



Kathrin Sears, Chair
County of Marin

Tom Butt, Vice Chair
City of Richmond

Bob McCaskill
City of Belvedere

Alan Schwartzman
City of Benicia

Sloan C. Bailey
Town of Corte Madera

Greg Lyman
City of El Cerrito

Barbara Coler
Town of Fairfax

Don Tatzin
City of Lafayette

Kevin Haroff
City of Larkspur

Sashi McEntee
City of Mill Valley

Brad Wagenknecht
County and Cities of Napa

Denise Athas
City of Novato

P. Rupert Russell
Town of Ross

Ford Greene
Town of San Anselmo

Genoveva Calloway
City of San Pablo

Andrew McCullough
City of San Rafael

Ray Withy
City of Sausalito

Emmett O'Donnell
Town of Tiburon

Kevin Wilk
City of Walnut Creek

1125 Tamalpais Avenue
San Rafael, CA 94901

1 (888) 632-3674
mceCleanEnergy.org

Board of Directors Meeting

Thursday, January 19, 2017

7:00 P.M.

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

Agenda Page 1 of 2

1. Board Announcements (Discussion)
2. Public Open Time (Discussion)
3. Report from Chief Executive Officer (Discussion)
4. Consent Calendar (Discussion/Action)
 - C.1 11.17.16 Meeting Minutes
 - C.2 Approved Contracts Update
 - C.3 Resolution 2017-01 Approving MCE's Conflict of Interest Code
 - C.4 MCE Staff Compensation Study
 - C.5 Update MCE Board Voting Shares
5. Formation of 2017 Ad Hoc Contracts Committee (Discussion/Action)
6. Resolution 2017-02 Confirming and Updating Delegated Authority for Contracts and Power Procurement (Discussion/Action)
7. MCE Headquarters Solar and Electric Vehicle Installation (Discussion)
8. Customer Programs Update (Discussion)



Agenda material can be inspected at 1125 Tamalpais Avenue, San Rafael, CA 94901 on the Mission Avenue side of the building. The meeting facilities are in accessible locations. If you are a person with a disability and require this document in an alternate format (example: Braille, Large Print, Audiotape, CD-ROM), you may request it by using the contact information below. If you require accommodation (example: ASL Interpreter, reader, note taker) to participate in any MCE program, service or activity, you may request an accommodation by calling (415) 464-6032 (voice) or 711 for the California Relay Service or by e-mail at djackson@mceCleanEnergy.org not less than four work days in advance of the event.



Kathrin Sears, Chair
County of Marin

Tom Butt, Vice Chair
City of Richmond

Bob McCaskill
City of Belvedere

Alan Schwartzman
City of Benicia

Sloan C. Bailey
Town of Corte Madera

Greg Lyman
City of El Cerrito

Barbara Coler
Town of Fairfax

Don Tatzin
City of Lafayette

Kevin Haroff
City of Larkspur

Sashi McEntee
City of Mill Valley

Brad Wagenknecht
County and Cities of Napa

Denise Athas
City of Novato

P. Rupert Russell
Town of Ross

Ford Greene
Town of San Anselmo

Genoveva Calloway
City of San Pablo

Andrew McCullough
City of San Rafael

Ray Withy
City of Sausalito

Emmett O'Donnell
Town of Tiburon

Kevin Wilk
City of Walnut Creek

1125 Tamalpais Avenue
San Rafael, CA 94901

1 (888) 632-3674
mceCleanEnergy.org

Board of Directors Meeting
Thursday, January 19, 2017
7:00 P.M.

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

Agenda Page 2 of 2

- 9. Regulatory and Legislative Update (Discussion)**

- 10. Board Member & Staff Matters (Discussion)**

- 11. Adjourn**



Agenda material can be inspected at 1125 Tamalpais Avenue, San Rafael, CA 94901 on the Mission Avenue side of the building. The meeting facilities are in accessible locations. If you are a person with a disability and require this document in an alternate format (example: Braille, Large Print, Audiotape, CD-ROM), you may request it by using the contact information below. If you require accommodation (example: ASL Interpreter, reader, note taker) to participate in any MCE program, service or activity, you may request an accommodation by calling (415) 464-6032 (voice) or 711 for the California Relay Service or by e-mail at djackson@mceCleanEnergy.org not less than four work days in advance of the event.

MCE BOARD MEETING MINUTES
Thursday, November 17, 2016
7:00 P.M.
THE CHARLES F. MCGLASHAN BOARD ROOM
1125 TAMALPAIS AVENUE, SAN RAFAEL, CA 94901

Roll Call: Director Kate Sears called the regular Board meeting to order at 7:06 p.m. An established quorum was met.

Present: Denise Athas, City of Novato
Tom Butt, Vice Chair, City of Richmond
Barbara Coler, Town of Fairfax
Ford Greene, Town of San Anselmo
Kevin Haroff, City of Larkspur
Andrew McCullough, City of San Rafael
Sashi McEntee, City of Mill Valley
P. Rupert Russell, Town of Ross
Kate Sears, Chair, County of Marin
Bob Simmons, City of Walnut Creek
Brad Wagenknecht, County of Napa

Absent: Brandt Andersson, City of Lafayette
Sloan Bailey, Town of Corte Madera
Genoveva Calloway, City of San Pablo
Greg Lyman, City of El Cerrito
Bob McCaskill, City of Belvedere
Emmett O'Donnell, Town of Tiburon
Alan Schwartzman, City of Benicia
Ray Withy, City of Sausalito

Staff: Greg Brehm, Director of Power Resources
John Dalessi, Operations & Development
Meaghan Doran, EE Program Manager
Carol Dorsett, Administrative Assistant
Darlene Jackson, Board Clerk
Alexandra McGee, Community Power Organizer
David McNeil, Finance and Project Manager
Jamie Tuckey, Director of Public Affairs
Jeremy Waen, Senior Regulatory Analyst
Dawn Weisz, Chief Executive Officer

1. Board Announcements (Discussion)

Director Bob Simmons announced the roll out of four new electric trolleys in downtown Walnut Creek. A brief video of the ribbon cutting event was shown.

2. Public Open Time (Discussion)

There were no speakers.

3. Report from Chief Executive Officer (Discussion)

Dawn Weisz, Executive Officer reported on the following:

- Welcomed newest Board Member Rupert Russell, Town of Ross
- The new artwork that is displayed in the room is from two of MCE's projects that are currently delivering power to MCE:
 - Mustang Solar project in Kings County
 - Shiloh Wind project located in birds landing, Solano County
- Juice-net eMotorWerks – Pilot program is in the news today and will launch program in January 2017
- MCE Team Holiday Giving
 - Ritter Center – MCE is collecting unwrapped gifts for holiday giving to families, children, and the homeless served by Ritter Center.
 - SF-Marin Food Bank – There is a barrel in the lobby for donations of non-perishable food items for the SF-Marin Food Banks's annual holiday food drive.
- Meeting Date Reminders:
 - MCE Holiday Party, Friday, December 9th, 6:30-11PM, Deer Park Villa 367 Bolinas Road, Fairfax.

4. Consent Calendar (Discussion/Action)

- C.1 8.18.16 Meeting Minutes
- C.2 9.29.16 Board Retreat Meeting Minutes
- C.3 Approved Contracts Update

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

ACTION: It was M/S/C (Wagenknecht/Butt) to approve Consent Calendar Items C.1 through C.3. Motion carried by unanimous vote: (Abstain on C.1: Coler) (Absent: Andersson, Bailey, Calloway, Lyman, McCaskill, O'Donnell, Schwartzman, and Withy).

5. Charles F. McGlashan Advocacy Award (Discussion/Action)

Alexandra McGee, Community Power Organizer, presented this item. The 2016 Charles F. McGlashan Advocacy Award was presented to Sustainable Napa County.

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

ACTION: No action required

6. Ad Hoc Ratesetting Committee for 2017 (Discussion/Action)

Dawn Weisz, CEO, presented this item and addressed questions from Board members. The names of proposed members who expressed interest in serving on the 2017 Committee were presented: Directors Greg Lyman, Sashi McEntee, Sloan Bailey, Bob McCaskill and Barbara Coler.

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

ACTION: It was M/S/C (Wagenknecht/Butt) to approve the Ad Hoc Ratesetting Committee for 2017. Motion carried by unanimous vote. (Absent: Andersson, Bailey, Calloway, Lyman, McCaskill, O'Donnell, Schwartzman, and Withy).

7. Customer Programs – 2015 Multifamily Case Studies (Discussion)

Meaghan Doran, Energy Efficiency Programs Manager, presented this discussion item and addressed questions from Board members.

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

ACTION: No action required

8. Update on Fourth Addendum with Noble Energy Americas (Discussion)

Jamie Tuckey, Director of Public Affairs, presented this item discussion and addressed questions from Board members.

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

ACTION: No action required

9. Update on CPUC Power Charge Indifference Adjustment Vintaging Decision (Discussion)

Jeremy Waen, Senior Regulatory Analyst introduced this discussion item and addressed questions from Board members.

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

ACTION: No action required

10. Communications Update (Discussion)

Jamie Tuckey, Director of Public Affairs, presented this discussion item and addressed questions from Board members.

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

ACTION: No action required

11. Board Member & Staff Matters (Discussion)

There were none.

12. Adjournment

The Board of Directors adjourned the meeting at 9:23 p.m. to the next Regular Board Meeting on December 15, 2016.

Kate Sears, Chair

Attest:

Dawn Weisz, Secretary



January 19, 2017

TO: MCE Board of Directors
FROM: Catalina Murphy, Contracts Manager & Legal Assistant
RE: Report on Approved Contracts (Agenda Item #04 – C.2)

Dear Board Members:

SUMMARY: This report summarizes agreements entered into by the Chief Executive Officer since the last board meeting in November. This summary is provided to your Board for information purposes only.

Review of Procurement Authorities

In March 2013 your Board adopted Resolution 2013-04 as follows;

The Chief Executive Officer is hereby authorized to enter into and execute contracts for an amount not to exceed \$25,000 per contractor per fiscal year, consistent with the Board approved budget, the Joint Powers Agreement, and the Operating Rules and Regulations.

In November 2015 your Board approved the MCE Integrated Resource Plan stating;

Power purchase agreements (energy, capacity, RECs) with terms of 12 months or less may be entered into on MCE's behalf by the CEO.

Power purchase agreements (energy, capacity, RECs) with terms of greater than 12 months and less than or equal to 5 years and which are made pursuant to a Board approved resource plan may be entered into on MCE's behalf by the CEO in conjunction with the MCE Board Chair. A committee of the MCE Board will be consulted prior to execution of any medium-term contracts.

The Chief Executive Officer is required to report all such contracts and agreements to the MCE Board on a regular basis.

At its May 2016 Board Meeting the Board authorized the CEO to enter into contracts related to the development of the MCE Solar One project. Contracts with Goebel Construction and Able Fence Company for work on the MCE Solar One project are provided below.

Summary of Agreements entered into by the CEO since the last Board Meeting

Month	Purpose	Contractor	Maximum Annual Contract Amount	Term of Contract
October	MCE sale of 1 MW February Resource Adequacy and 4 MW March Resource Adequacy to Lancaster Clean Energy	City of Lancaster	(\$3,750)	2 Months
November	Amendment to include the Commercial Energy Efficiency Program as part of the technical consulting services AEA provides for the Multifamily Energy Efficiency Program (no additional funds added to contract)	Association for Energy Affordability (AEA)	\$150,000	1 Year
November	Amendment extending the contract into February 2017 to continue the technical services supporting MCE's Small Commercial Energy Efficiency Program (no additional funds added to the contract)	Community Energy Services Corporation (CESC)	\$226,800	14 Months
November	Amendment increasing contract by \$7,000 for additional janitorial, general maintenance, and landscaping services at MCE office	MCC Building Maintenance	\$25,000	1 Year
November	Amendment increasing contract by \$45,235 for additional grading at MCE Solar One site, and extending the contract one month	Goebel Construction Inc.	\$278,342	5 Months
November	Amendment extending the contract one month due to weather delays (no additional funds added to the contract)	Able Fence Company, Inc.	\$77,865	4 Months
November	225,000 MWh renewable wind energy for 2017	Powerex	\$753,750	3 Years
November	300,000 MWh/yr. renewable wind energy for 2018	Terra Gen TGP Energy Management, LLC	\$65,775,000	5 Years
November	30,000 MWh/yr. renewable wind energy for 2017	Powerex Corp.	\$157,500	1 Year
December	Perform a visual inspection of the MCE office building and provide a report on accessibility related to ADA compliance	Clay M. Salzman, Accessibility Specialist	\$1,200	2 Months
December	Provide project management training to assist with the implementation of MCE's Strategic Plan	The Management Center	\$8,300	3 Months
December	Replace and install projectors in MCE's Charles McGlashan Room	Corporate Media Systems	\$6,237	1 Month

December	Amendment increasing contract by \$1,706 for labor to complete gate installation at MCE Solar One site	Able Fence Company, Inc.	\$79,571	5 Months
December	Amendment extending the contract for grading services at MCE Solar One site (no additional funds added to the contract)	Goebel Construction Inc.	\$278,342	6 Months
December	Amendment decreasing the core services billing rate per megawatt hour and increasing the annual customer load	Pacific Energy Advisors	Core services reduced to \$0.20 per MWh of MCE electricity usage	5 Years

Fiscal Impact: Expenses associated with these Agreements that occur prior to March 31, 2017 are included in the FY2016/17 Operating Fund, Energy Efficiency Program Fund, Local Renewable Energy Development Fund and Renewable Energy Reserve Fund Budgets. Expenses that will occur beyond March 31, 2017 will be included in future fiscal year budgets.

Recommendation: Information only. No action required.



January 19, 2017

TO: MCE Board of Directors

FROM: Catalina Murphy, Legal Assistant

RE: Resolution 2017-01 Approving Update to MCE's Conflict of Interest Code (Agenda Item #04 - C.3)

ATTACHMENTS: A. Resolution 2017-01 Approving Proposed Amendment to MCE's Conflict of Interest Code
B. Written Description of Changes
C. MCE Conflict of Interest Code in Strikeout/Underline Format

Dear Board Members:

SUMMARY:

At the August 18, 2016 meeting, your Board approved resolution 2016-06 approving the proposed amendment to MCE's Conflict of Interest Code. The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and publish conflict of interest codes. MCE's Conflict of Interest Code was last updated in October 2013. After your Board's approval in August, the proposed amendment was sent to the Fair Political Practices Commission ("FPPC") for final approval and adoption of MCE's updated Conflict of Interest Code. Upon review, the FPPC requested that additional positions within MCE be listed as designated positions. Designated positions identify and disclose foreseeable disqualifying financial conflicts of interest for decision-makers within the agency and therefore provide transparency, as required by the Political Reform Act.

According to the FPPC, adding these positions to MCE's proposed amendment is considered a substantive change and the approval process restarted. MCE publicly noticed the updated proposed amendment by distributing the proposed amendment to the employees of the agency and posting a Notice to Amend on MCE's website. The Notice to Amend established a written comment period in which employees or the public could comment in writing on the proposed amendment. During the forty-five (45) day comment period, no comments were submitted and no requests for a hearing on the proposed amendment were made. The attachments included in this report are the documents that were made available to the public during the written comment period.

The updated proposed amendment now correctly identifies the employees who must file Statements of Economic Interests to disclose their potential financial conflicts by including positions that have been renamed or added since the current Code was adopted, and incorporating the additional designated positions requested by the FPPC. On January 3, 2017, the FPPC approved MCE's revised Conflict of Interest Code that contains the proposed amendment for your Board to approve today.

Fiscal Impact: No fiscal impact.

Recommendation: Adopt Resolution 2017-01 Approving the Proposed Amendment to MCE's Conflict of Interest Code

RESOLUTION NO. 2017-01

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
MARIN CLEAN ENERGY UPDATING THE CONFLICT OF INTEREST CODE**

WHEREAS, Marin Clean Energy (MCE) is a Joint Powers Authority (JPA) established on December 19, 2008, and organized under the Joint Exercise Powers Act (Government Code Section 6500 et seq.); and,

WHEREAS, MCE members include the following communities: the County of Marin, the County of Napa, the City of American Canyon, the City of Belvedere, the City of Benicia, the City of Calistoga, the Town of Corte Madera, the City of El Cerrito, the Town of Fairfax, the City of Lafayette, the City of Larkspur, the City of Mill Valley, the City of Napa, the City of Novato, the City of Richmond, the Town of Ross, the Town of San Anselmo, the City of San Pablo, the City of San Rafael, the City of Sausalito, the City of St. Helena, the Town of Tiburon, the City of Walnut Creek, and the Town of Yountville; and

WHEREAS, Marin Clean Energy (MCE) wishes to amend Appendix A and Appendix B of its Conflict of Interest Code, which establishes economic disclosure categories for certain positions in Marin Clean Energy, and will update official employee designations, include added positions that require disclosure, and enumerate the appropriate disclosure categories to all designated positions listed; and

WHEREAS, On March 5 2009, Marin Clean Energy (then, Marin Energy Authority) approved Resolution 2009-02, duly adopting a Conflict of Interest Code as required by the Political Reform Act (Government Code Section 81000, *et seq.*). On June 7, 2012, Marin Clean Energy (then, Marin Energy Authority) approved resolution 2012-12, duly amending the Conflict of Interest Code. On August 18, 2016, Marin Clean Energy approved resolution 2016-06, duly amending the Conflict of Interest Code; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of MCE:

A. Accordingly, the amended designated positions and assigned disclosure categories described in Appendix A and Appendix B, are hereby incorporated into the MCE Conflict of Interest Code by reference.

B. MCE hereby directs the General Counsel to coordinate the preparation of a revised Conflict of Interest Code in succeeding even-numbered years in accordance with the requirements of Government Code Sections 87306 and 87306.5. The revised Code should reflect any changes in official employee designations and/or disclosures. If no revisions to the Code are required, MCE shall submit a report to the Executive Office of the Board of Supervisors of Marin County no later than October 1st of the same year, stating that amendments to the Code are not required.

PASSED AND ADOPTED at a regular meeting of the MCE Board of Directors on this 19th day of January, 2017 by the following vote:

	AYES	NOES	ABSTAIN	ABSENT
City of American Canyon				
City of Belvedere				
City of Benicia				
City of Calistoga				
Town of Corte Madera				
City of El Cerrito				
Town of Fairfax				
City of Lafayette				
City of Larkspur				
County of Marin				
City of Mill Valley				
City of Napa				
County of Napa				
City of Novato				
City of Richmond				
Town of Ross				
Town of San Anselmo				
City of San Pablo				
City of San Rafael				
City of Sausalito				
City of St. Helena				
Town of Tiburon				
City of Walnut Creek				
Town of Yountville				

CHAIR, MCE BOARD

ATTEST:

SECRETARY, MCE BOARD

**Marin Clean Energy
Appendix A to the Conflict of Interest Code**

Designated Positions

<u>Designated Position</u>	<u>Assigned Disclosure Category</u>
General Counsel	1, 2, 3, 4
Director of Power Resources	1, 2, 3, 4
Director of Customer Programs	1, 2, 3, 4
Director of Internal Operations	1, 2, 3, 4
Director of Public Affairs	5
Finance and Project Manager	1, 2, 3, 4
Legal Counsel	1, 2, 3, 4
Regulatory & Legislative Counsel	1, 2, 3, 4
Regulatory Counsel	1, 2, 3, 4
Senior Regulatory Analyst	1, 2, 3, 4
Regulatory Analyst II	1, 2, 3, 4
Consultants/New Positions	*

*Definition of Consultant and Note Regarding Disclosure Categories for Consultants/New positions:

This category of designated positions includes consultants who make (not just recommend) governmental decisions, such as whether to approve a rate, rule, or regulation involving electric generation, adopt or grant MCE approval to design, develop, construct, sell, purchase, or acquire facilities that generate electricity, or adopt or grant MCE approval of policies, standards, or guidelines for MCE. Such consultants shall disclose at the same level as the comparable designated position identified elsewhere in the Code.

This category also includes all new/future positions that make or participate in making decisions including positions that perform comparable, the same, or substantially all the same duties for MCE as those that are being performed by an individual holding a designated position in MCE's Conflict of Interest Code. Such new positions shall disclose at the same level as the comparable designated position identified elsewhere in the Code.

The following positions are NOT covered by the Conflict of Interest Code because they must file under Government Code Section 87200 and, therefore, are listed for informational purposes only:

- Members of the Board of Directors
- Members of the Board of Directors (Alternates)
- Chief Executive Officer

An individual holding one of the above listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Government Code Section 87200.

**Marin Clean Energy
Appendix B to the Conflict of Interest Code**

Disclosure Categories:

1. Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources that provide services, supplies, materials, machinery, or equipment of the type utilized by MCE.
2. Interests in real property located within the jurisdiction of MCE or within two miles of the boundaries of the jurisdiction of MCE, or within two miles of any land owned or used by MCE.
3. Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources that engage in the design, development, construction, sale, or the acquisition of facilities that generate electricity, including, wind, solar, geothermal, hydroelectric, ocean, garbage, and biomass.
4. Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources that are energy or environmental consultants, research firms, or engineering firms, entities that design, build, manufacture, sell, distribute, or service equipment of the type that is utilized by electric power suppliers, including, wind, solar, geothermal, hydroelectric, ocean, garbage, and biomass, or any entity that is, or within the past 12 months has been, party to an MCE proceeding before any local, state, or regional regulatory or judicial entity.
5. Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources that are involved in marketing, communications, advertisements, public relations, and media relations.



WRITTEN EXPLANATIONS FOR THE PROPOSED AMENDMENT TO MCE CONFLICT OF INTEREST CODE

Pursuant to the needs of MCE's business, the additions of new staff and the restructuring of existing staff by re-classifying their position titles were addressed in the proposed amendment to the Conflict of Interest Code. Upon review of existing positions and current disclosure regulations, MCE determined that disclosure categories needed revision and/or existing positions should be designated. Below is an explanation of new positions were added, title changes to existing positions, existing positions that are now designated and the applicable disclosure categories for the newly designated positions.

General Counsel – Previously listed as Legal Director, was reclassified to General Counsel. Disclosure categories remained the same for this position.

Director of Power Resources – Previously listed as Resources Coordinator, was reclassified to Director of Procurement. Disclosure categories remained the same for this position.

Director of Customer Programs – Previously listed as Energy Efficiency Coordinator, was reclassified to Director of Customer Programs. Disclosure categories remained the same for this position.

Director of Internal Operations – Previously listed as Internal Operations Coordinator, was reclassified to Director of Internal Operations. Disclosure categories remained the same for this position.

Director of Public Affairs - Previously listed as Communications Director, was reclassified to Director of Public Affairs. Disclosure categories remained the same for this position.

Finance and Project Manager – This is a new position added to the MCE team. The disclosure categories for this new position were added as 1, 2, 3, and 4.

Legal Counsel – This is a new position added to the MCE Team. The disclosure categories for this new position were added as 1, 2, 3, and 4.

Regulatory & Legislative Counsel – This is a newly designated existing position. The disclosure categories for this position are 1, 2, 3, and 4.

Regulatory Counsel – This is a newly designated existing position. The disclosure categories for this position are 1, 2, 3, and 4.

Senior Regulatory Analyst – This is a newly designated existing position. The disclosure categories for this position are 1, 2, 3, and 4.

Regulatory Analyst II – This is a newly designated existing position. The disclosure categories for this position are 1, 2, 3, and 4.

Consultant/New Positions – This classification remained the same as the original code, but the description of the assigned disclosure category was updated. The disclosure category refers to the following information: This category of designated positions includes consultants who make (not just recommend) governmental decisions, such as whether to approve a rate, rule, or regulation involving electric generation, adopt or grant MCE approval to design, develop, construct, sell, purchase, or acquire facilities that generate electricity, or adopt or grant MCE approval of policies, standards, or guidelines for MCE. Such consultants shall disclose at the same level as the comparable designated position identified elsewhere in the Code. This category also includes all new/future positions that make or participate in making decisions including positions that perform comparable, the same, or substantially all the same duties for MCE as those that are being performed by an individual holding a designated position in MCE's Conflict of Interest Code. Such new positions shall disclose at the same level as the comparable designated position identified elsewhere in the Code.

**CONFLICT OF INTEREST CODE
FOR
MARIN CLEAN ENERGY**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendices, designating positions and establishing disclosure categories, shall constitute the Conflict of Interest Code of **Marin Clean Energy (MCE)**.

Individuals holding designated positions shall file their statements of economic interests with the MCE, which will make the statements available for public inspection and reproduction. (Government Code Section 81008.) All statements will be retained by MCE.

**Marin Clean Energy
Appendix A to the Conflict of Interest Code**

Designated Positions

<u>Designated Position</u>	<u>Assigned Disclosure Category</u>
General Counsel	1, 2, 3, 4
Director of Power Resources	1, 2, 3, 4
Director of Customer Programs	1, 2, 3, 4
Director of Internal Operations	1, 2, 3, 4
Director of Public Affairs	5
Finance and Project Manager	1, 2, 3, 4
<u>Legal Counsel</u>	<u>1, 2, 3, 4</u>
<u>Regulatory & Legislative Counsel</u>	<u>1, 2, 3, 4</u>
<u>Regulatory Counsel</u>	<u>1, 2, 3, 4</u>
<u>Senior Regulatory Analyst</u>	<u>1, 2, 3, 4</u>
<u>Regulatory Analyst II</u>	<u>1, 2, 3, 4</u>
Consultants/New Positions	*

*Definition of Consultant and Note Regarding Disclosure Categories for Consultants/New positions:

This category of designated positions includes consultants who make (not just recommend) governmental decisions, such as whether to approve a rate, rule, or regulation involving electric generation, adopt or grant MCE approval to design, develop, construct, sell, purchase, or acquire facilities that generate electricity, or adopt or grant MCE approval of policies, standards, or guidelines for MCE. Such consultants shall disclose at the same level as the comparable designated position identified elsewhere in the Code.

This category also includes all new/future positions that ~~would include the performance of~~ make or participate in making decisions including positions that perform comparable, the same, or substantially all the same duties for MCE as those that are being performed by an individual holding a designated position in MCE's Conflict of Interest Code.- Such new positions shall disclose at the same level as the comparable designated position identified elsewhere in the Code.

The following positions are NOT covered by the Conflict of Interest Code because they must file under Government Code Section 87200 and, therefore, are listed for informational purposes only:

- Members of the Board of Directors
- Members of the Board of Directors (Alternates)
- Chief Executive Officer

An individual holding one of the above listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by Government Code Section 87200.

**Marin Clean Energy
Appendix B to the Conflict of Interest Code**

Disclosure Categories:

1. Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources that provide services, supplies, materials, machinery, or equipment of the type utilized by MCE.
2. Interests in real property located within the jurisdiction of MCE or within two miles of the boundaries of the jurisdiction of MCE, or within two miles of any land owned or used by MCE.
3. Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources that engage in the design, development, construction, sale, or the acquisition of facilities that generate electricity, including, wind, solar, geothermal, hydroelectric, ocean, garbage, and biomass.
4. Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources that are energy or environmental consultants, research firms, or engineering firms, entities that design, build, manufacture, sell, distribute, or service equipment of the type that is utilized by electric power suppliers, including, wind, solar, geothermal, hydroelectric, ocean, garbage, and biomass, or any entity that is, or within the past 12 months has been, party to ~~an~~ MCE proceeding- before any local, state, or regional regulatory or judicial entity.
5. Investments and business positions in business entities, and income, including receipt of loans, gifts, and travel payments, from sources that are involved in marketing, communications, advertisements, public relations, and media relations.



January 19, 2017

TO: MCE Board of Directors
FROM: Katie Gaier, Human Resources Manager
RE: MCE Compensation Study (Agenda Item #04 - C.4)

Dear Board Members:

SUMMARY:

A comprehensive compensation analysis was conducted in the summer and fall of 2015 for all MCE positions. Adjustments to MCE salaries were approved by the MCE Board at its November 2015 meeting including bringing all salaries to 15% above the market at the top of the range to account for the cost of living and housing in Marin County. Effective December 1, 2015, adjustments were made to the salaries of employees whose salaries were below the bottom of the range for their position. At the time of the study, there were several positions that were vacant and therefore not studied, and one position that needed additional review. In addition, new positions have been created since the study was initiated, and salaries for those positions were fit into the current salary structure.

Therefore, in the fall of 2016 there were six positions which required review and were studied using the comparator agencies from the 2015 comprehensive compensation study. It is anticipated that another full study will take place in 2020 for adjustments, if any, in the 2021-22 fiscal year, and this full study would include additional comparators, such as other CCA's that have formed since the 2015 study. The six positions that were studied this fall are:

- Director of Internal Operations
- Internal Operations Associate
- Manager of Account Services
- Manager of Marketing Communications
- Marketing Associate
- Power Settlements Analyst

RESULTS:

The results of the study indicate the following:

TITLE	1/1/17 BOTTOM RANGE	STUDY BOTTOM RANGE	1/1/17 TOP RANGE	STUDY TOP RANGE	TOP RANGE + adjusted to 15% above market
Director of Internal Operations	\$84,737	\$90,422	\$117,328	\$121,575	\$139,812
Internal Operations Associate	\$54,530	\$53,794	\$81,160	\$65,364	No change to current range
Manager of Account Services	\$87,774	\$94,668	\$143,779	\$134,550	\$154,733
Manager of Marketing Communications**	\$81,179	\$83,876	\$115,341	\$104,328	\$119,977
Marketing Associate	\$49,962	\$60,450	\$72,167	\$73,476	\$84,498
Power Settlements Analyst	\$67,015	\$78,355	\$112,637	\$98,557	\$113,341

**retitled from Creative Content Designer

If approved, the new ranges would be aligned with the study results for the bottom range to the top range plus 15%. All incumbents are currently within the new range for their positions. In addition, the changes do not result in compaction with related supervisory and/or management classes. This item was presented to the Executive Committee on January 13, 2017.

Recommendation:

Approve the revised salary ranges for the 6 job classes shown above.



January 19, 2017

TO: MCE Board of Directors

FROM: Catalina Murphy, Legal Assistant

RE: Board of Directors Voting Shares Update (Agenda Item #04 – C.5)

ATTACHMENTS: A. MCE Joint Powers Agreement
B. Exhibit D to the MCE Joint Powers Agreement: Voting Shares

Dear Board Members:

Consistent with the MCE Joint Powers Agreement (“JPA”), attached hereto as Attachment A, your Board is attributed voting shares based on current MCE membership as well as the respective retail electric loads of each member community. Such voting shares are determined via a two-step process, which considers the following factors: 1) the current number of MCE members (Section 4.9.2.1 of the JPA); and 2) the annual retail electric load within each member community relative to the total retail electric load served by MCE (Section 4.9.2.2 of the JPA). Each factor is expressed as a ratio with a weight of 50% ascribed to each factor.

The first factor (total number of MCE members) results in an equal voting share for each MCE member: this fractional voting share is currently 2.08% for each MCE member, derived through the following calculation: $1/24 * 50\% = 2.08\%$. The second factor is derived by determining the ratio of each member’s annual retail electric load divided by MCE’s total retail electric load; the resultant ratio is also multiplied by 50%. For example, if retail load within the unincorporated County of Napa is 359 GWh and MCE’s total retail load is 2,874 GWh, the County of Napa’s load-related voting share is 6.24%: $359/2,874 * 50\% = 6.24\%$. As a result, the County of Napa’s total MCE voting share would be 8.32%, reflecting a summation of the percentages derived through the previously described factors. Again, the load-weighted voting share will vary by community.

Typically, MCE’s voting shares are updated annually before March 1st of each year, as per Section 4.9.2.2 of the JPA, to reflect changes in annual retail electric load as well as changes and/or additions to MCE’s member communities. However, as discussed at the February 18, 2016 Board Meeting, the update to voting shares was delayed due to the unavailability of essential data from PG&E until later in 2016.

At this time, MCE has the necessary data to update its voting shares calculation and has prepared a revised Exhibit D to the MCE Joint Powers Agreement, which reflects the results of these updated calculations. Exhibit D reflects key elements of MCE’s voting shares calculations,

consistent with Sections 4.9.2.1 and 4.9.2.2 of the JPA, and also reflects the total, load-weighted voting share attributable to each member.

Pursuant to Section 4.9.2.3 of the JPA, Exhibit D can be updated and approved by the Board without amending the JPA. Therefore, the staff recommends approval of the attached Exhibit D which reflects the revised and updated voting shares of the current MCE communities. Upon approval, Exhibit D will replace the existing Exhibit D in the JPA as the most current version.

Fiscal Impact: No fiscal impacts.

Recommendation: Approve Exhibit D to the MCE Joint Powers Agreement.

**Marin Energy Authority
- Joint Powers Agreement -**

Effective December 19, 2008

**As amended by Amendment No. 1 dated December 3, 2009
As further amended by Amendment No. 2 dated March 4, 2010
As further amended by Amendment No. 3 dated May 6, 2010
As further amended by Amendment No. 4 dated December 1, 2011
As further amended by Amendment No. 5 dated July 5, 2012
As further amended by Amendment No. 6 dated September 5, 2013
As further amended by Amendment No. 7 dated December 5, 2013
As further amended by Amendment No. 8 dated September 4, 2014
As further amended by Amendment No. 9 dated December 4, 2014
As further amended by Amendment No. 10 dated April 21, 2016**

Among The Following Parties:

**City of American Canyon
City of Belvedere
City of Benicia
City of Calistoga
Town of Corte Madera
City of El Cerrito
Town of Fairfax
City of Lafayette
City of Larkspur
City of Mill Valley
City of Napa
City of Novato
City of Richmond
Town of Ross
Town of San Anselmo
City of San Pablo
City of San Rafael
City of Sausalito
City of St. Helena
Town of Tiburon
City of Walnut Creek
Town of Yountville
County of Marin
County of Napa**

MARIN ENERGY AUTHORITY JOINT POWERS AGREEMENT

This **Joint Powers Agreement** (“Agreement”), effective as of December 19, 2008, is made and entered into pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1 (Section 6500 et seq.) of the California Government Code relating to the joint exercise of powers among the parties set forth in Exhibit B (“Parties”). The term “Parties” shall also include an incorporated municipality or county added to this Agreement in accordance with Section 3.1.

RECITALS

1. The Parties are either incorporated municipalities or counties sharing various powers under California law, including but not limited to the power to purchase, supply, and aggregate electricity for themselves and their inhabitants.
2. In 2006, the State Legislature adopted AB 32, the Global Warming Solutions Act, which mandates a reduction in greenhouse gas emissions in 2020 to 1990 levels. The California Air Resources Board is promulgating regulations to implement AB 32 which will require local government to develop programs to reduce greenhouse emissions.
3. The purposes for the Initial Participants (as such term is defined in Section 2.2 below) entering into this Agreement include addressing climate change by reducing energy related greenhouse gas emissions and securing energy supply and price stability, energy efficiencies and local economic benefits. It is the intent of this Agreement to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to solar and wind energy production.
4. The Parties desire to establish a separate public agency, known as the Marin Energy Authority (“Authority”), under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.) (“Act”) in order to collectively study, promote, develop, conduct, operate, and manage energy programs.
5. The Initial Participants have each adopted an ordinance electing to implement through the Authority Community Choice Aggregation, an electric service enterprise agency available to cities and counties pursuant to California Public Utilities Code Section 366.2 (“CCA Program”). The first priority of the Authority will be the consideration of those actions necessary to implement the CCA Program. Regardless of whether or not Program Agreement 1 is approved and the CCA Program becomes operational, the parties intend for the Authority to continue to study, promote, develop, conduct, operate and manage other energy programs.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions hereinafter set forth, it is agreed by and among the Parties as follows:

ARTICLE 1 CONTRACT DOCUMENTS

- 1.1 **Definitions.** Capitalized terms used in the Agreement shall have the meanings specified in Exhibit A, unless the context requires otherwise.
- 1.2 **Documents Included.** This Agreement consists of this document and the following exhibits, all of which are hereby incorporated into this Agreement.

Exhibit A:	Definitions
Exhibit B:	List of the Parties
Exhibit C:	Annual Energy Use
Exhibit D:	Voting Shares

- 1.3 **Revision of Exhibits.** The Parties agree that Exhibits B, C and D to this Agreement describe certain administrative matters that may be revised upon the approval of the Board, without such revision constituting an amendment to this Agreement, as described in Section 8.4. The Authority shall provide written notice to the Parties of the revision of any such exhibit.

ARTICLE 2 FORMATION OF MARIN ENERGY AUTHORITY

- 2.1 **Effective Date and Term.** This Agreement shall become effective and Marin Energy Authority shall exist as a separate public agency on the date this Agreement is executed by at least two Initial Participants after the adoption of the ordinances required by Public Utilities Code Section 366.2(c)(10). The Authority shall provide notice to the Parties of the Effective Date. The Authority shall continue to exist, and this Agreement shall be effective, until this Agreement is terminated in accordance with Section 7.4, subject to the rights of the Parties to withdraw from the Authority.
- 2.2 **Initial Participants.** During the first 180 days after the Effective Date, all other Initial Participants may become a Party by executing this Agreement and delivering an executed copy of this Agreement and a copy of the adopted ordinance required by Public Utilities Code Section 366.2(c)(10) to the Authority. Additional conditions, described in Section 3.1, may apply (i) to either an incorporated municipality or county desiring to become a Party and is not an Initial Participant and (ii) to Initial Participants that have not executed and delivered this Agreement within the time period described above.

- 2.3** **Formation.** There is formed as of the Effective Date a public agency named the Marin Energy Authority. Pursuant to Sections 6506 and 6507 of the Act, the Authority is a public agency separate from the Parties. The debts, liabilities or obligations of the Authority shall not be debts, liabilities or obligations of the individual Parties unless the governing board of a Party agrees in writing to assume any of the debts, liabilities or obligations of the Authority. A Party who has not agreed to assume an Authority debt, liability or obligation shall not be responsible in any way for such debt, liability or obligation even if a majority of the Parties agree to assume the debt, liability or obligation of the Authority. Notwithstanding Section 8.4 of this Agreement, this Section 2.3 may not be amended unless such amendment is approved by the governing board of each Party.
- 2.4** **Purpose.** The purpose of this Agreement is to establish an independent public agency in order to exercise powers common to each Party to study, promote, develop, conduct, operate, and manage energy and energy-related climate change programs, and to exercise all other powers necessary and incidental to accomplishing this purpose. Without limiting the generality of the foregoing, the Parties intend for this Agreement to be used as a contractual mechanism by which the Parties are authorized to participate as a group in the CCA Program, as further described in Section 5.1. The Parties intend that subsequent agreements shall define the terms and conditions associated with the actual implementation of the CCA Program and any other energy programs approved by the Authority.
- 2.5** **Powers.** The Authority shall have all powers common to the Parties and such additional powers accorded to it by law. The Authority is authorized, in its own name, to exercise all powers and do all acts necessary and proper to carry out the provisions of this Agreement and fulfill its purposes, including, but not limited to, each of the following:
- 2.5.1** make and enter into contracts;
 - 2.5.2** employ agents and employees, including but not limited to an Executive Director;
 - 2.5.3** acquire, contract, manage, maintain, and operate any buildings, works or improvements;
 - 2.5.4** acquire by eminent domain, or otherwise, except as limited under Section 6508 of the Act, and to hold or dispose of any property;
 - 2.5.5** lease any property;
 - 2.5.6** sue and be sued in its own name;
 - 2.5.7** incur debts, liabilities, and obligations, including but not limited to loans from private lending sources pursuant to its temporary borrowing powers such as Government Code Section 53850 et seq. and authority under the Act;
 - 2.5.8** issue revenue bonds and other forms of indebtedness;
 - 2.5.9** apply for, accept, and receive all licenses, permits, grants, loans or other aids from any federal, state or local public agency;

- 2.5.10** submit documentation and notices, register, and comply with orders, tariffs and agreements for the establishment and implementation of the CCA Program and other energy programs;
 - 2.5.11** adopt rules, regulations, policies, bylaws and procedures governing the operation of the Authority (“Operating Rules and Regulations”); and
 - 2.5.12** make and enter into service agreements relating to the provision of services necessary to plan, implement, operate and administer the CCA Program and other energy programs, including the acquisition of electric power supply and the provision of retail and regulatory support services.
- 2.6** **Limitation on Powers.** As required by Government Code Section 6509, the power of the Authority is subject to the restrictions upon the manner of exercising power possessed by the County of Marin.
- 2.7** **Compliance with Local Zoning and Building Laws.** Notwithstanding any other provisions of this Agreement or state law, any facilities, buildings or structures located, constructed or caused to be constructed by the Authority within the territory of the Authority shall comply with the General Plan, zoning and building laws of the local jurisdiction within which the facilities, buildings or structures are constructed.

ARTICLE 3 AUTHORITY PARTICIPATION

- 3.1** **Addition of Parties.** Subject to Section 2.2, relating to certain rights of Initial Participants, other incorporated municipalities and counties may become Parties upon (a) the adoption of a resolution by the governing body of such incorporated municipality or such county requesting that the incorporated municipality or county, as the case may be, become a member of the Authority, (b) the adoption, by an affirmative vote of the Board satisfying the requirements described in Section 4.9.1, of a resolution authorizing membership of the additional incorporated municipality or county, specifying the membership payment, if any, to be made by the additional incorporated municipality or county to reflect its pro rata share of organizational, planning and other pre-existing expenditures, and describing additional conditions, if any, associated with membership, (c) the adoption of an ordinance required by Public Utilities Code Section 366.2(c)(10) and execution of this Agreement and other necessary program agreements by the incorporated municipality or county, (d) payment of the membership payment, if any, and (e) satisfaction of any conditions established by the Board. Notwithstanding the foregoing, in the event the Authority decides to not implement a CCA Program, the requirement that an additional party adopt the ordinance required by Public Utilities Code Section 366.2(c)(10) shall not apply. Under such circumstance, the Board resolution authorizing membership of an additional incorporated municipality or county shall be adopted in accordance with the voting requirements of Section 4.10.

- 3.2 **Continuing Participation.** The Parties acknowledge that membership in the Authority may change by the addition and/or withdrawal or termination of Parties. The Parties agree to participate with such other Parties as may later be added, as described in Section 3.1. The Parties also agree that the withdrawal or termination of a Party shall not affect this Agreement or the remaining Parties' continuing obligations under this Agreement.

ARTICLE 4 GOVERNANCE AND INTERNAL ORGANIZATION

- 4.1 **Board of Directors.** The governing body of the Authority shall be a Board of Directors ("Board") consisting of one director for each Party appointed in accordance with Section 4.2.
- 4.2 **Appointment and Removal of Directors.** The Directors shall be appointed and may be removed as follows:
- 4.2.1 The governing body of each Party shall appoint and designate in writing one regular Director who shall be authorized to act for and on behalf of the Party on matters within the powers of the Authority. The governing body of each Party also shall appoint and designate in writing one alternate Director who may vote on matters when the regular Director is absent from a Board meeting. The person appointed and designated as the Director or the alternate Director shall be a member of the governing body of the Party.
- 4.2.2 The Operating Rules and Regulations, to be developed and approved by the Board in accordance with Section 2.5.11, shall specify the reasons for and process associated with the removal of an individual Director for cause. Notwithstanding the foregoing, no Party shall be deprived of its right to seat a Director on the Board and any such Party for which its Director and/or alternate Director has been removed may appoint a replacement.
- 4.3 **Terms of Office.** Each Director shall serve at the pleasure of the governing body of the Party that the Director represents, and may be removed as Director by such governing body at any time. If at any time a vacancy occurs on the Board, a replacement shall be appointed to fill the position of the previous Director in accordance with the provisions of Section 4.2 within 90 days of the date that such position becomes vacant.
- 4.4 **Quorum.** A majority of the Directors shall constitute a quorum, except that less than a quorum may adjourn from time to time in accordance with law.

- 4.5 Powers and Function of the Board.** The Board shall conduct or authorize to be conducted all business and activities of the Authority, consistent with this Agreement, the Authority Documents, the Operating Rules and Regulations, and applicable law.
- 4.6 Executive Committee.** The Board may establish an executive committee consisting of a smaller number of Directors. The Board may delegate to the executive committee such authority as the Board might otherwise exercise, subject to limitations placed on the Board's authority to delegate certain essential functions, as described in the Operating Rules and Regulations. The Board may not delegate to the Executive Committee or any other committee its authority under Section 2.5.11 to adopt and amend the Operating Rules and Regulations.
- 4.7 Commissions, Boards and Committees.** The Board may establish any advisory commissions, boards and committees as the Board deems appropriate to assist the Board in carrying out its functions and implementing the CCA Program, other energy programs and the provisions of this Agreement.
- 4.8 Director Compensation.** Compensation for work performed by Directors on behalf of the Authority shall be borne by the Party that appointed the Director. The Board, however, may adopt by resolution a policy relating to the reimbursement of expenses incurred by Directors.
- 4.9 Board Voting Related to the CCA Program.**
- 4.9.1.** To be effective, on all matters specifically related to the CCA Program, a vote of the Board shall consist of the following: (1) a majority of all Directors shall vote in the affirmative or such higher voting percentage expressly set forth in Sections 7.2 and 8.4 (the "percentage vote") and (2) the corresponding voting shares (as described in Section 4.9.2 and Exhibit D) of all such Directors voting in the affirmative shall exceed 50%, or such other higher voting shares percentage expressly set forth in Sections 7.2 and 8.4 (the "percentage voting shares"), provided that, in instances in which such other higher voting share percentage would result in any one Director having a voting share that equals or exceeds that which is necessary to disapprove the matter being voted on by the Board, at least one other Director shall be required to vote in the negative in order to disapprove such matter.
- 4.9.2.** Unless otherwise stated herein, voting shares of the Directors shall be determined by combining the following: (1) an equal voting share for each Director determined in accordance with the formula detailed in Section 4.9.2.1, below; and (2) an additional voting share determined in accordance with the formula detailed in Section 4.9.2.2, below.
- 4.9.2.1 Pro Rata Voting Share.** Each Director shall have an equal voting share as determined by the following formula: (1/total number of

Directors) multiplied by 50, and

4.9.2.2 Annual Energy Use Voting Share. Each Director shall have an additional voting share as determined by the following formula: (Annual Energy Use/Total Annual Energy) multiplied by 50, where (a) “Annual Energy Use” means, (i) with respect to the first 5 years following the Effective Date, the annual electricity usage, expressed in kilowatt hours (“kWhs”), within the Party’s respective jurisdiction and (ii) with respect to the period after the fifth anniversary of the Effective Date, the annual electricity usage, expressed in kWhs, of accounts within a Party’s respective jurisdiction that are served by the Authority and (b) “Total Annual Energy” means the sum of all Parties’ Annual Energy Use. The initial values for Annual Energy use are designated in Exhibit C, and shall be adjusted annually as soon as reasonably practicable after January 1, but no later than March 1 of each year

4.9.2.3 The voting shares are set forth in Exhibit D. Exhibit D may be updated to reflect revised annual energy use amounts and any changes in the parties to the Agreement without amending the Agreement provided that the Board is provided a copy of the updated Exhibit D.

4.10 Board Voting on General Administrative Matters and Programs Not Involving CCA. Except as otherwise provided by this Agreement or the Operating Rules and Regulations, each member shall have one vote on general administrative matters, including but not limited to the adoption and amendment of the Operating Rules and Regulations, and energy programs not involving CCA. Action on these items shall be determined by a majority vote of the quorum present and voting on the item or such higher voting percentage expressly set forth in Sections 7.2 and 8.4.

4.11 Board Voting on CCA Programs Not Involving CCA That Require Financial Contributions. The approval of any program or other activity not involving CCA that requires financial contributions by individual Parties shall be approved only by a majority vote of the full membership of the Board subject to the right of any Party who votes against the program or activity to opt-out of such program or activity pursuant to this section. The Board shall provide at least 45 days prior written notice to each Party before it considers the program or activity for adoption at a Board meeting. Such notice shall be provided to the governing body and the chief administrative officer, city manager or town manager of each Party. The Board also shall provide written notice of such program or activity adoption to the above-described officials of each Party within 5 days after the Board adopts the program or activity. Any Party voting against the approval of a program or other activity of the Authority requiring financial contributions by individual Parties may elect to opt-out of participation in such program or activity by

providing written notice of this election to the Board within 30 days after the program or activity is approved by the Board. Upon timely exercising its opt-out election, a Party shall not have any financial obligation or any liability whatsoever for the conduct or operation of such program or activity.

4.12 Meetings and Special Meetings of the Board. The Board shall hold at least four regular meetings per year, but the Board may provide for the holding of regular meetings at more frequent intervals. The date, hour and place of each regular meeting shall be fixed by resolution or ordinance of the Board. Regular meetings may be adjourned to another meeting time. Special meetings of the Board may be called in accordance with the provisions of California Government Code Section 54956. Directors may participate in meetings telephonically, with full voting rights, only to the extent permitted by law. All meetings of the Board shall be conducted in accordance with the provisions of the Ralph M. Brown Act (California Government Code Section 54950 et seq.).

4.13 Selection of Board Officers.

4.13.1 Chair and Vice Chair. The Directors shall select, from among themselves, a Chair, who shall be the presiding officer of all Board meetings, and a Vice Chair, who shall serve in the absence of the Chair. The term of office of the Chair and Vice Chair shall continue for one year, but there shall be no limit on the number of terms held by either the Chair or Vice Chair. The office of either the Chair or Vice Chair shall be declared vacant and a new selection shall be made if: (a) the person serving dies, resigns, or the Party that the person represents removes the person as its representative on the Board or (b) the Party that he or she represents withdraws from the Authority pursuant to the provisions of this Agreement.

4.13.2 Secretary. The Board shall appoint a Secretary, who need not be a member of the Board, who shall be responsible for keeping the minutes of all meetings of the Board and all other official records of the Authority.

4.13.3 Treasurer and Auditor. The Board shall appoint a qualified person to act as the Treasurer and a qualified person to act as the Auditor, neither of whom needs to be a member of the Board. If the Board so designates, and in accordance with the provisions of applicable law, a qualified person may hold both the office of Treasurer and the office of Auditor of the Authority. Unless otherwise exempted from such requirement, the Authority shall cause an independent audit to be made by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act. The Treasurer shall act as the depository of the Authority and have custody of all the money of the Authority, from whatever source, and as such, shall have all of the duties and responsibilities specified in Section 6505.5 of the Act. The Board may require the Treasurer and/or Auditor to

file with the Authority an official bond in an amount to be fixed by the Board, and if so requested the Authority shall pay the cost of premiums associated with the bond. The Treasurer shall report directly to the Board and shall comply with the requirements of treasurers of incorporated municipalities. The Board may transfer the responsibilities of Treasurer to any person or entity as the law may provide at the time. The duties and obligations of the Treasurer are further specified in Article 6.

- 4.14 Administrative Services Provider.** The Board may appoint one or more administrative services providers to serve as the Authority's agent for planning, implementing, operating and administering the CCA Program, and any other program approved by the Board, in accordance with the provisions of a written agreement between the Authority and the appointed administrative services provider or providers that will be known as an Administrative Services Agreement. The Administrative Services Agreement shall set forth the terms and conditions by which the appointed administrative services provider shall perform or cause to be performed all tasks necessary for planning, implementing, operating and administering the CCA Program and other approved programs. The Administrative Services Agreement shall set forth the term of the Agreement and the circumstances under which the Administrative Services Agreement may be terminated by the Authority. This section shall not in any way be construed to limit the discretion of the Authority to hire its own employees to administer the CCA Program or any other program.

ARTICLE 5

IMPLEMENTATION ACTION AND AUTHORITY DOCUMENTS

5.1 Preliminary Implementation of the CCA Program.

- 5.1.1 Enabling Ordinance.** Except as otherwise provided by Section 3.1, prior to the execution of this Agreement, each Party shall adopt an ordinance in accordance with Public Utilities Code Section 366.2(c)(10) for the purpose of specifying that the Party intends to implement a CCA Program by and through its participation in the Authority.
- 5.1.2 Implementation Plan.** The Authority shall cause to be prepared an Implementation Plan meeting the requirements of Public Utilities Code Section 366.2 and any applicable Public Utilities Commission regulations as soon after the Effective Date as reasonably practicable. The Implementation Plan shall not be filed with the Public Utilities Commission until it is approved by the Board in the manner provided by Section 4.9.

5.1.3 Effect of Vote On Required Implementation Action. In the event that two or more Parties vote to approve Program Agreement 1 or any earlier action required for the implementation of the CCA Program (“Required Implementation Action”), but such vote is insufficient to approve the Required Implementation Action under Section 4.9, the following will occur:

5.1.3.1 The Parties voting against the Required Implementation Action shall no longer be a Party to this Agreement and this Agreement shall be terminated, without further notice, with respect to each of the Parties voting against the Required Implementation Action at the time this vote is final. The Board may take a provisional vote on a Required Implementation Action in order to initially determine the position of the Parties on the Required Implementation Action. A vote, specifically stated in the record of the Board meeting to be a provisional vote, shall not be considered a final vote with the consequences stated above. A Party who is terminated from this Agreement pursuant to this section shall be considered the same as a Party that voluntarily withdrew from the Agreement under Section 7.1.1.1.

5.1.3.2 After the termination of any Parties pursuant to Section 5.1.3.1, the remaining Parties to this Agreement shall be only the Parties who voted in favor of the Required Implementation Action.

5.1.4 Termination of CCA Program. Nothing contained in this Article or this Agreement shall be construed to limit the discretion of the Authority to terminate the implementation or operation of the CCA Program at any time in accordance with any applicable requirements of state law.

5.2 Authority Documents. The Parties acknowledge and agree that the affairs of the Authority will be implemented through various documents duly adopted by the Board through Board resolution, including but not necessarily limited to the Operating Rules and Regulations, the annual budget, and specified plans and policies defined as the Authority Documents by this Agreement. The Parties agree to abide by and comply with the terms and conditions of all such Authority Documents that may be adopted by the Board, subject to the Parties’ right to withdraw from the Authority as described in Article 7.

ARTICLE 6
FINANCIAL PROVISIONS

- 6.1 Fiscal Year.** The Authority's fiscal year shall be 12 months commencing July 1 and ending June 30. The fiscal year may be changed by Board resolution.
- 6.2 Depository.**
- 6.2.1** All funds of the Authority shall be held in separate accounts in the name of the Authority and not commingled with funds of any Party or any other person or entity.
- 6.2.2** All funds of the Authority shall be strictly and separately accounted for, and regular reports shall be rendered of all receipts and disbursements, at least quarterly during the fiscal year. The books and records of the Authority shall be open to inspection by the Parties at all reasonable times. The Board shall contract with a certified public accountant or public accountant to make an annual audit of the accounts and records of the Authority, which shall be conducted in accordance with the requirements of Section 6505 of the Act.
- 6.2.3** All expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its Operating Rules and Regulations. The Treasurer shall draw checks or warrants or make payments by other means for claims or disbursements not within an applicable budget only upon the prior approval of the Board.
- 6.3 Budget and Recovery Costs.**
- 6.3.1 **Budget.**** The initial budget shall be approved by the Board. The Board may revise the budget from time to time through an Authority Document as may be reasonably necessary to address contingencies and unexpected expenses. All subsequent budgets of the Authority shall be prepared and approved by the Board in accordance with the Operating Rules and Regulations.
- 6.3.2 **County Funding of Initial Costs.**** The County of Marin shall fund the Initial Costs of the Authority in implementing the CCA Program in an amount not to exceed \$500,000 unless a larger amount of funding is approved by the Board of Supervisors of the County. This funding shall be paid by the County at the times and in the amounts required by the Authority. In the event that the CCA Program becomes operational, these Initial Costs paid by the County of Marin shall be included in the customer charges for electric services as provided by Section 6.3.4 to the extent permitted by law, and the County of Marin shall be reimbursed from the

payment of such charges by customers of the Authority. The Authority may establish a reasonable time period over which such costs are recovered. In the event that the CCA Program does not become operational, the County of Marin shall not be entitled to any reimbursement of the Initial Costs it has paid from the Authority or any Party.

6.3.3 CCA Program Costs. The Parties desire that, to the extent reasonably practicable, all costs incurred by the Authority that are directly or indirectly attributable to the provision of electric services under the CCA Program, including the establishment and maintenance of various reserve and performance funds, shall be recovered through charges to CCA customers receiving such electric services.

6.3.4 General Costs. Costs that are not directly or indirectly attributable to the provision of electric services under the CCA Program, as determined by the Board, shall be defined as general costs. General costs shall be shared among the Parties on such basis as the Board shall determine pursuant to an Authority Document.

6.3.5 Other Energy Program Costs. Costs that are directly or indirectly attributable to energy programs approved by the Authority other than the CCA Program shall be shared among the Parties on such basis as the Board shall determine pursuant to an Authority Document.

ARTICLE 7 WITHDRAWAL AND TERMINATION

7.1 Withdrawal.

7.1.1 General.

7.1.1.1 Prior to the Authority's execution of Program Agreement 1, any Party may withdraw its membership in the Authority by giving no less than 30 days advance written notice of its election to do so, which notice shall be given to the Authority and each Party. To permit consideration by the governing body of each Party, the Authority shall provide a copy of the proposed Program Agreement 1 to each Party at least 90 days prior to the consideration of such agreement by the Board.

7.1.1.2 Subsequent to the Authority's execution of Program Agreement 1, a Party may withdraw its membership in the Authority, effective as of the beginning of the Authority's fiscal year, by giving no less than 6

months advance written notice of its election to do so, which notice shall be given to the Authority and each Party, and upon such other conditions as may be prescribed in Program Agreement 1.

7.1.2 Amendment. Notwithstanding Section 7.1.1, a Party may withdraw its membership in the Authority following an amendment to this Agreement in the manner provided by Section 8.4.

7.1.3 Continuing Liability; Further Assurances. A Party that withdraws its membership in the Authority may be subject to certain continuing liabilities, as described in Section 7.3. The withdrawing Party and the Authority shall execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, as determined by the Board, to effectuate the orderly withdrawal of such Party from membership in the Authority. The Operating Rules and Regulations shall prescribe the rights if any of a withdrawn Party to continue to participate in those Board discussions and decisions affecting customers of the CCA Program that reside or do business within the jurisdiction of the Party.

7.2 Involuntary Termination of a Party. This Agreement may be terminated with respect to a Party for material non-compliance with provisions of this Agreement or the Authority Documents upon an affirmative vote of the Board in which the minimum percentage vote and percentage voting shares, as described in Section 4.9.1, shall be no less than 67%, excluding the vote and voting shares of the Party subject to possible termination. Prior to any vote to terminate this Agreement with respect to a Party, written notice of the proposed termination and the reason(s) for such termination shall be delivered to the Party whose termination is proposed at least 30 days prior to the regular Board meeting at which such matter shall first be discussed as an agenda item. The written notice of proposed termination shall specify the particular provisions of this Agreement or the Authority Documents that the Party has allegedly violated. The Party subject to possible termination shall have the opportunity at the next regular Board meeting to respond to any reasons and allegations that may be cited as a basis for termination prior to a vote regarding termination. A Party that has had its membership in the Authority terminated may be subject to certain continuing liabilities, as described in Section 7.3. In the event that the Authority decides to not implement the CCA Program, the minimum percentage vote of 67% shall be conducted in accordance with Section 4.10 rather than Section 4.9.1.

7.3 Continuing Liability; Refund. Upon a withdrawal or involuntary termination of a Party, the Party shall remain responsible for any claims, demands, damages, or liabilities arising from the Party's membership in the Authority through the date of its withdrawal or involuntary termination, it being agreed that the Party shall not be responsible for any claims, demands, damages, or liabilities arising after the date of the Party's withdrawal or involuntary termination. In addition, such

Party also shall be responsible for any costs or obligations associated with the Party's participation in any program in accordance with the provisions of any agreements relating to such program provided such costs or obligations were incurred prior to the withdrawal of the Party. The Authority may withhold funds otherwise owing to the Party or may require the Party to deposit sufficient funds with the Authority, as reasonably determined by the Authority, to cover the Party's liability for the costs described above. Any amount of the Party's funds held on deposit with the Authority above that which is required to pay any liabilities or obligations shall be returned to the Party.

- 7.4 Mutual Termination.** This Agreement may be terminated by mutual agreement of all the Parties; provided, however, the foregoing shall not be construed as limiting the rights of a Party to withdraw its membership in the Authority, and thus terminate this Agreement with respect to such withdrawing Party, as described in Section 7.1.
- 7.5 Disposition of Property upon Termination of Authority.** Upon termination of this Agreement as to all Parties, any surplus money or assets in possession of the Authority for use under this Agreement, after payment of all liabilities, costs, expenses, and charges incurred under this Agreement and under any program documents, shall be returned to the then-existing Parties in proportion to the contributions made by each.

ARTICLE 8 MISCELLANEOUS PROVISIONS

- 8.1 Dispute Resolution.** The Parties and the Authority shall make reasonable efforts to settle all disputes arising out of or in connection with this Agreement. Should such efforts to settle a dispute, after reasonable efforts, fail, the dispute shall be settled by binding arbitration in accordance with policies and procedures established by the Board.
- 8.2 Liability of Directors, Officers, and Employees.** The Directors, officers, and employees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. No current or former Director, officer, or employee will be responsible for any act or omission by another Director, officer, or employee. The Authority shall defend, indemnify and hold harmless the individual current and former Directors, officers, and employees for any acts or omissions in the scope of their employment or duties in the manner provided by Government Code Section 995 et seq. Nothing in this section shall be construed to limit the defenses

available under the law, to the Parties, the Authority, or its Directors, officers, or employees.

- 8.3 Indemnification of Parties.** The Authority shall acquire such insurance coverage as is necessary to protect the interests of the Authority, the Parties and the public. The Authority shall defend, indemnify and hold harmless the Parties and each of their respective Board or Council members, officers, agents and employees, from any and all claims, losses, damages, costs, injuries and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts, and omissions of the Authority under this Agreement.
- 8.4 Amendment of this Agreement.** This Agreement may be amended by an affirmative vote of the Board in which the minimum percentage vote and percentage voting shares, as described in Section 4.9.1, shall be no less than 67%. The Authority shall provide written notice to all Parties of amendments to this Agreement, including the effective date of such amendments. A Party shall be deemed to have withdrawn its membership in the Authority effective immediately upon the vote of the Board approving an amendment to this Agreement if the Director representing such Party has provided notice to the other Directors immediately preceding the Board's vote of the Party's intention to withdraw its membership in the Authority should the amendment be approved by the Board. As described in Section 7.3, a Party that withdraws its membership in the Authority in accordance with the above-described procedure may be subject to continuing liabilities incurred prior to the Party's withdrawal. In the event that the Authority decides to not implement the CCA Program, the minimum percentage vote of 67% shall be conducted in accordance with Section 4.10 rather than Section 4.9.1.
- 8.5 Assignment.** Except as otherwise expressly provided in this Agreement, the rights and duties of the Parties may not be assigned or delegated without the advance written consent of all of the other Parties, and any attempt to assign or delegate such rights or duties in contravention of this Section 8.5 shall be null and void. This Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the Parties. This Section 8.5 does not prohibit a Party from entering into an independent agreement with another agency, person, or entity regarding the financing of that Party's contributions to the Authority, or the disposition of proceeds which that Party receives under this Agreement, so long as such independent agreement does not affect, or purport to affect, the rights and duties of the Authority or the Parties under this Agreement.
- 8.6 Severability.** If one or more clauses, sentences, paragraphs or provisions of this Agreement shall be held to be unlawful, invalid or unenforceable, it is hereby agreed by the Parties, that the remainder of the Agreement shall not be affected thereby. Such clauses, sentences, paragraphs or provision shall be deemed reformed so as to be lawful, valid and enforced to the maximum extent possible.

- 8.7 Further Assurances.** Each Party agrees to execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, to effectuate the purposes and intent of this Agreement.
- 8.8 Execution by Counterparts.** This Agreement may be executed in any number of counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument and as if all Parties had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.
- 8.9 Parties to be Served Notice.** Any notice authorized or required to be given pursuant to this Agreement shall be validly given if served in writing either personally, by deposit in the United States mail, first class postage prepaid with return receipt requested, or by a recognized courier service. Notices given (a) personally or by courier service shall be conclusively deemed received at the time of delivery and receipt and (b) by mail shall be conclusively deemed given 48 hours after the deposit thereof (excluding Saturdays, Sundays and holidays) if the sender receives the return receipt. All notices shall be addressed to the office of the clerk or secretary of the Authority or Party, as the case may be, or such other person designated in writing by the Authority or Party. Notices given to one Party shall be copied to all other Parties. Notices given to the Authority shall be copied to all Parties.

Exhibit A

**To the
Joint Powers Agreement
Marin Energy Authority**

-Definitions-

“AB 117” means Assembly Bill 117 (Stat. 2002, ch. 838, codified at Public Utilities Code Section 366.2), which created CCA.

“Act” means the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 *et seq.*)

“Administrative Services Agreement” means an agreement or agreements entered into after the Effective Date by the Authority with an entity that will perform tasks necessary for planning, implementing, operating and administering the CCA Program or any other energy programs adopted by the Authority.

“Agreement” means this Joint Powers Agreement.

“Annual Energy Use” has the meaning given in Section 4.9.2.2.

“Authority” means the Marin Energy Authority.

“Authority Document(s)” means document(s) duly adopted by the Board by resolution or motion implementing the powers, functions and activities of the Authority, including but not limited to the Operating Rules and Regulations, the annual budget, and plans and policies.

“Board” means the Board of Directors of the Authority.

“CCA” or “Community Choice Aggregation” means an electric service option available to cities and counties pursuant to Public Utilities Code Section 366.2.

“CCA Program” means the Authority’s program relating to CCA that is principally described in Sections 2.4 and 5.1.

“Director” means a member of the Board of Directors representing a Party.

“Effective Date” means the date on which this Agreement shall become effective and the Marin Energy Authority shall exist as a separate public agency, as further described in Section 2.1.

“Implementation Plan” means the plan generally described in Section 5.1.2 of this Agreement that is required under Public Utilities Code Section 366.2 to be filed with the

California Public Utilities Commission for the purpose of describing a proposed CCA Program.

“Initial Costs” means all costs incurred by the Authority relating to the establishment and initial operation of the Authority, such as the hiring of an Executive Director and any administrative staff, any required accounting, administrative, technical and legal services in support of the Authority’s initial activities or in support of the negotiation, preparation and approval of one or more Administrative Services Provider Agreements and Program Agreement 1. Administrative and operational costs incurred after the approval of Program Agreement 1 shall not be considered Initial Costs.

“Initial Participants” means, for the purpose of this Agreement, the signatories to this JPA as of May 5, 2010 including City of Belvedere, Town of Fairfax, City of Mill Valley, Town of San Anselmo, City of San Rafael, City of Sausalito, Town of Tiburon and County of Marin.

“Operating Rules and Regulations” means the rules, regulations, policies, bylaws and procedures governing the operation of the Authority.

“Parties” means, collectively, the signatories to this Agreement that have satisfied the conditions in Sections 2.2 or 3.2 such that it is considered a member of the Authority.

“Party” means, singularly, a signatory to this Agreement that has satisfied the conditions in Sections 2.2 or 3.2 such that it is considered a member of the Authority.

“Program Agreement 1” means the agreement that the Authority will enter into with an energy service provider that will provide the electricity to be distributed to customers participating in the CCA Program.

“Total Annual Energy” has the meaning given in Section 4.9.2.2.

Exhibit B

**To the
Joint Powers Agreement
Marin Energy Authority**

-List of the Parties-

City of American Canyon
City of Belvedere
City of Benicia
City of Calistoga
Town of Corte Madera
City of El Cerrito
Town of Fairfax
City of Larkspur
City of Lafayette
City of Mill Valley
City of Napa
City of Novato
City of Richmond
Town of Ross
Town of San Anselmo
City of San Pablo
City of San Rafael
City of Sausalito
City of St. Helena
Town of Tiburon
City of Walnut Creek
Town of Yountville
County of Marin
County of Napa

Marin Clean Energy

- Voting Shares -

This Exhibit D is effective as of January 19, 2017.

Party	kWh (2015*)	Section 4.9.2.1	Section 4.9.2.2	Voting Share
City of American Canyon	75,238,389	2.08%	1.31%	3.39%
City of Belvedere	7,161,787	2.08%	0.12%	2.21%
City of Benicia	112,631,790	2.08%	1.96%	4.04%
City of Calistoga	26,619,985	2.08%	0.46%	2.55%
Town of Corte Madera	46,023,153	2.08%	0.80%	2.88%
City of El Cerrito	56,615,873	2.08%	0.99%	3.07%
Town of Fairfax	17,786,905	2.08%	0.31%	2.39%
City of Lafayette	113,958,395	2.08%	1.98%	4.07%
City of Larkspur	36,481,157	2.08%	0.63%	2.72%
City of Mill Valley	44,019,391	2.08%	0.77%	2.85%
County of Marin	223,280,476	2.08%	3.89%	5.97%
City of Napa	358,540,484	2.08%	6.24%	8.32%
County of Napa	306,696,355	2.08%	5.34%	7.42%
City of Novato	182,518,152	2.08%	3.18%	5.26%
City of Richmond	369,368,162	2.08%	6.43%	8.51%
Town of Ross	9,793,239	2.08%	0.17%	2.25%
Town of San Anselmo	31,630,085	2.08%	0.55%	2.63%
City of Saint Helena	51,846,619	2.08%	0.90%	2.99%
City of San Pablo	69,813,169	2.08%	1.21%	3.30%
City of San Rafael	226,213,075	2.08%	3.94%	6.02%
City of Sausalito	31,778,338	2.08%	0.55%	2.64%
Town of Tiburon	28,575,164	2.08%	0.50%	2.58%
City of Walnut Creek	415,140,953	2.08%	7.22%	9.31%
Town of Yountville	31,854,820	2.08%	0.55%	2.64%
MCE Total Energy Use	2,873,585,917	50.00%	50.00%	100.00%

*Data Provided by PG&E

Overview of MCE Board Offices and Committees (Updated 11.17.16)

Board Offices

Kate Sears, Chair
Tom Butt, Vice Chair
Denise Athas, Auditor/Treasurer
Dawn Weisz, Secretary

Executive Committee

1. Tom Butt, Chair
2. Denise Athas
3. Sloan Bailey
4. Ford Greene
5. Kevin Haroff
6. Bob McCaskill
7. Kate Sears
8. **Vacant Seat**

Technical Committee

1. Kate Sears, Chair
2. Kevin Haroff
3. Ford Greene
4. Emmett O'Donnell
5. Ray Withy
6. Greg Lyman
7. **Vacant Seat**

Ad Hoc Contracts Committee for 2016

1. Sloan Bailey
2. Barbara Coler
3. Ford Greene
4. Kevin Haroff
5. Brad Wagenknecht
6. Greg Lyman
7. Alan Schwartzman

Ad Hoc Audit Committee 2016

1. Bob McCaskill
2. Sashi McEntee
3. Ray Withy

Ad Hoc Expansion Committee

1. Barbara Coler
2. Andrew McCullough
3. Brad Wagenknecht
4. Ray Withy

Ad Hoc Ratesetting Committee 2017

1. Greg Lyman
2. Sashi McEntee
3. Sloan Bailey
4. Bob McCaskill
5. Barbara Coler



January 19, 2017

TO: MCE Board of Directors

FROM: David McNeil, Finance and Project Manager

RE: Resolution 2017-02 Confirming and Updating Delegated Authority for Contracts and Power Procurement (Agenda Item #06)

ATTACHMENTS: A. Proposed Resolution No. 2017-02 Confirming and Updating Delegated Authority for Contracts and Power Procurement
B. Resolution No. 2016-05 Restating and Confirming Authority for Power Procurement and Other Expenditures
C. Resolution No. 2013-04 Authorizing the Executive Officer to Enter Into and Execute Contracts
D. MCE Executive Committee Overview and Scope - Redline
E. MCE Technical Committee Overview and Scope– Redline
F. MCE Board Delegated Contracting Authority

Dear Board Members:

SUMMARY: During the normal course of business MCE enters into contracts for energy and non-energy products and services and receives requests to provide documentation confirming signing authorities for the agency. Signing authorities are currently described in MCE's Integrated Resource Plan ("IRP"), summarized in Board Resolutions 2013-04 and 2016-05 and described further in the MCE Technical Committee and Executive Committee Scope and Overview documents approved by your Board in May 2016.

Staff recommends the proposed Resolution Confirming and Updating Delegated Authority for Contracts and Power Procurement (the "Proposed Resolution") which would confirm, update and clarify delegated authority for the approval and signing of contracts and power procurements. Staff further recommend updates to the Executive Committee Overview and Scope documents that are consistent with the Proposed Resolution. For ease of comparison the Executive and Technical Committee Overview and Scope documents are presented with changes in redline.

The purpose of the Proposed Resolution is to replace Resolution No. 2016-05 and to affirm, clarify and restate the scope of authority delegated to the Technical Committee and Executive Committees and to the Chief Executive Officer ("CEO"). The Proposed Resolution reflects the procurement authority as described in the revised and updated MCE Executive Committee and Technical Committee Overview documents.

The signing authorities described in the Proposed Resolution are:

1. That the CEO has all necessary and proper authority, consistent with an approved IRP or budget as applicable, to approve and execute Power Purchase Agreements (PPAs)

with a term of less than or equal to twelve months, and to approve and execute contracts for goods and services (not energy purchases) with a not-to-exceed maximum dollar amount of less than or equal to \$25,000 per vendor, per fiscal year; furthermore, that the Board hereby delegates authority to the CEO to enter into and execute any amendment or addendum to an existing contract, regardless of the existing contract's price or total amount, which will result in an overall cost savings to MCE, whether achieved by lower per-unit costs, or by a decrease in the contract's not-to-exceed maximum dollar amount over the term of the contract;

2. That the CEO and Board Chair, jointly, have all necessary and proper authority to execute PPAs for terms of greater than 12 months but less than or equal to 5 years, pursuant to a Board or Technical Committee approved IRP, after consultation with a committee of the Board;

3. That the Technical Committee has all necessary and proper authority to: a) approve for execution by the CEO and Board Chair all PPAs for a term greater than 5 years; and b) approve contracts for technical and energy efficiency programs or services, and for procurement functions or services;

4. That the Executive Committee has all necessary and proper authority to: a) approve for execution by the CEO and Board Chair all contracts with not-to-exceed total consideration greater than \$25,000 per vendor, per fiscal year; and b) approve for execution any amendment or addendum to a contract that initially required Executive Committee approval, or that would increase the total contract price to an amount greater than \$25,000 per vendor, per fiscal year, except for amendments that result in an overall cost savings as provided above in subparagraph 1;

All other procurement and contracting authority not expressly stated or reaffirmed as delegated pursuant to the proposed resolution would be reserved by the MCE Board, unless otherwise amended by subsequent Resolution(s).

The Proposed Resolution and amendments to the Executive Committee and Technical Committee Overview and Scope documents include the following clarifications to the current signing authorities delegated by your Board;

- Clarify that the CEO would be authorized to execute amendments or addendums to existing contracts which would result in lower per-unit costs, or decrease the contract's not-to-exceed maximum dollar amount.
- Clarify that the Technical Committee would be authorized to approve contracts and PPAs with a contract term that extends beyond the fiscal period described in the most recent Board approved budget as described in subparagraph 3.
- Clarify that the Technical Committee would be authorized to approve the Integrated Resource Plan. (The Technical Committee Overview and Scope document approved by your Board in May 2016 delegated authority to approve "updates to" the Integrated Resource Plan.)
- Clarify that the Executive Committee would be authorized to enter into contracts with a contract term that extends beyond the fiscal period in the most recent Board approved budget as described in subparagraph 4.

The Proposed Resolution is intended to enable staff to more easily communicate signing authorities of MCE to stakeholders and the public. The Proposed Resolution and updates to the Executive and Technical Committee Overview and Scope documents are together intended to

enable the Board, Board Committees and Staff to conduct business on behalf of MCE in a clear, prudent and financially responsible manner.

Fiscal Impact: None

Recommendation: A. Approve Resolution No. 2017-02 A Resolution of the Board of Directors of Marin Clean Energy Confirming and Updating Delegated Authority for Contracts and Power Procurement
B. Approve updates to the Executive Committee Overview and Scope document
C. Approve updates to the Technical Committee Overview and Scope document

RESOLUTION No. 2017-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF MARIN CLEAN ENERGY CONFIRMING AND UPDATING DELEGATED AUTHORITY FOR CONTRACTS AND POWER PROCUREMENT

WHEREAS, Marin Clean Energy (MCE) is a Joint Powers Authority (JPA) established on December 19, 2008, and organized under the Joint Exercise of Powers Act (Government Code Section 6500 et seq.); and,

WHEREAS, MCE members include the following communities: the County of Marin, the County of Napa, the City of American Canyon, the City of Belvedere, the City of Benicia, the City of Calistoga, the Town of Corte Madera, the City of El Cerrito, the Town of Fairfax, the City of Lafayette, the City of Larkspur, the City of Mill Valley, the City of Napa, the City of Novato, the City of Richmond, the Town of Ross, the Town of San Anselmo, the City of San Pablo, the City of San Rafael, the City of Sausalito, the City of St. Helena, the Town of Tiburon, the City of Walnut Creek, and the Town of Yountville; and,

WHEREAS, the MCE Board wishes to affirm, restate, and clarify the scope of its authority delegated to its Executive and Technical Committees and the Chief Executive Officer (“CEO”) to approve and/or enter into and execute contracts for MCE’s power procurement and other expenditures and carry out the provisions of the “Procurement Methods and Authorities” set forth in MCE’s adopted Integrated Resource Plan (“IRP”); and,

WHEREAS, Board Resolutions 2013-04 and 2016-05, respectively, established and restated the authority delegated to the CEO to enter into and execute contracts and Power Purchase Agreements (PPAs) up to the amount and/or specific term(s) of months or years, as described in said Resolutions; and,

WHEREAS, pursuant to its authority under Sections 4.6 and 4.7 of the Joint Powers Agreement and the ‘Procurement Authorities’ provisions of the IRP, the Board now wishes to affirm, restate and clarify the scope of procurement and signing authority delegated to its Committees and to the CEO, for purposes of responding efficiently to requests from contractors, suppliers, lenders or other parties for documentation of such authority for MCE during the normal course of business; and

WHEREAS, the Board intends that this Resolution No. 2017-02 shall supersede and replace Resolution No. 2016-05 as a complete restatement and affirmation of its delegated contracting authority.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of MCE:

A. Resolution No. 2016-05 is hereby rescinded and replaced by this Resolution No. 2017-02, which shall serve as a complete statement of the procurement and contracting authority delegated by the MCE Board to its standing committees and the CEO, to all interested parties, in the normal course of transacting business with MCE.

B. Pursuant to the Board’s delegation and procurement authority referenced in the above Recitals, the Board hereby restates and affirms the scope of procurement and contracting authority delegated to the CEO, the CEO and Board Chair jointly, and the standing Committees, namely:

1. That the CEO has all necessary and proper authority, consistent with an approved IRP or budget as applicable, to approve and execute PPAs with a term of less than or equal to twelve months, and to approve and execute contracts for goods and services (not energy purchases) with a not-to-exceed maximum dollar amount of less than or equal to \$25,000 per vendor, per fiscal year; furthermore, that the Board hereby delegates authority to the CEO to enter into and execute any amendment or addendum to an existing contract, regardless of the existing contract's price or total amount, which will result in an overall cost savings to MCE, whether achieved by lower per-unit costs, or by a decrease in the contract's not-to-exceed maximum dollar amount over the term of the contract;

2. That the CEO and Board Chair, jointly, have all necessary and proper authority to execute PPAs for terms of greater than 12 months but less than or equal to 5 years, pursuant to a Board or Technical Committee approved IRP, after consultation with a committee of the Board;

3. That the Technical Committee has all necessary and proper authority to: a) approve for execution by the CEO and Board Chair all PPAs for a term greater than 5 years; and b) approve contracts for technical and energy efficiency programs or services, and for procurement functions or services;

4. That the Executive Committee has all necessary and proper authority to: a) approve for execution by the CEO and Board Chair all contracts with not-to-exceed total consideration greater than \$25,000 per vendor, per fiscal year; and b) approve for execution any amendment or addendum to a contract that initially required Executive Committee approval, or that would increase the total contract price to an amount greater than \$25,000 per vendor, per fiscal year, except for amendments that result in an overall cost savings as provided above in subparagraph 1; and

5. That the MCE Board, by this delegation of procurement and contracting authority as described herein, shall not be divested of any such authority, but shall retain its powers to approve PPAs, contracts, or other agreements, regardless of the terms or dollar amounts thereof; and accordingly, that Board may exercise such authority at such times as it may deem necessary and proper, at its sole discretion.

All other procurement and contracting authority not expressly stated or reaffirmed as delegated herein shall be reserved by the MCE Board, unless otherwise amended by subsequent Resolution(s).

PASSED AND ADOPTED at a regular meeting of the MCE Board of Directors on this 19th day of January 2017, by the following vote:

	AYES	NOES	ABSTAIN	ABSENT
City of American Canyon				
City of Belvedere				
City of Benicia				
City of Calistoga				
Town of Corte Madera				
City of El Cerrito				
Town of Fairfax				
City of Lafayette				
City of Larkspur				
County of Marin				
City of Mill Valley				
City of Napa				
County of Napa				
City of Novato				
City of Richmond				
Town of Ross				
Town of San Anselmo				
City of San Pablo				
City of San Rafael				
City of Sausalito				
City of St. Helena				
Town of Tiburon				
City of Walnut Creek				
Town of Yountville				

CHAIR, MCE BOARD

ATTEST:

SECRETARY, MCE BOARD

RESOLUTION NO. 2016-05

A RESOLUTION OF THE BOARD OF DIRECTORS OF MARIN CLEAN ENERGY RESTATING AND CONFIRMING AUTHORITY FOR POWER PROCUREMENT AND OTHER EXPENDITURES

WHEREAS, Marin Clean Energy (MCE) is a joint powers authority established on December 19, 2008, and organized under the Joint Exercise of Powers Act (Government Code Section 6500 et seq.);

WHEREAS, MCE members include the following communities: the County of Marin, the County of Napa, the City of American Canyon, the City of Belvedere, the City of Benicia, the City of Calistoga, the Town of Corte Madera, the City of El Cerrito, the Town of Fairfax, the City of Lafayette, the City of Larkspur, the City of Mill Valley, the City of Napa, the City of Novato, the City of Richmond, the Town of Ross, the Town of San Anselmo, the City of San Pablo, the City of San Rafael, the City of Sausalito, the City of St. Helena, the Town of Tiburon, the City of Walnut Creek, and the Town of Yountville;

WHEREAS, for purposes of efficiency in responding to requests for documentation of signing authority for MCE during the normal course of business, the MCE Board wishes to establish a consolidated means of confirming the source(s) and scope of MCE's signing authority for power procurement and other expenditures;

WHEREAS, in March 2013 the MCE Board adopted Resolution 2013-04 authorizing the Chief Executive Officer (CEO) to enter into and execute contracts for an amount not to exceed \$25,000 per contractor per fiscal year, consistent with the Board approved budget, the Joint Powers Agreement, and the Operating Rules and Regulations;

WHEREAS, in November 2012 the MCE Board established procurement policies and objectives through adoption of the Integrated Resource Plan (IRP);

WHEREAS, pursuant to the IRP, power purchase agreements for energy, capacity and renewable energy credits with terms of 12 months or less may be entered into on MCE's behalf by the CEO;

WHEREAS, power purchase agreements for energy, capacity and renewable energy credits with terms of greater than 12 months and less than or equal to 5 years and which are made pursuant to a MCE Board approved resource plan may be entered into on MCE's behalf by the CEO in conjunction with the MCE Board Chair; and

WHEREAS, power purchase agreements for energy, capacity and renewable energy credits with terms of greater than five years shall require Board approval prior to execution;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of MCE that the MCE Board hereby restates and confirms the authority granted by the Board for power procurement and other expenditures, as summarized herein and currently vested

in the CEO, Board Chair and Board of Directors, pursuant to Resolution 2013-04 and the procurement provisions of the IRP.

PASSED AND ADOPTED at a regular meeting of the MCE Board of Directors on this 16th day of June 2016, by the following vote:

	AYES	NOES	ABSTAIN	ABSENT
City of American Canyon				
City of Belvedere				
City of Benicia				
City of Calistoga				
Town of Corte Madera				
City of El Cerrito				
Town of Fairfax				
City of Lafayette				
City of Larkspur				
County of Marin				
City of Mill Valley				
City of Napa				
County of Napa				
City of Novato				
City of Richmond				
Town of Ross				
Town of San Anselmo				
City of San Pablo				
City of San Rafael				
City of Sausalito				
City of St. Helena				
Town of Tiburon				
City of Walnut Creek				
Town of Yountville				

CHAIR, MCE BOARD

ATTEST:

SECRETARY, MCE BOARD

RESOLUTION NO. 2013- 04

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE MARIN ENERGY AUTHORITY AUTHORIZING THE EXECUTIVE OFFICER TO
ENTER INTO AND EXECUTE CONTRACTS**

WHEREAS, the Marin Energy Authority (“MEA”) is a joint powers authority established on December 19, 2008, and organized under the Joint Exercise of Powers Act (Government Code Section 6500 et seq.); and

WHEREAS, MEA members include the following Marin communities: the City of San Rafael, the County of Marin, the City of Larkspur, the City of Belvedere, the Town of Fairfax, the City of Mill Valley, the City of Novato, the Town of Ross, the Town of San Anselmo, the City of Sausalito, the Town of Tiburon, the Town of Corte Madera, the City of Richmond; and

WHEREAS, Section 2.5 of the Marin Energy Authority Joint Powers Agreement authorizes the Authority to make and enter into contracts, and to employ staff to administer the Authority; and

WHEREAS, on April 10, 2010 the Board issued Resolution No. 2010-05A authorizing the Interim Director to enter into and execute contracts for an amount not to exceed \$20,000, consistent with the Board approved budget, the Joint Powers Agreement, and the Operating Rules and Regulations; and

WHEREAS, the Board desires to authorize the Executive Officer to enter into and execute contracts for an amount not to exceed \$25,000, consistent with the Authority’s budget, Joint Powers Agreement, and Operating Rules and Regulations; and

WHEREAS, the Board desires to concurrently rescind Resolution No. 2010-05A.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Marin Energy Authority:

The Executive Officer is hereby authorized to enter into and execute contracts for an amount not to exceed \$25,000 per contractor per fiscal year, consistent with the Board approved budget, the Joint Powers Agreement, and the Operating Rules and Regulations. The Executive Officer shall report all contracts executed by the Executive Officer pursuant to the authority granted by this resolution to the Board of Directors at their next regular meeting.

Resolution No. 2010-05A, A Resolution of the Board of Directors of the Marin Energy Authority Authorizing the Interim Director to Enter Into and Execute Contracts, is hereby rescinded.

PASSED AND ADOPTED at a regular meeting of the Marin Energy Authority Board of Directors on this 7th day of March, 2013, by the following vote:

AYES NOES ABSTAIN ABSENT

City of San Rafael
County of Marin
City of Larkspur
City of Mill Valley
Town of San Anselmo
Town of Ross
City of Richmond
City of Novato
Town of Corte Madera
Town of Fairfax
City of Belvedere
City of Sausalito
Town of Tiburon

CHAIR, MARIN ENERGY AUTHORITY BOARD



MCE Executive Committee Overview and Scope

Redline of Proposed Changes

Maximum Membership: 9

Current Members: Tom Butt, City of Richmond (Chair)
Denise Athas, City of Novato
Sloan Bailey, Town of Corte Madera
Ford Greene, Town of San Anselmo
Kevin Haroff, City of City of Larkspur
Bob McCaskill, City of Belvedere
Kate Sears, County of Marin
Vacant Seat

New Members: MCE strives to assemble an Executive Committee comprised of at least one county representative and one city/town representative from each county in the MCE service area. Available seats on the Executive Committee are therefore first offered to any interested and applicable Board member whose county is not yet represented by one county and one city member.

Current meeting date: First Fridays of each month at 12:00pm

Scope

The scope of the MCE Executive Committee is to explore, discuss and provide direction or approval on general issues related to MCE including legislation, regulatory compliance, strategic planning, outreach and marketing, contracts with vendors, human resources, finance and budgeting, and agenda setting for the regular MCE Board meetings and annual Board retreat.

Authority of Executive Committee

- Approval of legislative positions outside of the Board-approved legislative plan
- Approval of contracts with vendors ~~within the Board-approved budget~~
- Approval of new staff positions within the Board-approved budget
- Approval of Ad Hoc Committees that serve a temporary role and function such as the Ad hoc Contracts Committee, Ad hoc Audit Committee and Ad hoc Inclusion Committee
- Approval of Recipient of McGlashan Advocacy Award

- Recommendations to the Board regarding the annual budget and any budget adjustments
- Recommendations to the Board regarding rate setting
- Recommendations to the Board to enter into debt
- Recommendations to the Board regarding adjustments to staff compensation ranges
- Recommendations to the Board regarding Policies (such as Policy 013: Reserve Policy and Policy 014: Investment Policy)



MCE Technical Committee Overview and Scope

Redline of Proposed Changes

Maximum Membership: 9

Current Members: Kate Sears, County of Marin (Chair)
Ford Greene, Town of San Anselmo
Kevin Haroff, City of Larkspur
Greg Lyman, City of El Cerrito
Emmett O'Donnell, City of Tiburon
Ray Withy, City of Sausalito
Vacant Seat

New Members:

MCE strives to assemble a Technical Committee comprised of at least one county representative and one city/town representative from each county in the MCE service area. Available seats on the Technical Committee are therefore first offered to any interested and applicable Board member whose county is not yet represented by one county and one city member.

Current meeting date: First Thursday of each month at 9:00 am

Scope

The scope of the MCE Technical Committee is to explore, discuss and provide direction or approval on issues related to electricity supply, distributed generation, greenhouse gas emissions, energy efficiency, and other topics of a technical nature.

Frequent topics include electricity generation technology and procurement, greenhouse gas accounting and reporting, energy efficiency programs and technology, energy storage technology, net energy metering tariff, local solar rebates, electric vehicle programs and technology, Feed-in Tariff activity and other local development, Light Green, Deep Green and Local Sol power content planning, long term integrated resource planning, regulatory compliance, and other activity related to the energy sector.

Authority of Technical Committee

- Review and discuss new technologies and potential application within MCE
- Approval of and changes to MCE's Net Energy Metering Tariff
- Approval of and changes to MCE's Feed in Tariff

- Approval of annual GHG emissions level and related reporting
- ~~Approval of contracts with vendors for technical programs or services, energy efficiency program or services and procurement functions or services within the Board approved budget~~
- Approval of power purchase agreements ~~within Board approved budget~~
- Approval of adjustments to power supply product offerings
- Approval of ~~updates to~~ the Integrated Resource Plan
- ~~Recommendation to Board for approval of contracts with technical vendors outside of Board approved budget.~~
- ~~Recommendation to Board for approval of power purchase agreements outside of Board approved budget~~

MCE BOARD DELEGATED CONTRACTING AUTHORITY

SCOPE OF AUTHORITY

Authorized Approver or Signer	Power Purchase Agreements (PPAs)	Other Contracts (non-PPA)	Amendments/Addenda
CEO	Enter into PPAs for terms of 12 months or less (short-term)	Total price \$25,000 or less, per vendor, per fiscal year	Approve and execute amendments or addenda resulting in overall savings, regardless of total contract price ¹
Board Chair and CEO	After consulting a Committee of the Board, execute PPAs for term greater than 12 months but less than or equal to 5 years (medium-term); execute PPAs for terms greater than 5 years after approval by Technical Committee or full Board	Upon Executive Committee approval, execute contracts in excess of \$25,000	Upon Executive Committee approval, execute amendments or addenda to contracts originally over \$25,000, or that increase total contract price over \$25,000
Executive Committee	N/A	Approve for execution by CEO and Board Chair contracts in excess of \$25,000	Approve for execution by CEO and Board Chair all amendments or addenda to contracts over \$25,000, or that increase total contract price over \$25,000
Technical Committee	Enter into PPAs for terms greater than 5 years (long-term)	Approve for execution by CEO and Board Chair contracts for technical and energy efficiency programs or services; contracts for procurement functions	Approve for execution by CEO and Board Chair amendments or addenda to long-term PPAs that increase total contract price
MCE Board	Full scope of PPA approval authority	Full scope of approval authority for other contracts (non-PPA)	Full scope of approval authority for amendments and addenda

¹ "Overall cost savings" means that amendment provision(s) result in a lower per-unit cost (e.g., cost per customer, cost per item, etc.) or a reduced 'not-to-exceed' amount over the life of the contract, resulting in overall cost savings as compared to what the contract would cost if the term were extended under the original pricing.



January 19, 2017

TO: MCE Board of Directors
FROM: Jeremy Waen, Senior Regulatory Analyst
RE: Regulatory Update (Agenda Item #09)

SUMMARY:

Below is a summary of the key activities at the California Public Utilities Commission (CPUC) for December 2016 and January 2017 impacting Community Choice Aggregation (CCA) and MCE. Highlights include:

1. CPUC to Host Community Choice Aggregation En Banc Hearing on February 1st
2. CPUC Approved PG&E's 27% PCIA Rate Increase (A.16-06-003)
3. SDG&E's Request to Market against CCA Denied as a Result of CalCCA's Protest (SDG&E Advice Letter 3008-E)
4. CPUC Funds MCE's Low Income Families and Tenants (LIFT) Program (\$3.5 million) and Approves MCE's Nest Pilot
5. Governor Brown Appoints Martha Guzman Aceves and Cliff Rechtschaffen as Commissioners to the CPUC

More detail is set forth below for each of these items.

1. CPUC to Host Community Choice Aggregation *En Banc* Hearing on February 1st

On February 1, the CPUC will hold an *en banc* hearing on CCA. *En banc* hearings are an opportunity for all five Commissioners to focus for a full day on a key issue facing the CPUC. They are generally held once per year. CPUC President Picker and Commissioner Peterman are taking the lead on this *en banc*.

The CPUC's preliminary questions on CCA to be addressed at the hearing are:

- What entities will be responsible for electricity procurement, contracting and reliability in the future?
- Are there likely to be stranded utility assets?
- How will CCA expansion impact regulatory oversight of environmental and public purpose programs?

These questions have impact on MCE autonomy, procurement and the fees – including the Power Charge Indifference Adjustment (PCIA) – paid by CCA customers. MCE staff are likely to participate on several panels.

2. CPUC Approved PG&E’s 27% PCIA Rate Increase (A.16-06-003)



On December 15, the CPUC approved PG&E’s proposed 2017 Energy Resource Recovery Account (ERRA) costs, increasing PG&E’s electricity generation rates and increasing Power Charge Indifference Adjustment (PCIA) rates. These costs were incorporated into PG&E’s rates effective January 1.

As a result, MCE customers will be paying PCIA rates in 2017 that are higher than in 2016. A summary of cost changes and comparisons for RES-1 (residential) and COM-1 (small commercial) are set forth below.

	2016 PCIA	2017 PCIA	% Change
RES-1	\$0.02323	\$0.02919	26%
COM-1	\$0.01787	\$0.02199	23%

Typical Bill*	MCE	PG&E	Difference	% Above PG&E
RES-1 (2016 Rates)	\$91.18 (incl. \$10.76 PCIA)	\$91.64	-\$0.46	-0.50%
RES-1 (2017 Rates)	\$93.57 (incl. \$13.51 PCIA)	\$92.00	\$1.57	1.70%
COM-1 (2016 Rates)	\$270.32 (incl. \$21.62 PCIA)	\$270.53	-\$0.19	-0.07%
COM-1 (2017 Rates)	\$275.63 (incl. \$26.61 PCIA)	\$272.09	\$3.55	1.30%

* Average RES-1 usage 463 kWh; average COM-1 usage 1,210kWh

CPUC did not consider MCE’s request for a cap to PCIA rate increases, but did agree to MCE’s request to keep this proceeding open to evaluate (i) how PCIA vintages are retired once all of the contracts within those vintages have expired, and (ii) what should happen if bundled

ratepayers are found to be better off, rather than worse off, due to departing load when a PCIA vintage is ready for retirement.

3. SDG&E’s Request to Market Against CCAs Denied as a Result of CalCCA’s Protest (SDG&E Advice Letter 3008-E)



On November 21, San Diego Gas and Electric (SDG&E) filed Advice Letter 3008-E submitting, for the second time,¹ a legally required Compliance Plan that would allow it the ability to market against CCAs. On December 12, the California Community Choice Association (CalCCA), the new CCA trade association which includes MCE, submitted its first formal regulatory filing to protest the Advice Letter. CalCCA’s protest addressed the CCA parties’ concerns about SDG&E’s proposed Independent Marketing Division (IMD) and SDG&E’s intent to impermissibly share services (regulatory, legal, communications and public affairs) between SDG&E and its independent division.

On December 27, the Commission’s Energy Division rejected SDG&E’s second Advice Letter for its non-compliance with Resolution E-4874. SDG&E remains prohibited from marketing against CCA.

4. CPUC Approves MCE’s \$3.5 Million Request for Energy Efficiency Services for Low-Income Customers and MCE’s Nest Pilot Programs



On November 10, the CPUC voted to approve MCE's Low-Income Families and Tenants (LIFT) Pilot providing \$3.5 million budget over two years for MCE's program providing low-income customers with energy efficiency services. This approval is the first of its kind for CCAs.

On December 22, the CPUC staff approved MCE's Nest Seasonal Savings Pilot program. This pilot will be funded via MCE's existing energy efficiency budget and will test an innovative approach to achieve energy savings for customers with Nest thermostats. The separate approvals of both programs improve MCE’s customer program offerings while continuing to lead statewide innovation in energy efficiency.

¹ SDG&E’s first request to market against CCA, SDG&E Advice Letter 2822-E was denied by CPUC Resolution E-4874 as a result of MCE and Lancaster Choice Energy’s protests.

5. Governor Brown Appoints Martha Guzman Aceves and Cliff Rechtschaffen as Commissioners to the CPUC

On December 28, Governor Brown named both Martha Guzman and Cliff Rechtschaffen as new Commissioners to the CPUC, replacing Commissioners Catherine Sandoval and Michael Florio. Prior to this appointment both Ms. Guzman and Mr. Rechtschaffen served the Governor's Office since 2011. Guzman served as deputy legislative affairs secretary and Rechtschaffen as senior advisor on climate energy and environmental issues. Both Guzman and Rechtschaffen have direct experience with CCA-specific matters. With these additions, Governor Brown has appointed all five of the presently seated Commissioners.