Staff Report Item 8

TO: East Bay Community Energy Executive Committee

FROM: Alex DiGiorgio, Public Engagement Manager

SUBJECT: Inclusion of New Communities (Informational Item)

DATE: July 26, 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 file an updated Implementation Plan with the California Public Utilities Commission (CPUC) reflecting the membership of the new jurisdiction 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 within the CCA’s service options. 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>
</tr>
</thead>
<tbody>
<tr>
<td>Aug-Sept 2019</td>
<td>City completes PG&amp;E Load Data Request Forms</td>
</tr>
<tr>
<td>Sept-Oct 2019</td>
<td>City passes Resolution, Ordinance, &amp; MOU to join EBCE</td>
</tr>
<tr>
<td>Aug-Oct 2019</td>
<td>EBCE conducts internal technical analysis to evaluate inclusion request(s)</td>
</tr>
<tr>
<td>Oct-Nov 2019</td>
<td>EBCE Executive Committee considers technical analyses and inclusion request(s)</td>
</tr>
<tr>
<td>Nov-Dec 2019</td>
<td>EBCE Board considers technical analyses and inclusion request(s); pending affirmative Board vote, staff files updated Implementation Plan with CPUC</td>
</tr>
<tr>
<td>2020</td>
<td>Community Outreach within new jurisdictions</td>
</tr>
<tr>
<td>2021</td>
<td>Enrollment begins in jurisdictions</td>
</tr>
</tbody>
</table>

**New Community Inclusion: Eligible Communities**
EBCE staff has been in contact with the following jurisdictions:

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. New Community Inclusion Presentation; and
B. Steps to Joining EBCE Factsheet
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) Three presentations to Council:
   - Discussion item;
   - Vote #1 on Ordinance, Resolution & MOU to join EBCE’s Joint Powers Authority (JPA)
   - 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 on 1) EBCE’s rates; and 2) GHG emissions reductions by serving prospective new community;

4) EBCE Executive Committee reviews technical analysis and evaluates inclusion request(s);

5) EBCE Board votes on Resolution to include prospective new community;

6) EBCE files amended Implementation Plan to CPUC before 12/31/19;

2020: Community Outreach in new community;
   - Board member for new community entitled to seat on EBCE Board of Directors;

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

Executive Committee

7/26/19
New Community Inclusion

Value Proposition:

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

- Reduce GHGs by supplying more renewable energy to more electricity accounts;
- Enhance EBCE’s financial strength (i.e., net revenues & reserves);
- Expand public access to competitively-priced renewable energy options and innovative policies & programs;
- 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 acquiring new customers & communities;

• Diversify EBCE’s service area (i.e., link urban/rural; affluent/low-income);
  – Include more Ag accounts;
  – Local development opportunities via local resources
• Balance EBCE’s load profile (potentially);
• Inspire neighboring communities to explore CCA;
• Validate CCA movement

*JPA Sec. 3.1 “Addition of Parties”
Inclusion Process: Required Documents

– City Manager:
  • PG&E Load Data Request docs (Forms 79-1030 & 79-1031)

– City Council:
  • Ordinance, Resolution, MOU, JPA sig page

– EBCE:
  • Technical Analysis; Board Resolution; updated Implementation Plan & JPA
    – Analysis evaluates impact on 1) rates & 2) GHGs
Inclusion Process: Order of Operations

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

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

2) In-person meetings w/staff and/or local electeds;
   - Confirm receipt of PG&E forms (Forms 79-1030 & 79-1031)

3) Three presentations to Council:
   - Discussion item
   - Vote #1 on Ordinance + Resolution & MOU to join EBCE
   - Vote #2 on Ordinance **COMPLETED BY SEPT/OCT**
Inclusion Process: Order of Operations

4) EBCE conducts internal technical analysis;
5) EBCE Executive Committee considers tech analysis and inclusion request(s);
6) EBCE Board votes on Resolution to include prospective new communities;
7) EBCE files amended Implementation Plan to CPUC before 12/31/19;
   → EBCE conducts community outreach in 2020
   → EBCE enrollments begins 2021