



Staff Report Item 4

TO: East Bay Community Energy Board of Directors

FROM: Bruce Jensen, Alameda County Community Development Agency (CDA)

SUBJECT: Informational Item – County Staff Updates

DATE: May 17, 2017

Staff Recommendation

Accept Staff reports on update items below.

Data Management/Call Center RFP

As directed by your Board at its April meeting, Staff is preparing a new Request for Proposals (RFP) for Data Management and Call Center Services. Staff is working diligently to draft a comprehensive and responsive RFP, noting that these services for EBCE are likely to be more extensive and complex than comparable services for any other CCE program up to this time. Some points for consideration:

1. The EBCE program will be larger, and will require proportionally greater resources for data management capacity and PG&E /customer interaction compared to other CCEs.
2. Whereas other CCE programs require approximately the same levels and types of data services, the EBCE Local Development Business Plan (LDBP) and the Board's desire for rapid evolution toward Distributed Energy Resources (DER) will require data acquisition and data management tools beyond what other CCEs have needed to date; moreover, existing known data management firms have not yet engaged in these types of data management, and these new disciplines would need to be phased in rather than all at once. The best way to bring these bring these new disciplines smoothly into the program with proper phasing requires us to frame the RFP scope and requirements and phasing predictions accurately.
3. The number of vendors that engage in CCE data management activities of any kind, whether basic or advanced, is very limited, and it is not known whether, given the evolving requirements of the program, the current vendor pool will feel they can serve our needs; thus Staff has another level of complexity in crafting RFP requirements that provide prospective vendors with a level of comfort that they can meet our current needs, grow into additional services, and thus submit a bid.

4. As directed by your Board, Staff is including a Small, Local and Emerging Business (SLEB) requirement with the RFP; however, because of certain SLEB restrictions coupled with very limited local vendor resources for this niche discipline, Staff seeks further direction from your Board on the framing of the Local Hire Preference for this RFP, which is discussed in Item 5.

Staff is working to have this RFP out by next week.

Community Advisory Committee (CAC)

At the direction of your Board, on March 8, 2017, the application period was closed for receipt of applications for positions on the CAC. Thirty-seven (37) individual applications were received, many with multiple supporting documents such as resumes, letters of recommendation and writing samples. These have been compiled by staff and delivered to the members of the ad hoc CAC Selection Committee (Chair Haggerty, Vice Chair Kalb, and Directors Arreguin, Bacon, and Ellis) appointed by your Board at the January meeting.

The Committee members have reviewed these applications, and individually have made some preliminary selections, which now require some discussion and reconciliation among the Committee members before bringing them to your Board for final approval. Staff encourages this final reconciliation as soon as possible with the hope of bringing this back to the full Board at its June meeting.

CEO Search:

Staff received over 70 applications for EBCE's CEO position, with nearly 20 candidates that met the minimum qualifications. There were eight highly qualified CEO candidates that participated in the first-round interview panel on May 9th. The interview panel, consisting of the General Manager from Alameda Municipal Power, CEO of Silicon Valley Clean Energy, and Board member Mendall, selected four candidates to advance to a final-round interview on May 31st with the Board of Director's Ad Hoc Committee (Chair Haggerty, Vice-Chair Kalb, and Board member Mendall) and the CEO of Sonoma Clean Power. After the CEO is selected, contract negotiations will be conducted in closed session with the full Board. Staff anticipates a contract with the CEO will be authorized and approved in early July.

Human Resources Firm – Request for Proposal

Staff will issue a focused Request for Proposal for an outside human resource firm to assist in the contract negotiations with the CEO and recruit future EBCE staff that will be hired after the CEO is in place. This firm would also advise and develop initial employee compensation and benefits, and be responsible for the management of human resource operations until permanent EBCE staff are hired. Staff will recommend a contract for a human resource firm to the Board in June.

Banking and Credit Services RFO / Bank Outreach

Staff and consultants are beginning work on an RFP for EBCE banking and credit services and are developing a list of local/regional banks that may be interested in working with EBCE. Staff is also initiating introductory meetings with local banks that may not be familiar with the CCA model to encourage robust participation in the RFP process. If Board members are interested in including certain banks on the RFP distribution list and/or participating in introductory meetings,

please let staff know. It is anticipated that the RFP for banking and credit services will include prohibitions on banks invested in DAPL or other fossil investments and will be released in July, soon after the CEO is on board. The goal is to have EBCE's initial working capital/line of credit in place no later than October of this year in order to support Phase 1 power solicitation and contracting.

Contra Costa County Outreach

Over the last two months there have been several community stakeholder groups, City Council and Board of Supervisors meetings to determine which direction Contra Costa County (CCC) jurisdictions will go in terms of joining a Community Choice Energy program. As the Board will recall from the last update, Contra Costa County had narrowed down its choices to either MCE or EBCE; the idea of having a stand-alone program was put aside in favor of joining an existing CCE program. The last month or so in particular was very active, with EBCE staff going to numerous meetings throughout CCC to present our program as MCE also presented theirs.

Although there was a significant amount of support for EBCE from our neighboring county, the track record, credit/reserves, perceived level of risk and relative ease of joining MCE combined to present a very attractive offer. On May 2nd, the CCC Board of Supervisors opted to go with MCE (for many of the reasons discussed above) and in the week that followed many other jurisdictions had either decided the same, or were seemingly headed in that direction. This includes the cities of Moraga, Concord, Antioch, Danville, Oakley and Pittsburg. Combined with the cities already part of MCE (Richmond, El Cerrito, San Pablo, Lafayette and Walnut Creek) the bulk of Contra Costa County has decided to enroll with MCE.

Staff believes our efforts to attract CCC into our program were beneficial in that it highlighted the differences of the two programs, with the ability of EBCE to improve on the MCE model, particularly in the area of local energy planning and development. Some members of the community were critical of MCE's local development portfolio, in that only 2-3% of their load was local – the thought being that after 7 years they would, or should, have more.

Given the above, staff is recommending the EBCE Board direct its staff to conclude its efforts to recruit CCC jurisdictions into EBCE, and to shift those resources to focus fully on EBCE launch.