



Agenda Page 1 of 1

Technical Committee Meeting Thursday, August 1, 2019 8:30 A.M.

Charles F. McGlashan Board Room, 1125 Tamalpais Avenue, San Rafael, CA 94901
Mt. Diablo Room, 2300 Clayton Road, Suite 1150, Concord, CA 94520
City of El Cerrito, 10890 San Pablo Avenue, Hillside Conference Room, El Cerrito, CA 94530
City of San Ramon, 7000 Bollinger Canyon Road, Room 256, San Ramon, CA 94583

1. Roll Call/Quorum
2. Board Announcements (Discussion)
3. Public Open Time (Discussion)
4. Report from Chief Executive Officer (Discussion)
5. Consent Calendar (Discussion/Action)
 - C.1 Approval of 6.6.19 Meeting Minutes
 - C.2 First Amendment to First Agreement with Build It Green
6. MCE 2018 Annual Power Source Disclosure Report Attestation (Discussion/Action)
7. Proposed Confirmation Letter with Wellhead Power eXchange, LLC (Discussion/Action)
8. Regulatory Impacts on GHG-free Targets (Discussion)
9. Time of Use Rates (Discussion)
10. Committee Matters & Staff Matters (Discussion)
11. Adjourn



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MCE TECHNICAL COMMITTEE MEETING MINUTES
Thursday, June 6, 2019
8:30 A.M.

Mt. Diablo Room
2300 Clayton Road, Suite 1150
Concord, CA 94520

Charles F. McGlashan Board Room
1125 Tamalpais Avenue
San Rafael, CA 94901

City of El Cerrito
10890 San Pablo Avenue, Hillside Conference Room,
El Cerrito, CA 94530

City of San Ramon
7000 Bollinger Canyon Road, Room 256
San Ramon, CA 94583

Present: Kevin Haroff, City of Larkspur, *San Rafael*
Greg Lyman, City of El Cerrito, *El Cerrito*
Kate Sears, County of Marin, *San Rafael*
Justin Wedel, City of Sausalito, *Concord*
Ray Withy, City of Sausalito, *San Rafael*

Absent: Scott Perkins, City of San Ramon
Rob Schroder, City of Martinez

Staff

& Others: Jessica Brooks, Assistant Board Clerk
Sherry Clark, Administrative Services Associate
John Dalessi, Operations & Development
Brian Goldstein, Resource Planning & Implementation
Darlene Jackson, Board Clerk
Vicken Kasarjian, Chief Operating Officer
Justin Kudo, Strategic Analysis & Rates Manager
Lindsay Saxby, Manager of Power Resources
Taylor Sherman, Administrative Services Assistant
Dawn Weisz, Chief Executive Officer

1. Roll Call

Chair Sears called the regular Technical Committee meeting to order at 8:33 a.m. with quorum established by roll call.

2. Board Announcements (Discussion)

There were none.

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3. Public Open Time (Discussion)

Chair Sears opened the public comment period and there were no comments.

4. Report from Chief Executive Officer (Discussion)

CEO, Dawn Weisz, reported the following:

- An Invitation to join MCE's 2019 Ad Hoc Audit Committee will be extended to Board members at the June 20th Board meeting. Board members interested in joining this committee should let Darlene or Jesica know.
- Calendar invitations have been sent out for the Board Retreat on Wednesday, September 18th from 9AM-5PM at the City of Richmond Memorial Auditorium. Please RSVP as soon possible.
- The July Technical Committee will fall on the 4th of July. Darlene will be contacting you to try and reschedule the July meeting since there are a few important agenda items.

5. Consent Calendar (Discussion/Action)

C.1 Approval of 5.2.19 Meeting Minutes

Chair Sears opened the public comment period and there were no comments.

Action: It was M/S/C (Wedel/Lyman) **to approve Consent Calendar**. Motion carried by unanimous vote. (Absent: Directors Perkins and Schroder).

6. De-energizing, Critical Facilities and Emergency Alert Systems (Discussion)

Woody Baker-Cohn, Marin County Sheriff's Office/OES, presented this item and addressed questions from Committee members.

Chair Sears opened the public comment period and there were no comments.

Action: No action required.

7. Proposed MCE Rate Changes for July 1, 2019 (Discussion)

Justin Kudo, Strategic Analysis & Rates Manager and John Dalessi, Operations & Development, presented this item and addressed questions from Committee members.

Chair Sears opened the public comment period and there were comments from members of the public, Howdy Goudey in El Cerrito and Peter Luchetti in San Rafael.

Action: No action required.

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8. Reducing Greenhouse Gas Emissions in MCE's Resource Adequacy Procurement (Discussion)

Lindsay Saxby, Manager of Power Resources, presented this item and addressed questions from Committee members.

Chair Sears opened the public comment period and there were no comments.

Action: No action required.

9. California Energy Markets and Impacts Related to CCAs (Discussion)

Lindsay Saxby, Manager of Power Resources, presented this item and addressed questions from Committee members.

Chair Sears opened the public comment period and there were no comments.

Action: No action required.

10. Committee & Staff Matters (Discussion)

Chair Sears opened the public comment period and there were no comments.

11. Adjournment

Chair Sears adjourned the meeting at 11:07 a.m. to the next scheduled Technical Committee Meeting in July.

Kate Sears, Chair

Attest:

Dawn Weisz, Secretary



August 1, 2019

TO: MCE Technical Committee

FROM: Grace Peralta, Customer Programs Manager

RE: First Amendment to First Agreement with Build It Green (Agenda Item #05 - C.2)

ATTACHMENT: Proposed First Amendment to First Agreement with Build It Green

Dear MCE Technical Committee Members:

SUMMARY:

The proposed First Amendment to the First Agreement with Build It Green (BIG) is a contract for energy efficiency services, primarily focused on the implementation and development of MCE's Residential Direct Install Program, as well as direct installation and surveying services for the Multifamily Energy Savings Program and the Low-Income Families and Tenants Pilot Program. The proposed Amendment would commence upon contract execution and continue through December 31, 2020.

Background

With the approval of MCE's Business Plan by the California Public Utilities Commission (CPUC) in May 2018, and subsequent approval of MCE's 2019 Annual Budget Advice Letter, MCE is now approved and funded to expand its energy efficiency programs to serve single and multifamily customers with a standalone direct install program. MCE's Residential Direct Install Program will serve as an entry point into MCE programs and a comprehensive approach to energy efficiency in the residential sector.

In early 2019, after a Request for Qualifications process, BIG was selected from a pool of vendors to design and develop MCE's Residential Direct Install Program and has provided these services since May 21, 2019. MCE currently has an agreement with BIG with a maximum sum of \$99,000.

With MCE's approval of the program design and materials presented by BIG, staff recommends amending the Agreement to include implementation services and additional services mentioned above. Staff recommends increasing the contract amount by an additional \$761,000 to cover the implementation of these services increasing the

total contract amount to \$860,000 for continuation and expansion of these services through December 31, 2020.

Fiscal Impacts: Expenditures related to the proposed First Amendment to the First Agreement with BIG would be funded from energy efficiency program funds allocated by the CPUC.

Recommendation: Approve the First Amendment to First Agreement with BIG.

**FIRST AMENDMENT TO FIRST AGREEMENT
BY AND BETWEEN MARIN CLEAN ENERGY
AND BUILD IT GREEN**

This FIRST AMENDMENT is made and entered into on August 1, 2019, by and between MARIN CLEAN ENERGY, (hereinafter referred to as "MCE") and BUILD IT GREEN, (hereinafter referred to as "Implementer").

RECITALS

WHEREAS, MCE and the Implementer entered into an agreement on May 21, 2019, to provide Direct Install program design services ("Agreement"); and

WHEREAS, Section 4 and Exhibit B to the Agreement provided for Implementer to be compensated in an amount not to exceed \$99,000 for the program design services described within the scope therein; and

WHEREAS the parties desire to amend the Agreement to increase the contract amount by \$761,000 for total consideration not to exceed \$860,000; and

WHEREAS, Section 5 of the Agreement stated the Agreement shall terminate on December 31, 2019; and

WHEREAS the parties desire to amend the Agreement to extend the term of the Agreement; and

WHEREAS, Exhibit A to the Agreement specified the tasks Implementer will complete for the program design services as described in the scope therein; and

WHEREAS the parties desire to amend the Agreement to add to the scope of work of the Agreement to include Direct Install program implementation services for program years 2019 and 2020.

NOW, THEREFORE, the parties agree to modify Sections 4 and 5, and Exhibits A and B as set forth below.

AGREEMENT

1. Section 4 is hereby amended to read as follows:

MAXIMUM COST TO MCE:

In no event will the cost to MCE for the services to be provided herein exceed the maximum sum of **\$860,000**.

2. Section 5 is hereby amended to read as follows:

TERM OF AGREEMENT:

This Agreement shall commence on **March 13, 2019**, and shall continue, unless terminated earlier in accordance with the terms of this Agreement, until **December 31, 2020**. Certificate(s) of Insurance must be current on the day the Agreement commences and if scheduled to lapse prior to termination date, must be automatically updated before final payment may be made to Implementer.

3. The following tasks are hereby added to the end of Exhibit A:

Task 2 – Program Implementation. Implementer will implement the Program designed in Task 1. Pursuant to the Program design and Implementation Plan, Implementer shall implement with a Total Resource Cost (TRC) goal of 0.88 and a not-to-exceed rate for savings achieved of \$5.15 per therm and \$0.45 per kWh saved.

Implementer will:

- Train and mentor participating contractors
- Manage the Program
- Provide application platform support
- Provide quality assurance and quality control
- Conduct Program marketing and outreach

Task 2.1 Training and Mentoring

- A. Initial Field Mentoring. Implementer will provide in-field mentoring sessions with each participating contractor during their first two single family and multifamily projects. These will occur in conjunction with installation and safety testing. Implementer anticipates ½ day to 2 days per training instance pending scope of work. These visits provide participating contractors with the Program expectations and requirements and ensures all stakeholder expectations (MCE, Implementer, participating contractor, customer) are aligned.
- B. New Participating Contractor Onboarding. Implementer will train all participating contractor field and office staff to ensure compliance and success in Program delivery. If Implementer needs to enroll additional participating contractors to meet the Program targets, the participating contractors will receive the same initial and quarterly field mentoring sessions.
- C. Quarterly Field Mentoring. Regular in-field check-ins ensure participating contractors are up to speed with the latest Program requirements, are continuing good habits, and are receiving in-field support for any unexpected issues that may arise. Newer staff of participating contractors who will work on the Program but were not present during the initial mentoring visits will be mentored at this time.

Task 2.2 Program Management

- A. Customer Service Support. Implementer will provide a live customer support team to respond to customer inquiries and requests, provide Program support, connect customers to participating contractors, and connect customers to additional program resources. The customer support team will be available from 8:30am-5:30pm Monday through Friday and will monitor Program emails submitted to mcedi@builditgreen.org.
- B. Participating Contractor Engagement. Implementer will provide a single point of contact for each participating contractor to hold weekly or bi-weekly check-in calls, as-needed office visits, and support with technical Program questions.
- C. Monthly Reporting. Implementer will ensure all data collected from customers and participating contractors is secure, complete, accurate, and formatted as required. Implementer will coordinate in an ongoing basis with the MCE team to ensure systems are tested, new data points are added and formatted as needed, and energy savings and payment information is accurate and complete. Implementer will intake all Program assessment questions and CPUC-required data points, calculate deemed savings, coordinate double-dip checks with PG&E and/or MCE, and submit monthly and quarterly reports and invoices to MCE. MCE and Implementer will outline any additional and/or ad-hoc reporting.
- D. Coordination with Implementers and Investor-Owned Utilities (IOUs). Implementer will establish regular meetings with other Program implementers and IOUs within MCE's service territory as needed to ensure timely, accurate and consistent access to data.
- E. Program Closeout. Upon termination of the Program, Implementer will package all project and customer data into a zip folder and securely transfer to MCE. Implementer will complete a final

Program closeout report and submit to MCE within 2 business weeks of written notification of Program termination.

Task 2.3 Application Platform Support.

Implementer will operate, maintain, and complete routine improvements to the application platform which receive and securely store and transfer all data and documents required for the Program. After initial launch, there will be an initial coordination effort to identify, address, and resolve application submission and data collection bugs. Implementer will continue to address ongoing bugs and minimal data collection additions and improvements and gather feedback for a V2 platform to be designed and launched in 2020. Platform work will support:

- Data Security
- Bug Fixes
- Payment processing
- Double Dip Checks
- Ongoing system improvements
- Assessment Updates
- Platform V2 preparation

Task 2.4 Quality Assurance and Control

- A. Quality Assurance. Implementer will complete desktop review of all applications submitted to the Program, coordinate application corrections and returns, and ensure accurate, complete, and Program applications. Implementer will review 100% of all initial applications submitted and reduce overall review rates as participating contractor submission success allows. Some applications will require multiple reviews as corrections are identified, addressed by the contractor, and resubmitted.

- B. Quality Control. Implementer will conduct field inspections, safety testing, and correction return visit coordination. As outlined in the Implementation Plan, Implementer will complete field inspections of 100% of the first 4 projects submitted per participating contractor (2 Single Family and 2 Multifamily, ideally) and 5% thereafter. As needed, Implementer will increase Field Quality Control rates to ensure safe, quality, and complete installation.

Task 2.5 Marketing and Outreach

Pursuant to a marketing plan developed between MCE and Implementer, Implementer will complete marketing and outreach campaigns to drive interest to the Program. Implementer will adjust marketing and outreach strategies as needed and in coordination with MCE to ensure the Program is fully enrolled to meet annual targets. Core activities include:

- Lead Generation
- Design and Printing
 - Door hangers, cutsheets, ID badges, and digital campaigns
- Website Updates
- Event Coordination and Attendance
 - Implementer will coordinate with property owners, participating contractors, and other multifamily program implementers as needed to identify good candidates for the Program. Additional details will be outlined in the final marketing plan.

Incentives Caps for Implementation

- A. 2019 Program Implementation. Incentives will be paid monthly upon Implementer's successful reporting of installed measures. Measure-level incentive rates will be finalized to ensure TRC goals are met and do not exceed the Not-To-Exceed (NTE) rate for savings achieved of \$5.15 per therm and \$0.45 per kWh saved.
 - Single Family Properties NTE \$150,000 for incentives
 - Multifamily Properties NTE \$80,000 for incentivesTOTAL NTE for 2019 Incentives - \$230,000

- B. 2020 Program Implementation. Incentives will be paid monthly upon Implementer's successful reporting of installed measures. Measure-level incentive rates will be finalized to ensure TRC goals are met and do not exceed the Not-To-Exceed (NTE) rate for savings achieved of \$5.15

per therm and \$0.45 per kWh saved. Final Incentive Budget will be determined by the Annual Budget Advice Letter (ABAL) process.

Task 2 Deliverables:

- Initial field mentoring and participating contractor onboarding
- Quarterly field mentoring
- Customer service support
- Participating contractor engagement
- Monthly & quarterly reporting
- Coordination with other implementers and IOUs
- Program closeout (if needed)
- Program platform support
- Quality Assurance
- Quality Control
- Marketing Plan identifying marketing and outreach core activities

Task 2 Key Staff:

- | | |
|----------------------|-------------------|
| • Amy Dryden | • Jamie Arias |
| • Brett Bishop | • Javier Montalbo |
| • Christopher Becker | • Jordan Dunn |
| • David Myers | • Karin Burns |
| • Dylan Gold | • Katrina Inouye |
| • Erika Padilla | • Maria Gonzalez |
| • Gabriella Condie | • Nicholas Roque |
| • Greg Pfothenauer | • Russell Bayba |
| • Isai Reyes | • Steve Wymer |
| • Jacob Tisinger | • Tess Orlev |

Task 3 – Additional Direct Install and Survey Services for Multifamily and LIFT Programs

Implementer will assist MCE’s technical assistance provider in the existing Multifamily Energy Savings Program Direct Install Sub Program and the Low-Income Families and Tenants (LIFT) Pilot Program.

Task 3.1 Direct Install Services (Multifamily and LIFT Programs)

Implementer will complete direct installation of approved measures in multifamily units as assigned by MCE, or MCE’s technical assistance provider, in eligible units in the MCE service area. Implementer will document existing and upgraded bulb wattage and type, as well as equipment quantities from bulb swaps or direct installations through the LIFT and/or Multifamily programs.

- Implementer will send collected bulb swap or direct installation information wattage and equipment quantities to MCE within 2 weeks of installation.
- Per unit rate is all inclusive and assumes an average 30 minutes per installation of:
 - LED light bulbs (all units)
 - Faucet aerators (all units)
 - Smart Thermostats (up to 50% of units)

Task 3.2 LIFT Program Survey Services

In coordination with MCE and MCE’s technical assistance provider, Implementer will solicit and compile survey responses from customers who participated in the LIFT Program in MCE service area.

- Implementer will collect and input surveys from residents going through the LIFT Program
- Implementer will send collected survey data to MCE within 2 weeks of survey collection
- All-inclusive rate that assumes 10 minutes per survey collected and 10 minutes per survey input.

4. The following rows are hereby added to the table in Exhibit B:

Task 2 - 2019 Implementation		
Milestones & Deliverables	Payment	Estimated Delivery Date

<p>Task 2.1 Training and Mentoring Deliverables</p> <ul style="list-style-type: none"> A. Initial Field Mentoring & Contractor onboarding B. Quarterly field mentoring 	<p>A. \$16,000 B. \$4,000</p> <p>TOTAL: \$20,000</p>	<p>A. August 30, 2019 B. November 29, 2019</p> <p>Final Delivery: December 31, 2019</p>
<p>Task 2.2 Program Management Deliverables</p> <ul style="list-style-type: none"> • Customer Service Support • Contractor Engagement • Monthly & Quarterly Reporting • Coordination w/implementers and IOUs • Invoicing • Program Closeout (if applicable) 	<p>\$18,000 per month</p> <p>TOTAL: \$90,000</p>	<p>Monthly</p> <p>Final Delivery: December 31, 2019</p>
<p>Task 2.3 Application Platform Support Deliverables</p> <ul style="list-style-type: none"> • Data Security • Bug Fixes • Payment processing • Double Dip Checks • Ongoing system improvements • Assessment Updates • Platform V2 preparation 	<p>\$7,000 per month</p> <p>TOTAL: \$35,000</p>	<p>Monthly</p> <p>Final Delivery: December 31, 2019</p>
<p>Task 2.4 Quality Assurance and Control</p> <ul style="list-style-type: none"> • QA - Application Review • QC - Field Inspections <ul style="list-style-type: none"> • Safety Testing • Travel • Correction Return Visit Coordination 	<p>QA: \$125 per project</p> <p>QC: \$800 per project</p> <p>TOTAL: \$46,000</p>	<p>Billed monthly</p> <p>Final Delivery: December 31, 2019</p>
<p>Task 2.5 Marketing and Outreach</p> <ul style="list-style-type: none"> • Lead Generation • Design and Printing <ul style="list-style-type: none"> • Door Hangers • Cut sheet • Badges • Digital Campaigns • Website Updates • MF Event Coordination and Attendance 	<p>\$4,000 per month</p> <p>TOTAL: \$20,000</p>	<p>Monthly</p> <p>Final Delivery: December 31, 2019</p>

Task 2 - 2020 Implementation		
Milestones & Deliverables	Payment	Estimated Delivery Date
<p>Task 2.2 Program Management Deliverables</p> <ul style="list-style-type: none"> • Customer Service Support • Contractor Engagement • Monthly & Quarterly Reporting • Coordination w/implementers and IOUs • Invoicing • Program Closeout (if applicable) 	<p>\$14,250 per month</p> <p>TOTAL: \$171,000</p>	<p>Monthly</p> <p>Final Delivery: December 31, 2020</p>
<p>Task 2.3 Application Platform Support Deliverables</p> <ul style="list-style-type: none"> • Data Security 		

<ul style="list-style-type: none"> • Bug Fixes • Payment processing • Double Dip Checks • Ongoing system improvements • Assessment Updates • Platform V2 preparation 	\$5,000 per month	Monthly
	TOTAL: \$60,000	Final Delivery: December 31, 2020
Task 2.4 Quality Assurance and Control <ul style="list-style-type: none"> • QA - Application Review • QC - Field Inspections <ul style="list-style-type: none"> • Safety Testing • Travel • Correction Return Visit Coordination 	QA: \$125 per project QC: \$800 per project	Billed monthly
	TOTAL: \$61,000	Final Delivery: December 31, 2020
Task 2.5 Marketing and Outreach <ul style="list-style-type: none"> • Lead Generation • Design and Printing <ul style="list-style-type: none"> • Door Hangers • Cut sheet • Badges • Digital Campaigns • Website Updates • MF Event Coordination and Attendance 	\$1,500 per month	Monthly
	TOTAL: \$18,000	Final Delivery: December 31, 2020

Task 3. Additional Direct Install and Survey Services 2019 & 2020

Milestones & Deliverables	Payment	Estimated Delivery Date
Task 3.1 Direct Install Services (Multifamily & LIFT Programs) <ul style="list-style-type: none"> • LED Light Bulbs (all units) • Faucet aerators (all units) • Smart Thermostats (up to 50% of units) 	\$74 per unit	Billed monthly
	TOTAL: \$160,000	Final Delivery: December 31, 2020
Task 3.2 LIFT Program Surveys <ul style="list-style-type: none"> • Collection & Input of surveys 	\$47 per unit	Billed monthly
	TOTAL: \$80,000	Final Delivery: December 31, 2020

Overall Budget for Tasks 1-3

Task 1. Program Design	Total: \$99,000	March – July 2019
Task 2. Program Implementation (2019)	Total: \$211,000	August – December 31, 2019
Task 2. Program Implementation (2020)	Total: \$310,000	January – December 31, 2020
Task 3. Additional Direct Install and Survey Services	Total: \$240,000	August 2019 – December 2020
TOTAL:	Total: \$860,000	

5. The last sentence of Exhibit B is hereby amended to read as follows:

In no event shall the total cost to MCE for the services provided herein exceed the maximum sum of \$860,000 for the term of the Agreement.

6. Except as otherwise provided herein all terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment on the day first written above.

CONTRACTOR:

By: _____

Date: _____

MARIN CLEAN ENERGY:

By: _____

Date: _____

CHAIRPERSON:

By: _____

Date: _____



August 1, 2019

TO: MCE Technical Committee

FROM: Kirby Dusel, Consultant (Pacific Energy Advisors, Inc.)

RE: MCE 2018 Annual Power Source Disclosure Report Attestation
(Agenda Item #06)

Dear Committee Members:

SUMMARY:

California Public Utilities Code requires all retail sellers of electric energy, including MCE, to disclose “accurate, reliable, and simple-to-understand information on the sources of energy” that are delivered to their respective customers.¹ Applicable regulations direct retail sellers to provide such communications to customers following each year of operation. The format for requisite communications is highly prescriptive, offering little flexibility to retail sellers when presenting such information to customers. This format has been termed the “Power Content Label” (or PCL) by the California Energy Commission (CEC). Prior to distributing the PCL to its customers, MCE annually submits a report regarding its specified power purchases to the CEC. This report is a required element of California’s Power Source Disclosure Program (PSD Program) and was timely submitted to the CEC prior to the June 1st reporting deadline. Both the aforementioned annual report and the PCL are required elements of California’s PSD Program, and information reflected in the annual report is contributory to the PCL (with the annual report’s power supply breakout being inserted in the PCL).

Information presented in the PCL includes the proportionate share of total energy supply attributable to various resource types, including both renewable and conventional fuel sources. In the event that a retail seller meets a certain percentage of its supply obligation from unspecified resources, the report must identify such purchases as “unspecified sources of power.” As your Committee is aware, a limited number of MCE’s supply agreements reflect the delivery of unspecified/market power to satisfy a portion of MCE’s energy requirements – these purchases, as well as electric energy provided by the California Independent System Operation for purposes of grid balancing, have been

¹ California Public Utilities Code Section 398.1(b)

appropriately identified as “unspecified sources of power” in the PCL. MCE’s Public Affairs team is in the process of designing the 2018 Power Content Label at this time.

During the 2018 calendar year, MCE successfully delivered a substantial portion of its electric energy supply from various renewable energy sources, including wind, solar, geothermal, hydroelectricity, biomass and biogas – for Light Green customers, the percentage of supply attributable to renewable energy sources approximated 61 percent (with over 87 percent of total Light Green energy purchases sourced from zero or ultra-low carbon sources); for Deep Green and Local Sol customers, renewable energy comprised 100 percent of the supply portfolio. A simplified representation of MCE’s 2018 PCL is presented below²:

POWER CONTENT LABEL			
ENERGY RESOURCES	2018	2018	2018
	LIGHT GREEN	LOCAL SOL	DEEP GREEN
	POWER MIX	POWER MIX	POWER MIX
	(Actual)	(Actual)	(Actual)
Eligible Renewable	61%	100%	100%
-- Biomass & waste	4%	0%	0%
-- Geothermal	3%	0%	0%
-- Small hydroelectric	2%	0%	0%
-- Solar	11%	100%	50%
-- Wind	39%	0%	50%
Coal	0%	0%	0%
Large Hydroelectric	13%	0%	0%
Natural Gas	0%	0%	0%
Nuclear	0%	0%	0%
Other	13%	0%	0%
Unspecified sources of power*	13%	0%	0%
TOTAL	100%	100%	100%

Note: "Other" energy includes CARB-certified, ultra-low carbon volumes supplied by Asset Controlling Suppliers (based in the Pacific Northwest).

Consistent with applicable regulations, MCE will complete requisite customer communications following your Committee’s approval of pertinent information to be included in the 2018 PCL. Customers receiving PCL communications will include those enrolled in the MCE program as of December 31, 2018 – the distribution list was derived based on prior discussions with designated CEC staff.

While preparing MCE’s 2018 annual PSD report, staff performed a detailed review of all power purchases completed for the 2018 calendar year. This review included an inventory of all renewable energy transfers within MCE’s Western Renewable Energy Generation Information System (WREGIS) accounts, pertinent transaction records, and

² As of July 22, 2019, the California Energy Commission has yet to post California’s statewide resource mix for 2018. This information is typically presented in the rightmost column of the Power Content Label reporting template. As soon as this information becomes available, MCE will appropriately incorporate it within its 2018 Power Content Label.

requisite independent audits for MCE's voluntary Deep Green, 100% renewable energy program, and MCE's voluntary Local Sol program, which also provides 100% renewable energy to participating customers.³ A supplemental audit for Deep Green and Local Sol will also be performed within the next few weeks (using the same audit firm which recently completed the Green-e Energy audit for Deep Green and Local Sol), as the California Energy Commission recently advised MCE that the Green-e Energy audit process may not satisfactorily address all elements of California's Power Source Disclosure Regulations – MCE believes that the Green-e Energy audit procedures are more thorough than those required by the state; nonetheless, differences in the terminology used in each set of audit procedures (California vs. Green-e Energy) have triggered questions from California Energy Commission staff regarding the sufficiency of the Green-e Energy audit process. To avoid deficiencies related to Power Source Disclosure Program compliance, MCE has decided to complete the noted supplemental review for 2018. Note that MCE staff expects for the supplemental review to yield a “no exceptions” report, similar to the report previously issued to satisfy Green-e Energy requirements. Based on staff's review of available data and findings of the Green-e Energy independent auditor (related to the Deep Green and Local Sol product offerings), the information presented in the annual report was determined to be accurate. Again, such information will be reflected in MCE's upcoming PCL for 2018 operations.

To fulfill its obligations under the PSD Program, MCE must also provide the CEC with an attestation of its Governing Board regarding the accuracy of information included in the PSD annual reports. As MCE's Technical Committee, you have received delegated authority from the Governing Board to provide such attestation; the CEC has confirmed that such delegated authority is acceptable, subject to pertinent documentation of the Governing's Board's direction in this regard. With regard to this internally administered attestation process, applicable regulations state⁴:

A retail supplier that is a public agency providing electric services is not required to comply with the provisions of subdivision (b)(1) for one electric service product if the board of directors of the public agency approves at a public meeting the submission to the Energy Commission of an attestation of the veracity of the annual report. A report in accordance with subdivision (b)(1) shall be submitted for each additional electric service product it offers to its customers.

Because MCE's Deep Green and Local Sol product offerings were independently audited (a process that was completed in May and June 2019 for the 2018 operating year), MCE is proceeding with self-certification of its annual report for the Light Green product offering, consistent with PSDP regulations. Evidence of such attestation (for Light Green) as well as the aforementioned audit report (for Deep Green and Local Sol) must be provided to the CEC by October 1st.

In consideration of MCE's internal review, independent audit and applicable regulations, staff requests that your Committee accept this determination and attest to the accuracy of information included in MCE's 2018 Power Source Disclosure reports. Related

³ MCE's Deep Green and Local Sol retail service options are Green-e Energy certified products, conforming to guidelines established by the Center for Resource Solutions, the Green-e Energy program administrator. As part of this certification, MCE must successfully complete an annual independent audit of power sources, ensuring the delivery of qualifying renewable energy to participating Deep Green and Local Sol customers. Such audits were timely completed, noting “no exceptions” in related audit reports.

⁴ Note that Section (b)(1), as referenced in the excerpt from applicable PSD regulations, refers to the completion of annual independent audits.

information regarding the proportionate use of various fuel sources will be reflected in MCE's 2018 PCL. Should your Committee endorse staff's recommendation, a copy of: 1) this staff report; 2) meeting minutes for today's Technical Committee Meeting; 3) a copy of MCE's 2018 Audit Report for the Deep Green and Local Sol product offerings; and 4) a supplemental report indicating completion of the Agreed Upon Procedures (by a third-party auditor) specifically related to California's Power Source Disclosure Program Regulations will be forwarded to the CEC, thereby completing MCE's obligations under the PSD Program for the 2018 calendar year.

Recommendation: Based on staff's review and the noted third-party audit for Deep Green and Local Sol, endorse the accuracy of information presented in MCE's 2018 Power Source Disclosure report for Light Green service and approve the use of statistics reflected in MCE's 2018 annual PSD reports for purposes of preparing MCE's 2018 Power Content Label.



MCE Power Statistics Update: 2018

Preliminary Data – Subject to Change

MCE Technical Committee | August 1, 2019



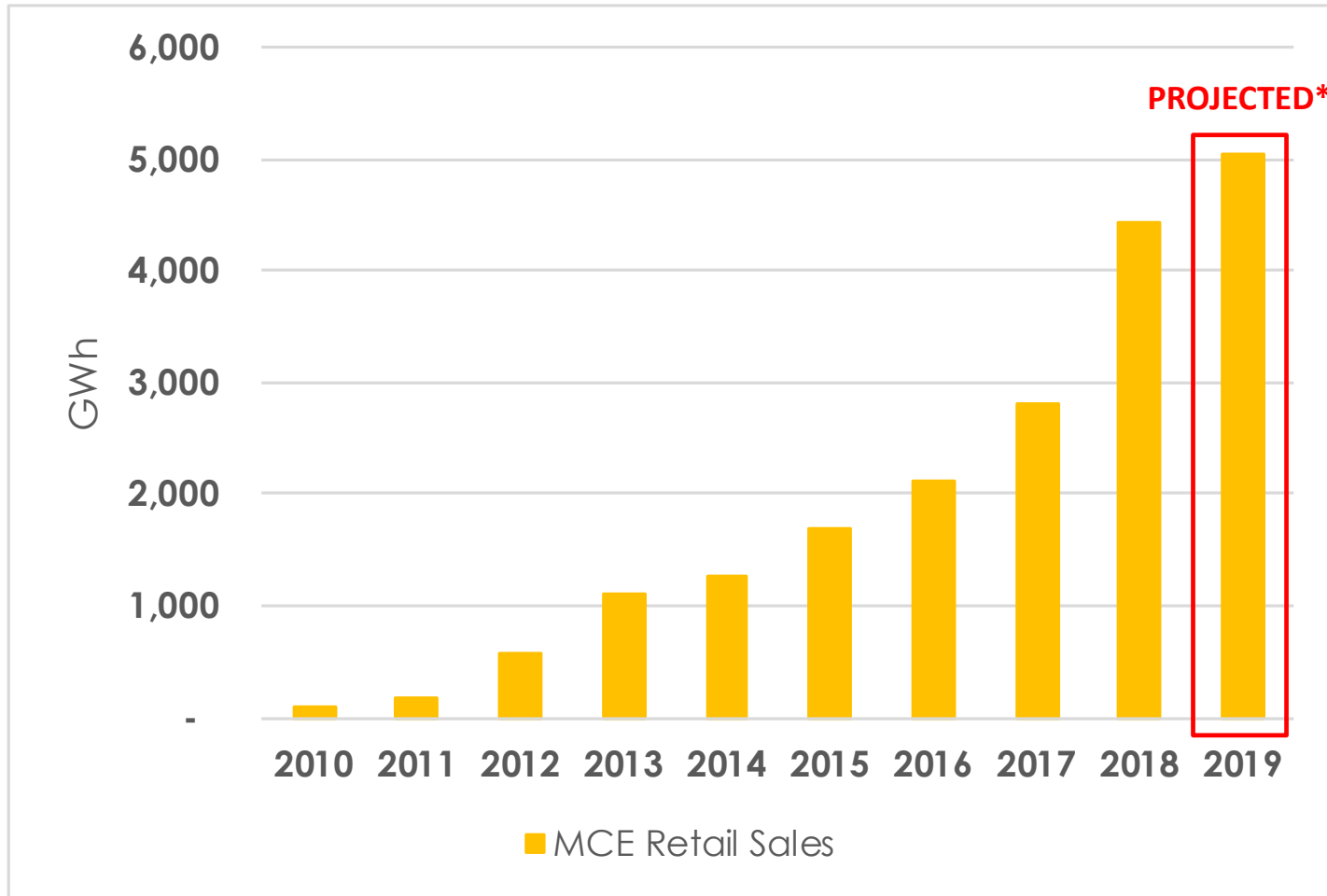
Key Drivers of Power Supply Statistics

- MCE's Integrated Resource Plan (establishes targets)
- Actual vs. forecasted retail sales (denominator in most calculations)
- Actual vs. forecasted renewable energy production (resource intermittency, outages, etc.)
- Variable hydrologic conditions (for EBMUD and WAPA, as examples)
- Product availability: RPS & GHG-Free (prices are increasing)
- Policy changes (AB 1110 implementation – regulations have yet to be finalized)
- PG&E's continually evolving power portfolio composition
 - Customer attrition (CCA formation)
 - Renewable production/sales
 - Hydroelectric generation conditions
 - Diablo Canyon closure (2024/2025 – total capacity reduction of 2,256 MW across two generating units)

MCE's Planning & Procurement Process

- MCE's resource planning process utilizes a two-phased approach with attention given to:
 - **Clean-energy commitments**: resource commitments and open positions are evaluated in consideration of current IRP targets.
 - **Price risk mitigation/budgetary certainty**: resource commitments are evaluated in consideration of potential market price exposure.
- Clean-energy purchases/sales are pursued to align resource commitments with IRP targets on a projected basis.
- Additional clean-energy purchases/sales may be executed throughout the year to re-balance commitments in consideration of actual energy use by MCE customers.
- Certain contractual commitments are specifically executed to minimize MCE's exposure to market price volatility.

MCE's Historical Retail Sales Growth



*Increase in 2019 retail sales (relative to 2018) is due to the timing of Contra Costa expansion (partial year; service commenced in Q2 2018).

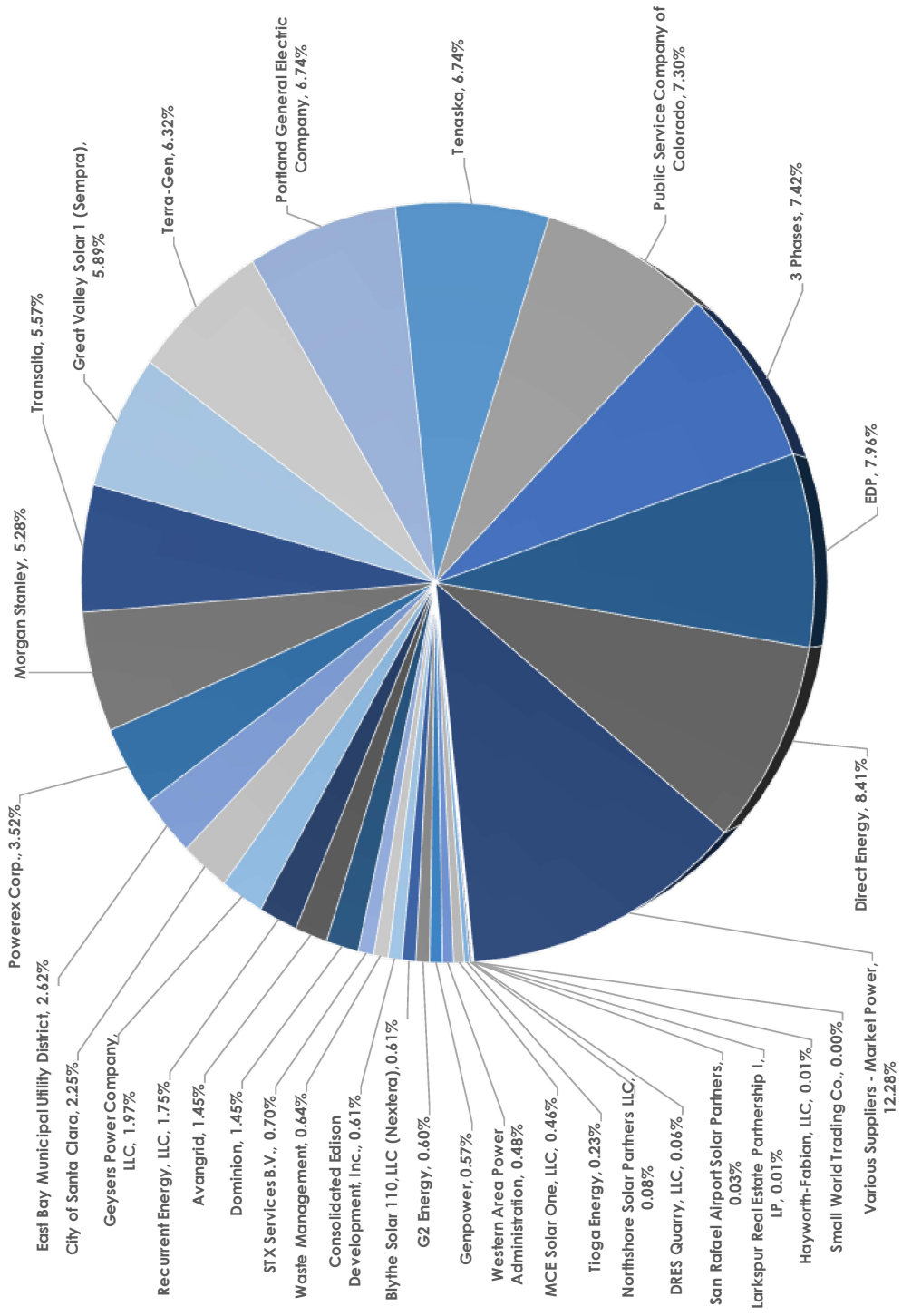
MCE's 2018 Sales & Customer Snapshot

	% of Retail Sales	Retail Sales (MWh)	Customers (as of 12/31/2018)
MCE Light Green:	96.19%	4,268,040	465,226
Residential	46.18%	2,048,893	416,909
Non-Residential	50.02%	2,219,148	48,317
MCE Deep Green:	3.79%	168,004	9,932
Residential	0.70%	31,231	7,291
Non-Residential	<u>3.08%</u>	136,773	2,641
MCE Local Sol:	0.02%	919	184
Residential	0.02%	785	175
Non-Residential	<u>0.00%</u>	134	9
Total:	100.00%	4,436,963	475,342

- **April 2018 Contra Costa expansion contributed to significant year-over-year growth in accounts, retail sales and peak demand**
- **MCE's Peak Demand of $\approx 1,049$ MW occurred on July 25, 2018, HE 18**
 - **63% increase in peak demand relative to 2017**
 - **Peak demand of ≈ 642 MW on September 1, 2017 (HE 16)**
- **MCE experienced a 58% increase in retail sales relative to 2017 (2,804,277 MWh)**

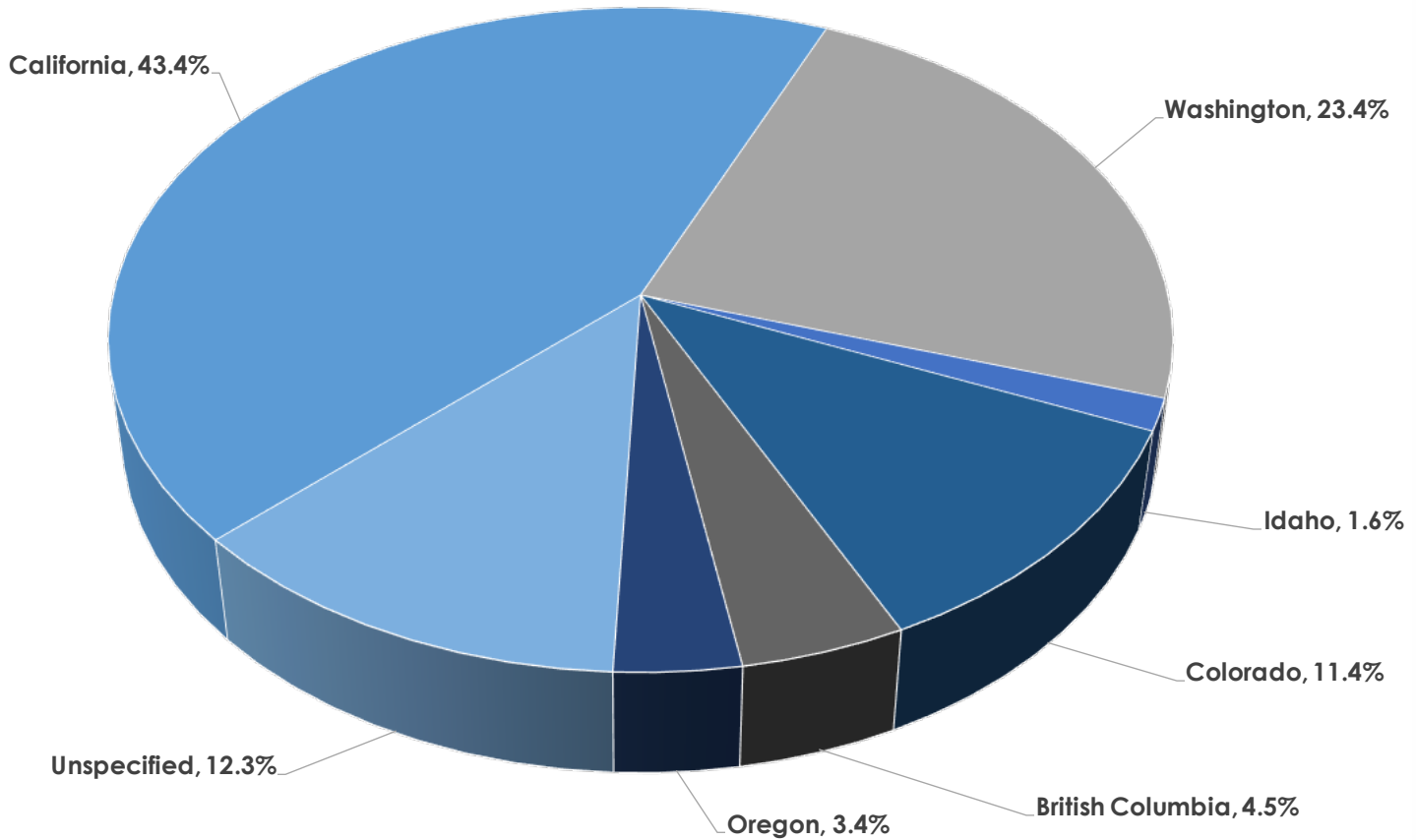
MCE 2018 Supplier Inventory

MCE received energy products from ~35 unique suppliers in 2018



MCE 2018 Resource Locations

Power Sourced from California and Pacific Northwest ≈72% in 2018



MCE 2018 Power Content Label

POWER CONTENT LABEL				
	2018	2018	2018	2018
ENERGY	MCE TOTAL	LIGHT GREEN	LOCAL SOL	DEEP GREEN
RESOURCES	POWER MIX	POWER MIX	POWER MIX	POWER MIX
	(Actual)	(Actual)	(Actual)	(Actual)
Eligible Renewable	62%	61%	100%	100%
-- Biomass & waste	4%	4%	0%	0%
-- Geothermal	3%	3%	0%	0%
-- Small hydroelectric	2%	2%	0%	0%
-- Solar	13%	11%	100%	50%
-- Wind	40%	39%	0%	50%
Coal	0%	0%	0%	0%
Large Hydroelectric	13%	13%	0%	0%
Natural Gas	0%	0%	0%	0%
Nuclear	0%	0%	0%	0%
Other*	13%	13%	0%	0%
Unspecified sources of power	12%	13%	0%	0%
TOTAL	100%	100%	100%	100%

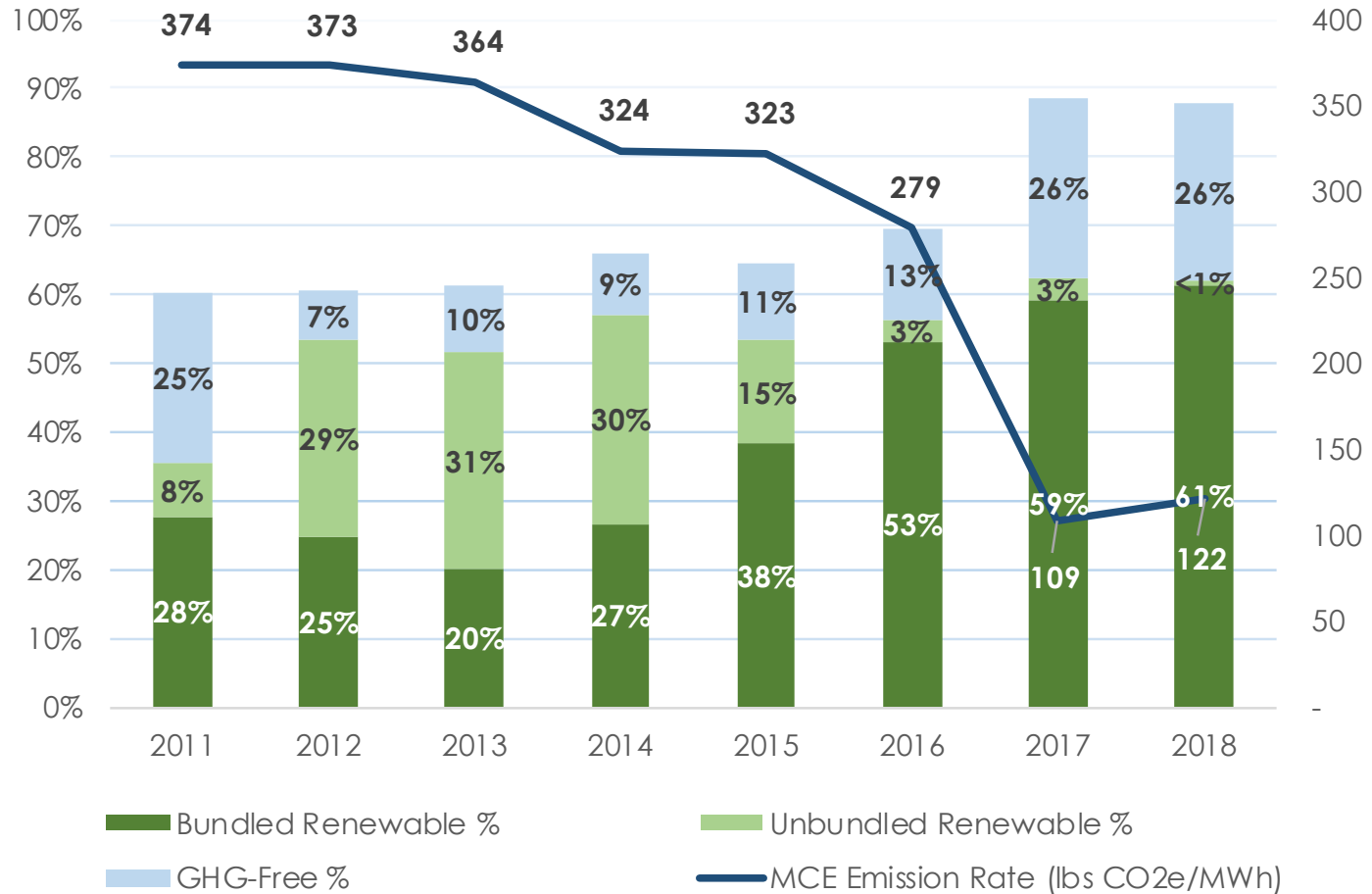
*Reflects Asset Controlling Supply (ultra-low GHG) as "Other".

2018: Statistical Highlights

- 88% GHG-Free* (similar to 89% in 2017)
- 62% RPS-Eligible Renewable (equivalent to 2017)
 - 39% Bucket 1
 - 22% Bucket 2
 - <1% Bucket 3
- >61% Bundled Renewables
- 13% Large Hydro
- >25% Large Hydro + ACS
- 43% California-based supply (all sources)
- 58% California-based renewables (as a % of total renewables)
- Total Portfolio Emissions Factor: 122 lbs CO₂e/MWh

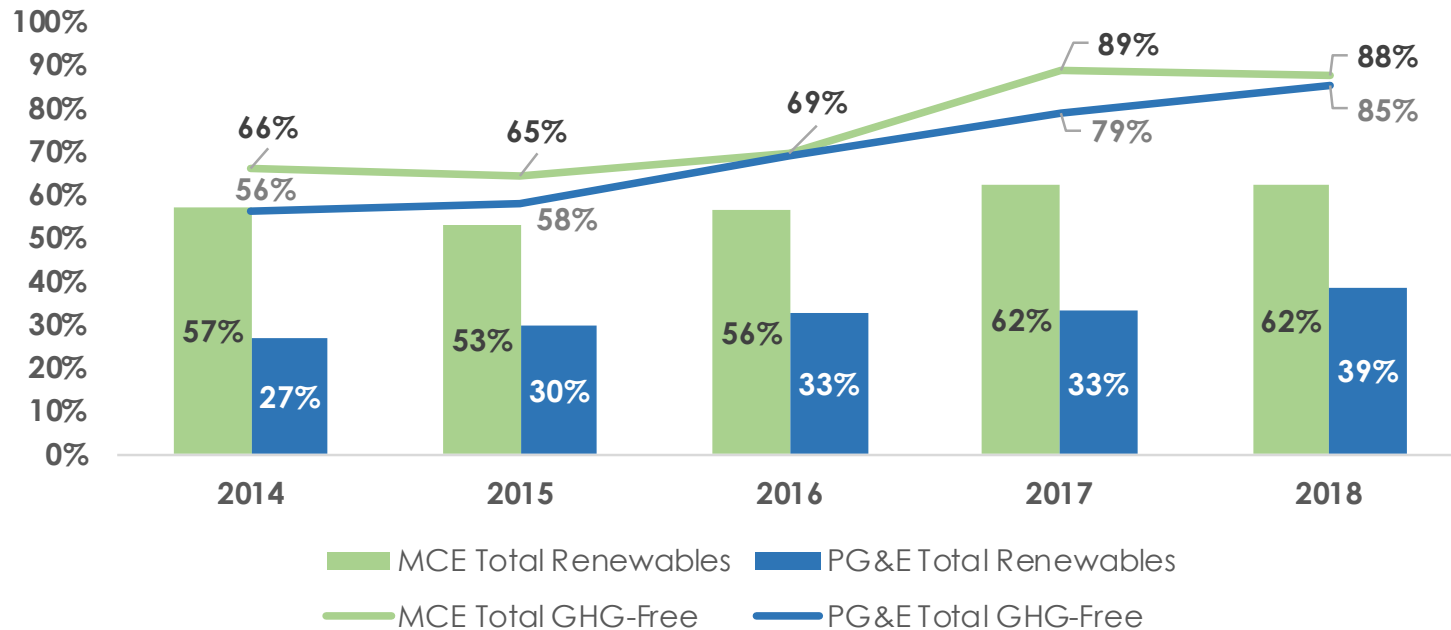
**Includes Asset Controlling Supply, ultra-low GHG emissions*

MCE Historical Power Content (2011-2018)



MCE & PG&E: Five-Year Portfolio Summary

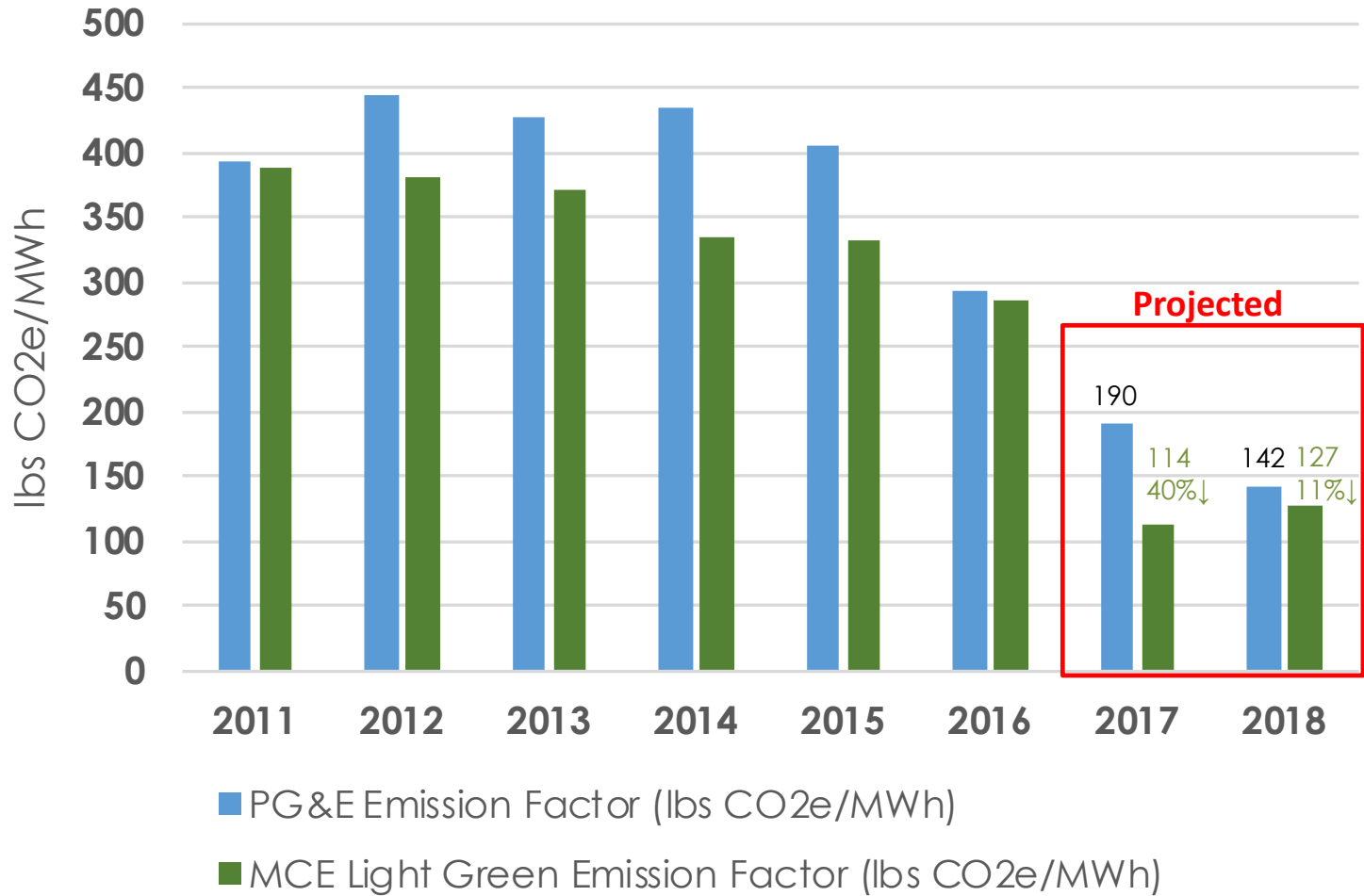
Clean Energy Comparison: MCE vs. PG&E



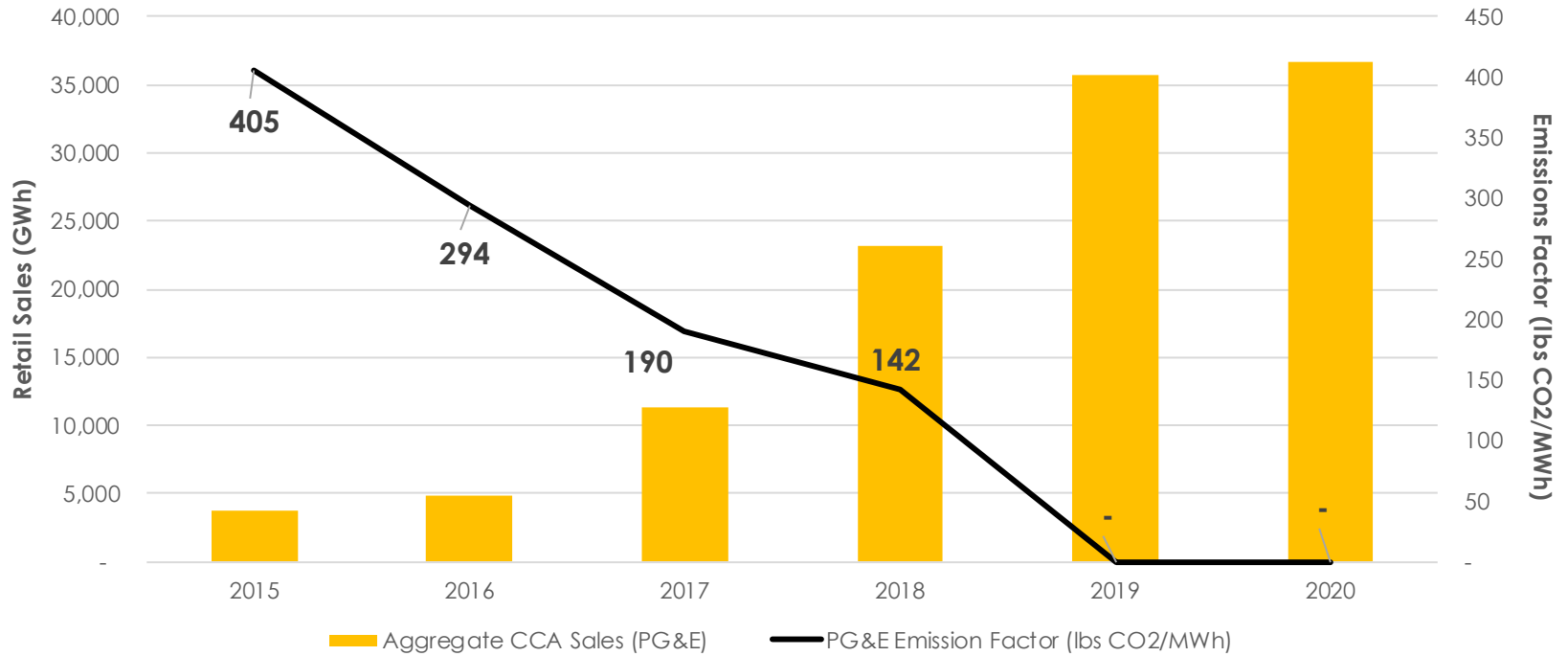
2014-2017 Source Data: Annual Power Source Disclosure Reports and Power Content Labels

PG&E 2018 Source: Power Source Disclosure Annual Report, as provided by the CEC

MCE & PG&E Emissions Factor Comparison



Direct Impacts of CCA Growth



Policy & Planning Considerations

- MCE is reevaluating future renewable and GHG-free targets in consideration of California's continually evolving energy landscape
- Future performance metrics may also consider portfolio emission rates (as an alternative measurement to GHG-free power content)
- MCE has surpassed its specified clean-energy targets in recent years due to opportunistic purchases of cost-effective GHG-free and renewable energy supply (in place of conventional power sources)
- California's clean energy market has experienced significant upward movement in pricing for hydroelectricity, ACS and ACS-backed PCC2 products



Upcoming Time-of-Use Transitions

August 2019

What is Time-of-Use?

Under a Time-of-Use (TOU) rate, your price for electricity changes depending on:

- Time of day
- Day of the week
- Season

Most residential customers are not on TOU.

Why Transition to new TOU?

Optimization of energy efficiency

- Reduce usage when it matters

Promote energy conservation

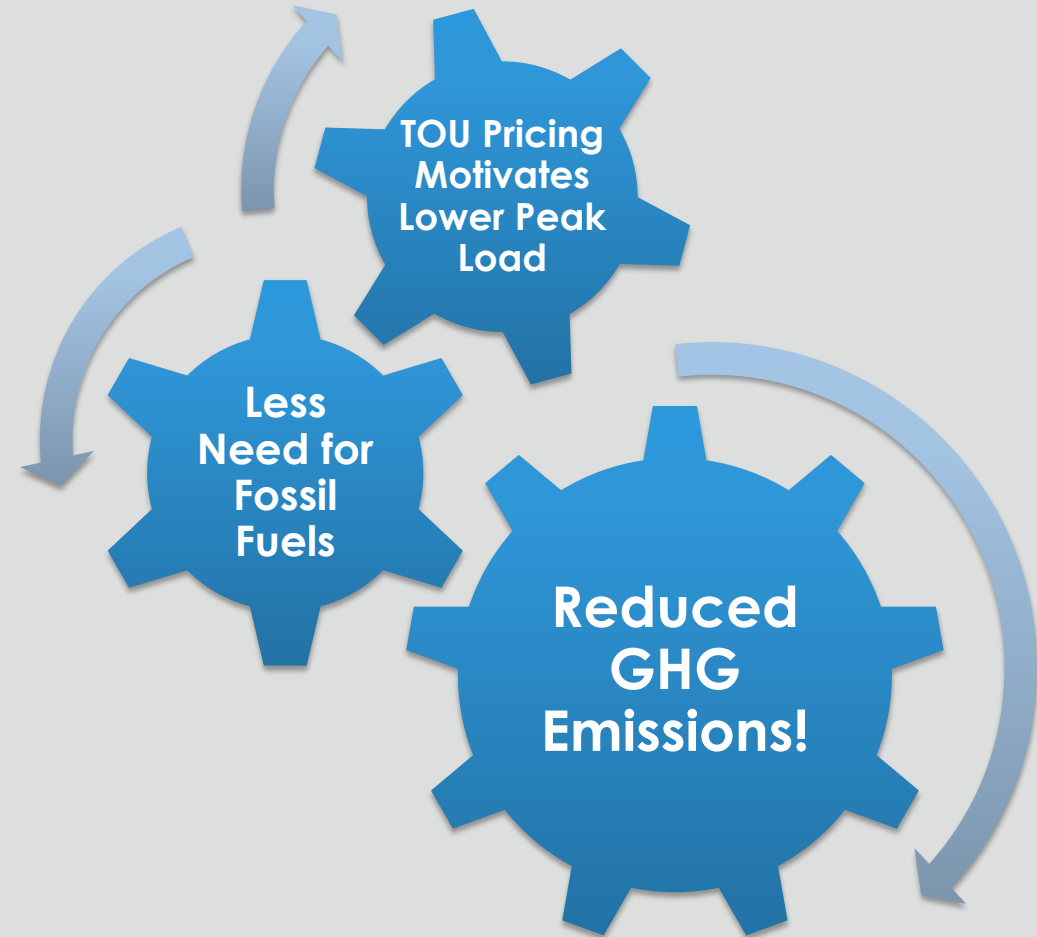
- Price signals when to conserve

Accurate cost allocation

- Reduce cross-subsidization from customer classes

And...

Environmental Benefits



Estimated 5,000-10,000 tons of CO₂ reduction annually across PG&E territory from load shifting



State Campaign – Keep it Golden

- *“A statewide campaign that will be high-level, emotion-based, and provide Californians with the context for the changing rate structure and a vision to rally around.”*
- Provides a **neutral** explanation of TOU



Source: CPUC RRR TOU Decision 17-12-023:
<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M201/K231/201231862.PDF> (Pg 10)



Notifications were re-designed to mitigate potential negative customer reaction and highlight choice

TRY TIME-OF-USE RISK-FREE

YOU CHOOSE ANOTHER RATE PLAN
(AT ANY TIME)

Starting in March 2018, California's electric customers will begin moving to a Time-of-Use rate plan risk-free to support our ongoing commitment to clean energy.

- Receive lower electricity pricing during most of the day.
- Electricity prices will be higher for five hours in the late afternoon and early evening (4-9 p.m.), when demand for electricity is generally higher and the cost is greater, called peak times. Small shifts in energy usage can help you save.
- Try this plan risk-free with automatic Bill Protection for 12 months.
- You can also stay on your current rate plan or choose another rate plan that's right for you at any time if you are not satisfied. Bill Protection will still apply for the time that you were on the Time-of-Use (Peak Pricing 4-9 p.m. Every Day) rate plan.
- See reverse to learn more about this and other rate plans.

Your Personalized Electric Rate Plan Comparison
This report is based on your last 12 months of electricity usage and assumes no change to how you use energy. Estimates do not include gas.

Your Rate Plan Options	Current Rate Plan Tiered (E-1)	Transition Rate Plan Time-of-Use (Peak Pricing 4-9 p.m. Every Day)	Optional Rate Plan Time-of-Use (Peak Pricing 4-9 p.m. Weekdays)
Total Electricity Costs*	\$3,064/year	\$3,164/year	\$3,217/year

* Estimates assume current PG&E prices and will not match your previous 12-month bill.

Make your rate plan choice by March 1, 2018.

Option 1. Take action to stay on your current rate plan or choose a different rate plan. Visit pge.com/TOUchoice or call 1-800-xxx-xxxx.

Option 2. Take no action and automatically transition to the Time-of-Use (Peak Pricing 4-9 p.m. Every Day) rate plan in March 2018.

<Month XX, 2018>

<FIRST NAME> <LAST NAME>
<BILLING_ADDRESS1>
<BILLING_ADDRESS2>
<BILLING_CITY> <BILLING_STATE> <BILLING_PLUSA>
<barcode>

Dear [First Name] [Last Name],

Soon, many of California's energy customers will be moving to a Time-of-Use rate plan, **risk-free**, that supports the state's ongoing commitment to clean energy. We want to remind you of this change and your options.

Try it risk-free

You can try the **Time-of-Use (Peak Pricing 4-9 p.m. Every Day)** rate plan **risk-free** for the first 12 months with automatic Bill Protection. If you pay more during your first year on the **Time-of-Use (Peak Pricing 4-9 p.m. Every Day)** rate plan than you would have on your current rate plan, we will credit you with the difference at the end of the first 12 months. If you decide you are not satisfied on this rate plan, you can switch to another rate plan at any time. Bill Protection will still apply for the time that you were on the **Time-of-Use (Peak Pricing 4-9 p.m. Every Day)** rate plan.

Or, you can choose another rate plan

Every household is unique—and so is the way you use energy. That's why PG&E has new rate plan options for you to choose from. You have the option to:

- Do nothing and automatically transition to the **Time-of-Use (Peak Pricing 4-9 p.m. Every Day)** rate plan so you can try it **risk-free**, or
- Take action to stay on your current rate plan or choose a different rate plan. When you visit pge.com/TOUchoice, you can view a personalized rate review that shows your rate plan options.

Visit pge.com/TOUchoice or call 1-866-743-7945 by March 1, 2018 to make your choice.

Thank you for being a valued customer,
The PG&E Customer Care Team

Your PG&E electric service will move to a Time-of-Use rate plan in April 2018. Make your rate plan choice today. Visit: pge.com/TOUchoice Call: 1-866-743-7945

Account No: <<Account ID>>
Service Agreement ID: <<SAID>>
Service Address: <<Service Address 1>>

What the Time-of-Use (Peak Pricing 4-9 p.m. Every Day) rate plan means for you

When you use electricity is as important as **how much** you use.

- Your electric account is scheduled to transition to the **Time-of-Use (Peak Pricing 4-9 p.m. Every Day)** rate plan, **risk-free**, in March 2018 from your current rate plan.
- You will receive lower electricity pricing during most of the day, when energy demand is lower.
- Electricity prices will be higher for five hours every day in the late afternoon and evening (4-9 p.m.) when demand for electricity is generally higher.
- If you can make small energy use changes, like running the dishwasher or doing laundry during lower-priced times of day, you may be able to benefit from more ways to save energy at pge.com/saveenergy.



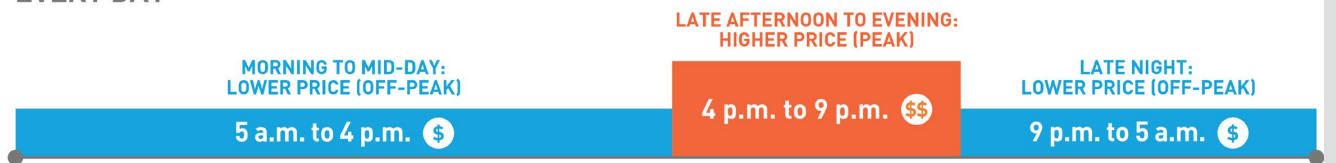
Residential TOU Transition

Residential TOU Transition

Under the new default TOU rate,
customers:

- Pay more from 4 p.m. to 9 p.m.
- Pay less all other hours

EVERY DAY



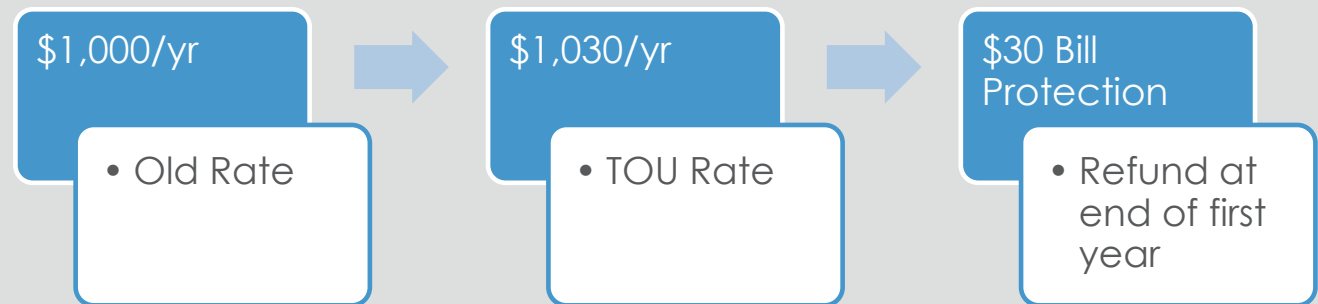
What is “Bill Protection”?

Transitioned customers receive one year of Bill Protection

Bill Protection allows customers to try a new rate “risk-free”

If a customer pays more on TOU, they’re refunded up to 12-months as if they’d stayed on their old rate

MCE also providing Bill Protection



MCE Customer Transition

MCE pilot transition in March 2018 – 3% of residential households moved to TOU

Similar participation results to PG&E overall, no increased MCE opt-outs

MCE Participation

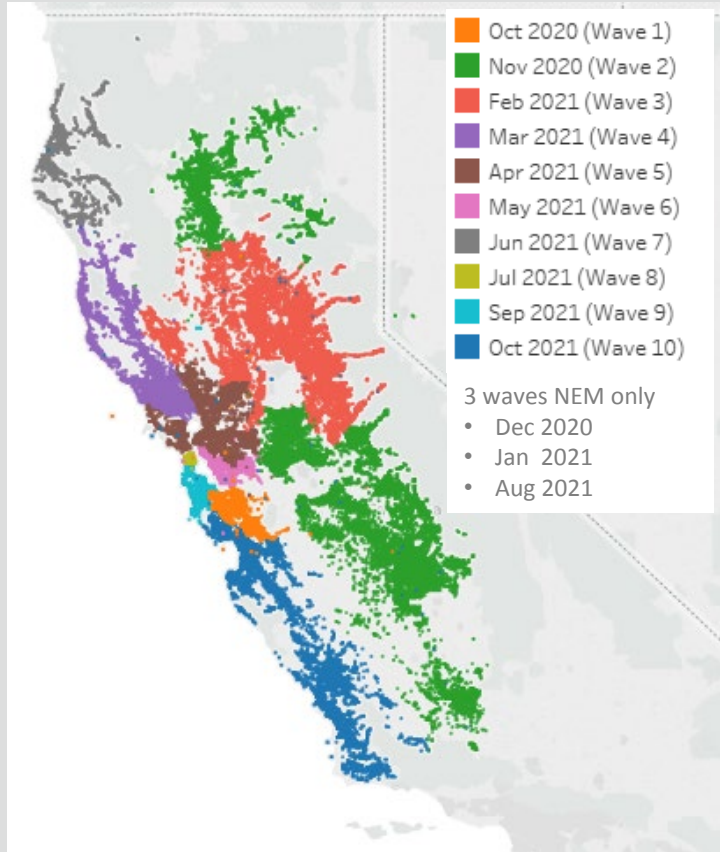
Current Status	Customer Count	% of Total
Initial Population	9,921	100%
Ineligible	460	4.64%
Declined Transition	1,913	19.28%
Transitioned	7,548	76.08%

PG&E Participation

Current Status	Customer Count	% of Total
Initial Population	106,292	100%
Ineligible	3,319	4.16%
Declined Transition	18,061	22.66%
Transitioned	58,327	73.18%



Residential TOU Full Rollout Plan (13 month rollout)



Counties	Service Provider Territory Included	Totals
Oct 2020 (Wave 1)		
Santa Clara	San Jose Clean Energy (SJCE)	227,998
	Silicon Valley Clean Energy (SVCE)	166,838
Nov 2020 (Wave 2)		
Fresno, San Joaquin, Kern, Tuolumne, Shasta, Madera, Merced, Tehama, Plumas, Stanislaus, Mariposa, Kings, Tulare, Lassen	PG&E Bundled	200,876
Feb 2021 (Wave 3)		
Placer, El Dorado, Yolo, Butte, Nevada, Calaveras, Lake, Amador, Sutter, Yuba, Glenn, Colusa, Sacramento, Sierra, Alpine	PG&E Bundled	118,183
	Pioneer Community Energy (PIO)	43,125
	Valley Clean Energy (VCE)	20,151
Mar 2021 (Wave 4)		
Sonoma, Mendocino	Sonoma Clean Power	136,031
Apr 2021 (Wave 5)		
Contra Costa, Solano, Marin, Napa	MCE	307,341
	PG&E Bundled	102,041
May 2021 (Wave 6)		
Alameda	East Bay Community Energy (EBCE)	369,913
	PG&E Bundled	28,711
Jun 2021 (Wave 7)		
Humboldt, Trinity, Siskiyou	Redwood Coast Energy Authority (RCEA)	37,842
	PG&E Bundled	853
Jul 2021 (Wave 8)		
San Francisco	CleanPowerSF (CPSF)	261,529
Sept 2021 (Wave 9)		
San Mateo	Peninsula Clean Energy (PCE)	200,182
Oct 2021 (Wave 10)		
Monterey, Santa Cruz, San Luis Obispo, Santa Barbara, San Benito	Monterey Bay Community Power (MBCP)	169,088
	PG&E Bundled	91,578
	King City Community Power	2,270



Commercial TOU Transition



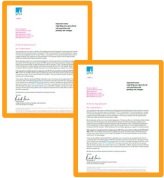

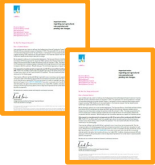
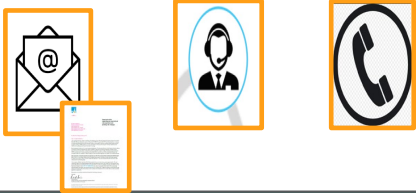

Commercial TOU Transition

Nearly all commercial customers are already on TOU, so what's changing?

- 12p-6p peak will become a 4p-9p peak
- “Summer” season 6 months => 4 months
- New “Super Off Peak” March-May, 9a-2p



PG&E Commercial TOU Transition Outreach

	<u>Outreach</u>	<u>Opt-In</u>	<u>Rate Transition Letters</u>
Benefiter	<p>Direct Opt-In Outreach Campaign; Drive Customer Online</p> 	<p>Encourage to Opt-In</p> 	<p>30 & 60 Day Letter</p> 
Neutral	<p>Indirect Outreach; Awareness Communications</p> 	<p>Opt-In Available</p>	<p>30 & 60 Day Letter</p> 
Most Impacted	<p>Direct Most Impacted Outreach; Rep Phone Calls for Assigned & Unassigned</p> 	<p>Opt-in Available; Recommended to wait for Default</p>	<p>30 & 60 Day Letter</p> 

In case you forget the peak time...

The Bay Area, home to the
San Francisco Four-to-Niners

Questions?