THE TRADE ASSOCIATION FOR
CCA PROGRAMS IN CALIFORNIA

WHEREAS, the Valley Clean Energy Alliance (“VCEA”) is a joint powers agency established under the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.) (“Act”), and pursuant to a Joint Exercise of Powers Agreement Relating to and Creating the Valley Clean Energy Alliance between the County of Yolo (“County”) and the City of Davis (“Davis”) and the City of Woodland (“City”) (the “JPA Agreement”), to collectively study, promote, develop, conduct, operate and manage energy programs; and

WHEREAS, VCEA is currently an Affiliate member of CalCCA, the trade association for CCA programs in California; and

WHEREAS, VCEA recognizes the value of participating directly on the CalCCA Board of Directors to represent the interests of its communities and share its unique perspective on the needs of Central Valley based CCA programs; and

WHEREAS, VCEA recognizes the value of consistent and skillful representation of its positions at the CPUC and California legislature that CalCCA provides through its member services; and

NOW, THEREFORE, the Board of Directors of the Valley Clean Energy Alliance authorizes the VCEA Interim General Manager to take all actions necessary to join CalCCA as a full member, make annual payment of CalCCA fees, and serve as VCEA’s representative on the CalCCA Board of Directors.

ADOPTED, this _____ day of _____, 2017, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

Chair

Secretary



California CCA Quarterly Update | October 2017

The California Community Choice Association (CalCCA) represents the interests of California's community choice electricity providers in the legislature and at state regulatory agencies. CalCCA currently has thirteen Operational Members serving as its Board of Directors and recently voted in a new set of officers; Dawn Weisz, President; Geof Syphers, VP; Jan Pepper, Secretary, and Joseph Moon, Treasurer.

Operational Members

- Apple Valley Choice Energy
- CleanPowerSF
- East Bay Community Energy
- Lancaster Choice Energy
- Los Angeles Community Choice Energy
- MCE
- Monterey Bay Community Power
- Peninsula Clean Energy
- Pico Rivera Innovative Municipal Energy
- Pioneer Community Energy
- Redwood Coast Energy Authority
- Silicon Valley Clean Energy
- Sonoma Clean Power

Affiliate Members

- Central Coast Power
- City of Corona
- City of Hermosa Beach
- City of Industry
- City of San Jacinto
- City of San Jose
- City of Solana Beach
- Coachella Valley Association of Governments
- Valley Clean Energy
- Western Riverside Council of Governments

APPLE VALLEY CHOICE ENERGY (AVCE)

Launched in April 2017, AVCE serves approximately 28,000 customers in the Town of Apple Valley, located in San Bernardino County. AVCE offers a default 35% renewable product, CoreChoice, and an opt-up product of 50% renewable, MoreChoice.

Healthy and Stable Operations

AVCE customer base retains a 91% participation rate, with the customer base consisting of residential, commercial, municipal and industrial customers.

Staff Update

AVCE is operating with three full-time staff members and the support of additional Town staff and specialized consultants.

More Energy Contracts

Since launching in April 2017, AVCE has executed four Resource Adequacy Power Purchase Agreements to successfully procure energy from local sources.

CLEANPOWERSF

Launched in 2016, CleanPowerSF serves approximately 82,000 customers in San Francisco. CleanPowerSF offers a 40% renewable energy Green Service and a 100% Green-e certified renewable energy SuperGreen Service.

Salesforce is CleanPowerSF's Largest Customer!

CleanPowerSF is proud software giant Salesforce is sourcing 100% renewable SuperGreen energy service for their 50 Fremont and 350 Mission locations. See press release and Salesforce blog announcement at cleanpowersf.org/salesforce.

Requests for Offers (RFO) Process Underway

The SFPUC is looking for renewable energy providers in order to expand the CleanPowerSF program next year and beyond. The plan is to have the process complete and energy providers identified by late this fall.

Follow @cleanpowersf on Twitter

CleanPowerSF is getting the word about clean energy out there on social media, and would love your likes, retweets, and follows.

LANCASTER CHOICE ENERGY (LCE)

LCE began service in 2015 to 55,000 customers in the city of Lancaster, located in north Los Angeles County. LCE offers ClearChoice 35% renewable energy and SmartChoice 100% renewable energy to its customers, with approximately half of its customers eligible for low-income energy programs. Lancaster is aiming to be the nation's first zero net energy city.

Lancaster Launches Pilot Site for SCE's Charge Ready Program

Lancaster has collaborated with Southern California Edison (SCE), Antelope Valley Hospital (AVH), the Antelope Valley Air Quality Management District (AVAQMD), and Charge Point to launch the community's pilot site for SCE's Charge Ready program. The AVH's Charge Ready site setup includes six Charge Point Level II dual-port charging stations, which provides 12 EV charging stalls

in the hospital's public parking lot. As part of Lancaster's Electric Vehicle Charging Infrastructure Expansion plan, this is the first site to feature City-owned units, which will be networked with other City-owned EV equipment in the future. Both the City of Lancaster and Antelope Valley Hospital are committed to a 10-year participation term with the program. The total value of the infrastructure and equipment is approximately \$245,000, which includes a two-year maintenance agreement, as well as a one-year networking agreement.

Lancaster Energy Efficiency Program Plan

LCE plans to offer energy efficiency programs that can serve customers better and timelier than existing options through SCE. LCE is electing to become an administrator of ratepayer funds collected from electric service customers through a non-bypassable charge authorized by the California Public Utilities Commission for energy efficiency and conservation programs. In August 2016, LCE staff began working with consultant Frontier Energy, formerly BKi, to develop a program for Lancaster that would benefit both residential and business customers. On July 11, 2017 LCE's governing board, Lancaster City Council, approved the preliminary program plan, which has a requested budget of approximately \$1.25 Million for the 3-year program. LCE will submit a Tier 3 Advice Letter to the CPUC for review and approval. Once approved, LCE anticipates preparing for a launch in early 2018.

LOS ANGELES COMMUNITY CHOICE ENERGY (LACCE)

Los Angeles Community Choice Energy (LACCE) is the interim name for a Community Choice Aggregation program in Los Angeles County.

Reaching the Starting Line

LACCE will begin providing electric services in January 2018 as the program begins rolling out to customers. The LACCE Authority board of directors has held several meetings and has approved the program's Implementation Plan, budget, initial staffing plan, and the solicitation of contract services. Bill Carnahan, former Executive Director of the Southern California Public Power Authority, has been named Interim Executive Director and is managing the program's initial start-up phase while the board begins recruiting for a permanent director. Four cities have officially joined the program (South Pasadena, Rolling Hills Estates, Calabasas, and West Hollywood) and many more are scheduling it for adoption in October and November.

MCE

Launched in 2010, MCE serves more than 255,000 customers in Marin County, Napa County, and the cities of Benicia, El Cerrito, Lafayette, Richmond, San Pablo and Walnut Creek. MCE offers Light Green 50% renewable energy and Deep Green 100% renewable energy products.

(Un)wasted Renewable Baseload Power

MCE and their partners at the Redwood Landfill held a ribbon-cutting ceremony in September for the site's completed 3.9 MW landfill gas-to-energy project. The project will produce baseload renewable energy 24 hours a day, seven days a week. The project will supply enough electricity to power 5,000 homes.

Local Projects on the Horizon

MCE recently accepted seven new Feed-In Tariff (FIT) applications, six of which came in August. Five are from Napa County, and one is from Oakley — a city that just joined MCE in July!

Low-Income Family & Tenants Pilot Approved

MCE's Low-Income Family & Tenants (LIFT) pilot program has been approved by the CPUC! MCE's Customer Programs team is preparing to launch this program before the end of 2017 and run the pilot until December 2019.

Impacts of Small Commercial Energy Efficiency Program

As of July 31, 2017, MCE has helped achieve a gross savings of 667,234 kWh — 61% of our ultimate goal — and 153 kw peak demand reduction.

PENINSULA CLEAN ENERGY (PCE)

Launched in October 2016, PCE serves customers throughout San Mateo County, including all 20 cities and unincorporated areas. PCE currently serves 290,000 accounts and offers ECOplus 50% renewable energy and ECO100 100% renewable energy products.

PCE Continues to Go Big on Solar

PCE signed a 15-year Power Purchase Agreement for 100 megawatts of new solar power. Electricity will be delivered to PCE from Recurrent Energy's Mustang Two solar photovoltaic project in Kings County, in central California. The project is expected to reach commercial operation in 2019. With this project, PCE has contracted for over 300 megawatts of clean, renewable energy from new facilities that are being built specifically to serve their customers.

The PCE Team Grows

PCE added four new employees in September, bringing the staff count to 13. The newly filled positions are Director of Finance, Marketing Associate, and two Outreach Associates.

We Like This: Facebook is Now Largest ECO100 Customer

Social media company Facebook switched all electric accounts at their Menlo Park headquarters to PCE's ECO100 option, making Facebook the largest participant in PCE's 100% renewable energy option.

PICO RIVERA INNOVATIVE MUNICIPAL ENERGY (PRIME)

Pico Rivera Innovative Municipal Energy is the new, locally controlled electricity provider in the City of Pico Rivera. PRIME Power is the default electricity service offering a minimum of 50% renewable energy. PRIME Future is the optional upgrade program that provides a minimum of 100% renewable energy for just a little more each month.

PRIMEd for Our Launch!

PRIME began serving all municipal and residential accounts in September of this year with all remaining non-residential accounts launching in May of 2018.

PIONEER COMMUNITY ENERGY

Pioneer Community Energy (formerly Sierra Valley Energy Authority) is the Community Choice Aggregator serving Placer County.

Pioneer Community Energy to Serve Placer County in January

Pioneer Community Energy submitted its Implementation Plan to the CPUC in early August. Pioneer plans to begin serving customers in January. The Pioneer Board has been meeting several times a month to take the actions necessary to get the program up and running. Pioneer has been approved for party status in the PCIA, bond, and 2 RPS related proceedings.

REDWOOD COAST ENERGY AUTHORITY (RCEA)

Started in May 2017, RCEA serves an estimated 61,000 customers in Humboldt County, including the cities of Eureka, Arcata, Fortuna, Blue Lake, Rio Dell, and Trinidad, as well as unincorporated areas of the county. RCEA offers REpower 40% renewable energy and REpower+ 100% renewable energy choices.

Two Cities in Humboldt County Opt Up to REpower+

The City of Arcata and the City of Blue Lake have opted up all their city facilities and operations requiring electricity to Redwood Coast Energy Authority's 100% renewable energy. A total of 688 accounts are buying the 100% renewable energy power mix.

Staffing Up!

RCEA is now home to 30 staff members.

SILICON VALLEY CLEAN ENERGY (SVCE)

Launched in April 2017, SVCE serves customers in Campbell, Cupertino, Gilroy, Los Altos, Los Altos Hills, Los Gatos, Monte Sereno, Morgan Hill, Mountain View, Saratoga, Sunnyvale, and the unincorporated parts of Santa Clara County.

Interim CEO Appointed

Silicon Valley Clean Energy (SVCE) Director of Administration and Finance, Don Eckert, has stepped in as interim CEO following Tom Habashi's departure from the agency to serve as CEO of Monterey Bay Community Power. Mr. Eckert oversees and supports the finance, IT and human resources activities of SVCE, and brings 20 years of energy industry experience in various financial roles serving investor owned utilities, independent power producers and municipal owned utilities, with the last 10 years in a senior leadership role in the public sector.

The SVCE CEO subcommittee formed by the SVCE Board in July is continuing to manage the recruitment process. Applications were accepted through early-September; the board expects to make a selection in November, with a start date in early-January.

Green-e Certification

As of Sept. 1, GreenPrime, SVCE's 100% renewable energy choice, is now Green-e certified via the nonprofit Center for Resource Solutions' (CRS) Green-e Energy program. Green-e Energy is North America's preferred certification program for renewable energy.

Solar + Storage Request for Offers

On Sept. 15, SVCE issued a Request for Offers (RFO) to purchase carbon-free energy with storage capabilities. The goal of this RFO is to contribute to the development of renewable resources that can maximize reduction of greenhouse gases without harming grid reliability. Carbon-free energy WITH storage will do this.

Enrollment Complete!

SVCE completed enrolling a majority of customers in July. The participation rate is more than 97% of the 248,000 eligible customers in the SVCE service area.

SONOMA CLEAN POWER (SCP)

Sonoma Clean Power serves approximately 600,000 customers in Sonoma and Mendocino counties. SCP offers CleanStart 42% renewable/90% carbon-free electricity and EverGreen 100% local, renewable electricity.

Broke Ground on 2 MW Feed-In Tariff Project

SCP and Coldwell Solar broke ground on a facility in Petaluma, CA, which will generate a combined 2 megawatts of solar energy, as part of SCP's feed-in tariff program. When completed, the facility will generate enough electricity to power 600 homes. The solar electricity generated will be used to augment SCP's 100% renewable EverGreen service, currently made up of local geothermal. The facility is projected to come online by year end.

Drive Evergreen Program Continues

Phase two of SCP's Electric Vehicle Incentive program is underway, and will run through 10/31/17. The program includes 9 models of vehicles from 7 dealerships. Tesla has recently joined the program with some used vehicles. Interest in the program has been strong; full results will be available in the weeks following the conclusion of the program.

Expanded "DIY Energy & Water Savings Toolkit" Program

The partnership between the Sonoma County Library, the Sonoma County Energy and Sustainability Division, the Sonoma County Water Agency and Sonoma Clean Power has expanded the "Do It Yourself" (DIY) Energy and Water Savings Toolkits to be available at all Sonoma County library branches as part of a program promoting energy and water efficiency. The expansion comes after a successful ten-month pilot at 3 Sonoma County Library branches, which proved to be incredibly popular with patrons.

CCA STATEWIDE

CCAs are forming in over 80 jurisdictions across California. This map highlights the service areas of fully operational CCAs as well as jurisdictions considering joining a CCA or creating their own.



Join Us in Santa Clara at Infocast's Community Choice Energy Summit on November 14-16

Infocast's Community Choice Energy Summit will bring together existing CCAs with knowhow under their belt to share insights with a bevy of emerging CCAs and related task forces and steering committees. Together they will explore best practices for integrating bulk power from wholesale markets with newer PPA strategies, local DER / efficiency strategies and programs – the "CCA 2.0 and 3.0" evolution. Renewable developers and solution providers will build relationships with the upcoming wave of CCAs and collaborate to fine-tune or innovate contractual and financing structures and related services to the needs of the new "Energy Democracy" movement. Register at infocastinc.com - complimentary passes available for CCA employees!

Upcoming Webinar for CCAs on Solar

Center for Climate Protection is hosting a webinar on Wednesday, October 18 entitled "Solar Plus: Paths to Accelerating Deployment with Community Choice Energy." This webinar introduces the white paper "State of Solar Energy in Sonoma County: Paths to Accelerate Adoption" and features energy policy consultant Chris Cone, lead author of the paper who will summarize the findings. For more info and to register, please visit <http://cleanpowerexchange.org/webinars/>.