



Valley Clean Energy Board Meeting

January 18, 2018

Yolo County Board of Supervisors Chambers

Consent Agenda

Item	Recommendation
Approval of Minutes from December 14, 2017 Board Meeting	Receive, review and approve the attached draft minutes from December 14, 2017 Board Meeting
Regulatory and Legislative Update	Receive regulatory and legislative report.
Long Range Calendar	Receive the attached long-range calendar.
PG&E Service Agreement and Authorization to submit VCEA CPUC Bond	Authorize the Interim General Manager to execute a Service Agreement with Pacific Gas and Electric Company and issue a check for \$100,000 to the California Public Utilities Commission (CPUC) in lieu of the performance Bond as mandated by the CPUC to allow VCEA to commence service.
Adopt VCEA Personnel Policy	Adopt VCEA employment policies as articulated in attached VCEA Employee Handbook
Communications Plan Update	Receive informational update.
Recognition of Service – Community Advisory Committee Member Amanda Beck	Approve resolution recognizing and thanking Amanda Beck for her service as a member of the Community Advisory Committee.

Item 11 – Adopt VCEA Policies (action)

- A. Customer Terms and Conditions of Service Policy**
- B. Delinquent Accounts Policy**
- C. Data Privacy Policy**
- D. Data Security Breach Policy**

Recommendation:

Staff recommends the Board adopt a resolution that approves the Customer and Data Policies. The Customer Policy is consistent with what was communicated in the CPUC Implementation Plan submitted in October 2017.

Item 11 – Approval of Customer Policies and Data Policies

Overview:

- Customer Policies
- Data Policies

Item 11 – Approval of Customer Policies and Data Policies (cont.)

Customer Policies:

- Terms and Conditions of Service

- This policy covers applicable VCEA rates and billing policies as well as the policy around enrollments and opt-outs.

- Delinquent Accounts

- This policy covers how overdue customer accounts will be handled by VCEA.

Item 11 – Approval of Customer Policies and Data Policies (cont.)

Data Policies:

- Privacy Policy

- This policy covers the data collected by VCEA, how it is used, and general security protections.
- It covers individual choice, children's privacy, cookies, and any third party providers that collect and analyze web usage.

- Security Breach Policy

- This policy covers the response to security breach incidents involving VCEA sensitive and confidential data.
- It covers definitions of covered information, security, incident handling, notification and auditing.

Item 11 – Approval of Customer Policies and Data Policies (cont.)

Recommendation:

- Adopt a resolution that approves the VCEA Customer and Data Policies. The Customer Policy is consistent with what was communicated in the CPUC Implementation Plan submitted in October 2017.

Item 12 – Procurement Guide and Delegations for 2018 and 2019 Power Procurement

Overview:

- Background
- Purpose
- Requested Action

Item 12 – Procurement Guide and Delegations for 2018 and 2019 Power Procurement

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 large hydro for 2018
 - March – Complete RA purchases 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
- Staff had a review cycle with the Advisory Committee, incorporating feedback from them.

Item 12 – Procurement Guide and Delegations for 2018 and 2019 Power Procurement

Background:

- 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

Item 12 – Procurement Guide and Delegations for 2018 and 2019 Power Procurement

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).
- The specific delegation allows SMUD 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)

Item 12 – Procurement Guide and Delegations for 2018 and 2019 Power Procurement

Recommendations:

Adopt resolution to:

1. Approve the Procurement Guide (Attachment A);
2. Approve the specific delegation to SMUD for procuring VCEA's power portfolio for 2018 and 2019 (Attachment B).

Item 13 – Introduction to Net Energy Metering (NEM) Policy Options

Overview:

- What is NEM?
- Who is on NEM?
- CCA NEM Policy Comparison
- CAC Input
- Next Steps

What is NEM

Net Energy Metering

- A statewide policy to provide credits to solar customers for excess generation
- Customers are billed monthly according to their net usage by time-of-use period, and can carry over credits for excess generation.
- At year-end, customers may be compensated for any net surplus generation.

Who is on NEM

- 3,971 customers at December 2016
 - Residential
 - Commercial
- 34,000 MWh of excess generation in 2016
(By billing period)

CCA NEM Policy Comparison

CCA	Excess Gen - Monthly	Excess Generation - Annual	True-Up	Cash Out Limit
Peninsula Clean Energy	Retail plus \$0.01	Accumulated Credits	April	>\$100 can elect cash out
Marin Clean Energy	Retail plus deep green (currently \$0.01)	Accumulated Credits	April	>\$100 can elect cash out
Sonoma Clean Power	Retail plus \$0.01	Accumulated Credits	April	>\$100 can elect cash out Cap on payout
Silicon Valley Clean Energy	Retail GreenPrime if enrolled	Accumulated Credits	April	>\$100 can elect cash out Cap on payout
Lancaster Choice Energy	Retail	Accumulated Credits Credit not applied if annual net generation is less than zero.	October	None – Always cashed out
Clean Power SF	Retail	\$0.0693 – average retail rate \$0.0893 – average SuperGreen rate	April	None
PG&E	Retail	Wholesale, plus adder if given RECs	Annual based on enrollment	None

CAC Input

- Expect more favorable NEM policy than PG&E
- Sensitive to complexity of program to customer
- Interest in compensation that reflects time-of-use value of energy produced
- Interest in further incentives for using prime solar locations, either through NEM or alternative policies

Next Steps

Staff and consultants will bring recommended policy to the February 8th Board meeting, along with the pros/cons of various options. Key considerations in the development of the policy will include:

- Not harming existing NEM customers
- Providing continued incentive for rooftop solar
- Ensuring customer understanding of program
- Managing impact to agency budget and overall power portfolio
- Alignment with other NEM programs

Item 14 – Community Advisory Committee Report

1. Advise the VCEA Board of Directors on VCEA's general policy and operational objectives, including portfolio mix and objectives, as well as technical, market, program and policy areas;
2. Collaborate with VCEA staff and consultants with community outreach to and liaison with member communities;
3. Provide a public forum to inform, advise and consult through community discussions on energy related issues and a wide variety of strategies to reduce carbon emissions;
4. Collaborate with VCEA staff with monitoring legislative and regulatory activities related to Community Choice Energy issues.

Launch Phase Task Groups:

1. Energy. Braun, Flynn, Kristov, Springer
2. Outreach. Task Group: Aulman (Chair), Baird, Hunter
3. Public Forum. Task Group: TBD
4. Legislative and Regulatory – 2018 legislative session: Hunter (Chair), Flynn, Kristov, Shewmaker.

Item 14 – Community Advisory Committee Report

VCEA CAC Meeting Highlights: January 11, 2018

- Power Procurement
 - Unanimous approval of staff recommendation
 - Discussed power mix options
- Customer and Data Policies
 - Unanimous approval of staff recommendation with two suggested changes
 - Clarifying language in Terms and Condition of Service section (sp. Rates and Billing subsection)
 - Modifying/clarifying Delinquents Accounts section to include examples or ranges of timeframes before customer is returned to PGE
- Launch Phase Energy Task Group Appointed
- Net Energy Metering Policy Options
 - Received informational presentation
 - CAC will review again on 1/29 and make recommendation

Item 15 – General Manager's Report

- Outreach
- Staffing
- Banking
- Office Location
- Procurement Conference (hosted by MCE)