Staff Report Item 16

TO: East Bay Community Energy Board of Directors
FROM: Alex DiGiorgio, Public Engagement Manager
SUBJECT: Inclusion of New Communities (Informational Item)
DATE: September 18, 2019

Recommendation
Receive report on including new jurisdictions within EBCE’s service area.

Background and Discussion
As a mission-driven public agency, EBCE strives to reduce energy-related greenhouse gas (GHG) emissions by providing more renewable energy at competitive rates while pioneering innovative programs and policies. To the extent EBCE retains and expands its customer-base, it can accelerate the achievement of this mission. Moreover, by including new communities within its service area, EBCE can more generally advance sustainable development, environmental justice, and energy democracy throughout California.

New Community Inclusion: Requirements, Timing, Process
Section 3.1 of EBCE’s Joint Powers Authority (JPA) Agreement refers to the “Addition of Parties,” and provides for the possibility of including new cities and/or counties within the JPA.

Requirements
In order to join EBCE, the following requirements must be met: 1) the governing body of the prospective jurisdiction (i.e., the City Council or County Board of Supervisors) must pass a resolution and ordinance to join EBCE’s JPA; 2) EBCE’s Board must pass a resolution authorizing the membership of the prospective jurisdiction; and 3) EBCE
must update its Joint Powers Agreement and file an updated Implementation Plan with the California Public Utilities Commission (CPUC) reflecting the membership of the new jurisdiction(s) within EBCE’s JPA.

Section 3.1 of the Joint Power Agreement also provides for the possibility of other “conditions” for JPA membership (e.g. “membership payments” or “membership fees”), which are subject to the discretion of EBCE’s Board. To date, no such conditions have been considered.

**Timing**

In February of 2018, the CPUC passed Resolution E-4907, which delays the timeline by which California cities and counties may begin service with Community Choice Aggregation (CCA) agencies, like EBCE. In effect, cities and counties must wait a full calendar year between the time they form or join a CCA and when electricity customers within their borders may be enrolled in the CCA’s service. As a result, any jurisdiction that requests to begin service with EBCE by 2021, must complete the process of joining EBCE’s JPA by the end of 2019. Otherwise, enrollment with EBCE will not be possible until 2022 or later.

**Process**

Given the requirements and timing articulated above, EBCE staff has drafted a document outlining the process to join EBCE in time to enroll customers before 2022.

Please see attached: ‘Steps to Joining East Bay Community Energy (EBCE).’

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>Aug-Sept 2019</td>
<td>City completes PG&amp;E Load Data Request Forms</td>
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<tr>
<td>Sept-Oct 2019</td>
<td>City passes Resolution, Ordinance to join EBCE</td>
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<tr>
<td>Aug-Oct 2019</td>
<td>EBCE conducts internal technical analysis to evaluate inclusion request(s)</td>
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<tr>
<td>Oct-Nov 2019</td>
<td>Earliest opportunities for EBCE Executive Committee (Exec Com/Board of Directors (BoD) and Community Advisory Committee (CAC) to consider technical analysis and inclusion request(s)</td>
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<tr>
<td>Nov-Dec 2019</td>
<td>Latest opportunities for EBCE Exec Com, BoD and CAC to consider technical analysis and inclusion request(s). Pending affirmative Board vote, staff updates Joint Powers Agreement and files updated Implementation Plan with CPUC</td>
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<tr>
<td>2020</td>
<td>New communities entitled to Board seat(s); community outreach within new jurisdictions begins</td>
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<tr>
<td>2021</td>
<td>Enrollment begins in new jurisdiction(s)</td>
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New Community Inclusion: Eligible Communities
The following jurisdictions have expressed interest in considering EBCE membership:
1) City of Tracy (San Joaquin County);
2) City of Newark (Alameda County); and
3) City of Pleasanton (Alameda County)

Fiscal Impact

There is no fiscal impact to consider the inclusion of new communities. There would be fiscal impacts, however, to considering the membership requests of a given jurisdiction. These should be discussed and considered by EBCE’s Board if/when a jurisdiction completes its share of the required steps to join EBCE.

Staff Recommendation

Consider inclusion of new communities within EBCE’s JPA

Attachments
A. Steps to Joining East Bay Community Energy
B. Presentation on New Community Inclusion
Steps to joining East Bay Community Energy (EBCE)

1) In-person meeting(s) with City staff and local elected officials
   • Request PG&E data release forms (Forms 79-1030 & 79-1031)
     i. May take up to eight weeks to receive accurate data from PG&E
   • Expedited timeline due to CPUC Res. E-4907

2) Two or three presentations to Council
   • Discussion item
   • Vote #1 on Ordinance & Resolution to join EBCE’s Joint Powers Authority (JPA) Agreement
   • Vote #2 on Ordinance + Signature page of JPA – *Must be completed by Sept/Oct 2019 for 2021 enrollment*

3) EBCE staff conducts internal technical analysis
   • Evaluates impact of cost of service to prospective new community (e.g., impact on EBCE’s rates and GHG emissions reductions)

4) EBCE Board reviews technical analysis; considers corresponding membership request(s) and votes on Resolution to include prospective new community

5) EBCE updates Joint Powers Agreement and files amended Implementation Plan to CPUC before 12/31/19

2020: Community outreach in new community
   • Elected official of new community entitled to seat on EBCE Board of Directors

2021: Enrollment of electricity accounts in new community
New Community Inclusion

Presenter: Alex DiGiorgio
Date: 9/18/19
New Community Inclusion

Value Proposition:

*Advance EBCE’s mission by including new customers & communities;*

• Reduce GHGs & supply more renewable energy to more electricity accounts;

• Expand public access to competitively-priced renewable energy options and innovative policies & programs;

• Enhance EBCE’s financial strength (i.e., net revenues & reserves);

• Empower local communities w/more democratic representation within CA’s energy economy (i.e., before the CPUC & CA Legislature);
  − Gain more representative leverage in Sacramento (i.e., via new Assembly & Senate members);
New Community Inclusion*

Value Proposition:

Advance EBCE’s mission by including new customers & communities;

- Diversify EBCE’s service area (i.e., link urban/rural; affluent/low-income);
  - Account demographics (e.g., include more Ag customers);
  - Local development opportunities via local resources

- Balance EBCE’s load profile (potentially);

- Inspire neighboring communities to explore CCA;

- Validate CCA movement generally; EBCE specifically

*JPA Sec. 3.1 “Addition of Parties”
Eligible Jurisdictions

• **Tracy (San Joaquin County)**
  - 8/20: Unanimous City Council vote to pursue EBCE membership;
  - 9/17: First Council vote on EBCE Ordinance & Resolution;
  - 10/1: Second Council vote on Ordinance; JPA Signature

• **Pleasanton (AC)**
  - 9/17: EBCE discussion item on Council’s agenda;
  - Staff recommending EBCE membership;
  - Tentative October Council dates

• **Newark (AC)**
  - Third-party consultant;
  - No Council meetings scheduled as of 9/6/19
Inclusion Process: Required Documents

– City Manager:
  • PG&E load data request docs & non-disclosure agreement (Forms 79-1030 & 79-1031)

– City Council:
  • Ordinance, Resolution, JPA signature page

– EBCE:
  • Technical analysis; Board resolution; updated JPA & Implementation Plan
    – Analysis evaluates cost of service to new community (e.g., impact on rates & GHGs)
Inclusion Process: Order of Operations

Jurisdiction(s) must complete inclusion process before 12/31/19 to enroll w/EBCE by 2021 (CPUC Res. E-4907)

1) Communicate w/staff and/or local elected leaders;
   • Request PG&E forms (Forms 79-1030 & 79-1031)
   • Emphasize time-sensitivity due to CPUC Res. E-4907

2) Two or three presentations to Council:
   • Discussion item
   • Vote #1 on Ordinance + Resolution to join EBCE
   • Vote #2 on Ordinance  Completed by SEPT/OCT
Inclusion Process: Order of Operations

3) EBCE conducts internal technical analyses;

4) EBCE Executive Committee/Board of Directors and Community Advisory Committee considers tech analysis and inclusion request(s) in Oct/Nov;

5) EBCE Board votes on Resolution to include prospective new communities in Nov;

6) EBCE updates JPA and files amended Implementation Plan to CPUC before 12/31/19;
   → New communities entitled to Board seat: 2020
   → EBCE conducts community outreach: 2020
   → EBCE enrollments begin: 2021