



## Staff Report Item 9

**TO:** East Bay Community Energy Board of Directors  
**FROM:** Howard Chang, Chief Operating Officer  
**SUBJECT:** OCEI - Vistra project upsize (Informational Item)  
**DATE:** April 22, 2020

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### Recommendation

Receive an update regarding an increase in the project size with Vistra Energy as part of the Oakland Clean Energy Initiative. We are increasing the project from 20MW/80MWh by 80% to 36.25MW/145MWh. There are no other material changes with the contract. The RA contract is expected to begin delivering resource adequacy in January 2022 for a period of 10 years.

### Background

The Oakland Clean Energy Initiative was a first-of-its-kind joint RFP that was issued with PG&E, where EBCE solicited resource adequacy from clean resources in downtown Oakland and PG&E sought local transmission related reliability needs. EBCE's primary goal of this RFP was to bring local investment into the clean virtual transmission solutions in specific load pockets within downtown Oakland and drive the closure of the peaker plant currently located in Jack London Square. In doing so, EBCE will secure local Greater Bay Area Resource Adequacy in an affordable and reliable manner. The RFP was launched in June 2018 and targeted a minimum of 20MWs of resource adequacy located within two specific load pockets in downtown Oakland. Prior to this upsizing EBCE awarded and executed contracts with Vistra Energy, esVolta, and SunRun Inc, totaling 27.5MW.

Since the initial signing of these contracts, EBCE engaged in discussions with CAISO and PG&E to determine that an increase in resources was needed to address the load needs in downtown Oakland. An addition of approximately 16MW was needed in order to adequately serve as a virtual transmission solution and to allow for the shutdown of the existing peaker plant. By executing this contract with Vistra Energy, the owner of the peaker plant, staff believes that EBCE can best ensure that the peaker plant comes offline and is properly decommissioned in the most expeditious manner since the current site of the peaker plant would be utilized to house the new clean battery storage system. PG&E recently received the necessary internal approvals on their contracts associated with OCEI and plan to file the CPUC advice letters to seek regulatory approval.

In total EBCE has now signed 43.75MW/175MWh from clean energy projects through the Oakland Clean Energy Initiative RFP. Combined with the Altamont Winds project in Livermore,

EBCE has now signed over 100MWs of clean energy projects in Alameda County and nearly 600MWs in the state of California.

As part of the increased signing authority issued to the CEO during the COVID-19 pandemic in the March 18, 2020 board meeting, this contract has been approved and executed.

### **Conclusion**

EBCE is thrilled to play a crucial role in securing the necessary clean virtual transmission solutions in downtown Oakland and to help drive the closing of the existing fossil fuel peaker plant through the efforts of the Oakland Clean Energy Initiative. Signing this increased project size of 36.25MW/145MWh with Vistra Energy helps in EBCE's mission of decarbonization and creates local jobs in Alameda County.

### **Attachments:**

- A. OCEI - Vistra Project Upsize Presentation



# Oakland Clean Energy Initiative – Vistra Upsize

PRESENTED BY: Howard Chang

DATE: April 22, 2020



# Introduction

- EBCE is upsizing the current 20MW Local Greater Bay Area Resource Adequacy contract with Vistra Energy, awarded through the Oakland Clean Energy Initiative (OCEI) RFP
  - Expected to begin delivering resource adequacy in January 2022 for a period of 10 years
  - Contracting entity under Vistra Energy is Dynegy Marketing and Trade, LLC
- The project is increasing by 80% from 20MW/80MWh to 36.25MW/145MWh
  - No other material changes to the contract
- As part of the increased signing authority issued to the CEO during the COVID-19 pandemic in the March 18, 2020 board meeting, this contract has been approved and executed

# OCEI Background

- First-of-its-kind joint RFP with PG&E issued in June 2018
- Purpose: To meet local transmission needs to enable the shut down of the natural gas peaker plant in Jack London Square
- EBCE sought local Greater Bay Area resource adequacy and PG&E sought reliability needs to serve as a virtual transmission solution
- RFP eligibility requires local resources located in downtown Oakland
- Minimum target of 20MW
- EBCE previously awarded and executed contracts with 3 projects developed by Vistra Energy, esVolta, and SunRun Inc, totaling 27.5MW
- With this upsizing, the projects total 36.25MW

# Background on the Upsize

- Since the initial signing of these contracts, EBCE engaged in discussions with CAISO and PG&E to determine that an increase in resources was needed to address the load needs in downtown Oakland
- An addition of approximately 16MW was needed in order to adequately serve as a virtual transmission solution and to allow for the shutdown of the existing peaker plant
- By executing this contract with Vistra Energy, the owner of the existing peaker plant, EBCE can best ensure that the peaker plant is phased out in the most expeditious manner since the current site of the peaker plant would be utilized to house the new clean battery storage system
- PG&E recently received the necessary internal approvals on their contracts associated with OCEI and plan to file the CPUC advice letters to seek regulatory approval shortly

# Vistra RA Project Details



- New project size: 36.25MW/145MWh
- Local Greater Bay Area Resource Adequacy
- Expected Initial Delivery Date is January 2022
- Delivery Point: Oakland Substation C
- Project is contingent on PG&E receiving CPUC approval for its contract related to reliability
- System will utilize Tier 1 lithium batteries
- System will utilize existing permits and the existing interconnection facility of the Oakland Generation Facility
- Committed to utilizing union labor for construction and Oakland-based O&M staff

# EBCE's Commitment to Clean Energy

- EBCE has signed a total of 43.75MW/175MWh of clean battery storage to deliver resource adequacy through the Oakland Clean Energy Initiative RFP, including in front of the meter and behind the meter systems.
- EBCE has signed over 100MWs of clean energy projects in Alameda County including OCEI and the Altamont Winds project under construction in Livermore
- EBCE has signed nearly 600MWs in the state of California, including solar, solar plus storage, wind, and standalone battery storage
- EBCE is in active discussions to contract additional new clean energy resources in Alameda County and California