Community Power Coalition
December 2018
Newest Contra Costa Feed-in Tariff Project, 1 MW solar at Oakley RV & Boat Storage
Community Development
• 2018 Community Power Survey

Policy
• Rates & PCIA
• Centralized Procurement, AB 56 (Garcia)
• Resource Adequacy

Procurement & Customer Programs
• 2019 Integrated Resource Plan
• 🏋️ Getting FIT 🏋️
• EVs are EVerywhere!
• Overview of Direct Install RFQ

Other: Erika Morgan, California Alliance for Community Energy

Questions? Open time.
Help set our 2019 priorities!


2018 Community Power Survey

Yearly MCE survey to help us better understand Community Power members’ shifting priorities for how we can best support our communities:

Priorities moving into 2017:
1. Energy Efficiency & Solar rebates
2. Lower rates (reduce generation rates or PCIA)
3. Local renewable projects

Priorities moving into 2018:
1. Local renewable projects
2. Electric vehicle infrastructure
3. Increase Deep Green
Similarly to last year, PG&E’s Energy Resource Recovery Account (ERRA) forecast has been delayed. **We don’t expect PCIA or generation rate changes until March 2019**, which better coincides with MCE’s traditional April rate change.

Historically, ERRA forecasts are expectations of what rates will be and aren’t precise indications of action rates. That said, in 2019 we assume generation rates will decrease and PCIA will increase.

The current forecast is not inclusive of all costs (i.e. they’re a subtotal of only part of the generation rates) making current figures misleadingly low. As more accurate figures are available we will evaluate what steps are appropriate to adjust MCE rates.

MCE does not intend to raise rates in 2019. We will likely reduce rates where reasonable. On December 7, MCE’s Executive Committee set up our ad hoc rate setting committee to meet in 2019 to discuss MCE’s rates.

The next filing should be the Annual Electric True-up (AET). Last year, PG&E published it on 2/16/18 to go into effect 3/1/18.
Centralized Procurement

AB 56 (Garcia)

- Introduced by Eduardo Garcia, assemblymember from Coachella Valley
- Direct the CPUC and the CEC to complete a study, by March 31, 2020, about a statewide central buying entity for retail electricity
- Given that it is a study bill, not a bill to create a central procurement entity, it would be harder to oppose in the legislature
- CalCCA is watching this bill closely as it will involve when the legislature reconvenes in January
Quick refresher: there are 3 types of required RA resources: system, local, and flexible

- The Resource Adequacy (RA) PD was issued in November:
  - Directs IOUs to serve as central buyer for local resource adequacy resources
  - IOUs to conduct open solicitations for local RA, using Least-Cost-Best-Fit methodology to evaluate bids
    - If bids are accepted, LSEs won’t count those resources’ system or flexible attributes for their own RA, and will lose them even though they are compensated for the local RA
    - If the bids are not accepted, then LSEs lose the local RA value of their contracts
- Environmentally, the current proposal would likely impact the state’s decarbonization goals and undermine LSE’s ability to finance and procure distributed energy resources, since they won’t be able to realize the financial incentives associated with local RA
- Financially, this creates uncertainty for CCAs. CCAs will have to bid their local RA resources, bundled with their system and flexible RA attributes, into the IOUs’ open solicitations.
- If this seems complicated, it is because it is. LSEs will now have to account for a lot more uncertainties when negotiating RA contracts.
MCE 2019 Integrated Resource Plan: Exceeding State Targets

Since 2012, MCE has published an annual, voluntary, and publicly available Integrated Resource Plan (MCE IRP).¹

MCE’s IRP summarizes our resources, planning, programs, and policies, captures the complexity of managing our energy portfolio, and demonstrates our voluntary procurement targets, which:

» Continue to exceed state Renewable Portfolio Standards and GHG-reduction mandates
» Demonstrate our commitment to supporting disadvantaged communities
» Support our accelerated path to achieving state energy and climate goals

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¹ The Integrated Resource Plan (IRP) is a key component of California’s Energy Policy, which outlines how California’s utilities must meet their energy needs over the long term while reducing greenhouse gas emissions.
IRP

2019 ESTIMATED RESOURCE MIX²

- Conventional 9%
- Large Hydro 33%
- Solar 22%
- Wind 25%
- Small Hydro 3%
- Biomass/LFG 4%

**FAMILIES**

**Rooftop Solar**

>25,000 rooftop solar customers represent >300 MW of local renewable generation capacity. MCE offers cash outs of up to $5,000 each year, ability to transfer credits to support low income solar customers, and above-market compensation for excess generation.

**BUSINESSES**

**New Revenue Opportunities**

One of California’s most generous Feed-In Tariff (FIT) programs for locally situated, smaller-scale, renewable-generating resources that supply wholesale electricity to MCE. MCE’s FIT offers up to 45 MW of capacity for qualifying renewables in MCE’s service area.

**COMMUNITIES**

**Local Build = Local Supply**

Between MCE Solar One and our FIT program, current projects within MCE’s service area include ~20 MW operational and ~5 MW under contract.

- **60 contracts** + more than 30 energy product suppliers
- **ZERO** unbundled renewable energy certificates (RECs) after 2018
- **Half** of the Deep Green premium supports local projects + economic development
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<th>Retail Sales (%)</th>
<th>2019</th>
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<th>2021</th>
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<td>Large Hydro</td>
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<td>33%</td>
<td>36%</td>
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<td><strong>Total Renewable</strong></td>
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<td><strong>Total GHG-Free</strong></td>
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Two new projects have come on line:
• Oakley RV and Boat Storage – 1 MW Rooftop Solar
• E & O Products (San Rafael) – 56 kW Rooftop Solar

Projects starting or under construction. Coming in 2019:
• Central Marin Sanitary Agency – Biogas at San Rafael wastewater treatment – excess power from 750 kW system
• San Rafael Airport II – 1 MW rooftop
• Cooley Quarry II – 100kW addition
• American Canyon – Three 1MW systems
  • Planning Commission approval 12/6: “A bid to build Napa County’s first solar commercial farm won approval from the Napa County Planning Commission, with critics saying they will appeal the outcome to the Board of Supervisors.” – Napa Valley Register
89% of EVSE funds reserved (up from 80% in November)
  • Exceeded goal: 559 ports and counting
  • Every County government has a project
  • Facilitated 2x more projects in MCEv than EV Charge Network
  • Thus far, engaged 300+ customers
‘EV Charging for your Winery’ webinar coordinated with Napa Valley Vintners

Market update:
  • 1M EVs sold in US, inc 500k in CA
  • GM and Tesla reached 200k vehicles sold threshold for FTC
  • Chevy ends Volt, while other manufacturers double down
Residential Direct Install

• Form new partnerships for the design and implementation of MCE’s new residential Standalone Direct Install Program
  ✓ Basic energy efficiency assessments
  ✓ Installation of energy efficiency measures, water saving devices, health and safety equipment
  ✓ Innovative technologies

• Core goals
  ✓ Customer experience
  ✓ Cost effectiveness
  ✓ Achieving energy efficiency savings

• The Program is expected to begin in early 2019

• More information and submission here: mceCleanEnergy.org/Careers
Industrial and Agricultural

Request for Qualifications

• Form new partnerships for the design and implementation of MCE’s new industrial and agricultural programs
  ✓ Broad emissions reductions strategies and environmental goals (energy efficiency, energy conservation and water efficiency)
  ✓ Project design and engineering services
  ✓ Integrated technical and financial assessments
  ✓ Innovative technologies

• Core goals
  ✓ Customer experience
  ✓ Cost effectiveness
  ✓ Achieving energy efficiency savings

• The Program is expected to begin in early 2019

• More information and submission here: mceCleanEnergy.org/Careers
Erika Morgan, California Alliance for Community Energy

• A statewide alliance of grassroots activists and community groups
• Mission: to strengthen and defend Community Choice efforts for the benefits to local communities
• Monthly topical calls, position papers, campaigns
• No cost to join, just interest in our mission
Fin
MCE General Updates

MCE Board Meetings
• August Board Packet, Supplemental
• October Board packet, Regulatory, Supplemental
• November Board meeting cancelled; TechCom
• December Board meeting cancelled; ExCom

MCE Job Announcements & RFPs
• Public Affairs Interns (Marketing & Events)
• Manager of Human Resources, Diversity and Inclusion
• RFQs for Print and Mailing Services
• RFQs for Heat Pump Participating Contractors