

VCEA Citizen's Advisory Committee Procurement Guide

January 11, 2018



Overview

- Background
- Purpose
- Requested Action

Background

- Procurements will begin in January contingent on:
 - CPUC certification of Implementation Plan (expected January 16)
 - Submission by VCEA of its CPUC CCA Registration Certification request (planned for January 19)
- Procurement Timing:
 - Late January/February – Pre-Launch Solicit for 100% of expected Renewables for 2018
 - By August – Post Launch Solicit for any 2018 makeup renewables needed for fewer Opt-Outs and known Opt-Ups.
 - Throughout 2018 conduct procurements for 2019
- Procurement Objectives:
 - Procure the Energy Products necessary to form VCEA's power portfolio:
 - PCC-1 and PCC-2 renewable energy volumes to achieve 42% renewable content
 - 33% non-RPS clean energy (large hydro)
 - Resource Adequacy
 - CAISO Market Power
 - Fixed price market power for fixing VCEA's power cost (hedging)
 - Procure needed Energy Products at lowest cost

Purpose

- Procurement Guide lays out the criteria for the products purchased
- Guide also includes a section on specific procurement strategy (which has been redacted because of the commercially sensitive nature of the information).
- Staff will be requesting Board to adopt a resolution that:
 - Approves the Procurement Guide and
 - Approves a specific delegation to procure forward products for 2018 and 2019 within certain dollar limits:
 - 2018 - \$29.87 million (\$28.45 million plus 5% contingency)
 - 2019 - \$43.93 million (\$41.84 million plus 5% contingency)

Requested Action

- Advisory Committee recommend to the Board adoption of the Procurement Guide.