



MARIN COUNTY | NAPA COUNTY | UNINCORPORATED CONTRA COSTA COUNTY | UNINCORPORATED SOLANO COUNTY
BENICIA | CONCORD | DANVILLE | EL CERRITO | LAFAYETTE | MARTINEZ | MORAGA | OAKLEY | PINOLE
PITTSBURG | RICHMOND | SAN PABLO | SAN RAMON | WALNUT CREEK

Board of Directors Meeting
Thursday, May 21, 2020
7:00 P.M.

The Board of Directors Meeting will be conducted pursuant to the provisions of the Governor's [Executive Order](#) N-29-20 (March 17, 2020) which suspends certain requirements of the Ralph M. Brown Act. Board of Director Members will be teleconferencing into the Board of Directors Meeting.

Members of the public who wish to observe the meeting may do so telephonically via the following teleconference call-in number and meeting ID:

Dial: 1-669-900-9128
Meeting ID – 972 6331 9802

For Viewing Access Join Zoom Meeting:
<https://zoom.us/j/97263319802>

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1. Roll Call/Quorum
2. Board Announcements (Discussion)
3. Public Open Time (Discussion)
4. Report from Chief Executive Officer (Discussion)
5. Consent Calendar (Discussion/Action)
 - C.1 Approval of 3.19.20 Meeting Minutes
 - C.2 Approved Contracts Update
 - C.3 Voting Shares
 - C.4 Authorization to Enter Into Prepayment Transaction Contracts



If you are a person with a disability and require this document in an alternate format (example: Braille, Large Print, Audiotape, CD-ROM), you may request it by using the contact information below. If you require accommodation (example: ASL Interpreter, reader, note taker) to participate in any MCE program, service or activity, you may request an accommodation by calling (925) 378-6732 (voice) or 711 for the California Relay Service or by e-mail at djackson@mceCleanEnergy.org not less than **four work days** in advance of the event.

6. Charles F. McGlashan Advocacy Award (Discussion/Action)
7. Resiliency Program Update (Discussion)
8. Public Affairs Update (Discussion)
9. Board Matters & Staff Matters (Discussion)
10. Adjourn

DISABLED ACCOMMODATION: If you are a person with a disability which requires an accommodation, or an alternative format, please contact the Clerk of the Board at (925) 378-6732 as soon as possible to ensure arrangements for accommodation.

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**MCE BOARD MEETING MINUTES
Thursday, March 19, 2020
7:00 P.M.**

The Board of Directors' Meeting was conducted pursuant to the provisions of the Governor's [Executive Order](#) N-29-20 (March 17, 2020) which suspends certain requirements of the Ralph M. Brown Act. Board Members, staff and members of the public were able to participate in the Board Meeting via teleconference.

Called to Order: Chair Kate Sears called Closed Session to order at 7:01 p.m. with quorum established by roll call.

Present: Mike Anderson, City of Lafayette
Denise Athas, City of Novato
Sloan Bailey, Town of Corte Madera
Lisa Blackwell, Town of Danville
Tom Butt, City of Richmond
Barbara Coler, Town of Fairfax
John Gioia, Contra Costa County
Ford Greene, Town of San Anselmo
Kevin Haroff, City of Larkspur
Sue Higgins, City of Oakley
Greg Lyman, City of El Cerrito
Bob McCaskill, City of Belvedere
Elizabeth Patterson, City of Benicia
Scott Perkins, City of San Ramon
Vincent Salimi, City of Pinole
Shanelle Scales-Preston, City of Pittsburg
Kate Sears, County of Marin
Brad Wagenknecht, County of Napa
Justin Wedel, City of Walnut Creek
Ray Withy, City of Sausalito and City of Mill Valley

Absent: Edi Birsan, City of Concord

Andrew McCullough, City of San Rafael
Elizabeth Pabon-Alvarado, City of San Pablo
Rupert Russell, Town of Ross
Rob Schroder, City of Martinez
Renata Sos, Town of Moraga
John Vasquez, County of Solano
Jon Welner, Town of Tiburon

**Staff
& Others:** Mike Callahan, Senior Policy Counsel
John Dalessi, Pacific Energy Associates (*Open Session only*)
Kirby Dusel, Pacific Energy Associates (*Open Session only*)
Darlene Jackson, Board Clerk
Vicken Kasarjian, Chief Operating Officer

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Justin Kudo, Strategic Analysis and Rates Manager (*Open Session only*)
Abby O'Brient, External Counsel (*Closed Session only*)
Garth Salisbury, Director of Finance (*Open Session only*)
Maira Strauss, Senior Finance Analyst (*Open Session only*)
Shalini Swaroop, General Counsel
Dawn Weisz, Chief Executive Officer

CLOSED SESSION MATTERS

Note: Closed Session was not available using the public teleconferencing information. Separate dial-in information was made available to Board members for the Closed Session

Conference with Legal Counsel – Existing Litigation (Paragraph (1) of subdivision (d) of Section 54956.9) Name of Case: PG&E Bankruptcy Petition #: 19-30089, MCE as an Interested Party and Creditor

Closed Session was adjourned to regular Open Session at 7:43 p.m.

1. Roll Call/Quorum:

Director Kate Sears called the regular open session to order at 7:46 p.m. with quorum established by roll call.

2. Board Announcements (Discussion)

Director Sears reported out that the Closed Session was conducted as a discussion item and no action was taken.

3. Public Open Time (Discussion)

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

4. Report from Chief Executive Officer (Discussion)

CEO Dawn Weisz, reported the following:

- Reminder to unmute, use your name when you speak, and mute when you are done speaking. You may use the “raise hand” feature if you are able. If not, the Chair will pause for input regularly during the meeting.
- MCE COVID-19 responses:
 - MCE shifted to remote work for all staff, effective 3/16. It is going smoothly and workflow has transitioned well.
 - MCE has suspended non-paying customer transfers to PG&E and has suspended all collection activity until further notice.
 - All community meetings have been transitioned to remove access. MCE held our first virtual/remote community meeting for Solano County. A small but engaged audience participated and were able to ask questions through Facebook live and

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Zoom. We will continue a virtual option for upcoming events for foreseeable future.

- MCE sent out press release today highlighting:
 - i. Suspension of collections and customer return to PG&E for non-payment
 - ii. MCE remote work status
- MCE received a \$750,000 grant from the Marin Community Foundation to retrofit nonprofit critical facilities with resiliency measures and support affordable housing in Marin County.
- MCE is a recipient of a 2020 Acterra Business Environmental Award in the Environmental Project category for our work on MCE Solar One. We are co-awarded with the City of Richmond and RichmondBUILD for our leadership on this project.
- MCE was invited to move to the next stage of potential funding by the CEC's California EV Infrastructure Project (CALeVIP). If our full proposal is accepted in June, MCE would attract \$15.5 Million in state funding for EV charging projects across our 4-county region.
- MCE has established a Technology and Analytics department to set up platforms for data analytics, a new CRM (customer relations management) platform, and to shift in-house, massive amounts of data that have been managed by an external vendor. This will allow MCE to control, mine and leverage the data for operational needs.
- MCE received 18 bids on our RFO for resiliency and storage, has identified the top four bidders, and has begun negotiating a contract with our top bidder. We will expect to bring a contract to April Executive Committee for consideration.
- MCE's 2020 Open Season Request for Offers has just wrapped up with bids due on March 2. MCE received 85 offers from 32 unique counterparties. Short listed bids will be presented to Ad Hoc Contracts Committee in the spring.
- Transaction-related update:
 - Good news: MCE will be able to maintain 90% carbon-free content in 2020 despite the new AB1110 regulations. Some additional purchasing is underway to ensure that we meet this goal.
 - MCE has strongly engaged with the PG&E RFO process regarding the upcoming PSPS events this year, coordinating with impacted counties, while participating at the CPUC regarding PG&E's intent to install gas fired generation resources at or near some of their substations in our footprint, and policy developments for microgrids. Update: PG&E is not pursuing the 2020 RFO for long-term resources, but is still considering temporary generation bids for 2021 and beyond.
 - MCE participated in CalCCA lobby day on March 9-10, and between this and our in-district meetings, we have had great contact points with our delegation this session. Big thanks to our Board members for participating in many of these meetings.

5. Consent Calendar (Discussion/Action)

- C.1 Approval of 11.21.19 Meeting Minutes
- C.2 Approved Contracts Update
- C.3 Resolution 2020-01 Amending MCE's Conflict of Interest Code

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

Action: It was M/S/C (Patterson/Bailey) to **approve Consent Calendar items: C.1-C.3.** Motion carried by unanimous roll call vote. (Absent: Directors Birsan, McCullough, Pabon-Alvarado, Russell, Schroder, Sos, Vasquez and Welner).

DRAFT**6. Charles F. McGlashan Advocacy Awards 2019 (Discussion/Action)**

Due to the Governor's Executive Order as it relates to the COVID-19 virus, this item was deferred and awards will be presented to recipients at a later date.

Action: Deferred

7. Addition of Board Members to Committees (Discussion/Action)

CEO Dawn Weisz, presented this item and addressed questions from Board members.

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

Action: It was M/S/C (Wagenknecht/Higgins) to add the following Board Members to the following committees: Executive Committee – Edi Birsan; Ad Hoc Contracts 2020 – Mike Anderson, Kevin Haroff, Scott Perkins, Vincent Salimi and Greg Lyman; Ad Hoc Audit 2020 – Bob McCaskill, Kevin Haroff and Ray Withy; Ad Hoc Bonding 2020 – Renata Sos, Ford Greene, Kevin Haroff, Bob McCaskill, Greg Lyman and Ray Withy. The motion carried by unanimous roll call vote. (Absent: Directors Birsan, Butt, McCullough, Pabon-Alvarado, Russell, Schroder, Sos, Vasquez and Welner).

8. Resolution 2020-02 Appointing Director of Finance as Treasurer (Discussion/Action)

CEO Dawn Weisz, introduced this item and addressed questions from Board members.

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

Action: It was M/S/C (Patterson/Lyman) to adopt Resolution 2020-02 Appointing Director of Finance as Treasurer. The motion carried by unanimous roll call vote. (Absent: Directors Birsan, McCullough, Pabon-Alvarado, Russell, Schroder, Sos, Vasquez and Welner).
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9. Amendment to MCE Policy 014: Investment Policy (Discussion/Action)

Director of Finance Garth Salisbury introduced this item and addressed questions from Board members.

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

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Action: It was M/S/C (Greene/Haroff) to **approve Amendment to MCE Policy 014: Investment Policy**. The motion carried by unanimous roll call vote. (Absent: Directors Birsan, McCullough, Pabon-Alvarado, Russell, Schroder, Sos, Vasquez and Welner).

10. Budget for Fiscal Year 2020/21 (Discussion/Action)

CEO Dawn Weisz introduced the item by providing an overview. Director of Finance Garth Salisbury and Senior Finance Analyst, discussed the item and addressed questions from Board members.

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

Action: It was M/S/C (Perkins/Withy) to **approve the proposed FY 2020/21 Operating Fund, Local Renewable Energy and Program Development Fund, Resiliency Fund, and Energy Efficiency Program Fund Budgets**. The motion carried by unanimous roll call vote. (Absent: Directors Birsan, McCullough, Pabon-Alvarado, Russell, Schroder, Sos, Vasquez and Welner).

11. Dynamic Rates for Upcoming Solano Inclusion (Discussion/Action)

Strategic Analysis and Rates Manager Justin Kudo, introduced this item and addressed questions from Board members.

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

Action: It was M/S/C (Patterson/Athas) to **direct staff to implement dynamic rates for new customers in Solano County by adjusting rates for these customers as necessary to maintain cost parity or cost savings compared to PG&E customer costs**. The motion carried by unanimous roll call vote. (Absent: Directors Birsan, McCullough, Pabon-Alvarado, Russell, Schroder, Sos, Vasquez and Welner).

12. Steps and Considerations for MCE to Access the Tax-Exempt Capital Markets (Discussion/Action)

Director of Finance Garth Salisbury, introduced this item and addressed questions from Board members.

Action: It was M/S/C (Haroff/Lyman) to 1) Authorize staff to secure a Financial Advisor, Bond Counsel and potentially Underwriters to take the initial steps to get ready to access the tax-exempt capital markets, and 2) Establish an Ad Hoc Committee on Bonding to assist in developing a Debt Policy and to be engaged to report back to the full Board as MCE staff and advisors develop a Bond Indenture for Board consideration. The motion carried by unanimous roll call vote. (Absent: Directors Birsan, McCullough, Pabon-Alvarado, Russell, Schroder, Sos, Vasquez and Welner).

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13. Board Matters & Staff Matters (Discussion)

There were no announcements.

14. Adjournment

Chair Kate Sears adjourned the meeting at 9:48 p.m. to the next scheduled Board Meeting on April 16, 2020.

Kate Sears, Chair

Attest:

Dawn Weisz, Secretary



May 21, 2020

TO: MCE Board of Directors
FROM: Bill Pascoe, Power Procurement Manager
RE: Approved Contracts Update (Agenda Item #05 - C.2)

Dear Board Members:

SUMMARY: This report summarizes agreements entered into by the Chief Executive Officer and if applicable, the Chair of the Technical Committee since the last regular Board meeting in March. This summary is provided to your Board for information purposes only, and no action is needed.

Review of Procurement Authorities

In March 2018, your Board adopted Resolution 2018-03 which included the following provisions:

The CEO and Technical Committee Chair, jointly, are hereby authorized, after consultation with the appropriate Committee of the Board of Directors, to approve and execute contracts for Energy Procurement for terms of less than or equal to five years. The CEO shall timely report to the Board of Directors all such executed contracts.

The CEO is authorized to approve and execute contracts for Energy Procurement for terms of less than or equal to 12 months, which the CEO shall timely report to the Board of Directors.

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

<i>Item Number</i>	<i>Month of Execution</i>	<i>Purpose</i>	<i>Average Annual Contract Amount</i>	<i>Contract Term</i>
1	March, 2020	Sale of Resource Adequacy	\$14,000	Under 1 Year
2	March, 2020	Purchase of Carbon Free Energy	\$456,750	Under 1 Year
3	March, 2020	Purchase of Carbon Free Energy	\$800,000	Under 1 Year
4	March, 2020	Purchase of Resource Adequacy	\$2,881,920	1-5 Years
5	March, 2020	Sale of Resource Adequacy	\$27,500	Under 1 Year
6	March, 2020	Sale of Resource Adequacy	\$562,500	Under 1 Year
7	April, 2020	Sale of Resource Adequacy	\$9,167	Under 1 Year
8	April, 2020	Sale of Resource Adequacy	\$1,000	Under 1 Year
9	April, 2020	Sale of Resource Adequacy	\$72,000	Under 1 Year
10	April, 2020	Sale of Resource Adequacy	\$20,400	Under 1 Year
11	April, 2020	Sale of Resource Adequacy	\$18,900	Under 1 Year
12	April, 2020	Sale of Resource Adequacy	\$157,500	Under 1 Year
13	April, 2020	Sale of Resource Adequacy	\$237,500	Under 1 Year
14	April, 2020	Purchase of Bundled Renewable Energy	\$2,325,000	Under 1 Year
15	April, 2020	Sale of Resource Adequacy	\$62,500	Under 1 Year
16	April, 2020	Purchase of Carbon Free Energy	\$1,000,000	Under 1 Year

Contract Approval Process: Energy procurement is governed by MCE’s Energy Risk Management Policy as well as Board Resolutions 2018-03, 2018-04, and 2018-08. The Energy Risk Management Policy (Policy) has been developed to help ensure that MCE achieves its mission and adheres to its procurement policies established by the MCE Board of Directors (Board), power supply and related contract commitments, good utility practice, and all applicable laws and regulations. The Board Resolutions direct the CEO to sign energy contracts up to and including 12 months in length.

The evaluation of every new energy contract is based upon how to best fill MCE’s open position. Factors such as volume, notional value, type of product, price, term, collateral threshold and posting, and payment are all considered before execution of the agreement.

After evaluation and prior to finalizing any energy contract for execution, an approval matrix is implemented whereby the draft contract is routed to key support staff and consultants for review, input, and approval. Typically, contracts are routed for commercial, technical, legal and financial approval, and are then typically routed through the Chief Operating Officer for approval prior to execution. The table below is an example of MCE staff and consultants who may be assigned to review and consider approval prior to the execution of a new energy contract or agreement.

<i>Review Owner</i>	<i>Review Department</i>
Lindsay Saxby	Procurement / Commercial
John Dalessi/Brian Goldstein (PEA)	Technical Review
Steve Hall (Hall Energy Law)	Legal
Garth Salisbury	Credit/Financial
Vicken Kasarjian	COO

Fiscal Impacts: Expenses and revenue associated with these Contracts and Agreements that are expected to occur during FY 2020/21 are within the FY 2020/21 Operating Fund Budget. Expenses and revenue associated with future years will be incorporated into budget planning as appropriate.

Recommendation: Information only. No action required.



May 21, 2020

TO: MCE Board of Directors

FROM: Kirby Dusel, Resource Planning & RE Programs

RE: Board of Directors Voting Shares Update (Agenda Item #05 – C.3)

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

Dear Board Members:

SUMMARY:

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

The first factor (total number of MCE members) results in an equal voting share for each MCE member: this fractional voting share is currently 1.39% for each MCE member, derived through the following calculation: $1/36 * 50\% = 1.39\%$. The second factor is derived by determining the ratio of each member’s annual retail electric load to MCE’s total retail electric load; the resultant ratio is also multiplied by 50%. For example, if retail load within the unincorporated County of Napa is 300 GWh and MCE’s total retail load is 5,769 GWh, the County of Napa’s load-related voting share is 2.60%: $300/5,769 * 50\% = 2.60\%$. As a result, the County of Napa’s total MCE voting share would be 3.99%, reflecting a summation of the percentages derived through the previously described factors. Again, the load-weighted voting share will vary by community.

MCE's voting shares are to be updated annually before March 1st of each year, as per Section 4.9.2.2 of the JPA, to reflect changes in annual retail electric load as well as changes and/or additions to MCE's member communities. However, due to data availability (for calendar year 2019 as well as recent preceding years), MCE's voting shares update was somewhat delayed.

At this time, MCE has the necessary data to update its voting shares calculation and has prepared a revised Exhibit D to the MCE Joint Powers Agreement, which reflects the results of these updated calculations. Exhibit D reflects key elements of MCE's voting shares calculations, consistent with Sections 4.9.2.1 and 4.9.2.2 of the JPA, and also reflects the total, load-weighted voting share attributable to each member.

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

Fiscal Impacts: No fiscal impacts.

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

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

Effective December 19, 2008

**As amended by Amendment No. 1 dated December 3, 2009
As further amended by Amendment No. 2 dated March 4, 2010
As further amended by Amendment No. 3 dated May 6, 2010
As further amended by Amendment No. 4 dated December 1, 2011
As further amended by Amendment No. 5 dated July 5, 2012
As further amended by Amendment No. 6 dated September 5, 2013
As further amended by Amendment No. 7 dated December 5, 2013
As further amended by Amendment No. 8 dated September 4, 2014
As further amended by Amendment No. 9 dated December 4, 2014
As further amended by Amendment No. 10 dated April 21, 2016
As further amended by Amendment No. 11 dated May 19, 2016
As further amended by Amendment No. 12 dated July 20, 2017
As further amended by Amendment No. 13 dated October 18, 2018
As further amended by Amendment No. 14 dated November 21, 2019**

Among The Following Parties:

**City of American Canyon
City of Belvedere
City of Benicia
City of Calistoga
City of Concord
Town of Corte Madera
Town of Danville
City of El Cerrito
Town of Fairfax
City of Lafayette
City of Larkspur
City of Martinez
Town of Moraga
City of Mill Valley
City of Napa
City of Novato
City of Oakley
City of Pinole
City of Pittsburg
City of Pleasant Hill**

City of Richmond
Town of Ross
Town of San Anselmo
City of San Pablo
City of San Rafael
City of San Ramon
City of Sausalito
City of St. Helena
Town of Tiburon
City of Vallejo
City of Walnut Creek
Town of Yountville
County of Contra Costa
County of Marin
County of Napa
County of Solano

MARIN ENERGY AUTHORITY JOINT POWERS AGREEMENT

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

RECITALS

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

AGREEMENT

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

ARTICLE 1 CONTRACT DOCUMENTS

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

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

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

ARTICLE 2 FORMATION OF MARIN ENERGY AUTHORITY

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

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

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

ARTICLE 3 AUTHORITY PARTICIPATION

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

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

ARTICLE 4 GOVERNANCE AND INTERNAL ORGANIZATION

- 4.1 **Board of Directors.** The governing body of the Authority shall be a Board of Directors ("Board") consisting of one director for each Party appointed in accordance with Section 4.2.
- 4.2 **Appointment and Removal of Directors.** The Directors shall be appointed and may be removed as follows:
- 4.2.1 The governing body of each Party shall appoint and designate in writing one regular Director who shall be authorized to act for and on behalf of the Party on matters within the powers of the Authority. The governing body of each Party also shall appoint and designate in writing one alternate Director who may vote on matters when the regular Director is absent from a Board meeting. The person appointed and designated as the Director or the alternate Director shall be a member of the governing body of the Party. As an alternative to appointing its own Director and alternate Director, the governing body of any Party may elect to designate another Party within the same county (the "designated Party") to represent it on the Board with the Director and alternate Director from the designated Party (the "consolidated Parties"). Notwithstanding any provision in this Agreement to the contrary, in the case of such an election by one or more Parties in the same county, the designated Party shall have the combined votes and voting shares of the consolidated Parties and shall vote on behalf of the consolidated Parties. The governing body of a Party may revoke its designation of another Party to vote on its behalf at any time. Neither an election by a Party to designate another Party to vote on its behalf or a revocation of this election shall be effective unless provided in a written notice to the Authority.
- 4.2.2 The Operating Rules and Regulations, to be developed and approved by the Board in accordance with Section 2.5.11, shall specify the reasons for and process associated with the removal of an individual Director for cause. Notwithstanding the foregoing, no Party shall be deprived of its right to seat a Director on the Board and any such Party for which its

Director and/or alternate Director has been removed may appoint a replacement.

- 4.3 Terms of Office.** Each Director shall serve at the pleasure of the governing body of the Party that the Director represents, and may be removed as Director by such governing body at any time. If at any time a vacancy occurs on the Board, a replacement shall be appointed to fill the position of the previous Director in accordance with the provisions of Section 4.2 within 90 days of the date that such position becomes vacant.
- 4.4 Quorum.** A majority of the Directors shall constitute a quorum, except that less than a quorum may adjourn from time to time in accordance with law.
- 4.5 Powers and Function of the Board.** The Board shall conduct or authorize to be conducted all business and activities of the Authority, consistent with this Agreement, the Authority Documents, the Operating Rules and Regulations, and applicable law.
- 4.6 Executive Committee.** The Board may establish an executive committee consisting of a smaller number of Directors. The Board may delegate to the executive committee such authority as the Board might otherwise exercise, subject to limitations placed on the Board's authority to delegate certain essential functions, as described in the Operating Rules and Regulations. The Board may not delegate to the Executive Committee or any other committee its authority under Section 2.5.11 to adopt and amend the Operating Rules and Regulations.
- 4.7 Commissions, Boards and Committees.** The Board may establish any advisory commissions, boards and committees as the Board deems appropriate to assist the Board in carrying out its functions and implementing the CCA Program, other energy programs and the provisions of this Agreement.
- 4.8 Director Compensation.** Compensation for work performed by Directors on behalf of the Authority shall be borne by the Party that appointed the Director. The Board, however, may adopt by resolution a policy relating to the reimbursement of expenses incurred by Directors.
- 4.9 Board Voting Related to the CCA Program.**
- 4.9.1.** To be effective, on all matters specifically related to the CCA Program, a vote of the Board shall consist of the following: (1) a majority of all Directors shall vote in the affirmative or such higher voting percentage expressly set forth in Sections 7.2 and 8.4 (the "percentage vote") and (2) the corresponding voting shares (as described in Section 4.9.2 and Exhibit D) of all such Directors voting in the affirmative shall exceed 50%, or such other higher voting shares percentage expressly set forth in Sections 7.2 and 8.4 (the "percentage voting shares"), provided that, in instances in which such other higher voting share percentage would result in any one

Director having a voting share that equals or exceeds that which is necessary to disapprove the matter being voted on by the Board, at least one other Director shall be required to vote in the negative in order to disapprove such matter.

4.9.2. Unless otherwise stated herein, voting shares of the Directors shall be determined by combining the following: (1) an equal voting share for each Director determined in accordance with the formula detailed in Section 4.9.2.1, below; and (2) an additional voting share determined in accordance with the formula detailed in Section 4.9.2.2, below.

4.9.2.1 Pro Rata Voting Share. Each Director shall have an equal voting share as determined by the following formula: $(1/\text{total number of Directors})$ multiplied by 50, and

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

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

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

4.11 Board Voting on CCA Programs Not Involving CCA That Require Financial Contributions.

The approval of any program or other activity not involving CCA that requires financial contributions by individual Parties shall be approved only by a majority vote of the full membership of the Board subject to the right of any Party who votes against the program or activity to opt-out of such program or activity pursuant to this section. The Board shall provide at least 45 days prior written notice to each Party before it considers the program or activity for adoption at a Board meeting. Such notice shall be provided to the governing body and the chief administrative officer, city manager or town manager of each Party. The Board also shall provide written notice of such program or activity adoption to the above-described officials of each Party within 5 days after the Board adopts the program or activity. Any Party voting against the approval of a program or other activity of the Authority requiring financial contributions by individual Parties may elect to opt-out of participation in such program or activity by providing written notice of this election to the Board within 30 days after the program or activity is approved by the Board. Upon timely exercising its opt-out election, a Party shall not have any financial obligation or any liability whatsoever for the conduct or operation of such program or activity.

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

4.13 Selection of Board Officers.

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

4.13.2 Secretary. The Board shall appoint a Secretary, who need not be a member of the Board, who shall be responsible for keeping the minutes of

all meetings of the Board and all other official records of the Authority.

4.13.3 Treasurer and Auditor. The Board shall appoint a qualified person to act as the Treasurer and a qualified person to act as the Auditor, neither of whom needs to be a member of the Board. If the Board so designates, and in accordance with the provisions of applicable law, a qualified person may hold both the office of Treasurer and the office of Auditor of the Authority. Unless otherwise exempted from such requirement, the Authority shall cause an independent audit to be made by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act. The Treasurer shall act as the depository of the Authority and have custody of all the money of the Authority, from whatever source, and as such, shall have all of the duties and responsibilities specified in Section 6505.5 of the Act. The Board may require the Treasurer and/or Auditor to file with the Authority an official bond in an amount to be fixed by the Board, and if so requested the Authority shall pay the cost of premiums associated with the bond. The Treasurer shall report directly to the Board and shall comply with the requirements of treasurers of incorporated municipalities. The Board may transfer the responsibilities of Treasurer to any person or entity as the law may provide at the time. The duties and obligations of the Treasurer are further specified in Article 6.

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

ARTICLE 5

IMPLEMENTATION ACTION AND AUTHORITY DOCUMENTS

5.1 Preliminary Implementation of the CCA Program.

- 5.1.1 Enabling Ordinance.** Except as otherwise provided by Section 3.1, prior to the execution of this Agreement, each Party shall adopt an ordinance in accordance with Public Utilities Code Section 366.2(c)(10) for the purpose of specifying that the Party intends to implement a CCA Program by and through its participation in the Authority.
- 5.1.2 Implementation Plan.** The Authority shall cause to be prepared an Implementation Plan meeting the requirements of Public Utilities Code Section 366.2 and any applicable Public Utilities Commission regulations as soon after the Effective Date as reasonably practicable. The Implementation Plan shall not be filed with the Public Utilities Commission until it is approved by the Board in the manner provided by Section 4.9.
- 5.1.3 Effect of Vote On Required Implementation Action.** In the event that two or more Parties vote to approve Program Agreement 1 or any earlier action required for the implementation of the CCA Program (“Required Implementation Action”), but such vote is insufficient to approve the Required Implementation Action under Section 4.9, the following will occur:
- 5.1.3.1** The Parties voting against the Required Implementation Action shall no longer be a Party to this Agreement and this Agreement shall be terminated, without further notice, with respect to each of the Parties voting against the Required Implementation Action at the time this vote is final. The Board may take a provisional vote on a Required Implementation Action in order to initially determine the position of the Parties on the Required Implementation Action. A vote, specifically stated in the record of the Board meeting to be a provisional vote, shall not be considered a final vote with the consequences stated above. A Party who is terminated from this Agreement pursuant to this section shall be considered the same as a Party that voluntarily withdrew from the Agreement under Section 7.1.1.1.
 - 5.1.3.2** After the termination of any Parties pursuant to Section 5.1.3.1, the remaining Parties to this Agreement shall be only the Parties who voted in favor of the Required Implementation Action.
- 5.1.4 Termination of CCA Program.** Nothing contained in this Article or this Agreement shall be construed to limit the discretion of the Authority to terminate the implementation or operation of the CCA Program at any

time in accordance with any applicable requirements of state law.

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

ARTICLE 6 FINANCIAL PROVISIONS

- 6.1 Fiscal Year.** The Authority's fiscal year shall be 12 months commencing April 1 and ending March 31. The fiscal year may be changed by Board resolution.
- 6.2 Depository.**
- 6.2.1** All funds of the Authority shall be held in separate accounts in the name of the Authority and not commingled with funds of any Party or any other person or entity.
- 6.2.2** All funds of the Authority shall be strictly and separately accounted for, and regular reports shall be rendered of all receipts and disbursements, at least quarterly during the fiscal year. The books and records of the Authority shall be open to inspection by the Parties at all reasonable times. The Board shall contract with a certified public accountant or public accountant to make an annual audit of the accounts and records of the Authority, which shall be conducted in accordance with the requirements of Section 6505 of the Act.
- 6.2.3** All expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its Operating Rules and Regulations. The Treasurer shall draw checks or warrants or make payments by other means for claims or disbursements not within an applicable budget only upon the prior approval of the Board.
- 6.3 Budget and Recovery Costs.**
- 6.3.1 Budget.** The initial budget shall be approved by the Board. The Board may revise the budget from time to time through an Authority Document as may be reasonably necessary to address contingencies and unexpected

expenses. All subsequent budgets of the Authority shall be prepared and approved by the Board in accordance with the Operating Rules and Regulations.

- 6.3.2 County Funding of Initial Costs.** The County of Marin shall fund the Initial Costs of the Authority in implementing the CCA Program in an amount not to exceed \$500,000 unless a larger amount of funding is approved by the Board of Supervisors of the County. This funding shall be paid by the County at the times and in the amounts required by the Authority. In the event that the CCA Program becomes operational, these Initial Costs paid by the County of Marin shall be included in the customer charges for electric services as provided by Section 6.3.4 to the extent permitted by law, and the County of Marin shall be reimbursed from the payment of such charges by customers of the Authority. The Authority may establish a reasonable time period over which such costs are recovered. In the event that the CCA Program does not become operational, the County of Marin shall not be entitled to any reimbursement of the Initial Costs it has paid from the Authority or any Party.
- 6.3.3 CCA Program Costs.** The Parties desire that, to the extent reasonably practicable, all costs incurred by the Authority that are directly or indirectly attributable to the provision of electric services under the CCA Program, including the establishment and maintenance of various reserve and performance funds, shall be recovered through charges to CCA customers receiving such electric services.
- 6.3.4 General Costs.** Costs that are not directly or indirectly attributable to the provision of electric services under the CCA Program, as determined by the Board, shall be defined as general costs. General costs shall be shared among the Parties on such basis as the Board shall determine pursuant to an Authority Document.
- 6.3.5 Other Energy Program Costs.** Costs that are directly or indirectly attributable to energy programs approved by the Authority other than the CCA Program shall be shared among the Parties on such basis as the Board shall determine pursuant to an Authority Document.

ARTICLE 7 WITHDRAWAL AND TERMINATION

7.1 Withdrawal.

7.1.1 General.

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

7.1.1.2 Subsequent to the Authority's execution of Program Agreement 1, a Party may withdraw its membership in the Authority, effective as of the beginning of the Authority's fiscal year, by giving no less than 6 months advance written notice of its election to do so, which notice shall be given to the Authority and each Party, and upon such other conditions as may be prescribed in Program Agreement 1.

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

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

7.2 Involuntary Termination of a Party. This Agreement may be terminated with respect to a Party for material non-compliance with provisions of this Agreement or the Authority Documents upon an affirmative vote of the Board in which the minimum percentage vote and percentage voting shares, as described in Section 4.9.1, shall be no less than 67%, excluding the vote and voting shares of the Party subject to possible termination. Prior to any vote to terminate this Agreement with respect to a Party, written notice of the proposed termination and the reason(s) for such termination shall be delivered to the Party whose termination is proposed at least 30 days prior to the regular Board meeting at which such matter shall first be discussed as an agenda item. The written notice of proposed termination shall specify the particular provisions of this Agreement or the Authority Documents that the Party has allegedly violated. The Party subject to possible termination

shall have the opportunity at the next regular Board meeting to respond to any reasons and allegations that may be cited as a basis for termination prior to a vote regarding termination. A Party that has had its membership in the Authority terminated may be subject to certain continuing liabilities, as described in Section 7.3. In the event that the Authority decides to not implement the CCA Program, the minimum percentage vote of 67% shall be conducted in accordance with Section 4.10 rather than Section 4.9.1.

- 7.3 Continuing Liability; Refund.** Upon a withdrawal or involuntary termination of a Party, the Party shall remain responsible for any claims, demands, damages, or liabilities arising from the Party's membership in the Authority through the date of its withdrawal or involuntary termination, it being agreed that the Party shall not be responsible for any claims, demands, damages, or liabilities arising after the date of the Party's withdrawal or involuntary termination. In addition, such Party also shall be responsible for any costs or obligations associated with the Party's participation in any program in accordance with the provisions of any agreements relating to such program provided such costs or obligations were incurred prior to the withdrawal of the Party. The Authority may withhold funds otherwise owing to the Party or may require the Party to deposit sufficient funds with the Authority, as reasonably determined by the Authority, to cover the Party's liability for the costs described above. Any amount of the Party's funds held on deposit with the Authority above that which is required to pay any liabilities or obligations shall be returned to the Party.
- 7.4 Mutual Termination.** This Agreement may be terminated by mutual agreement of all the Parties; provided, however, the foregoing shall not be construed as limiting the rights of a Party to withdraw its membership in the Authority, and thus terminate this Agreement with respect to such withdrawing Party, as described in Section 7.1.
- 7.5 Disposition of Property upon Termination of Authority.** Upon termination of this Agreement as to all Parties, any surplus money or assets in possession of the Authority for use under this Agreement, after payment of all liabilities, costs, expenses, and charges incurred under this Agreement and under any program documents, shall be returned to the then-existing Parties in proportion to the contributions made by each.

ARTICLE 8 MISCELLANEOUS PROVISIONS

- 8.1 Dispute Resolution.** The Parties and the Authority shall make reasonable efforts to settle all disputes arising out of or in connection with this Agreement. Should

such efforts to settle a dispute, after reasonable efforts, fail, the dispute shall be settled by binding arbitration in accordance with policies and procedures established by the Board.

- 8.2 Liability of Directors, Officers, and Employees.** The Directors, officers, and employees of the Authority shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties pursuant to this Agreement. No current or former Director, officer, or employee will be responsible for any act or omission by another Director, officer, or employee. The Authority shall defend, indemnify and hold harmless the individual current and former Directors, officers, and employees for any acts or omissions in the scope of their employment or duties in the manner provided by Government Code Section 995 et seq. Nothing in this section shall be construed to limit the defenses available under the law, to the Parties, the Authority, or its Directors, officers, or employees.
- 8.3 Indemnification of Parties.** The Authority shall acquire such insurance coverage as is necessary to protect the interests of the Authority, the Parties and the public. The Authority shall defend, indemnify and hold harmless the Parties and each of their respective Board or Council members, officers, agents and employees, from any and all claims, losses, damages, costs, injuries and liabilities of every kind arising directly or indirectly from the conduct, activities, operations, acts, and omissions of the Authority under this Agreement.
- 8.4 Amendment of this Agreement.** This Agreement may be amended by an affirmative vote of the Board in which the minimum percentage vote and percentage voting shares, as described in Section 4.9.1, shall be no less than 67%. The Authority shall provide written notice to all Parties of amendments to this Agreement, including the effective date of such amendments. A Party shall be deemed to have withdrawn its membership in the Authority effective immediately upon the vote of the Board approving an amendment to this Agreement if the Director representing such Party has provided notice to the other Directors immediately preceding the Board's vote of the Party's intention to withdraw its membership in the Authority should the amendment be approved by the Board. As described in Section 7.3, a Party that withdraws its membership in the Authority in accordance with the above-described procedure may be subject to continuing liabilities incurred prior to the Party's withdrawal. In the event that the Authority decides to not implement the CCA Program, the minimum percentage vote of 67% shall be conducted in accordance with Section 4.10 rather than Section 4.9.1.
- 8.5 Assignment.** Except as otherwise expressly provided in this Agreement, the rights and duties of the Parties may not be assigned or delegated without the advance written consent of all of the other Parties, and any attempt to assign or delegate such rights or duties in contravention of this Section 8.5 shall be null and void. This Agreement shall inure to the benefit of, and be binding upon, the

successors and assigns of the Parties. This Section 8.5 does not prohibit a Party from entering into an independent agreement with another agency, person, or entity regarding the financing of that Party's contributions to the Authority, or the disposition of proceeds which that Party receives under this Agreement, so long as such independent agreement does not affect, or purport to affect, the rights and duties of the Authority or the Parties under this Agreement.

- 8.6 Severability.** If one or more clauses, sentences, paragraphs or provisions of this Agreement shall be held to be unlawful, invalid or unenforceable, it is hereby agreed by the Parties, that the remainder of the Agreement shall not be affected thereby. Such clauses, sentences, paragraphs or provision shall be deemed reformed so as to be lawful, valid and enforced to the maximum extent possible.
- 8.7 Further Assurances.** Each Party agrees to execute and deliver all further instruments and documents, and take any further action that may be reasonably necessary, to effectuate the purposes and intent of this Agreement.
- 8.8 Execution by Counterparts.** This Agreement may be executed in any number of counterparts, and upon execution by all Parties, each executed counterpart shall have the same force and effect as an original instrument and as if all Parties had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signatures thereon, and may be attached to another counterpart of this Agreement identical in form hereto but having attached to it one or more signature pages.
- 8.9 Parties to be Served Notice.** Any notice authorized or required to be given pursuant to this Agreement shall be validly given if served in writing either personally, by deposit in the United States mail, first class postage prepaid with return receipt requested, or by a recognized courier service. Notices given (a) personally or by courier service shall be conclusively deemed received at the time of delivery and receipt and (b) by mail shall be conclusively deemed given 48 hours after the deposit thereof (excluding Saturdays, Sundays and holidays) if the sender receives the return receipt. All notices shall be addressed to the office of the clerk or secretary of the Authority or Party, as the case may be, or such other person designated in writing by the Authority or Party. Notices given to one Party shall be copied to all other Parties. Notices given to the Authority shall be copied to all Parties.

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By: Leon Garcia

Name: Leon Garcia

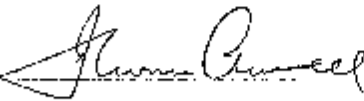
Title: Mayor

Date: 4.7.16

Party: City of American Canyon

**ARTICLE 9
SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the Marin Energy Authority.

By: 

Name: Thomas Cromwell

Title: Mayor


Date: December 8, 2008

Party: City of Redwood

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By: 
Name: Elizabeth Patterson
Title: Mayor
Date: 12.29.14
Party: City of Benicia

APPROVED AS TO FORM

CITY ATTORNEY

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By:  _____

Name: Dylan Fark

Title: City Manager

Date: April 7, 2016

Party: City of Calistoga

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By:  _____

Name: Mike Parness

Title: City Manager

Date: 4-11-16

Party: City of Napa

**ARTICLE 9
SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the Marin Energy Authority.

By: 

Name: Alexandra Cock

Title: Mayor

Date: December 6, 2011

Party: Town of Corte Madera

ATTEST


Christine Green, Town Clerk

**ARTICLE 9
SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the Marin Energy Authority.

By: 

Name: CHARLES F. MCGOWAN

Title: PRESIDENT, ~~BD~~ OF SUPERVISORS

Date: NOVEMBER 18 2008

Party: COUNTY OF MARIN

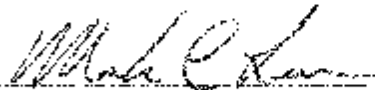
ARTICLE 9

Marin Clean Energy JPA Agreement

SIGNATURE

Amendment No. 8

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By: 

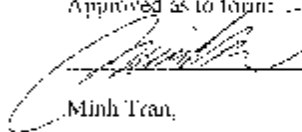
Name: Mark Luce,

Title: Chairman, Napa County Board of Supervisors

Date: 7/22/14

Party: Napa County

Approved as to form:

 Date 7/24/14

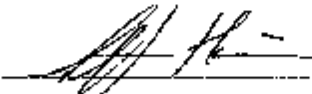
Minh Tran,

County Counsel

ARTICLE 9

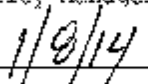
SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By:  _____

Name: Scott Eatin

Title: City Manager

Date:  _____

Party: City of El Cerrito

**ARTICLE 9
SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the Marin Energy Authority.

By: David Weinsoff

Name: David Weinsoff

Title: Mayor

Date: 2.12.09

Party: Town of Fairfax

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By: 

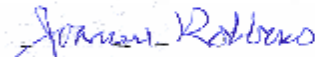
Name: Mark Mitchell

Title: Mayor

Date: 3-14-16

Party: City of Lafayette


Attest:



Joanne Robbins, City Clerk

**ARTICLE 9
SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the Marin Energy Authority.

By: 
Name: Larry Chu
Title: Mayor, Larkspur
Date: November 16, 2011
Party: CITY OF LARKSPUR

**ARTICLE 9
SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the Marin Energy Authority.

By: 

Name: Shawn E. Marshall

Title: Mayer

Date: December 2, 2008

Party: City of Mill Valley

**ARTICLE 9
SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the Marin Energy Authority.

By: Madeline R. Kellner

Name: Madeline R. Kellner

Title: Mayor

Date: October 7, 2011

Party: City of Novato

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By: 

Name: June Catalano

Title: City Manager

Date: June 19, 2019

Party: City of Pleasant Hill

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing the Marin Energy Authority

By: *Deane McLaughlin*
Name: *Deane McLaughlin*
Title: *Mayor*
Date: *7/5/12*
Party: *City of Richmond*

**ARTICLE 9
SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the Marin Energy Authority.

By: 

Name: Carla Small

Title: Mayor

Date: 11/16/11

Party: Town of Ross

**ARTICLE 9
SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the Marin Energy Authority.

By: 

Name: Peter Breen

Title: Mayor

Date: January 9, 2009

Party: Town of San Anselmo

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By: 

Name: Paul V. Morris

Title: Mayor, City of San Pablo

Date: SEPT. 16, 2014

Party: City of San Pablo

**ARTICLE 9
SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement
establishing the Marin Energy Authority,

By: Cyr N. Miller

Name: Cyr N. Miller

Title: Vice Mayor

Date: December 1, 2008

Party: CITY OF SAN RAFAEL

**ARTICLE 9
SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the Marin Energy Authority.

By: Amy Belser

Name: Amy Belser

Title: Mayor

Date: November 18, 2008

Party: City of Sausalito

Attest:

Lebbie Radjose
Deputy City Clerk

Item: 5A
Meeting Date: 11-18-08
Page #: 24

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By: Alan Galbraith
Name: Alan Galbraith
Title: Mayor
Date: 4/14/16
Party: City of St. Helena

**ARTICLE 9
SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the Marin Energy Authority.

By: 

Name: ALICE FREDERICKS

Title: MAYOR

Date: 2/10/09

Party: TOWN OF TIBURON

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By:  _____

Name: Greg Nyhoff

Title: City Manager

Date: June 12, 2019

Party: City of Vallejo

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By: Loella Haskew

Name: LOELLA HASKEW

Title: MAYOR


Date: 4/13/16

Party: City of Walnut Creek

ARTICLE 9

SIGNATURE


IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By: 
Name: Steven R. Rogers
Title: Town Manager
Date: 4/12/16
Party: Town of Yountville

ARTICLE 9

SIGNATURE


IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By: 
Name: Brad Kilger
Title: City Manager
Date: 7/26/17
Party: City of Martinez

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By: 
Name: Joe Sbranti
Title: City manager
Date: 7/24/2017
Party: City of Pittsburg

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By:  _____

Name: JOE GORTON

Title: CITY MANAGER

Date: 7/31/17

Party: City of San Ramon

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By: 

Name: Valerie J. Barode

Title: City Manager

Date: July 24, 2017

Party: City of Concord

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By:  _____

Name: Federal D. Glover

Title: Chair, Board of Supervisors

Date: August 1, 2017

Party: Contra Costa County

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By:  _____

Name: Joseph A. Calabriga _____

Title: Town Manager _____

Date: July 17, 2017 _____

Party: Town of Danville

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By: 

Name: Robert Priebe

Title: Town Manager


Date: July 24, 2017

Party: Town of Marin

ARTICLE 9

SIGNATURE

IN WITNESS WHEREOF, the parties hereto have executed this Joint Powers Agreement establishing Marin Clean Energy (formerly, Marin Energy Authority)

By: 
Name: Bryan A. Montgomery
Title: City Manager
Date: 8/1/12
Party: City of Oakley

**ARTICLE 9
SIGNATURE**

IN WITNESS WHEREOF, the Parties hereto have executed this Joint Powers Agreement establishing the Marin Energy Authority.

By: Michelle Fitzer

Name: Michelle Fitzer

Title: City Manager

Date: 7/5/17

Party: City of Pinole

Approved as to form:

By: [Signature]

Name: Eric Casher

Title: City Attorney

Date: 7/5/17

Exhibit A

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

-Definitions-

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

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

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

“Agreement” means this Joint Powers Agreement.

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

“Authority” means the Marin Energy Authority.

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

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

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

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

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

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

“Implementation Plan” means the plan generally described in Section 5.1.2 of this Agreement that is required under Public Utilities Code Section 366.2 to be filed with the California Public Utilities Commission for the purpose of describing a proposed CCA Program.

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

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

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

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

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

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

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

Exhibit B

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

~List of the Parties~

County of Marin
Contra Costa County
County of Napa
County of Solano
City of American Canyon
City of Belvedere
City of Benicia
City of Calistoga
City of Concord
Town of Corte Madera
Town of Danville
City of El Cerrito
Town of Fairfax
City of Lafayette
City of Larkspur
City of Martinez
City of Mill Valley
Town of Moraga
City of Napa
City of Novato
City of Oakley
City of Pinole
City of Pittsburg
City of Pleasant Hill
City of San Ramon
City of Richmond
Town of Ross
Town of San Anselmo
City of San Pablo
City of San Rafael
City of Sausalito
City of St. Helena
Town of Tiburon
City of Vallejo
City of Walnut Creek
Town of Yountville

Exhibit C

Marin Clean Energy

- Annual Energy Use -

The Exhibit C is effective as of November 21, 2019.

MCE Member Community	kWh (2018)
City of American Canyon	68,863,048
City of Belvedere	7,559,724
City of Benicia	109,006,957
City of Calistoga	25,789,501
City of Concord***	501,470,719
Town of Corte Madera	43,648,487
County of Contra Costa***	681,702,620
Town of Danville***	159,892,242
City of El Cerrito	57,473,778
Town of Fairfax	17,686,976
City of Lafayette	93,395,203
City of Larkspur	42,300,429
City of Martinez***	146,808,415
City of Mill Valley	44,162,656
County of Marin	231,127,804
Town of Moraga***	43,500,705
City of Napa	301,529,775
County of Napa	290,789,633
City of Novato	181,481,295
City of Oakley***	104,385,215
City of Pinole***	61,147,704
City of Pittsburg***	400,751,543
City of Pleasant Hill**	132,226,068
City of Richmond	375,238,422
Town of Ross	9,582,633
Town of San Anselmo	32,112,858
City of San Ramon***	297,534,056
City of Saint Helena	48,272,027
City of San Pablo	63,560,391
City of San Rafael	219,591,665
City of Sausalito	31,737,097
County of Solano*	170,226,648
Town of Tiburon	29,117,609
City of Vallejo**	352,291,219
City of Walnut Creek	340,868,665
Town of Yountville	31,866,947
MCE Total Energy Use	5,748,700,734

Retail electric sales are quantified in the following manner: 1) for existing Member(s) that received MCE generation service during the entirety of CY 2018, historical billing records have been compiled to quantify actual retail sales; 2) for Member(s) that commenced MCE generation service during CY 2018 (receiving such services for a portion of the 2018 calendar year), historical retail sales reflect 2018 customer usage data provided by PG&E for any pre-enrollment months and actual MCE customer billing records for post-enrollment months; and 3) for any Member(s) that have yet to receive MCE generation service, retail sales estimates have been derived in consideration for historical 2018 customer usage data, as provided by PG&E, adjusted via an estimated opt-out assumption reflective of average actual historical opt-out rates observed by MCE.

* Expected to receive MCE service in CY 2020

** Expected to receive MCE service in CY 2021

*** First received MCE service in CY 2018.

Exhibit D

Marin Clean Energy

- Voting Shares -

This Exhibit C is effective as of November 21, 2019.

MCE Member Community	kWh (2018)	Section 4.9.2.1	Section 4.9.2.2	Voting Share
City of American Canyon	68,863,048	1.39%	0.60%	1.99%
City of Belvedere	7,559,724	1.39%	0.07%	1.45%
City of Benicia	109,006,957	1.39%	0.95%	2.34%
City of Calistoga	25,789,501	1.39%	0.22%	1.61%
City of Concord***	501,470,719	1.39%	4.36%	5.75%
Town of Corte Madera	43,648,487	1.39%	0.38%	1.77%
County of Contra Costa***	681,702,620	1.39%	5.93%	7.32%
Town of Danville***	159,892,242	1.39%	1.39%	2.78%
City of El Cerrito	57,473,778	1.39%	0.50%	1.89%
Town of Fairfax	17,686,976	1.39%	0.15%	1.54%
City of Lafayette	93,395,203	1.39%	0.81%	2.20%
City of Larkspur	42,300,429	1.39%	0.37%	1.76%
City of Martinez***	146,808,415	1.39%	1.28%	2.67%
City of Mill Valley	44,162,656	1.39%	0.38%	1.77%
County of Marin	231,127,804	1.39%	2.01%	3.40%
Town of Moraga***	43,500,705	1.39%	0.38%	1.77%
City of Napa	301,529,775	1.39%	2.62%	4.01%
County of Napa	290,789,633	1.39%	2.53%	3.92%
City of Novato	181,481,295	1.39%	1.58%	2.97%
City of Oakley***	104,385,215	1.39%	0.91%	2.30%
City of Pinole***	61,147,704	1.39%	0.53%	1.92%
City of Pittsburg***	400,751,543	1.39%	3.49%	4.87%
City of Pleasant Hill**	132,226,068	1.39%	1.15%	2.54%
City of Richmond	375,238,422	1.39%	3.26%	4.65%
Town of Ross	9,582,633	1.39%	0.08%	1.47%
Town of San Anselmo	32,112,858	1.39%	0.28%	1.67%
City of San Ramon***	297,534,056	1.39%	2.59%	3.98%
City of Saint Helena	48,272,027	1.39%	0.42%	1.81%
City of San Pablo	63,560,391	1.39%	0.55%	1.94%
City of San Rafael	219,591,665	1.39%	1.91%	3.30%
City of Sausalito	31,737,097	1.39%	0.28%	1.66%
County of Solano*	170,226,648	1.39%	1.48%	2.87%
Town of Tiburon	29,117,609	1.39%	0.25%	1.64%
City of Vallejo**	352,291,219	1.39%	3.06%	4.45%
City of Walnut Creek	340,868,665	1.39%	2.96%	4.35%
Town of Yountville	31,866,947	1.39%	0.28%	1.67%
MCE Total Energy Use	5,748,700,734	50.00%	50.00%	100.00%

Retail electric sales are quantified in the following manner: 1) for existing Member(s) that received MCE generation service during the entirety of CY 2018, historical billing records have been compiled to quantify actual retail sales; 2) for Member(s) that commenced MCE generation service during CY 2018 (receiving such services for a portion of the 2018 calendar year), historical retail sales reflect 2018 customer usage data provided by PG&E for any pre-enrollment months and actual MCE customer billing records for post-enrollment months; and 3) for any Member(s) that have yet to receive MCE generation service, retail sales estimates have been derived in consideration for historical 2018 customer usage data, as provided by PG&E, adjusted via an estimated opt-out assumption reflective of average actual historical opt-out rates observed by MCE.

* Expected to receive MCE service in CY 2020

** Expected to receive MCE service in CY 2021

*** First received MCE service in CY 2018.

Marin Clean Energy
EXHIBIT C
- Annual Energy Use -

This Exhibit C is effective as of May 21, 2020.

MCE Member Community	kWh (2019)
City of American Canyon	76,695,933
City of Belvedere	7,577,958
City of Benicia	113,063,212
City of Calistoga	25,994,261
City of Concord	498,162,604
Town of Corte Madera	46,419,358
County of Contra Costa	673,004,355
Town of Danville	159,347,837
City of El Cerrito	57,817,586
Town of Fairfax	17,969,915
City of Lafayette	94,682,154
City of Larkspur	42,611,547
City of Martinez	151,009,009
City of Mill Valley	44,571,991
County of Marin	231,346,718
Town of Moraga	43,994,965
City of Napa	306,136,179
County of Napa	299,606,262
City of Novato	184,366,404
City of Oakley	105,972,646
City of Pinole	64,070,289
City of Pittsburg	404,506,338
City of Pleasant Hill*	125,951,493
City of Richmond	374,022,160
Town of Ross	9,855,768
Town of San Anselmo	32,381,273
City of San Ramon	301,946,012
City of Saint Helena	48,784,002
City of San Pablo	63,337,637
City of San Rafael	218,232,540
City of Sausalito	32,001,734
County of Solano*	176,902,587
Town of Tiburon	29,057,049
City of Vallejo*	332,927,602
City of Walnut Creek	344,139,693

Town of Yountville	30,941,216
MCE Total Energy Use	5,769,408,285

*2019 usage data as provided by PG&E.

All other usage data reflects MCE customer billing records for 2019.

Marin Clean Energy
EXHIBIT D
- Voting Shares -

This Exhibit D is effective as of May 21, 2020.

MCE Member Community	kWh (2019)	Section 4.9.2.1	Section 4.9.2.2	Voting Share
City of American Canyon	76,695,933	1.39%	0.66%	2.05%
City of Belvedere	7,577,958	1.39%	0.07%	1.45%
City of Benicia	113,063,212	1.39%	0.98%	2.37%
City of Calistoga	25,994,261	1.39%	0.23%	1.61%
City of Concord	498,162,604	1.39%	4.32%	5.71%
Town of Corte Madera	46,419,358	1.39%	0.40%	1.79%
County of Contra Costa	673,004,355	1.39%	5.83%	7.22%
Town of Danville	159,347,837	1.39%	1.38%	2.77%
City of El Cerrito	57,817,586	1.39%	0.50%	1.89%
Town of Fairfax	17,969,915	1.39%	0.16%	1.54%
City of Lafayette	94,682,154	1.39%	0.82%	2.21%
City of Larkspur	42,611,547	1.39%	0.37%	1.76%
City of Martinez	151,009,009	1.39%	1.31%	2.70%
City of Mill Valley	44,571,991	1.39%	0.39%	1.78%
County of Marin	231,346,718	1.39%	2.00%	3.39%
Town of Moraga	43,994,965	1.39%	0.38%	1.77%
City of Napa	306,136,179	1.39%	2.65%	4.04%
County of Napa	299,606,262	1.39%	2.60%	3.99%
City of Novato	184,366,404	1.39%	1.60%	2.99%
City of Oakley	105,972,646	1.39%	0.92%	2.31%
City of Pinole	64,070,289	1.39%	0.56%	1.94%
City of Pittsburg	404,506,338	1.39%	3.51%	4.89%
City of Pleasant Hill*	125,951,493	1.39%	1.09%	2.48%
City of Richmond	374,022,160	1.39%	3.24%	4.63%
Town of Ross	9,855,768	1.39%	0.09%	1.47%
Town of San Anselmo	32,381,273	1.39%	0.28%	1.67%
City of San Ramon	301,946,012	1.39%	2.62%	4.01%
City of Saint Helena	48,784,002	1.39%	0.42%	1.81%
City of San Pablo	63,337,637	1.39%	0.55%	1.94%
City of San Rafael	218,232,540	1.39%	1.89%	3.28%
City of Sausalito	32,001,734	1.39%	0.28%	1.67%
County of Solano*	176,902,587	1.39%	1.53%	2.92%
Town of Tiburon	29,057,049	1.39%	0.25%	1.64%
City of Vallejo*	332,927,602	1.39%	2.89%	4.27%
City of Walnut Creek	344,139,693	1.39%	2.98%	4.37%
Town of Yountville	30,941,216	1.39%	0.27%	1.66%
MCE Total Energy Use	5,769,408,285	50.00%	50.00%	100.00%

*2019 usage data as provided by PG&E.

All other usage data reflects MCE customer billing records for 2019.



May 21, 2020

TO: MCE Board of Directors

FROM: Garth Salisbury, Director of Finance & Treasurer

RE: Authorization to enter into Prepayment Transaction
Contracts (Agenda Item #05 - C.4)

Dear Board Members:

SUMMARY: Staff is currently pursuing the MCE Municipal Energy Prepayment Transaction (“Prepayment Transaction”) that was brought to the Technical Committee in February 2020 for consideration. This Prepayment Transaction can reduce energy costs through a prepayment of certain of MCE’s renewable energy Power Purchase Agreements (“PPAs”). The projected savings from participating in the Prepayment Transaction are after all transactional and professional costs are paid with proceeds from the sale of the bonds. The bonds issued to finance the prepayment are “non-recourse” to MCE and MCE would not be responsible for repaying the bonds.

MCE needs to secure professional assistance to complete the work necessary to develop, draft, and finalize appropriate documents to bring the complete Prepayment Transaction before your Board for final approval. The professional assistance includes agreements with professionals providing services such as legal counsel, bond counsel, tax counsel, Municipal Financial Advisor, Swap Advisor, and any other consultant needed to support the completion of the Prepayment Transaction.

Staff request that the CEO be given authority to enter into agreements for these professional services, at maximum contract values that may exceed \$100,000. These professional services would be compensated only if the Prepayment Transaction is approved by the Board and subsequently closes and would be paid directly from the proceeds of the sale of the bonds.

Fiscal Impacts: There is no negative fiscal impact to MCE. Funds for the agreements entered into shall be contingent upon the Board’s approval of the final Prepayment Transaction. Contracts would be paid directly from the proceeds from the sale of the bonds.

Recommendation: Authorize MCE’s CEO to enter into agreements necessary to carry out the tasks to finalize the Prepayment Transaction that will be subsequently submitted to the Board.



May 21, 2020

TO: MCE Board of Directors

FROM: Justin Marquez, Community Equity Specialist

RE: Presentation of Charles F. McGlashan Advocacy Award
(Agenda Item #06)

ATTACHMENT: Audio file of "Why MCE"

Dear Board Members:

SUMMARY:

On June 2, 2011, MCE's Board established the Charles F. McGlashan Advocacy Award to recognize individuals and organizations who have demonstrated passion, dedication, and leadership on behalf of MCE. The annual award also honors and commemorates the life and legacy of environmental leadership left behind by former founding MCE Chairman Charles F. McGlashan.

To date, this Advocacy Award has been awarded to:

- Barbara George of Women's Energy Matters (2011)
- The Mainstreet Moms (2012)
- Lea Dutton of the San Anselmo Quality of Life Commission (2013)
- Doria Robinson of Urban Tilth (2014)
- Constance Beutel of Benicia's Community Sustainability Commission (2015)
- Sustainable Napa County (2016)
- The El Cerrito Environmental Quality Committee (2017)
- Sustainable Lafayette (2018)
- Resilient Neighborhoods (2018), and
- Verna Causby-Smith with EAH Affordable Housing (2018).

Award recipients are inscribed on the plaque displayed outside the Charles McGlashan Room at the MCE office in San Rafael, and are presented with the award at a regular meeting of the MCE Board of Directors. Recipients are also recognized in MCE's e-newsletter, online blog, and social media.

On December 6, 2019, the MCE Executive Committee unanimously approved a motion to present this award to all three 2019 Charles McGlashan Advocacy Award nominees.

2019 Award Winners:

[National Council for Jewish Women & Sustainable Rossmoor \(Jointly\)](#)

Sustainable Rossmoor was founded in 2014 by 10 determined residents striving to inspire more solar adoption within their community. Today, their expanded mission covers climate change awareness, sustainability and electric vehicle adoption and promotion of renewable energy. They have been engaged members of the Community Power Coalition since 2017.

The National Council for Jewish Women (NCJW), Contra Costa Division, was started in 1984 with the mission of striving for social justice by improving the quality of life for women, children, and families and by safeguarding individual rights and freedoms.

This year, NCJW working together with Sustainable Rossmoor have been present at over 13 community meetings, including farmers markets, the Activities Council of Rossmoor, Democrats Club meetings, and the Rossmoor Newcomers club. They created their own Deep Green group tee shirts (seen in photo) and wrote and produced the song "Why MCE" calling out the attributes of 100% renewable energy. The group has inspired over 38 individuals to sign up for MCE Deep Green since mid-September 2019.



[Gloria Castillo with Canal Alliance](#)

Gloria Castillo has gone above and beyond her role as the Housing Project Coordinator with the Canal Alliance, a nonprofit organization that empowers immigrants, connecting them to resources in the Canal District of San Rafael. In her role, Gloria manages the Marin Villa Estates property in the Canal District and has worked to build support for MCE's programs, even coming along with MCE staff on a survey collection and income verification visit to the property so residents would feel more comfortable. Thanks to

Gloria's assistance, Marin Villa Estates received a total of \$55,228 in blended funding from the Multifamily Energy Savings Program, the Low Income Families and Tenants (LIFT) program, the Income-Qualified Multifamily Solar Rebate Program, and Green and Healthy Homes Initiative (GHHI) Marin.

These incentives funded electrical panel upgrades, structural upgrades to apartment decks, CO monitors, Title 24 compliant windows, LED light bulbs, low-flow faucets and showerheads, and a 32.26 kW solar system generating 49,598 kWh annually. These upgrades reduced fire hazards, increased structural safety, lowered utility bills, improved indoor air quality by addressing mold issues, and increased resident comfort. The energy efficiency measures are projected to save 3,386.5 kWh per year. The completion of these upgrades is credited to the work of Gloria and her stewardship of the residents she serves.



Fiscal Impacts: None

Recommendation: Honor the National Council for Jewish Women, Contra Costa Division, Sustainable Rossmoor, and Gloria Castillo with Canal Alliance as the recipients of the 2019 Charles F. McGlashan Advocacy Award.



May 21, 2020

TO: MCE Board of Directors

FROM: Alice Havenar-Daughton, Director of Customer Programs
Jamie Tuckey, Director of Strategic Initiatives

RE: Resiliency Program Update (Agenda Item #07)

Dear Board of Directors:

Background:

MCE aims to improve resiliency across our four-county service area to help keep customers safe during grid outages while supporting decarbonization and statewide efforts to improve overall grid reliability. On November 21, 2019, your Board approved the creation of a Resiliency Fund with initial funding in the amount of \$3,000,000. On March 19, 2020, your Board approved an additional allocation of \$3,000,000 to the Resiliency Fund. The creation of this fund was in large part a response to PG&E's Public Safety Power Shutoff (PSPS) events, which significantly impact the safety, reliability, health and welfare of our customers, and disproportionately affect vulnerable populations.

In light of the historic economic impact of covid-19, there have been a number of stimulus packages passed by Congress, with additional stimulus packages expected. Should additional stimulus funds be made available, MCE is advocating for stimulus funds to be allocated towards building clean resiliency projects to create jobs and minimize the impacts of power shut offs in Northern California. This item was already identified in Congressional Democratic planning documents and MCE is highlighting the local value with its congressional delegation. MCE also participated in a joint CCA effort to request stimulus funding for clean backup generation at critical facilities to mitigate PSPS impacts.

Battery Energy Storage Program:

On April 3, 2020, your Executive Committee approved the first agreement with TRC Engineers, selected as the top respondent to a solicitation issued by MCE in December 2019, to develop and implement a new energy storage program to deploy 15 MWh of dispatchable behind-the-meter battery energy storage systems to MCE customers over a 2-year period. This program will achieve resiliency for MCE's customers, drive decarbonization, lower costs for program

participants, and enable local grid management using load shaping and shifting. During later phases, this program will help MCE to expand its role as a CAISO market participant.

MCE's Energy Storage Program will provide smart demand-side management opportunities benefiting MCE by developing a network of flexible, local energy storage + solar systems with real-time monitoring and controlling that can be aggregated and dispatched to manage critical peak loads, better align customer usage with MCE's procurement costs and as market opportunities evolve, generate value in wholesale markets. This will help MCE keep costs low for all of its customers and benefit California's energy landscape as a whole by addressing the growing "Duck Curve" issues through clean, reliable, and smart demand-side management (DSM) strategies enabled by energy storage technologies.

While MCE's Energy Storage Program will be available to all customer types, MCE will prioritize our most vulnerable customers and critical facilities to help them remain safe during PSPS and other grid outages by eliminating upfront costs. MCE will initially focus on engaging customers who already own [or lease] an on-site solar system and are on a net-energy metering (NEM) tariff. This initial focus is strategic because adding dispatchable energy storage to existing NEM solar accounts is expected to produce significant co-benefits for MCE and its customers during multiple day power outages.

MCE's most vulnerable customers include those with low-income, those with critical medical needs that could become life threatening without power, and those located in state designated Disadvantaged Communities, census designated low-income communities, or Tier 2 or 3 High Fire Threat Districts, and critical facilities that provide essential services during PSPS events and/or natural disasters, such as schools, community centers, emergency shelters, fire stations, and health centers. MCE staff have already developed a pipeline of projects in partnership with Offices of Emergency Services, Public Health officials, and other community partners to target for initial projects.

In partnership with TRC, staff is designing a program to minimize or eliminate the upfront costs of installing batteries for our most vulnerable customers by leveraging incentives from the CPUC's self-generation incentive program (SGIP), coupled with straightforward financing solutions and an innovative repayment structure using performance-based MCE-paid incentives and potentially on-bill repayment options. MCE may also contribute to incentives, as needed, to eliminate up-front costs for priority customers.

TRC will monitor the batteries for daily load shift performance which will be integrated with the industry's leading command and control software, Enbala's Concerto. Concerto enables real-time grid balancing using a highly flexible approach to controlling and dispatching distributed energy resources. MCE will have the ability to manage the batteries for daily load shift and during PSPS and other emergency events.

Marin Community Foundation Grant:

The Marin Community Foundation recently awarded a \$750,000 grant from the Buck Family Fund to MCE. This grant provides funding for battery and solar installations at low-income multifamily residents and non-profit agencies that provide essential services during emergencies in Marin County. TRC Engineers will manage the resiliency projects funded through this grant and will subcontract with Grid Alternatives for the residential multifamily

portion of the MCF grant, providing Grid Alternatives with energy storage training to expand their capabilities for future projects.

Portable Battery Distribution Program:

On April 3, 2020 your Executive Committee approved a \$250,000 budget allocation from MCE's Resiliency Fund to purchase 100 portable batteries for distribution to MCE customers with a life-sustaining medical need for power, at no cost to them, thereby helping to provide some of the needed support to retain our customers' quality of life during an outage.

After negotiating a 25% discount for a bulk purchase, staff purchased 100 Goal Zero Yeti 3000 portable lithium batteries which are expected to be delivered in late-summer 2020. The Yeti 3000 battery is equipped with over 3kWh of storage for long runtimes and produces 1500W of continuous power and a 3000W surge for running high-power devices. The battery can run for 1-2 days after charge from solar (<800 watts) or from a standard electrical outlet in 25 hours. The battery is rated for 500 cycles to 80% of its original capacity and over 2000 cycles in its life cycle.

Staff is partnering with the Center for Independent Living to help identify customers in-need of a turnkey power solution.

Recommendation: None. Informational only.



My community.
My choice.

AI #08: Public Affairs Update



Public Affairs Board Update

Heather Shepard May 21, 2020

Headlines



- Virtual community engagement
- Local advertising campaign launched
- Increasing digital content to amplify telling our story
- Customer Engagement + Program implementation going strong

New Customer Enrollment



- April 1st enrollment - 92% Participation
- Pivoted community engagement and stakeholders meetings to virtual:
 - 5 meetings completed (6 more planned)
 - 500+ views of recorded meetings on Facebook
- Started key customer relationship building pre-enrollment
 - Proactively outreached to >115 of Solano's largest customers



Recent Advertising Campaigns: East Bay Times, Marin Independent Journal, Napa Valley Register and Benicia Herald

50th Earth Day

Happy 50th Anniversary Earth Day!

In these challenging times, we remain committed to creating climate resilience within the communities we serve in Contra Costa County.

"We'll just keep trying to do the right thing...to do the best for the Earth...with every action and decision we make."
-MCE Recycling Board Chair, Chava DiSessa (7/20-2015)

Together with our community partners, we continue to advance clean energy solutions to reduce greenhouse gas emissions and invest in our programs.

mceCleanEnergy.org

Happy 50th Anniversary Earth Day!

In these challenging times, we remain committed to creating climate resilience within the communities we serve in Solano County.

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-MCE Recycling Board Chair, Chava DiSessa (7/20-2015)

Together with our community partners, we continue to advance clean energy so all can reduce greenhouse gas emissions and invest in local programs.

mceCleanEnergy.org

Happy 50th Anniversary Earth Day!

OUR MESSAGE >

Happy 50th Anniversary Earth Day!

Happy 50th Anniversary Earth Day!

OUR MESSAGE >

10th Anniversary

10 Years of Transforming Community Energy

On May 7, 2010, Marin communities, with a bold vision to fight climate change and expand clean energy options, joined to launch MCE - California's first community choice energy agency.

A decade later, MCE has grown to 34 member communities in Contra Costa, Marin, Napa, and Solano Counties - through their leadership we are making an impact on reducing carbon emissions and redefining California's energy landscape.

Great things happen when we empower communities. Thank you for being a part of MCE!

mceCleanEnergy.org/10years

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10 Years of Transforming Community Energy

OUR MESSAGE >

10 Years of Transforming Community Energy

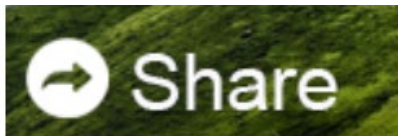
10 Years of Transforming Community Energy

OUR MESSAGE >



Digital Content

- Community Partners can now **easily add events to our site**
- **New blog posts:** increasing MCE + Community thought leadership
- **Sharable content** for community newsletter in monthly Board communications





Customer Engagement Highlights

Strategic Energy Management Program

- Large energy users – enrolling 2nd cohort (1.05% of our load).

Deep Green

- Opt-ups increased by 330 (3%) since January. Sharing & training on partner toolkits .
- Congrats to Contra Costa County who voted to opt-up non solar accounts to Deep Green next year.
- Marin advocates focused on Deep Green campaign during Earth Week

Community Power Coalition

- increasing member diversity with new members.

Net Energy metering Proactive outreach

- to >100 largest customers

SIP Customer Engagement Highlights

EV Drivers

- Local Promotion plan to encourage free charging at MCE San Rafael office.

Local business

- Highlighting local Chamber events/updates - website and social media. Sponsoring virtual Chamber events.

SIP Affects

- Increased usage from residential customers and reduced usage, although flattening, from non-residential.
- Wine industry seeing huge uptick, keeping workers safe remains top priority.

Single Family Comprehensive Program

- Launching this week
- Target - 70,000 residential customers

MCE | My community. My choice.
1175 Tamaybas Ave
San Rafael, CA 94901

Account Number: [REDACTED]
THIS IS NOT A BILL.

NEW
Your Home Energy Report
3/7/20 - 4/5/20

This report contains insights into your energy usage for past billing cycle(s) including your overall energy efficiency, top energy consuming appliances, and money saving energy tips.

Jennifer Green
[REDACTED]

How you compare to similar homes

3/7/20 to 4/5/20

Efficient	\$38
You	\$51
Average	\$65

Efficiency scale: GREAT (top), GOOD (middle), FAIR (bottom). A lightbulb icon is shown next to the 'GOOD' rating.

You're being compared to 931 similar Single family homes, nearby zip code 92106, with Electric heating. Efficient homes are the top 30% in this group that use the least energy.

You still spent **\$13 more** on energy than efficient homes.

Your top appliance costs

3/7/20 to 4/5/20

\$11 Always On	Savings Opportunity! ▶
\$11 Heating	
\$6 Entertainment	
\$5 Refrigeration	
\$5 Lighting	

Based on your usage, we recommend

Don't want to keep unplugging?

Use a Smart Plug! These compact devices allow remote control and scheduling to avoid unnecessary energy use.

Personalized tips for you

- Allow minimum clearance around your fridge
- Make sure there is enough air space between your fridge coils and the wall. This will allow your refrigerator to operate at maximum efficiency.

Sign Up Today

Go Digital

Switch to email reports at: mcedigital.bids@my.com
Use Access Code: **LESUX**

Benefits include:

- Get your energy reports sooner
- View more of your appliances
- Access additional saving tips

Have questions?
Call us at 800-452-6262 or visit www.MCE.com/energy

Your energy usage for the past 12 months

1000 kWh

800

600

400

200

0

May 2019 Jun 2019 Jul 2019 Aug 2019 Sep 2019 Oct 2019 Nov 2019 Dec 2019 Jan 2020 Feb 2020 Mar 2020

— YOU — AVERAGE

Personalized tips for you

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What's Next in the Queue?

- **Transportation Electrification** – California Energy Commission CalEVIP Phase II invitation
- **Resiliency Program** – Marketing + Customer Engagement (June)
- **Disadvantaged Community Green Tariff/Community Solar (DAC GT/CS)** – Next step CPUC Approval of Implementation Advice Letter (Q3)
- **Vallejo and Pleasant Hill 2021** - Enrollment planning (June/July)
- **10 year celebration** – (September)

AI #08: Public Affairs Update

Thank You

hshepard@mceCleanEnergy.org

925.378.6744



**My community.
My choice.**



May 21, 2020

TO: MCE Board of Directors
FROM: Shalini Swaroop, General Counsel & Director of Policy
RE: Policy Update on Regulatory and Legislative Items

Dear Board Members:

Below is a summary of the key activities at the legislature and the California Public Utilities Commission (CPUC) impacting Community Choice Aggregation (CCA) and MCE.

I. Legislative Advocacy

a. Federal Advocacy

In light of the historic economic impact of covid-19, there have been a number of stimulus packages passed by Congress, with additional stimulus packages expected. Should additional stimulus funds be made available, MCE is advocating for stimulus funds to be allocated towards building clean resiliency projects to create jobs and minimize the impacts of power shut offs in Northern California. In addition, MCE is advocating for the consideration direct subsidy bonds that could significantly decrease power purchase costs. Both of these items were already identified in Congressional Democratic planning documents; MCE is highlighting the local value of these priorities with its congressional delegation.

b. California Legislature

Due to the meeting restrictions for public health reasons, the California legislature has remained in recess for a large portion of the spring when bills are typically heard in policy committees. Due to both covid-19 and a significant budget shortfall, the Legislature is prioritizing very few bills for passage this session. However, MCE has still taken positions on bills that may continue to move forward:

i. AB 3014 (Muratsuchi) – Support

This bill is sponsored by the California Community Choice Association (CalCCA) and would establish the California Reliability Authority, a nonprofit public benefit corporation that would procure resource adequacy for the entire state. There have been mounting concerns that there is a shortage in resource adequacy due to environmental regulations, power

plant retirements, and a decrease in new natural gas facilities. Last year, the CPUC mandated that the Investor Owned Utilities (IOUs) would serve as the central buyer. However, CCAs and other stakeholders were wary that this would further entrench IOU monopoly power and ability to leverage fees onto departing customers. Establishing the Central Reliability Authority apart from the IOUs minimizes these risks.

ii. AB 2689 (Kalra) – Support

This bill is also sponsored by CalCCA and requires greater transparency in spending by IOUs. This would allow stakeholders to better understand the fees that are charged to all customers, including the Power Charge Indifference Adjustment.

iii. AB 1847 (Levine) – Support

This bill would authorize the CPUC to appoint a Public Administrator with authority over any IOU that is in violation of state laws and public safety regulations. MCE supported this bill in order to promote better oversight and accountability at PG&E in response to catastrophic wildfires throughout Northern California and MCE's service area in particular.

iv. AB 2356 (Bauer-Kahan) – Support

This bill allows the Attorney General or district attorney to bring civil and/or criminal action against a utility that fails to comply with safety standards or requirements. MCE supported this bill in order to ensure more avenues for accountability at PG&E in response to catastrophic wildfires in Northern California.

v. SB 862 (Dodd) – Support

SB 862 requires that the wildfire mitigation plans filed by IOUs to expressly consider the needs of Access and Functional Needs (AFN) individuals. This would require PG&E to better support its customers living with disabilities when shutting off power for wildfire prevention purposes.

The bill would also require an IOU to coordinate with local governments to identify where community resource centers can be established during power shutoffs. Further, the IOU is required to coordinate with local governments in establishing back up power at those sites. This bill could support local government partnership with PG&E at sites where MCE is already conducting resiliency activities.

vi. SB 1403 (Hueso) – Support

This bill expands eligibility for CPUC's home weatherization services for low-income customers. This would enable MCE's Low-Income Families and Tenants (LIFT) program to serve more customers.

II. California Public Utilities Commission (CPUC)

a. Integrated Resource Planning (IRP)

On March 26, 2020, the CPUC adopted a Final Decision in the IRP Proceeding that set the filing requirements and deadline for Load Serving Entities' (LSE) CPUC compliance IRPs. Among other things, the Final Decision adopted the Reference System Portfolio (RSP), which is a portfolio of resources resulting from a CPUC modeling exercise to determine a statewide portfolio of resources needed to achieve system-level reliability and achieve the state's GHG-emissions goals at the least cost. All LSEs are required to use the RSP as a framework as they develop their compliance IRPs (*i.e.* LSEs' IRPs must generally conform to the categories and proportions of resources identified in the RSP). These general categories of resources are: (1) long-duration storage (defined as storage from 8-12 hours in duration); (2) short-duration storage (defined as storage of 4 hours or less); (3) renewables, (4) hybrid resources (*i.e.* renewables paired with storage); and (5) other resources such as large hydro-electric and load modifying resources.

The Final Decision also adopted 2 benchmarks for the 2030 statewide GHG-emissions target: a 46 million metric ton (MMT) benchmark and a 38 MMT benchmark. LSEs' IRP portfolios must meet their proportional share of each of the aforementioned GHG-emissions benchmarks. Due to MCE's advocacy and that of other stakeholders for a lower GHG benchmark, the CPUC refrained from adopting the higher 46 MMT benchmark. Instead the CPUC directed LSEs to develop portfolios that meet both the 46 MMT and 38 MMT benchmarks. Depending on the results from LSEs' individual IRPs, and the CPUC's IRP aggregation process, the CPUC will decide which benchmark to formally adopt for 2030.

Lastly, the Final Decision confirmed that each LSE must use a CPUC-assigned load forecast to develop its IRP; the CPUC derives this load forecast from the California Energy Commission's (CEC) system demand forecast proceeding. MCE identified that its CEC load forecast deviated substantially from MCE's internal forecast. MCE advocated at both CEC and CPUC for a downward adjustment to its forecast to better align with MCE's 2020-2030 annual forecast. On April 15, 2020, the CPUC formally adopted MCE's requested revisions via an Administrative Law Judge's Ruling.

MCE's compliance IRP is to be filed at the CPUC on September 1, 2020.

b. Resource Adequacy (RA)

On March 26, 2020, the CPUC issued a Proposed Decision (PD) that would adopt a Central Procurement Entity (CPE) framework for local RA whereby Pacific Gas and Electric Company (PG&E) and Southern California Edison would be assigned the role of central buyer for local RA within their respective distribution service territories. Under the PD, MCE and other LSEs would no longer be assigned annual local RA procurement requirements. Instead, the CPE would be solely responsible for procuring local RA on behalf of the other LSEs. Notably, the PD's approach rejected a residual CPE framework whereby an LSE would retain its local RA procurement obligation and the CPE would only procure to the extent a collective local RA deficiency is identified. A residual framework, as opposed to the PD's framework, would preserve a CCA's statutory procurement autonomy to decide which resources are procured to serve its customers.

Under the PD, LSEs could still procure resources with local RA attributes. However, LSEs would no longer be guaranteed RA revenue streams for those resources. As such, the PD (1) risks

increasing stranded local RA procurement costs for MCE, and other CCAs, that would increase costs for customers, (2) removes the economic incentive for MCE and other CCAs to develop clean, local resources with local RA attributes; and (3) risks incentivizing over-procurement of local RA, which will unnecessarily increase costs for all customers.

MCE worked closely with CalCCA to develop comments and reply comments on the PD. MCE also engaged in *ex parte* communications with CPUC President Batjer's office to (1) illustrate the PD's impact on MCE's procurement and financial positions; and (2) advocate for revisions to the PD that better preserve a CCA's statutory responsibility to procure resources on behalf of its customers.

The PD was initially scheduled for a CPUC vote on May 7, 2020, but the vote was deferred. The PD is now rescheduled for a CPUC vote on May 28, 2020.

c. PG&E's Bankruptcy Investigation

On March 13, 2020, MCE filed a brief on PG&E's Plan of Reorganization. This brief calls for PG&E to focus on the safety of their operations and exit the retail electric generation business. It also identifies additional ideas for accountability and impacts to ratepayers that should be mitigated. On April 20, 2020, the CPUC issued a PD that would approve PG&E's Plan of Reorganization and impose additional requirements. The PD cited MCE's brief over 40 times in its analysis, particularly in areas of executive compensation, PG&E board and corporate structure, and increased regulatory oversight over time.

The CPUC's proposed new requirements include: (1) modifying the reorganization plan to allow the CPUC to make structural changes to PG&E; (2) creation of a process to develop new metrics to measure PG&E's performance, and (3) allowing ratepayer impacts from the bankruptcy to be addressed over time. On May 11, 2020, MCE filed comments on the Proposed Decision. These comments call for immediate planning to get PG&E into compliance with financial rules (e.g. debt to equity ratio) to reduce the risks to ratepayers from additional shareholder liabilities and borrowing costs. They also seek to limit PG&E's ability to exploit ratepayers to reduce burdens on shareholders. They also make several proposals to improve transparency and better align PG&E's decisions with the interests of the communities it serves.

d. Microgrids Proceeding

On April 29, 2020, the CPUC issued a PD adopting short-term actions to accelerate microgrid development before the 2020 wildfire season. The PD addresses both resiliency strategies proposed in an Energy Division staff proposal, as well as the proposals made by the IOUs in January 2020.

In response to the staff proposal, the PD would adopt tangible updates to the IOU's interconnection processes and tariffs to facilitate and accelerate resiliency projects. In addition, the IOUs are directed to work more closely with local and tribal governments (LTG) in the development of resiliency solutions by (1) conducting semi-annual, county-level workshops to inform LTG about transmission and distribution system upgrades, PSPS event information, and resiliency projects; (2) establishing effective communication processes and materials to interact with LTG; and (3) developing a data portal for County Office of Emergency Services (OES).

In response to PG&E's proposal, the PD conditionally approves the utility's proposals subject to full reasonableness reviews. PG&E's proposal from January 2020 included three main initiatives:

1. Make-Ready Program (MRP): covers distribution system upgrades to make substations ready to accommodate generation for microgrids;
2. Temporary Generation Program (TGP): provides 300MW of diesel generation for four use cases: (1) substations; (2) microgrids in “resiliency zones” (i.e.; business and critical facilities clusters); (3) critical customers such as prisons, transportation infrastructure etc.; and (4) Community Resource Centers. The PD authorizes the TGP for interim, short-term use only.
3. Community Microgrid Enablement Program (CMEP): PGE will provide technical support, data and tools, financial incentives and develop tariffs to empower local governments to initiative community microgrid solutions.

MCE is working with other CCAs to file Opening Comments on the PD on May 19.

In March 2020, PG&E cancelled a related proposal for over 500MW of permanent (10 year), natural-gas generation for microgrid development at substations. This cancellation was largely due to the advocacy of CCAs and other stakeholders identifying issues on local air impacts, alternative clean solutions, and existing law on the procurement responsibilities of CCAs.

e. Solar in Disadvantaged Communities

On May 7, 2020, MCE filed an Implementation Advice Letter with the CPUC to establish the Disadvantaged Communities Green Tariff (DAC-GT) Program and the Community Solar Green Tariff (CS-GT) Program. The programs are community solar programs that offer 100% solar energy to customers and provide a 20% discount on the electric portion of the bill to eligible customers. Under DAC-GT, residential low-income customers located in disadvantaged communities (DACs) can subscribe to receive solar electricity from a pool of solar projects located in DACs throughout California. The CS-GT program is structured similarly to the DAC-GT program but requires community involvement with the solar project through a local sponsor and will result in a solar facility serving a nearby community. The CS-GT program is open to all residential customers located in a DAC, with at least 50% of the program’s capacity reserved for low-income customers.

The Decision authorizing the programs explicitly allowed CCAs to implement their own DAC-GT and CS-GT programs in addition to the IOUs’ programs. MCE was allocated a capacity of 4.31 MW for its DAC-GT program and 1.1 MW for its CS-GT program. Upon approval of the Implementation Advice Letter, MCE will administer solicitations to procure new solar generation in DACs per the program requirements. Until such new resources are online, MCE will serve customers under the DAC-GT program with interim resources that are already in MCE’s portfolio. Hence, MCE expects to offer enrollment under the DAC-GT program to customers by the end of 2020. Enrollment under the CS-GT program is expected in mid-2022.



KEY LEGISLATION, GLOSSARY OF TERMINOLOGY AND KEY 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 100 – Senate Bill 100, 100 Percent Clean Energy Act by 2045

Passed in September 2018, this bill requires renewable energy and zero-carbon resources to supply 100 percent of electric retail sales to end-use customers by 2045.

SB 790 – SB 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.

Terminology

Bundled & Unbundled Renewable Energy Certificates

All renewable-based electricity generators produce two distinct products, physical electricity and renewable energy certificates (RECs). At the point of generation, both product components can be sold together or separately, as a bundled or unbundled product.

Bundled Customers

Bundled customers receive both their electricity generation and distribution services from the same entity. If a customer “opts out” of MCE service, they would be a bundled customer of PG&E.

Unbundled 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 services from MCE and their electricity distribution services 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 is a mechanism for passing through Resource Adequacy costs of generation resources – generally new resources brought online by an investor-owned utility (IOU) such as PG&E – to customers that do not receive generation service from the IOU. The generation facility is supposed to fulfill a system or local area reliability need.

CARB – California Air Resources Board

CARB is the State's agency 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. Today CARB is tasked with implementing the State's efforts to reduce and track the reduction of greenhouse gases (GHGs) emitted statewide, by overseeing the AB 32 Scoping Plan and managing major GHG-related programs like Cap-and-Trade and the Low Carbon Fuel Standard. CARB with guidance from the Governor and Legislature controls how revenues from these programs are spent to further the State's GHG reducing efforts.

CARE – California Alternate Rates for Energy

CARE is a program that allows low-income energy customers to receive a 30-35 percent discount on their electric and natural gas bills. Customers may be eligible for CARE if they are enrolled in public assistance programs such as Food Stamps and Temporary Assistance for Needy Families (TANF). There are no changes to the CARE discount for CCA customers.

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 first operational CCA in California. Other operational CCAs in California include Sonoma Clean Power and Lancaster Choice Energy.

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.

CIA – Conservation Incentive Adjustment

The CIA is a non-bypassable charge unrelated to generation, transmission or distribution. This rate design will be implemented in the PG&E service territory in July 2012 and will result in flat generation and distribution rates, and a tiered CIA charge.

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, railway, livery, 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 generation providers. 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.

DER – Distributed Energy Resource

DER is a relatively new term that refers to a broad number of energy resource types (roof-top solar, fuel cells, energy storage, demand response, electric vehicles, energy efficiency controls, etc.) that are deployed along the distribution grid level. DERs can be controlled in aggregate to behave like localized generation resources there by increasing local grid reliability while meeting the constraints of broader grid reliability needs.

DG – Distributed Generation

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

DR – Demand Response

DR is a way of controlling customers' electricity demand through either voluntary or obligatory programs via either manual or automated control systems. While there are many different flavors of DR designed to attain distinct types of benefits, DR is generally intended to shift electricity demand to better align with the real-time electricity supply.

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.

ESAP – Energy Savings Assistance Program

The Energy Savings Assistance Program provides no-cost weatherization services to low-income households who meet the California Alternate Rates for Energy (CARE) income guidelines. Some of the services provided include attic insulation, energy efficient refrigerators, energy efficient furnaces, and weather stripping.

ESP – Electricity Service Provider

ESPs are non-utility entities that offer Direct Access (DA) electric service to customers within the service territory of an electric utility. CCAs are not considered ESPs. However, ESPs, CCAs and investor-owned utilities (IOUs) are all considered load-serving entities (LSEs).

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 to encourage local development of renewable energy.

GHG – Greenhouse Gas

GHGs are gases in Earth's atmosphere that prevent heat from escaping into space. The burning of fossil fuels, such as coal and oil, and deforestation has caused the concentrations of GHGs to increase significantly in the Earth's atmosphere. This increase in GHGs is the driving force behind climate change.

HUR – Home Utility Report

A HUR is a document that provides customers with a detailed analysis of their individual usage data, comparisons to other similar customers, and tips on how to reduce energy usage. HURs are delivered through the mail on a regular schedule to a subset of MCE customers as part of MCE's Single Family Energy Efficiency Program. Customers are selected to receive the HUR based on historic energy usage.

IDSM – Integrated Demand-Side Management

IDSM is still being defined by the CPUC but is generally used to refer to coordination among customer-side energy technologies and services. The technologies are often found behind a customer's meter and may be related to distributed generation, energy efficiency, electric vehicles, energy storage, and other areas. The services include demand response programs, specialized rate structures, and education programs. IDSM is viewed as a way to reduce the negative impact of organizational silos among utilities and regulators and to improve customer understanding of available options.

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 investor-owned utilities (IOUs), electric service providers (ESPs), and CCAs, all of which offer generation service in the IOU's service territory. 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 the Power Charge Indifference Adjustment (PCIA) and the Cost

Allocation Mechanism (CAM). These charges have significant impacts on CCA customers. The Public Purpose Program (PPP) charge is also a NBC.

NEM – Net Energy Metering

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

OBF – On Bill Financing

OBF is a financing mechanism in which repayment is integrated into a customer's utility bill, typically offered at 0% interest via ratepayer funds.

OBR – On Bill Repayment

OBR is a mechanism for loan repayment in which the loan payments are integrated into a customer's utility bill, typically a partnership between private lending institution and public agency.

PAC – Program Administrator Cost

The PAC is one of two tests of energy efficiency program costs effectiveness used by the CPUC. The test measures the net benefits and costs that accrue to the program administrator (usually a utility) as a result of energy efficiency program activities. The PAC compares the benefits, which are the avoided cost of generating electricity and supplying natural gas, with the total costs, which include program administration costs. The PAC includes the cost of incentives but excludes any participant costs or tax credits.

PACE – Property Assessed Clean Energy

PACE is a way of financing energy efficiency upgrades or renewable energy installations for buildings. In areas with PACE legislation in place municipal governments offer a specific bond to investors and then loan the money to consumers and businesses to put towards an energy retrofit. The loans are repaid over the assigned terms (typically 15 to 20 years) via an annual assessment on their property tax bill. One of the most notable characteristics of PACE programs is that the loan is attached to the property rather than an individual.

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 power.

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 California Public Utilities Commission (CPUC), and are thus subject to different regulation and enforcement than investor-owned utilities (IOUs), electricity service providers (ESPs) and CCAs.

PPP – Public Purpose Program

PPP charges are collected from all Bundled and Unbundled customers in order to fund, among others, discounts for low-income customers on the CARE rate and energy efficiency programs.

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.

PSPS – Public Safety Power Shutoff

Intentional power shutoffs by electricity utilities during periods of high-wind, dry weather, and heightened fire danger. PSPS events are designed to cut power to areas of the grid where the threat of transmission and distribution lines sparking wildfires are particularly high.

RA – Resource Adequacy

RA refers to a statewide mandate for all load-serving entities (LSEs) to procure a certain quantity of electricity resources that will ensure the safe and reliable operation of the grid in real time, over the course of the calendar year. 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 and most recently modified by SB (1X) 2 (2011). A RPS is a requirement that all Load-Serving Entities (LSEs) maintain a minimum percentage of renewable electricity resources within their broader generation supply portfolio. The present RPS requires all of California's LSEs to have no less than 33% renewable generation content by 2020. Recently Governor Brown has challenged the State to aspire to a 50% RPS requirement by 2030.

Governor Brown passed SB 100 in 2018 that supersedes these RPS requirements and mandates that California reach these targets by 2045.

SPOC – Single Point of Contact

The SPOC is a facilitator and participant guide to MCE program offerings, helping to guide the customer through the participation process from initial contact to project completion.

TE – Transportation Electrification

Transportation Electrification refers to the efforts being made to meet the GHG reduction goals of the Clean Energy and Pollution Reduction Act of 2015, (SB 350) as they pertain to the transportation sector. SB 350 orders the CPUC to direct the six IOUs in the state to file Applications for programs that “accelerate widespread transportation electrification.” These programs are required to reduce dependence on petroleum, increase the adoption of zero-emission vehicles, help meet air quality standards, and reduce GHG emissions.

TRC – Total Resource Cost

The TRC is one of two tests of energy efficiency program cost effectiveness used by the CPUC. The test measures the net benefits and costs that accrue to society, which is defined as a program

administrator (usually a utility) and all its customers, as a result of energy efficiency program activities. The TRC compares the benefits, which are the avoided cost of generating electricity and supplying natural gas, with the total costs, which include program administration and customer costs. The TRC does not include the costs of incentives.

WUI – Wildland Urban Interface

A zone of transition between wildland (unoccupied land) and human development. Communities that reside in a WUI are at risk of catastrophic wildfires.

ZNE – Zero Net Energy

A building is ZNE if the amount of energy provided by on-site renewable energy sources is equal to the amount of energy used by the building.