



**MARIN CLEAN ENERGY
BOARD MEETING
THURSDAY, December 5, 2013
7:00 P.M.**

**SAN RAFAEL CORPORATE CENTER, TAMALPAIS ROOM
750 LINDARO STREET, SAN RAFAEL, CA 94901**

Roll Call

Present: Damon Connolly, City of San Rafael, Chair
Kathrin Sears, County of Marin
Bob McCaskill, City of Belvedere
Sloan Bailey, Town of Corte Madera
Larry Bragman, Town of Fairfax
Len Rifkind, City of Larkspur
Ken Wachtel, City of Mill Valley
Ford Greene, Town of San Anselmo
Ray Withy, City of Sausalito
Emmett O'Donnell, Town of Tiburon

Absent: Denise Athas, City of Novato
Tom Butt, City of Richmond
Carla Small, Town of Ross

Staff: Dawn Weisz, Executive Officer
Elizabeth Kelly, Legal Director
Jamie Tuckey, Communications Director
Justin Kudo, Account Services Manager
Greg Brehm, Resource Coordinator
Greg Morse, Business Analyst
Meaghan Doran, Energy Efficiency Specialist
Emily Goodwin, Internal Operations Coordinator
Darlene Jackson, Clerk

Public Session: 7:08PM

Agenda Item #1- Board Announcements (Discussion)

None

Agenda Item #2 – Public Open Time (Discussion)

None

Agenda Item #3 – Report from Executive Officer (Discussion)

Executive Officer Dawn Weisz reported on the following:

- LEAN Conference held in Chicago last month was a success with many representatives from around the country convening to discuss CCA's in the marketplace.
- Solar Rebate Press Release went out today targeting low-income customers.
- The Request for Information for the Energy Efficiency Program's vendor selection went out today soliciting a range of product/program offerings including smart meter data storage and management, a web-based customer interface and other important features that could be used in the new Energy Efficiency program cycling.
- Bidgley HAN – 50 devices were made available to the public with immediate interest; all were taken within a 2-hour period. Customers will be able to keep the devices and will have a lifetime membership in Bidgley. It is worth noting that there was a Thanksgiving alert for some customers and those devices were able to pinpoint appliances in the customer's residence showing spikes in consumption. Eligible customers included non-solar MCE residential customers. MCE is looking to expand this pilot project in the future.
- Home Utility Reports were mailed to approximately 5,000 customers. The mailing will be going out to the same customers on a regular basis and tracking of response to the mailer and program uptake will occur.
- MCE staff and Board members received misleading correspondence from member of the public, Jim Phelps. A response went out to him today to clear up the misinformation and Board members were copied.
- Town of San Anselmo will hold a Ribbon Cutting Ceremony on December 13th at 10:30AM unveiling their EV charging station. Director Green will be attending the ceremony.
- A memorial service will be held for Barbara George in February 2014. Details of the memorial will follow as we receive them.
- Reminder of Holiday Party December 20th at 6:30PM at Falkirk Mansion in San Rafael.
- Due to holiday schedule we will not be holding a Board meeting in January unless there is a need for a Special Meeting. Technical Committee and Executive Committee items were included in January agendas, respectively.

Ms. Weisz responded to questions from the Board specifically related to the correspondence received from Mr. Phelps.

Agenda Item #4 – Consent Calendar (Discussion/Action)

- C.1 Minutes from 11.7.13 Board Meeting
- C.2 Monthly Budget Report
- C.3 Approved Contract Update
- C.4 Records Retention (item pulled for further discussion)
- C.5 Second Addendum to Second Agreement with Jay Marshall
- C.6 First Agreement with Micro-Documentaries (item pulled for further discussion)
- C.7 Addendum to Second Agreement with Planet Ecosystem
- C.8 Agreement with Pacific Energy Advisors, Inc. for Technical and Advisory Services
- C.9 First Addendum to Power Purchase Agreement with EDF Renewable Energy. (Item pulled for further discussion)
- C.10 Job Descriptions and Compensation Studies for MCE Staff

Consent calendar items #C.4, C.6 and C.9 were pulled for further discussion. It was agreed that C.4 Records Retention policy would be revisited and more consideration to proposed timeframes for document retention

analyzed by the Executive Committee. It was agreed on C.9 that the date on First Addendum to PPA with EDF would be changed to reflect time allocation from 30 days to 60 days.

Ms. Weisz responded to questions from the Board.

M/s Sears/Greene (passed 10-0-0) approved all items on the consent calendar. Directors Athas, Butt and Small were absent.

Agenda Item #5 – Resolution 2013-10 Honoring Board Member Leonard Rifkind (Discussion/Action)

Chair Connolly presented the resolution to Director Rifkind and shared kind words about Director Rifkind and for his many contributions to the Board as well as to Marin Energy Authority.

M/s Greene/Sears (passed 10-0-0) approved Resolution 2013-10 Honoring Board Member Leonard Rifkind. Directors Athas, Butt and Small were absent.

Agenda Item #6 Membership Changes for Technical Committee and Executive Committee (Discussion/Action)

Dawn Weisz, Executive Officer introduced this item.

Director Larry Bragman will rotate off Technical Committee.

Directors Len Rifkind and Ken Wachtel will rotate off Executive Committee and Directors Bob McCaskill and Sloan Bailey will be added.

Ms. Weisz responded to questions from the Board.

M/s Sears/Bragman (passed 10-0-0) approved Membership Changes for Technical Committee and Executive Committee. Directors Athas, Butt and Small were absent.

Agenda Item #7 Creation of Ad Hoc Ratesetting Committee (Discussion/Action)

Dawn Weisz, Executive Officer presented this item. She reminded the Board that ratesetting is coming up in January and the initial Ad Hoc Ratesetting Committee meeting should take place in early January 2014 with a possible follow up meeting in February.

The following persons agreed to serve on the 2014 Ad Hoc Ratesetting Committee:
Ford Greene as Chair, Denise Athas, Sloan Bailey, Emmett O'Donnell and Bob McCaskill.

Ms. Weisz responded to questions from the Board.

M/s Sears/Greene (passed 10-0-0) approved Creation of Ad Hoc Ratesetting Committee (Discussion/Action) Directors Athas, Butt and Small were absent.

Agenda Item #8 – Resolution 2013-11 Adopting Amendment No. 7 to JPA Changing the Name Marin Energy Authority to Marin Clean Energy (Discussion/Action)

Dawn Weisz, Executive Officer introduced this item. External parties and community members frequently asked

about the difference between Marin Energy Authority, our governing board and Marin Clean Energy, our program. In recent months a considerable amount of time has been spent to determine what works best in terms of a uniform formal name that best represents the communities we serve, our governing body and program brand. It was recommended that consistent use of the name, Marin Clean Energy for our program and our governing body would simplify communications with the community and stakeholder groups. Ms. Weisz noted that the Marin Clean Energy name and brand was used even before the Marin Energy Authority governing body was formed; therefore, it seemed natural to simplify by transitioning uses of Marin Energy Authority to Marin Clean Energy.

Jamie Tuckey, Communications Director answered questions from the Board and discussed communication issues, customer communications and how combining the two names into one, will help strengthen the Marin Clean Energy brand with consistency. It is expected to be a simple and easy transition because Marin Clean Energy has been used for so long.

M/s McCaskill/Wachtel (passed 10-0-0) approved Resolution 20-13-11 Adopting Amendment No. 7 to JPA Changing the Name Marin Energy Authority to Marin Clean Energy. Directors Athas, Butt and Small were absent.

Agenda Item #9 Resolution 2013-12 Approving Revisions to Net Energy Metering Tariff (Discussion/Action)

Justin Kudo, Manager of Account Services introduced this item.

Mr. Kudo explained Net Energy Metering as being the billing mechanism used by solar customers in their homes and/or businesses to receive credit for energy generation. He also explained that credits are provided in dollars, not units of electricity

Mr. Kudo further explained the Billing of Net Energy Metering and how PG&E assesses customers on a monthly bill containing a "minimum bill charge" for electric service, as well as any gas charges. Each monthly bill contains "Net Metering Statement" of year-to-date credits from electric production and charges for electric usage with no balance due.

At the end of each annual billing cycle, PG&E issues customers a "true-up", which is a bill in the amount of the balance indicated by their Net Metering Statement, if any amount is due. Any excess credits at the annual true-up are forfeited.

MCE customers are billed in the same manner, except MCE charges/credits for electric generation are settled monthly instead of annually, reducing large annual true-up bills. MCE provides bonus credits and incentives for NEM customers.

Mr. Kudo discussed how NEM is billed for PG&E customers versus how NEM is billed for MCE Customers. He explained that MCE NEM Incentives include net electricity production being credited at Deep Green rate. On rollover or cash-out, PG&E NEM excess credits are forfeited at true-up whereas MCE NEM excess generation credits are kept year-to-year. For MCE NEM, there is an April cash-out for credits over \$100. The bottom line being: most customers get better compensation with MCE's NEM program.

Mr. Kudo explained the proposed revised tariff would: (1) allow customers which opt-out to remain eligible for cash-out of any available MCE generation credits, (2) enable MCE to internally track these credits and correctly apply them against MCE charges only, (3) remove current Net Generator Credit, with suggestion to reallocate

funding to solar installation rebates in FY2015 and, (4) replace defined eligibility requirements with reference to PG&E tariff and would increase flexibility and adaptability.

Ms. Weisz responded to questions from the Board. Director Rifkind indicated he would like to see some language/marketing material that would simplify the program for those customers wanting to put solar on their roof. Director McCaskill indicated he would like better communication surrounding delivery charges. He further stated it is important to help this subset of customers better understand the nuances of the program, especially because they are renewable energy generating customers, a generally more engaged group, and it is important to retain them in the customer base.

M/s Sears/Greene (passed 10-0-0) approved Resolution 2013-12 Approving Revisions to Net Energy Metering Tariff. Directors Athas, Butt and Small were absent.

Agenda Item #10 – Budget Adjustment for FY 2013-14 (Discussion/Action)

Greg Morse, Business Analyst introduced this item. He reported there is no impact to overall budget.

Ms. Weisz responded to questions from the Board. She noted that MEA's legal team has taken on a significant amount of duties formerly managed by outside consultants and, as a result, saved funds that can be reallocated to the communications budget.

M/s McCaskill/Wachtel (passed 10-0-0) approved Budget Adjustment for FY 2013-14. Directors Athas, Butt and Small were absent.

Agenda Item #11 – Request from the County of Napa and City of Albany for Membership Analysis and Consideration as a Member of MCE (Discussion/Action)

Executive Officer, Dawn Weisz presented this item.

Ms. Weisz summarized the history of MCE's expansion process which included addition of the City of Richmond and the outcome of the Richmond rollout. Following completion of the Richmond rollout, future expansion options were discussed. At MEA's 2013 Board Retreat, the Board approved adopting Policy 007: New Customer Communities, which describes MEA's policy to explore and support electric service in new communities.

Policy 007 delineates two channels of service offerings: (1) Affiliate Membership and, (2) Special Consideration Membership.

For membership consideration under the affiliate membership, all applicable membership criteria must be satisfied, the new community must be located in a county that is not more than 30 miles from MCE existing jurisdiction, and the projected customer base in the new community must be approximately 40,000 or less.

Based on affiliate membership, two communities meeting the membership consideration criteria have applied for membership by submitting letters to MEA requesting consideration as a member. They are the County of Napa and the City of Albany.

Ms. Weisz pointed out that a special-consideration category is available, but will not be discussed tonight, as a process has not yet been developed for special-consideration membership. The San Francisco Local Agency Formation Commission (SFLAFCO) has expressed verbal interest in exploring membership in MCE and based on population in their jurisdiction, would fall under

the special-consideration membership category. If further requests are received from San Francisco then MCE staff could develop the special consideration membership process more fully.

Under the affiliate membership category, there are seven (7) steps a community needs to take to be added as a member. That 7-step process is included in your Board packet. The County of Napa and the City of Albany have completed Steps 1 and 2 of the process which brings them to Step #3 and, if approved by the Board, the membership analysis would be the next step in the process. The new community would then enter into an Agreement with MCE to cover costs of the membership analysis. The membership analysis would include a technical analysis to look at economic impact of including the new customer base to determine whether the economic impact to MCE would be positive or negative. Funds would also be included in the Agreement to cover any staff time costs to participate in meetings or respond to questions during the exploratory process.

Ms. Weisz pointed out MCE would be looking at qualitative and quantitative criteria and briefly discussed the criteria MCE would be assessing, as set out in the Board packet. She also spoke briefly about characteristics of the two communities who have applied for membership.

Ms. Weisz's recommendation to move forward with the expansion process of adding the County of Napa and the City of Albany is grounded in MEA's mission statement, cost differential impacts, and a stronger voice which impacts decisions at the state level.

Ms. Weisz responded to questions from the Board.

M/s McCaskill/Rifkind (passed 10-0-0) approved Request from the County of Napa and the City of Albany for Membership Analysis and Consideration as a Member of MCE. Directors Athas, Butt and Small were absent.

Agenda Item #12 – Policy 009: Information Technology Security (Discussion/Action)

Emily Goodwin, Internal Operations Coordinator presented this item. The purpose of the proposed policy is to enhance Information Security (IT) infrastructure, staff awareness and procedures related to customer and organizational data which align with industry best practices. Incorporating customized IT Security measures within the proposed formalized policy further supports the organization's tradition of creating customized, best practice approaches that uniquely fit MCE's needs and build upon existing goals and practices regarding strong IT security and internal controls. Key factors leading to the development of this proposed policy include:

- Key staff recruited during FY2013/14 to provide program to a growing customer base and expand services.
- MEA has increased the number of working contractors to facilitate a larger scope of services to an increased customer base.
- MEA has undergone expert and customized information technology (IT) security consultation, an IT and internal controls assessment, and relevant staff training to manage security functions effectively.
- Audit process was completed approximately 30 days ago by a company referred by MEA partner, River City Bank.
- In an ongoing effort to further strengthen the organization based on growth both internally and externally, MEA seeks to incorporate customized IT Security measures in a formalized policy.
- Policy will support MEA's growth in the future as we prepare to use SmartMeter data, create new programs in demand response, energy storage or other fields, all while considering an even broader customer base both geographically and demographically.

Ms. Goodwin responded to questions from the Board.

M/s Sears/Greene (approved 10-0-0) approved Policy 009: Information Technology Security. Directors Athas, Butt and Small were absent.

Agenda Item #13 – Policy 010: Infants in the Workplace (Discussion/Action)

Emily Goodwin, Internal Operations Coordinator introduced this item. The purpose of this propose policy is to encourage new mothers or fathers within MCE staff to return to work sooner by allowing new parents to bring their infant to work with them until the child is 6 months old or begins to crawl, whichever comes first.

Key factors leading to the development of this policy include:

- Key staff recruited during FY2013/14 to provide programs to a growing customer base and expand services.
- MEA seeks to enhance core values and goals by implementing Infants in the Workplace Policy in an ongoing effort to further strengthen the organization, bolster employee morale and enhance staff retention strategies.
- MEA is looking to provide a positive work environment that recognizes parents' responsibilities to their jobs and to their infants by acknowledging that, when an infant is able to stay with a parent, this benefits the family, the employer, and society.
- Program benefits include:
 - ✓ Allowing infants in the workplace costs an organization almost nothing and provides extensive business benefits, such as employees voluntarily returning to work early after the birth of their child.
 - ✓ Creates an increase in morale, employee retention, and increases overall productivity by limiting long-term absence from the work environment.

Ms. Goodwin responded to questions from the Board.

M/s Green/Sears (passed 10-0-0) approved Policy 010: Infants in the Workplace. Directors Athas, Butt and Small were absent.

Agenda Item #14 – Regulatory Update (Discussion)

Elizabeth Kelly, Legal Director introduced this item.

CCAs and Energy Efficiency

Ms. Kelly discussed proposed decisions effecting CCAs and Energy Efficiency (electrical vs. gas) and how those programs are run. The proposed decision has been held, no modifications have been made but there is an expectation that modifications are forthcoming. Currently there is no true indication where the CPUC is going with this decision.

Cost Allocation and Procurement Affecting CCA

Ms. Kelly spoke briefly about San Onofre Nuclear Generation Station (SONGS) outage in Southern California and the proposal in that area is to have all replacement resources for SONGS receive cost allocation mechanism treatment (CAM). This non-bypassable charge treatment would impact future CCA customers within the SCE and SDG&E territories. MCE is paving the way for other CCAs to be able to operate within those territories.

Green Tariffs (SDG&E SunRate and PG&E Green Option)

Ms. Kelly briefly discussed the Green Option proceedings. SB 43 was passed which allows investor-owned utilities provide green options to their customers. PG&E and SDG&E are taking totally different approaches to their proposed programs following this legislation. SDG&E appears to be taking the approach that they are making necessary modifications to their proposed green program in order to comply with the law. PG&E's approach is that

they claim the legislation is theirs and as a result their proposed program is "ipso facto" compliant with the law.

Director Sears inquired as to who sets the PCIA Workshop agenda. Ms. Kelly advised that Energy Division sets the agenda and MCE is currently in discussions about being able to request items for the agenda.

Ms. Kelly responded to questions from the Board.

Agenda Item #15 – Members and Staff Matters (Discussion)

None

Agenda Item #16 – Adjourn

9:47PM



Damon Connolly, Chair

ATTEST:



Dawn Weisz, Executive Officer

