

## VALLEY CLEAN ENERGY ALLIANCE

### Staff Report – Agenda Item 11

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**TO:** Valley Clean Energy Alliance Board of Directors

**FROM:** Mitch Sears, Interim General Manager  
Gary Lawson, Sacramento Municipal Utility District (SMUD)

**SUBJECT:** Program Launch Energy Rates, Power Mix, and Budgets

**DATE:** March 22, 2018

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#### RECOMMENDATION

Staff is recommending that the Board adopt a resolution establishing the following:

- VCEA rates, included as Attachment 1, which are set at a 2% discount from PG&E's generation rates placed into effect March 1, 2018, net of PCIA and Franchise Fees.
- A Power Mix of 42% renewable, 75% clean for the default product.
- An Operating Budget of \$1.62M for March-June 2018.
- Administrative authority for VCEA staff to consolidate the Operating budget and the Implementation budget and direction to return to the Board for approval of a consolidated 2017-18 budget.
- A Delegation of Authority to the Interim General Manager to put in place new comparable rates schedules for any new rate schedules that PG&E may put in place at a level of 2% below PG&E's generation rate for such new tariff, net of PCIA and Franchise Fees.

#### BACKGROUND AND ANALYSIS

In December, the Board reviewed pro forma financials and set targets for the mix of renewable and clean power, as well as for rates relative to PG&E. The pro forma financials were based on expected power prices, load forecast, and operating budget. Over the past months, staff has procured power, hedged power prices for the expected load volumes, refined the operating budget, and updated revenue forecasts based on phase-in schedule, NEM policy, and newly released PG&E generation rates. These changes have been factored into a revised set of pro forma financials that are provided in Attachment 2. These pro forma financials show that continuing with existing policy decisions will achieve desired outcomes while ensuring financial stability.

**Rates** – The current pro forma financials continue to model VCEA rates at a 2% rate discount from PG&E's generation rates net of PCIA and Franchise Fees. They also model additional revenue from the Board approved NEM policy, which has been forecast to be put into the local renewable development fund. Since the December Board meeting, PG&E has announced 2018 rate increases larger than forecasted. This increase in rates is currently modeled as providing faster repayment of startup capital and higher cash balances. VCEA rates, once established, will

be in effect until they are changed by a subsequent Board action. The VCEA rates, set at a 2% discount from the recently confirmed 2018 PG&E rates, are provided in Attachment 1. Staff recommends that the Board delegate authority to the Interim General Manager to approve any new rates that appear midyear at an amount 2% below PG&E's generation rate for that new tariff, net of PCIA and Franchise Fees.

**Power Mix** – The power mix remains unchanged from previous Board conversations with 42% renewable and 75% clean content. Procurements are in place for the bulk of expected load. The expected power budget for 2018 was \$26.45M, and actual forward power purchases came very close to this expected cost, putting the current power budget forecast for 2018 at \$26.53M. Later in the year, after launch, a more accurate load forecast will be built with actual load data, opt-out rates, and opt-up rates. This updated load forecast will be used to guide a true-up procurement to ensure renewable and carbon-free content goals are met for 2018.

**Operating Budget** – Staff has updated the operating budget based on an updated view of committed and expected costs. Several services are already under contract, and others are currently in the process of being procured. There is considerable uncertainty around unknown expenses in the initial year of operations, as there is no operating history to ensure all items are accounted for. Therefore, staff recommends a 10% contingency be built into the operating budget until VCEA gains more operating experience, and recommends Board adoption of an updated budget for the balance of the current fiscal year, March through June of the 2017-2018 fiscal year. This operating budget will replace the previously approved launch budget for the remaining fiscal year. However, the operating budget will need to be consolidated with the implementation budget for purposes of financial reporting and budget compliance. VCEA staff are requesting administrative authority to perform the consolidation of the implementation budget with the operating budget with a plan to return to the Board with a consolidated 2017-18 budget. Any additional information obtained in the last months of FY 2017-18 will be used to inform an updated 2018-19 operating budget. The proposed Operating Budget for the balance of the current fiscal year along with a draft operating budget for 2018-2019 are included in Attachment 3. Staff will bring back the 2018-19 budget to the Board for approval prior the beginning of the new fiscal year.

#### **COMMUNITY ADVISORY COMMITTEE REVIEW**

Staff reviewed the recommendation with the Community Advisory Committee on March 12, 2018, which voted on and unanimously approved supporting staff's recommendation.

#### **CONCLUSION**

Staff recommends Board adoption of the aforementioned resolution.

**Attachment 1 – VCEA Rate Sheets**

**VCEA LightGreen Residential Rates**  
(effective 6/1/2018)

**E1, EM, ES, ESR, ET, Basic Residential**

All Electric Usage \$ 0.07163 /kWh

**E-TOU-A, Residential Time-of-Use**

**Summer**

Peak \$ 0.15268 /kWh

Off-Peak \$ 0.07862 /kWh

**Winter**

Peak \$ 0.06709 /kWh

Off-Peak \$ 0.05308 /kWh

**E-TOU-B, Residential Time-of-Use**

**Summer**

Peak \$ 0.17412 /kWh

Off-Peak \$ 0.07312 /kWh

**Winter**

Peak \$ 0.06942 /kWh

Off-Peak \$ 0.05100 /kWh

**E-TOU-C3, Residential Time-of-Use**

**Summer**

Peak \$ 0.12911 /kWh

Off-Peak \$ 0.06694 /kWh

**Winter**

Peak \$ 0.07378 /kWh

Off-Peak \$ 0.05680 /kWh

**E-TOUPP, Rate 1, Residential Time-of-Use Pilot Project**

**Summer**

Peak \$ 0.16229 /kWh

Off-Peak \$ 0.06130 /kWh

**Winter**

Peak \$ 0.05760 /kWh

Off-Peak \$ 0.03918 /kWh

**E-TOUPP, Rate 2, Residential Time-of-Use Pilot Project**

**Summer**

Peak \$ 0.17856 /kWh

Part-Peak \$ 0.11889 /kWh

Off-Peak \$ 0.04791 /kWh

**Winter**

Peak \$ 0.05670 /kWh

Off-Peak \$ 0.03707 /kWh

**E-TOUPP, Rate 3, Residential Time-of-Use Pilot Project**

**Summer**

Peak	\$ 0.16258 /kWh
Off-Peak	\$ 0.06158 /kWh

**Winter**

Peak	\$ 0.06204 /kWh
Off-Peak	\$ 0.04347 /kWh

**Spring**

Peak	\$ 0.04981 /kWh
Off-Peak	\$ 0.03773 /kWh
Super-Off-Peak	\$ 0.01181 /kWh

**E-6, EM-TOU, Residential Time-of-Use**

**Summer**

Peak	\$ 0.19898 /kWh
Part-Peak	\$ 0.08838 /kWh
Off-Peak	\$ 0.04324 /kWh

**Winter**

Part-Peak	\$ 0.06830 /kWh
Off-Peak	\$ 0.05589 /kWh

**EV, Residential Rates for Electric Vehicle Owners**

**Summer**

Peak	\$ 0.20780 /kWh
Part-Peak	\$ 0.08252 /kWh
Off-Peak	\$ 0.02455 /kWh

**Winter**

Peak	\$ 0.05635 /kWh
Part-Peak	\$ 0.02245 /kWh
Off-Peak	\$ 0.02673 /kWh

## VCEA LightGreen Commercial Rates

(effective 6/1/2018)

### A1, Small General Services

Summer	\$ 0.09791 /kWh
Winter	\$ 0.05947 /kWh

### A1X, Small General Services with Time-of-Use

#### Summer

Peak	\$ 0.11176 /kWh
Part-Peak	\$ 0.08859 /kWh
Off-Peak	\$ 0.06178 /kWh

#### Winter

Part-Peak	\$ 0.08840 /kWh
Off-Peak	\$ 0.06790 /kWh

### A-6, Small General Services with Time-of-Use

#### Summer

Peak	\$ 0.34461 /kWh
Part-Peak	\$ 0.10982 /kWh
Off-Peak	\$ 0.05270 /kWh

#### Winter

Part-Peak	\$ 0.07765 /kWh
Off-Peak	\$ 0.06051 /kWh

### A-10-P, Medium General Services

Summer	\$ 0.07840 /kWh
Winter	\$ 0.05548 /kWh

### Demand Charges

Summer Max Demand	\$ 4.61 /kW
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### A-10-S, Medium General Services

Summer	\$ 0.08814 /kWh
Winter	\$ 0.06170 /kWh

### Demand Charges

Summer Max Demand	\$ 5.30 /kW
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### A-10-T, Medium General Services

Summer	\$ 0.06877 /kWh
Winter	\$ 0.04888 /kWh

### Demand Charges

Summer Max Demand	\$ 3.62 /kW
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**A-10-X-P, Medium General Services with Time-of-Use****Summer**

Peak	\$ 0.12929 /kWh
Part-Peak	\$ 0.07974 /kWh
Off-Peak	\$ 0.05364 /kWh

**Winter**

Part-Peak	\$ 0.06631 /kWh
Off-Peak	\$ 0.05075 /kWh

**Demand Charges**

Summer Max Demand	\$ 4.61 /kW
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**A-10-X-S, Medium General Services with Time-of-Use****Summer**

Peak	\$ 0.14094 /kWh
Part-Peak	\$ 0.08691 /kWh
Off-Peak	\$ 0.05940 /kWh

**Winter**

Part-Peak	\$ 0.07129 /kWh
Off-Peak	\$ 0.05456 /kWh

**Demand Charges**

Summer Max Demand	\$ 5.30 /kW
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**A-10-X-T, Medium General Services with Time-of-Use****Summer**

Peak	\$ 0.11534 /kWh
Part-Peak	\$ 0.06941 /kWh
Off-Peak	\$ 0.04461 /kWh

**Winter**

Part-Peak	\$ 0.05786 /kWh
Off-Peak	\$ 0.04357 /kWh

**Demand Charges**

Summer Max Demand	\$ 3.62 /kW
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**E-19-P, Medium General Services with Time-of-Use****Summer**

Peak	\$ 0.10331 /kWh
Part-Peak	\$ 0.06210 /kWh
Off-Peak	\$ 0.03561 /kWh

**Winter**

Part-Peak	\$ 0.05653 /kWh
Off-Peak	\$ 0.04216 /kWh

**Demand Charges**

Summer Max Peak Demand	\$ 12.12 /kW
Summer Max Part-Peak Demand	\$ 2.95 /kW

**E-19-S, Medium General Services with Time-of-Use****Summer**

Peak	\$ 0.11326 /kWh
Part-Peak	\$ 0.06973 /kWh
Off-Peak	\$ 0.04089 /kWh

**Winter**

Part-Peak	\$ 0.06376 /kWh
Off-Peak	\$ 0.04805 /kWh

**Demand Charges**

Summer Max Peak Demand	\$ 13.58 /kW
Summer Max Part-Peak Demand	\$ 3.35 /kW

**E-19-T, Medium General Services with Time-of-Use****Summer**

Peak	\$ 0.06749 /kWh
Part-Peak	\$ 0.05351 /kWh
Off-Peak	\$ 0.03499 /kWh

**Winter**

Part-Peak	\$ 0.05570 /kWh
Off-Peak	\$ 0.04148 /kWh

**Demand Charges**

Summer Max Peak Demand	\$ 13.78 /kW
Summer Max Part-Peak Demand	\$ 3.46 /kW

**E-19-P (Option R), Medium General Services with Time-of-Use****Summer**

Peak	\$ 0.25075 /kWh
Part-Peak	\$ 0.09588 /kWh
Off-Peak	\$ 0.03561 /kWh

**Winter**

Part-Peak	\$ 0.05653 /kWh
Off-Peak	\$ 0.04216 /kWh

**E-19-S (Option R), Medium General Services with Time-of-Use****Summer**

Peak	\$ 0.26351 /kWh
Part-Peak	\$ 0.10468 /kWh
Off-Peak	\$ 0.04089 /kWh

**Winter**

Part-Peak	\$ 0.06376 /kWh
Off-Peak	\$ 0.04805 /kWh



**E-19-T (Option R), Medium General Services with Time-of-Use**

**Summer**

Peak	\$ 0.24967 /kWh
Part-Peak	\$ 0.09648 /kWh
Off-Peak	\$ 0.03499 /kWh

**Winter**

Part-Peak	\$ 0.05570 /kWh
Off-Peak	\$ 0.04148 /kWh

**E-20-P, Large General Services with Time-of-Use**

**Summer**

Peak	\$ 0.10868 /kWh
Part-Peak	\$ 0.06507 /kWh
Off-Peak	\$ 0.03824 /kWh

**Winter**

Part-Peak	\$ 0.05932 /kWh
Off-Peak	\$ 0.04483 /kWh

**Demand Charges**

Summer Max Peak Demand	\$ 14.43 /kW
Summer Max Part-Peak Demand	\$ 3.41 /kW

**E-20-S, Large General Services with Time-of-Use**

**Summer**

Peak	\$ 0.10445 /kWh
Part-Peak	\$ 0.06489 /kWh
Off-Peak	\$ 0.03773 /kWh

**Winter**

Part-Peak	\$ 0.05915 /kWh
Off-Peak	\$ 0.04443 /kWh

**Demand Charges**

Summer Max Peak Demand	\$ 13.14 /kW
Summer Max Part-Peak Demand	\$ 3.24 /kW

**E-20-T, Large General Services with Time-of-Use**

**Summer**

Peak	\$ 0.06593 /kWh
Part-Peak	\$ 0.05279 /kWh
Off-Peak	\$ 0.03539 /kWh

**Winter**

Part-Peak	\$ 0.05486 /kWh
Off-Peak	\$ 0.04149 /kWh

**Demand Charges**

Summer Max Peak Demand	\$ 17.07 /kW
Summer Max Part-Peak Demand	\$ 4.07 /kW

**E-20-P (Option R), Large General Services with Time-of-Use**

**Summer**

Peak	\$ 0.25720 /kWh
Part-Peak	\$ 0.09773 /kWh
Off-Peak	\$ 0.03824 /kWh

**Winter**

Part-Peak	\$ 0.05932 /kWh
Off-Peak	\$ 0.04483 /kWh

**E-20-S (Option R), Large General Services with Time-of-Use**

**Summer**

Peak	\$ 0.23901 /kWh
Part-Peak	\$ 0.09743 /kWh
Off-Peak	\$ 0.03773 /kWh

**Winter**

Part-Peak	\$ 0.05915 /kWh
Off-Peak	\$ 0.04443 /kWh

**E-20-T (Option R), Large General Services with Time-of-Use**

**Summer**

Peak	\$ 0.25029 /kWh
Part-Peak	\$ 0.09183 /kWh
Off-Peak	\$ 0.03539 /kWh

**Winter**

Part-Peak	\$ 0.05486 /kWh
Off-Peak	\$ 0.04149 /kWh

**E-37, Oil & Gas**

**Summer**

Peak	\$ 0.13070 /kWh
Off-Peak	\$ 0.02724 /kWh

**Winter**

Part-Peak	\$ 0.04880 /kWh
Off-Peak	\$ 0.01832 /kWh

**Demand Charges**

Summer Max Demand	\$ 4.77 /kW
Summer Max Peak Demand	\$ 5.98 /kW

**Voltage Discounts**

Primary Voltage Discount Summer Max Demand	\$ 1.53 /kW
Transmission Voltage Discount Summer Max Demand	\$ 2.66 /kW

**LS-1, LS-2, LS-3, OL-1, Street & Hwy. Lighting**

All Electric Usage	\$ 0.07928 /kWh
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**TC-1, Traffic Control Service**

All Electric Usage	\$ 0.08664 /kWh
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**S-TOU-P, Standby Service****Summer**

Peak	\$ 0.09482 /kWh
Part-Peak	\$ 0.07780 /kWh
Off-Peak	\$ 0.05552 /kWh

**Winter**

Part-Peak	\$ 0.08051 /kWh
Off-Peak	\$ 0.06325 /kWh

**Reservation Charges**

Reservation Charge	\$ 0.41 /kW
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**S-TOU-S, Standby Service****Summer**

Peak	\$ 0.09482 /kWh
Part-Peak	\$ 0.07780 /kWh
Off-Peak	\$ 0.05552 /kWh

**Winter**

Part-Peak	\$ 0.08051 /kWh
Off-Peak	\$ 0.06325 /kWh

**Reservation Charges**

Reservation Charge	\$ 0.41 /kW
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**S-TOU-T, Standby Service****Summer**

Peak	\$ 0.07762 /kWh
Part-Peak	\$ 0.06348 /kWh
Off-Peak	\$ 0.04478 /kWh

**Winter**

Part-Peak	\$ 0.06570 /kWh
Off-Peak	\$ 0.05135 /kWh

**Reservation Charges**

Reservation Charge	\$ 0.34 /kW
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**VCEA LightGreen Agricultural Rates**  
(effective 6/1/2018)

**AG1-A, Agriculture**

Summer	\$ 0.08141 /kWh
Winter	\$ 0.06031 /kWh

**Demand & Connected Load Charges**

Summer Connected Load	\$ 1.46 /kW
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**AG1-B, Agriculture**

Summer	\$ 0.08458 /kWh
Winter	\$ 0.06038 /kWh

**Demand & Connected Load Charges**

Summer Max Demand	\$ 2.20 /kW
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**Voltage Discounts**

Primary Voltage Discount Summer Max Demand	\$ 0.83 /kW
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**AG4-A, Time-of-Use Agriculture**

**Summer**

Peak	\$ 0.14535 /kWh
Off-Peak	\$ 0.04845 /kWh

**Winter**

Part-Peak	\$ 0.05285 /kWh
Off-Peak	\$ 0.04130 /kWh

**Demand & Connected Load Charges**

Summer Connected Load	\$ 1.45 /kW
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**AG4-B, Time-of-Use Agriculture**

**Summer**

Peak	\$ 0.10543 /kWh
Off-Peak	\$ 0.05063 /kWh

**Winter**

Part-Peak	\$ 0.04875 /kWh
Off-Peak	\$ 0.03773 /kWh

**Demand & Connected Load Charges**

Summer Max Demand	\$ 2.57 /kW
Summer Max Peak Demand	\$ 2.72 /kW

**Voltage Discounts**

Primary Voltage Discount Summer Max Demand	\$ 0.65 /kW
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### **AG4-C, Time-of-Use Agriculture**

#### **Summer**

Peak	\$ 0.12553 /kWh
Part-Peak	\$ 0.06015 /kWh
Off-Peak	\$ 0.03639 /kWh

#### **Winter**

Part-Peak	\$ 0.04314 /kWh
Off-Peak	\$ 0.03293 /kWh

#### **Demand & Connected Load Charges**

Summer Max Peak Demand	\$ 6.32 /kW
Summer Max Part-Peak Demand	\$ 1.08 /kW

#### **Voltage Discounts**

Primary Voltage Discount Summer Max Peak Demand	\$ 1.12 /kW
Transmission Voltage Discount Summer Max Peak Demand	\$ 2.06 /kW

### **AG5-A,D, Time-of-Use Large Agriculture**

#### **Summer**

Peak	\$ 0.13441 /kWh
Off-Peak	\$ 0.05374 /kWh

#### **Winter**

Part-Peak	\$ 0.05747 /kWh
Off-Peak	\$ 0.04531 /kWh

#### **Demand & Connected Load Charges**

Summer Connected Load	\$ 3.97 /kW
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### **AG5-B, E, Time-of-Use Large Agriculture**

#### **Summer**

Peak	\$ 0.13070 /kWh
Off-Peak	\$ 0.02724 /kWh

#### **Winter**

Part-Peak	\$ 0.04880 /kWh
Off-Peak	\$ 0.01832 /kWh

#### **Demand & Connected Load Charges**

Summer Max Demand	\$ 4.77 /kW
Summer Max Peak Demand	\$ 5.98 /kW

#### **Voltage Discounts**

Primary Voltage Discount Summer Max Demand	\$ 1.53 /kW
Transmission Voltage Discount Summer Max Demand	\$ 2.66 /kW

**AG5-C, F, Time-of-Use Large Agriculture****Summer**

Peak	\$ 0.10403 /kWh
Part-Peak	\$ 0.04944 /kWh
Off-Peak	\$ 0.02911 /kWh

**Winter**

Part-Peak	\$ 0.03520 /kWh
Off-Peak	\$ 0.02597 /kWh

**Demand & Connected Load Charges**

Summer Max Peak Demand	\$ 11.08 /kW
Summer Max Part-Peak Demand	\$ 2.09 /kW

**Voltage Discounts**

Primary Voltage Discount Summer Max Peak Demand	\$ 2.33 /kW
Transmission Voltage Discount Summer Max Peak Demand	\$ 4.36 /kW

**AG-ICE, Agricultural Internal Combustion Engine Conversion Incentive****Summer**

Peak	\$ 0.11556 /kWh
Part-Peak	\$ 0.07586 /kWh
Off-Peak	\$ 0.00728 /kWh

**Winter**

Part-Peak	\$ 0.07946 /kWh
Off-Peak	\$ 0.00728 /kWh

**Demand & Connected Load Charges**

Summer Max Demand	\$ 3.32 /kW
Summer Max Peak Demand	\$ 3.55 /kW

**Voltage Discounts**

Primary Voltage Discount Summer Max Demand	\$ 0.79 /kW
Transmission Voltage Discount Summer Max Demand	\$ 1.44 /kW

**AG-R-A, D, Split-Week Time-of-Use Agricultural Power****Summer**

Peak	\$ 0.26168 /kWh
Off-Peak	\$ 0.04709 /kWh

**Winter**

Part-Peak	\$ 0.05473 /kWh
Off-Peak	\$ 0.04284 /kWh

**Demand & Connected Load Charges**

Summer Connected Load	\$ 1.41 /kW
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**AG-R-B, E, Split-Week Time-of-Use Agricultural Power****Summer**

Peak	\$ 0.23387 /kWh
Off-Peak	\$ 0.04655 /kWh

**Winter**

Part-Peak	\$ 0.04063 /kWh
Off-Peak	\$ 0.03087 /kWh

**Demand & Connected Load Charges**

Summer Max Demand	\$ 2.09 /kW
Summer Max Peak Demand	\$ 2.34 /kW

**Voltage Discounts**

Primary Voltage Discount Summer Max Demand	\$ 0.54 /kW
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**AG-V-A, D, Short-Peak Time-of-Use Agricultural Power****Summer**

Peak	\$ 0.22582 /kWh
Off-Peak	\$ 0.04417 /kWh

**Winter**

Part-Peak	\$ 0.05309 /kWh
Off-Peak	\$ 0.04145 /kWh

**Demand & Connected Load Charges**

Summer Connected Load	\$ 1.47 /kW
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**AG-V-B, E, Short-Peak Time-of-Use Agricultural Power****Summer**

Peak	\$ 0.20660 /kWh
Off-Peak	\$ 0.04460 /kWh

**Winter**

Part-Peak	\$ 0.04087 /kWh
Off-Peak	\$ 0.03106 /kWh

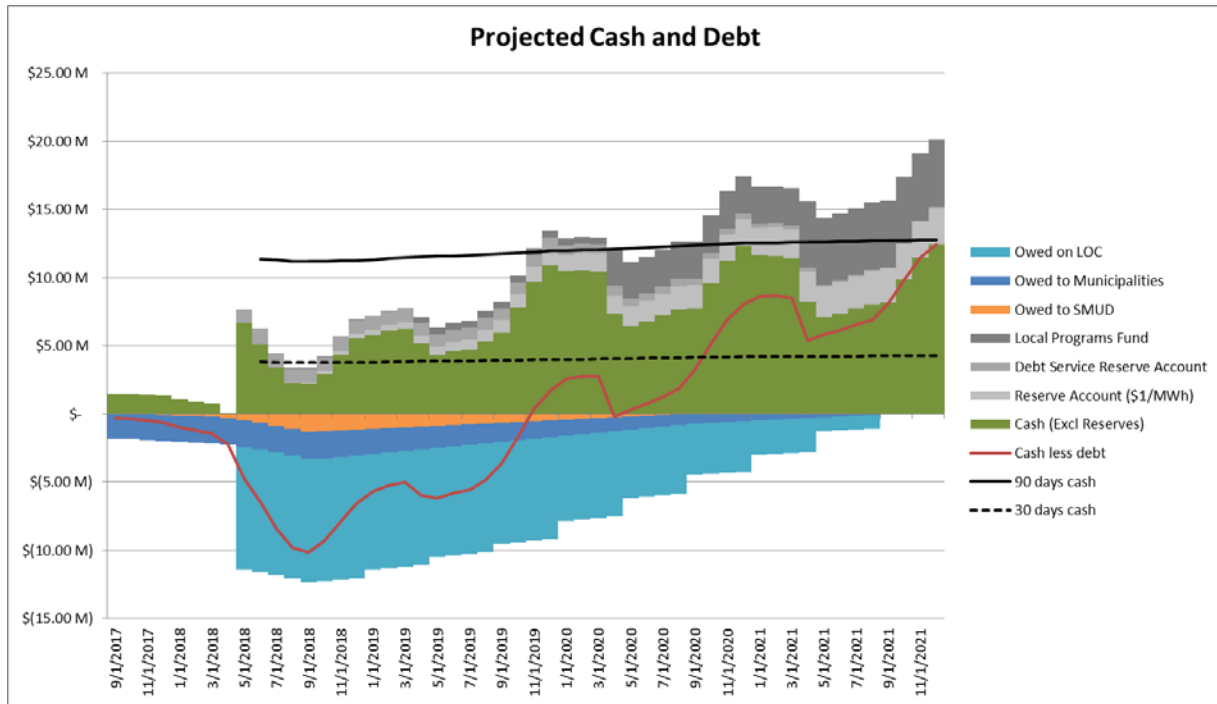
**Demand & Connected Load Charges**

Summer Max Demand	\$ 1.91 /kW
Summer Max Peak Demand	\$ 2.46 /kW

**Voltage Discounts**

Primary Voltage Discount Summer Max Demand	\$ 0.57 /kW
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## Attachment 2 – Pro Forma Financials



	2018	2019	2020	2021
Accounts	64,521	65,239	65,966	66,702
Retail Load (MWh)	439,008	757,840	760,165	762,817
(Thousands of Dollars)				
Revenue (net uncollectible)	\$ 33,758	\$ 54,667	\$ 56,585	\$ 56,866
Power Costs	\$ 26,135	\$ 39,882	\$ 42,672	\$ 44,861
<b>Gross Margin</b>	<b>\$ 7,622</b>	<b>\$ 14,784</b>	<b>\$ 13,913</b>	<b>\$ 12,004</b>
Operating Costs	\$ 4,796	\$ 5,038	\$ 5,066	\$ 5,162
<b>Operating Income</b>	<b>\$ 2,826</b>	<b>\$ 9,746</b>	<b>\$ 8,848</b>	<b>\$ 6,842</b>
Interest Income [Expense]	\$ [336]	\$ [456]	\$ [228]	\$ 27
<b>Net Income</b>	<b>\$ 2,490</b>	<b>\$ 9,290</b>	<b>\$ 8,619</b>	<b>\$ 6,869</b>



**Attachment 3 – Operating Budget  
Remainder of FY 2017-18**

	3/31/2018	4/30/2018	5/31/2018	6/30/2018
<b>Operating Expenses</b>	\$ 338,353	\$ 476,844	\$ 366,844	\$ 436,523
Labor	\$ 61,157	\$ 61,157	\$ 61,157	\$ 61,157
Contract Labor	\$ 58,333	\$ 58,333	\$ 58,333	\$ 58,333
<b>Non-Labor</b>	\$ 188,103	\$ 314,004	\$ 214,004	\$ 277,349
PG&E Data Fees	\$ -	\$ -	\$ -	\$ 32,261
Office Space	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Technology	\$ 6,000	\$ 1,000	\$ 1,000	\$ 1,000
Contracts	\$ 78,825	\$ 143,726	\$ 143,726	\$ 174,310
Launch Support	\$ 94,678	\$ 159,678	\$ 59,678	\$ 59,678
Supplies	\$ 100	\$ 100	\$ 100	\$ 100
Marketing Collateral	\$ -	\$ -	\$ -	\$ -
Community Engagement Activities & Sponsorships	\$ -	\$ 1,000	\$ 1,000	\$ 1,000
Customer Credits and Adjustments	\$ -	\$ -	\$ -	\$ 500
Travel (Excl Key Account)	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Travel (Key Account 50mi/day)	\$ 500	\$ 500	\$ 500	\$ 500
CalCCA Dues	\$ -	\$ -	\$ -	\$ -
Memberships	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
<b>Contingency</b>	\$ 30,759	\$ 43,349	\$ 33,349	\$ 39,684

## FY 2018-19 Forecast Operating Budget

	7/31/2018	8/31/2018	9/30/2018	10/31/2018	11/30/2018	12/31/2018	1/31/2019	2/28/2019	3/31/2019	4/30/2019	5/31/2019	6/30/2019
<b>Operating Expenses</b>	\$ 533,857	\$ 463,154	\$ 415,549	\$ 406,452	\$ 401,865	\$ 404,363	\$ 519,823	\$ 400,749	\$ 405,573	\$ 401,410	\$ 412,718	\$ 428,383
Labor	\$ 61,157	\$ 61,157	\$ 61,157	\$ 61,157	\$ 61,157	\$ 61,157	\$ 62,380	\$ 62,380	\$ 62,380	\$ 62,380	\$ 62,380	\$ 62,380
Contract Labor	\$ 58,333	\$ 58,333	\$ 49,167	\$ 49,167	\$ 49,167	\$ 49,167	\$ 49,167	\$ 49,167	\$ 45,383	\$ 45,383	\$ 45,383	\$ 45,383
Non-Labor	\$ 365,834	\$ 301,559	\$ 267,448	\$ 259,179	\$ 255,008	\$ 257,279	\$ 361,020	\$ 252,770	\$ 260,939	\$ 257,155	\$ 267,435	\$ 281,676
PG&E Data Fees	\$ 32,261	\$ 32,261	\$ 32,261	\$ 32,261	\$ 32,261	\$ 32,261	\$ 32,906	\$ 32,906	\$ 32,906	\$ 32,906	\$ 32,906	\$ 33,272
Office Space	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,100	\$ 5,100	\$ 5,100	\$ 5,100	\$ 5,100	\$ 5,100
Technology	\$ 1,000	\$ 1,000	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,520	\$ 1,520	\$ 6,620	\$ 1,520	\$ 1,520	\$ 1,520
Contracts	\$ 278,573	\$ 214,248	\$ 202,031	\$ 193,761	\$ 189,590	\$ 191,861	\$ 192,385	\$ 186,135	\$ 189,204	\$ 190,500	\$ 200,780	\$ 214,401
Launch Support	\$ 43,901	\$ 43,901	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 102	\$ 102	\$ 102	\$ 102	\$ 102	\$ 102
Marketing Collateral	\$ -	\$ -	\$ 21,507	\$ 21,507	\$ 21,507	\$ 21,507	\$ 21,937	\$ 21,937	\$ 21,937	\$ 21,937	\$ 21,937	\$ 22,181
Community Engagement Activities & Sponsorships	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,020	\$ 1,020	\$ 1,020
Customer Credits and Adjustments	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 510
Travel (Excl Key Account)	\$ 2,000	\$ 2,040	\$ 2,040	\$ 2,040	\$ 2,040	\$ 2,040	\$ 2,040	\$ 2,040	\$ 2,040	\$ 2,040	\$ 2,040	\$ 2,040
Travel (Key Account 50mi/day)	\$ 500	\$ 510	\$ 510	\$ 510	\$ 510	\$ 510	\$ 510	\$ 510	\$ 510	\$ 510	\$ 510	\$ 510
CalCCA Dues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,000	\$ -	\$ -	\$ -	\$ -	\$ -
Memberships	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,020	\$ 1,020	\$ 1,020	\$ 1,020	\$ 1,020	\$ 1,020
Contingency	\$ 48,532	\$ 42,105	\$ 37,777	\$ 36,950	\$ 36,533	\$ 36,760	\$ 47,257	\$ 36,432	\$ 36,870	\$ 36,492	\$ 37,520	\$ 38,944

VALLEY CLEAN ENERGY ALLIANCE

RESOLUTION NO. 2018- \_\_\_\_\_

A RESOLUTION OF THE VALLEY CLEAN ENERGY ALLIANCE ADOPTING THE FINAL  
CUSTOMER RATE DISCOUNT AND RATE TABLE

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”), 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 rates will be set at a 2% discount from the 2018 generation PG&E rates; and

WHEREAS, in the event PG&E’s generation rates change mid-year, the Interim General Manager will have the authority to approve any new rates at an amount 2% below PG&E’s generation rate for that new tariff, net of PCIA and Franchise Fees.

NOW, THEREFORE, the Board of Directors of the Valley Clean Energy Alliance hereby adopts the Final Customer Rate Discount and Rate Table (Exhibit A).

ADOPTED, this \_\_\_\_\_ day of \_\_\_\_\_, 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
VCEA Board Chair

\_\_\_\_\_  
VCEA Board Secretary

Approved as to form:

\_\_\_\_\_  
Interim VCEA Counsel

VALLEY CLEAN ENERGY ALLIANCE

RESOLUTION NO. 2018- \_\_\_\_\_

A RESOLUTION OF THE VALLEY CLEAN ENERGY ALLIANCE ADOPTING THE FINAL  
POWER MIX TO BE OFFERED TO CUSTOMERS

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”), 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, the power mix shall be comprise of 42% renewable and 75% clean content; and

WHEREAS, procurements are in place for the bulk of expected load; and

WHEREAS, following launch a more accurate load forecast will be built with actual load data, opt-out rates, and opt-up rates; and

WHEREAS, this updated load forecast will be used to guide a true-up procurement to ensure renewable and carbon-free content goals are met for 2018.

NOW, THEREFORE, the Board of Directors of the Valley Clean Energy Alliance hereby adopts the Final Power Mix to Be Offered to Customers.

ADOPTED, this \_\_\_\_\_ day of \_\_\_\_\_, 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
VCEA Board Chair

\_\_\_\_\_  
VCEA Board Secretary

Approved as to form:

\_\_\_\_\_  
Interim VCEA Counsel



VALLEY CLEAN ENERGY ALLIANCE

RESOLUTION NO. 2018- \_\_\_\_\_

A RESOLUTION OF THE VALLEY CLEAN ENERGY ALLIANCE ADOPTING POWER  
PROCUREMENT AND OPERATIONAL BUDGETS

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”), 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, the operating budget has been updated based on an updated accounting of committed and expected costs; and

WHEREAS, there is uncertainty around unknown expenses in the initial year of operations, as there is no operating history to ensure all items are accounted for; and

WHEREAS, a 10% contingency has been incorporated into the operating budget to allow VCEA to operate effectively as the agency gains operating experience; and

WHEREAS, this operating budget will replace the previously approved launch budget for the remaining fiscal year; and

WHEREAS, the operating budget will need to be consolidated with the implementation budget for purposes of financial reporting and budget compliance.

NOW, THEREFORE, the Board of Directors of the Valley Clean Energy Alliance hereby adopts the Power Procurement and Operation Budgets for Calendar Years 2018 and 2019 (Attachment A) and authorizes VCEA staff the administrative authority to perform the consolidation of the implementation budget with the operating budget.

ADOPTED, this \_\_\_\_\_ day of \_\_\_\_\_, 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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VCEA Board Chair

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VCEA Board Secretary

Approved as to form:

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Interim VCEA Counsel

## Operating Budget Remainder of FY 2017-18

	3/31/2018	4/30/2018	5/31/2018	6/30/2018
<b>Operating Expenses</b>	\$ 338,353	\$ 476,844	\$ 366,844	\$ 436,523
Labor	\$ 61,157	\$ 61,157	\$ 61,157	\$ 61,157
Contract Labor	\$ 58,333	\$ 58,333	\$ 58,333	\$ 58,333
<b>Non-Labor</b>	\$ 188,103	\$ 314,004	\$ 214,004	\$ 277,349
PG&E Data Fees	\$ -	\$ -	\$ -	\$ 32,261
Office Space	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Technology	\$ 6,000	\$ 1,000	\$ 1,000	\$ 1,000
Contracts	\$ 78,825	\$ 143,726	\$ 143,726	\$ 174,310
Launch Support	\$ 94,678	\$ 159,678	\$ 59,678	\$ 59,678
Supplies	\$ 100	\$ 100	\$ 100	\$ 100
Marketing Collateral	\$ -	\$ -	\$ -	\$ -
Community Engagement Activities & Sponsorships	\$ -	\$ 1,000	\$ 1,000	\$ 1,000
Customer Credits and Adjustments	\$ -	\$ -	\$ -	\$ 500
Travel (Excl Key Account)	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Travel (Key Account 50mi/day)	\$ 500	\$ 500	\$ 500	\$ 500
CalCCA Dues	\$ -	\$ -	\$ -	\$ -
Memberships	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
<b>Contingency</b>	\$ 30,759	\$ 43,349	\$ 33,349	\$ 39,684



## FY 2018-19 Forecast Operating Budget

	7/31/2018	8/31/2018	9/30/2018	10/31/2018	11/30/2018	12/31/2018	1/31/2019	2/28/2019	3/31/2019	4/30/2019	5/31/2019	6/30/2019
<b>Operating Expenses</b>	\$ 533,857	\$ 463,154	\$ 415,549	\$ 406,452	\$ 401,865	\$ 404,363	\$ 519,823	\$ 400,749	\$ 405,573	\$ 401,410	\$ 412,718	\$ 428,383
Labor	\$ 61,157	\$ 61,157	\$ 61,157	\$ 61,157	\$ 61,157	\$ 61,157	\$ 62,380	\$ 62,380	\$ 62,380	\$ 62,380	\$ 62,380	\$ 62,380
Contract Labor	\$ 58,333	\$ 58,333	\$ 49,167	\$ 49,167	\$ 49,167	\$ 49,167	\$ 49,167	\$ 49,167	\$ 45,383	\$ 45,383	\$ 45,383	\$ 45,383
Non-Labor	\$ 365,834	\$ 301,559	\$ 267,448	\$ 259,179	\$ 255,008	\$ 257,279	\$ 361,020	\$ 252,770	\$ 260,939	\$ 257,155	\$ 267,435	\$ 281,676
PG&E Data Fees	\$ 32,261	\$ 32,261	\$ 32,261	\$ 32,261	\$ 32,261	\$ 32,261	\$ 32,906	\$ 32,906	\$ 32,906	\$ 32,906	\$ 32,906	\$ 33,272
Office Space	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,100	\$ 5,100	\$ 5,100	\$ 5,100	\$ 5,100	\$ 5,100
Technology	\$ 1,000	\$ 1,000	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,520	\$ 1,520	\$ 6,620	\$ 1,520	\$ 1,520	\$ 1,520
Contracts	\$ 278,573	\$ 214,248	\$ 202,031	\$ 193,761	\$ 189,590	\$ 191,861	\$ 192,385	\$ 186,135	\$ 189,204	\$ 190,500	\$ 200,780	\$ 214,401
Launch Support	\$ 43,901	\$ 43,901	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 102	\$ 102	\$ 102	\$ 102	\$ 102	\$ 102
Marketing Collateral	\$ -	\$ -	\$ 21,507	\$ 21,507	\$ 21,507	\$ 21,507	\$ 21,937	\$ 21,937	\$ 21,937	\$ 21,937	\$ 21,937	\$ 22,181
Community Engagement Activities & Sponsorships	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,020	\$ 1,020	\$ 1,020
Customer Credits and Adjustments	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 510
Travel (Excl Key Account)	\$ 2,000	\$ 2,040	\$ 2,040	\$ 2,040	\$ 2,040	\$ 2,040	\$ 2,040	\$ 2,040	\$ 2,040	\$ 2,040	\$ 2,040	\$ 2,040
Travel (Key Account 50mi/day)	\$ 500	\$ 510	\$ 510	\$ 510	\$ 510	\$ 510	\$ 510	\$ 510	\$ 510	\$ 510	\$ 510	\$ 510
CalCCA Dues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,000	\$ -	\$ -	\$ -	\$ -	\$ -
Memberships	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,020	\$ 1,020	\$ 1,020	\$ 1,020	\$ 1,020	\$ 1,020
Contingency	\$ 48,532	\$ 42,105	\$ 37,777	\$ 36,950	\$ 36,533	\$ 36,760	\$ 47,257	\$ 36,432	\$ 36,870	\$ 36,492	\$ 37,520	\$ 38,944