

MCE History

1999-2001: Interest in Climate Change and CCA is Born

- 1999-2001: County of Marin launches Green Building program, Green Business program, and conducts GHG emissions inventory for the County.
- 2001-2002: County of Marin conducts greenhouse gas inventory, approves reduction target, and supports AB117.
- 2002: Advocates in the Bay Area promote idea of Community Choice Aggregation (CCA) to spur use of renewable energy; County of Marin joins in support.
- 2002: CCA enabling legislation, AB117 (Migden) passed.
- 2003: Proposal for feasibility study of CCA by Navigant Consulting funded by CEC and administered by the LGC.
- 2004: Berkeley, Emeryville, Marin, Oakland and Pleasanton approved to participate in feasibility study.

2004-2006: Studies... and More Studies.

- February, 2004: County of Marin joins MMWD, NMWD, Berkeley, Emeryville, Oakland and Pleasanton in contributing matching funds to CCA feasibility study.
- July, 2004: Initial feasibility study released by Navigant.
- Follow up studies:
 - March 7, 2005: Updated feasibility study
 - April 6, 2005 : Bond Council Review
 - August 17, 2005: Peer review of feasibility study
 - May 16, 2006: Risk analysis regarding rate outcomes

2007-2008: Local Govt. Task Force, Business Plan, PG&E Engages

- Funds awarded from by Bay Area Air Quality Management District to develop MCE Business Plan and JPA Agreement.
- May 2007: Local Government Task Force (LGTF) begins meeting with representatives from each city and town.
- November 2007: CCA, local renewables and GHG reductions included in award winning Marin County General Plan Update.
- PG&E offers “CCA alternative” to County and City leaders that includes things they are already doing and are required by law.
- PG&E sends critical letters about MCE to elected officials on a regular basis on a range of topics, increasing doubt and leaving trails of questions behind them.
- PG&E holds private meetings with elected officials focusing on risks and threatening to remove EE funds and other PG&E support in the community.
- Business Plan drafted, release for input for months of public review.
- PG&E sends scathing analysis of business plan 24 hours before city/town votes.
- MCE hires peer review to respond to analysis with results just in time for meeting, and a positive vote by LGTF to approve business plan in March 2008

- April-December 2008: Multiple presentations to all 12 Marin jurisdictions about joining MCE, PG&E participates with their own presentation on risks and concerns.
- Many breakfast meetings with many city council members for deeper Q&A.
- December 2008: In a critical vote, the City of San Rafael joins MCE, and the JPA “Marin Energy Authority” formed.

2009: Outreach, and Battles on Many Fronts

- Multiple ‘Dog and pony’ shows to all 12 Marin jurisdictions, usually to a skeptical, risk-averse council. PG&E present at most, with a counter presentation.
- February: MCE releases solicitation for primary power supplier.
- PG&E hires former Assembly member, Joe Nation and former Marin County Supervisor, Gary Giacomini, to politically smother MCE.
- CEQA Litigation threatened by PG&E.
- Anti-MCE mailing campaign by PG&E.
- Community groups host many “debate” events with MCE vs. PG&E.
- PG&E throws lots of \$ towards Marin Chamber of Commerce, local events, local non-profits, and begins making deposits in local banks.
- Launch loan needed. Local bank hunt yields interest followed quickly by rejections. (Circle Bank, Bank of Marin, Wells Fargo, Tamalpais Bank...)
- County of Marin calls for ‘skin in the game’ from cities. Cities deadest against any financial contribution, except Fairfax
- PG&E launches, “Common Sense Coalition” to fight MCE. Holds community events, sends out mailers, petition drives for Prop. 16.
- Big shortfall in \$2.2M needed for launch.
- December 9: Civil Grand Jury Report: “Pull the Plug” is released.
- Corte Madera and Larkspur vote not to join MCE.
- PG&E refuses to sign service agreement with MCE (a CPUC-approved tariff).

2010: Many Ways to Die, and Each Narrowly Averted

- PG&E launches prop. 16 to end CCA’s. Spends \$45M. (would have amended the state constitution to require a 2/3 vote before local governments could use public funds or issue bonds to establish a CCA). Municipal power agencies and local governments were prohibited by law from campaigning against it.
- MCE staff must adjust customer selection and accelerate timeline to enroll first phase before June 6th (day of vote).
- Novato votes to not join MCE in a highly attended city council meeting where PG&E consultant, Joe Nation, offers the city \$30K for ‘sustainability staff costs’ in exchange for a no vote.
- Ross votes not to join MCE in a highly attended city council meeting where Mr. Phelps encourages them to purchase unbundled RECs instead because “RECs” are much better.
- Private investors courted to cover \$750,000 loan.
- MCE looks for staff.
- MCE asks MMWD for \$500,000 shortfall in start-up capital.

- PG&E threatens CEQA litigation against MMWD.
- PG&E solicits opt outs by mail in IJ adds.
- Feb. 2: County of Marin vote to guarantee loan proves critical and barely passes in a 3-2 decision.
- Feb. 2: MCE Implementation Plan approved by CPUC.
- MCE successful in getting secured loan of \$1.1M from River City Bank with guarantee from County of Marin and Town of Fairfax. (Shortfall of \$500 in working capital remains.)
- March 17: MCE enters into first direct power supply contract.
- PG&E quietly files with the CPUC to shift tier effect to T&D side of the bill, undermining MCE's economic model. MCE enters into first contract for Regulatory Counsel and is ultimately successful in deferring implementation of shift to 2012.
- MCE staff is advised by legal counsel that they are not permitted to take out a loan for more than one year. Staff has to restructure financing to reduce payback from 5 years to 1.
- PG&E runs phone-banking campaign to solicit opt outs in real-time.
- MCE is hemorrhaging customers even before launch. Frantic letters to CPUC energy division result in opt out process being taken away from IOUs going forward.
- CPUC 'rescinds' approximately 250 opt outs solicited 'illegally' by PG&E. This creates further customer frustration.
- June 6, 2010: Prop. 16 narrowly defeated.
- June 7, 2010: MCE launches service to customers.

2010: Post-Launch

- Billing issues result in customers being double-charged, some customers not being billed at all, customers being enrolled incorrectly.
- PG&E unable to transfer customer revenue to MCE after months of service. Media threats result in first check, sent by mail.
- PG&E providing mis-information at call-centers, sending unapproved letters to customers resulting in many new opt outs.
- August, 2010: RCB releases guarantee requirement on remaining \$500,000 due to MCE's strong financials.
- December 2010: MCE repays County for loan of \$500,000, releases guarantees provided by County of Marin and Town of Fairfax, and repays private lenders \$750,000 with interest.

2011

- Amnesty offered to four Marin Cities who did not join initially. All four joined in 2011.
- SB790, the Charles McGlashan bill, passed and signed into law.

“Today we have come to a fork in the road. The road that I want you to take with me today allows us to choose the destiny of vision and hope. If we choose this path we will take on the risks and accept the rewards of addressing climate change in an honest and ethical way. I want to walk down that road today.”

- Charles McGlashan, Feb. 2, 2010