



**Marin Clean Energy
Board of Directors Meeting
Thursday, April 3, 2014
7:00 P.M.**

**San Rafael Corporate Center, Tamalpais Room
750 Lindero Street, San Rafael, CA 94901**

Dawn Weisz
Executive Officer

Damon Connolly
Chair
City of San Rafael

Kathrin Sears
Vice Chair
County of Marin

Bob McCaskill
City of Belvedere

Sloan C. Bailey
Town of Corte Madera

Larry Bragman
Town of Fairfax

Kevin Haroff
City of Larkspur

Garry Lion
City of Mill Valley

Denise Athas
City of Novato

Tom Butt
City of Richmond

Carla Small
Town of Ross

Ford Greene
Town of San Anselmo

Ray Withy
City of Sausalito

Emmett O'Donnell
Town of Tiburon

1 (888) 632-3674
mceCleanEnergy.org

781 Lincoln Ave., #320
San Rafael, CA 94901

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1. Board Announcements (Discussion)
2. Public Open Time (Discussion)
3. Report from Executive Officer (Discussion)
4. Consent Calendar (Discussion/Action)
 - C.1 3.6.14 Board Minutes
 - C.2 Monthly Budget Report
 - C.3 Approved Contract Update
 - C.4 Compensation Studies for MCE Staff Positions
 - C.5 Adjustments to MCE Benefits Schedule
 - C.6 Third Addendum to Second Agreement with Planet Ecosystems
 - C.7 Second Addendum to Second Agreement with Ellison, Schneider & Harris, LLP
 - C.8 First Addendum to First Agreement with Troutman Sanders LLP



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5. MCE Rates for FY 2014/15 (Discussion/Action)
6. MCE 100% Local Solar Program (Discussion/Action)
7. Addition of Members to MCE Technical Committee (Discussion/Action)
8. Request for MCE Membership from the City of San Pablo (Discussion/Action)
9. Greenhouse Gas Emissions Analysis and Reporting for Calendar Year 2012 (Discussion/Action)
10. Energy Efficiency Update (Discussion)
11. Communications Update (Discussion)
12. Regulatory and Legislative Update (Discussion)





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13. Board Member & Staff Matters (Discussion)

14. Adjourn



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**MARIN CLEAN ENERGY
BOARD MEETING
THURSDAY, March 6, 2014
7:00 P.M.
SAN RAFAEL CORPORATE CENTER, TAMALPAIS ROOM
750 LINDARO STREET, SAN RAFAEL, CA 94901**

Roll Call

Present: Kathrin Sears, County of Marin
Tom Cromwell, City of Belvedere, Alternate
Sloan Bailey, Town of Corte Madera
Barbara Coler, Town of Fairfax, Alternate
Kevin Haroff, City of Larkspur
Garry Lion, City of Mill Valley
Denise Athas, City of Novato
Tom Butt, City of Richmond
Ford Greene, Town of San Anselmo
Emmett O'Donnell, Town of Tiburon

Absent: Damon Connolly, City of San Rafael, Chair
Carla Small, Town of Ross
Ray Withy, City of Sausalito

Staff: Dawn Weisz, Executive Officer
Elizabeth Kelly, Legal Director
Jamie Tuckey, Communications Director
Beckie Menten, Energy Efficiency Director
Jeremy Waen, Regulatory Analyst
Meaghan Doran, Energy Efficiency Program Specialist
Greg Morse, Business Analyst
John Dalessi, Technical Consultant
Kirby Dusel, Technical Consultant
Emily Goodwin, Internal Operations Director
Darlene Jackson, Clerk

The Meeting was called to order by Vice Chair, Kathrin Sears.

Public Session: 7:07PM

Agenda Item #1- Board Announcements (Discussion)

None

Agenda Item #2 – Public Open Time (Discussion)

None

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

Executive Officer Dawn Weisz reported on the following:

- The annual energy procurement Open Season process deadline was March 3rd and 23 conforming and 3 nonconforming bids were submitted for California-based renewable power. The quality of the bids was noticeably better from last year and the prices submitted were down significantly from last year. MCE has just begun the evaluative process which includes developing an Ad Hoc Contracts Committee, as indicated on tonight's agenda, to discuss with staff and technical team evaluate proposals and begin the contract negotiation process.
- PG&E announced its rate increase will go into effect May 1, 2014. The reason for the rate change is deferred GHG costs. Those costs had not been incorporated into the PG&E rate structure for over a year. This will be further discussed during the Communications presentation.
- Ms. Weisz shared a couple of interesting items on the upcoming March Technical Committee meeting agenda: 1) the proposed shared solar project as discussed at the February Board meeting. An initial timeline has been determined and MCE is looking to launch this program as early as Spring 2014 and 2) a presentation by Stion, US-based solar manufacturer.

Ms. Weisz responded to questions from the Board.

At the request of Director Sears, Ms. Weisz provided a brief description of each contract up for renewal in the coming fiscal year so that Board members would know what each contract/agreement represents.

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

- C.1 2.6.14 Board Minutes
- C.2 Monthly Budget Report
- C.3 Approved Contract Update
- C.4 Second Addendum to Second Agreement with PlanetEcosystems
- C.5 Second Agreement with Braun, Blaising, McLaughlin & Smith
- C.6 Fifth Agreement with Douglass & Liddell
- C.7 Third Agreement with Ellison, Schneider & Harris
- C.8 Fifth Agreement with Richards, Watson & Gershon
- C.9 Second Agreement with Troutman Sanders LLP (**item pulled for further discussion**)
- C.10 Third Agreement with Jay Marshall
- C.11 Sixth Agreement with Maher Accountancy
- C.12 Second Addendum to Second Agreement with CivicActions
- C.13 Fifth Agreement with Green Ideals
- C.14 Second Agreement with Marin Web Design

C.9 was pulled for further discussion. Director Greene observed Troutman Sanders' fees are above all others and asked for justification of the prices we pay them. Per Ms. Weisz, MCE has seen those similar fee structures working with power contract and transactional attorneys. In her experience, fees tend to be in that market range for that type of specialized support.

The caliber of work product from this particular firm is justified due to the niche area of expertise and in line with competitors in the market. The work provided upfront with this firm is likely to have long-term benefits for MCE,

by way of avoided potential future contract related issues/costs.

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

Agenda Item #5 – Budget Adjustment FY2013/14 (Discussion/Action)

Greg Morse, Business Analyst presented this item.

Mr. Morse discussed the two small changes in the budget.

- Cost of Energy - This increase of \$1,350,000 is due to the increased cost of energy which is slightly higher than previously anticipated. This increase will be offset by a reduction in the Net Increases in Available Fund Balance line item.
 - ✓ All other increases in the operating expense budget are completely offset by excesses in the Technical Consultants, Legal and Other Service budget line items.
- Staffing –This increase of \$20,000 is due to Cost of Living Increases, market competitive salary adjustments and recent additions to staff.

Mr. Morse and Ms. Weisz responded to questions from the Board.

M/s Haroff/O'Donnell (passed 10-0-0) approved Budget Adjustment FY2013/14. Directors Connolly, Small and Withy were absent.

Agenda Item #6 - Budget for FY2014/15 (Discussion/Action)

Greg Morse, Business Analyst presented this item.

Mr. Morse shared that the information presented here is the same in content as presented at the February Board meeting with a more detailed Communications budget (based on the Board's request). Director Sears asked if staff could remind the Board about the local renewable energy development fund. Ms. Weisz explained that during the Summer of 2013 the Board decided to take half of the Deep Green revenue received and put it into a local renewable energy fund to cover predevelopment costs of local MCE owned project build out. Owning a local renewable facility has been and continues to be one of MCE's long term goals. Ms. Weisz spelled out some of the costs associated with local build outs, e.g. engineering, permits, site evaluation, PG&E interconnection fees, and transactional expenses.

Ms. Weisz also shared that MCE has potentially identified a local site at the Richmond Port. MCE is currently in negotiations with City of Richmond for a rooftop lease at that site. Ms. Weisz discussed additional processes associated with potential leasing on that site.

Director Sears asked how much more funding does MCE anticipate spending on advertisement in the upcoming fiscal year. Ms. Tuckey shared that MCE plans to reduce direct mail costs and will offer customers the option to receive electronic notices. The plan is to increase advertisement by focusing advertising campaigns in the MCE service area on bus ads, news publications and potentially television/video ads. MCE is wrapping up its first four videos with MicroDocumentaries, the Board having approved their contract last year.

Mr. Morse, Ms. Weisz and Ms. Tuckey responded to questions from the Board.

M/s O'Donnell/Greene (passed 10-0-0) approved Budget for FY2014/15. Directors Connolly, Small and Withy were absent.

Agenda Item #7 - Ad Hoc Contracts Committee for 2014 (Discussion/Action)

Executive Officer, Dawn Weisz presented this item.

Ms. Weisz explained the various MCE committees and the purpose of each that is formed. She shared from time to time there is a need to form an Ad Hoc Committee to deal with specific matters. As a result of the 2014 Open Season, it is now necessary to form an Ad Hoc Contracts Committee to review the process surrounding 2014 Open Season. Several Board members have expressed interest in participating on this Ad Hoc committee and being involved in contract discussions in addition to items more technical in nature. She shared her excitement that this is the strongest level of interest ever experienced for a committee of this type. The Board members who have expressed interest in the Committee are: Kate Sears, Emmett O'Donnell, Bob McCaskill, Kevin Haroff, Gary Lion and Sloan Bailey.

Ms. Weisz responded to questions from the Board.

M/s Lion/Athas (passed 10-0-0) approved Ad Hoc Contracts Committee for 2014. Directors Connolly, Small and Withy were absent.

Agenda Item #8 – Communications Update (Discussion).

Communications Director, Jamie Tuckey presented this item.

Ms. Tuckey provided status of MCE Expansion and CCA Development as follows:

- She reported while there is not a lot of movement on the CCA development front, she is pleased to share the exciting news that Sonoma Clean Power will be launching service in May and currently are getting enrollments for their 100% renewable program which they've named "Evergreen."
- She also shared the membership study has been initiated for the County of Napa and MCE's technical team is working on that. The County of Napa has approximately 16,000 electric customers to potentially be added to MCE's load.
- Ms. Tuckey reminded the Board that the City of Albany and El Cerrito applied for grants from the World Wildlife Fund (WWF). The WWF was offering grants to communities who were interested in exploring CCAs and it was to help fund communities for feasibility studies. A letter of interest was received from the City of Albany and MCE will be meeting with their staff to talk about next steps. A meeting has will also take place with the City of El Cerrito staff to determine next steps.
- Staff level meetings have taken place with the following cities:
 - ✓ City of Benicia Community Sustainability Commission
 - ✓ City of Hayward
 - ✓ City of Piedmont
 - ✓ City of San Pablo
 - ✓ City of San Ramon
 - ✓ CCA East Bay – The Local Clean Energy Alliance will be hosting an all-day session on 3.24.14 where an audience of City Staff, Councilmembers and Supervisors throughout the East Bay will come together to gain knowledge of CCAs and the start-up process.
 - ✓ Santa Barbara County – MCE has been invited to speak at the National Association of Counties (NACO) Sustainability Forum on March 21, 2014 where CCAs will be one of the topics addressed. County staff and officials throughout the United States are invited.

On the community meeting front, Ms. Tuckey shared that her team attended a meeting in South Silicon Valley. There were approximately 50 large business attendees and representatives from various Silicon Valley, City of San Jose and City of Mountain View businesses where information related to CCA start-up was being explored.

Ms. Tuckey talked about MCE's Deep Green Earth Day Campaign that was launched today. MCE customers who sign up for the Deep Green program will have an opportunity to vote for the nonprofit organization of their choice. On Earth Day 2014, MCE will donate \$1,000 to the 1st place winner of the competition (the organization with the most votes) and \$500 to the 2nd and 3rd place winners. The partner organizations are:

- Asian Pacific Environment Network
- Marin Agricultural Land Trust
- Mindful Life Project
- Bicycle Works
- Sustainable Surf
- Sierra Club on behalf of the Local Clean Energy Alliance
- Whistlestop

Printed material has been supplied to the partner organizations for distribution to their customers.

Ms. Tuckey talked about rate changes specifically as it relates to Cap & Trade. She provided some background on Cap & Trade and how it came out of AB 32: The Global Warming Solutions Act. It sets a cap on the amount of Green House Gas Emissions (GHG) certain point-source businesses can emit. These businesses have the option of either meeting that cap or being below it. If they exceed the cap, they are required to buy permits which are called Greenhouse Gas allowances from the State which allow them to exceed that cap. The cap reduces 3% each year to help achieve the goal of reducing emissions to 1990 levels by 2020. Point-source remitters are allowed to buy the additional GHG allowances through quarterly state-run auctions.

CA Climate Credit – The State decided any revenue obtained from auctioning off the GHG allowances will be returned to customers through their electric bills. IOU's throughout CA will be issuing climate credits on their residential and commercial bills.

The first credits will be reflected on residential customer bills in April and again in October 2014 and will continue every April and October through 2020. The commercial credits will be reflected on customer bills in October 2014.

PG&E GHG Allowance Costs – The GHG pass through costs to customers that PG&E has been shifting and delaying is now going to be included in their rates that will take effect May 1, 2014. It is worth noting that due to PG&E's rate increase, the cost comparison shows MCE's Residential Light Green costs less and MCE's Commercial Light Green and Deep Green costs less than PG&E's, once those rates take effect. Ms. Tuckey expressed how exciting it is to have such competitive rates, given all the ongoing PCIA charges. It continues to illustrate that the CCA model, as deployed by MCE, is working as projected.

Director Butt requested a press release or other communication that could be circulated within the communities notifying the community of MCE's rate savings.

Ms. Tuckey and Ms. Kelly responded to questions from the Board.

Agenda Item #9 – Energy Efficiency Update (Discussion)

Energy Efficiency Director, Beckie Menten presented this item.

Small Commercial Update

Ms. Menten provided background on how the small commercial program works and that MCE would be launching

its canvassing campaign this month in Mill Valley and mid-March in the City of Richmond and Central Marin. Ms. Menten shared one of the things her team has done is to implement a revised approach on how customers registered for energy audits, thereby increasing the efficacy of this campaign. The plan includes pre-calling from a list of customers living or operating in the area where the team plans to target, making an attempt to speak (in advance of being onsite) with a decision-maker, and letting them know about the opportunities and benefits available to them. The campaign will run until June.

Ms. Menten talked about the new incentives rolling out. She shared that many customers are not taking advantage of opportunities being presented to them. Bonus incentives are being offered to business customers depending on the number of measures installed and they are trying to create incentives for property owners as well.

Financing Program Update

Ms. Menten shared that the Energy Efficiency team is working to launch a marketing campaign in mid-March to raise awareness for the Green Home Loans program. They are coordinating this campaign with Bay Area Regional (BayRen) and MCE's financing partner, First Community Bank. Some of the items they currently are working on include collateral and messaging development, creating a list of outreach events and trust partners. They are also working with Adam Lenz, City of Richmond Program Coordinator, to get Energy Efficiency information on the City's website as well as establish a "showcasing of improvement" program in the City of Richmond. The "showcasing" program would include offering \$1,000 incentives for showcasing completed improvements at a customer's home, as well as have a financing representative available at the showcasing events, explaining how a customer could finance the project.

Single Family Update

Ms. Menten shared some exciting news on the Single Family project: the New User Interface launching on MyEnergyTool website on Monday, March 10th. There is a marketing campaign to drive traffic to the web portal and a new features launch that will include a financing portal. The website link activity will be monitored to determine possible increase in advertising, increase in traffic to the site and retention of that traffic, as well as any increase in account activity.

Ms. Menten talked about the Schools Program which is in outreach mode. Her team has sent out emails and letters to school principals across the County of Marin and the City of Richmond and is hopeful they will be able to confirm a few partners soon.

Post 2014 Program Planning

Ms. Menten shared that the 2015 Energy Efficiency Program funding extension request is due on March 26, 2014. Currently Energy Efficiency Programs are funded 2-3 years at a time which tends to create inefficiency in the flow of a program while waiting for approval of next cycle funding. The PUC basically has extended the Energy Efficiency Program funding time period for longer term cycles, encouraging more mature program development and greater ability to meet project goals. There will be a public workshop held on March 17th at the CPUC to discuss best practices for the new approach to funding cycles as the 2013/14 cycle wraps up.

Ms. Menten indicated that one of MCE's potential requests will include is more funding for financing marketing and expansion of the HAN pilot.

Ms. Menten responded to questions from the Board.

Agenda Item #10 – Regulatory and Legislative Update (Discussion)

Legal Director, Elizabeth Kelly presented this item.

Spoke about two components of the 2012 Long Term Procurement Plan (LTPP) proceeding. LTPP currently consists of 4 tracks and there is a decision in Track 3 that was recently voted out. There are a couple revisions to the power charge and the major exit fees that our customers pay.

- **PCIA Impacts:** Directs the IOUs to reasonably estimate levels of expected CCA departing load over the 10-year term of the IOUs bundled plans. It also requires IOUs to exclude this departing load from their future bundled procurement plans
 - ✓ Based on California Energy Commission’s Integrated Energy Policy Report (IEPR)
 - ✓ Based on information presented to CCA Binding Notice of Intent (BNI)

The only issue with the IEPR is departing CCA load has never been reflected in IEPR. The Regulatory Team is working with the CEC to ensure that CCA loads are appropriately reflected in IEPR. There is also some additional language in the Track 3 decision which reflects that the IOUs need to reasonably estimate the CCA departing load. Once CCA loads are anticipated in this LTPP it means that IOUs will not be procuring on behalf of CCA customers and over the long run you would see PCIA costs roll off.

- **CAM Impacts:** The applicability of CAM is still ill-defined. These are resources that are supposed to serve a system local area reliability need that is brought online by the IOUs. The decision is helpful insofar as similarly procurement undertaken for bundled loads of utilities should not be receiving CAM and it clarifies procurement pursuant to bundled plans does not receive CAM treatment. Ultimately looking to bring exit fees in line for MCE customers.

LTPP – Track 4

Ms. Kelly spoke about Track 4 being another area of these proceedings that deals specifically with the San Onofre Nuclear Generation Station (SONGS). We generally do not become involved in proceedings that do not have an impact in the PG&E service territory. However, in this case because of the scale of the impact of how replacement procurement is addressed the decision will have a very significant impact on CCA in Southern California service territories.

- The Proposed decision authorizes up to 1,200 MW of new resources to replace SONGS. It is not a replacement in its entirety but it is a significant replacement of a resource that was fundamentally used for bundled ratepayers.

Ms. Kelly explained that CAM treatment is authorized for all of these resources and there aren’t many protections to ensure replacement resources meet the need left by SONGS.

MCE has significant concerns but MCE’s legal brief on CAM effects on CCAs was struck almost in its entirety from the record for being “not relevant to the scope”. The Commission basically agreed with the IOUs that MCE’s issues were “irrelevant.” The topics that were “irrelevant” include:

- Legal background to CAM and its applicability
- Specific legal requirements of applicability of CAM to CCAs
- Significant impact of CAM on CCA development in Southern California

Cap and Trade having already been addressed by Ms. Tuckey during the Communications presentation, Ms. Kelly announced another bit of good news. A decision on State of California Commission budget will be voted on to include a couple of new high level energy efficiency positions and a 2-yr administrative law judge position. All proposed positions are specifically related to CCAs. This was voted on in sub-committee and next steps will be to

send to the assembly budget sub-committee for vote on April 30th. MCE received letters of support from the City of Richmond, LEAN, TURN, Monterrey Bay and others. MCE is looking forward to the next steps in this process. Ms. Kelly and Ms. Weisz responded to questions from the Board.

Agenda Item #11 – Board Member & Staff Matters (Discussion)

Director Greene announced that recently in the Transportation Authority of Marin, staff developed a list of alphabetically organized acronyms, interpretations and glossary. He believes it would be useful to have a similar tool for the MCE Board. Ms. Kelly will provide an updated version of the Key Legislation and Glossary of Terminology and Acronyms for the Board at the April meeting.

Barbara Coler, Town of Fairfax Alternate suggested since these Board meetings are made available to the public through video, it might be helpful if the acronyms are explained as they are being used.

Agenda Item #12 – Adjourn

8:43PM

Kathrin Sears, Vice Chair

ATTEST:

Dawn Weisz, Executive Officer



March 6, 2014

TO: Marin Clean Energy Board
FROM: Greg Morse, Business Analyst
RE: Monthly FY 14 Budget Report (Agenda Item #4 - C.2)
ATTACHMENT: MCE Budget Reports 2014-02 (Unaudited)

Dear Board Members:

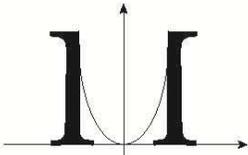
SUMMARY:

The attached budget update compares the FY 2014 budget to the unaudited revenue and expenses of MCE for the month ending February 2014.

Expenditures over the last month have been stable and in keeping with budgets. A slight decrease in revenue due to electric energy surcharges from previous months was offset by CAISO credit for past invoices. Other Services were slightly up for the month but still within the revised budget for the year.

Overall, MCE continues to spend below projections, as reflected in year-to-date figures.

Recommendation: No action needed. Informational only.



MAHER ACCOUNTANCY

1101 FIFTH AVENUE • SUITE 200 • SAN RAFAEL, CA 94901

Financial Plumblne

ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Marin Clean Energy

We have compiled the accompanying budgetary comparison schedules of Marin Clean Energy (a California Joint Powers Authority) for the period ended February 28, 2014. We have not audited or reviewed the accompanying financial statement and, accordingly, do not express an opinion or provide any assurance about whether the financial statement is in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statement in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements with undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statement.

We are not independent with respect to Marin Clean Energy.

Maher Accountancy

March 19, 2014



MARIN CLEAN ENERGY
OPERATING FUND
BUDGETARY COMPARISON SCHEDULE
April 1, 2013 through February 28, 2014

	<u>Budget</u>	<u>Actual</u>	<u>Budget Remaining</u>	<u>Actual/ Budget</u>
REVENUE AND OTHER SOURCES:				
Revenue - Electricity (net of allowance)	\$ 86,865,000	\$ 78,047,946	\$ 8,817,054	89.85%
EXPENDITURES AND OTHER USES:				
CURRENT EXPENDITURES				
Cost of energy	76,427,000	69,737,796	6,689,204	91.25%
Staffing	1,537,000	1,384,886	152,114	90.10%
Technical consultants	594,000	497,947	96,053	83.83%
Legal counsel	260,000	142,350	117,650	54.75%
Communications consultants and related expenses	750,000	647,533	102,467	86.34%
Data manager	2,534,000	2,282,936	251,064	90.09%
Service fees- PG&E	603,000	532,316	70,684	88.28%
Other services	333,000	235,715	97,285	70.79%
General and administration	297,000	293,668	3,332	98.88%
Marin County green business program	15,000	15,000	-	100.00%
Solar rebates	10,000	500	9,500	5.00%
Total current expenditures	<u>83,360,000</u>	<u>75,770,647</u>	<u>7,589,353</u>	<u>90.90%</u>
CAPITAL OUTLAY	20,000	11,013	8,987	55.07%
DEBT SERVICE	1,195,000	1,052,898	142,102	88.11%
INTERFUND TRANSFER TO:				
Local Renewable Energy Development Fund	<u>51,536</u>	<u>51,536</u>	<u>-</u>	<u>100.00%</u>
Total expenditures	<u>84,626,536</u>	<u>76,886,094</u>	<u>\$ 7,740,442</u>	<u>90.85%</u>
Net increase (decrease) in available fund balance	<u>\$ 2,238,464</u>	<u>\$ 1,161,852</u>		

**MARIN CLEAN ENERGY
ENERGY EFFICIENCY PROGRAM FUND
BUDGETARY COMPARISON SCHEDULE
April 1, 2013 through February 28, 2014**

	<u>Budget</u>	<u>Actual</u>	<u>Budget Remaining</u>	<u>Actual/ Budget</u>
REVENUE AND OTHER SOURCES:				
Public purpose energy efficiency program	\$ 2,100,000	\$ 813,162	\$ 1,286,838	38.72%
EXPENDITURES AND OTHER USES:				
CURRENT EXPENDITURES				
Public purpose energy efficiency program	<u>2,100,000</u>	<u>813,162</u>	<u>1,286,838</u>	<u>38.72%</u>
Net increase (decrease) in fund balance	<u>\$ -</u>	<u>\$ -</u>		

* Transfer of \$547,500 for security of On Bill Repayment program not recognized as expenditure.

**LOCAL DEVELOPMENT RENEWABLE ENERGY FUND
BUDGETARY COMPARISON SCHEDULE
April 1, 2013 through February 28, 2014**

	<u>Budget</u>	<u>Actual</u>	<u>Budget Remaining</u>	<u>Actual/ Budget</u>
REVENUE AND OTHER SOURCES:				
Transfer from Operating Fund	\$ 51,536	\$ 51,536	\$ -	100.00%
EXPENDITURES AND OTHER USES:				
Capital Outlay	<u>51,536</u>	<u>-</u>	<u>51,536</u>	<u>0.00%</u>
Net increase (decrease) in fund balance	<u>\$ -</u>	<u>\$ 51,536</u>		

**MARIN CLEAN ENERGY
SUPPLEMENTAL SCHEDULE
April 1 through February 28, 2014**

	Actual
Other services	
Recruiting	-
Audit	26,000
Accounting	108,350
IT Consulting	26,875
Human resources & payroll fees	9,668
Legislative consulting	33,000
Miscellaneous professional fees	31,822
	31,822
Other services	\$ 235,715
 General and administration	
Cell phones	1,236
Bank service fee	-
Data and telephone service	21,843
Insurance	7,051
Office and meeting rentals	170,167
Office equipment lease	6,961
Dues and subscriptions	47,065
Conferences and professional education	4,385
Travel	8,431
Business meals	743
Miscellaneous administration	596
Office supplies and postage	25,190
	25,190
General and administration	\$ 293,668



April 3, 2014

TO: Marin Clean Energy Board
FROM: Sarah Ritter, Administrative Associate
RE: Report on Approved Contracts (Agenda Item #4 – C.3)

Dear Board Members:

SUMMARY:

On March 7, 2013 your Board adopted Resolution 2013-04 which authorized the Executive Officer to enter into and execute contracts for an amount not to exceed \$25,000 within a fiscal year consistent with the Board approved budget, the Joint Powers Agreement, and the Operating Rules and Regulations.

The following chart summarizes contracts of this nature which have been entered into during the previous month:

Month	Purpose	Contractor	Maximum Contract Amount	Term of Contract
March	Regulatory Services	Braun, Blaising McLaughlin & Smith	\$25,000	1 Month
March	Legal support for solar land use agreements.	Shute, Mihaly & Weinberger	\$7,500	1 Year, 1 Month

Recommendation: Information only. No action required.



April 3, 2014

TO: Marin Clean Energy Board

FROM: Katie Gaier, Human Resources Coordinator

RE: Job Descriptions and Compensation Studies for MCE Positions
(Agenda Item #4 - C.4)

ATTACHMENTS: A. Job Description for Legal Director
B. Job Description for Director of Power Resources
C. Job Description for Director of Energy Efficiency
D. Job Description for Director of Internal Operations

Dear Board Members:

SUMMARY:

The senior management staff of Marin Clean Energy, consisting of the heads of the Public Affairs team, the Regulatory Team, the Power Resources team, the Internal Operations Team, had job class titles that varied from Director to Coordinator. In order to provide consistency across divisions, four positions were reviewed in order to update the titles and/or duties of the positions. In addition, a compensation comparison study was conducted for all four positions. The attached job descriptions and compensation adjustment recommendations were presented at the regular meeting of the Executive Committee on March 19, 2014 and suggested adjustments were incorporated by staff. The changes to compensation ranges included herein were recommended for approval by the Executive Committee.

The methodology used to conduct the compensation comparison study involved matching job descriptions from a variety of public agencies to the four identified MCE positions. In conducting the analysis there was a primary focus on the duties and responsibilities performed, as well a review of the education, experience, and skills required for each position.

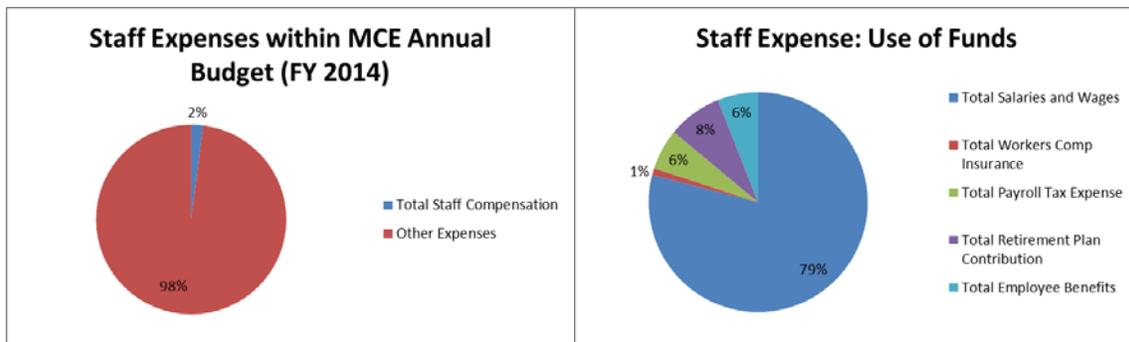
The compensation study used public agencies from around California that provide similar services. Because MCE is a public agency that operates like a private electric company, only public agencies that were also revenue generating agencies were included in the study. Public agencies with corresponding positions were included in the benchmarking process that resulted in the proposed minimum and maximum annual salary for each position, based upon

the current top step salary and the average and median of the comparable agencies. In addition, the recommended salary ranges are consistent with the amount between bottom and top steps for each position.

Not all agencies had comparable classes. As the only California CCA to-date, most of the Marin Clean Energy positions are unique, although there are comparable positions in several of the agencies. Many of the agencies surveyed tend to be larger than MCE, and have many more years in operation, and this was reflected in the recommendation for salary adjustment for each position. In addition, for some positions (Legal Director and Director of Internal Operations), the counties of Marin and Sonoma were included as their positions appear to be appropriate matches for the level and type of work of these MCE positions.

The Board-approved budget for FY14 would not need adjustment to account for the recommended compensation ranges for each position. Adequate budget was projected for an increase in staff costs during this fiscal year while a reduction in contractor costs of more than \$100,000 annually offsets the increase of staff costs as some contractor tasks and duties have been shifted to MCE employees.

The charts below illustrate the budget allocation towards staff compensation. The chart on the left illustrates staff expenses as a percentage of the overall MCE budget. The chart on the right breaks down staff expenses by direct salary, benefits, and other related costs.



Legal Director:

The Legal Director, reports directly to the Executive Officer, and directs the Regulatory Team (Regulatory Counsel, Regulatory Analyst, and Regulatory Assistant). It has a high consequence of error and deals directly with the Board as well as regulatory agencies such as the California Public Utilities Commission (CPUC). The current salary range for the position is \$130,816 - \$150,234. There were ten comparable positions for this job class. The average salary for those agencies is \$168,314; the median is \$172,452.

Recommendation: Approve the revised job description for Legal Director and set the salary range at \$150,000 - \$175,000 with exact compensation to be determined by the Executive Officer within the existing Board approved budget.

Director of Power Resources:

The Director of Power Resources (formerly Resource Coordinator) has one direct report currently, manages multiple contractors, and has responsibility for the procurement of electric resources, a large responsibility within the agency for its on-going function as a renewable energy provider. The current salary range for the position is \$63,364 - \$79,716. There were seven comparable positions for this job class. Most agencies are larger in size than MCE, but since MCE is a newer agency, the scope of work of the Director of Power Resources is as or more complex. The average for those agencies is \$126,949; the median is \$121,316.

Recommendation: Approve the revised and retitled job description for Director of Power Resources and set the salary range at \$92,000 - \$122,000 with exact compensation to be determined by the Executive Officer within the existing Board approved budget.

Director of Energy Efficiency:

The MCE Director of Energy Efficiency is responsible for managing a \$4M+ budget and all programmatic functions, as well as engaging in a high level of regulatory interface, programmatic development and detailed reporting. Comparable positions within other agencies were difficult to find, due to the uniqueness of both the position and Marin Clean Energy. The current range for the position is \$73,584 - \$86,870. There were four comparable positions for this job class, with one being at such a low salary (City of Redding – Energy Conservation Specialist at \$56,928) as to be an unlikely match. Without the City of Redding, the average for the other agencies is \$107,736 and the median is \$111,056.

Recommendation: Approve the revised and retitled job description for Director of Energy Efficiency and set the salary range at \$86,000 - \$116,000 with exact compensation to be determined by the Executive Officer within the existing Board approved budget.

Director of Internal Operations: Under direction of the Executive Officer, the Director of Internal Operations (formerly Internal Operations Coordinator) is multi-faceted with a wide range of duties ranging from the support of MCE's internal operations to the supervision and/or direction of four Internal Operations team members (HR Coordinator, Business Analyst, Administrative Associate, and Clerk). The position is responsible for banking and budget monitoring, accounting, contract management, IT security, office management, human resources, and Board/Committee support. The current range for the position is \$63,364 to \$79,716. There were eight comparable positions for this job class. The average for the other agencies is \$104,699; the median is \$98,467.

Recommendation: Approve the revised and retitled job description for Director of Internal Operations and set the salary range at \$78,000 - \$108,000 with exact compensation to be determined by the Executive Officer within the existing Board approved budget.



LEGAL DIRECTOR JOB DESCRIPTION

SUMMARY

As lead in-house legal officer, the Legal Director works under direction from the Executive Officer and has responsibility for a wide range of Marin Clean Energy (MCE) legal matters, with particular emphasis on contracting; municipal law; regulatory affairs; legislative affairs; finance, project finance and energy supply transactions; ethics; and oversight of and collaboration with external legal counsel. Performs related work as required.

CLASS CHARACTERISTICS

The Legal Director provides legal advice and guidance regarding legal matters affecting MCE, including regulatory affairs, legislative developments, project finance, finance, municipal law and others. The Legal Director also researches and prepares written and oral advice for the Executive Officer and Board of Directors on related legal issues and performs managerial and project management tasks as necessary. The Legal Director represents, and oversees the representation of, MCE before various regulatory agencies in matters affecting community choice aggregators (CCAs) and other electric utilities, including ratemaking proceedings, investigations, rulemakings, compliance matters and proposed legislation, drafting applications, briefs, legal memoranda, and discovery requests/responses; supervises the preparation of the testimony and exhibits of expert witnesses; examines and cross-examines witnesses, and presents oral argument; participates in negotiations and settlement discussions. The Legal Director develops legislative policy and works with internal staff and external contractors to implement proposed legislative activities. The Legal Director also directs and works collaboratively with external counsel from a wide range of related specialties.

SUPERVISORY RESPONSIBILITIES

Oversight of internal legal and regulatory and other staff, including but not limited to Regulatory Counsel, Regulatory Analyst, and Regulatory Assistant; external legal resources; and other external professional service providers.

ESSENTIAL DUTIES AND RESPONSIBILITIES (ILLUSTRATIVE ONLY)

- Renders legal advice, administers legal services, and directs and works collaboratively with internal staff and external counsel and contractors regarding a variety of regulatory, legislative and legal matters affecting MCE.
- Represents, and oversees representation of, MCE in energy-related administrative proceedings.
- Reviews and recommends policies.

- Prepares and reviews contracts for content and form.
- Updates MCE Board of Directors on regulatory and legislative developments.
- Works in a team to negotiate, draft and close a range of MCE transactions, including power purchase agreements and credit agreements.
- Participates in MCE management activities, including assisting in strategic planning, budget and forecast analysis, contractual reporting, annual audit, and other tasks as required.

BREAK-DOWN OF TIME SPENT ON VARIOUS WORK AREAS

Legal, Regulatory and Legislative	90%
Managerial and Project Management	10%

MINIMUM QUALIFICATIONS

Experience/Education

Juris Doctor degree from a leading university; supplemented by five (5) years of progressively responsible experience as an attorney working on complex regulatory or energy matters at a reputable law firm or as in-house counsel; or an equivalent combination of education, training, and experience. Background in accounting, economics, engineering or finance is desirable. Current active membership in the State Bar of California required.

Knowledge of

- Transactions, municipal law, ethics, and other areas of law.
- Energy regulatory practice and legislative affairs.
- Structuring, financing, and implementing complex energy projects, including drafting and negotiating power purchase agreements and security agreements.
- Finance transactions, including bond and loan transactions.

Language and Reasoning Skills

- Exercise sound judgment, creative problem solving, and commercial awareness.
- Develop high-quality writing, research and communication work products.
- Deliver clear and persuasive oral communication.
- Interact effectively with administrative bodies and MCE's Executive Officer and Board of Directors.
- Apply robust analytical and problem-solving skills.
- Utilize strong time management, project management, dispute resolution and interpersonal relations skills.

Skills and Abilities

- Focus, direct and manage the efforts of subordinate staff members and external legal, regulatory and legislative resources.
- Manage multiple priorities and quickly adapt to changing priorities in a fast paced dynamic environment.
- Take responsibility and work independently, as well as coordinate team efforts.
- Be thorough and detail-oriented.
- Work accurately and swiftly under pressure.

- Demonstrate patience, tact, and courtesy.
- Establish and maintain effective working relationships with those encountered during the performance of duties.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. While performing the duties of this job, the employee is frequently required to use hands to finger, handle, or feel and reach with hands and arms. The employee is occasionally required to stand.

The employee must occasionally lift and/or move up to 25 pounds.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job.

The noise level in the work environment is usually moderate.

ADA COMPLIANCE

MCE will make reasonable accommodation of the known physical or mental limitations of a qualified person with a disability upon request.



DIRECTOR OF POWER RESOURCES JOB DESCRIPTION

SUMMARY

The Director of Power Resources, under direction of the Executive Officer, has responsibility for a wide range of matters to support the Marin Clean Energy (MCE) resource planning, analysis, and management of the Utilities' energy supply portfolio and procurement efforts. The Director of Power Resources works with the public, legislative and regulatory agencies, project developers, brokers, and consultants providing direction and information on specific programs and projects. Responsibilities include research and due diligence with respect to potential power supply opportunities, negotiation and administration of power purchase agreements, contractor performance monitoring and dispute resolution, invoice validation, issue identification and compliance oversight. The Director of Power Resources is also responsible for the preparation of certain regulatory compliance reports focused on resource procurement, climate impacts, annual greenhouse gas inventory and emissions reporting, and preparation of informational material for the MCE Board and public regarding power supply resource allocations. The Director of Power Resources Director will administer the MCE in feed-in tariff and develop strategies to accelerate local solar development, and the development of a pilot demand response program.

CLASS CHARACTERISTICS

The Director of Power Resources performs assignments under direction of the Executive Officer and works closely with MCE's technical team including external consultants. This position interfaces with developers and brokers of power and other interested parties to assist with the identification of power supply opportunities that are appropriate for MCE's power mix. The incumbent may be responsible for administering request for proposal (RFP) processes, MCE's 'open season' process (for renewable energy procurement), and assessing unsolicited proposals. The position will be responsible for developing staff reports, for submittal to the MCE Board and reviewing and analyzing proposal materials from developers and brokers of conventional and renewable electricity.

SUPERVISORY RESPONSIBILITIES

The Director of Power Resources supervises positions assigned to the Power Resources team, including, but not limited to, Program Specialists.

ESSENTIAL DUTIES AND RESPONSIBILITIES (ILLUSTRATIVE ONLY)

- Assists with the administration of RFP processes, the open season process and the assessment of unsolicited proposals
- Reviews and analyzes proposals for electric power supply submitted to MCE by

- developers and brokers
- Assists in preparation and presentation of information and recommendations to assist MCE staff and Board in assessing and identifying 'best fit' market opportunities for MCE
- Assists in preparation and updates of reports of wholesale energy products and resource planning studies to yield a portfolio of supply resources to best meet the agency's needs
- Participates in interactions with power developers and brokers during pre-contract discussions, contract negotiations and Board discussion
- Assists with the administration of MCE power contract portfolio, evaluates the MCE resource portfolio and recommends adjustments
- Prepares materials for the MCE Board and its Committees as well as MCE staff to facilitate policy discussions related to procurement and resource planning
- Assists with performance auditing and monitoring for existing MCE contracts
- Assists in the negotiation and writing of contracts for the purchase and/or sales of electric resources and Renewable Energy Credits (RECs)
- Keeps abreast of developments in resource planning processes and in energy resource technologies, seeking out new technologies from public or private sources, evaluating new supplies as appropriate
- Represents MCE on external agencies' task forces and working groups as assigned
- Assists in managing and administering MCE's various renewable energy certificate accounts within the WREGIS system
- Assists with preparation of compliance reports and materials related to MCE power supply, including those required by the California Public Utilities Commission (CPUC), California Energy Commission (CEC), The Climate Registry, and the Department of Energy (DOE).

MINIMUM QUALIFICATIONS

Experience/Education

Education and experience equivalent to a Bachelor's degree in engineering, finance, economics or accounting, supplemented by a minimum of 5-10 years of progressively responsible experience at an electric utility, municipal utility, a Community Choice Aggregation program or in a closely related field. Technical experience in the utility industry is required. A Master's degree is desirable.

Knowledge of

- Energy generation technologies including carbon neutral electric energy, conventional energy, and renewable energy such as wind, biomass, geothermal, solar, concentrating solar, and hydroelectric
- Procurement process and use of renewable energy certificates to support mandatory and voluntary compliance programs
- The California Independent System Operator (CAISO) settlement process
- The structure and content of standard power purchase agreements for various resource types
- California's Renewables Portfolio Standard, Power Content Label and Power Source Disclosure program

- California's Renewables Portfolio Standard, Power Content Label and Power Source Disclosure Programs
- Power scheduling
- Power purchase agreement structures, general terms and conditions and basic requirements.
- Microsoft Office software including Excel, Word and PowerPoint.
- The Western Renewable Energy Information System (WREGIS)
- Regulatory reporting and compliance requirements of the California Public Utilities Commission (CPUC).

Language and Reasoning Skills

- Exercise sound judgment, creative problem solving, and commercial awareness.
- Develop high-quality writing, research and communication work products.
- Deliver clear oral communications.
- Effectively interpret and apply contract language and commercial agreements.
- Analytical skills to evaluate contractor performance and potential project opportunities, and project siting, permitting and interconnection issues.
- Interact professionally and effectively with developers and power brokers, commercial partners, MCE staff team and Board of Directors.
- Apply strong analytical and problem-solving skills.
- Manage projects and time efficiently.

Skills and Abilities

- Manage multiple priorities and quickly adapt to changing priorities in a fast paced dynamic environment.
- Take responsibility and work independently, as well as coordinate team efforts.
- Be thorough and detail-oriented.
- Manage projects, coordinate efforts of others.
- Prepare professional reports and request for proposals.
- Perform quantitative data and statistical analysis and effectively communicate results to others.
- Work accurately and swiftly under pressure.
- Demonstrate patience, tact, and courtesy.
- Establish and maintain effective working relationships with persons encountered during the performance of duties.

MATHEMATICAL SKILLS

Ability to add, subtract, multiply, and divide in all units of measure, using whole numbers, common fractions, and decimals; compute rate, ratio, and percent and to create and interpret bar graphs; calculate Levelized Cost of Electricity (LCOE). Understanding of net present value (NPV) and appropriate application of discount rates.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. While performing the

duties of this job, the employee is frequently required to use hands to finger, handle, or feel and reach with hands and arms. The employee is occasionally required to stand.

The employee must occasionally lift and/or move up to 25 pounds.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job.

The noise level in the work environment is usually moderate.

ADA COMPLIANCE

MCE will make reasonable accommodation of the known physical or mental limitations of a qualified person with a disability upon request.



DIRECTOR OF ENERGY EFFICIENCY JOB DESCRIPTION

SUMMARY

The Director of Energy Efficiency, under direction of the Executive Officer, develops and coordinates the energy efficiency division of MCE, including development and oversight of multiple energy efficiency activities and programs tailored to the MCE service territory. The Director of Energy Efficiency is responsible for interfacing with multiple partner agencies and stakeholder groups, coordinating activities of sub-contractors, interacting with a wide range of customers groups, oversight of energy efficiency program staff, and communicating directly with the California Public Utilities Commission (CPUC), California Energy Commission (CEC) and other regulatory bodies as needed regarding program design, development, implementation and measurement/verification.

The position requires knowledge of a wide range of energy efficiency policy and best practices as well as energy efficiency technologies, and application in a wide range of built environments.

CLASS CHARACTERISTICS

The Director of Energy Efficiency works in close contact with the Legal Director and the Communications Director for specific job requirements. The Energy Efficiency Director works with MCE staff and Board to lead the development and implementation of a broad range of Energy Efficiency programs for customers in the MCE service territory. Ongoing interface with the CPUC is needed to ensure goals and metrics are communicated to interested parties, and to ensure programmatic alignment with policy direction. The Energy Efficiency Director is responsible for interfacing with customer groups and overseeing staff and consultants that interface with customer groups on MCE's behalf, including building owners and managers, to implement energy savings projects that conform to the requirements of the Energy Efficiency Program. The Energy Efficiency Director is also responsible for developing required scope of work descriptions and identifying and managing staff and sub-contractors to take on specific tasks to assist with implementation of the MCE Energy Efficiency Program.

The Energy Efficiency Director must have broad understanding of utility or municipal energy efficiency programs, technical understanding of industry best practices, strong program development skills, and an ability to interface with regulatory bodies, customers as well as MCE Staff and Board Members to produce measurable energy efficiency results.

SUPERVISORY RESPONSIBILITIES

This position supervises positions assigned to the Energy Efficiency Division, including but not

limited to, Energy Efficiency Program Specialists.

ESSENTIAL DUTIES AND RESPONSIBILITIES (ILLUSTRATIVE ONLY)

- Works with Staff, Technical Team and MCE Board on development and implementation of the Energy Efficiency Program
- Interfaces with the CPUC, CEC, and other stakeholder organizations to represent the MCE Energy Efficiency Program
- Coordinates Energy Efficiency Applications requests to the CPUC
- Handles solicitation processes to identify partner agencies and sub-contractors, and reviews and analyzes materials submitted to MCE from partner agencies and sub-contractors
- Identifies and implements new program components including limited pilot programs
- Oversees reporting and regulatory requirements with the CPUC or other funding agencies
- Identifies opportunities for energy savings that conform to the requirements of the Energy Efficiency Program and establish metrics to track impacts
- Monitors success of Energy Efficiency Program and adjust if needed to insure benchmarks are achieved or exceeded
- Interfaces with the CPUC regarding program goals and metrics.
- Manages RFP processes and identifies sub-contractors to take on specific tasks as needed
- Drafts proposals for grant funding and other program revenue opportunities as needed.
- Interfaces with building owners and managers on MCE's behalf
- Performs data analysis, training and outreach, to customers, building owners and managers, and other stakeholder groups as needed to implement program
- Maintains databases for various areas of energy resource technology.
- Utilizes a variety of computer software programs to prepare reports, maps, diagrams, graphs and other material related to energy resources
- Prepares and presents evaluative information and recommendations to assist MCE staff and Board in assessing and identifying 'best fit' energy efficiency opportunities for MCE
- Interface with MCE Board and Committees as well as MCE staff to facilitate policy discussions related to energy efficiency and resource planning.
- Track impact of energy efficiency programs for reporting to MCE Board and regulatory bodies.
- Work in collaboration with MCE Regulatory Team to prepare regulatory filings related to the Energy Efficiency Program.

MINIMUM QUALIFICATIONS

Experience/Education

Education and experience equivalent to a Bachelor's degree in engineering, environmental science, planning, or a related field, and five (5) years of progressively responsible experience at an electric utility, public agency or private company providing energy efficiency services.

Education may be substituted for two (2) years of work experience if in a sufficiently related field. A Master's degree in a related field is desirable.

Knowledge of

- California Public Utilities Commission (CPUC) regulatory process.
- Applicable laws, regulations, and policies governing the energy efficiency industry in California.
- Energy conservation strategies, energy efficient building construction and demand response applications
- Construction trade and green building techniques
- Metrics and analytical tools to collect, tabulate and analyze data related to energy efficiency and technologies.
- Microsoft Office software including Excel, Word and PowerPoint.
- Construction trade, local government permitting process, and regulatory bodies in California.
- Best practices for energy efficiency financing programs
- Principles and practices of supervision

Language and Reasoning Skills

- Exercise sound judgment, creative problem solving, and commercial awareness.
- Develop high-quality writing, research and communication work products.
- Deliver clear oral communication.
- Interact professionally and effectively with customers, commercial partners, MCE staff team and Board of Directors.
- Apply strong analytical and problem-solving skills.
- Manage projects and time efficiently.

Skills and Abilities

- Manage multiple priorities and quickly adapt to changing priorities in a fast paced dynamic environment
- Take responsibility and work independently, as well as coordinate team efforts
- Be thorough and detail-oriented
- Work accurately and swiftly under pressure
- Demonstrate patience, tact, and courtesy
- Apply energy conservation principles and practices within an energy program
- Critically evaluate proposals, programs and policies
- Use metrics to validate energy efficiency impacts
- Develop and implement trainings and workshops
- Provide technical assistance on energy efficiency to customers and to government affiliates
- Draft proposals for grant funding and other program revenue opportunities
- Work collaboratively with government agencies and divisions related to energy efficiency
- Make presentations as required at public meetings
- Communicate effectively both verbally and in written form
- Establish and maintain effective working relationships with person encountered during

the performance of duties

MATHEMATICAL SKILLS

Ability to add, subtract, multiply, and divide in all units of measure, using whole numbers, common fractions, and decimals. Ability to compute rate, ratio, and percent and to draw and interpret bar graphs.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. While performing the duties of this job, the employee is frequently required to use hands to finger, handle, or feel and reach with hands and arms. The employee is occasionally required to stand.

The employee must occasionally lift and/or move up to 25 pounds.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job.

The noise level in the work environment is usually moderate.

ADA COMPLIANCE

MCE will make reasonable accommodation of the known physical or mental limitations of a qualified person with a disability upon request.



DIRECTOR OF INTERNAL OPERATIONS

SUMMARY

The Director of Internal Operations works under direction of the Executive Officer and has responsibility for a wide range of matters to support Marin Clean Energy (MCE's) internal functions, including banking and budget oversight, accounting, contract management, IT security, office management, human resources, and Board/Committee support. The Director of Internal Operations is also responsible for the oversight and timely delivery of certain regulatory compliance reports and preparation of informational material for the MCE Board and public regarding resource allocation. The incumbent in this class provides mid-level support to the Executive Officer (when he/she is unavailable) serving as a decision maker as needed for administrative staff or on behalf of the team/organization.

The position requires knowledge of project and contract management, finance, client and vendor relationship management, personnel and office management, and regulatory administration in the utility industry. A basic understanding of energy supply contracts and management is also required.

CLASS CHARACTERISTICS

This single position class performs assignments under the general direction of the Executive Officer and provides internal operations management within the organization. The Director of Internal Operations works closely with other MCE management staff and consultants to ensure internal effectiveness and consistency across teams.

SUPERVISORY RESPONSIBILITIES

This position supervises MCE administrative staff including but not limited to Clerk, Administrative Associate, Business Analyst, and Human Resources Coordinator and provides decision making support to other MCE staff as needed in the absence of other management staff or the Executive Officer.

ESSENTIAL DUTIES AND RESPONSIBILITIES (ILLUSTRATIVE ONLY)

- Organizes, plans and prioritizes work, developing specific goals and insuring implementation of action plans to meet internal organizational needs.
- Collects and manages information related to internal functioning of the organization including Business Analyst, Manager of Account Services, Regulatory Counsel and Executive Officer to guide operational design and management.
- Ensures storage and management of MCE records and information as required by applicable policies and regulations

- Manages IT services and security for employees and outside consultants
- Ensures that compliance reporting is completed as required and meets or exceeds all requirements of regulatory agencies, partners, internal team members, Board and public entities as appropriate including reports to regulatory bodies such as the California Public Utilities Commission (CPUC), the California Energy Commission (CEC) and the Department of Energy (DOE).
- Coordinates responses to public information requests as needed.
- Ensures effective internal communications cross the organization.
- Maintains tracking of annual budgets for some functional and support costs.
- Assists with performance auditing and monitoring for existing MCE contracts.
- Ensures critical accounting and contract management is completed accurately and elevates issues/obstacles as needed to Executive Officer or other staff or Board Committee members for immediate resolution.
- Reviews, approves and/or mitigates problematic invoices with management staff s and external vendors.
- Communicates with persons outside the organization (as needed in support of the Communications Director or Executive Officer), representing the organization to customers, the public, government, and other external sources in person, in writing, or by telephone or e-mail.
- Implements and monitors operational plans, program and projects to meet overall objectives and established timelines.
- Manages monitors and evaluates work-flow and reporting within the Internal Operations Team.
- Provides coordinating support for the work and activities related to data evaluation and office administration.
- Provides oversight for human resources staff and functions.
- Provides Board and Board Committee support working directly with Clerk and Administrative Team.
- Coordinates material for MCE Board and Committees as well as MCE staff to facilitate operational management discussions.
- Creates and maintains in-house manuals to outline and guide new staff or Board members through duties and expectations as needed.
- Supervises office management as needed including supplies, office equipment, conference room space, and ensures high quality customer service for drop in visitors when front office staff is not available.
- Manages office workstation and storage configuration and oversees expansion of office space as needed.
- Provides support for annual Renewable Open Season process.
- Assists Public Affairs Team as needed with Board/Committee-related website maintenance correspondence, event planning and management and other marketing related duties as needed.
- Assists Energy Efficiency Team with program facilitation, project tracking and solicitation of new services and other duties as needed.

MINIMUM QUALIFICATIONS

Experience/Education

Education and experience equal to a Bachelor's degree in public administration, business, communications or accounting; supplemented by a minimum of three (3) years of progressively responsible management and/or supervisory experience in a corporate

environment, public agency/municipality or in a closely related field. A master's degree is desirable.

Knowledge of

- Public agency processes both for internal and external engagement purposes.
- Best practices for program and project management.
- Principles and practices of supervision.
- Regulatory reporting and compliance requirements of the CPUC.
- Energy sector, including the renewable sector, Investor Owned Utilities (IOU's) and the regulatory environment.
- Data and statistical analysis.
- Microsoft Office software including Excel, Word, PowerPoint and Access.
- Basic web design.

Language and Reasoning Skills

- Exercise sound judgment, creative problem solving, and commercial awareness.
- Develop high-quality writing, research and communication work products.
- Develop, manage and improve project time management practices.
- Deliver clear oral and written communication.
- Interact professionally and effectively with contractors, commercial partners, MCE staff and Board of Directors.
- Apply strong analytical and problem-solving skills.
- Manage projects and time efficiently.

Skills and Abilities

- Manage multiple priorities and quickly adapt to changing priorities in a fast paced dynamic environment.
- Direct and evaluate the work of staff.
- Perform data and statistical analysis.
- Negotiate contracts as needed with external entities.
- Take responsibility and work independently, as well as coordinate team efforts.
- Be thorough and detail-oriented.
- Work accurately and efficiently under pressure.
- Demonstrate patience, tact, and courtesy.
- Represent MCE in an effective, strategic and beneficial way to internal and external stakeholders.
- Establish and maintain effective working relationships with persons encountered during the performance of duties.
- Act in the place of the Executive Officer in his/her absence.

MATHEMATICAL SKILLS

Ability to add, subtract, multiply, and divide in all units of measure, using whole numbers, common fractions, and decimals. Ability to compute rate, ratio, and percent and to create and interpret bar graphs.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. While performing the

duties of this job, the employee is frequently required to use hands to finger, handle, or feel and reach with hands and arms. The employee is occasionally required to stand.

The employee must occasionally lift and/or move up to 25 pounds.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job.

The noise level in the work environment is usually moderate.

ADA COMPLIANCE

MCE will make reasonable accommodation of the known physical or mental limitations of a qualified person with a disability upon request.



April 3, 2014

TO: Marin Clean Energy Board
FROM: Katie Gaier, Human Resources Coordinator
RE: Maternity-Paternity Leave (Agenda Item # 4 - C.5)
ATTACHMENT: MCE Employee Benefits Chart

Dear Board Members:

SUMMARY:

The Institute for Women's Policy Research recently announced that the United States is one of only 4 countries globally, and the only high income country, without a statutory right to paid maternity leave for employees. Their research shows that paid maternity and paternity leave improves the health and economic situations of women and children, and promotes economic growth. MCE employees may access state benefits as described below, however there is not currently an MCE-paid allowance for any maternity/paternity leave.

State Benefits:

Public employers with 50 or more employees are statutorily required to allow employees to receive Family Medical Leave (FMLA) and California Family Rights (CFRA) leave to for maternity and paternity leave. MCE employees are required to use any accrued paid sick leave balances during their absences. Pregnancy Disability Leave is available to employees for up to 4 months, consistent with California Fair Employment and Housing regulations. This state benefit is provided by State Disability Insurance (SDI) for pregnancy disability leave for female employees as a percentage of salary to a maximum of 60% of salary per week. In addition California Paid Family Leave (PFL) provides for an additional six weeks of leave for bonding with a new child (for both mothers and fathers), also paid as a percentage of an employee's salary. However, in order to receive full pay, an MCE employee on SDI and/or PFL must use accrued leave balances. Because MCE is a fairly new organization, employees do not yet have large leave balances in order to cover lost wages for pregnancy disability or maternity-paternity leave.

Municipal and investor owned utilities and private employers are also required to provide FMLA and CFRA leave, but many provide a separate category of paid maternity and paternity leave. For instance, most law firms (such as White & Case, Munger Tolles, and Skadden Arps) provide between 12 and 18 weeks of paid maternity leave. Maternity and paternity benefits are especially common throughout the Bay Area region as demonstrated in other large companies such as KMPG, Genentech, and Google. Google, for example, provides 22 weeks of paid maternity leave and 7 weeks of paid paternity leave.

MCE would benefit from offering maternity/paternity leave to eligible employees as it is common in the industry, promotes employee retention, and is aligned with MCE objectives to be family-friendly. In addition, six weeks of additional paid maternity/paternity leave provided by MCE would allow an employee to maintain full pay for a period consistent with other relevant utilities and leading private companies throughout California, the U.S. and abroad.

Recommendation: Revise the Employee Benefits Chart as attached and revise Employee Handbook as needed to allow for six weeks of paid maternity/paternity leave, to be used on an hourly basis for eligible MCE employees.

Marin Clean Energy – Employee Benefits **Revised 4/3/14**

Required:

Workers' Compensation	Offered through payroll services provider
State Unemployment Insurance	Covered payroll tax
State Disability Insurance including Paid Family Leave	Employee paid payroll tax
Social Security	Covered payroll tax (50/50 cost sharing)
Medicare	Covered payroll tax (50/50 cost sharing)

Health Benefits:

Medical, Dental and Vision Insurance	<p>\$800/month allocation (with no cash-out option) employee/spouse/domestic partner/children if medical insurance through MCE is selected.</p> <p>\$500/month allocation (minus any applicable dental and vision monthly premiums paid by MCE) if employee is covered by medical insurance from another source. Employees may receive the balance remaining as taxable cash-out option or put it into 457 deferred compensation.</p> <p>(Pro-rated amount for p/t employees)</p>
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Retirement:

401 (a) Plan	Employer paid; defined contribution 10% of Medicare wages as reported on IRS Form W-2, subject to annual limit under IRS section 404 (l); step up vesting over 4 years
457 Deferred Compensation	Employee: voluntary contributions up to IRS limits

Leaves:

Vacation	<p>Available hourly based upon length of service (FTE):</p> <ul style="list-style-type: none"> -Hire date – completion of 4th year = 10 days (80 hours)/year -Beginning of 5th year up to completion of 9th year = 15 days (120 hours)/year -Beginning of 10th year and above = 20 days (160 hours) / year
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	-Maximum Accrual = 30 days (240 hours) (Cash out upon separation)
Holidays	10 days (80 hours) / year
Administrative Shut-Down Leave	3 -5 days Dec. 26 – 31
Sick/Bereavement Leave	12 days (96 hours)/ year, capped at 30 days (240 hours); no cash out (Pro-rated amount for p/t employees)
Personal Leave	-Non-exempt employees = 4 days (32 hours)/year -Exempt employees = 6 days (48 hours) /year -No carry-over or cash out; use or lose (Pro-rated amount for p/t employees)
MCE Maternity/Paternity Leave	30 days (240hours) available to use hourly up to one year after child's date of birth or adoption
<u>CA State programs</u> for pregnancy/ maternity/paternity available to eligible employees during qualified period: - Pregnancy Disability Leave pays up to 60% of employee's weekly wages - Paid Family Leave for mothers and fathers to bond with a new child; pays up to 55% of employee's weekly wages (section 603)	Up to 4 months (88 days) Up to 6 weeks (30 days)
Jury Duty (section 308)	Both paid and unpaid
Military Leave (section 602)	Both paid and unpaid

Miscellaneous:

Long Term Disability Insurance	LTD provided at 60% of salary subject to terms of LTD insurance carrier and cap based on salary
Term Life Insurance	Double base salary, up to a maximum life insurance benefit of \$200,000
Flexible Spending Account (section 125)	Provided via payroll services provider
Commuter/Rideshare Benefits (section 132)	- Tax free stipend for cycling (\$20/month); not eligible combined w/ some other benefits - Tax free allocation through payroll for IRS approved methods of transportation - Tax free MCE stipend for mass transit (\$60/month; min. 3 days/wk) - Taxable MCE stipend for carpool (\$60

	<p>/month; min. 3 days/week)) - Quarterly raffle for participating staff (\$50 towards either mass transit, carpool or bike repair)</p>
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DRAFT



April 3rd, 2014

TO: Marin Clean Energy Board

FROM: Beckie Menten, Energy Efficiency Director

RE: Third Addendum to Second Agreement with Planet Ecosystems, Inc. (Agenda Item #4 - C.6)

ATTACHMENT: Third Addendum to Second Agreement with Planet Ecosystems, Inc.

Dear Board Members:

SUMMARY:

In July of 2012, MCE submitted an application for funding under the 2013 -2014 Energy Efficiency Funding Cycle (A. 12-11-007). The application was based on the initial Energy Efficiency Plan, and included the following proposed sub-programs:

1. Multi-family
2. Single family utility demand reduction pilot program
3. Small commercial and
4. Four financing pilot programs: On Bill Repayment for multi-family, small commercial, and single family, and a standard offer pilot.

This application was approved on the 9th of November, 2012, allocating over \$4 million to MCE for the implementation of energy efficiency programs.

The single family utility demand reduction program is one of four program elements proposed to the CPUC, and is funded at a total of \$473,417. The program was developed to comply with CPUC guidance that MCE not overlap existing energy efficiency program offerings, but instead complement existing programs offered by other parties. This program is therefore designed to provide customers with the education and inspiration to take actions to reduce their energy usage, and to connect interested customers with existing resources needed to implement energy improvements in their homes.

On January 9th, 2013 MCE entered into an initial First Agreement with Planet Ecosystems, Inc to explore development of a web based energy efficiency tool for single family residential customers in Marin and the City of Richmond. On February 7th 2013 your Board approved the Second Agreement with Planet Ecosystems, Inc. to customize their web tool to MCE's program needs and license this tool on a software-as-service basis. The contract also included funding for outreach efforts necessary to drive participation to the web tool.

In March of 2013, your Board approved a second addendum to the Second Agreement with Planet Ecosystems, Inc. to extend the contract from March 31^s, 2014 to April 30th, 2014 to allow for results from the Home Utility Report outreach campaign to inform future contract decisions.

Initial results from the Home Utility Report campaign show that the program is resulting in 1.2% savings across the treatment group as compared to the control group (at a 90% confidence level.) This is consistent with the expectation of savings for similar programs of this type. With this knowledge, MCE is comfortable recommending an expansion of the Home Utility Report program. Extension of this program is a critical component of achieving energy savings targets outlined in the Program Implementation Plan (PIP) for the single family program.

Initial program results presented below (table 1) are for a pilot program conducted from November of 2013 through February of 2014. Pilot results are proving that the program does have an impact on the treatment group, and thus it is recommended that the full program be funded.

Table 1. Initial Program Results, Single Family Energy Efficiency Program			
	Program Targets	Pilot Results	Projected
Web Site Visits	8,700	97,000	N / A
Action Plans Created	9,733	769	2,114
Home Utility Reports Mailed	20,000	4,451	18,528
Home Utility Report Accounts Claimed	N / A	85	485
Energy Savings	4,424,286 kWh 124,858 therms	78,278 kWh	1,436,631 kWh
Budget	\$473,417	\$278,247	\$446,994

While initial savings estimates are showing energy reductions consistent with expectations, there are a few reasons that the overall energy savings are lower than targeted in the Program Implementation Plan. Adjusting the data received from PG&E to fit into the Home Utility Report model took significantly more time than anticipated, delaying launch of the program by 6 months and therefore impacting projected energy savings. Additionally, the original PIP had targeted high energy users, where there is more opportunity to save. However, savings estimates rely upon having a control group to compare against the treatment group, and PG&E's OPower program, which offers a similar service, had already selected over 35,000 customers within the MCE service territory, many of whom were in the highest energy use brackets. Therefore, the population that originally was assumed to be available was significantly decreased, and this had an impact on the overall energy savings that could be captured.

This third addendum to the agreement would extend the contract with Planet Ecosystems, Inc. through the end of 2014. The agreement includes funding to expand the Home Utility Report campaign program from 4,451 residents currently, to 18,528 residents in the MCE service territory, and includes funding for licensing the PEI software as well as limited program management and technical support during the term.

Recommendation: Approve the Third Addendum to the Second Agreement with Planet Ecosystems, Inc.



**THIRD ADDENDUM TO SECOND AGREEMENT
BY AND BETWEEN
MARIN CLEAN ENERGY AND PlanetEcoSystems**

This THIRD ADDENDUM is made and entered into on April 3, 2014, by and between MARIN CLEAN ENERGY, (hereinafter referred to as "MCE") and PlanetEcoSystems (hereinafter referred to as "Contractor").

RECITALS

WHEREAS, MCE and the Contractor entered into an agreement to provide energy efficiency technical services as directed by MCE staff dated February 8, 2013 ("Agreement"); and

WHEREAS, Exhibit A to the Agreement obligated Contractor to provide all of the services as described in Exhibit A; and

WHEREAS, the parties desire to amend the agreement to alter the scope of services; and

WHEREAS, Section 4 and Exhibit B to the agreement obligated Contractor to be compensated at a total amount not to exceed \$250,730 for the services as described within the scope therein; and

WHEREAS, the parties desire to amend the agreement to increase the contract amount by \$164,748 for a total amount not to exceed \$415,478.

NOW, THEREFORE, the parties agree to modify Exhibit A, Section 4 and Exhibit B as set forth below.

AGREEMENT

1. Except as otherwise provided herein all terms and conditions of the agreement shall remain in full force and effect.
2. Section 4 and Exhibit B is hereby amended to read as follows:

MAXIMUM COST TO MCE:

In no event will the cost to MCE for the services to be provided herein exceed the maximum sum of **\$415,478**.

3. Exhibit A is hereby amended to read as follows:

**Energy Efficiency Program for 2013-2014
2014
Scope of Work
PlanetEcosystems, Inc.**

Overview

This Statement of Work outlines the services to be performed by Contractor in support of Marin Clean Energy's (MCE's) *Energy Efficiency Program for 2013-2014* (EEP), as approved by the California Public Utilities Commission on November 18, 2012. This description of Contractor services reflects the program set out in the Program Implementation Plan submitted to the California Public Utilities Commission, and are addressed herein in the following areas:

Web Portal Services: Web services and tools supporting several of MCE's EEP sub-programs; Single Family, and Finance sub-programs.

Demand Reduction Activities for the Single Family Sub-Program: Activity, technology and management of the EEP's Single Family sub-program, including Direct Engagement and School Program initiatives.

These services will be delivered in an integrated fashion for superior program outcomes; demand reduction, consumer savings and other benefits, etc. Moreover, these services will be configured to support and complement the Energy Upgrade California (EUC) program in the MCE service area; substantively reducing the complexity and other consumer barriers to whole-house benefits, while leveraging EUC outreach, branding and other consumer engagement activities.

Web Portal Services

This description of web portal services sets out the various services that will be provided in support of MCE's single family and financing program. These services provide a consistent basis and platform for outreach and engagement activities, as well as support certain specific demand reduction initiatives and activities.

The **technology platform** includes the following portals and related tools:

Web Portals

Principal stakeholders gain access to relevant tools and services through portals to the Contractor technology platform; each portal is designed for the needs of each principal stakeholder, as described below:

Consumer Portal: An integrated set of tools accessible by MCE customers. This portal provides consumers with the following tools, described subsequently below; a Utility System Optimizer to assist with easy system management and reconfiguration planning; several Marketplace and other tools that enable action by connecting customers to qualified service and equipment vendors, financing, and applicable incentives; and Consumer Relationship tools utilizing social networking and other mechanisms to engage consumers and develop ongoing relationships with them.

Vendor Portal: A set of tools accessible to approved MCE EEP service providers, such as contractors, auditors, Energy Advisors, etc., to promote a consistent and efficient provision of service to consumers. With these tools, contractors and others will have the ability to securely upload company/other material, manage their MCE-related consumer obligations, and even receive information sent by consumers.

Program Administration: MCE program staff will have secure access to on-line tools to administer the MCE EEP. Administrative tools and services include securely accessed custom and ad-hoc reporting, dashboard, analytic tools, and a content management system that provides for information updates and database maintenance.

Site Management and Operations:

Contractor provides management and operations activities for the web portal technology platform. This includes website hosting by Contractor; security, data management, software and system updates, technical support, and related services.

Key Web Portal Tools

The following suite of tools are made available through the web portals described above, and are designed to provide a consistent service across all stakeholders (consumers, vendors, program administrators, etc.); serving the underlying goals of maximizing consumer benefits, making the process of taking action easy, and thereby inspiring the greatest demand reduction actions.

Utility System Optimizers: As outlined above, these tools prescribe the optimal actions for each consumer, allowing them to capture the most from their utility systems according to their wants and needs. Versions of this technology are manifested in three tools, two of which will be utilized within the web portals described previously:

Campaign Optimizer: This tool is used to compile mass-customized outbound messaging to engage certain groups of consumers; note that all messaging will be developed with full participation and approval of MCE management and marketing. This tool utilizes consumption and other information to remotely derive utility system optimization plans for each consumer engaged; the output information, comprising the likely most attractive outcome for each consumer, is utilized in outbound engagement messaging.

Consumer Optimizer: Pre-filled with each consumer's estimated information, this short, quick tool is available to every consumer to develop optimized action plans, together with the estimated net upside for each consumer to motivate action. This tool is available on the web, and may be used on a tablet.

Service Provider Marketplaces: Connects consumers with service vendors; this tool can refer any consumer to any qualified service provider (HVAC, electrician, etc.), passing along relevant information, bids and scheduling as requested by the consumer. The tool also includes features that allow narrowing down referrals to providers that are relevant to each consumer's plans.

Finance Provider Marketplaces: Helps consumer find financing; choosing between types and vendors (bank, equity credit, PACE, OBF, etc.); passing along information as requested, and includes features that allow a narrowing down to financing that is relevant to the consumer's plans.

Equipment Provider Marketplaces: Connects consumers with vendors of equipment; the tool also includes features that allow narrowing down to equipment and providers that are relevant to each consumer's plans.

Rebate and Incentive Tools: Helps find incentives and rebates; includes features that allow a narrowing down to those that are relevant to each consumer's plans. Automatic rebate and incentive submissions conducted where system capability may be readily set up.

Social Competition & Gaming: Engaging social network-based tools and features that leverage known gaming techniques to bring consumers to the program and motivate action.

Consumer Management Tools: Functionality that helps consumers get a better understanding of their utility bills, manage their projects and goals, and develop a trusted relationship with MCE over the web. Key functions include alerts (highlighting new gains/opportunities, changes in utility status, pricing, etc. and other changes), bill analysis and insights and other functions.

Demand Reduction Activities for the Single Family Sub-Program

The demand reduction activities described below are an important way to drive traffic to the Contractor web portal and generate the energy savings targets for the program. Service descriptions and budget amounts are provided below (note that a budget summary is provided in Appendix A). Contractor will provide all Program Management and Technology Services, and will engage, subcontract fulfillment and manage Outreach Activities.

Program Management:

Services: Contractor will manage activities necessary to fulfill MCE's Single-Family Demand Reduction sub-program. This includes engagement and management of outreach and technology platform vendors; website design and integration; education/training for MCE web portal stakeholders including consumers, contractors, administrators, and others; planning and implementation services for technology expansion for additional programs which may include OBR, PACE, Standard Offer Procurement, etc.; and regulatory support.

Deliverable(s): Partner coordination, stakeholder training, technical assistance, reporting
Costs: \$37,800.

Total Labor hours: 252

Hourly rate: \$150/hr.

Program Manager: \$150/hr. for 252 hours

Technology Services:

Services: The Single-Family Demand Reduction sub-program will utilize the services described above in *Web Portal Services*; comprising the three web portals and their tools, supporting the respective outreach engagement activities.

Deliverable(s):

- 1) Software-as-a-service (SaaS) includes use of software (as per Contractor Web Portal Services Table), systems operations, hosting, maintenance, hardware, software updates, and stakeholder training.
- 2) Configuration of core and Single-family sub-program functionality features to be implemented including social network tools, consumer management tools, online applications, forms setup for low carbon preference, finance marketplace, and content management.

- 3) Technical support for data maintenance and reporting to include utility rates, contractor directory, property, rebates, finance data, and program reporting.

Costs: Contractor Technology Service costs for above deliverables include:

1. Subscription (recurring) fees: paid on a monthly basis as per technology the rollout schedule
2. Configuration of remaining features not implemented in Phase 1 and Tech Support for Data Maintenance fees (non-recurring)

Subscription Fees for Single-Family SaaS (Recurring) = \$62,100:

Core License: \$5,000/month

Single-Family License: \$1,900/month

Outreach Activities:

MCE's Single-Family Demand Reduction sub-program is described in turn, below; addressing activities, deliverables, and costs:

Direct Engagement

Activity: Mass-customized out-bound Energy Report mailings to specific consumers, based on the output of the Campaign Optimizer tool. Mailings may be delivered in hard-copy form within existing out-bound monthly envelopes or email, as agreed with MCE. Additional funding will be set aside to evaluate the pilot effort; however, no funds can be invoiced against the evaluation line item until the proposed evaluation plan has been approved by MCE staff.

Deliverable(s): Energy Reports focusing on 19,242 consumers.

Costs: Fulfillment costs include print, production, delivery, etc. using third party vendors

Cost per Home Utility Report (HUR) = \$0.50/Utility Report.

Total HURs: 19,242 as per combined monthly/quarterly schedule in 2014

Estimated total cost: \$64,848 for outbound mailer task fulfillment.

Marketing and Outreach Efforts

Contractor may engage in additional marketing and outreach efforts beyond the direct engagement component described above. Such activities will be included in the cost of other program components unless explicitly agreed to between Contractor and the MCE Contract Manager.

Contractor Services Summary

For 2014, Contractor will provide the Technology Services described above, and associated Program Management as depicted in the table below.

	Function	Key Component	Description	
Outreach Activities	Evaluate Cross Program Web Portal Services	Consumer	Consumer Optimizer	Online optimizer for prioritization of water/energy actions according to user goals (save money, reduce carbon, health & comfort, or evaluate a project).
		Evaluate My Bill	Bill history and comparison of alternative options (Standard, Deep Green, TOU, etc.)	
		Energy & Water Tips	Tips for health/comfort, maintenance, DIY, etc.	
		Contractor Marketplace	Qualified contractors directory	
		Equipment Provider Marketplace	Consumer access to desired equipment providers	
		Rebates & Incentives Finder	Rebates and incentives available to customers	
		Finance Marketplace		
		Social Network Tools	Neighborhood comparisons of similar structures, community competitions, contactor reviews, etc.	
		Schools Tools	Integral on-line component for schools families and neighbors to engage and compete reduce demand , along with tracking tools for competition and encouragement	
		Alerts Messaging Platform	Platform for custom service offerings to continually offer new value to customers	
		Mobile Application	Android and iPhone devices	
		Contractor Resources	Information for local vendors	
		Portal registration	Input company credentials; access portal resources	
		Administrative	Reporting/Dashboard	Tracking of projects/finance/energy/carbon, etc.
			Content Management System (CMS)	Content/data management, customer support
Direct (Outbound) Engagement My Energy Tool Marketing Campaigns	Campaign Optimizer	Mass custom Energy Reports to target homes		
	Consumer Optimizer	MCE wide on-line campaign and community outreach to select MCE communities		

PEI 2014 Budget Summary

	Labor	License	HURs	Total
April	4,200	6,900	9,264	20,364
May	4,200	6,900	9,264	20,364
June	4,200	6,900	9,264	20,364
July	4,200	6,900	4,632	15,732
August	4,200	6,900	4,632	15,732
Sept	4,200	6,900	9,264	20,364
Oct	4,200	6,900	4,632	15,732
Nov	4,200	6,900	4,632	15,732
Dec	4,200	6,900	9,264	20,364
Total	37,800	62,100	64,848	164,748

18,528 HURs impressions x \$.50/impression = \$9,264

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

CONTRACTOR:

MARIN CLEAN ENERGY:

By: _____

By: _____



April 3, 2014

TO: Marin Clean Energy Board

FROM: Sarah Ritter, Administrative Associate

RE: Second Addendum to Second Agreement with Ellison, Schneider & Harris, LLP (Agenda Item #4 – C.7)

ATTACHMENT: Second Addendum to Second Agreement with Ellison, Schneider & Harris, LLP

Dear Board Members:

SUMMARY:

On April 1, 2013, Marin Clean Energy Authority and Ellison, Schneider & Harris entered into the Second Agreement between the parties for legal and regulatory services. The Agreement stated that the maximum cost to MCE would not exceed \$20,000.

On July 11, 2013 MCE entered into the First Addendum between the parties with a maximum cost not to exceed \$50,000.

The attached Second Addendum amends the agreement with Ellison, Schneider & Harris such that the contract amount is increased by \$40,000 for a total amount not to exceed \$90,000.

Recommendation: Approve the Second Addendum to the Second Agreement with Ellison, Schneider & Harris, LLP.



**SECOND ADDENDUM TO SECOND AGREEMENT
BY AND BETWEEN
MARIN CLEAN ENERGY AND ELLISON, SCHNEIDER & HARRIS, LLP**

This SECOND ADDENDUM is made and entered into on April 3, 2014, by and between MARIN CLEAN ENERGY, (hereinafter referred to as “MCE”) and Ellison, Schneider & Harris, LLP (hereinafter referred to as “Contractor”).

RECITALS

WHEREAS, MCE and Contractor entered into an agreement for regulatory services dated April 1, 2013 (“Agreement”); and

WHEREAS, Section 4 and Exhibit B to the agreement obligated Contractor to be compensated at a total amount not to exceed \$50,000 for the regulatory and legal services as described within the scope therein; and

WHEREAS, the parties desire to amend the agreement to increase the contract amount by \$40,000 for a total amount not to exceed \$90,000.

NOW, THEREFORE, the parties agree to modify Section 4 and Exhibit B as set forth below.

AGREEMENT

1. Except as otherwise provided herein all terms and conditions of the agreement shall remain in full force and effect.
2. Section 4 and Exhibit B is hereby amended to read as follows:

Section 4, Maximum Cost to MCE:

In no event will the cost to MCE for the services to be provided herein exceed the maximum sum of \$90,000 including direct non-salary expenses.

Exhibit B – Fees and Payment Schedule

Contractor will bill MCE by the hour and these hours will be payable on a monthly basis. The amount of any fees and costs billed under this agreement shall not exceed \$90,000.

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

CONTRACTOR:

MARIN CLEAN ENERGY:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____



April 3, 2014

TO: Marin Clean Energy Board

FROM: Sarah Ritter, Administrative Associate

RE: First Addendum to First Agreement with Troutman Sanders LLP
(Agenda Item #4 – C.8)

ATTACHMENT: First Addendum to First Agreement with Troutman Sanders LLP

Dear Board Members:

SUMMARY:

On December 6, 2013, Marin Clean Energy and Troutman Sanders entered into the First Agreement between the parties for legal and regulatory services. The Agreement stated that the maximum cost to MCE would not exceed \$15,000. Since the First Agreement was entered into, additional legal service have been needed in two areas. First, there was a need to address an unanticipated issue with one of MCE's power suppliers. Second, there was a need to spend additional time on MCE's standard power purchase agreement leading up to the Open Season process.

The attached First Addendum amends the agreement with Troutman Sanders such that the contract amount is increased by \$26,000 for a total amount not to exceed \$41,000.

Recommendation: Approve execution of the First Addendum to the First Agreement with Troutman Sanders LLP.



**FIRST ADDENDUM TO FIRST AGREEMENT
BY AND BETWEEN
MARIN CLEAN ENERGY AND TROUTMAN SANDERS LLP**

This FIRST ADDENDUM is made and entered into on April 3, 2014, by and between MARIN CLEAN ENERGY, (hereinafter referred to as "MCE") and Troutman Sanders LLP (hereinafter referred to as "Contractor").

RECITALS

WHEREAS, MCE and Contractor entered into an agreement for regulatory services dated December 6, 2013 ("Agreement"); and

WHEREAS, Section 4 and Exhibit B to the agreement obligated Contractor to be compensated an amount not to exceed \$15,000 for the regulatory services as described within the scope therein; and

WHEREAS, the parties desire to amend the agreement to increase the contract amount by \$26,000 for a total amount not to exceed \$41,000.

NOW, THEREFORE, the parties agree to modify Section 4 and Exhibit B as set forth below.

AGREEMENT

1. Except as otherwise provided herein all terms and conditions of the agreement shall remain in full force and effect.
2. Section 4 and Exhibit B is hereby amended to read as follows:

Section 4, Maximum Cost to MCE:

In no event will the cost to MCE for the services to be provided herein exceed the maximum sum of \$41,000 including direct non-salary expenses.

Exhibit B – Fees and Payment Schedule

Contractor will bill MCE monthly for all services rendered. Hours will be billed as follows:

Stephen Hall at \$675 per hour
Brian Harms at \$575 per hour
John Leonti at \$675 per hour

All rates are subject to a 10 percent discount.

Contractor services will be task-specific with MCE providing direction on tasks to be undertaken in writing by letter, voice communication or email. The amount of any fees and costs billed under this agreement shall not exceed \$41,000.

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

CONTRACTOR:

By: _____
Name: _____
Title: _____

MARIN CLEAN ENERGY:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____



April 3, 2014

TO: Marin Clean Energy Board

FROM: John Dalessi, Operations and Development

RE: Proposed Marin Clean Energy Rates for Fiscal Year 2015
(Agenda Item #5)

ATTACHMENT: Marin Clean Energy Proposed FY 2015 Rates

Dear Board Members:

SUMMARY:

The Marin Clean Energy Community Choice Aggregation Implementation Plan and Statement of Intent (“Implementation Plan”) describes the policies and procedures for setting and modifying electric rates for the Marin Clean Energy (MCE) program. As described in the Implementation Plan, the MCE annual ratesetting process is coordinated with the establishment of fiscal year program budgets. MCE rates are typically reviewed on an annual basis during the month of January to consider whether rate changes are warranted in consideration of the next fiscal year’s projected budget and in consideration of other ratesetting objectives such as rate competitiveness, rate stability, customer understanding and equity among customers. Final rates for the fiscal year are typically adopted during the month of April.

MCE’s ratesetting policies establish a sixty-day public review period for proposed rate changes before final rates are adopted by the Board. The proposed rates set forth in Attachment A were accepted at the regular Board meeting held on February 6, 2014, initiating the public review period, and allowing for final approval at this time.

BACKGROUND – MCE RATESETTING CYCLE, POLICIES AND PROCESS

Ratesetting Cycle

MCE typically adjusts MCE rates on an annual basis, and the new rates go into effect at or near the start of the fiscal year. Ratesetting is coordinated with the annual budgeting cycle due to the inherent linkages between MCE program budgets and MCE rates. Rates could be adjusted more frequently than annually, if necessary to ensure recovery of all MCE program costs, but this is not typical and has not been necessary to date.

Proposed rates are typically presented to your Board in February, based on the proposed upcoming fiscal year budget. This release of the proposed rates initiates a

sixty-day public review and comment period. If rate increases are being proposed, the affected MCE customers are provided with notice of said rate increase. Following completion of the sixty-day public review and comment period, final rates are adopted by your Board in April and placed into effect the following day. Final rates may differ from the initially proposed rates to account for changes resulting from adoption of the final fiscal year budget, consideration of public comments received on the initial proposed rates, and/or other factors that may be considered by your Board.

Ratesetting Policies

MCE has established various policies that are considered in designing MCE rates. These ratesetting policies include the following:

Revenue sufficiency: rates must recover all program expenses, debt service requirements, and prudent reserves; i.e., the “revenue requirement”.

Rate competitiveness: rates must allow MCE to successfully compete in the marketplace to retain and attract customers.

Rate stability: rates changes should be minimized to reduce customer bill impacts.

Customer understanding: rates should be simple, transparent and easily understood by customers.

Equity among customers: rate differences among customers should be justified by differences in usage characteristics or cost of service.

Efficiency: rates should encourage conservation and efficient use of electricity (e.g., off-peak vehicle charging).

To the extent that the policies may be in tension with one another, the rate proposal attempts to strike an appropriate balance. For example, a cost-of-service analysis might suggest that a particular rate should be increased, but the increase might be limited in the interest of rate stability or rate competitiveness. In accordance with the Implementation Plan, the policy of revenue sufficiency may not be violated; however, the Board may use discretion in how the other ratesetting policies are reflected in MCE rates.

Ratesetting Process

The ratesetting cycle begins with a forecast of MCE sales for the coming fiscal year. The forecast includes the number of customers that are expected to be enrolled and taking service on each of the MCE rate schedules as well as the monthly billing quantities expected under each rate schedule. Depending upon the rate schedule in question, billing quantities can include monthly kWh, kWh during specified time-of-use periods (on-peak, partial peak, off-peak), maximum monthly kW demand and maximum kW during specified time-of-use periods. The forecasted billing quantities are used to derive a forecast of revenues at current (and proposed) MCE rates.

The projected revenue at current rates, termed “present rate revenues”, are compared to the fiscal year budget that must be funded through rates (the “revenue requirement”) to determine whether rate adjustments are warranted to address any projected surplus or deficit.

As an interim step in the rate design process, the revenue requirement is first allocated to customer classes. Customers are classified based on end-use and other service characteristics in an attempt to represent groups of customers with relatively similar cost-of-service profiles within the group. MCE has established nine customer classes that includes residential (Res-1), small commercial (Com-1 and Com-6), medium commercial (Com-10), large commercial (Com-19), industrial (Com-20), agricultural (Ag), street lighting (SL) and traffic control (TC) end uses. Revenues are allocated based on a cost of service analysis, assessment of competitiveness, and other policy considerations.

Rates are designed for the various rate schedules associated with each customer class in order to recover the revenues allocated to that class. There are currently 30 rate schedules that MCE customers may take service under.

FY 2015 PROPOSED RATES

The proposed rates were developed consistent with the approved FY2015 MCE budget. The proposed rates have been reviewed with the MCE Ad Hoc Ratesetting Committee, and that Committee recommends that they be adopted by your Board.

FY 2015 Revenue Requirement

The FY 2015 revenue requirement is based on the adopted FY 2015 budget. The difference between the revenue requirement and the budgeted revenue is due to the revenue deficiency associated with uncollectible customer accounts. The proposed revenue requirement for FY 2015 is \$101,646,627 as shown in Table 1. Revenues at present rates are projected to yield \$95,018,065, resulting in a need to increase rates by approximately 7% to avoid a projected deficiency of \$6,628,627. The increase is primarily related to higher power supply costs expected for FY 2015 relating to higher energy prices under existing power purchase agreements and increasing renewable energy requirements associated with the renewable portfolio standards program.

Table 1: Proposed FY 2015 Revenue Requirement

Revenues	
Present Rate Revenues	\$ 95,018,065
Expenses	
Power Supply Expenses	\$88,410,551
Other Operational Expenses	\$7,585,000
Debt Service	\$1,195,000
Uncollectible Accounts	\$508,233
Solar Rebates and Green Business	\$40,000
Capital Outlay	\$20,000
Local Renewable Energy Development Fund	\$109,994
Reserve Contribution	\$3,777,849
Total Revenue Requirement	\$101,646,627

Surplus (Deficiency) in Funds	\$ (6,628,562)
Required Rate Increase	7%

Proposed FY 2015 Revenue Allocation

MCE proposes to allocate revenues to customer classes using a system average percentage change methodology, meaning that revenues allocated to each customer class would increase by the same percentage as shown in Table 2.

Table 2: Proposed Class Revenue Allocation (FY2015 rates)

Rate Group	Revenue at Present Rates	Revenue at Proposed Rates	Change in Revenues	% Change
Residential	\$45,831,159	\$49,028,390	\$3,197,231	7%
Small Commercial 1 (Com-1)	\$11,795,757	\$12,618,642	\$822,885	7%
Small Commercial 2 (Com-6)	\$2,582,497	\$2,762,654	\$180,158	7%
Medium Commercial (Com-10)	\$12,245,315	\$13,099,561	\$854,246	7%
Large Commercial (Com-19)	\$13,414,046	\$14,349,824	\$935,778	7%
Industrial (Com-20)	\$7,881,970	\$8,431,824	\$549,855	7%
Agricultural	\$250,518	\$267,994	\$17,476	7%
Street Lighting (SL-1)	\$940,892	\$1,006,529	\$65,638	7%
Traffic Control (TC-1)	\$75,912	\$81,208	\$5,296	7%
Total	\$95,018,065	\$101,646,627	\$6,628,562	7%

In order to inform and guide the rate proposal, staff has performed a cost-of-service analysis and a comparative rate analysis to ascertain how MCE rates compare to costs as well as how they compare to the rates charged by PG&E.¹ In evaluating these considerations, there was no clear case to be made for modifying the system average percentage change revenue allocation results.

Table 2 summarizes the results of the cost-of-service and competitive rate assessment. For ease of comparison, figures are shown as single cents-per-KWh average revenue or cost for each customer classification. Table 2 compares the average revenue paid by each customer class under the proposed rate structure to the average cost-of-service for the respective customer class and to the average revenues that would be paid under the currently effective PG&E generation rates.

¹ In comparing rates it should be noted that the MCE standard "Light Green" rates provide a 50% renewable energy content as compared to the 20% renewable energy content currently offered by PG&E. The referenced PG&E rates are as effective May 1, 2014 as referenced in PG&E Advice Letter 4371-E.

Table 2: FY 2014 Proposed Rate Comparative Analysis Summary (Class Average Rates)²

Rate Group	Proposed MCE Average Revenue (cents per kwh)	MCE Cost of Service (cents per kwh)	PG&E Generation Average Revenue ³ (cents per kwh)	PG&E CCA Surcharges ⁴ (cents per kwh)
Residential	7.9	8.2	9.2	1.2
Small Commercial 1 (Com-1)	7.9	8.0	9.7	1.0
Small Commercial 2 (Com-6)	7.6	7.5	10.1	1.0
Medium Commercial (Com-10)	8.4	7.7	10.0	1.1
Large Commercial (Com-19)	7.6	7.5	9.4	0.9
Industrial (Com-20)	7.1	7.0	8.8	0.8
Agricultural	6.9	7.6	8.2	1.0
Street Lighting (SL-1)	7.3	6.6	9.3	0.2
Traffic Control (TC-1)	7.5	8.2	8.1	1.0
Total	7.9	7.9	9.4	1.1

The proposed revenue allocation strikes a balance between the objectives of rate competitiveness (comparison to PG&E), equity (comparison to cost) and stability (comparison to current).

As reflected in Table 2, the proposed MCE rates are generally lower than the generation rates charged by PG&E in accordance with its rates effective as of May 1, 2014. Total customer generation costs, which include the MCE charges as well as the cost impacts of the PG&E CCA surcharges, are generally lower for MCE customers in the Residential, Small Commercial, Medium Commercial, Large Commercial, Industrial, Agricultural and Street Lighting classifications and higher for customers in the Traffic Control classification.

Rate Design

The proposed rate change is implemented by applying the average percentage change for the respective customer class shown in Table 2 to each current MCE rate component. Using Schedule Com-6 as an example, there are five MCE rate components (energy charges by season and time-of-use period), and each of those charges will be increased by 7% from their current levels. This approach to rate design maintains the existing rate differentials among the various MCE charges, furthering the interest of rate stability.

² Figures in Table 2 are averages for the respective customer classes. Individual customer rates may vary.

³ PG&E class average generation revenue for 2014 are calculated for the MCE customer base using rates contained in PG&E Advice Letter 4371-E, filed February 28, 2014. The total figures shown reflect a weighted average for the MCE customer base.

⁴ PG&E CCA surcharges include the Power Charge Indifference Adjustment and the Franchise Fee Surcharge. Figures are class averages for the 2013/2014 vintage.

The Termination Fee applicable to customers departing MCE service after the opt-out period is proposed to remain at \$5 for residential customers and \$25 for non-residential customers. The Cost Recovery Charge component of the Termination Fee is proposed to remain at zero based on the positive market value of the MCE supply portfolio.

Recommendation: Approve the proposed rates contained in Attachment A for FY 2015.

**MARIN CLEAN ENERGY
PRESENT AND FY 2015 PROPOSED RATES**

PG&E EQUIVALENT SCHEDULE	MCE RATE SCHEDULE	UNIT/PERIOD	PRESENT RATE	PROPOSED RATE
<u>RESIDENTIAL CUSTOMERS</u>				
E-1, M, S, SR, T	RES-1			
	ENERGY CHARGE (\$/KWH)	All Energy	0.07400	0.07900
EL-1 (CARE)	RES-1-L			
	ENERGY CHARGE (\$/KWH)	All Energy	0.07400	0.07900
E-6	RES-6			
	ENERGY CHARGE (\$/KWH)	Summer Peak	0.19300	0.20600
		Summer Part Peak	0.08000	0.08600
		Summer Off-Peak	0.05400	0.05800
		Winter Partial Peak	0.07500	0.08000
		Winter Off-Peak	0.05400	0.05800
EL-6 (CARE)	RES-6-L			
	ENERGY CHARGE (\$/KWH)	Summer Peak	0.19300	0.20600
		Summer Part Peak	0.08000	0.08600
		Summer Off-Peak	0.05400	0.05800
		Winter Partial Peak	0.07500	0.08000
		Winter Off-Peak	0.05400	0.05800
E-7	RES-7			
	ENERGY CHARGE (\$/KWH)	Summer Peak	0.37000	0.39600
		Summer Off-Peak	0.05000	0.05300
		Winter Peak	0.22000	0.23500
		Winter Off-Peak	0.05000	0.05300

EL-7 (CARE)	RES-7-L			
	ENERGY CHARGE (\$/KWH)			
		Summer Peak	0.37000	0.39600
		Summer Off-Peak	0.05000	0.05300
		Winter Peak	0.22000	0.23500
		Winter Off-Peak	0.05000	0.05300
E-8	RES-8			
	ENERGY CHARGE (\$/KWH)			
		Summer	0.07400	0.07900
		Winter	0.07400	0.07900
EL-8 (CARE)	RES-8-L			
	ENERGY CHARGE (\$/KWH)			
		Summer	0.07400	0.07900
		Winter	0.07400	0.07900
E-9	RES-9			
	ENERGY CHARGE (\$/KWH)			
		Summer Peak	0.16000	0.17100
		Summer Part Peak	0.09000	0.09600
		Summer Off-Peak	0.05000	0.05300
		Winter Partial Peak	0.07400	0.07900
		Winter Off-Peak	0.05000	0.05300
EV	RES-EV			
	ENERGY CHARGE (\$/KWH)			
		Summer Peak	0.18000	0.19300
		Summer Part Peak	0.08000	0.08600
		Summer Off-Peak	0.04500	0.04800
		Winter Peak	0.06500	0.07000
		Winter Partial Peak	0.04500	0.04800
		Winter Off-Peak	0.04500	0.04800

COMMERCIAL, INDUSTRIAL AND GENERAL SERVICE CUSTOMERS

A-1	COM-1			
	ENERGY CHARGE (\$/KWH)			
		SUMMER	0.08900	0.09500
		WINTER	0.05900	0.06300

A-1 TOU	COM-1-TOU			
	ENERGY CHARGE (\$/KWH)			
		<u>SUMMER</u>		
		PEAK	0.10400	0.11100
		PART-PEAK	0.09800	0.10500
		OFF-PEAK	0.07700	0.08200
		<u>WINTER</u>		
		PART-PEAK	0.06700	0.07200
		OFF-PEAK	0.05200	0.05600

A-6	COM-6			
	ENERGY CHARGE (\$/KWH)			
		<u>SUMMER</u>		
		PEAK	0.23100	0.24700
		PART-PEAK	0.09100	0.09700
		OFF-PEAK	0.04500	0.04800
		<u>WINTER</u>		
		PART-PEAK	0.07100	0.07600
		OFF-PEAK	0.04600	0.04900

A-10-A	COM-10-A			
	ENERGY CHARGE (\$/KWH)			
		SUMMER	0.08700	0.09300
		WINTER	0.06300	0.06700
	DEMAND CHARGE (\$/KW)			
		SUMMER MAX	2.80000	3.00000

A-10-B	COM-10-B			
	ENERGY CHARGE (\$/KWH)			
		<u>SUMMER</u>		
		PEAK	0.10700	0.11400
		PART-PEAK	0.08800	0.09400
		OFF-PEAK	0.07500	0.08000
		<u>WINTER</u>		
		PART-PEAK	0.06800	0.07300
		OFF-PEAK	0.05800	0.06200
	DEMAND CHARGE (\$/KW)			
		SUMMER MAX	2.80000	3.00000

E-19-S, V

COM-19-S

ENERGY CHARGE (\$/KWH)

SUMMER

PEAK	0.10100	0.10800
PART-PEAK	0.07000	0.07500
OFF-PEAK	0.04900	0.05200

WINTER

PART-PEAK	0.06500	0.07000
OFF-PEAK	0.04600	0.04900

DEMAND CHARGE (\$/KW)

SUMMER

PEAK	7.70000	8.20000
PART-PEAK	1.60000	1.70000

E-19-P, V

COM-19-P

ENERGY CHARGE (\$/KWH)

SUMMER

PEAK	0.10200	0.10900
PART-PEAK	0.06500	0.07000
OFF-PEAK	0.04600	0.04900

WINTER

PART-PEAK	0.06000	0.06400
OFF-PEAK	0.04600	0.04900

DEMAND CHARGE (\$/KW)

SUMMER

PEAK	7.50000	8.00000
PART-PEAK	1.60000	1.70000

E-19-T, V

COM-19-T

ENERGY CHARGE (\$/KWH)

SUMMER

PEAK	0.07800	0.08300
PART-PEAK	0.06000	0.06400
OFF-PEAK	0.04800	0.05100

WINTER

PART-PEAK	0.05300	0.05700
OFF-PEAK	0.04500	0.04800

DEMAND CHARGE (\$/KW)

SUMMER

PEAK	7.80000	8.30000
PART-PEAK	1.70000	1.80000

E-20-S

COM-20-S

ENERGY CHARGE (\$/KWH)

SUMMER

PEAK	0.09500	0.10200
PART-PEAK	0.06500	0.07000
OFF-PEAK	0.04600	0.04900

WINTER

PART-PEAK	0.05900	0.06300
OFF-PEAK	0.04300	0.04600

DEMAND CHARGE (\$/KW)

SUMMER

PEAK	7.30000	7.80000
PART-PEAK	1.50000	1.60000

E-20-P

COM-20-P

ENERGY CHARGE (\$/KWH)

SUMMER

PEAK	0.10100	0.10800
PART-PEAK	0.06600	0.07100
OFF-PEAK	0.04700	0.05000

WINTER

PART-PEAK	0.05800	0.06200
OFF-PEAK	0.04600	0.04900

DEMAND CHARGE (\$/KW)

SUMMER

PEAK	7.90000	8.50000
PART-PEAK	1.70000	1.80000

E-20-T

COM-20-T

ENERGY CHARGE (\$/KWH)

SUMMER

PEAK	0.07200	0.07700
PART-PEAK	0.05600	0.06000
OFF-PEAK	0.04300	0.04600

WINTER

PART-PEAK	0.05400	0.05800
OFF-PEAK	0.04200	0.04500

DEMAND CHARGE (\$/KW)

SUMMER

PEAK	9.30000	9.90000
PART-PEAK	2.00000	2.10000

AGRICULTURAL CUSTOMERS

AG-1-A	AG-1-A			
	ENERGY CHARGE (\$/KWH)			
		SUMMER	0.08700	0.09300
		WINTER	0.06900	0.07400
	CONNECTED LOAD (\$/HP)			
		SUMMER MAX	1.10000	1.20000
		WINTER MAX	-	-

AG-1-B	AG-1-B			
	ENERGY CHARGE (\$/KWH)			
		SUMMER	0.08700	0.09300
		WINTER	0.06600	0.07100

AG-4-A	AG-4-A			
	ENERGY CHARGE (\$/KWH)			
		<u>SUMMER</u>		
		PEAK	0.12800	0.13700
		OFF-PEAK	0.05300	0.05700
		<u>WINTER</u>		
		PART-PEAK	0.05600	0.06000
		OFF-PEAK	0.04700	0.05000
	CONNECTED LOAD (\$/HP)			
		SUMMER	1.10000	1.20000
		WINTER	-	-

AG-4-B	AG-4-B			
	ENERGY CHARGE (\$/KWH)			
		<u>SUMMER</u>		
		PEAK	0.09800	0.10500
		OFF-PEAK	0.05500	0.05900
		<u>WINTER</u>		
		PART-PEAK	0.05400	0.05800
		OFF-PEAK	0.04500	0.04800
	DEMAND CHARGE (\$/KW)			
		<u>SUMMER</u>		
		MAX	1.90000	2.00000
		PEAK	1.90000	2.00000
		WINTER	-	-

AG-5-A

AG-5-A

ENERGY CHARGE (\$/KWH)

<u>SUMMER</u>		
PEAK	0.11900	0.12700
OFF-PEAK	0.05700	0.06100

<u>WINTER</u>		
PART-PEAK	0.06000	0.06400
OFF-PEAK	0.05000	0.05300

CONNECTED LOAD (\$/HP)

SUMMER	2.90000	3.10000
WINTER	-	-

AG-5-B

AG-5-B

ENERGY CHARGE (\$/KWH)

<u>SUMMER</u>		
PEAK	0.11300	0.12100
OFF-PEAK	0.03500	0.03700

<u>WINTER</u>		
PART-PEAK	0.05300	0.05700
OFF-PEAK	0.02900	0.03100

DEMAND CHARGE (\$/KW)

<u>SUMMER</u>		
MAX	3.60000	3.90000
PEAK	4.40000	4.70000

WINTER	-	-
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AG-5-C

AG-5-C

ENERGY CHARGE (\$/KWH)

<u>SUMMER</u>		
PEAK	0.09200	0.09800
PART-PEAK	0.04900	0.05200
OFF-PEAK	0.03600	0.03900

<u>WINTER</u>		
PART-PEAK	0.04300	0.04600
OFF-PEAK	0.03300	0.03500

DEMAND CHARGE (\$/KW)

<u>SUMMER</u>		
PEAK	8.00000	8.60000
PART-PEAK	1.50000	1.60000

WINTER	-	-
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STREET AND OUTDOOR LIGHTING

LS-1, LS-2, LS-3, OL-1	SL-1		
	ENERGY CHARGE (\$/KWH)	0.06800	0.07300

TC-1	TC-1		
	ENERGY CHARGE (\$/KWH)	0.07000	0.07500

DEEP GREEN OPTION

Customers electing the Deep Green service option will pay the applicable rate for the Light Green service option plus the Deep Green Energy Charge.

	ENERGY CHARGE (\$/KWH)	0.01000	0.01000
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Voltage Discount			
For primary voltage, each component of the standard rate shall be discounted.		4%	



April 3, 2014

TO: Marin Clean Energy Board

FROM: Kirby Dusel, Resource Planning & Renewable Energy Program

RE: MCE 100% Local Solar Program (Agenda Item #06)

ATTACHMENT: Presentation: 100% Local Solar – A Local Renewable Choice for MCE Customers

Dear Board Members:

Background:

In August 2010 (at its inaugural Board retreat), MCE began studying and discussing the feasibility of developing a locally-focused solar program, which would allow MCE customers to voluntarily purchase renewable energy from a designated small-scale generator located within the MCE service territory. The primary impetus for considering such a program was to eliminate participatory barriers commonly associated with rooftop solar development, which include excessive shading, non-optimal roof orientation, occupancy of non-owned businesses and residences, as well as various other considerations. There were also a number of key benefits that were identified in conjunction with such programs, including increased utilization of local renewable energy resources, reduced GHG emissions related to electric energy consumption, enhanced local economic development opportunities, and improved “localization” of MCE’s energy infrastructure – these benefits were generally aligned with MCE’s charter goals and objectives, which was determined to be an important threshold criterion when evaluating the development of prospective complimentary energy programs administered by MCE.

MCE staff researched existing program structures and products that were effectively implemented in the service territories of the Sacramento Municipal Utility District (program name: SolarShares) and Tucson Electric Power (program name: Bright Tucson Community Solar) – each program incorporated different structural elements and pricing mechanisms, but both allow the respective customers of each utility to voluntarily purchase 100%, locally generated solar energy as a substitute for some or all of the broader mix of energy products that would otherwise be delivered. In general terms, participating customers are charged a premium rate/price for the local solar electricity that is supplied through the program – the price charged by each service provider is intended to reflect the actual cost of service, less certain subsidies that were incorporated to encourage program participation and the achievement of each utility’s overarching policy objectives.

After researching these programs and engaging in numerous discussions with MCE’s governing Board and Technical Committee, the following elements of an MCE-

administered 100% Local Solar Program have been developed for consideration by your Board:

- Product description: 100% solar; 100% local; 100% new generating capacity.
 - The product purchased by participating customers would be “bundled,” RPS-eligible electric energy.
 - Renewable energy certificates would be annually retired by MCE on behalf of participating customers.
- Project(s): new project(s) to be located within MCE’s service territory.
 - Initial “host” site has yet to be identified.
 - New FIT project to support program operation/administration (multiple FIT applications are currently “active”).
 - Anticipated project online date in early/mid 2015.
 - Program launch to follow project completion.
 - All energy use of participating customers to be supplied by host generator.
- Limited participation: anticipated 1 MW project size would accommodate participation by 150-300 average residential customers.
 - Actual participation will vary based on the projected annual energy requirements of program participants.
 - MCE staff estimates that actual participation may range from 100-200 customers.
- Pricing: proposed energy price would reflect a significant premium relative to MCE’s Light Green and Deep Green service options and would replace the participating customer’s otherwise applicable generation rate(s).
 - Typical residential participants will incur additional costs ranging from \$25-\$50/month.
 - Program energy price is directly tied to MCE’s current FIT pricing schedule: $\$0.138/\text{kWh} + \$0.004/\text{kWh}$ administrative fee = $\$0.142/\text{kWh}$.
 - Price to remain fixed during initial 3-year period of program operation.
 - MCE plans to pass through long-term price/rate stability to participating customers in consideration of the 20-year fixed price paid under MCE’s FIT.
- Solar program should promote local economic development and may allow MCE to extend the relatively high price currently paid under MCE’s FIT program.
 - High levels of customer participation may warrant MCE’s consideration of a revised FIT pricing schedule.
 - Sustained FIT pricing levels should promote the development of additional, local renewable energy resources.
- Initial outreach will be conducted to allow interested customers to submit an ‘interest form’ for participation.
 - Deep Green customers will have first opportunity to submit interest form.
 - Broader outreach will extend to non-Deep Green customers and to commercial customers, as availability allows.
 - Interest form will facilitate follow up communications with interested customers.

During its March 2014 meeting, MCE’s Technical Committee discussed this list of proposed program parameters and offered its support in moving forward with initial program marketing efforts (to gauge the prospective interest of MCE customers).

Recommendation: Approve general solar program parameters and begin soliciting interest from MCE customers.



100% Local Solar

A Local Renewable Choice for MCE Customers

Marin Clean Energy | April 3, 2014



- Voluntary opportunity for MCE customers to purchase electricity from new local solar project(s)
 - 100% New
 - 100% Local
 - 100% Solar
- Eliminates participatory barriers and risks associated with solar
 - Shading
 - Roof orientation
 - Non-owned structures/facilities
 - Tariff volatility
- “Bundled” RPS-eligible generation = electricity + REC
- Limited participation (based on projected solar production)
 - Participation limited to 90% of projected solar output (eliminates “over-selling”)
 - Need to “match” projected use of participating customers with expected project output
 - Likely 150-300 residential customers per 1 MW project
- Energy price/rate directly tied to Feed-In Tariff cost
- PG&E delivery charges would continue to apply

Establishing the Program

- MCE has studied similar, successful programs offered by SMUD (Sacramento) and Tucson Electric Power (Arizona)
- The retail solar cooperative structure was identified as a feasible way to promote key MCE objectives:
 - Support development of local renewable energy projects
 - Enhance opportunities for local economic development
 - Provide innovative service offerings to MCE customers
 - Promote electric rate stability
- Technical Committee discussions have identified preferred program elements/terms
- MCE to use future Feed-In Tariff solar project as host site for Local Solar program
 - FIT project ensures long-term resource availability
 - Fixed PPA price allows MCE to offer longer-term rate stability to participating customers
 - Specific FIT project options have not yet been identified (multiple FIT applications are currently "active")

Deep Green Comparison

	100% Local Solar	Deep Green
Renewable Content	100%	100%
Project Location(s)	<i>Local</i> – Marin County or City of Richmond	Western U.S.
Product Certification	RPS Bucket 1	Green-e
Age of Generator(s)	<i>New</i> – likely CY 2015	CY 2000 COD or later*
Fuel Source	<i>Solar</i>	Wind
Generation Cost	\$0.142/kWh – fixed**	Varies by schedule***

*For deliveries occurring in 2014; eligibility dates move forward with time.

**Proposed rate ties directly to MCE's Feed-In Tariff rate of \$0.138/kWh + administrative component of \$0.004/kWh.

***RES-1 tariff rate of \$0.079/kWh + Deep Green premium of \$0.01/kWh – noted rates to be effective in early April 2014.

- Limited Participation
 - FIT production @ 1 MW (solar) \approx 1.7 million kilowatt hours per year
 - Sales limited to 90% of expected project output – eliminates the potential for over-selling
 - Actual customer participation \approx 100-200 accounts, depending on historical usage and customer type (residential vs. commercial)
- Proposed Pricing/Costs
 - Price based on cost (of FIT resource)
 - Price reflects significant premium relative to Light Green and Deep Green options \approx additional cost of \$25-\$50/month (relative to Deep Green) for a typical residential customer
 - FIT contract term allows MCE to offer price certainty over an extended term: initial 3-year term recommended (from date of program launch)
 - Pricing to be reviewed towards the end of each 3-year term with the goal of minimally adjusting the current price (subject to any applicable cost changes)
 - MCE reserves the right to impose an “early termination fee”
 - Fee would not apply for first MW of program generation
 - Fee would be waived if program has a participatory waiting list
 - Fee to be established following first year of program operation

Key Program Elements (Cont.)

- Economic Development
 - Significant customer interest may allow MCE to extend current FIT pricing levels for additional FIT capacity
 - MCE FIT pricing advantages create enhanced financial incentives for qualified local developers/contractors
 - MCE FIT development creates local economic benefits
- Annual Reconciliation
 - MCE tracks monthly/annual solar production at the project
 - MCE tracks monthly/annual electricity use by participating customers
 - MCE to annually compare actual energy production and customer energy use
 - Annual staff report demonstrating sufficiency of energy production in supporting program participation (copies sent to program customers)
- Billing
 - Program generation price/rate would be substituted for participating customer's otherwise applicable generation rate
 - No rate differentiation based on time of use – program rate would apply for all usage
 - May simplify billing/bill presentation for certain customers
 - Applicable demand charges, if any, would continue to apply for participating customers

Illustrative Residential Cost Comparison

	PG&E 19%*	MCE Light Green 50%	MCE Deep Green 100%	MCE Local Solar 100%
Generation	\$46.74	\$40.13	\$45.21	\$72.14
PG&E Fees	-	\$5.89	\$5.89	\$5.89
Delivery	\$36.26	\$36.26	\$36.26	\$36.26
Total Cost	\$83.00	\$82.28	\$87.36	\$114.29

Assumed electricity usage: 508 kWh

Applicable rate schedule: E-1/Res-1

MCE proposed rates effective April 6, 2014

PG&E proposed rates effective May 1, 2014

*PG&E's reported renewable energy content for 2012

Illustrative Commercial Cost Comparison

	PG&E 19%*	MCE Light Green 50%	MCE Deep Green 100%	MCE Local Solar 100%
Generation	\$138.44	\$112.29	\$124.11	\$167.84
PG&E Fees	-	\$12.19	\$12.19	\$12.19
Delivery	\$131.51	\$131.51	\$131.51	\$131.51
Total Cost	\$269.94	\$255.98	\$267.81	\$311.54

*Assumed electricity usage = 1,182 kWh
Applicable rate schedule: A-1/Com-1*

MCE proposed rates effective April 6, 2014
PG&E proposed rates effective May 1, 2014

*PG&E's reported renewable energy content for 2012

Monitor Feed-In Tariff project development progress to identify likely project site

Communications & Messaging

- Program marketing via:
 - MCE website
 - e-newsletter & social media
 - Direct outreach to Deep Green customers
- Program “interest form”
 - Establishes participatory queue (with preference given to current Deep Green customers)
 - Ensures program is not “over sold”
 - Facilitates follow-up communications with interested customers

Overview of Current MCE Board Offices and Committees March, 2014

Board Offices

Damon Connolly, Chair

Kate Sears, Vice Chair

Denise Athas, Auditor/Treasurer

Dawn Weisz, Secretary

Executive Committee

1. Damon Connolly, Chair
2. Denise Athas
3. Tom Butt
4. Kate Sears
5. Bob McCaskill
6. Sloan Bailey

Technical Committee

1. Kate Sears, Chair
2. Carla Small
3. Ford Greene
4. Emmett O'Donnell
5. Ray Withy
- [6. Kevin Haroff available]*

Ad Hoc Contracts Committee for Open Season, 2014

1. Kate Sears
2. Emmett O'Donnell
3. Bob McCaskill
4. Kevin Haroff
5. Gary Lion
6. Sloan Bailey



April 3, 2014

TO: Marin Clean Energy Board

FROM: Dawn Weisz, Executive Officer

RE: Request from the City of San Pablo for Membership Analysis and Consideration as a Member of MCE (Agenda Item #8)

ATTACHMENTS: A. Membership Request from the City of San Pablo
B. Policy 007: New Customer Communities
C. MCE Affiliate Membership Process

Dear Board Members:

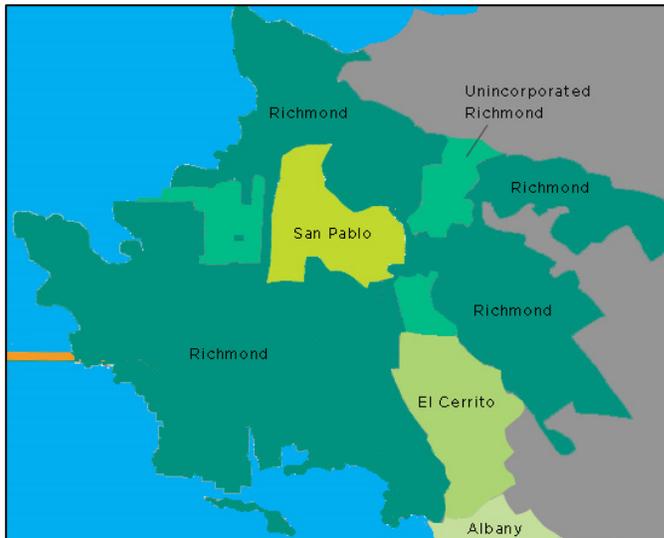
SUMMARY:

MCE's mission is to address climate change by using a wide range of renewable energy sources, reducing energy related greenhouse gas emissions and promoting the development of energy efficiency programs. On September 25, 2013 your Board adopted Policy 007: New Customer Communities, which describes MCE's policy to explore and support electric service in new communities to further agency goals. Policy 007 allows for new communities to be offered MCE service through two channels, affiliate membership or special-consideration membership as described in Attachment A. On September 25, 2013 your Board also approved the MCE Affiliate Membership Process described in Attachment B.

Step 1 of the Affiliate Membership process requires the governing body of an interested community to submit a letter to MCE, requesting consideration as a member. Since approval of Policy 007 MCE has received a request from the County of Napa and the City of Albany, and has authorized membership studies for those two communities. On March 24, MCE received a membership request from the City of San Pablo.

- The City of San Pablo spans approximately three square miles and is located in West Contra Costa County. The City of San Pablo is sandwiched between MCE's existing service area in the City of Richmond, by connecting to Richmond both on its northern border and on its southern border. In 2009, San Pablo became a member of the International Council for Local Environmental Initiatives (ICLEI) Governments for Sustainability and subsequently enacted a "Climate Action Plan" in 2012. In the 2012 Climate Action Plan the City of San Pablo adopted a greenhouse gas reduction goal of 18% below 2005 levels by the year 2020. To achieve this goal the City identified numerous objectives, including an increase in renewable energy use of 15% and an energy use reduction objective of 20% in existing buildings. As of 2005, energy consumption represented 29% of San Pablo's total community emissions and 20% of municipal emissions. San Pablo also has a number of ongoing energy efficiency projects and was awarded

two Federal Grants in 2010 (The Energy Efficiency and Conservation Block Grant), and The Climate Showcase Communities Grant. The population of the City of San Pablo is 29,700 with 9,000 households.



Representatives from the City of San Pablo desire participation in MCE to provide choices for more renewable energy in their jurisdiction, and to reduce greenhouse gas emissions through energy efficiency and less reliance on fossil fuels. The City of San Pablo is also interested in MCE's on-bill repayment program for energy efficiency and solar installations.

Step 2 of the Affiliate Membership process requires that staff evaluate the request from any community that has completed

Step 1 to determine if internal resources are available to consider the request, and to ensure that the performance of a quantitative membership analysis would not create negative impacts to core agency functions. Staff has completed this evaluative process, and determined that at this time, a quantitative membership analysis for the community of San Pablo could be conducted without negative impacts to core agency functions. Conducting the membership analysis at this time is likely to result in some staff efficiencies related to market research and collection of pricing information which could be applied concurrently in each customer base. In addition, the location of the City of San Pablo could lead to simplified outreach activities as it is geographically located between sections of the City of Richmond, and would thus join two parts of the existing MCE service area that are now separated. All costs of the membership analysis and staff support during the process would be covered by the City of San Pablo through an agreement for services with MCE.

Step 3 requires that the request from an interested community be presented to the MCE Board to consider adherence to criteria D, E, F and G below, and to authorize approval as a member, subject to a net positive result in the analysis by staff.

Affiliate Membership Criteria:

- A. Allowing for MCE service in new community will result in a projected net rate reduction for existing customer base.
- B. Offering service in new community will enhance the strength of local programs, including an increase in distributed generation, and will accelerate greenhouse gas reductions on a larger scale.
- C. Including new community in MCE service will increase the amount of renewable energy being used in California's energy market.
- D. There will be an increase in opportunities to launch and operate MCE energy efficiency programs to reduce energy consumption and reliance on fossil fuels.
- E. New opportunities are available to deploy local solar and other distributed renewable generation through the MCE Net Energy Metering Tariff and Feed in Tariff.

- F. Greater demand for jobs and economic activity is likely to result from service in new community.
- G. The addition of the new community is likely to create a stronger voice for MCE at the State and regulatory level.

Given the opportunities for new energy efficiency program participation in the community, criteria D is adhered to. Given the potential for new localized solar installations in the community, criteria E is adhered to. Also, based on MCE's experiences to-date with regard to economic activity and impacts at the State and regulatory level, expansion to this community would support positive outcomes in criteria F and G.

Step 4 requires that if the membership request is approved by your Board, staff will enter into an agreement with the City of San Pablo to fund costs of the quantitative membership analysis and to cover any other MCE staff costs such as responses to questions and participation in appropriate community meetings. After the Agreement is in place, staff would undertake and complete the membership analysis, with primary focus on quantitative criteria A, and also with an assessment of items B and C above.

Recommendation: Approve membership request from the City of San Pablo.



March 24, 2014

Dawn Weisz, Executive Officer
Marin Clean Energy
781 Lincoln Avenue, Suite 320
San Rafael, CA 94901

Dear Ms. Weisz:

In accordance with City of San Pablo Resolution 2014-047, I am pleased to provide this letter requesting that Marin Clean Energy (MCE) further explore whether extending membership to the City of San Pablo would be mutually beneficial. Since your staff's presentation to the San Pablo City Council in May of 2013, the City has eagerly tracked the progress of Community Choice Aggregation (CCA) in the Bay Area.

In 2012, the City of San Pablo adopted a Climate Action Plan (CAP) with an overall greenhouse gas reduction goal of 18% below 2005 levels by the year 2020. To achieve this goal, the city identified an energy use reduction objective of 20% in existing buildings and an increase in renewable energy use of 15%. As of 2005, energy consumption represented 29% of San Pablo's total community emissions and 20% of municipal emissions.

We believe membership in a CCA program such as MCE would go far in helping the City reach these goals, as well as provide our residents with greater choice in the energy marketplace. First, MCE's "Light Green" product offers 50% renewable energy at a lower cost than PG&E's current portfolio which consists of 20% renewables. In addition, MCE offers a very attractive net energy metering rate as well as on-bill financing programs, which could incentivize San Pablo property owners to install solar panels locally. Moreover, MCE's robust energy efficiency programs could help San Pablo residents and businesses reduce their overall energy consumption.

Dawn Weisz, Executive Officer
Marin Clean Energy
Page 2

San Pablo participation in MCE would likely further MCE's mission of accelerating greenhouse gas reductions in California and would expand your purchasing power for renewables by increasing your customer base. Inclusion of San Pablo may also provide MCE with more customers for your "Deep Green" 100% renewable product, based on the positive reception in the City of Richmond during the last year. Furthermore, San Pablo offers new opportunities for renewable energy projects both at the municipal and community levels.

I cordially request that your staff conduct exploratory negotiations with City of San Pablo staff, to determine the cost of a membership feasibility analysis.

Please feel free to contact Environmental Programs Analyst Jennifer Jackson at jenj@sanpabloca.gov or 510-215-3066 to discuss this further. We look forward to hearing from you.

Sincerely,



Paul V. Morris
Mayor

cc: Jennifer Jackson, Environmental Programs Analyst



POLICY NO. 007 – NEW CUSTOMER COMMUNITIES

Whereas MCE’s founding mission is to address climate change by using a wide range of renewable energy sources, reducing energy related greenhouse gas emissions and promoting the development of energy efficiency programs; and

Whereas creating opportunities for customer electric service in new communities may allow MCE to further progress towards its founding mission; and

Whereas MCE currently provides a minimum 50% renewable energy supply to all MCE customers (through its default Light Green retail service option), which substantially exceeds similar renewable energy supply percentages provided by California’s investor-owned utilities (IOUs); and

Whereas the addition of new communities to MCE’s membership will inevitably increase state-wide renewable energy percentages due to MCE’s specified minimum renewable energy supply percentage of 50%; and

Whereas the addition of new communities to MCE’s membership will also decrease greenhouse gas emissions within the Western United States as a result of minimum renewable energy supply percentages exceeding such percentages provided by California’s IOUs.

Therefore, it is MCE’s policy to explore and support customer electric service in new communities to further agency goals.

In consideration of the above, MCE will allow access to service in new communities through two channels, affiliate membership or special-consideration membership, as applicable:

Affiliate membership considered if:

1. All applicable membership criteria are satisfied,
2. New community is located in a county that is not more than 30 miles from MCE existing jurisdiction, and
3. Customer base in new community is 40,000 or less.

Special-consideration membership considered if:

1. All applicable membership criteria are satisfied,
2. New community is located in a county that is more than 30 miles from MCE existing jurisdiction and/or the customer-base in the new community is greater than 40,000.



MCE Affiliate Membership Process

Step 1: Governing body submits letter to MCE from new community jurisdiction, requesting consideration as a member.

Step 2: Staff evaluates request timing to determine if internal resources are available to consider request, and to ensure no impact to core agency functions.

Step 3: Request submitted to MCE Board to consider adherence to criteria D, E, F and G below, and to authorize membership of new community, subject to a net positive result in quantitative membership analysis by staff.

Step 4: Following MCE Board approval, staff executes contract with governing body of new jurisdiction to fund costs of membership analysis. Staff undertakes and completes analysis, with primary focus on quantitative criteria A, B and C below.

Step 5: Results of membership analysis presented to governing body of new community and to MCE Board. 1). If quantitative affiliate membership criteria are met, community is automatically authorized to complete membership process. 2). If qualitative criteria are not met but other compelling criteria are present, Board may consider approval of membership.

Step 6: Governing body of new jurisdiction approves resolution requesting membership, ordinance authorizing community choice aggregation service through MCE and signs JPA Agreement as a Party.

Step 7: MCE Board adopts resolution to formally include incorporated municipality in MCE Joint Powers Authority and submits updated Implementation Plan to CPUC.

Membership Criteria:

- A. Allowing for MCE service in new community will result in a projected net rate reduction for existing customer base.
- B. Offering service in new community will enhance the strength of local programs, including an increase in distributed generation, and will accelerate greenhouse gas reductions on a larger scale.
- C. Including new community in MCE service will increase the amount of renewable energy being used in California's energy market.
- D. There will be an increase in opportunities to launch and operate MCE energy efficiency programs to reduce energy consumption and reliance on fossil fuels.
- E. New opportunities are available to deploy local solar and other distributed renewable generation through the MCE Net Energy Metering Tariff and Feed in Tariff.
- F. Greater demand for jobs and economic activity is likely to result from service in new community.
- G. The addition of the new community is likely to create a stronger voice for MCE at the State and regulatory level.



April 3, 2014

TO: Marin Clean Energy Board

FROM: Kirby Dusel, Resource Planning & Renewable Energy Programs

RE: MCE Greenhouse Gas Emissions Analysis & Reporting (Agenda Item #09)

ATTACHMENTS: A. Understanding MCE's GHG Emission Factors
B. MCE Emission Factor Certification Template, as provided by The Climate Registry

Dear Board Members:

Background

A key tenet of MCE's mission, and a charter objective of the agency, is to reduce energy related greenhouse gas emissions (GHGs) through the development and use of various clean energy resources. As such, MCE has committed to assembling a power supply portfolio that not only exceeds the renewable energy content offered by the incumbent utility (PG&E) but also provides customers with a "cleaner" energy alternative, as measured by a comparison of the portfolio GHG emission rate (or emission factor) published by each organization. This comparison will be performed on an annual basis in consideration of each utility's (MCE and PG&E) most recently published emission factor. Due to typical timelines affecting the availability of such information, the current comparison (focused on the 2012 calendar year) will generally reference PG&E data that relates to utility operations occurring 12 to 24 months prior to the current calendar year. This waiting period is necessary to facilitate the compilation of final electric energy statistics (e.g., customer energy use and renewable energy deliveries) and to allow sufficient time for data computation, and review and audit before releasing such information to the public. For example, PG&E's 2012 emission factor was recently published in February 2014 – this is the most current available emission factor for PG&E. Going forward, the timeline associated with PG&E emission factor availability is not expected to change. However, MCE may choose to release subsequent annual emission statistics (for calendar year 2013 and beyond) as information becomes available, which may precede PG&E's timeline – following PG&E's publication of annual emission statistics, MCE will complete an emission rate comparison. For purposes of this document, the aforementioned emission factor comparison will focus on the 2012 calendar year.

In each calendar year, MCE will endeavor to procure GHG-free energy supplies in sufficient quantities to ensure that MCE provides its customers with an electric energy supply that generates fewer GHG emissions per megawatt hour than the incumbent utility.¹ The noted future purchases of GHG-free energy supplies will be based on reasonable projections of PG&E's emission rate, which will take into consideration planned increases in Renewables Portfolio Standard procurement obligations and other publicly available discussion of PG&E's planned procurement activities and/or projections. Through this ongoing process, MCE will facilitate the procurement (and delivery) of energy supplies that generate fewer GHG emissions per megawatt hour than the incumbent utility.

About Emission Rates

Portfolio emission rates reflect the proportionate use of various fuel sources and resource types within a utility's supply portfolio. To the extent that selected resources emit GHGs while producing electric energy, such resources will increase the utility's portfolio emission factor (above zero). Conversely, the inclusion of resources that do not emit GHGs will reduce the utility's portfolio emission factor. In general, renewable energy resources, which use fuel sources like wind and sunlight (solar), have been identified as non-polluting or GHG-free. Similarly, hydroelectric and nuclear generators, which do not involve GHG-emitting combustion processes, are also considered to be non-polluting or carbon-neutral (i.e., the net emissions impact associated with electric power production is less than or equal to the status quo). Consistent with its adopted Integrated Resource Plan, MCE does not engage in procurement transactions with nuclear generating facilities and will rely exclusively on renewable energy resources and hydroelectricity to ensure delivery of a comparatively cleaner energy supply.²

Because of widely varying opinions and computations focused on the environmental impacts associated with specific generating technologies, it is important to identify an industry-accepted standard when determining the emission impacts attributable to generating facilities included within a utility's supply portfolio. To avoid the potential for perpetual policy and accounting changes that could result from the use of ad hoc (and potentially inaccurate) emission calculations for certain generating resources, MCE decided to incorporate statistics prepared by the California Air Resources Board's (CARB) when determining emissions associated with its energy supply portfolio. In particular, CARB's published emission rate for unspecified sources, or "system power", provides an unbiased, publicly available reference that can be incorporated in instances where specific generating sources cannot be identified. Application of standards such as this will facilitate an "apples to apples" comparison of emission factors posted by MCE and other electric utilities, including PG&E.

MCE has also joined The Climate Registry, "a nonprofit collaboration among North American states, provinces, territories and Native Sovereign Nations that sets consistent and transparent standards to calculate, verify and publicly report greenhouse gas emissions into a single registry." Through its membership, MCE has access to the

¹ MCE will complete such purchases to the extent that available GHG-free energy products will not necessitate out-of-cycle rate adjustments or impose material budgetary impacts. If such consequences would result from the incremental procurement of GHG-free energy products, MCE will seek Board approval prior to engaging in related transactions.

² Conversely (and according to its September 2013 Power Content Label bill insert), PG&E's published 2012 power mix included 21% nuclear generation.

policies, procedures and GHG accounting guidelines endorsed by this organization and can incorporate such guidelines when determining its portfolio emissions factor. Furthermore, for certain MCE customers that are also members of The Climate Registry, MCE has prepared the attached Emission Factor Certification template, which can be used by these customers when completing voluntary reporting efforts to The Climate Registry. Looking ahead, MCE will continue to update (and post on its website) this certification template so that it can be readily accessed and used by MCE customers.

Determination of MCE's Total Portfolio Emission Factor

For the 2012 calendar year, MCE's supply portfolio was heavily weighted towards non-carbon emitting resources. In fact, over 60% of MCE's energy supply was attributable to various renewable energy and hydroelectric purchases, which do not emit GHGs. The following table summarizes MCE's aggregate energy purchases, including both Light Green and Deep Green sales volumes, for the 2012 calendar year. It is important to note that all "zero carbon" energy volumes are attributable to hydroelectric generating sources located within California and throughout the Western U.S.

2012	MWh Purchased	% Total
Total Renewable Energy	304,551	53.4%
<i>RPS – Eligible Renewable</i>	166,522	29.2%
<i>Non-RPS Eligible Renewable</i>	138,029	24.2%
Zero Carbon	40,000	7.0%
System Power	225,593	39.6%
Total	570,144	100%

When determining MCE's aggregate portfolio emission factor, the aforementioned CARB emission rate for unspecified sources, which equals 0.428 metric tons CO₂e/MWh, was applied to MCE's system power purchases – 225,593 MWh during the 2012 calendar year. All other non-emitting resources were assigned an emission factor of zero. As such, MCE's portfolio emissions for the 2012 calendar year totaled 96,554 metric tons or approximately 213 million pounds of carbon dioxide equivalent. These emission totals were divided by MCE's aggregate energy deliveries of 570,144 MWhs, resulting in an MCE portfolio emissions rate of 0.169 metric tons CO₂e/MWh, or 373 lbs/MWh, for the 2012 calendar year. The following table provides additional detail regarding these emissions computations for MCE's 2012 supply portfolio.

2012 Calendar Year	MWh Purchased	% Total	Emission Rate (metric tonnes CO ₂ e/MWh)	Total Emissions (metric tonnes)	Emission Rate (lbs CO ₂ e/MWh)	Total Emissions (lbs)
Total Renewable Energy	304,551	53.4%	0.000	0	0	0
RPS – Eligible	166,522	29.2%	0.000	0	0	0
Non-RPS Eligible Renewable	138,029	24.2%	0.000	0	0	0
Zero Carbon	40,000	7.0%	0.000	0	0	0
System Power	225,593	39.6%	0.428	96,554	944	212,864,133
Totals	570,144	100%	0.169	96,554	373	212,864,133

Based on these calculations, it has been determined that MCE's 2012 aggregate portfolio emission factor was approximately 19% lower than PG&E's reported 2012 emission factor of 445 lbs/MWh.³

³ PG&E's final 2012 emission factor, as reported at <http://www.pgecurrents.com/2014/02/06/new-numbers-confirm-pge%E2%80%99s-energy-among-the-cleanest-in-nation/>.

As previously noted, MCE will continue to update subsequent annual emissions factors based on currently available data, including actual energy purchases and CARB's then-effective emission rate for unspecified sources.

Recommendation: Approve the use, distribution and web posting of: 1) MCE's Emission Factor Certification Template, as provided by The Climate Registry; and 2) the "Understanding MCE's GHG Emission Factors" document.

Understanding MCE's GHG Emission Factors – Calendar Year 2012

Summary

A key environmental metric for the MCE program is the greenhouse gas (GHG) emissions profile of the MCE supply portfolio. This paper describes the methodology used to calculate GHG emissions rates for the MCE program. Based on this methodology, the calendar year (CY) 2012 GHG emissions rates for the MCE supply portfolio and retail service options are as follows:

Light Green Service (50% Renewable):	380 lbs CO ₂ e/MWh (CY 2011 = 389 lbs CO ₂ e/MWh)
Deep Green Service (100% Renewable):	0 lbs CO ₂ e/MWh (CY 2011 = 0 lbs CO ₂ e/MWh)
Total MCE Portfolio:	373 lbs CO ₂ e/MWh (CY 2011 = 374 lbs CO ₂ e/MWh)

Background

A key tenet of MCE's mission, and a charter objective of the agency, is to reduce energy related greenhouse gas emissions through the development and use of various clean energy resources. As such, MCE has committed to assembling a power supply portfolio that not only exceeds the renewable energy content offered by the incumbent utility, Pacific Gas & Electric Company (PG&E), but also provides customers with a "cleaner" energy alternative, as measured by a comparison of the portfolio GHG emission rate (or emission factor) published by each organization. This comparison will be performed on an annual basis in consideration of each utility's most recently published emission factor. Due to typical timelines affecting the availability of such information, the current comparison (in this case, a comparison focused on CY 2012) will generally reference PG&E data that relates to utility operations occurring 12 to 24 months prior to the current calendar year. This waiting period is necessary to facilitate the compilation of final electric energy statistics (e.g., customer energy use and renewable energy deliveries) and to allow sufficient time for data computation, review, and audit before releasing such information to the public. For example, PG&E's 2012 emission factor was recently published in February 2014 – this is the most current available emission factor for PG&E. Going forward, the timeline associated with PG&E emission factor availability is not expected to change. However, MCE may choose to release subsequent annual emission statistics (for CY 2013 and beyond) as information becomes available, which may precede PG&E's timeline – following PG&E's publication of annual emission statistics, MCE will complete an emission rate comparison. For purposes of this document, the aforementioned emission factor comparison will focus on the 2012 calendar year.

In each calendar year, MCE will endeavor to procure GHG-free energy supplies in sufficient quantities to ensure that MCE provides its customers with an electric energy supply that generates fewer GHG emissions per megawatt hour than the incumbent utility.¹ The noted future purchases of GHG-free energy supplies will be based on reasonable projections of PG&E's emission rate, which will take into consideration planned increases in Renewables Portfolio Standard procurement obligations and other publicly available discussions of PG&E's planned procurement activities and/or projections. Through this ongoing process, MCE will facilitate the procurement (and delivery) of energy supplies that generate fewer GHG emissions per megawatt hour than the incumbent utility.

¹ MCE will complete such purchases to the extent that available GHG-free energy products will not necessitate out-of-cycle rate adjustments or impose material budgetary impacts. If such consequences would result from the incremental procurement of GHG-free energy products, MCE will seek Board approval prior to engaging in related transactions.

About Emission Rates

Portfolio emission rates reflect the proportionate use of various fuel sources and resource types within a utility's supply portfolio. To the extent that selected resources emit GHGs while producing electric energy, such resources will increase the utility's portfolio emission factor (above zero). Conversely, the inclusion of resources that do not emit GHGs will reduce the utility's portfolio emission factor. In general, renewable energy resources, which use fuel sources like wind and sunlight (solar), have been identified as non-polluting or GHG-free. Similarly, hydroelectric and nuclear generators, which do not involve GHG-emitting combustion processes, are also considered to be non-polluting or carbon-neutral (i.e., the net emissions impact associated with electric power production is less than or equal to the status quo). Consistent with its adopted Integrated Resource Plan, MCE does not engage in procurement transactions with nuclear generating facilities and will rely exclusively on renewable energy resources and hydroelectricity to ensure delivery of a comparatively cleaner energy supply.²

Because of widely varying opinions and computations focused on the environmental impacts associated with specific generating technologies, it is important to identify an industry-accepted standard when determining the emission impacts attributable to generating facilities included within a utility's supply portfolio. To avoid the potential for perpetual policy and accounting changes that could result from the use of ad hoc (and potentially inaccurate) emission calculations for certain generating resources, MCE decided to incorporate statistics prepared by the California Air Resources Board's (CARB) when determining emissions associated with its energy supply portfolio. In particular, CARB's published emission rate for unspecified sources, or "system power", provides an unbiased, publicly available reference that can be incorporated in instances where specific generating sources cannot be identified. With regard to the aforementioned emission rate for unspecified sources, CARB has assigned a rate of 0.428 metric tonnes carbon dioxide equivalent per megawatt hour (MT CO₂e/MWh), or 943.58 pounds CO₂e/MWh (lbs CO₂e/MWh). This emission rate can be referenced in section 95111(b)(1) of CARB's February 2014 update to the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions: <http://www.arb.ca.gov/cc/reporting/ghg-rep/regulation/mrr-2013-clean.pdf>. Application of standards such as this will facilitate an "apples to apples" comparison of emission factors posted by MCE and other electric utilities, including PG&E.

MCE has also joined The Climate Registry, "a nonprofit collaboration among North American states, provinces, territories and Native Sovereign Nations that sets consistent and transparent standards to calculate, verify and publicly report greenhouse gas emissions into a single registry." Through its membership, MCE has access to the policies, procedures and GHG accounting guidelines endorsed by this organization and can incorporate such guidelines when determining its portfolio emissions factor. Furthermore, for certain MCE customers that are also members of The Climate Registry, MCE has prepared the attached Emission Factor Certification template, which can be used by these customers when completing voluntary reporting efforts to The Climate Registry. Looking ahead, MCE will continue to update (and post on its website) this certification template so that it can be readily accessed and used by MCE customers.

Calculating GHG Emissions from Unspecified Sources

Not all electric energy purchases are associated with specific generating facilities. Many industry contracts identify the use of "system power," a term of art that is regularly used in the utility industry to define electric energy that is produced and delivered to the grid by various generating resources not under contract with particular buyers, instead of specific generating facilities. Such delivery arrangements provide increased flexibility for energy sellers which often results in reduced energy prices for buyers. While there are certain economic and operational

² Conversely (and according to its September 2013 Power Content Label bill insert), PG&E's published 2012 power mix included 21% nuclear generation.

efficiencies that may relate to the use of system power, there are also complications that can surface when attempting to quantify GHG emissions associated with energy production from unspecified generating sources. Because many load-serving entities (LSEs) within California rely heavily on the use of system power to fulfill their respective service obligations (for example, PG&E's 2012 Power Content Label indicated the delivery of 21% of total supply from unspecified sources), it is important to identify an emission factor for such deliveries that can be referenced by LSEs when compiling emission statistics. As previously noted, CARB has established an emission factor for unspecified generating sources to facilitate GHG calculations and reporting associated with the use of system power and power purchases from generation "portfolios," which do not create direct relationships between specific electric generators and energy buyers. MCE staff previously engaged CARB in discussions and email exchanges to confirm the appropriate use of this emission rate for all unspecified/system power purchases; CARB advised MCE to use this published emission factor when determining GHG emissions associated with such purchases. Based on MCE's review, CARB did not update the aforementioned emission factor in its current (February 2014) version of the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions. MCE will continue to monitor this item and will update its future emission factor calculations in consideration of any adjustments that may be made by CARB to this statistic.

Identification of a credible, publicly available system power emission factor is particularly relevant for MCE, which relies on the use of system power to meet some of its customers' non-renewable energy requirements. CARB's emission factor for unspecified sources has been applied by MCE when determining total emissions associated with system power purchases. It is also noteworthy that PG&E appears to have applied a similar factor when calculating emissions associated with unspecified generating sources.

Determination of MCE's Total Portfolio Emission Factor

For the 2012 calendar year, MCE's supply portfolio was heavily weighted towards non-carbon emitting resources. In fact, over 60% of MCE's energy supply was attributable to various renewable energy and hydroelectric purchases, which do not emit GHGs. The following table summarizes MCE's aggregate energy purchases, which includes both Light Green and Deep Green sales volumes, for the 2012 calendar year. It is important to note that all "zero carbon" energy volumes are attributable to hydroelectric generating sources located within the Western U.S.

2012	MWh Purchased	% Total
Total Renewable Energy	304,551	53.4%
RPS – Eligible Renewable	166,522	29.2%
Non-RPS Eligible Renewable	138,029	24.2%
Zero Carbon	40,000	7.0%
System Power	225,593	39.6%
Total	570,144	100%

When determining MCE's aggregate portfolio emission factor, the aforementioned CARB statistic of 0.428 metric tons CO₂e/MWh was applied to MCE's system energy purchases, which totaled 225,593 MWh during the 2012 calendar year. All other non-emitting resources were assigned an emission factor of zero. As such, MCE's portfolio emissions for the 2012 calendar year totaled 96,554 metric tons or approximately 213 million pounds. These emission totals were divided by MCE's aggregate energy deliveries of 570,144 MWhs, resulting in an MCE portfolio emissions rate of 0.169 metric tons CO₂e/MWh, or 373 lbs/MWh, for the 2012 calendar year. The following table provides additional detail regarding these emissions computations for MCE's 2012 supply portfolio.

2012 Calendar Year	MWh Purchased	% Total	Emission Rate (metric tonnes CO2e/MWh)	Total Emissions (metric tonnes)	Emission Rate (lbs CO2e/MWh)	Total Emissions (lbs)
Total Renewable Energy	304,551	53.4%	0.000	0	0	0
RPS – Eligible	166,522	29.2%	0.000	0	0	0
Non-RPS Eligible Renewable	138,029	24.2%	0.000	0	0	0
Zero Carbon	40,000	7.0%	0.000	0	0	0
System Power	225,593	39.6%	0.428	96,554	944	212,864,133
Totals	570,144	100%	0.169	96,554	373	212,864,133

Based on these calculations, it has been determined that MCE’s 2012 aggregate portfolio emission factor (of 373 lbs/MWh) was approximately 19% lower than PG&E’s reported 2012 emission factor of 445 lbs/MWh.³

Determination of MCE’s Light Green and Deep Green Emission Factors

While certain stakeholders may be interested in MCE’s previously discussed aggregate emission factor, there is also an interest in clearly understanding the specific emission factors associated with MCE’s retail supply options: Light Green (minimum 50% renewable energy content) and Deep Green (100% renewable energy content). As such, MCE has calculated product-specific emission factors, which may be useful to certain customers who want to better understand the direct environmental impacts resulting from energy consumption within their respective households and/or businesses. It is important to note that any MCE customer may choose to “zero out” energy-related emissions by voluntarily selecting the Green-e certified Deep Green 100% renewable energy option. For more information regarding Deep Green enrollment, customers are encouraged to visit: www.mceCleanEnergy.com/deepgreen.

Light Green: MCE diligently plans and procures electricity to ensure the cleanest possible power supply for Light Green customers. During the 2012 calendar year, MCE delivered a total of 559,836 MWh to Light Green customers of which 164,461 MWh (29.4% of total) were supplied from qualifying, California Renewables Portfolio Standard (“RPS”) eligible sources, including biomass, landfill gas and wind. An additional 129,783 MWh (23.2% of total) were supplied from other wind and solar resources. MCE also delivered 40,000 MWh (7.1% of total) from non-polluting hydroelectric generators. The aforementioned resources, which comprised 59.7% of MCE’s total Light Green supply portfolio, were all determined to be carbon-free or carbon-neutral based on specified fuel sources. The balance of Light Green resource requirements were supplied from unspecified sources, or “system power.” This CARB emission rate of 943.58 lbs CO2e/MWh was multiplied by total system power deliveries (225,593 MWh, or 40.3% of total), resulting in total Light Green portfolio emissions of approximately 213 million pounds of CO2 equivalent. As this total represented the entirety of emissions associated with MCE’s Light Green power supply portfolio, the amount of 213 million pounds of CO2 equivalent was divided by the total delivered Light Green electricity volume of 559,836 MWh, resulting in a 2012 Light Green emission factor of 380 lbs CO2e/MWh.

Deep Green: A voluntary, 100% renewable energy supply option that is available to all customers within the MCE service territory. During the 2012 calendar year, MCE supplied a total of 10,307 MWh to Deep Green customers. A total of 2,061 MWh (20% of total) were supplied from qualifying, California RPS-eligible wind sources. An additional 8,246 MWh (80.0% of total) were supplied from other wind resources, which meet Green-e Energy eligibility requirements – “Green-e is the nation's leading independent certification and verification program for renewable energy and greenhouse gas emission reductions in the retail market,” which is administered/monitored

³ PG&E’s final 2012 emission factor, as reported at <http://www.pgecurrents.com/2014/02/06/new-numbers-confirm-pge%E2%80%99s-energy-among-the-cleanest-in-nation/>.

by the San Francisco-based Center for Resource Solutions.⁴ As a result of the 100% renewable energy supply that was delivered to Deep Green customers, the emission factor was determined to be zero lbs CO₂e/MWh.

As previously noted, MCE will continue to update subsequent annual emissions factors based on currently available data, including actual energy purchases and CARB's then-effective emission rate for unspecified sources. Any questions regarding this information should be forwarded to info@mceCleanEnergy.com. Additional information regarding MCE's emission factors can be located at www.mcecleanenergy.com.

⁴ Information as posted on the Green-e website: <http://www.green-e.org/about.shtml>.

MCE Emission Factor Certification Template, as provided by The Climate Registry:

March 12, 2014

[Member] may use the Marin Clean Energy's (MCE) 2012 emission factor in their voluntary greenhouse gas report submitted to The Climate Registry. Please note that MCE, the first operating Community Choice Aggregation program in California, offers two distinct retail supply options: 1) Light Green, which is the default retail supply option that procured nearly 53% renewable energy for MCE customers during the 2012 calendar year (MCE has committed to delivering Light Green customers a minimum 50% renewable energy supply); and 2) Deep Green, a voluntary retail supply option that procures 100% renewable energy for participating MCE customers.

With respect to the Light Green retail supply option, the 2012 emission factor was determined to be 380 pounds of carbon dioxide equivalent per megawatt hour (lbs CO²e/MWh). For the Deep Green retail supply option, the 2012 emission factor was determined to be zero lbs CO²e/MWh, as a result of MCE delivering 100% renewable energy to participating customers. When considered in aggregate, MCE's total portfolio emission factor, which reflects the procurement of resources sufficient to supply all MCE customers (both Light Green and Deep Green), was determined to be 373 lbs CO²e/MWh for the 2012 calendar year – this statistic has been calculated for informational purposes only. In reporting to The Climate Registry, [Member] has selected the appropriate emissions factor corresponding with the retail supply option(s) under which [Member] received electric service during the 2012 calendar year.

MCE has calculated its 2012 emission factor of 380 lbs CO²e/MWh for the Light Green product and zero lbs CO²e/MWh for the Deep Green product based on the following independently developed methodology:

1. Light Green retail electricity product: Marin Clean Energy diligently plans and procures electricity to ensure the cleanest possible power supply for Light Green customers. During the 2012 calendar year, MCE delivered a total of 559,836 MWh to Light Green customers of which 164,461 MWh (29.4% of total) were supplied from qualifying, California Renewables Portfolio Standard (RPS) eligible sources, including biomass, landfill gas, small hydroelectric, solar and wind – these RPS-eligible renewable energy volumes will be used to demonstrate compliance with California's RPS and will be retired through the Western Renewable Energy Generation Information System (WREGIS) consistent with applicable regulatory guidelines. An additional 129,783 MWh (23.2% of total) were supplied from wind and solar resources not qualifying for California's RPS – these renewable energy volumes will also be retired through the WREGIS system. MCE also delivered 40,000 MWh (7.1% of total) from non-polluting hydroelectric generators. The aforementioned resources, which comprised 59.7% of MCE's Light Green supply portfolio, were all determined to be carbon-free or carbon-neutral based on specified fuel sources. The balance of Light Green resource requirements were supplied from unspecified sources, or "system power", for which the California Air Resources Board (CARB) has assigned an emission rate of 0.428 metric tonnes CO²e/MWh, or 943.58 lbs CO²e/MWh. This emission rate is publicly available and can be referenced in section 95111(b)(1) of CARB's February 2014 update to the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions: <http://www.arb.ca.gov/cc/reporting/ghg-rep/regulation/mrr-2013-clean.pdf>. MCE staff previously engaged CARB in discussions and email exchanges to confirm the appropriate use of this emission rate for all unspecified/system power purchases; CARB advised MCE to use this published emission factor when determining GHG

emissions associated with such purchases. For purposes of determining MCE's Light Green emission factor for the 2012 calendar year, the aforementioned CARB emission rate of 943.58 lbs CO²e/MWh was multiplied by total system power deliveries (225,593 MWh, or 40.3% of total), resulting in Light Green portfolio emissions approximating 213 million pounds of CO² equivalent. As this total represented the entirety of emissions associated with MCE's Light Green power supply portfolio, the amount of 213 million pounds of CO² equivalent was divided by the total delivered Light Green electricity volume of 559,836 MWh, resulting in a 2012 Light Green emission factor of 380 lbs CO²e/MWh.

2. Deep Green retail electricity product: Marin Clean Energy offers the Deep Green, 100% renewable energy retail supply option on a voluntary basis. During the 2012 calendar year, MCE supplied a total of 10,307 MWh to Deep Green customers. A total of 2,061 MWh (20% of total) were supplied from qualifying, California RPS-eligible wind sources – these RPS-eligible renewable energy volumes will be used to demonstrate compliance with California's RPS and will be retired through the WREGIS consistent with applicable regulatory guidelines. An additional 8,246 MWh (80.0% of total) were supplied from wind resources not qualifying for California's RPS – these renewable energy volumes have been retired through the WREGIS system. As a result of the 100% renewable energy supply that was delivered to Deep Green customers, the resultant emission factor was determined to be zero lbs CO²e/MWh.

To determine MCE's total portfolio emission factor for the 2012 calendar year, which reflects the procurement of resources sufficient to supply both Light Green and Deep Green customers, MCE's total portfolio emissions of 213 million pounds of CO² equivalent were divided by total retail sales to all MCE customers (both Light Green and Deep Green), which equaled 570,144 MWhs.¹ The resultant emission factor for MCE's total supply portfolio was determined to be 373 lbs CO²e/MWh.

With respect to the noted renewable energy and hydroelectric purchases included within MCE's Light Green and Deep Green energy supply portfolios, MCE has retained all pertinent transaction records, including applicable renewable energy certificates received through WREGIS, to substantiate its procurement activities and emission factor calculations. When determining the aforementioned emission factors, MCE has only reflected the impacts of renewable and carbon-neutral/carbon-free resources for which it owns and possesses applicable renewable energy certificates and/or transaction records. All applicable renewable energy certificates are held in MCE's WREGIS account until such time that certain certificates must be "retired" to demonstrate mandatory and/or voluntary compliance. Any questions regarding the previously noted emission factors and/or related calculations should be directed to the following point of contact:

Kirby Dusel
kirby@paradigmec.com
Marin Clean Energy
781 Lincoln Avenue, Suite 320
San Rafael, California 94901
1 (888) 632-3674

¹ The sum of MCE's Light Green and Deep Green energy sales may not equal total reported MCE retail sales due to numeric rounding.



KEY LEGISLATION AND GLOSSARY OF TERMINOLOGY AND ACRONYMS

KEY LEGISLATION:

AB 32 – Assembly Bill 32, the Global Warming Solutions Act of 2006

AB 32 is an environmental law in California that establishes a timetable to bring California into near compliance with the provisions of the Kyoto Protocol.

AB 117 – Assembly Bill 117, Community Choice Aggregation Enabling Legislation

AB 117 is the California legislation passed in 2002 that enabled community choice aggregation, authored by then Assemblywoman Carole Migden.

SB 790 – Senate Bill 790, Charles McGlashan Community Choice Aggregation Act

SB 790, authored by state Senator Mark Leno, was passed in 2012. This bill institutes a code of conduct, associated rules, and enforcement procedures for IOUs' regarding how they interact with CCA. This bill also clarified a CCA's equal right to participating in ratepayer-funded energy efficiency programs.

SB (1X) 2 – Senate Bill 2 (1st Extd. Session) California Renewable Energy Resources Act

SB (1X) 2 was approved in April of 2011 to expand upon previous RPS legislation. It raised the statewide RPS procurement target to 33% by 2020 and also includes interim procurement targets, new RPS content categories, and limitations. All IOUs, CCAs, ESPs, and POU's are all required to meet these procurement goals (with certain exceptions). The CPUC is addressing the implementation of SB (1X) 2 through its rulemaking process (R.11-05-005).

TERMINOLOGY:

Bundled Customers: receive both their electricity generation and distribution services from the same entity, typically the resident IOU.

Energy: the amount of work that can be (or has been) performed. When electrical appliances are run to wash cloths, watch television, chill food, or create light, these are all instances of

electricity performing work. Within the electric sector, the amount of electricity (or energy) that it takes to perform this work is expressed in units of kilowatt-hours (kWh) or megawatt-hours (MWh). The amount of electricity usage that appears on one's electricity bill is a common expression of energy consumption and is typically noted in units of kWh.

Power: the amount of energy generated, transmitted, or consumed per unit of time. Within the electric sector, power is expressed in units of kilowatts (kW) or megawatts (MW). In this context these measurements of power are often used to describe (i) the capacity (i.e. bandwidth) of a generation facility to supply electricity to the grid, (ii) the amount of electricity a portion of the grid infrastructure can transmit, and (iii) the rate of consumption (i.e. demand) of electricity by customers.

Unbundled Customers: receive their electricity generation and distribution services from separate entities. Customers of MCE are considered unbundled customers because they purchase their electricity generation for MCE and their electricity distribution from PG&E.

KEY ACRONYMS:

CAISO – California Independent System Operator

The CAISO maintains reliability and accessibility to the California transmission grid. The CAISO manages, but does not own, the transmission system and oversees grid maintenance.

CAM – Cost Allocation Mechanism

CAM relates to the socialized costs of capacity (i.e. power) and is a mechanism for passing through RA-related procurement costs within an IOU's service territory. In cases where there is a system or local reliability need, the Commission may authorize an IOU to procure RA on behalf of other LSEs and to recover the related capacity costs through a NBC.

CARB – California Air Resources Board

CARB was established by California's Legislature in 1967 to: 1) attain and maintain healthy air quality; 2) conduct research to determine the causes of and solutions to air pollution; and 3) address the issue of motor vehicles emissions.

CCA – Community Choice Aggregation

CCA allows cities and counties to aggregate the buying power of individual customers within a defined jurisdiction in order to secure alternative energy supply. MCE is the only operational CCA in California.

CEC – California Energy Commission

The CEC is California's primary energy policy and planning agency. It has responsibility for activities that include forecasting future energy needs, promoting energy efficiency through appliance and building standards, and supporting renewable energy technologies.

CHP – Combined Heat and Power

CHP (also referred to as Cogeneration) is the use of a heat engine or a power station to convert waste heat (usually steam) into additional electricity. Not necessarily considered renewable energy, CHP is still encouraged by state policy and regulations because it is more energy efficient than conventional power generation systems.

CIA – Conservation Incentive Adjustment

The CIA is a NBC unrelated to generation, transmission or distribution. This rate design was implemented in the PG&E service territory in July 2012, replacing tiered generation and distribution rates with a flat rates and an added CIA charge/credit. Low usage customers receive a credit from the CIA, while high usage customers see added fees.

CPUC – California Public Utilities Commission

The CPUC, also simply called the Commission, is the entity that regulates privately-owned utilities in the state of California, including electric power, telecommunications, natural gas and water companies. The CPUC has limited jurisdiction over CCAs.

DA – Direct Access

DA is an option that allows eligible customers to purchase their electricity directly from competitive ESPs. There are legislatively mandated caps on DA that have gradually increased since the energy crisis. Large energy users in particular seek the cost certainty associated with being on DA service.

DG – Distributed Generation

DG refers to small, modular electricity sources sited at the point of electricity consumption. One example of residential distributed generation is an array of solar panels installed on a home's roof.

DR – Demand Response

DR refers to intentional changes in electric usage by customers from their normal consumption patterns in response to changes in the price of electricity over time, or to incentive payments designed to induce lower electricity use.

EE – Energy Efficiency

EE is a way of managing and restraining the growth in energy consumption. It refers to using less energy to provide the same service. For example: In the summer, efficient windows keep the heat out so that the air conditioner runs less often which helps save electricity.

ES – Energy Storage

ES refers to various types of technologies that store energy to perform useful operation at a later time. ES devices can provide various benefits to electricity suppliers, electricity customers, and the electricity grid depending upon how they are leveraged. ES devices can be located at many different levels within the electricity grid (customer-sited, generation-sited, or within the distribution or transmission grid infrastructure), and where these devices are located influences what benefits these devices can provide.

ESP – Electricity Service Provider

ESPs are non-utility entities that offer DA electric service to customers within the service territory of an electric utility. ESPs share various regulatory interests with CCAs because the customers of both types of entities face departing load charges through the PCIA and other non-bypassable charges.

EV – Electric Vehicle

EV is a general term for an electric vehicle. Within EV there are many subtypes. The two main types are Plug-in Hybrid Electric Vehicles (PHEV) and Battery Electric Vehicles (BEV). PHEV use a combination of gasoline and electricity (e.g. Plug-In Hybrid Prius and Chevy Volt). BEV use only electricity to fuel the vehicle (e.g. Tesla Model S, Tesla Roadster, and Nissan Leaf). Because EVs depend on batteries to store their energy, they can behave like ES devices as well.

FC – Flexible Capacity

FC is a specialized type of capacity that can respond more quickly than conventional RA (*see below*) resources to fluctuations in the supply and demand of electricity within the grid. Obligations to procure FC resources may soon be required for all LSEs (*see below*) in order to help offset increased instability within the grid due to wider-spread usage of intermittent generation resources such as solar and wind and changes in customer usage patterns.

FFS – Franchise Fee Surcharge

The Franchise Fee is a small percentage of gross receipts collected by PG&E to pay for the right to use public streets to run gas and electric service. In the case of MCE, a “Franchise Fee Surcharge” is added to bills to represent MCE’s share of the Franchise Fee which must be paid.

FIT – Feed-In Tariff

FITs are long-term, standard-offer, must-take contracts offered by electricity retailers to small-scale renewable developers for the procurement of DG renewable energy. MCE currently offers a FIT.

IOU – Investor Owned Utility

IOU refers to an electric utility provider that is a private company, owned by shareholders. The three largest IOUs in California are Pacific Gas and Electric (PG&E), Southern California Edison (SCE) and San Diego Gas and Electric (SDG&E).

LSE – Load Serving Entity

LSEs are a categorization term that refers to IOUs, ESPs, CCAs, and any other entity serving electricity load to end-use or wholesale customers. POUs are excluded from this categorization.

NBC – Non-Bypassable Charge

NBCs are line item charges that all distribution customers (both Bundled and Unbundled) must pay. Types of NBCs include transmission access charges and nuclear power plant decommissioning costs.

NEM – Net Energy Metering

NEM allows a customer to be credited when their renewable generation system generates more electricity than is used on site. The customer continues to pay for electricity when more electricity is used on site than the system produces.

PCIA – Power Charge Indifference Adjustment

The PCIA is an “exit fee” imposed on departing load that is intended to protect bundled utility customers. When customers leave bundled service to purchase electricity from an alternative supplier, such as MCE, the IOU, who had previously contracted for generation to serve these customers on a going-forward basis, is able to charge these departing customers the above market costs of that electricity (i.e. energy).

PDP – Peak Day Pricing

The primary demand response program offered by PG&E. Demand response programs allow customers to receive credit for reducing their electrical usage during certain high-usage periods. Continued usage during these periods can result in penalties. This program is one of the only PG&E programs unavailable to CCA customers.

POU – Publicly Owned Utility

POUs are locally publicly owned electric utilities that are administered by a board of publicly appointed representatives (similar to a CCA). POUs are not within the jurisdiction of the CPUC, and are thus subject to different regulation and enforcement than IOUs, CCAs, and ESPs.

PV – Photovoltaic

PV is solar electric generation by conversion of light into electrons. The most commonly known form of solar electric power is roof panels on homes.

RA – Resource Adequacy

RA refers to a statewide mandate for all LSEs to procure a certain quantity of electricity resources that will ensure the safe and reliable operation of the grid in real time. RA also provides incentives for the siting and construction of new resources needed for reliability in the future.

RPS – Renewable Portfolio Standard

The RPS was created in 2002 under Senate Bill 1078 was most recently modified by SB (1X) 2 (2011). RPS requires that electricity providers meet certain minimum RPS requirements over time, and no less than 33% RPS by 2020.

VNEM/NEMV – Virtual Net Energy Metering

VNEM allows credit for renewable generation from a single account to be distributed to several other accounts, typically on-site. It otherwise generally functions the same as NEM.



**REGULATORY UPDATE
SUMMARY OF PROCEEDINGS**

MCE BOARD MEETING – APRIL 3, 2014

CALIFORNIA PUBLIC UTILITIES COMMISSION (CPUC)

Cost Allocation and Procurement Affecting CCA

1) 2014 Long Term Procurement Plan (LTPP) R.13-12-010

<u>MCE’s Interest:</u>	Involvement regarding the reflection of CCA in the LTPP.	
<u>Actions Taken:</u>	- Prehearing Conference	February 25
	- ACR on Joint Assumptions, Scenarios and RPS Portfolios for 2014 LTPP and 2013-2015 TPP	February 27
	- MCE Ex Parte with Comm. Picker’s Office	March 18
	- CAISO Final Study Plan completed	[March 2014]
<u>Next Steps:</u>	- Scoping Ruling	[April 2014]
	- IOUs file Bundled Procurement Plans	[Per Scoping Ruling]

2) PG&E 2014 General Rate Case – Phase 2 A.13-04-012

<u>MCE’s Interest:</u>	To address rate design and other issues applicable to CCA and MCE. Excludes residential rate design due to AB 327 implementation.	
<u>Actions Taken:</u>	- Continued Participation in Settlement Negotiations	
<u>Next Steps:</u>	- Settlement Progress Report	April 18
	- Settlement Progress Report	May 16
	- Rebuttal Testimony	May 30 or later
	- Evidentiary Hearings	Late June
	- Opening Briefs	[TBD]
	- Reply Briefs	[TBD]
	- Request for Final Oral Argument and Submission	[TBD]

3) Petition for Rulemaking on Cost Allocation Issues P.12-12-010

<u>MCE’s Interest:</u>	MCE has petitioned the CPUC to start a proceeding in which cost allocation, cross-subsidization and non-bypassable charge issues will be addressed.	
<u>Actions Taken:</u>	- N/A	

<u>Next Steps:</u>	- Workshop to be scheduled	[TBD]
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4) PG&E 2014 General Rate Case – Phase 1A.12-11-009, I.13-03-007

<u>MCE’s Interest:</u>	To address cost functionalization and other issues applicable to CCA and MCE.	
<u>Actions Taken:</u>	- PG&E Motion to Set Aside Submission and Reopen the Record	March 18
	- ALJ Ruling Shortening PG&E Response Time	March 19
	- PG&E Response Due	March 25
<u>Next Steps:</u>	- Proposed Decision Expected	[CPUC Action Pending]
	- Request for Oral Argument	10 days after PD
	- Decision	[CPUC Action Pending]

5) EPIC Implementation ApplicationsA.12-11-001, et al.

<u>MCE’s Interest:</u>	To insure that the program administrators (PG&E, SCE, and SDG&E) are applying these funds to programs in a competitively neutral fashion.	
<u>Actions Taken:</u>	- N/A	
<u>Next Steps:</u>	- Prehearing Conference	April 8
	- Second Triennial Investment Planning Cycle (2015-2017) to be initiated by IOU and CEC Applications	[TBD, 2014]

6) 2012 Long Term Procurement Plan (LTPP).....R.12-03-014

<u>MCE’s Interest:</u>	Involvement regarding the cost allocation mechanism (CAM) and other matters.	
<u>Actions Taken:</u>	<u>Track 3 – Procurement Rules:</u>	
	- Procurement Rules Decision Issued	February 27
	<u>Track 4 – San Onofre Nuclear Power (SONGS):</u>	
	- Comments on Proposed Decision	March 3
	- Reply Comments on Proposed Decision	March 10
	- SONGS Decision Issued	March 14
<u>Next Steps:</u>	- <u>Proceeding Closed</u>	

7) PG&E Economic Development Rate.....A.12-03-001

<u>MCE's Interest:</u>	This rate subsidy is intended to prevent companies from departing from California due to high energy costs; the rate is applied inequitably to CCA customers.	
<u>Actions Taken:</u>	<u>TURN Application for Rehearing</u> - Commission Decision Denying TURN Application for Rehearing and Motion to Stay	February 27
<u>Next Steps:</u>	<u>Advice Letter 4308-E</u> - Commission Disposition of PG&E Advice Letter 4308-E	[CPUC Action Pending]

8) PG&E 2012 Rate Design WindowA.12-02-020

<u>MCE's Interest:</u>	MCE is monitoring for zero minimum bill item to be resolved	
<u>Actions Taken:</u>	- Decision Issued Extending Statutory Deadline	March 3
<u>Next Steps:</u>	- Statutory Deadline Extended	May 4

9) Green Tariffs (SDG&E SunRate, PG&E Green Option, and Southern California Edison Green Tariff Shared Renewables)A.12-01-008, A.12-04-020, A.14-01-007

<u>MCE's Interest:</u>	Ensure appropriate customer protections and cost allocation of SDG&E's, PG&E's and SCE's Green Tariff Shared Renewables ("GTSR") Programs.	
<u>Actions Taken:</u>	- Commission Response to Motion to Consolidate - Opening Comments on PG&E Enhanced Community Renewables (ECR) Program - Reply Comments on PG&E ERC Program - Opening Briefs on PG&E/SDG&E Proposals - SCE Enhanced Community Renewables Program Proposal	[TBD] March 7 March 14 March 21 March 21
<u>Next Steps:</u>	- Reply Briefs on PG&E/SDG&E Proposals - Parties Notify Edison about Evidence Submitted Prior to Consolidation with SCE - Intervenor Testimony on SCE Proposal - Comments on SCE ECR - Rebuttal Testimony on SCE Proposal - Evidentiary Hearings SCE Proposal and ECR - Opening Briefs SCE Proposal and ECR - Reply Briefs SCE Proposal and ECR - Proposed Decision All Three IOU Proposals - Comments on Proposed Decision	April 4 April 4 April 11 April 11 April 18 April 22-25 May 2 May 9 June 9 June 16

- Reply Comments	June 23
- Final Commission Decision	June 26

10) SDG&E Energy Storage Application..... A.14-02-006

<u>MCE's Interest:</u>	To address cost allocation of IOU procured Energy Storage in compliance with D.13-10-040 and how this may impact CCAs and MCE.	
<u>Actions Taken:</u>	- SDG&E Application and Testimony Submitted	February 28
	- Application Noticed	March 4
	- Workshop on IOU Storage Application	March 14
<u>Next Steps:</u>	- Responses & Protests Filed	*April 7
	- Pre-Hearing Conference	*May 2
	- Scoping Memo	*May 9
	- Concurrent Opening Briefs	*May 23
	- Concurrent Reply Briefs	*June 4
	- Proposed Decision Issued	*August 2014
	- Commission Vote	*September 2014
	<i>*Proposed dates by Applicant</i>	

11) PG&E Energy Storage Application A.14-02-007

<u>MCE's Interest:</u>	To address cost allocation of IOU procured Energy Storage in compliance with D.13-10-040 and how this may impact CCAs and MCE.	
<u>Actions Taken:</u>	- PG&E Application and Testimony Submitted	February 28
	- Application Noticed	March 5
	- Workshop on IOU Storage Application	March 14
<u>Next Steps:</u>	- Responses & Protests Filed	*April 7
	- PG&E's Reply to Responses	*April 18
	- Pre-Hearing Conference	*May 2
	- Scoping Memo	*May 9
	- Concurrent Opening Briefs	*May 23
	- Concurrent Reply Briefs	*June 6
	- Proposed Decision Issued	*August 11
	- Commission Vote	*September 11
	<i>*Proposed dates by Applicant</i>	

12) SCE Energy Storage Application A.14-02-009

<u>MCE's Interest:</u>	To address cost allocation of IOU procured Energy Storage in compliance with D.13-10-040 and how this may impact CCAs and MCE.	
<u>Actions Taken:</u>	- SCE Application and Testimony Submitted	February 28
	- Application Noticed	March 5
	- Workshop on IOU Storage Application	March 14
<u>Next Steps:</u>	- Responses & Protests Filed	*April 7
	- PG&E's Reply to Responses	*April 18
	- Pre-Hearing Conference	*May 2
	- Scoping Memo	*May 9
	- Concurrent Opening Briefs	*May 23
	- Concurrent Reply Briefs	*June 6
	- Proposed Decision Issued	*August 11
	- Comments on PD	*September 1
	- Reply Comments on PD	*September 8
	- Commission Vote	*September 11
	<i>*Proposed dates by Applicant</i>	

Rulemakings on Standards

13) Joint Reliability Plan.....R.14-02-001

<u>MCE's Interest:</u>	Ensure that resource adequacy requirements, the joint reliability planning assessment, and new rules and policy adequately incorporate CCA interests.	
<u>Actions Taken</u>	- Reply Comments on Preliminary Scoping Memo	February 27
	- Pre-Hearing Conference	April 1
	- Notice of Co-Assignment	March 5
<u>Next Steps:</u>	<u>Track 1 (Multi-Year Resource Adequacy)</u>	
	- Assigned Commissioner's Ruling and Scoping Memo	April
	- Workshop on Track 1 and Track 3 Issues	April-May
	- Comments on Workshop	May
	<u>Track 2 (Long-Term Reliability Planning Assessment)</u>	
	- Staff proposal on methodology, assumptions, and rules for joint reliability planning assessments	July
	- Workshop	September
	- Comments and Replies	Sept. – Oct.
	- ACR or Commission Decisions on confidentiality, data collection, publication, methodology, assumptions, impact of assessment on ongoing CPUC proceedings, or other issues (as needed).	Nov. – Dec.
	- First assessment published.	Early 2015
	<u>Track 3 (Commission Policy Decisions on CAISO)</u>	

Proposal for Replacement to CPM) - CAISO Issues First Draft Straw Proposal - Workshop on CAISO Proposal - Proposed Decision on issues re: CAISO backstop procurement mechanism - Decision on issues re: CAISO backstop procurement mechanism	March June August September
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14) Electric Vehicle Rulemaking..... R.13-11-007

<u>MCE's Interest:</u>	Determine the role of CCAs in providing EV rates and services and evaluating the benefits and costs of EVs.	
<u>Actions Taken</u>	- Pre-Hearing Conference	February 26
<u>Next Steps:</u>	- Scoping Memo To Be Issued	[TBD]

15) General Rate Case Rulemaking..... R.13-11-006

<u>MCE's Interest:</u>	MCE will be involved to help determine the processes for General Rate Case filings.	
<u>Actions Taken:</u>	- Commission Scoping Ruling Anticipated - GRC OIR Workshop	February 26 March 19-21
<u>Next Steps:</u>	- Pre-Hearing Conference - Opening Comments on Refined Straw Proposal - Reply Comments on Refined Straw Proposal	April 29 May 12 May 30

16) Demand Response Rulemaking R.13-09-011

<u>MCE's Interest:</u>	MCE will be participating in demand response policy discussions and will advocate for an analysis of proper cost allocation for demand response programs and projects.	
<u>Actions Taken:</u>	<u>Phase 1: Bridge Funding</u> - Responses to Ruling re: Recommended Program Improvements, including questions - Demand Response Program Proposals - Replies to Program Improvement Proposals <u>Phase 2: Foundational Questions</u> - Ruling Issued providing guidance for Testimony and Hearings on Additional Issues	March 3 March 3 March 13 March 14
<u>Next Steps:</u>	<u>Phase 1: Bridge Funding</u> - Anticipated date for issuance of Proposed Decision	April 15

on Recommended Program Improvements	
<u>Phase 2: Foundational Questions</u>	
- Testimony Due	April 15
- Rebuttal Testimony Due	April 30
- Evidentiary Hearings	May 13-15
- Opening Briefs	June 16
- Reply Briefs	June 30
<u>PG&E Advice Letter 4306-E</u>	
- Commission Disposition of Joint Utility Automated Demand Response Program Design Proposal	[CPUC Action Pending]

17) Distributed Generation Rulemaking.....R.12-11-005

<u>MCE's Interest:</u>	MCE will be participating to evaluate changes to the California Solar Initiative (CSI), the Self-Generation Incentive Program (SGIP) and other Distributed Generation (DG) issues.	
<u>Actions Taken:</u>	<u>Energy Storage Systems Paired with NEM</u>	
	- Opening Comments on Proposed Transition period	March 12
	- Reply Comments	March 17
<u>Next Steps:</u>	-	

18) Residential Rate Rulemaking.....R.12-06-013

<u>MCE's Interest:</u>	MCE will be participating to ensure that residential rate design elements facilitate customer choice.	
<u>Actions Taken:</u>	<u>Phase 1 – Optimal Residential Rate Designs</u>	
	- Supplemental Filing Containing Phase 1 Rate Change Proposal filed and Answers to Questions 1-26 and related utility testimony served	February 28
	- PHC Statement filed	March 10
	- Pre-Hearing Conference	March 14
	- Rebuttal Testimony Served	March 14
	- Comments on Settlements	March 20
	- Answers to Questions 27-39 and any related testimony	March 21
	<u>Phase 2 – Interim Residential Rate Changes</u>	
	- Email Ruling Amending Procedural Schedule	February 25
	- Intervenor Testimony Served	March 5
	- Motions to Adopt Settlements Filed	March 5
	- Rebuttal Testimony Served	March 12
	- Evidentiary Hearings	March 24-26
<u>Next Steps:</u>	<u>Phase 1 – Optimal Residential Rate Designs</u>	

- Phase 1 Scoping Memo	March 31
- Supplemental Utility Testimony	April 11
- Intervenor Testimony	May 16
- Rebuttal Testimony	May 30
- Evidentiary Hearings	June/July
- Opening Briefs	August 15
- Reply Briefs	August 29
- Expected Proposed Decision	October 21
<u>Phase 2 – Interim Residential Rate Changes</u>	
- Opening Briefs	April 7
- Reply Briefs	April 16
- Proposed Decision	May 9

19) Resource Adequacy.....R.11-10-023

<u>MCE’s Interest:</u>	Track revisions to resource adequacy rules as they apply to CCA.	
<u>Actions Taken:</u>	<u>Track 3 (Flexible and Local Capacity Requirements)</u>	
	- Email Ruling Allowing Reply Comments	February 27
	- Reply Comments on December and January Workshops and Energy Division Proposals	March 3
<u>Next Steps:</u>	<u>Track 3 (Flexible and Local Capacity Requirements)</u>	
	- CAISO publishes draft LCR report	March 2014*
	- CAISO publishes final Flexible Capacity Requirement (FCR) report	April 1*
	- Comments on Final FCR Report	April 15
	- Reply Comments on Final FCR Report	April 22
	- CAISO publishes draft LRC Report	April*
	- CAISO publishes final LCR report	May 1*
	- Comments on Final LCR Report	May 8
	- Reply Comments on Final LCR Report	May 15
	- Proposed Decision on Track 3 LCR/FCR	May 2014
	- Final Decision on Track 3 LCR/FCR	June 2014
	* Subject to change by CAISO	

20) Renewables Portfolio Standard (RPS) R.11-05-005

<u>MCE’s Interest:</u>	Ensure appropriate implementation of RPS for purposes of CCA procurement.	
<u>Actions Taken:</u>	<u>Procurement Expenditure Limitations</u>	
	- PG&E Petition for Modification	February 26
	- Ruling Revising Schedule for Filing and Service	February 28
	- Comments on Revised Staff Proposal and Updated Alternative Proposals	March 19
<u>Next Steps:</u>	<u>Procurement Expenditure Limitations</u>	
	- Reply Comments on all Proposals	April 3
	<u>RPS Compliance and Enforcement</u>	
	- Awaiting next steps on compliance and enforcement	[TBD]
	<u>RPS Confidentiality</u>	
	- Awaiting next steps on RPS Confidentiality	[TBD]

21) Energy Storage R.10-12-007

<u>MCE’s Interest:</u>	This Phase 2 would “develop the costs and benefits for [energy storage systems] and establish how they should be allocated.”	
<u>Actions Taken:</u>	- IOUs filed Applications for 2014-2015	February 28
	- ES Workshop on IOU storage applications	March 14
<u>Next Steps:</u>	- Subsequent Energy Storage Rulemaking expected.	[TBD]
	- Commission consideration of Advice Letter	Q2 2014
	- First Energy Storage Auction	June 30
	- IOUs present results of Storage Auction to PRG and request approval of winning contracts	Q3-4 2014
	- Workshop evaluating data from first energy storage auction	Q4 2014
	- IOUs file Tier 3 Advice Letter with Proposed Second Energy Storage Auction Protocol	Q3 2015
	- Commission consideration of Advice Letter	Q1 2016
	- IOUs hold second energy storage auction	June 30, 2016

Greenhouse Gas Proceedings and Cap and Trade

22) Cap and Trade 2014 Outreach Application A.13-08-026, et al.

<u>MCE’s Interest:</u>	Ensure fair outreach for CCA customers regarding Cap and Trade.	
<u>Actions Taken:</u>	- N/A	
<u>Next Steps:</u>	<u>Phase 1: Determine whether IOUs or Third Party should</u>	

<p><u>be responsible for Outreach and Education</u> - Proposed Decision</p> <p><u>Phase 2: Evaluate Proposed O&E Plans or set Third Party Plan</u> - Awaiting Second Scoping Ruling</p>	<p>[CPUC Action Pending]</p> <p>[CPUC Action Pending]</p>
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23) Cap and Trade Cost and Revenue Allocation A.13-08-002, et al.

<u>MCE's Interest:</u>	Ensure fair allocation of costs and revenues to MCE customers for 2014.	
<u>Actions Taken:</u>	<u>Phase 2: New Methodologies</u> - Straw Poll Issued	February 28
<u>Next Steps:</u>	<u>Phase 2: New Methodologies</u> - Joint Utility Proposal to be Issued - Revised Staff Proposal Issued - All-Day Workshop - Opening Briefs and Comments - Reply Briefs and Comments - Revised Utility Proposal Issued - Motions for Evidentiary Hearings Filed - Concurrent Opening Briefs (including Comments on the Revised Utility Proposal) - Concurrent Reply Briefs (including Comments on the Revised Utility Proposal) - Proposed Decision Expected	March 25 April 2 April 8 April 16 April 23 April 29 May 6 May 13 May 20 July 2014

24) GHG Costs (AB 32 Implementation) R.11-03-012

<u>MCE's Interest:</u>	MCE will monitor this new Commission rulemaking which will address potential utility cost and revenue issues associated with greenhouse gas (GHG) emissions.	
<u>Actions Taken:</u>	<u>Track 2: Low Carbon Fuel Standard (LCFS) Credit Revenue Allocation</u> - PG&E Advice Letter 4371-E Issued - PG&E Advice Letter 4318-E-B - Proposed Effective Date on PG&E 4318-E-B - Protests on Advice Letter 4371-E	February 28 March 4 March 5 March 20
<u>Next Steps:</u>	<u>Track 2: Low Carbon Fuel Standard (LCFS) Credit Revenue Allocation</u> - Proposed Effective Date on PG&E 4371-E - Proposed Decision on LCFS	May 1 Q2 2014

Energy Efficiency

25) Water Energy Nexus.....R.13-12-011

<u>MCE's Interest:</u>	Monitor any forthcoming policy and ensure that CCA interests are included in possible partnership framework between IOUs and water sector
<u>Actions Taken</u>	- N/A
<u>Next Steps:</u>	- Await Scoping Memo [TBD]

26) Energy Efficiency RulemakingR.13-11-005

<u>MCE's Interest:</u>	Address EE program issues as they arise, including questions around the rolling portfolio cycle.
<u>Actions Taken</u>	<p><u>Phase 1: Extension of Current Portfolios</u></p> <ul style="list-style-type: none"> - Scoping Memo March 3 - 2015 Filings Workshop March 17
<u>Next Steps:</u>	<p><u>Phase 1: Extension of Current Portfolios</u></p> <ul style="list-style-type: none"> - Administrators File for 2015 Funding March 26 - Comments on Administrator Filings April 4 - Reply Comments on Administrator Filings April 17 - Proposed Decision Expected on 2015 Portfolio Funding May 13 - Expected Commission Decision on 2015 Portfolio Funding June 12 <p><u>Phase 2: 2016 and Beyond</u></p> <ul style="list-style-type: none"> - Awaiting Next Steps [TBD]

27) Applications for 2013-2014 Energy Efficiency ProgramsA.12-07-001, et al.

<u>MCE's Interest:</u>	This proceeding is the venue for MCE's application for energy efficiency funds pursuant to §381.1(a) for the 2013-14 funding cycle.
<u>Actions Taken:</u>	<p><u>Advice Letter 4347-E (PG&E) re: MCE's On-Bill Financing Program</u></p> <ul style="list-style-type: none"> - Effective Date of Advice Letter February 28
<u>Next Steps:</u>	- TBD

28) Energy Efficiency and EM&VR.09-11-014

<u>MCE's Interest:</u>	Address EE program issues as they arise; EE Funds for CCAs
<u>Actions Taken:</u>	<u>CCA Energy Efficiency Decision 14-01-033</u>

	- MCE Petition to Modify Decision	March 21
<u>Next Steps:</u>	<u>CCA Energy Efficiency</u>	
	- Responses to Petition to Modify	April 21
	- Optional Reply to Responses to Petition to Modify	May 1

Data and Smart Grid Proceedings

29) Customer Data Access Proceeding.....A.12-03-002, et al.

<u>MCE’s Interest:</u>	Ensure fair access of CCAs to data, including data backhaul mechanisms.	
<u>Actions Taken:</u>	- WebEx Workshop held	March 6
	- PG&E Advice Letter 4378-E Submitted	March 18
<u>Next Steps:</u>	- Protests to PG&E Advice Letter 4378-E	April 7
	- PG&E Advice Filing Becomes Effective	April 17
	- PG&E Soft Launch/Staggered Approach	Q4 2014
	- PG&E Full Launch	Q1 2015

30) Smart Grid Privacy Policies.....R.08-12-009

<u>MCE’s Interest:</u>	Determination of what privacy and security rules for energy usage data should be applicable to CCAs.	
<u>Actions Taken:</u>	<u>Phase 3 – Energy Data Center:</u>	
	- Proposed Decision	March 7
<u>Next Steps:</u>	<u>Phase 2 – CCA and Privacy:</u>	
	- Awaiting Next Steps on MCE Petition for Modification	[TBD]
	<u>Phase 3 – Energy Data Center:</u>	
	- Opening Comments on PD	March 27
	- Reply Comments on PD	April 1
	- Commission Decision Anticipated	[TBD]

CALIFORNIA AIR RESOURCES BOARD (CARB)

31) AB 32 Scoping Plan Update

<u>MCE’s Interest:</u>	Include CCAs as an effective local government strategy to fulfill AB 32 GHG emissions goals.	
<u>Actions Taken:</u>	- Board Hearing to Consider Final Plan Update	Late Spring 2014
<u>Next Steps:</u>	- TBD	

CALIFORNIA ENERGY COMMISSION (CEC)

32) 2013 Integrated Energy Policy Report (IEPR) 13-IEP-1D

<u>MCE's Interest:</u>	Participate in the CEC's load and energy planning process resulting in the Integrated Energy Policy Report (IPER).	
<u>Actions Taken:</u>	- Comments on Proposed Scope	March 4
<u>Next Steps:</u>	- Collaborate with CEC to include MCE in other filings	[TBD]
	- Transportation Vision Workshop	March 27
	- Transportation Next 10 Years Workshop	April 10
	- Transportation Finance Workshop	April 23
	- Transportation—Electricity and Natural Gas Workshop	May 1
	- Energy Efficiency—AB 758 Workshop	June 3
	- Transportation—Benefits and Metrics Workshop	June 12
	- DRECP/Renewables Workshop	June 25
	- Electricity Infrastructure (Southern CA) Workshop	July 29
	- DRECP/Renewables Workshop	August 5
	- Lead Commission Workshop on Draft 2014 IEPR Update	August 27
	- Electricity Demand Forecast	[TBD]
	- Business Meeting Adoption	November 12

CALIFORNIA INDEPENDENT SYSTEM OPERATOR (CAISO)

33) Voluntary Preferred Resource Auction

<u>MCE's Interest:</u>	MCE to participate in development of voluntary preferred resource (VPR) capacity auction to advance state preferred resource policy goals.
<u>Actions Taken:</u>	- N/A
<u>Next Steps:</u>	- Proceeding has been postponed

34) Flexible Resource Adequacy Criteria and Must-Offer Obligation (FRAC-MOO)

<u>MCE's Interest:</u>	Track revisions to flexible capacity rules as they apply to CCA.
<u>Actions Taken:</u>	- Board Decision March 19
<u>Next Steps:</u>	- TBD

35) Multi-year Forward Framework

Joint Reliability Framework proceedings are ongoing both at the CPUC and CAISO. *See* R.14-02-001.

36) Load Granularity

<u>MCE's Interest:</u>	MCE to evaluate the impact of the proposal to disaggregate load by nodes as proposed by CAISO.
<u>Actions Taken:</u>	- N/A
<u>Next Steps:</u>	- FERC Proceeding Launches: ISO will make a filing reflecting that ISO preliminary analysis does not show enough benefits to justify the costs of disaggregating the existing default load aggregation points Q1 2014

37) Energy Imbalance Market

<u>MCE's Interest:</u>	MCE to evaluate the impact of CAISO's proposed Energy Imbalance Market Revised Governance Proposal and Draft Charter
<u>Actions Taken:</u>	- N/A
<u>Next Steps:</u>	- TBD