



Board of Directors Meeting

Wednesday, October 18, 2017

6:00 pm

City of Hayward Council Chambers

777 B Street, Hayward, CA

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact the Clerk of the Board at least 2 working days before the meeting at (510) 670-5936 or Scabrera@ebce.org.

If you have anything that you wish to be distributed to the Board please hand it to the clerk who will distribute the information to the Board members and other staff

1. Welcome & Roll Call

2. Pledge of Allegiance

3. Public Comment

This item is reserved for persons wishing to address the Board on any EBCE-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Board are customarily limited to three minutes per speaker.

CONSENT AGENDA

4. Approval of Minutes from September 20, 2017

REGULAR AGENDA

5. CEO Report

6. Request for Appointment of Community Advisory Committee Alternates

(Action Item)

Approve the following recommendations:

- A. Adopt a provision to allow CAC members to have an alternate to represent their CAC seat in the event of an excused absence of a CAC member;
 - B. Allow the CAC member to select his or her alternate for consideration and appointment by the Board for the term of his or her seat; and
 - C. Revise and update the EBCE JPA Agreement and/or bylaws as required to permit the EBCE Board to make appointments of CAC member alternates
- 7. Update on Billing/Data Management/Call Center Selection and Authorization for Chief Executive Officer to Execute Contract (Action Item)**

Recommendation:

Adopt a Resolution authorizing the Chief Executive Officer to execute a final contract with the Sacramento Municipal Utility District that includes each of the key terms outlined in the background and discussion section.

8. Resolution Authorizing the Chief Executive Officer to Hire within IP Budget

(Action Item)

Recommendation:

Adopt a Resolution authorizing the Chief Executive Officer (CEO) to hire key executive positions identified in the CEO's proposed organizational chart, at salaries within EBCE's budget for personnel spending provided in the EBCE Implementation Plan.

9. Community Choice Aggregator Service Agreement with PG&E (Action Item)

Recommendation:

Adopt a Resolution authorizing the Chair to execute the Community Choice Aggregator Service Agreement with Pacific Gas & Electric Company.

10. Board Member and Staff Announcements

11. Adjournment – to Wednesday, November 1, 2017



Board of Directors Meeting
Wednesday, September 20, 2017
6:00 pm
City of Hayward Council Chambers
777 B Street, Hayward, CA

DRAFT
Summary Minutes

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact the Clerk of the Board, at least 2 working days before the meeting at (510) 670-5400 or Scabrera@ebce.org.

If you have anything that you wish to be distributed to the Board please hand it to a member of EBCE staff who will distribute the information to the Board members and other staff.

1. Welcome & Roll Call

Present: Directors: Maass (Albany), Biddle (Dublin), Martinez (Emeryville), Bacon (Fremont), Mendall (Hayward), Spedowski (Livermore), Rood (Piedmont), Thomas (San Leandro), Eldred (Community Advisory Committee); Vice-Chair Guillen (Oakland)) and Chair Haggerty (Alameda County)

Excused: Director Ellis (Union City)

2. Public Comment

This item is reserved for persons wishing to address the Board on any EBCE-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Board are customarily limited to two minutes per speaker, but an extension can be provided at the discretion of the Chair.

Jennifer West – New staff member at StopWaste introduced herself, congratulated the Board on EBCE progress and expressed interest in collaborating.

Barbara Stebbins – Invited the Board and public to attend the Public Banks Local Renewables event on Monday, 9/25/17 from 7:00 pm to 9:00 pm at Oakland City Hall (3rd Floor 1 Frank Ogawa, Oakland)

CONSENT AGENDA

3. Approval of Minutes from August 2, 2017

Director Mendall motioned to approve the August 2, 2017, minutes as amended:

- **Add Community Advisory Committee Chair, Anne Olivia to Roll Call**
- **Replace Director Martinez with alternate Director Donahue**

Director Biddle seconded the motion which carried 11/0; Excused: Director Ellis

REGULAR AGENDA

4. Approval of the EBCE Executive Committee (Action Item)

Recommendation:

1. **Establish an Executive Committee of the Board of Directors to provide administrative and operational support to the CEO and oversight of the East Bay Community Energy Authority; and**
2. **Appointment by Chair of five voting members of the Board of Directors to serve on the Executive Committee, for a one-year term. The Executive Committee should have an odd number of Directors. Positions may be renewed without term limits.**

General Counsel provided a summary of the Staff report.

The CAC requested consideration of a non-voting CAC member on the Executive Committee.

The Board discussed:

- Ensuring geographical representation on committee
- JPA language 1.1.13 which states "...The Ex-Officio Board Member may not serve on the Executive Committee of the Board..."
- Reviewing and amending, if necessary, the JPA language at a later date.

Director Biddle motioned to establish an Executive Committee and delegate member appointment to Chair. Vice-Chair Guillen (alt.) seconded the motion which carried 11/0; Excused Director Ellis

5. Update on Billing/Data Management/Call Center Selection and Authorization for CEO to Execute Contract (Action Item)

Recommendation:

Delegate authority to Chief Executive Officer to execute a final contract with GridX/Concentrix that includes each of the key terms outlined in the background and discussion section and present final contract to EBCE Executive Committee for final approval.

Continued to Wednesday, 10/4/17 *Special Meeting*

6. Update on Credit and Banking Services (Action Item)

Recommendation:

- 1. Receive report and provide feedback or direction**
- 2. Select one member of the Board of Directors and one member of the Community Advisory Committee to participate in interviews with Credit and Banking services finalists.**

CEO provided summary of staff report and announced the issuance of RFP – 2 Credit and Banking Services on September 18, 2017.

The Board and CAC would like to identify banks that meet EBCE mission and other socially responsible criteria.

Director Arreguin motioned to select one member of the Board of Directors and one member of the Community Advisory Committee to participate in Interviews with credit and Banking services. Director Mass seconded the motion.

Chair Haggerty amended the motion to appoint Director Arreguin and CAC Chair Eldred. Motion carried 11/0; Excused: Director Ellis

7. Update on Marketing and Community Outreach (Discussion Item)

The CEO presented the communications update and timeline.

Circlepoint will host focus groups the week of October 9, 2017, to review draft energy product logos options, gather Board and CAC member opinion, and insight.

8. Overview of EBCE Staffing Plan and Hiring Progress (Discussion Item)

Recommendation

Receive update and provide feedback and direction as needed.

The CEO gave update on current hiring progress and hiring timelines for the Chief Executive Officer and Director of Power Procurement. The CEO also presented a Initial Draft organizational chart.

The CAC recommended changing the Community Affairs Manager to a Director of Community Affairs.

The Board supported the CAC recommendation, recommended allowing the CEO to make the hiring choices necessary to launch and suggested revisiting the organizational chart later in the hiring process.

9. Overview of Contracts Entered into by EBCE (Informational Item)

CEO provided update on contracts entered into:

Policy/DER, Inc. (Principal: John Wellingshoff), to support review and evaluate ways for EBCE to engage with Pacific Gas and Electric in their proposed Jack London Square Non-Wireless Alternatives project, for a period of 3 months in the amount of \$100 per month minimum.

Keyes and Fox (Principals: Kevin Fox and Jason Keyes), to support development of renewable power purchase agreements, for an amount not to exceed \$3000 with the ability to increase to \$30,000.

Taj Ait-Laoussine to support development of EBCE's Data Management, Billing and Call Center implementation plan and completion of technical aspects of contract, for a period of two months, in an amount not to exceed \$10,000.

Public Financial Management (Principal: Michael Berwanger), to support the development of EBCE's Credit and Banking Serviced Request for Offers, for an amount not to exceed \$10,000.

10. Board Member and Staff Announcements

Chair Haggerty thanked the advocates for their support and actions which helped defeat bills threatening emerging CCAs.

The Chair directed the CEO to seek legislative advocates who specialize in CCAs to assist with legislation, lobbying and provide timely updates.

CAC Chair Eldred requested monthly legislative updates be provided to the CAC

The CEO met with Alameda County Auditor-Controller to discuss EBCE financial needs and forms of credit support and would like to seek engagement of participating cities to assist with providing credit support.

Chair – would like a meet and greet with local/state legislator. Reception/Gathering for EBCE to have an “open house:

Director Arreguin – thanked CEO for timely status updates on SB 618, Bradford.
Load-serving entities: integrated resource plans.

11. Adjournment – to October 4, 2017 *Special Meeting*



Staff Report Item 5

TO: East Bay Community Energy Board of Directors

FROM: Nicolas Chaset, Chief Executive Officer

SUBJECT: CEO Report - Informational Item

DATE: October 18, 2017

Staff Recommendation

Accept CEO reports on update items below.

Discussion & Analysis

A. Wholesale Energy Services

Over the last two months, staff has met with several of the operational CCAs as well as vendors that provide power supply consulting and/or a full range of wholesale energy services (WES). In so doing, we have validated that there are essentially two ways for EBCE to enter the power market: A) select an energy services consultant to develop and issue various RFPs and negotiate contracts for power supply and other related services on an “a la carte” basis; or B) work with an organization such as The Energy Authority (TEA) or Sacramento Municipal Utility District (SMUD) that can provide an integrated suite of wholesale energy services, including credit support, under a single contract.

At this time, Option B is the preferred scenario for the following reasons:

1. **Capacity**

The integrated WES providers referenced above offer organizational expertise and strong track records, superior risk management tools, and the credit capacity needed to enter the wholesale market;

2. **Expediency**

An integrated WES solution will enable EBCE to meet its Spring 2018 launch target while building organizational capacity in its first few years of operations to bring some/all services in house;

3. **Price**

Indicative pricing indicates that the WES solution under either TEA or SMUD is comparable to similar services offered on an “a la carte” basis by multiple vendors under multiple contracts; and

4. **Mission Alignment**

Both TEA and SMUD are public Agencies with significant mission alignment to that of EBCE.

Through a series of discussions with SMUD - which outlined in Agenda Item 7, Staff is recommending that EBCE pursue a contract with SMUD for wholesale energy market services. Staff does expect to receive a proposal from TEA for WES as well. If staff is unable to reach an agreement with SMUD, staff expects to review TEA’s proposal as an alternative prior to issuing a broader RFP.

B. **Staffing Update**

EBCE has extended an offer to hire, which was accepted, to Howard Chang for the Chief Operating Officer position. Howard is joining EBCE from Sol Systems, where he served as Senior Director of Solar Origination. Prior to this position, Howard was a director of distributed generation operations and Chief of Staff to the President at SunEdison. Earlier in his career, Howard worked at JP Morgan as an investment banker. Howard has an undergraduate degree from Johns Hopkins and a dual MBA/MEM from Yale. Howard’s full resume is attached to this item.

C. **Contracts Entered Into**

At EBCE’s August 3rd, 2017 Board meeting, the CEO was given delegated authority to enter into contracts up to \$100,000 without prior Board of Directors authorization. At this meeting, the Board of Directors additionally requested that the CEO report monthly updates on any contracts that were entered into under this authority at the next Board meeting.

Review of EBCE Contracts entered into since September 20, 2017:

1. **Energy and Environmental Economics (E3):**

Scope of Contract: Retained services contract to develop EBCE’s Integrated Resource Plan and EBCE-PG&E rate comparison, including an evaluation of local renewable energy opportunities and local distributed energy resources like rooftop solar, demand response and energy storage. Final IRP expected in December 2017. E3’s proposal is attached to this item.

Term of Contract: \$100,000 to complete full IRP plan and Comprehensive Rate Comparison, including dynamic model that EBCE can use to continually refine energy procurement plans over the coming years. The Rate Comparison will allow EBCE to finalize its rate setting for its expected 2018 launch. Much of the cost of this contract will be covered by funds that were already allocated to another EBCE contractor, EES, and so the net cost of this contract is expected to be minimal.

Contractor Experience: A full overview of E3’s experience is outlined in their attached proposal. Arne Olson and Michele Chait are E3’s project leads for EBCE.

2. **Davis Wright Tremaine:**

Scope of Contract: Fixed fee contract to represent EBCE in the California Public Utilities Commission's Power Charge Indifference Adjustment proceeding.

Term of Contract: \$65,000 to represent EBCE at the CPUC and within CalCCA during the data management and contract review phase of the PCIA proceeding. A full description DWT's proposed **scope** of work and fixed fee arrangement are included as attachments.

Contractor Experience: A full overview of Davis Wright Tremaine's experience is outlined in their attached proposal. Patrick Ferguson is the primary attorney working with EBCE.

Attachment(s):

- A. EBCE Portfolio Management RFP
- B. Resume for Howard Chang
- C. 1. Energy Environmental Economics (E3)
2. Davis Wright Tremaine (DWT) Engagement Letter
3. DWT Statement of Qualifications to EBCE (9-07-17)



REQUEST FOR PROPOSAL No. 17-3

For

**East Bay Community Energy Authority
Wholesale Power Services**

RESPONSE DUE

by

5:00 p.m.

on

October 18, 2017

For complete information regarding this project, see RFP posted at ebce.org or contact the EBCE representative listed below. Thank you for your interest!

Nick Chaset, Chief Executive Officer, EBCE
(510) 670-5936
NChaset@ebce.org

TABLE OF CONTENTS

Overview	3
RFP Schedule	4
Scope of Services	4
Portfolio Management and Procurement Services	4
CAISO Scheduling Coordination Services	5
Advisory Services	5
Credit Solution	6
Evaluation Criteria	7
Financial and Operational Capabilities	7
Respondent Proprietary Information	7
Proposal Format	8
Reservation of Rights	8
Proposal Delivery	8

Overview

East Bay Community Energy Agency (EBCE) is a California joint powers agency located within Alameda County, formed for the purpose of implementing a Community Choice Aggregation (CCA) Program. EBCE member organizations include eleven cities and town located within the County of Alameda (County) as well as the unincorporated area of the County. The CCA program works in partnership with Pacific Gas & Electric and is intended to serve the electric power supply needs of eligible residential, commercial, municipal and industrial customers within EBCE's service territory.

At full enrollment, total annual energy consumption for EBCE's CCA Program is projected to be approximately 6,200 GWh (about 700 MW) servicing in the range of 575,000 customer accounts. These estimates assume 10% of prospective EBCE customers will opt-out of (i.e., not participate in) the CCA Program, electing instead to continue bundled service with PG&E. This is a conservative estimate, noting that newer and currently operational CCAs have an average 93%-95% customer retention rate (5% -7% opt out).

EBCE, by this Request for Proposals (RFP), is seeking responses from interested and qualified parties, which may include but is not limited to: electric service providers, public power organizations, joint action agencies, power marketers, independent power producers, scheduling coordinators, and other energy-related vendors and/or consultants to provide the following suite of wholesale power services, either on an "a la carte" or integrated services basis:

- Portfolio Management and Procurement Services
- CAISO Scheduling Coordinator Services
- Rate Design/Setting and other Energy-Related Advisory Services
- Long Term Procurement Planning
- Credit Solution

Requested services are to be provided during the remainder of the Program implementation period, anticipated to be less than twelve (12) months, followed by a 36 – 60 month initial Program operating period expected to commence on or about May 1, 2018. Responders should clearly identify proposed contract duration(s) within their proposals. Potential responders are invited to respond to EBCE's service needs by particular service category(ies) and/or to perform all services categories as a "package" from within proposer's organization or by way of formal collaboration with other entities. If a team approach is proposed, the lead entity for the team should be clearly identified. The team lead will serve as the responsible party, will be the contract counterparty with EBCE, and will serve as primary contact for team members.

Proposers may submit more than one approach to developing/servicing the CCA Program, and if more than one approach is submitted this should be clearly identified in proposer's transmittal cover letter. As a result of this RFP process, EBCE may choose to: 1) select a single firm to implement the entire range of Proposal Requirements; 2) select one or more firms, each of which would implement one or more tasks; or 3) select a team of individual firms that present a proposal for the full Proposal Requirements. Further, EBCE reserves the right to reject any and all responses to this RFP.

If multiple entities are selected, cooperation and coordination among the various organizations will be required to smoothly and reliably implement and operate EBCE's CCA Program.

EBCE has separately initiated a process seeking Data Management and Call Center vendors for its CCA Program and these functions are not part of this RFP. However, responders to this RFP will necessarily need to collaborate with EBCE's selected Data Management and Call Center vendor, as well as other vendors selected by EBCE to perform related CCA business support services.

Additional information regarding EBCE's history, formation, purpose, membership and CCA Program parameters can be found at EBCE's website, ebce.org (wherein EBCE's CPUC submitted Implementation Plan and other formative documents are available).

Responders selected pursuant to this RFP will assist EBCE with reliably meeting the electric supply and operational requirements of EBCE's CCA Program. Responsive proposals will accommodate EBCE's anticipated May 1, 2018 service commencement date.

RFP Schedule

Release RFP: October 4, 2017

Deadline for Question Submittal: October 10, 2017

Response to Questions: October 12, 2017

Proposals Due: October 18, 2017

Please note that proposals may be submitted before the established due date. In addition, EBCE may choose to accept additional proposals after the established due date at its sole discretion.

Scope of Services

The scope of services outlined below details the wholesale power services requirements of EBCE during the balance of the implementation phase, as well as during the operational phase. Proposers must demonstrate their qualifications and capabilities to provide the requested services and be clear about the method of compensation. Proposers should address how they will work with EBCE to meet the needs of ongoing CCA operations after launch and how Proposer's approach would be economically and operationally advantageous to EBCE.

Portfolio Management and Procurement Services

Respondent will assist EBCE's development and implementation of its portfolio management strategy, including assistance with drafting, implementing and complying with its Energy Risk Management Policy. Respondents are expected to help develop and participate in a risk management process, as well as produce, maintain and publish reports tracking EBCE's compliance with portfolio exposure, market risk and credit limits. Respondent will assist EBCE management and staff to present results to the Board.

Respondents will be expected to identify and present risk-mitigation strategies to EBCE's risk management team and leadership. EBCE staff and Board will work closely with Proposer to identify risk sensitive areas likely affecting EBCE's Program. Particular attention will be paid to proposed approaches to manage the risk to rate competitiveness posed by the Power Charge Indifference Adjustment and how to incorporate those approaches within EBCE's procurement strategies.

Responders to this RFP will also be expected to procure and/or negotiate power contracts on EBCE's behalf, or assist EBCE in procuring all requisite energy, capacity, renewable and GHG-free products to meet EBCE's power supply portfolio requirements while fully complying with applicable regulatory and legislative mandates, CAISO rules and practices, and EBCE's Program goals and objectives, including its enterprise risk management policy. Activities will include issuing RFPs for multi-year off-take agreements, reviewing and evaluating bids and negotiating bilateral power-purchase agreements with third-party power providers.

CAISO Scheduling Coordination Services

Scheduling Coordinator (SC) services include short-term load forecasting (i.e., week-ahead, day-ahead, and hour-ahead), scheduling of load into the CAISO day-ahead market, validating CAISO statements for load settlements, minimizing and managing real-time imbalance exposure, accepting Inter-SC Trades, and managing a Congestion Revenue Rights ("CRR") portfolio and bidding into the various CRR auctions.

EBCE currently neither owns nor has generating resources under its operational control and therefore is not requesting generation scheduling services as part of this RFP, but all respondents must possess the capability and experience to schedule future renewable generation projects that may be under contract with EBCE in the future. Additionally, SCs will be required to submit regulatory compliance filings, such as monthly RA compliance reports to the CAISO on behalf of the EBCE Program.

Respondents offering to provide SC services must be certified by the CAISO as a scheduling coordinator, or must name a certified scheduling coordinator that will be contractually responsible for scheduling loads and resources throughout the proposed delivery term. If respondent is not a certified CAISO scheduling coordinator and will be naming a third-party to serve in this capacity, EBCE requires such respondents to submit proposals that are co-signed by the anticipated scheduling coordinator, verifying the intended business relationship and the anticipated scope of services to be provided.

Respondents offering to provide SC services must describe the methodologies that will be used for load forecasting and CRR portfolio management as well as all information systems that will be utilized in providing SC services to EBCE and identification of those to which EBCE personnel will have access. Proposals must describe the process and methods to be used for validating CAISO charges and credits that will be passed through to EBCE.

It is also expected that the SC will be responsible for satisfying the CAISO's various financial requirements and obligations (i.e., collateral obligations).

Advisory Services

There are a number of activities with which EBCE will require assistance that are related to wholesale power services. A list of activities is provided below.

Regulatory and Legal Compliance

Coordinate with EBCE management and staff to ensure compliance with all regulatory requirements pertaining to CCAs, such as RPS, resource adequacy, energy storage implementation and re-certification of implementation plan when necessary. This function would also involve monitoring ongoing regulatory proceedings at the CPUC (as well as proposed laws at the legislature) that may

materially affect CCA functions and competitiveness, and providing comments and testifying at these forums when appropriate. Of particular concern would be impacts on CCA fees, such as the departing load charge and changes around the cost allocation mechanism.

Financial planning

Assist EBCE with financial planning including development of annual budgets and making budget presentations to the Board of Directors as appropriate. This task also includes managing/supporting the rate-setting process and presenting proposed rates to the Board for approval.

Proposer will need to conduct an analysis to assist EBCE in establishing a rate regime that meets the annual budgetary revenue requirement developed by the Program. This will include recovery of all expenses and any reserves or coverage requirements set forth in bond covenants or other debt-service requirements. EBCE anticipates a rate structure similar to PG&E's rate schedules. Included in the rate structure should be consideration of policies that further encourage renewable energy development, including but not limited to:

- a) A feed-in-tariff program to incentivize renewable energy projects within the Program service territory;
- b) A net energy metering tariff that encourages solar installation on the customer side of the meter;
- c) A 100% renewable, opt-in choice. Customers would be offered a 100% renewable energy option at a premium price, based on the costs of a 100% renewable supply.

Policy and program development

If requested, assist EBCE with energy efficiency program development and administration, local power development projects, job training and energy storage initiatives. Innovative policies could include, as discussed previously, feed-in-tariff and net energy metering programs.

Integrated Resource Planning

Assist EBCE with developing a long-term integrated resource plan that considers both demand-side reductions (through energy efficiency and demand response) as well as conventional/renewable supply. The resource plan will estimate the percentage of total electricity demand that will come from renewable and non-renewable resources. This should take into consideration SB 350's Integrated Resource Planning requirements and other relevant factors. If requested, the selected Proposer may also work with EBCE to create an action plan for developing local renewable energy projects.

Other Services

Identify other related services and tasks which may not have been included in this RFP which Proposer deems are important to the success of the Program. Comprehensive proposals that identify opportunities above and beyond standard Program operations are encouraged.

Credit Solution

There are a number of short-term financing needs that EBCE will need to fund prior to receipt of Program revenues, including, but not limited to: paying settlements with power suppliers and CAISO,

providing credit support to power suppliers and CAISO, paying utility service fees, and posting the CPUC performance bond.

EBCE has separately issued an RFP for credit and banking services that may in part, or whole, meet the EBCE's initial financing requirements; however, EBCE is also interested in learning if respondents to this RFP are interested and able to help support EBCE's wholesale energy market financing requirements, and if so, the cost of such credit solution and proposed terms and conditions.

Evaluation Criteria

Proposals will be evaluated based on the following non-exhaustive factors:

- Qualifications and experience of the respondent's provision of the same or similar services;
- Capability and experience of key personnel as well as direct experience with other public and/or private agencies in similar capacities;
- History of successfully performing services for public and/or private agencies and other CCAs;
- Financial viability of the respondent;
- Cost to EBCE for the services identified in this RFP;
- Proposed approach, including a clearly demonstrated understanding of the intended scope of products and services to be provided;
- Proposer's indicated willingness to work with other EBCE vendors and consultants;
- Ability to meet required timelines or other requirements;
- Existence of and circumstances surrounding any claims and violations against the respondent, its representatives and/or partners;
- Pertinent references.

EBCE reserves the right to consider factors other than those indicated above and to request additional information from any/all respondents as part of the selection process.

Financial and Operational Capabilities

The respondent must provide evidence of financial, technical and operational capabilities for delivery of the requested services.

Respondents must provide the following:

- Audited financial statements for the most recent previous two years or a web-link where such information is accessible.
- If available, a credit rating from two of the following: Standard & Poor's, Moody's, or Fitch Investor Services from the most recent rating agency report.

Respondent Proprietary Information

Information submitted in response to this RFP will be used by EBCE or its designated representatives, including consultants, solely for the purpose of proposal evaluation. Proprietary data should be specifically identified on each applicable page of respondent's proposal; respondents should mark or stamp applicable pages as "Confidential" or "Proprietary." Reasonable care will be exercised so that information clearly marked as proprietary or confidential will be kept confidential, except as otherwise

may be required by law or regulatory authority. EBCE, its employees and consultants will not be liable for the accidental disclosure of such data, even if it is marked.

Proposal Format

Proposal information should be organized into the following sections:

Introduction and Executive Summary - Briefly describe the firm, its organization, key personnel, and operations, and provide similar information for any third parties that will be relied upon to provide the proposed services.

Description of Approach to Providing Proposed Services – Describe the proposed approach for delivery of the proposed services. Respondents should clearly state how they intend to interact with EBCE staff and what the obligations and expectations they have of EBCE staff.

Financial, Technical, and Operational Qualifications – Demonstrate the firm’s financial viability, qualifications, and experience in providing the proposed services. Include supporting financial statements, credit reports, references, description of sustainability practices and other relevant information.

Price Proposal – Provide a price for providing each of the requested services.

Reservation of Rights

EBCE reserves the right to change the requirements, due dates, and other CCA Program requirements as may be necessary for the development of the overall CCA Program. Through issuance of this RFP, EBCE makes no commitment to any proposer and provides no guarantee that a contract will be awarded. EBCE reserves the right to discontinue this RFP process at any time for any reason.

Proposal Delivery

Proposals must be received by 5:00 P.M. Pacific Prevailing Time on October 18, 2017 through electronic submission and shall be directed to the following point of contact:

East Bay Community Energy
Attention: Nick Chaset, Chief Executive Officer
Phone: (510) 670-5936
Email: Nchaset@ebce.org

HOWARD K. CHANG**PROFESSIONAL EXPERIENCE**

SOL SYSTEMS LLC**San Francisco, CA****Senior Director, Origination & Development****2016-Present**

- Head new business unit to originate and develop solar projects (2-100MWs) throughout the US via project acquisitions, greenfield development, and co-development partnerships
- Lead business development and secured 250MW of projects, converting to revenue in Q4'17 to Q2'19
- Interface with corporates and utilities on RFPs for power contracts and interconnection studies
- Create permitting & community engagement processes and implement organizational & CRM best practices
- Research state level policy and participate in industry working groups on PUC and land use issues

SUNEDISON LLC**San Francisco, CA****Director of Operations, Distributed Generation - Channel Partner Segment****2014-2016**

- Oversaw a national portfolio of solar assets and grew a network of channel partner relationships
- Managed seven direct and nine indirect reports to build 50MWs, totaling \$160MM in revenue; Accounted for 30% of DG business in 2015 and met MW commitments two years in a row as highest performing segment
- Implemented process improvement initiatives to scale execution capabilities, cutting soft costs by 25% y-o-y
- Expanded role based on performance to be turnaround manager of 10-person Sales Engineering team

Chief of Staff, President of the North America Region**2013-14**

- Reported to the President to execute on 200MW portfolio of solar development assets; Acted as interim CFO to create 2014 plan; Ran strategic sessions to address key account management and org alignment issues
- Led creation of five-year strategic plan on product and market expansion for Utility and DG businesses, looking at opportunities in storage, micro-grid, demand response, PACE, ESCO, and retail energy platform

Solar Leadership Program: Utility Project Finance; DG Portfolio Management**2012-13**

- Organized 2013-14 Portfolio Financing Road Show that closed on \$866MM on 232MW (Eight projects)
- Managed MA portfolio execution across development, ops, procurement, and financing: 50MW (21 projects)

ENERNOC INC**Boston, MA****MBA Intern, Utility Solutions****2011**

- Developed framework to assess energy usage tools and created business plan for \$50-90MM revenue product

GENERAL ELECTRIC COMPANY**Stamford, CT****Summer Associate, Energy Financial Services, Venture Capital & Renewables****2010**

- Completed diligence on \$10MM equity investments in a micro wind turbine and biomass gasification venture

J.P. MORGAN CHASE & COMPANY**New York, NY****Associate, Investment Bank, Corporate Structuring & Solutions****2007-09**

- Received the highest performance rating and a promotion through the market downturn in 2008
- Launched a portfolio of new products, growing 2008 P&L by 45% to \$20MM as part of a four-member team

Analyst, Investment Bank, Strategic Planning & Analysis**2006-07**

- Assessed segment performance and competitor results to drive CFO initiatives on growth and strategy

Internal Consulting Services, Firm-wide Rotational Leadership Program**2004-06****EDUCATION**

YALE UNIVERSITY Dean's Merit Scholarship; GMAT: 770 (99th Percentile)**New Haven, CT**

Master of Business Administration - School of Management

2009-12

Master of Environmental Management - School of Forestry & Environmental Studies

JOHNS HOPKINS UNIVERSITY (GPA: 3.7)**Baltimore, MD**

Bachelor of Arts, Economics, General Honors; Minor: Entrepreneurship & Management

2000-04**ADDITIONAL INFORMATION**

- Eagle Scout; Conversational in Mandarin Chinese
- Interests: Cycling; Traveling; Cooking healthy and delicious 30-minute meals

Proposal for East Bay Community Energy

IRP and PG&E Rate Comparisons

Submitted by:

Michele Chait

Energy and Environmental Economics, Inc. (E3)

101 Montgomery Street, Suite 1600, San Francisco, CA, 94104

Tel: 415-391-5100, Fax: 415-391-6500

michele@ethree.com

14 September 2017



Energy+Environmental Economics

1. Project Overview

East Bay Community Energy (EBCE) is seeking to engage a consultant to support two key activities over the coming months:

- Procurement plan development
- Projection of EBCE cost difference versus PG&E

E3 is pleased to provide our proposal for these services. Our proposal proceeds as follows. Section 2 provides an overview of E3. Section 3 describes our approach. Section 4 discusses proposed timeline and deliverables. Section 5 is our pricing and staffing proposal.

2. E3 Overview

E3 is a San Francisco-based consultancy specializing in electricity economics. Founded in 1989, E3 advises utilities, regulators, government agencies, power producers, energy technology companies, and investors on a wide range of critical issues in the electricity industry. This broad range of clients across all sectors of the industry is unique among consulting firms of E3's size and speaks to the fact that E3 has earned the respect and trust of clients and stakeholders for the objectivity of the firm's work and its grounding in the realities of the electricity marketplace. The insights gained through our diverse range of projects uniquely position E3 to combine our robust analytics practice with our intimate knowledge of policy and potential future regulatory outcomes to support analysis of electricity supply portfolios and related contractual issues.

E3 has deep expertise in the economics grid-scale generation and is frequently engaged by clients who desire to understand the impact of increasing penetrations of renewable energy or carbon policy on the value of their assets. E3 also has a robust practice analyzing the value of distributed energy resources, including energy efficiency, demand response, storage, rooftop PV, and electric vehicles. Highlights of our expertise include:

- Investigating the flexibility needs of achieving a 40% renewable penetration across the Western Interconnection, on behalf of the Western Electric Coordinating Council (WECC) and the Western Interstate Energy Board (WIEB);

- Creating the Public Tool for the CPUC to evaluate alternative compensation structures and resulting economic adoption for net energy metering for California’s investor-owned utilities;
- Creating the “E3 Calculator” used throughout the U.S. to determine cost-effectiveness of energy efficiency programs
- Developing methodology for, and avoided cost evaluation of, California’s energy efficiency, distributed generation, demand response and storage programs, including the cost-effectiveness of energy efficiency and solar PV for California’s Title 24 Building Energy Standards;
- Supporting energy procurement for the University of California, covering over 250 GWh annually for the six University of California campuses that are currently served by competitive energy suppliers, to help the University achieve its sustainability goals;
- Advising the California Public Utilities Commission, California Energy Commission and California Air Resources Board regarding a number of regulatory strategies for implementing California’s landmark climate change legislation, Assembly Bill 32 (“AB32”);
- Assisting utilities with local and system IRP needs. Examples include:
 - For the CPUC’s Integrated Resource Plan, E3 recently developed inputs and assumptions utilized in its proprietary RESOLVE tool to create optimal portfolios for the CAISO electric system under a range of different forecasts of load growth, technology costs, fuel costs, and policy constraints. RESOLVE optimizes the buildout of new resources twenty years into the future, representing the fixed costs of new investments and the costs of operating the CAISO system within the broader footprint of the WECC electricity system.
 - In 2015, the state of Hawaii passed unprecedented legislation, Act 97, which requires its investor-owned utility, Hawaiian Electric Company (HECO), to meet a 100 percent renewable portfolio standard (RPS) by the end of 2045. Using our RESOLVE model, we demonstrated multiple pathways that Hawaii could pursue to achieve 100 percent RPS by 2045, culminating in a detailed plan for how Hawaii can reach its goals at least cost to its ratepayers. These plans were approved by the Hawaii PUC in July 2017.
- Supporting CAISO Renewable Energy Integration analysis:
 - E3 developed a new methodology to evaluate the expected production of renewable resources during critical hours. The methodology incorporates traditional Loss-of-Load Probability (LOLP) modeling in conjunction with all available information about projected loads and renewable resource production to calculate the Effective Load-Carrying Capability (ELCC) of California’s projected fleet of renewable generators in 2020. The CAISO is using this methodology to

determine residual need for conventional generation capacity to ensure reliable system operations.

- E3 also supported the CAISO's modeling of the need for flexible capacity resources to accommodate increased ramping and ancillary service requirements associated with renewables, as well as the CAISO's modeling of the cost of renewable integration.
- Providing market strategy and generation asset valuation services for a wide variety of IPP, utility and government clients. Technologies evaluated have included traditional and flexible natural gas plants, coal, landfill gas, wind, solar PV, solar thermal, solar hybrid, pumped storage, battery storage, and thermal storage.
- Modeling of electric vehicle utility cost-benefit studies, charging economics, and regulatory filing support.
- Carrying out local and national “Pathways” analysis providing detailed assessment of the technology, infrastructure, and cost requirements to deeply reduce greenhouse gas emissions by the year 2050.

3. Approach

E3’s approach to supporting the two key activities is described below.

TASK 1. DEVELOP INTEGRATED RESOURCE PLAN (IRP)

EBCE desires to provide its customers with a mix of energy that provides approximately a 5-10% reduction in GHG emissions versus PG&E service at a lower cost than PG&E service. Determining the optimal mix of resources that may accomplish this is a complex analytical exercise. Reductions in the federal production and investment tax credits (PTC, ITC) taking place over the next 5 years will impact the cost of contracting for new wind and solar resources over their PPA term. Additionally, nodal and zonal price factors relative to the EBCE default load aggregation point (DLAP) will influence the economics of each PPA as will specific PPA risks such as the treatment of curtailment. GHG-free RPS-ineligible hydro resources count towards EBCE’s GHG goals. The capacity contribution (effective load carrying capacity or ELCC) will reduce EBCE’s resource adequacy obligations. Because of these complex interactions, we recommend that procurement be evaluated comprehensively in the context of an IRP.

An IRP is a planning process that identifies least-cost or best-value resources to meet reliability and public policy goals and typically analyzes a long-term investment horizon. Specific issues that can be analyzed in the IRP include the economic impact of customer-side programs,

determination of the optimal procurement incorporating geographic, temporal, and technical resource factors, and analysis of the financial health of EBCE in each year.

We envision that the IRP scope should be carried out as follows.

1. Kickoff Working Session including Clarification of EBCE goals

E3 will facilitate a kickoff meeting and working session to discuss the desired approach for the IRP project and to clarify and potentially re-define certain EBCE goals. For example, local program goals, banking of renewable attributes, and use of unbundled RECs and/or out of state resources should be defined.

Once these issues are clarified, the IRP procurement calculations can be performed.

2. Determine appropriate long-term (2018 – 2037) mix of resources

To carry out the IRP analysis, E3 will produce an Excel model that will be transferred to EBCE upon conclusion of the project. The IRP model will examine the optimal mix of resources for EBCE, largely incorporating the economic life of resources, and taking into consideration factors such as whether resources can be contracted versus EBCE-owned, contract lengths, technology mix, project locations (market risk), and project sizes. The IRP model will be capable of generating key sensitivity scenarios including contract cost and term for renewable resources, DER penetration, and loads.

E3 will carry out key sensitivity analysis for the major factors influencing outcomes. Scenarios will incorporate natural gas and carbon price sensitivities, low and high market price scenarios, various EBCE renewable portfolios, loads (distributed resource penetration, energy efficiency, demand response, flexible loads including electric vehicle charging patterns), and capacity costs (system, local, flexible).

2. DEVELOP PG&E RATE COMPARISONS

The IRP will incorporate the following PG&E rate comparison analysis.

1. Project short-term (2018 – 2021) municipal customer cost difference versus PG&E

A key initial task desired by EBCE is to analyze the potential rate impact of one or more PPAs that would serve a subset of EBCE municipal customers under a long-term optional service

arrangement. This information will be used to support specific EBCE procurement opportunities as well as customer outreach, and will also help inform the amount of margin that is available to invest in local and/or other customer programs for these municipal customers.

Under this task, E3 will analyze the cost of EBCE's services versus relevant costs for bundled PG&E service for the 2018-2022 period for the municipal customer commercial class(es). E3 will provide a discussion of the key factors that will influence these economics in the post-2022 period. Costs that are the same in each case (i.e., certain NBCs, transmission) will not be included in the analysis.

To estimate EBCE costs for these commercial classes, E3 will utilize actual EBCE PPA bids or will develop estimates of EBCE procurement costs. If EBCE provides actual bids, E3 will utilize the most recent year of CAISO nodal price data to develop the assumed nodal price differential in the 2018-2022 period. These costs will incorporate the factors described in the IRP task above including nodal or zonal price factors relative to the EBCE DLAP, the generation profile of the resources, the treatment of curtailment, resource adequacy capacity procurement, future resolution methodologies for the PCIA, and EBCE start-up and administrative costs.

E3 will utilize its Auroraxmp production simulation software to provide day-ahead market price projections for one future scenario for the 2018-2022 period. The datasets utilized in this software reflect E3's proprietary assumptions data, including a detailed zonal representation of loads, generators, and topology. Importantly, this data includes the expected levels of renewables needed to meet individual state energy policies, including the impacts of distributed resources (i.e., rooftop solar PV). Note that E3's curves can reflect higher levels of grid-scale renewables on the CAISO system than current RPS targets, accommodating issues such as increased renewables procurement from corporates and CCAs.

E3 will utilize several data sources to develop the PG&E rate projections including RPS program reports, PG&E GRC data, IEPR, and the FERC EQR filing database. Market prices assumed in PG&E rates will be the same as those utilized in the PPA analysis described above. The PG&E rate calculation will incorporate analysis of treatment of the PCIA for bundled customers pursuant to R1706026.

E3 will compare the cost of the PPA versus the projected cost of PG&E energy and generation capacity costs for 2018-2022 on a present value as well as an annual basis. Costs that are the same in each case (i.e., certain NBCs, transmission) will not be included in the analysis.

2. Project short-term (2018 – 2021) EBCE total cost difference versus PG&E

Similar to Task 3 above, E3 will project the short-term EBCE cost difference for all customers versus PG&E costs. This information will also help inform the amount of margin that is available to invest in local and/or other customer programs for EBCE generally.

4. Deliverables & Timeline

Deliverables

- Power point presentation and kickoff working session at E3 or EBCE offices. This working session will cover clarification of EBCE policy goals, methodology, key assumptions, and modeling techniques.
- Excel IRP spreadsheet with the following data:
 - Long-term IRP (2018-2037)
 - PG&E rate comparison for municipal customers and all EBCE customers
 - Assumptions data
 - Dashboard enabling sensitivity analysis
- A report in Power Point format describing:
 - IRP modeling techniques, assumptions, and EBCE goal refinement and recommended procurement results.
 - PG&E rate comparison results

In order to carry out the analysis and develop these deliverables, E3 will require certain data from EBCE. Such data includes information related to energy and capacity procurement, loads, DER programs, and other operating costs. E3 will also require non-coincident peak billing determinant data for all EBCE customers and for the subset of municipal customers.

The IRP can be completed in approximately two months provided that EBCE is able to provide necessary data within two weeks of kickoff.

5. Budget and Project Management

Budget

The IRP task can be carried out under a fixed fee of \$70,000. The PG&E cost comparison for municipal customers and for all EBCE loads will be accomplished for a fixed fee of \$30,000. The PG&E cost comparison will be incorporated in the IRP.

Staffing

The project will be managed by Michele Chait, Director, who leads E3's practice area supporting large users of electricity to obtain reductions in electricity costs and achieve sustainability goals. She will be supported by Partners Arne Olson & Nancy Ryan, as well as by the staff listed in the table below.

Staff Person	Title	2017 Hourly Rate
Nancy Ryan	Partner	\$375
Arne Olson	Partner	\$375
Michele Chait	Director	\$320
Jack Moore	Director	\$320
Saamrat Kasina, PhD	Consultant	\$255
Gerrit De Moor	Consultant	\$255
Kiran Chawla	Consultant	\$255
Brian Conlon	Senior Associate	\$230
Femi Sawyerr	Associate	\$215

E3's payment terms are Net 30. Expenses (airfare, hotel, mileage, etc.) are billed at cost. Invoices are issued monthly.



Davis Wright
Tremaine LLP

Attachment Item 5 C2

Suite 800
505 Montgomery Street
San Francisco, CA 94111-6533

Patrick Ferguson
415.276.6563 tel
415.276.6599 fax

patrickferguson@dwt.com

September 20, 2017

Mr. Nicolas Chaset
East Bay Community Energy
[Address]

Re: Terms of Engagement Regarding PCIA Rulemaking Before CPUC

Dear Nick:

Thank you for selecting Davis Wright Tremaine LLP (“DWT” or the “Firm”) to represent East Bay Community Energy (“EBCE”) in connection with Rulemaking 17-06-026, the CPUC’s proceeding to review, revise, and consider alternatives to the Power Charge Indifference Adjustment (“PCIA”). This letter sets forth the terms of our representation of EBCE in this matter.

EBCE is the only entity we will be representing pursuant to this agreement. Unless we agree otherwise, we will not be representing any related or affiliated entity or person, nor any family member, parent corporation or entity, subsidiary, or affiliated corporation or entity, whether or not any such related entity or person is operationally integrated with EBCE.

We want to make sure that we have explained to our clients the essential understanding of our relationship at the outset. Therefore, please review this agreement before signing below and return the signature page to me. If you have any questions, please do not hesitate to contact me immediately. If you wish, you may have another attorney review this agreement before signing it.

Our firm will provide the services requested, keep you informed of developments and progress in the matter, and respond promptly to your inquiries. You agree to be truthful and cooperative and apprise us of all developments relating to your needs and our services, to be available to attend all requested appearances and depositions, settlement negotiations or court



Nick Chaset
East Bay Community Energy
September 20, 2017
Page 2

appearances, to attend meetings when requested by us, and to keep us apprised of any change in address or telephone numbers.

Fees and Costs; Billing and Payment

EBCE agrees to pay [\$65,000 in 3 monthly installments starting in October 2017, of \$20,000 (10/17), \$20,000 (11/17) and \$25,000(12/17)] for the work completed by the Firm to represent EBCE in the first phase of the PCIA proceeding. Specifically, the Firm will represent EBCE on the following tasks: (1) participate in the [or “any”] meet and confer/workshop process related to data access issues; (2) draft an opening brief on data access issues; (3) review and summarize other opening briefs; (4) draft a reply brief on data access issues; (5) participate in strategy sessions with EBCE and coordinate with other CCAs as needed related to data access/confidentiality issues; and (6) draft and revise discovery responses and requests related to data access/confidentiality issues.

The fixed fee will not be tied to the specific amount of time spent on the work. Additional work done outside of this fixed scope will be billed at a mutually agreed upon additional fixed fee or the current hourly billing rates of the lawyers we expect will assist in this matter, as follows: Patrick Ferguson, partner (\$600 per hour); Vidhya Prabhakaran, partner (\$620 per hour); Katie Jorrie, associate (\$415 per hour); Emily Sangi, associate (\$415 per hour), Tahiya Sultan, associate (\$410 per hour); and Judy Pau, paralegal (\$305 per hour).

We may use other lawyers as the matter evolves. We will also use legal assistants where appropriate. To the extent that we do work outside of a fixed fee arrangement, all our hourly rates will also be displayed in our billing invoices you receive. In those instances, we charge in increments of one-tenth of an hour, rounded off for each particular activity to the nearest one-tenth of an hour. Our billing rates are reviewed on a periodic basis, generally at year end, and we will inform you of any adjustments.

In addition to the fixed fee, we charge our clients for out-of-pocket expenses incurred on your behalf, but also for other ancillary services provided. Examples include court filing fees, expert fees and expenses, transcript fees, travel expenses, in-house messenger services, facsimile and photocopy services, computerized legal research, discovery data handling and hosting, and litigation services. We will advance routine expenses for individual items that cost less than \$1,000 but will refer items that cost more directly to you for payment. While our charges for these services are measured by use, they do not, in all instances, reflect our actual out-of-pocket costs. For many of these items, the true cost of providing the service is difficult to establish. While we are constantly striving to maintain these charges at rates which are the same as or lower than those maintained by others in our markets, in some instances, the amounts charged exceed the actual costs to the firm. If you have any questions about the basis for any of these expenses, please let us know.

Nick Chaset
East Bay Community Energy
September 20, 2017
Page 4

We will provide bills to you on a monthly basis and ask that they be paid in full within 30 days after you receive them. We may bill you for interest on any amount that is not paid 30 days after it is past due. Interest will accrue at the maximum amount permitted by state law, but not exceeding one percent per month. We ask you to acknowledge that our firm is entitled to a contractual lien, pursuant to California Civil Code § 2881, on your claims or causes of action and all proceeds of such claims or causes of action to secure payment of our bills.

Termination of Services

You may terminate our representation at any time, with or without cause. Our right or obligation to terminate our representation is subject to the rules of professional responsibility for the applicable jurisdiction in which we practice, which list several types of conduct or circumstances that require or permit us to withdraw from a representation, including, for example, nonpayment of fees or costs, misrepresentation or failure to disclose material facts, failure to cooperate, taking action contrary to our advice and conflict of interest with another client. We will try to identify in advance and discuss with you any situation which may lead to our withdrawal and if we decide to withdraw, we usually give written notice of our withdrawal. In addition, you agree that our representation of you will terminate automatically if the contact information you have provided us becomes obsolete and we are unable to communicate with you or obtain direction from you regarding how to proceed on your behalf. If this happens, we will have no further obligation to act on your behalf even if that means deadlines may be missed which may adversely affect your interests.

Unless previously terminated by you or us, the attorney-client relationship will be considered terminated upon our sending you the invoice that describes the final legal services for all matters you have retained us to perform. You will not thereafter be considered a current client because you remain on a firm mailing list or have appointed an affiliate of the firm to serve as your registered agent or because the firm retains possession of certain of your papers or other property received in connection with the prior engagement or is identified as a required recipient of notices under a contract to which you are a party. If you later retain us to perform further or additional legal services, our attorney-client relationship will be revived subject to our standard terms of engagement in effect at that time.

Upon your request after the earlier of the termination of the attorney-client relationship or conclusion of the matter, we will return to you any original documents and other property you provided to the firm in connection with the matter. If you do not request your documents, unless you make written arrangements with us to the contrary (such as to retain your original will or other documents in our vault or otherwise), we reserve the right to destroy or otherwise dispose of them for various reasons, including the minimization of unnecessary storage expenses, or for

no reason, without further notice to you at any time after ten years following the date of the final invoice to you with respect to the matter.

The remainder of the file pertaining to the matter will be retained by the firm and will remain its property. If, upon your request, we agree to provide you with copies of certain documents from our file pertaining to the matter, you agree to pay the copying costs.

You agree that for various reasons, including the minimization of unnecessary storage expenses, or for no reason, we may destroy or otherwise dispose of the firm's file at any time after ten years following the date of the final invoice to you with respect to the matter.

Postengagement Matters

You are engaging the firm to provide legal services in connection with a specific matter. After completion of the matter, changes may occur in the applicable laws or regulations that could have an impact upon your future rights and liabilities. Unless you engage us after completion of the matter to provide additional legal advice on issues arising from the matter, the firm has no continuing obligation to advise you with respect to future legal developments.

Disputes Over Our Services

If you disagree with any of our bills, please raise the issue with your billing attorney, who will attempt to resolve the issue to your satisfaction. If the dispute cannot be resolved by discussions with us, you have the right to request arbitration pursuant to California Business & Professions Code § 6201 to address your concerns. In addition, you agree that we also have a right to request arbitration of a fee dispute pursuant to the same provision of law.

Conflicts

To assist in avoiding representing parties with conflicts of interest, we maintain a computerized conflict of interest index. The firm will not represent any party with an interest that may be adverse to that of a person or entity included in the index without an examination to determine whether a conflict of interest would actually be created. To allow us to perform a conflicts check, you represent that you have identified for us all persons or entities that are or may become involved in this matter, including all persons and entities that are affiliated with you and the other involved or potentially involved parties (such as parent corporations, subsidiaries and other affiliates, officers, directors and principals). You also agree that you will promptly notify us if you become aware of any other person or entities that are or may become involved in this matter.

As we have discussed, the firm currently represents Marin Clean Energy and Calpine PowerAmerica, LLC in the PCIA proceeding. The firm has not identified any conflicts with respect to our representation of these parties and EBCE in the PCIA proceeding, but will notify you in the event that such a conflict arises. The Firm does not currently and will not represent any other party in the PCIA proceeding without the express consent of EBCE.

Our firm also provides a wide array of legal services, including administrative, legislative, litigation, and transactional services, to many other companies and individuals around the world. It is possible that one or more of our present or future clients will have disputes or transactions with you during the course of our representation of you or that one or more of them will ask us to advocate a change in law or policy that might have a direct or indirect adverse impact upon your interests. You agree that we may represent any existing or new clients in any matter, including litigation, that is not substantially related to our work for you, even if the interests of such clients in those matters are directly adverse to you or a policy we advocate might have a direct or indirect adverse impact upon your interests. We agree, however, that your prospective consent to conflicting representation set forth in the preceding sentence shall not apply in any instance where, as a result of our representation of you, we have obtained confidential information that, if known to our other client, could be used in the matter adverse to you and to your material disadvantage and we have not taken steps to screen such information from the lawyers representing the other client in the matter adverse to you prior to such lawyers learning any such information. You hereby consent to the firm taking any reasonable measures it deems appropriate to protect your confidential information from such disclosure or use, including the creation of a formal “ethical screen” in accordance with the firm’s internal procedures for implementing such measures. Your alternative to giving this consent to our future representation of other clients in unrelated adverse matters is to retain any other counsel of your choosing to represent you in this matter.

DWT has a very active energy law and transactional practice within California and throughout the United States. In particular, we have represented and continue to represent parties who develop, purchase, own and operate power plants; marketers who engage in wholesale and retail energy and natural gas transactions; large consumers and resellers of energy and natural gas, including direct access customers; municipal and other governmental utilities; transit districts, and other Community Choice Aggregators (collectively “Energy Clients”). We also represent parties making debt or equity investments (“Financing Clients”) in energy infrastructure projects (a “Financing Transaction”).

In many instances, one or more of our Energy Clients appear in multi-party regulatory proceedings before state or federal energy/environmental authorities in which EBCE may also be a participant (“Regulatory Proceedings”). It is possible that the interests that we are advancing in

one or more of these Regulatory Proceedings is sufficiently different from the interest that EBCE may be advancing such that our representation of such Energy Client would be considered “adverse” to EBCE. In addition, one or more of our Energy Clients or Financing Clients may be engaged in a commercial transaction (“Commercial Transaction”) with EBCE or in a Financing Transaction in which EBCE is a participant.

Accordingly, as part of this representation, we ask EBCE to waive any possible conflict between DWT’s current representations of Energy Clients in such Regulatory Proceedings and Commercial Transactions, and of Financing Clients in Financing Transactions; provided that such representation in such proceedings or transactions is not directly related to the PCIA proceeding which is the subject of the representation by DWT described in this agreement.

It must be understood that DWT cannot undertake to represent EBCE without assurance that EBCE will not seek, on the basis of this engagement or any future engagement, to disqualify us from representing other clients, including those identified above, in any other matter, now or in the future, that is not substantially related to this engagement or any future engagement for EBCE, including or with respect to the areas of potential disputes identified above, in any legal advice that might be adverse to the interests of EBCE, any transactions, any alternative dispute resolution, administrative litigation, regulatory proceedings, and related appeals, or judicial proceeding.

During the period in which the Firm is representing EBCE, we will communicate to EBCE any possible conflict between the Firm’s current representation of Energy Clients in such Regulatory Proceedings, of Commercial Clients in Commercial Transactions, and of Financing Clients in Financing Transactions as soon as it becomes apparent to the Firm, and the Firm will seek a waiver from EBCE of such conflict. The Firm shall provide EBCE with complete information sufficient to enable EBCE to make a fully informed decision. Any such waiver shall be considered on a timely and case-by-case basis.

Consent to Electronic Communications

In order to increase our efficiency and responsiveness, we endeavor to use state of the art communication devices (e.g. e-mail, document transfer by computer, wireless telephones, facsimile transfer and other devices which may develop in the future). The use of such devices under current technology may place your confidences and privileges at risk. However, we believe that the efficiencies involved in the use of these devices outweigh the risk of accidental disclosure. By agreeing to these terms you consent to the use of these electronic communication devices.

Consent to In-House Attorney-Client Privilege

From time to time issues arise that raise questions as to our duties under the professional conduct rules that apply to lawyers. These might include, for example, conflict of interest issues, and could even include issues raised because of a dispute between us and a client over the handling of a matter. Under normal circumstances when such issues arise we seek the advice of our General Counsel or a member of the firm's Quality Assurance Committee, each of whom is knowledgeable, and has been given the responsibility within the firm for providing advice, in matters involving professional conduct. Historically, we have considered such consultations to be attorney-client privileged conversations between firm personnel and the counsel for the firm. In recent years, however, there have been a few court decisions indicating that under some circumstances such conversations involve a conflict of interest between the client and the firm and that our consultation with the firm's counsel may not be privileged, unless we either withdraw from the representation of the client or obtain the client's consent to consult with the firm's counsel.

We believe that it is in our clients' interest, as well as the firm's interest, that, in the event legal ethics or related issues arise during a representation, we are able to obtain appropriate advice promptly regarding our obligations. Accordingly, you agree that if we determine in our own discretion during the course of the representation that it is appropriate to consult with our firm counsel (either the firm's internal counsel or, if we choose, outside counsel) we have your consent to do so and that our contemporaneous representation of you shall not result in a waiver or invalidation of any attorney-client privilege that the firm has to protect the confidentiality of our communications with counsel.

Related Proceedings

If any claim is brought against the firm or any of its personnel based on your negligence or misconduct; if we are asked to testify as a result of our representation of you; or if we must defend the confidentiality of our communications in any proceeding, you agree to pay us for any resulting costs, including for our time, calculated at the hourly rate for the particular individuals involved, even if our representation of you has terminated.

Trust Funds

Our firm holds client trust funds at Citibank, One Sansome Street, 24th Floor, San Francisco, California 94104.

No Guarantee of Outcome

Nick Chaset
East Bay Community Energy
September 20, 2017
Page 9

Nothing in this agreement should be construed as a guarantee or promise about the outcome of the PCIA proceeding and the firm makes no such guarantee or promise. If a particular outcome or result is not obtained, your obligations under this agreement do not terminate.

Nick Chaset
East Bay Community Energy
September 20, 2017
Page 10

We are pleased that you are entrusting your work to us, and will do our best to provide you with prompt, high-quality legal counsel. If you ever feel we are not meeting this commitment or have any questions about our services, please call me, the partner in charge of our San Francisco office, or our managing partner, Jeffrey P. Gray at (415) 276-6500.

Very truly yours,

DAVIS WRIGHT TREMAINE LLP



Patrick Ferguson

Reviewed and agreed to:

East Bay Community Energy

By: _____
Nick Chaset

Title: _____

Dated: _____

cc: Central Records

Statement of Qualifications

East Bay Community Energy

9.07.17

Patrick J. Ferguson

Partner
San Francisco
patrickferguson@dwt.com
(415) 276-6568

DWT.COM

The data set forth in this document are not to be disclosed by the recipient or any of its employees to any third party.

TABLE OF CONTENTS

EXECUTIVE SUMMARY	3
ABOUT THE FIRM	4
ENERGY	4
ATTORNEY TEAM	7
POTENTIAL FEE ARRANGEMENTS	9

EXECUTIVE SUMMARY

Davis Wright Tremaine LLP (DWT) appreciates the opportunity to respond to this request for information to provide legal services to East Bay Community Energy (EBCE) in connection with the California Public Utilities Commission's (CPUC) proceeding to modify or replace the Power Charge Indifference Adjustment (PCIA).

Here are some reasons why DWT is the right choice for EBCE:

- We have significant ongoing experience representing a wide range of parties at the CPUC – including Community Choice Aggregators (CCAs) such as Marin Clean Energy (MCE) and Peninsula Clean Energy (PCE). We are involved in most of the recent major CPUC energy policy and ratesetting proceedings. Our team has also represented all types of CPUC-regulated entities with a broad range of regulatory approvals, utility rate and certificate proceedings, acquisitions and dispositions of regulated assets, energy-related contracts, dispute resolution, and energy litigation.
- We already have direct working knowledge of the issues central to the PCIA based on our prior work with MCE, PCE, and the California Community Choice Coalition (CalCCA), including in the Investor Owned Utilities' (IOUs) Portfolio Allocation Methodology (PAM) application proceeding, the Diablo Canyon nuclear shutdown proceeding, and the ongoing CCA bond proceeding.
- We have a proven track record of success against the IOUs in both CPUC proceedings and other dispute resolution contexts. We have settled many tough cases with the IOUs, and have also successfully worked with the IOUs to obtain CPUC approval of the resulting settlements.
- We are willing to explore alternatives to traditional hourly fee billing, including approaches that we have already implemented successfully with other CCAs.

In the sections that follow, we showcase our relevant capabilities and expertise, highlight some of the members of our firm who are well positioned to assist EBCE, and discuss our rates and alternative fee arrangements.

ABOUT THE FIRM

Davis Wright Tremaine is dedicated to providing excellent legal services and delivering them in a manner customized to each client's particular needs and preferences. This commitment has remained intact for decades as the firm has grown across the nation and to China. Today, DWT is a full-service firm with approximately 500 lawyers in nine offices on the east and west coasts of the United States and in Shanghai.

ENERGY

Members of our energy group provide a full range of regulatory, litigation, transactional, project development, and financial services to all types of entities in the electric power and natural gas industries across the United States. We apply deep and diverse experience to provide quick, insightful answers to our clients' questions and efficiently handle the most complex issues:

Some of the key clients our energy team represents include:

- Algonquin Power & Utilities Corp.
- Alliant Energy
- Avista Corporation
- Bechtel Corporation
- BP Products, North America
- Brookfield Renewable Energy
- Calpine Corporation
- California Independent Petroleum Association
- Caithness Shepherds Flat, LLC
- Chelan County P.U.D.
- Chevron Corporation
- Cupertino Electric Inc
- Florida Power & Light
- Cogentrix Energy Power
- Hercules Municipal Utility
- Imperial Irrigation District
- Kern River Cogeneration
- Liberty Utilities (CalPeco Electric) LLC
- Macpherson Energy Corp.
- Marin Clean Energy
- NaturEner USA
- PacifiCorp
- Peninsula Clean Energy
- P.U.D. of Pend Oreille
- SolarCity/Tesla
- South San Joaquin Irrigation District
- Summit Power Group
- Tampa Electric Company / TECO Energy

REPRESENTATIVE EXPERIENCE IN SETTINGS ADVERSE TO THE IOUS

Diablo Canyon Nuclear Proceeding

Represented MCE, Liberty Utilities (CalPeco Electric) LLC, South San Joaquin Irrigation District (SSJID), and SolarCity/Tesla in the recent CPUC proceeding on PG&E's proposal to shut down its Diablo Canyon nuclear plant. DWT was a principal drafter of the joint CCA parties' intervenor testimony, helped the CCA parties propound and respond to discovery requests related to cost allocation issues, and was closely involved with work performed by the CCA's expert witnesses at Pacific Energy Advisors. PG&E's application originally attempted to link the shutdown of Diablo Canyon to a set of cost recovery and cost allocation requests that could have been detrimental to the CCAs, but PG&E chose to withdraw all of its cost recovery requests after opening testimony was filed.

IOUs' Portfolio Allocation Methodology (PAM) Proceeding

Represented PCE, and advised MCE and other CCAs, in the proceeding to consider the joint IOUs' recent PAM proposal. DWT was active in the development of the CCAs' strategy and response, including the development of the joint CCAs' protest as well as the joint CCAs' motion to dismiss the PAM application on procedural grounds. The CPUC recently chose to dismiss the IOUs' PAM application without prejudice and to consider such issues in the PCIA proceeding.

CCA Bond Allocation Proceeding

Represent PCE in the ongoing CPUC proceeding to determine the level and type of bond that CCAs must maintain. DWT has coordinated the development of testimony and discovery efforts on behalf of the joint CCA parties, and we have also worked closely with the CCA expert witnesses from MRW & Associates, LLC.

SSJID Municipalization Effort

Represent SSJID in its efforts to acquire a portion of PG&E's service territory in four cities in the northcentral portion of California. Our efforts have included participation before the San Joaquin County Local Agency Formation Commission (LAFCo), in the ongoing eminent domain proceeding, and in related proceedings before the CPUC. If successful, SSJID would become an electric distribution utility serving about 30,000 customers. Due in part to our help, SSJID was successful before the LAFCo. A trial is set in the condemnation proceeding for 2018.

NaturEner Rim Rock Proceeding and Related Litigations

Represented NaturEner in San Diego Gas & Electric Company's (SDG&E) application to enter into a long term power purchase agreement (PPA) and acquire a tax equity ownership interest in NaturEner's 200 MW Rim Rock wind farm. The CPUC approved of the PPA and purchase agreement, but SDG&E later terminated both contracts. As in house legal counsel to NaturEner, Patrick led the company's legal efforts against SDG&E, including at the CPUC and in state court in both California and Montana. The parties ultimately settled on favorable terms, including SDG&E agreeing to honor the terms of the PPA.

Natural Gas Litigation against PG&E

Represented a large commercial food processor in California state court litigation against PG&E alleging negligence, breach of contract, and violations of the Public Utilities Code based on PG&E's provision of natural gas service to the company's plant. The litigation was recently settled on favorable terms, including a seven-figure settlement amount that PG&E paid to our client.

Natural Gas Pipeline Rights of Way Dispute against Southern California Gas Company

Represent the Morongo Band of Mission Indians in an ongoing negotiation with SoCalGas regarding the utilities' rights of way to operate natural gas transmission pipelines on the Tribe's Reservation. The negotiation has high stakes because SoCalGas does not have the power of eminent domain on tribal lands and the Reservation exists at a geographic chokepoint in the region.

Greenhouse Gas Emissions Dispute with PG&E

Represented Chevron Corporation in a dispute with PG&E regarding the allocation of cost responsibility for GHG emissions payments owed by several cogeneration facilities in California's central valley. We successfully resolved the dispute through mediation and then obtained CPUC approval for the terms of the settlement.

ATTORNEY TEAM



Patrick J. Ferguson // PARTNER // SAN FRANCISCO

J.D., Columbia Law School; B.S., B.B.A., Georgetown University

Patrick Ferguson focuses on energy policy, project development, and energy-related transactions in California and throughout the United States. He advises power producers, utilities, community choice aggregators, transmission developers, power marketers, and energy technology companies. His practice focuses energy regulatory issues, dispute resolution, and commercial issues related to the development and sale of renewable energy facilities.

patrickferguson@dwt.com // 415.276.6563



Vidhya Prabhakaran // CO-CHAIR ENERGY PRACTICE // PARTNER // SAN FRANCISCO

J.D., Georgetown University Law Center; B.A. Yale University

Vidhya Prabhakaran is a California energy attorney focused on matters related to greenhouse gas reduction, ratemaking, safety, and procurement for a wide range of clients including investor-owned utilities, municipal utilities, community choice aggregators, energy service providers, independent power producers, renewable companies, energy storage companies, distributed energy resource companies, large energy consumers, and energy technology companies. Vid has experience before the California Public Utilities Commission, the California Energy Commission, the California Air Resources Board, the California Independent System Operator, and the California Legislature working for clients in the energy industry as well as those in the transportation, telecommunications, and water industries.

vidhyaprabhakaran@dwt.com // 415.276.6568



Katie E. Jorrie // ASSOCIATE // SAN FRANCISCO

J.D., The Ohio State University Moritz College of Law; B.S., U.C. Santa Barbara

Katie Jorrie focuses her practice on energy and environmental matters. She has worked on a variety of CPUC regulatory proceedings, including for DWT's existing CCA clients. She also has experience at the California Public Utilities Commission, where she clerked for the Administrative Law Judge Division on energy-related matters.

katiejorrie@dwt.com // 415.276.6554



Emily P. Sangi // ASSOCIATE // SAN FRANCISCO

J.D., U.C. Berkeley School of Law; B.S., Cornell University

Emily Sangi focuses her practice on energy and environmental matters. She has experience working on a range of regulatory, transactional, and litigation projects at the federal, state, and local level, including in renewable energy, cleantech, and environmental law. During law school, she worked as a law clerk at the California Attorney General's Office in the Environment, Natural Resources, and Land Law Sections; at Shute, Mihaly & Weinberger LLP; and in-house at Recurrent Energy. Her post-graduate experience includes working at the Advanced Energy Economy Institute and at SolarCity.

emilysangi@dwt.com // 415.276.6582



Tahiya Sultan // ASSOCIATE // SAN FRANCISCO

J.D., U.C. Hastings College of the Law; B.A. U.C. Berkeley

Tahiya Sultan concentrates her practice on energy and environmental law. She advises on a broad range of transactional and regulatory matters, including rate proceedings, rulemakings, and power purchase agreements. Tahiya has experience at the local, state and federal level, having previously worked at the Marin Municipal Water District, California Public Utilities Commission, and the U.S. Department of the Interior.

tahiyasultan@dwt.com // 415.276.6539

POTENTIAL FEE ARRANGEMENTS

It is a strategic priority of our firm to work with clients to develop alternative fee arrangements that add value from our clients' perspective. We employ numerous alternative fee structures that are custom fit for each specific client (*e.g.*, fixed monthly fees, capped monthly fees, discounted hourly rates). The key to a successful alternative fee arrangement is a clear understanding of our clients' goals and priorities and their intended result.

At your request, we developed a detailed budget of the various tasks we believe would be necessary to advance EBCE's interests in connection with the PCIA proceeding. The detailed budget is attached as an excel spreadsheet. In summary, for budgeting purposes we identified seven phases that are likely to occur in this proceeding and which are listed below. We also believe it is helpful to assess potential fee arrangements for this proceeding using three potential outcomes: (1) assuming no settlement occurs and a hearing and full briefing is required; (2) assuming settlement occurs before a hearing; and (3) assuming settlement occurs after hearings.

Please note that these estimates are based on our current understanding of the proceeding. The CPUC has not yet released a Scoping Memo, which may identify other issues or phases that could affect this projected budget. In addition, we have great flexibility to modify this budget to fit EBCE's needs and explore various ways to save costs or share certain costs with our other CCA client (MCE) that we will be representing in the PCIA proceeding.

PCIA Reform Participation	Assuming No Settlement	Assuming Settlement Before Hearings	Assuming Settlement After Hearings
1. Data Access / Confidentiality Phase	\$ 72,880	\$ 72,880	\$ 72,880
2. Testimony Phase	\$ 127,580	\$ 127,580	\$ 127,580
3. Hearings Phase	\$ 99,200	\$ -	\$ 99,200
4. Briefs Phase	\$ 79,580	\$ -	\$ -
5. Settlement Communications	\$ 34,000	\$ 75,000	\$ 75,000
6. Proposed Decision Phase	\$ 64,770	\$ 10,000	\$ 10,000
7. Lobbying	\$ 9,150	\$ -	\$ -
TOTAL	\$ 487,160	\$ 285,460	\$ 384,660



Community Advisory Committee Report - Item 6

TO: East Bay Community Energy Board of Directors

FROM: EBCE Community Advisory Committee

SUBJECT: Formal Request for Appointment of Alternates for Community Advisory Committee Members

DATE: October 11, 2017

Recommendation(s)

- A. Adopt a provision to allow CAC members to have an alternate to represent their CAC seat in the event of an excused absence of a CAC member;
- B. Allow the CAC member to select his or her alternate for consideration and appointment by the Board for the term of his or her seat; and
- C. Revise and update the EBCE JPA Agreement and/or bylaws as required to permit the EBCE Board to make appointments of CAC member alternates.

Background

A motion was brought and passed at the August 1, 2017, CAC meeting to be able to select alternates to serve in CAC members stead during occasional absences. The motion passed with the clear understanding that members would not be required to select alternates, and appointed members would still be expected to exhaust all efforts to attend meetings, but that over the course of their term, as CAC members are volunteers, and each member was selected to represent a particular constituency group or area of expertise, those groups and areas of expertise should still be represented if a member of the CAC is ill or on the rare occasion is experiencing a schedule conflict that cannot be reconciled.

The JPA Agreement does not currently permit the participation by alternates on the CAC Board, although it does permit and currently utilizes alternates for its own Board. In earlier deliberations on this matter, the EBCE Board chose to not allow alternates for the CAC, choosing instead to require each member to be present at CAC meetings in order to be able to cast a vote.

Those of us on the CAC are clear in our dedication to serve on this committee and excessive absences will be dealt with according to current policy. The CAC is requesting the opportunity to suggest alternates we feel would represent our constituency groups or areas of expertise and present to the Board our selections for approval.



Staff Report – Item 7

TO: East Bay Community Energy Board of Directors

FROM: Nick Chaset, Chief Executive Officer

SUBJECT: Update on Billing/Data Management/Call Center Selection and Authorization for CEO to Execute Contract

DATE: October 18, 2017

Recommendation

Adopt a Resolution authorizing the Chief Executive Officer to execute a final contract with the Sacramento Municipal Utility District that includes each of the key terms outlined in the background and discussion section and attachment.

Background and Discussion

On June 1 2017, EBCE authorized issuance of an EBCE request for proposals (RFP 17-1) for Data Management and Call Center Services. EBCE received two proposals in response to that RFP which were evaluated by staff and an interview panel that included members of the CAC. As a result of that effort, staff entered into initial negotiations with GridX, one of the bidders. At the time, Grid X was selected because of their compelling technology solution, but we also recognized that they were unproven in the CCA/utility billing space and were also unable to guarantee union and local hiring for their call center services. The fact that Monterey Bay's emerging CCA approved the selection of GridX this past week further validates GridX's capabilities in this space, but concerns about delivering an unionized, Alameda-based call center created an opportunity to research other options and evaluate alternatives like the proposal offered by the Sacramento Municipal Utility District (SMUD).

SMUD is an award winning public utility, known for its excellent customer service, sophisticated utility operations and commitment to clean energy, that is now entering the California CCA space as a service provider. At its Board meeting on October 12, Valley Clean

Energy Alliance entered into a full services contact with SMUD including data management, call center services and wholesale energy services.

After an initial discussion with SMUD staff and their General Manager, SMUD expressed an interest in evaluating a potential service agreement with EBCE. Over the last month, we have been engaged in an in-depth back and forth with SMUD about their capabilities and EBCE's needs and priorities. This has included two lengthy in-person meetings and numerous phone calls.

In addition to discussions with SMUD about Data, Billing and Call Center services, we have also discussed how EBCE could leverage their energy procurement capabilities. On this front, SMUD offers EBCE the ability to partner with a deeply experienced energy market player who is grounded in public power. To date, all operating CCAs, with the exception of Redwood Coast Energy Authority, have selected large, for-profit energy trading firms to procure their energy. In my view, working with these large companies - which do not share EBCE's values and are profit driven at EBCE's expense - should only be done if no capable alternative is available. In SMUD, I believe we have a partner who is a large, sophisticated actor in California's energy market grounded in robust risk management practices, that is also publicly owned and committed to California's clean energy future. SMUD also happens to be a leader in the development of local renewables, with a planned 60 MW community solar project under construction and some of the leading distributed energy resource programs in the State.

SMUD offers EBCE the best of both worlds: 1) an experienced, unionized call center and customer operation that operates a sophisticated and proven billing system here in California; and 2) a suite of technology tools that will ensure that we effectively engage with our customers and are able to design and deliver innovative clean energy programs in Alameda County. To further augment our technology needs, we are working through a supplemental contract with GridX for some of their more advanced services like Big Data analysis, utilization of AMI meter data for energy forecasting. SMUD operates its call center in Sacramento, drawing a work force from surrounding counties, including Alameda. As part of the proposed agreement, SMUD staff will work with EBCE to establish a customer service center housed within EBCE, staffed by EBCE employees. Over time, this customer service center will staff up and be focused on dealing with the most complex customer calls and serving as a resource to market EBCE programs and services. In addition to SMUD's clear competency and shared values, both facets of their proposals represent significant value to EBCE. SMUD's Data Management and Call Center are priced competitively with both GridX and Calpine's best and final responses to EBCE's RFP. For wholesale energy services, SMUD's proposed pricing does represent a premium to other options, but EBCE believes SMUD's offer represents the best possible value to EBCE.

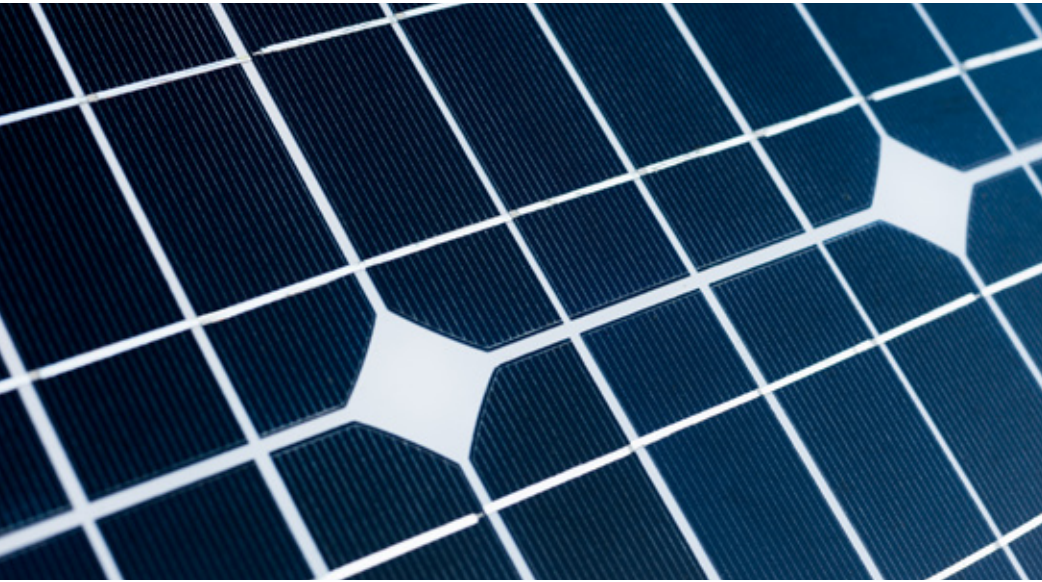
Part of what SMUD brings to the table that is unique is their investment/commitment to achieving state regulatory and policy goals. Other entities may operate in CA but SMUD is headquartered in the state and as equally vested in California's energy future as EBCE (& other CCAs). Additionally, SMUD's proximity to EBCE provides EBCE with a unique ability to understand/participate and more closely direct this part of EBCE's business. Given that one goal

is for EBCE to eventually manage these services in-house, having ready access to SMUD can play an important role in facilitating this.

For the purposes this Agenda Item, staff is requesting Board authority to sign a contract with SMUD for the services within the four corners of the term sheet which is attached to this Item. On the energy procurement front, staff is proposing to engage in a bilateral contract negotiation with SMUD to provide EBCE with energy procurement services. To ensure that the pricing terms for these services are competitive and meet all EBCE's business needs, staff has solicited other offers for these services - attached is a copy of the RFP that we issued to seek these offers.

Attachment(s):

- A. SMUD Proposal
- B. Resolution



SMUD proposal for

East Bay Community Energy

Data Management and Call Center Services
Wholesale Power Services





Table of Contents

Introduction and SMUD Overview	3
Description of Proposed Services	
Data Management and Call Center Services	7
Wholesale Power Services	11
Pricing Sheet	15



Introduction and SMUD Overview

Introduction and SMUD Overview



Introduction

SMUD is pleased to submit a proposal to support the launch and ongoing operations of East Bay Community Energy (EBCE). We are responding with a detailed, full service proposal for data management and call center services and wholesale power services.

EBCE was created to respond to its constituent communities' desires for renewable energy, local decision making, customer choice and stable rates, and SMUD will draw on more than 70 years of utility expertise to help EBCE accomplish its mission.

We recognize the importance of a successful launch and ongoing operations for EBCE. SMUD has the scope and scale of operations to ensure EBCE's success while maintaining SMUD's best-in-class operations for our customers.

SMUD is offering a unique opportunity for EBCE to use the talents, expertise and commitment of a 2,000-plus strong workforce with experience in all facets of providing power, meeting customer service expectations and offering best-in-class energy solutions – all within a single organization. This approach offers numerous benefits – flexibility, speed and support from a utility with 70 years of power supply experience in California.

All of our services will be provided by experienced in-house senior leaders and subject matter experts, and in a small minority of cases subcontractors who have been performing these services exclusively for the utility industry.

Introduction and SMUD Overview

SMUD Overview

SMUD's foundation is based on a commitment to provide value to our customers and community by delivering innovative energy solutions. SMUD generates, transmits and distributes electricity to a 900 square-mile territory that includes California's capital city, Sacramento County, and a small portion of Placer County. SMUD is the nation's sixth-largest community-owned electric service provider, and has been providing low-cost, reliable electricity for more than 70 years. SMUD is a recognized industry leader and award winner for its innovative energy efficiency programs, renewable power technologies, and for sustainable solutions for a healthier environment.

Our missions are aligned. As a community-owned, not-for-profit utility governed by an elected Board of Directors, SMUD measures success by the value we bring to the people of the community we serve. Our customers expect reliable, affordable electricity, and they expect it to be delivered to their homes and businesses in the most environmentally responsible

manner possible. Environmental leadership is one of SMUD's core values, imbedded into all of our business practices. We take pride in our reputation as one of the nation's greenest, most progressive utilities. SMUD was the first large California utility to receive more than 20 percent of its energy from renewable resources.

SMUD is a vertically-integrated utility, with expertise in all facets of energy supply – from power generation to product and service delivery to customer service and everything in between. It means we have the scope to provide all the services required to support EBCE in its launch and successful operations. The size of SMUD's operations means our proposal is scalable. We can support future load and customer growth and expand services to meet EBCE customers' evolving needs for clean and innovative energy-related products, services, tools and information.



Introduction and SMUD Overview

The services we're proposing are SMUD's core competencies – the work we do successfully 24/7, 365 days a year. SMUD has a proven track record of leadership, innovation and achievement. Highlights include:

- SMUD was the first large utility in California to have 20% of its power supply come from resources classified as renewable by the state. The figure is now approaching 30% and we expect to be at about 41% by 2020, exceeding the 33% target. SMUD's current power supply portfolio is more than 50% carbon-free.
- SMUD was awarded a \$127.5 million Smart Grid Investment Grant from the U.S. Department of Energy in 2009 which helped us create one of the country's earliest smart grids allowing us to successfully integrate and manage distributed energy resources.
- Innovative renewable energy products to help SMUD and customers achieve their environmental objectives. Greenergy®, the first program of its kind, allows residential and commercial customers to pay a small premium to meet up to 100% of their electricity needs from renewable energy. Through SolarShares®, residential and commercial customers can meet their power needs with utility-scale solar energy without having to install solar panels.
- Our rates are among the lowest in the state and about 30% lower than neighboring utilities.
- In 2016, SMUD was recognized by the White House for "strong commitment to reducing greenhouse gas emissions in all of its operations, including a net long-term reduction of 90% from 1990 levels by 2050."
- Strong customer satisfaction. In J.D. Power surveys SMUD has been ranked #1 in overall residential customer satisfaction in California for 15 consecutive years and #1 in overall commercial customer satisfaction in California for 11 of the last 12 years.
- Strong brand trust. SMUD was ranked the most trusted electric utility brand in the nation among residential customers in the "2017 Utility Most Trusted Brands & Customer Engagement: Residential Customers" Cogent Reports study by Market Strategies International.

We are proud of our track record and enthusiastic about sharing our experience, expertise and values to support EBCE and its customers.



Description of Proposed Services Data Management and Call Center Services

Description of Proposed Services



Data Management and Call Center Services

SMUD's proposal includes the full scope of data management and call center services requested by EBCE. SMUD will work with PG&E to send and receive the full set of Electronic Data Interchange (EDI) files. SMUD performs these integrated services and is dedicated to delivering the highest level of customer service to all customers, including EBCE's.

SMUD's proposal brings several benefits: In-depth knowledge of and experience with utility data management systems and best-in-class customer service in our call centers and via self-service channels. We'll leverage these expertise to quickly establish a data management infrastructure and call center to meet EBCE's and its customers' needs. SMUD would provide billing and customer service data to help EBCE identify opportunities for new and innovative offerings.

Description of Proposed Services

Data Management

SMUD will implement and manage the back office system architecture required for EBCE to manage customer data and interactions, including:

- Customer Relationship Management (CRM) for customer information and programs.
- Customer usage data repository.
- Electronic Data Interchange (EDI) processing, transformation (mapping), communications and integration.
- Billing management system for EBCE's rates, billing and settlements.
- Call center technology, and an Interactive Voice Response (IVR) system for self-service.
- Website pages for program enrollment.

SMUD will brand the EBCE CRM portal and configure it to be accessible by EBCE staff at the appropriate levels (role-based access).

Qualified Reporting Entity

SMUD will manage the QRE services for any EBCE FIT program and upload renewable data to WREGIS and will also forward EBCE load SQMD to CAISO as required. EBCE will have access to all of the systems managed by SMUD and we will ensure that specified reporting is completed for full transparency and tracking.

SMUD has a long history managing settlement quality meter data with CAISO and would provide this service for EBCE. Additionally, SMUD has performed Qualified Reporting Entity services for our renewable generating projects from the inception of WREGIS in 2008.



Description of Proposed Services

Call Center

SMUD's dedication to providing best-in-class customer service has been recognized by J.D. Power and Associates, which has ranked SMUD:

- #1 in Overall Residential Customer Satisfaction in California for 16 years in a row.
- #1 in Overall Commercial Customer Satisfaction for California 11 of the last 12 years.

SMUD will provide dedicated call center representatives to deliver the same best-in-class customer service to EBCE customers through multiple channels (Call Center, self-service IVR, and email) in both English and Spanish. SMUD will provide regular reporting on metrics specified by EBCE to track and maintain high customer service levels. Any coordination required with PG&E to contact and inform customers will be handled by SMUD to provide EBCE customers with the best customer service.

Call Center staff will be available between 7 a.m. and 7 p.m. Pacific Standard Time, Monday through Friday, excluding EBCE and PG&E holidays. 100% of emails will receive an immediate automated acknowledgement and 95% of emails will receive a customized response within one (1) business day. 100% of emails receive a customized response within three (3) business days. During non-enrollment periods, service level target of 60 second average speed of answer with an abandon rate of 3% will apply to phone calls.

Billing Administration

SMUD recognizes that the monthly bill is a key driver of customer satisfaction. SMUD's goal is to provide an accurate bill for every customer, on time, every time. Since the implementation of our data-driven exception monitoring and response system, SMUD has experienced a 70% reduction in billing exceptions. Most utilities strive for a billing exception rate between 1% and 3%.

SMUD will deliver billing services to EBCE by building efficient and automated processes and focus on data validation accuracy with quality assurance measures.

SMUD proposes two approaches to implementing and managing billing administration:

- Bill Ready Option: SMUD will build and manage a billing engine for EBCE.
- Rate Ready Option: SMUD will work with PG&E to leverage their billing engine through the Rate Ready option in PG&E's Electric Rule 23. SMUD would provide EBCE rates to PG&E annually to be configured in PG&E's billing engine.

Consultancy for EBCE Onsite Customer Service

SMUD's proposal includes support to EBCE to develop customer experience strategy and tactics for an onsite customer service team with a focus on managing complex escalations and key account management.



Description of Proposed Services

Wholesale Power Services

Description of Proposed Services



Wholesale Power Services

EBCE will be able to immediately leverage SMUD's 70+ years of power supply experience, strong reputation in the California energy market and extensive expertise in local policy frameworks and understanding of power supply regulations. Since our inception in 1946, SMUD has traded in the California energy markets, as an independent balancing authority (we operate the Balancing Authority of Northern California (BANC) and as an active participant in the California ISO (CAISO) markets. We buy renewable energy from assets across the Western Electricity Coordinating Council (WECC) and sell surplus energy back to the CAISO in the day-ahead and real-time markets. SMUD transacts with the CAISO by importing energy and

Resource Adequacy capacity from CAISO while exporting energy, spin and regulation services back to the CAISO market. SMUD is also active in energy policy setting proceedings at the CAISO, California Public Utilities Commission (CPUC), California Energy Commission (CEC) and Federal Energy Regulatory Commission (FERC).

SMUD's proposal includes a full range of services to help EBCE with wholesale power services implementation and ongoing operations. By leveraging our experience as a vertically-integrated utility, we believe SMUD can offer EBCE the unique opportunity to quickly ramp up operations and planning with a minimal learning curve.

Description of Proposed Services

Portfolio Management and Procurement Services

SMUD will work with EBCE to develop a power supply risk model to assess and monitor EBCE's exposure to price volatility risk including developing appropriate exposure metrics. SMUD will work with EBCE to develop wholesale power procurement and power supply risk policies as well as manage all wholesale load and resource portfolio compliance reporting.

SMUD will also work with EBCE to procure power supply to meet EBCE's power supply portfolio requirements. This includes issuing RFPs, evaluating bids and negotiating bilateral power purchase agreements with third-party power providers.

CAISO Scheduling Coordination Services

SMUD has an existing relationship as a registered Scheduling Coordinator with the CASIO and will act as EBCE's Scheduling Coordinator. Services would include short-term load forecasting, scheduling for load into the CAISO day-ahead market, and wholesale load and resource settlements and verification, management of real-time imbalance exposure, accepting Inter-SC Trades, and managing a CRR portfolio.

SMUD currently uploads renewable project meter data into the WREGIS system and could perform the same Qualified Reporting Entity (QRE) services for future EBCE renewable generation projects. Additional regulatory compliance filings, such as monthly RA compliance reports to the CAISO would also be submitted on behalf of EBCE. EBCE will be responsible for any fees or deposits associated with those filings/registrations.

Advisory Services

Regulatory and Legal Compliance. Having operated in the California regulatory and utility environment for more than 70 years, we are intimately familiar with all aspects of state and federal regulatory requirements with respect to the power sector, greenhouse gas regulations and environmental rules and regulations. For launch requirements that are unique to CCEs, SMUD has staff with CCE launch experience to ensure that all pertinent regulatory documents and requirements will be provided and filed as needed. However, SMUD is unable to provide legal advice, and therefore suggests EBCE retain outside counsel to the extent this is needed.

Financial Planning. SMUD has a proven track record of setting budgets that drive financial stability and meeting budget targets. This is evidenced by our high grade bond ratings of AA3 and AA- by Moody's and Fitch, respectively. SMUD is also a leader in electric rate design, conducting studies on the impact of pilot rates on customer behavior and testing the performance of residential Time-of-Day Rates, critical peak pricing for commercial and residential customers and various other rate designs. SMUD commercial customers have been on Time-of-Day Rates for a number of years, which has allowed us to gain a wealth of experience using hourly load data for load and revenue forecasts, budget preparation and development of pro-forma income statements. We are also very familiar with PG&E's current rate structures, rate trends in California and nationally. As an early adopter of residential Time-of-Day Rates, SMUD staff has extensive experience and historical data to draw upon when designing rates that may not be available from other providers. SMUD also has extensive experience in designing specific rate structures for its current Greenergy® programs, innovative SolarShares® program, FIT and NEM.

Description of Proposed Services

SMUD will assist EBCE with their financial planning needs, including the development of annual operating budgets that integrate rate setting, resource planning and operational expenses. We can facilitate rate-setting discussions with the EBCE Board to achieve an optimally balanced resource portfolio.

Policy and Program Development. What sets SMUD apart from others is our proven ability to deliver an extensive range of complementary advanced energy services and programs. Leveraging SMUD's experience and expertise, we can help EBCE quickly develop a range of advanced energy solutions for customers in the East Bay. SMUD would welcome the opportunity to work with EBCE to develop a scope of services to provide the following supplemental services:

- Innovative energy efficiency and customer program development.
- Research and development demonstration projects and pilots that utilize cutting-edge technology.
- Local renewable development projects and procurement mechanisms for solar and biomass (including FIT and NEM programs)
- Integrated distributed energy resources (DERs) initiatives that deliver efficiency, responsive loads, renewable energy, energy storage, and electrification packages.
- Transportation and building electrification offerings to accelerate decarbonization of the community energy system.

Integrated Resource Planning. SMUD is the fifth largest utility in California with an all-time peak load of 3,299 MW and annual retail sales of almost 11,000 GWh. SMUD has conducted integrated

resource planning (IRP) for over 35 years. This has been vital to SMUD's ability to meet its key resource planning and environmental objectives. SMUD's IRP has ensured an appropriate mix of resources and programs that have delivered high reliability, reasonable rates and environmental leadership. The IRP process ensures consideration of all demand, demand side reductions and supply side resource options from the various departments across SMUD. This includes incorporating the forecast impacts of demand reductions from energy efficiency, electric vehicles, behind-the-meter solar PV, as well as any expected Time-of-Day Rate impacts. Resource location preferences (for example, a preference for local solar PV) can be analyzed against a non-local option and cost differences and rate impacts can be compared between the options. SMUD's portfolio includes numerous local renewable developments owned by SMUD or purchased through a PPA, including local solar PV, biomass and battery storage.

SMUD will work closely with EBCE to develop an IRP that aligns with EBCE's customer portfolio, desired resource mix and risk tolerance. The resource plan will estimate the percentage of total electricity demand from renewable and non-renewable resources and take SB 350's IRP requirements into consideration.

Credit Solution

SMUD can assist EBCE in evaluating and negotiating credit requirements of suppliers. Additionally, SMUD can provide assistance to EBCE in implementing required credit instruments as well as provide tracking, modeling and reporting on credit risk. At this time, SMUD will not be extending credit support to EBCE.



Pricing Sheet



Prices included in this Pricing Sheet are reflective of the assumption that SMUD is offering Data Management and Call Center Services and Wholesale Power Services as a bundled package.

Data Management and Call Center Services

Assumptions

- Customer Phasing Schedule:
 - June 1, 2018: Municipal and Commercial Customers (Initial Implementation)
 - November 1, 2018: Residential Customers (Full Implementation)
 - 90 day pre and post enrollment periods
- Call Center service levels:
 - Call Center staff will be available between 7 a.m. and 7 p.m. Pacific Standard Time, Monday through Friday, excluding EBCE and PG&E holidays.
 - Email: 100% of emails receive an immediate automated acknowledgement. 95% of emails receive a customized response within one (1) business day. 100% of emails receive a customized response within three (3) business days.
 - Phone calls: During non-enrollment periods, service level target of 60 second average speed of answer with an abandon rate of 3%.
- Rate-ready v. Bill-ready: There is no price differential between bill-ready and rate-ready, as the exception rate of PG&E's system has not yet been proven, and may potentially require additional handoffs and complexity. At contract renewal times, if additional information on PG&E billing engine is available, SMUD may offer a price discount for use of rate ready.
- AMI data storage: There is no price differential as there is minimal cost to SMUD and included as part of our standard pricing.

Pricing Sheet

Pricing

Data Management and Call Center Services			
4-Year Contract	Years 1-4	\$0.95	Per Customer Meter / Per Month from launch until 48 months after Full Implementation

Data Management and Call Center Services			
5-Year Contract w/ 2-year Off-ramp Option	Years 1-2	\$1.05	Per Customer Meter / Per Month from launch until 24 months after Full Implementation
	Years 3-5	\$0.90	Per Customer Meter / Per Month for the remainder of contract

Consultancy for EBCE Onsite Customer Service			
Time & Material Rates*	Executive Consultant	\$280	Hourly Rate
	Principal Consultant	\$240	Hourly Rate
	Consultant	\$180	Hourly Rate
	Administrative	\$90	Hourly Rate

Wholesale Power Services

Assumptions

- 6 million MWh load.
- SMUD will pass through power supply costs and any such fees to EBCE through the power supply charges.
- Credit support is not included in proposed pricing.

Pricing

Portfolio Management and Procurement Services and CAISO Scheduling Coordination Services			
5-Year Contract	Pre-Launch Activities	\$80,000	Per Month for 6 months prior to Initial Implementation
	Ongoing Operations	\$0.25	Per MWh delivered

Advisory Services			
Time & Material Rates*	Executive Consultant	\$280	Hourly Rate
	Principal Consultant	\$240	Hourly Rate
	Consultant	\$180	Hourly Rate
	Administrative	\$90	Hourly Rate

*Time & Material hourly billing rates are fixed through June 30, 2019 and are thereafter annually subject to escalation at U.S. Department of Commerce, Bureau of Labor Statistics, "Consumer Price Index-All Urban Consumers less food and energy" Series ID: CUUR0000SA0LIE for the immediately prior 12-month period.



Sacramento Municipal Utility District

6301 S Street
Sacramento, CA 95817

smud.org

RESOLUTION EBCE R-2017-

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE EAST BAY COMMUNITY ENERGY AUTHORITY
AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO
ENTER INTO NEGOTIATIONS WITH SMUD FOR DATA
MANAGEMENT, CALL CENTER SERVICES AND
WHOLESALE ENERGY MARKET SERVICES**

**THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY
AUTHORITY DOES HEREBY FIND, RESOLVE, AND ORDER AS FOLLOWS:**

Section 1. On April 12, 2017, the East Bay Community Energy (“EBCE”) Board authorized the issuance of EBCE Request for Proposals (“RFP”) No. 17-1 for Data Management and Call Center Services. The RFP was issued on June 1, 2017.

Section 2. The EBCE received two proposals in response to RFP No. 17-1. The two proposals were evaluated by staff and the vendors were interviewed by a panel representing the EBCE. EBCE staff entered into contract negotiations with GridX, one of the vendors.

Section 3. Subsequent to the deadline for proposals, EBCE received a proposal from Sacramento Municipal Utility District (“SMUD”) for Data Management and Call Center Services. EBCE Staff conferred with SMUD and feels that SMUD is the most capable of providing the requested services to EBCE.

Section 4. During the following weeks, SMUD and EBCE also discussed the potential for SMUD to provide wholesale energy market services for EBCE. After evaluating SMUD’s capabilities for wholesale energy market services, EBCE staff determined that an integrated agreement with SMUD for both Data Management and Call Services as well as Wholesale Energy Market Services represented the most efficient approach for EBCE to achieve its 2018 program launch target.

Section 5. On Thursday October 12, 2017, SMUD submitted a best and final proposal for Data Management, Call Center and Wholesale Energy Market Services that is included as an attachment 7B.

Section 6. Staff desires to execute a contract with SMUD for Data Management and Call Services, as well as Wholesale Energy Market Services.

Section 7. The Board hereby rejects all proposals submitted in response to EBCE RFP No. 17-1 pursuant to Section K.4 on page 24 of the RFP.

Section 8. The Board hereby authorizes the Chief Executive Officer to enter into negotiations and execute a contract with SMUD for one of both of these sets of services. Any agreement for Data Management, Call Center and Wholesale Energy Market Services will be meet the criteria outlined in attached proposal.

ADOPTED AND APPROVED this ____ day of October, 2017.

Scott Haggerty, Chair

ATTEST:

Stephanie Cabrera, Clerk of the Board



Staff Report – Item 8

TO: East Bay Community Energy Board of Directors

FROM: Inder Khalsa, Interim General Counsel

SUBJECT: Resolution Authorizing the Chief Executive Officer to Hire within Implementation Plan Budget

DATE: October 18, 2017

Recommendation

Adopt a Resolution authorizing the Chief Executive Officer to hire key executive positions identified in the CEO's proposed organizational chart, at salaries within EBCE's budget for personnel spending provided in the EBCE Implementation Plan.

Background and Discussion

When EBCE reaches full operations by the end of 2018, it will be the largest CCA in the State of California serving approximately 600,000 customers representing over 1.5M people in the County of Alameda and its cities. EBCE has been and is still supported by staff from Alameda County Community Development Agency and consultants with expertise in various areas of expertise. However, now that EBCE has hired its Chief Executive, significant planning and progress has been made with respect to initial staffing design for the Agency, development of job descriptions, salary surveys of similarly situated utilities and CCAs, and initial recruitment efforts for key positions.

On July 19, 2017, the EBCE Board adopted the EBCE Implementation Plan (IP), which was submitted to the CPUC for certification. Chapter 7 of the IP includes a Financial Plan for the EBCE and Table 11 provides a budget for the EBCE for years 2018 to 2027. The budget authorizes spending of \$1,888,843 for personnel/staffing costs for the EBCE in the year 2018.

At the September 20, 2017 meeting, the Board received a report on hiring plans from the CEO. The CEO provided a draft organizational chart and discussed several key positions currently in recruitment. The Board provided direction and authorization to the CEO to hire key executive positions.

The CEO is currently recruiting for the Chief Operating Officer/Director of Programs, General Counsel, Director of Marketing and Account Services, and Director of Government and Community Affairs.

This Resolution provides the CEO with express authority to hire the executive positions identified in the draft organizational chart (with any staffing or organizational changes made in the discretion of the CEO), with individual salaries to be negotiated by the CEO based on the experience and background of candidates, with total personnel/staffing costs to be within the budget amounts identified in the IP Financial Plan and budget.

Any adjustments to the total staffing/personnel budget would require approval of the Board.

Attachment(s):

A. Resolution

RESOLUTION EBCE R-2017-__

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO HIRE EXECUTIVE POSITIONS AT SALARIES WITHIN THE IMPLEMENTATION PLAN BUDGET

THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DOES HEREBY FIND, RESOLVE, AND ORDER AS FOLLOWS:

Section 1. On July 19, 2017, the East Bay Community Energy Authority (“EBCE”) adopted an Implementation Plan pursuant to Public Utilities Code Section 366.2, and the Implementation Plan was filed with the California Public Utilities Commission.

Section 2. On September 20, 2017, the EBCE Board received a report from the Chief Executive Officer (“CEO”) regarding hiring plans, and provided direction and authorization to the CEO to hire executive positions in substantial conformance with the organization chart provided at that meeting with any changes he should make in his discretion.

Section 3. Chapter 7 of the EBCE Implementation Plan describes the Financial Plan of the EBCE. Table 11 provides a budget for the EBCE from 2018 to 2027, including a line item for personnel and staffing.

Section 4. The Board of Directors hereby authorizes the Chief Executive Officer to hire the positions identified in the staff report associated with item 8 of the September 20, 2017 EBCE meeting, with any necessary changes to the organization made in the discretion of the CEO, at salary levels consistent with Table 11, in Chapter 7, Financial Plan, of the Implementation Plan adopted on July 19, 2017. Any significant changes in the EBCE personnel budget shall be approved by the Board.

ADOPTED AND APPROVED this ____ day of October, 2017.

Scott Haggerty, Chair

ATTEST:

Stephanie Cabrera, Clerk of the Board



Staff Report Item 9

TO: East Bay Community Energy Board of Directors

FROM: Nick Chaset, Chief Executive Officer
Inder Khalsa, EBCE General Counsel

SUBJECT: Community Choice Aggregator Service Agreement with PG&E

DATE: October 18, 2017

Recommendation

Adopt a Resolution authorizing the Chair to execute the Community Choice Aggregator Service Agreement with Pacific Gas & Electric Company.

Background

Pursuant to California Public Utilities Commission Decision 05-12-041, in order to become a registered retail electricity provider, EBCE is required to complete three steps:

1. Receive CPUC certification for its Implementation Plan
2. Enter into a Service Agreement with PG&E
3. Deposit a \$100,000 bond with the CPUC

The EBCE Implementation Plan outlined the basic information to assure the CPUC that EBCE had a detailed business plan to meet the needs of its customers at competitive rates. The plan was approved by the EBCE board on July 19, 2017 and submitted to the CPUC for certification on August 10, 2017. Although the CPUC has yet to issue a letter of certification, execution of the Service Agreement will allow the EBCE to proceed expeditiously with the registration process.

Analysis & Discussion

Before a CCA can begin to serve its customers, the CPUC requires that the CCA and its local Investor Owned Utility enter into a Service Agreement. This agreement governs the business

relationship between the parties, and includes provisions for audits, dispute resolution, events of default, billing and payment terms, and indemnification.

The attached Service Agreement was developed by PG&E several years ago and has been approved by the CPUC as a boilerplate to provide the necessary step for CCA programs to move forward to service provision.

Attachment(s):

- A. CCA Service Agreement with PG&E
- B. Resolution



Pacific Gas and Electric Company
San Francisco, California
U 39

Original
Cancelling Revised

Cal. P.U.C. Sheet No. 27499-E
Cal. P.U.C. Sheet No. 25581-E

Electric Sample Form No. 79-1029
COMMUNITY CHOICE AGGREGATOR (CCA)
SERVICE AGREEMENT

**Please Refer to Attached
Sample Form**

Advice Letter No: 3266-E
Decision No. 08-04-056

Issued by
Brian K. Cherry
Vice President
Regulatory Relations

Date Filed May 2, 2008
Effective June 2, 2008
Resolution No. _____



COMMUNITY CHOICE AGGREGATOR (CCA) SERVICE AGREEMENT

This Community Choice Aggregator (CCA) Service Agreement (“Agreement”) is made and entered into as of this ____ day of _____, _____, by and between “_____” (“CCA”), a _____ organized and existing under the laws of the state of _____, and Pacific Gas and Electric Company “PG&E”, a corporation organized and existing under the laws of the state of California. From time to time, CCA and PG&E shall be individually referred to herein as a “Party” and collectively as the “Parties.”

Section 1: General Description of Agreement

- 1.1 This Agreement is a legally binding contract. The Parties named in this Agreement are bound by the terms set forth herein and otherwise incorporated herein by reference. This Agreement shall govern the business relationship between the Parties hereto by which CCA shall offer electrical energy services. Each Party, by agreeing to undertake specific activities and responsibilities for or on behalf of customers, acknowledges that each Party shall relieve and discharge the other Party of the responsibility for said activities and responsibilities with respect to those customers. Except where explicitly defined herein (including Attachment A hereto) the definitions controlling this Agreement are contained in PG&E’s applicable rules or in the relevant community choice aggregation tariff.
- 1.2 The form of this Agreement has been developed as part of the CPUC regulatory process to implement Assembly Bill 117, was intended to conform to CPUC directions, was filed and approved by the CPUC for use between PG&E and CCAs and may not be waived, altered, amended or modified, except as provided herein or in the applicable community choice aggregation tariff, or as may otherwise be authorized by the CPUC.
- 1.3 This Agreement incorporates by reference the applicable community choice aggregation tariff as authorized and modified from time to time by the CPUC.

Section 2: Representations

- 2.1 Each Party represents that it is and shall remain in compliance with all applicable laws and tariffs, including applicable CPUC requirements.

- 2.2 Each person executing this Agreement for the respective Parties expressly represents and warrants that he or she has authority to bind the entity on whose behalf this Agreement is executed.
- 2.3 Each Party represents that (a) it has the full power and authority to execute and deliver this Agreement and to perform its terms and conditions; (b) the execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate or other action by such Party; and (c) this agreement constitutes such Party's legal, valid and binding obligation, enforceable against such Party in accordance with its terms.
- 2.4 Each Party shall (a) exercise all reasonable care, diligence and good faith in the performance of its duties pursuant to this Agreement; and (b) carry out its duties in accordance with applicable recognized professional standards in accordance with the requirements of this Agreement.

Section 3: Term of Service

The term of this Agreement shall commence on the date of execution by both Parties hereto (the "Effective Date") and shall terminate on the earlier of (a) the date CCA informs PG&E that it is no longer operating as a CCA in PG&E's service territory; (b) the earlier termination pursuant to Section 4 hereof; or (c) the effective date of a new CCA Service Agreement between the Parties hereto. Notwithstanding the Effective Date of this Agreement, the CCA acknowledges that it may only offer Community Choice Aggregation Services to customers effective on or after the CPUC-approved date for commencement of such services by CCAs, and only after it has complied with all provisions of this Agreement and PG&E's applicable tariffs.

Section 4: Events of Default and Remedy for Default

- 4.1 An Event of Default under this Agreement shall include either Party's material breach of any provision of this Agreement, including those incorporated by reference herein, and failure to cure such breach within thirty (30) calendar days after receipt of written notice thereof from the non-defaulting Party; or such other period as may be provided by this Agreement or PG&E's applicable community choice aggregation tariff.
- 4.2 In the event of such an Event of Default, the non-defaulting Party shall be entitled to exercise any and all remedies (a) available under PG&E's applicable community choice aggregation tariff; and/or (b) provided for by law or in equity to the extent not inconsistent with PG&E's community choice aggregation tariff. In addition, in the event of an Event of Default, this Agreement may be effectively terminated upon Commission authorization.

- 4.3 Breach by any Party hereto of any provision of PG&E's community choice aggregation tariff, including a breach occurring during Exigent Circumstances as defined in Section T.3 of such tariff, which circumstances also shall include bankruptcy of CCA, shall be governed by applicable provisions contained therein and each Party will retain all rights granted thereunder. A breach of said tariff for which no remedy is specified therein shall be governed by this Agreement as an Event of Default.

Section 5: Billing and Payment

PG&E will bill and the CCA agrees to pay PG&E for all services and products provided by PG&E in accordance with the terms and conditions set forth in PG&E's community choice aggregation tariff, as stated in PG&E's Electric Rule 23 and PG&E's rate schedules. Any services provided by the CCA to PG&E shall be by separate agreement between the Parties and are not a subject of this Agreement.

Section 6: Limitation of Liability

Each Party's liability to the other Party for any loss, cost, claim, injury, liability, or expense, including reasonable attorneys' fees, relating to or arising from any act or omission in its performance of this Agreement, shall be limited to the amount of direct damage actually incurred, except as provided for in this Section. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages of any kind whatsoever, whether in contract, tort or strict liability, except in the event of an action covered by the Indemnification provisions of Section 7 of this Agreement or by the indemnification provisions in any Nondisclosure Agreement relating to the disclosure of confidential information to the CCA, in which event this Section 6 shall not be applicable.

Section 7: Indemnification

- 7.1 To the fullest extent permitted by law, and subject to the limitations set forth in Section 6 of this Agreement, each Party (the "Indemnifying Party") shall indemnify and hold harmless the other Party, and its current and future direct and indirect parent companies, affiliates and their shareholders, officers, directors, employees, agents, servants and assigns (collectively, the "Indemnified Party"), and at the Indemnified Party's option, the Indemnifying Party shall defend the Indemnified Party, from and against any and all claims and/or liabilities for losses, expenses, damage to property, injury to or death of any person, including, but not limited to, the Indemnified Party's employees and its affiliates' employees, subcontractors and subcontractors' employees, or any other liability incurred by the Indemnified Party, including reasonable expenses, legal and otherwise, which shall include reasonable attorneys' fees, caused wholly or in part by any negligent, grossly negligent or willful act or omission by the Indemnifying Party, its officers, directors, employees, agents or assigns arising out of this Agreement, except to the extent caused wholly or in part by any negligent, grossly negligent or willful act or omission of the Indemnified Party.

- 7.2 If any claim covered by Section 7.1 is brought against the Indemnified Party, then the Indemnifying Party shall be entitled to participate in, and unless in the opinion of counsel for the Indemnified Party a conflict of interest between the Parties may exist with respect to such claim, assume the defense of such claim, with counsel reasonably acceptable to the Indemnified Party. If the Indemnifying Party does not assume the defense of the Indemnified Party, or if a conflict precludes the Indemnifying Party from assuming the defense, then the Indemnifying Party shall reimburse the Indemnified Party on a monthly basis for the Indemnified Party's defense through separate counsel of the Indemnified Party's choice. Even if the Indemnifying Party assumes the defense of the Indemnified Party with acceptable counsel, the Indemnified Party, at its sole option, may participate in the defense, at its own expense, with counsel of its own choice without relieving the Indemnifying Party of any of its obligations hereunder. In no event shall either Party be liable to the other Party for any indirect, special, consequential, or punitive damages of any kind whatsoever, whether in contract, tort or strict liability.
- 7.3 The Indemnifying Party's obligation to indemnify under this Section 7 shall survive termination of this Agreement, and shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Indemnifying Party under any statutory scheme, including, without limitation, under any Worker's Compensation Acts, Disability Benefit Acts or other Employee Benefit Acts.

Section 8: Assignment and Delegation

- 8.1 Neither Party to this Agreement shall assign any of its rights or obligations under this Agreement, except with the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. No assignment of this Agreement shall relieve the assigning Party of any of its obligations under this Agreement until such obligations have been assumed by the assignee. When duly assigned in accordance with the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the assignee and the assignor shall be relieved of its rights and obligations. Any assignment in violation of this Section 8 shall be void.
- 8.2 Notwithstanding the provisions of this Section 8, either Party may subcontract its duties under this Agreement to a subcontractor, provided that the subcontracting Party shall remain fully responsible as a principal and not as a guarantor for performance of any subcontracted duties, shall serve as the point of contact between its subcontractor and the other Party, and shall provide the other Party with thirty (30) calendar days' prior written notice of any such subcontracting, which notice shall include such information about the subcontractor as the other Party shall reasonably require. If either Party subcontracts any of its duties hereunder, it shall cause its subcontractors to perform in a manner which is in conformity with that Party's obligations under this Agreement.

Section 9: Independent Contractors

Each Party shall perform its obligations under this Agreement (including any obligations performed by a Party's designees as permitted under Section 8 of this Agreement) as an independent contractor.

Section 10: Entire Agreement

This Agreement consists of, in its entirety, this Community Choice Aggregator Service Agreement and all attachments hereto, all Community Choice Aggregation Service Requests submitted pursuant to this Agreement and PG&E's community choice aggregation tariffs. This Agreement supersedes all other agreements or understandings, written or oral, between the Parties related to the subject matter hereof, with the express exception of any Nondisclosure Agreement relating to the disclosure of confidential information to the CCA. This Agreement may be modified from time to time only by an instrument in writing, signed by both Parties.

Section 11: Nondisclosure

11.1 Notwithstanding anything provided below, prior to receiving any PG&E confidential customer information, CCA agrees to enter into the CCA Non-Disclosure Agreement and be bound by its terms with respect to Confidential Information as defined therein.

Neither Party may disclose any Confidential Information obtained pursuant to this Agreement to any third party, including affiliates of such Party, without the express prior written consent of the other Party. As used herein, the term "Confidential Information" shall include, but not be limited to, all business, financial, and commercial information pertaining to the Parties, customers of either or both Parties, suppliers for either Party, personnel of either Party, any trade secrets, and other information of a similar nature, whether written or in intangible form that is marked proprietary or confidential with the appropriate owner's name. Confidential Information shall not include information known to either Party prior to obtaining the same from the other Party, information in the public domain, or information obtained by a Party from a third party who did not, directly or indirectly, receive the same from the other Party to this Agreement or from a party who was under an obligation of confidentiality to the other Party to this Agreement or information developed by either Party independent of any Confidential Information. The receiving Party shall use the higher of the standard of care that the receiving Party uses to preserve its own confidential information or a reasonable standard of care to prevent unauthorized use or disclosure of such Confidential Information. Each receiving Party shall, upon termination of this Agreement or at any time upon the request of the disclosing Party, promptly return or destroy all Confidential Information of the disclosing Party then in its possession.

11.2 Notwithstanding the preceding, Confidential Information may be disclosed to any governmental, judicial or regulatory authority requiring such Confidential

Information pursuant to any applicable law, regulation, ruling, or order, provided that: (a) such Confidential Information is submitted under any applicable provision, if any, for confidential treatment by such governmental, judicial or regulatory authority; and (b) prior to such disclosure, the other Party is given prompt notice of the disclosure requirement so that it may take whatever action it deems appropriate, including intervention in any proceeding and the seeking of any injunction to prohibit such disclosure.

Section 12: Enforceability

If any provision of this Agreement or the application thereof, is to any extent held invalid or unenforceable, the remainder of this Agreement and the application thereof, other than those provisions which have been held invalid or unenforceable, shall not be affected and shall continue in full force and effect and shall be enforceable to the fullest extent permitted by law or in equity.

Section 13: Notices

13.1 Except as otherwise provided in this Agreement, any notices under this Agreement shall be in writing and shall be effective upon delivery if delivered by (a) hand; (b) U.S. Mail, first class postage pre-paid, or (c) facsimile, with confirmation of receipt to the Parties as follows:

If the notice is to CCA:

Name of Entity: _____

Contact Name: _____

Business Address: _____

Facsimile: _____

If the notice is to PG&E:

Contact Name: _____

Business Address: _____

Facsimile: _____

13.2 Each Party shall be entitled to specify as its proper address any other address in the United States upon written notice to the other Party.

13.3 Each Party shall designate on Attachment A the person(s) to be contacted with respect to specific operational matters relating to Community Choice Aggregation service. Each Party shall be entitled to specify any change to such person(s) upon written notice to the other Party.

Section 14: Time of Essence

The Parties expressly agree that time is of the essence for all portions of this Agreement.

Section 15: Dispute Resolution

15.1 The form of this Agreement has been filed with and approved by the CPUC as part of PG&E's applicable tariffs. Except as provided in Section 15.2 and 15.3, any dispute arising between the Parties relating to interpretation of the provisions of this Agreement or to the performance of PG&E's obligations hereunder shall be reduced to writing and referred to the Parties' representatives identified on Attachment A for resolution, with the responding Party filing its written response within thirty (30) business days after receiving the written position of the complaining party. Thereafter, the Parties shall be required to meet and confer within ten (10) business days in a good faith effort to resolve their dispute. Pending such resolution, the Parties shall continue to proceed diligently with the performance of their respective obligations under this Agreement, unless this Agreement has been terminated under Section 4.2. If the Parties fail to reach an agreement within ten (10) additional business days of the last session to meet and confer, the matter shall, upon demand of either Party, be submitted to resolution before the CPUC in accordance with the CPUC's rules, regulations and procedures applicable to resolution of such disputes.

15.2 Except as provided in Section T.3 of PG&E's applicable community choice aggregation tariff (Rule 23), any dispute arising between the Parties relating to interpretation of the provisions of this Agreement or to the performance of the CCA's obligations hereunder shall be reduced to writing and referred to the Parties' representatives identified on Attachment A for resolution, with the responding Party filing its written response within thirty (30) business days after receiving the written position of the complaining party. Thereafter, the Parties shall be required to meet

and confer within ten (10) business days in a good faith effort to resolve their dispute. Pending resolution, the Parties shall continue to proceed diligently with the performance of their respective obligations under this Agreement, unless this Agreement has been terminated under Section 4.2. If the Parties fail to reach an agreement within ten (10) additional business days of the last session to meet and confer, the matter shall, upon demand of either Party, be submitted to resolution before the CPUC in accordance with the CPUC's rules, regulations and procedures applicable to resolution of such disputes, as allowed by law or in equity, or the parties may mutually agree to pursue mediation or binding arbitration to resolve such issues.

15.3 Notwithstanding the provisions of Paragraph 15.1 and 15.2 above: (a) all disputes between the Parties relating to the payment by the CCA of any PG&E fees or charges shall be subject to the provisions of PG&E's applicable tariffs governing disputes over customer bills; (b) all disputes between the Parties regarding non-bypassable charges (including Competition Transition Charges, Cost Responsibility Surcharges, and any other nonbypassable charges adopted by the Commission) payable by community choice aggregation customers or the CCA on behalf of such customers shall be subject to the provisions of PG&E's applicable tariffs; and (c) PG&E may pursue available remedies in law or equity for unauthorized electrical use by the CCA in a court of competent jurisdiction.

15.4 If the dispute involves a request for damages, parties understand that the Commission has no authority to award damages. To resolve such issues, the parties may mutually agree to pursue mediation or binding arbitration to resolve such issues, or if no such agreement is reached, to pursue other legal or equitable remedies that are available to the parties.

Section 16: Applicable Law and Venue

This Agreement shall be interpreted, governed by and construed in accordance with the laws of the State of California, and shall exclude any choice of law rules that direct the application of the laws of another jurisdiction, irrespective of the place of execution or of the order in which the signatures of the parties are affixed or of the place or places of performance. Except for matters and disputes with respect to which the CPUC is the initial proper venue for dispute resolution pursuant to applicable law or this Agreement, the federal and state courts located in San Francisco County, California shall constitute the sole proper venue for resolution of any matter or dispute hereunder, and the Parties submit to the exclusive jurisdiction of such courts with respect to such matters and disputes.

Section 17: Force Majeure

Neither Party shall be liable for any delay or failure in the performance of any part of this Agreement (other than obligations to pay money) due to any event of force majeure or other cause beyond its reasonable control, including but not limited to, unusually severe weather, flood, fire, lightning, epidemic, quarantine restriction, war, sabotage, act of a public enemy, earthquake, insurrection, riot, civil disturbance, strike, work stoppage caused by jurisdictional and similar disputes, restraint by court order or public authority, or action or non-action by or inability to obtain authorization or approval from any governmental authority, or any combination of these causes, which by the exercise of due diligence and foresight such Party could not reasonably have been expected to avoid and which by the exercise of due diligence is unable to overcome. It is agreed that upon the Party so affected giving written notice and reasonably full particulars of such force majeure to the other Party within a reasonable time after the cause relied on, then the obligations of the Party, so far as they are affected by the event of force majeure, shall be suspended during the continuation of such inability and circumstance and shall, so far as possible, be remedied with all reasonable dispatch. In the event of force majeure, as described herein, both Parties shall take all reasonable steps to comply with this Agreement and PG&E's applicable tariffs despite occurrence of a force majeure event.

Section 18: Unauthorized Use of Energy (Energy Theft)

- 18.1 The CCA represents and warrants that for each of its Customers, and at all times during which it provides community choice aggregation services as a Community Choice Aggregator, the CCA shall completely, accurately, and in a timely manner account for each of its Customer's loads. Load data not accounted for in this manner may provide grounds for termination of this Agreement. For verification purposes only, PG&E shall have complete access to the load data provided to the CAISO by the CCA. Such information is to remain confidential, and shall not be disclosed to any unauthorized person other than the CPUC, the California Independent System Operator or other law enforcement or regulatory authority.
- 18.2 PG&E shall notify the CCA immediately and the CCA shall notify PG&E immediately of any suspected unauthorized energy use. The Parties agree to preserve any evidence of unauthorized energy use. Once unauthorized energy use is suspected, PG&E, in its sole discretion, may take any or all of the actions permitted under PG&E's applicable tariffs.

Section 19: Not a Joint Venture

Unless specifically stated in this Agreement to be otherwise, the duties, obligations, and liabilities of the Parties are intended to be several and not joint or collective. Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to impose a trust or partnership duty, obligation, or liability on or with regard to either Party. Each Party shall be liable individually and severally for its own obligations under this Agreement.

Section 20: Conflicts Between this Agreement and PG&E's Community Choice Aggregation Tariff

Should a conflict exist or develop between the provisions of this Agreement and PG&E's community choice aggregation tariff, as approved by the CPUC, the provisions of PG&E's community choice aggregation tariff shall prevail.

Section 21: Amendments or Modifications

- 21.1 Except as provided in Section 21.2, no amendment or modification shall be made to this Agreement, in whole or in part, except by an instrument in writing executed by authorized representatives of the Parties, and no amendment or modification shall be made by course of performance, course of dealing or usage of trade.
- 21.2 This Agreement may be subject to such changes or modifications as the CPUC may from time to time direct or necessitate in the exercise of its jurisdiction, and the Parties may amend the Agreement to conform to changes directed or necessitated by the CPUC. In the event the Parties are unable to agree on the required changes or modifications to this Agreement, their dispute shall be resolved in accordance with the provisions of Section 15 hereof or, in the alternative, CCA may elect to terminate this Agreement upon written notice to PG&E, which shall be effective upon the receipt thereof. PG&E retains the right to unilaterally file with the CPUC, pursuant to the CPUC's rules and regulations, an application for a change in PG&E's rates, charges, classification, service or rules, or any agreement relating thereto.

Section 22: Audits

- 22.1 PG&E shall retain such specific records as may be required to support the accuracy of meter data provided in PG&E's consolidated billings. When the CCA reasonably believes that errors related to metering or billing activity may have occurred, the CCA may request the production of such documents as may be required to verify the accuracy of such metering and consolidated billing. Such documents shall be provided within ten (10) business days of such request. In

the event the CCA, upon review of such documents, continues to believe that PG&E's duty to accurately meter and provide consolidated billing for usage has been breached, the CCA may direct that an audit be conducted. The CCA shall designate their own employee representative or their contracted representative to audit PG&E's records.

- 22.2 Any such audit shall be undertaken by the CCA, or their contracted representative at reasonable times without interference with PG&E's business operations, and in compliance with the PG&E's security procedures. PG&E and the CCA agree to cooperate fully with any such audit.
- 22.3 Specific records to support the accuracy of meter data provided in the consolidated billings may require examination of billing and metering support documentation maintained by subcontractors. PG&E shall include a similar clause in its agreements with subcontractors reserving the right to designate their own employee representative, or their contracted representative to audit records related to consolidated billing to Community Choice Aggregation Customers.
- 22.4 The CCA will notify PG&E in writing of any exception taken as a result of an audit. PG&E shall refund the amount of any undisputed exception to the CCA within ten (10) days. If PG&E fails to make such payment, PG&E agrees to pay interest, accruing monthly, at a rate equal to the prime rate plus two percent (2%) of Bank of America NT&SA, San Francisco, or any successor institution, in effect from time to time, but not to exceed the maximum contract rate permitted by the applicable usury laws of the State of California. Interest will be computed from the date of written notification of exceptions to the date PG&E reimburses the CCA for any exception. The cost of such audit shall be paid by the auditing Party; provided, however, that in the event an audit verifies overcharges of five percent (5%) or more, then PG&E shall reimburse the CCA for the cost of the audit.

- 22.5 This right to audit shall extend for a period of three (3) years following the date of final payment under this Agreement. Each party and each subcontractor shall retain all necessary records and documentation for the entire length of this audit period.

Section 23: Miscellaneous

- 23.1 Unless otherwise stated in this Agreement: (a) any reference in this Agreement to a section, subsection, attachment or similar term refers to the provisions of this Agreement; (b) a reference to a section includes that section and all its subsections; and (c) the words “include,” “includes,” and “including” when used in this Agreement shall be deemed in each case to be followed by the words “without limitation.” The Parties agree that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement
- 23.2 The provisions of this Agreement are for the benefit of the Parties and not for any other person or third party beneficiary. The provisions of this Agreement shall not impart rights enforceable by any person, firm or organization other than a Party or a successor or assignee of a Party to this Agreement.
- 23.3 The descriptive headings of the various sections of this Agreement have been inserted for convenience of reference only and shall in no way define, modify or restrict any of the terms and provisions thereof.
- 23.4 Any waiver at any time by either Party of its rights with respect to a default under this Agreement, or with respect to any other matter arising in connection with this Agreement, shall not be deemed a waiver with respect to any other or subsequent default or matter and no waiver shall be considered effective unless in writing.
- 23.5 Each Party shall be responsible for paying its own attorneys’ fees and other costs associated with this Agreement, except as provided in Sections 6 and 7 hereof. If a dispute exists hereunder, the prevailing Party, as determined by the CPUC, or as may otherwise be determined by the dispute resolution procedure contained in Section 15 hereof, if used, or by a court of law, shall be entitled to reasonable attorneys’ fees and costs.
- 23.6 To the extent that the CPUC has a right under then-current law to audit either Party’s compliance with this Agreement or other legal or regulatory requirements pertaining to Community Choice Aggregation transactions, that Party shall cooperate with such audits. Nothing in this Section shall be construed as an admission by either Party with respect to the right of the CPUC to conduct such audits or the scope thereof.

23.7 Except as otherwise provided in this Agreement, all rights of termination, cancellation or other remedies in this Agreement are cumulative. Use of any remedy shall not preclude any other remedy in this Agreement.

The Parties have executed this Agreement on the dates indicated below, to be effective upon the later date.

On Behalf of CCA

By: _____

Name: _____

Title: _____

Date: _____

On Behalf of PG&E

By: _____

Name: _____

Title: _____

Date: _____

ATTACHMENT A

A. Definitions:

Billing Services - The consolidated billing services described in PG&E's community choice aggregation tariff which are provided by PG&E.

Community Choice Aggregation Customer - An end-use customer located within PG&E's service territory who purchases Community Choice Aggregation Services through the CCA.

Community Choice Aggregator (CCA) – An entity that provides electric supply services to Community Choice Aggregation customers within PG&E's service territory. A CCA may also provide certain energy efficiency and conservation programs to its Community Choice Aggregation customers as provided for under PG&E's tariffs.

CCA Charges - Charges for Community Choice Aggregation Services provided by the CCA.

PG&E Charges - Charges (a) for services provided by PG&E; or (b) which are energy-related and which are approved by the CPUC or the Federal Energy Regulatory Commission (including any nonbypassable charges (such as Competition Transition Charges, Cost Responsibility Surcharges, and any other nonbypassable charges adopted by a regulatory body) or Fixed Transition Amount Charges owing to PG&E or its affiliates, as those terms are defined under the California Public Utilities Code). Fixed Transition Amount Charges are also referred to as Trust Transfer Amount (TTA) Charges.

B. Contact Persons (Section 13.3):

Billing Services

PG&E Contact: _____

CCA Contact: _____

C. Parties' Representatives (Section 15.1):

PG&E Representative:

Contact Name _____

Business Address _____

CCA Representative:

Contact Name _____

Business Address _____

RESOLUTION EBCE R-2017-___

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE EAST BAY COMMUNITY ENERGY AUTHORITY
APPROVING A COMMUNITY CHOICE AGGREGATOR
SERVICE AGREEMENT BETWEEN THE EAST BAY
COMMUNITY ENERGY AUTHORITY AND PACIFIC GAS
AND ELECTRIC COMPANY**

**THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY
AUTHORITY DOES HEREBY FIND, RESOLVE, AND ORDER AS FOLLOWS:**

Section 1. In 2016, the County Board of Supervisors and the City Councils of eleven cities in Alameda County entered into a Joint Powers Agreement to form the East Bay Community Energy Authority (EBCE) pursuant to California Public Utilities Code Section 366.2(c)(12).

Section 2. Before a Community Choice Aggregator (CCA) can begin to serve its customers, the California Public Utilities Commission (CPUC) requires that the CCA submit an Implementation Plan to the CPUC for certification, enter a service agreement with the investor-owned utility, and deposit a bond with the CPUC.

Section 3. On July 19, 2017, the EBCE Board approved the Implementation Plan and it was submitted on August 10, 2017 to the California Public Utilities Commission (CPUC) for certification.

Section 4. EBCE's local Investor Owned Utility, Pacific Gas and Electric Company (PG&E), has developed a form Service Agreement that has been filed with and approved by the CPUC for use between PG&E and CCAs.

Section 5. The Chair of the Board is directed to execute the Service Agreement, substantially in the form attached to the Agenda Report that accompanied this Resolution, on behalf of the EBCE, and is authorized to take all other actions necessary to implement the Agreement.

ADOPTED AND APPROVED this ___ day of October, 2017.

Scott Haggerty, Chair

ATTEST:

Stephanie Cabrera, Clerk of the Board