



Staff Report Item 5

TO: East Bay Community Energy Executive Committee Members

FROM: Nick Chaset, Chief Executive Officer

SUBJECT: **Discussion of Considerations for Defaulting Whole Communities onto 100% Renewable Energy**

DATE: April 27, 2018

Recommendation

Discuss potential criteria and risk factors associated with whole community default onto 100% renewable product that has a price premium relative to customers current PG&E rates.

Background

At Phase 2 launch, EBCE plans to offer two 100% carbon-free products, one priced at par with PG&E that includes both RPS-eligible renewables and large hydro (Brilliant 100) and another priced at a 10% or so premium to PG&E rates that includes only RPS-eligible renewables (100% Renewable rate). Staff believes the Board should provide special consideration of the implications to the program at large and lower income customers in particular, if a community were to default onto a rate that is higher cost than PG&E rates.

Staff specifically wants to further study and present to the Board the following items at the May 16, 2018 meeting:

- 1) Low-Income considerations for communities considering default onto Brilliant 100 or 100% Renewable rate
- 2) Any legal risks to East Bay Community Energy if the default rate is set above current PG&E rates (i.e. 100% Renewable Energy)
- 3) Impact on opt-out rates associated with default onto Brilliant 100 or 100% Renewable rate and associated financial implications for EBCE