



## **Board of Directors Meeting**

Wednesday, November 15, 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](mailto: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 November 1, 2017**

## **REGULAR AGENDA**

### **5. CDA Staff Recognition - Bruce Jensen, Senior Planner, Community Development Agency**

### **6. CEO Report**

**7. Authorization to Negotiate Terms and Contracts with River City Bank and Barclays Bank PLC for EBCE Banking and Credit Services**

Recommendation:

Authorize the Chief Executive Officer to execute a letter of intent and enter into negotiations for final contracts with River City Bank for banking and deposit services which shall have no minimum term and with Barclays Bank PLC for a revolving line of credit of 2 - 3 years with option to extend up to five years at additional cost. Financing documents will be submitted to the Board for final approval.

**8. Update on Local Development Business Plan**

**9. Board Member and Staff Announcements**

**10. Adjournment – to Wednesday, December 6, 2017**



## **Board of Directors Meeting**

Wednesday, November 1, 2017

6:00 pm

City of Hayward Council Chambers  
777 B Street, Hayward, CA

**DRAFT**

## **Summary Action Minutes**

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*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: Pilch (Albany), Arreguin (Berkeley), Biddle (Dublin), Martinez (Emeryville), Bonaccorsi (Fremont), Mendall (Hayward), Carling (Livermore), Rood (Piedmont), Thomas (San Leandro), Eldred (Community Advisory Committee); Vice-Chair Kalb (Oakland) and Chair Haggerty (Alameda County)

**Excused:** Director Ellis (Union City)

### **2. Pledge of Allegiance**

### **3. Public Comment**

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## **CONSENT AGENDA**

### **4. Approval of Minutes from October 18, 2017**

**Director Mendall motioned to approve the October 18, 2017 minutes. Director Biddle Seconded the motion which carried 10/0; Excused: Directors: Arreguin and Ellis**

## **REGULAR AGENDA**

### **5. CEO Report**

The CEO introduced Chief Operating Officer, Howard Chang and intent to send a letter of support to the Lawrence Livermore lab in support of their micro grid project.

### **6. Reject all bids for Billing/Data Management/Call Center RFP-1 and Authorize Execution of Agreement with SMUD (Action Item)**

#### **Recommendation:**

Adopt a Resolution authorizing the Chief Executive Officer to execute a letter of intent and a final contract with the Sacramento Municipal Utility District (SMUD) for Data Management, Billing and Call Center Services for a term of two years that may include options for extension that EBCE has sole discretion to exercise.

Additionally, the Chief Executive Officer will work with SMUD to develop a set of task orders above the base cost in SMUD's bid, to support EBCE's set-up of its in-house call center in two phases. Phase one will be the set-up of a customer service center focused on escalated calls and other customer service and outreach tasks. Phase two will be the set-up of a full service call center to handle all front line calls. The target roll-out for Phase one will be one year from the execution of the contract, the target roll-out for Phase two will be by the end of the two year contract term.

**Jessica Tovar** – Thanked the Board for stressing the importance of local jobs and work force; the CEO for including the East Bay Clean Power Alliance criteria, and the CAC for their support. Ms. Tovar also spoke in support of contracting with SMUD and a defined RFP process.

**Hunter Stern** – Spoke regarding the potential loss of jobs for IBEW members, thanked the CAC for including neutrality language in their recommendation and spoke in support of contracting with Calpine

The Board Discussed:

- Local job creation and workforce contract conditions
- Process and timeline to bring Billing/Data Management and Call Center functions in-house

**Director Rood motion to approve staff recommendation. Director Biddle seconded the motion which carried 11/0; Excused: Director Ellis**



## Staff Report Item 6

**TO:** East Bay Community Energy Board of Directors

**FROM:** Nicolas Chaset, Chief Executive Officer

**SUBJECT:** CEO Report - Informational Item

**DATE:** November 15, 2017

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### Staff Recommendation

Accept CEO reports on update items below.

### Discussion & Analysis

A. **EBCE Office Space**

EBCE has executed a month-to-month lease for office space for up to 11 staff at a WeWork Office Space in downtown Oakland. The lease agreement covers three offices that will support up to 11 staff at a monthly cost of \$7,270 a month, including all infrastructure costs (internet, furniture, conference rooms, etc.). It is our intention to occupy these offices for 6-9 months, starting December 1, 2017, during which time we will be developing a set of clear criteria to find EBCE's long-term home.

B. **Staffing Update**

We are pleased to announce two new staff members, Annie Henderson, Vice-President of Marketing and Account Services, and Supria Ranade who will serve as our Director of Power Resources. Resumes for Annie and Supria are attached for your information. We are also working to fill the following open positions: General Counsel, Director of Technology and Analytics, Director of Regulatory and Legislative Affairs, and Director of Government and Community Affairs. Additional staff will follow once these key positions are filled and larger office space is secured.

C. **JPA Amendments**

During the September 20, 2017 Board meeting, there was a discussion of potential JPA amendments that are administrative in nature. Board feedback during the discussion was for EBCE staff to collect a series of potential JPA amendments to bring back to the Board in the January/February 2018 timeframe. To date, two potential amendments have been identified: 1) amendment to reflect fact that LDBP will not be completed by October, 2017, 2) amendment to allow selection of alternate CAC members. In addition to these items, I will be following up with the Board and the CAC to seek ideas for additional JPA amendments over the course of the next two months.

D. **Wholesale Energy Services**

On October 27, EBCE received five bids for Wholesale Energy Services. EBCE convened an interview panel made up of EBCE staff and CAC member Megan O'Neil. To further support EBCE's review of WES proposals, EBCE retained Samuel Golding from Community Choice Partners. On Monday November 6 and Tuesday November 7, the review team met with all five bidders for 60 to 90 minutes. The review team is now working to develop a set of follow up questions and request for best and final offers from the bidders due the week of November 13-17; the goal is to bring a recommendation to the Board for approval on December 6th.

E. **Legislative Engagement**

EBCE has issued an RFP for legislative advocacy and strategy support and expects to commence interviews with potential candidates over the next week. Nick Chaset has also started setting up meetings with state elected officials for meet and greets. As a past Board Meeting, Board Members discussed the potential of setting up a day for Board Members to travel to Sacramento to meet with the Alameda County delegation. Another option is to invite select Board Members to meetings with the Assembly and Senate members from their specific jurisdictions.

F. **Implementation Plan**

On November 6, CPUC staff sent Inder Khalsa a note indicating that the CPUC is going to imminently certify EBCE's Implementation Plan. We await the hardcopy notification of EBCE's certification, but are already moving quickly with PG&E to access all the key data streams necessary to support our planned launch.

G. **Agency and Customer Policies**

Staff is currently conducting a review of operational, customer, financial and procurement policies of other operational CCAs and will present an overview and proposed policy adoption schedule to the Board at its December 6th meeting. Staff will also work with the selected Wholesale Energy Services provider to develop a set of risk management policies which will include recommended budget reserve targets and other risk management tools.

## H. 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 October 2017:

### 1. **Contract Extension for Taj Ait-Laoussine:**

**Scope of Contract:** continued support to EBCE during the scoping and execution of EBCE's billing, data management and call center contract with SMUD.

**Term of Contract:** extension of contract to December 15, 2017 and increased not to exceed from \$10,000 to \$30,000.

**Contractor Experience:** Taj has worked for Oracle, DataRaker, and Enernoc in senior leadership roles focused on energy data analysis and utility billing systems.

### 2. **Contract for Samuel Golding and Community Choice Partners:**

**Scope of Contract:** support to EBCE during the scoping and execution of EBCE's WES contract.

**Term of Contract:** Contract through December 31, 2017 with a not to exceed quantity of \$10,000.

**Contractor Experience:** Samuel Golding and Community Choice Partners helps local governments initiate or enhance their Municipal Aggregation or Community Choice Aggregation programs, with a focus on renewable and distributed energy resources.

Samuel has been retained by the Sonoma Clean Power, the County of Los Angeles, the San Francisco Public Utilities Commission, the City of San Diego, and the California Energy Commission.

### Attachment(s):

B 1. Resume for Annie Henderson

B 2. Resume for Supria Ranade

# ANNIE HENDERSON

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## Profile

Energy program management professional with 13+ years in the renewable energy and energy efficiency field. Most recently focused on innovative financial services programs that address climate change by funding measures that reduce greenhouse gas emissions. Detail-oriented professional who gets stuff done.

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## Professional Experience

**Renew Financial, Oakland, CA**

*June 2009 - Present*

*Vice President of Residential Property Assessed Clean Energy (RPACE) Product June 2014 - Present*

- **Product Management and Expansion:** Leader of RPACE programs – innovative financing helping homeowners reduce energy and water use and deploy renewable energy systems. Lead program expansion to Los Angeles County (Spring 2015) and statewide in Florida (Fall 2016). Mentored and supported a direct report's work to launch a third California program in western Riverside County (Spring 2017). Currently, oversee a team of four direct reports to support ongoing operations, government sponsor relationships, troubleshooting and problem solving of program policies and processes due to market feedback or industry changes, assessment of policy effectiveness, and enhancement of programs. Responsible for developing the business case for product expansion and launch of new programs including drafting workflow requirements, supporting legal document development, creating program policy, and coordinating overall rollout.
- **Project Management:** Lead the development of key initiatives that drive sales volume, legal compliance, and customer ease of use for the RPACE product through addition of new features and process improvements. Manage cross-functional teams and implement project plans. Present business case to executive level decision-makers and stakeholders. Develop policies, procedures and training materials for internal stakeholders. Communicate project status and conduct postlaunch monitoring and evaluation.
- **Executive Coordination:** Responsible for reporting to C-level executives and Board of Directors regarding decisions on the RPACE product. Achieve cross-department buy-in through collaboration with impacted departments, requiring deep understanding of each department's business perspective and substantial communication skills.

*Program Director*

*June 2009 – June 2014 •*

*Initially hired to launch statewide financing program, but my job focus shifted in the Summer of 2010 based on changes to company business direction*

- **Program Development:** Operationalized the first statewide RPACE program in the country. Managed three direct reports while working with stakeholders across the business, recruited initial 14 counties and over 120 cities in California, created program documents and materials, and supported government and legal proceeding required for formation of the financing program.
- **Policy:** Worked on federal and state-funded California Energy Commission program, Energy Upgrade California. Primary responsibility was development of a web portal supporting the energy efficiency rebate program. Required extensive stakeholder coordination and reporting.

**Center for Sustainable Energy, San Diego, CA**

*June 2007 – June 2009*

*Program Manager, Solar Water Heating Pilot Program*

- **Program Development and Management:** Developed and launched largest solar hot water heating pilot program in the country. Responsible for creating program protocols and procedures, directing marketing efforts, budget management and invoicing, and reporting. Acted as point of contact for all stakeholders including contractors, customers, state and local government officials, and industry representatives. Orchestrated industry coordination and feedback through a multi-faceted steering committee. Conducted application review and approval. Delivered contract training and educational consumer workshops.



- **Policy:** Interface with evaluation vendor, California Public Utilities Commission and California Air Resource Board regarding program evaluation and impact on future policy developments for a statewide solar water heating rebate program.

**Occidental Power Solar and Cogeneration**, San Francisco, CA

*June 2004 – June 2007*

*Business Manager*

- **Business Management:** Responsible for budget creation and analysis, purchasing, cash flow analysis, rebate administration and processing, and client service.
- **Sales and Marketing:** Reviewed all sales contracts, set sales cost guidelines, assist in special project cost analysis, and general marketing oversight.

## **Education**

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**University of Pennsylvania**, Philadelphia, PA

*1997 – 2001*

*Bachelor of Arts, Dual Major Environmental Studies and Geology*

# SUPRIA RANADE

## Summary

- Senior energy markets structurer & financier in the supply, efficiency and renewable sectors
- Co-founded the energy practice at Newmark Knight Frank (900mm square feet under management)
- Six years structuring bundled and unbundled renewable energy transactions in CAISO, PJM, NEPOOL and ERCOT
- 10+ years serving clients at national utilities, municipalities, electric cooperatives, energy developers, competitive retail suppliers, financials and green power marketers

## Professional Experience

### **BGC Partners-Newmark Knight Frank (NKF)**

*July 2016 - Present*

#### *Energy and Sustainability Services*

- Responsibilities include global sales & marketing (50 brokers nationally), site origination, financing procurement and solicitation, and energy procurement for NKF portfolio (900mm square feet)
- Select transaction work:
  - **RFP & project management:** global Fortune 500 oil and gas client (\$4.5mm); global market research client (\$6.2mm)
  - **Energy procurement & supply:** Electric supply procurement for global telecommunications client (\$17mm notional contract); \$1mm savings LTM
  - **Project financing:** LEDs (\$14.5mm), solar PV (\$6.5mm), storage (\$10mm)
  - **Program management:** LEED certification/recertification (70mm square feet), CA Title 24 compliance (19mm square feet), voluntary Green-e REC procurement (50mm square feet)

### **BGC Partners - Environmental Brokerage Services LP**

*April 2013 – July 2016*

#### *Director, Renewable Energy Markets*

- Responsibilities included short and long dated transaction structuring, renewables desk management (team of 5), regulatory surveillance (3,200 counterparties in the utilities, financing and policy space), renewables RFP management, and lobbying efforts (government and utility RPS nuances)
- Select transaction work:
  - **Structuring:** First of its kind LFGTE power purchase agreement for a MA-based electric cooperative (\$12mm notional), LFGTE power purchase agreement for NH-based university (\$22mm notional) community solar origination and market bilateral for Sustainable Westchester (1<sup>st</sup> CCA in NYISO)
  - **Brokerage:** Exclusives with 3 of the top 5 power marketers nationally; REC & green power transactions (\$100mm notional), CAISO PCC1 & PCC2 products (\$25mm notional)
  - **Policy consulting:** NJ Clean Energy Association (A-2237, A-1384), DE Solar Association (HB-58), SEBANE (225 CMR 14.00); Green-e® program creation for two PJM-based cooperatives (1mm customers)

### **Evolution Markets Inc., White Plains, NY**

*June 2007 – May 2012*

#### *Vice President, Renewable Energy Markets*

- Responsibilities included managing REC market entry advisory services for load-serving entities, renewables RFP management, leading regulatory surveillance (1,500 counterparties)
- Selected transaction work:
  - **Structuring & brokerage:** REC & green power transactions (\$250mm notional)
  - **Procurement & RFP management:** CAISO, NEPOOL and PJM green power offtakes (\$14mm notional)

## Speaking Experience and Industry Affiliations

### *Newmark Knight Frank Smart Buildings Group, **Co-Founder***

- “Utilizing the EPAct Tax Credit - New Opportunities for CRE”, NKF Conference, Chicago, IL

### *Environmental Markets Association, **Former Board Member***

- Moderator, “Navigating the Post-polar Vortex world: Low-Cost Solutions to Grid Reliability”
- Moderator, “HB 173 and the Future of Solar in the Lone Star State”

## Education

**Columbia University**, New York, NY, *Master of Science in Earth and Environmental Engineering*

*December 2007*

**Johns Hopkins University**, Baltimore, MD, *Bachelor of Science in Earth and Planetary Sciences*

*May 2006*



**TO:** East Bay Community Energy Board of Directors

**FROM:** Howard Chang, Chief Operating Officer

**CC:** Nick Chaset, Chief Executive Officer

**SUBJECT:** Authorization to negotiate terms and contracts with River City Bank and Barclays Bank PLC for EBCE banking and credit services.

**DATE:** November 15, 2017

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### **Recommendation**

Authorize the Chief Executive Officer to execute a letter of intent and enter into negotiations for final contracts with River City Bank for banking and deposit services which shall have no minimum term and with Barclays Bank PLC for a revolving line of credit of 2 - 3 years with option to extend up to five years at additional cost. Financing documents will be submitted to the Board for final approval.

### **Background and Discussion**

On September 19 2017, an RFP was issued to twelve financial institutions, including three local banks, requesting banking and credit services for EBCE. Three proposals were received from River City Bank, Barclays Bank PLC, and JP Morgan Chase Bank, NA. On November 2, 2017, a panel of interviewers including the Mayor of Berkeley representing the EBCE Board, the Chair of the CAC, EBCE staff and consultants interviewed all three RFP respondents.

For banking services, EBCE received proposals from River City Bank and JPMorgan Chase Bank, NA. Both proposals met EBCE's banking service requirements and pricing was competitive. However, River City Bank has extensive experience providing deposit and treasury

services to several CCAs including Marin Clean Energy (MCE), Silicon Valley Clean Energy (SVCE), Sonoma Clean Power (SCP) and Monterey Bay Clean Power (MBCP), which will launch in 2018. In addition, River City provides services to three cities that are members of the California Choice Energy Authority. River City Bank is a relatively small institution with capital of \$187 million compared to JP Morgan Chase Bank with total capital of \$258 billion. River City Bank is 100% FDIC insured and is a regional Sacramento-banked bank, with its closest branch in Walnut Creek. It has a strong commitment to high ethical standards and has very limited investments in the fossil fuel industry with just one \$5 million bond investment in Shell Energy North America. With full consensus, the panel of interviewers agree on recommending River City Bank for EBCE's banking and deposit services based on its strong reputation and its experience providing these services to the CCA sector in California.

For credit services, EBCE received proposals from River City Bank, Barclay's Bank PLC, and JP Morgan Chase Bank NA. For this particular service, one of the critical criteria is giving EBCE the necessary financial flexibility to meet working capital needs during the run-up to launch and revenue generation. While Alameda County has provided significant support to EBCE in the form of a \$2.6 million loan, the costs of start-up, including staffing, marketing, and compliance will exceed this amount. EBCE has been working closely with Alameda County and has started outreach to the member cities to evaluate opportunities for additional financial support to allow EBCE to secure the most cost-effective sources of working capital. To this end, EBCE explicitly sought uncollateralized working capital facilities that could be used to support EBCE working capital needs while EBCE and its JPA members work to put in a place collateral facility to lower credit costs.

For the initial line of \$5,000,000 needed for pre-revenue working capital, River City and Barclay's proposals included both collateralized and uncollateralized facilities and JP Morgan Chase provided only a collateralized facility. There were a variety of differences in tenor, price, collateral requirements, and covenants in the larger facility.

Barclay's proposal provides the greatest flexibility by offering a credit facility sized up to \$60 million with full flexibility to determine what quantity of credit can be drawn prior to securing collateral. It also offers a term that can run from 3 - 5 years. Further analysis will be completed to determine the exact facility size and duration to optimize costs vs. flexibility. Additional considerations will also include credit that may be provided by EBCE's chosen wholesale energy supplier. In addition, Barclay's currently provides credit to Peninsula Clean Energy and has total Tier 1 capital of \$56.5 billion and extensive municipal/public financing experience that can assist EBCE with innovative financing solutions in the future. As a large institution, Barclay's does provide corporate financing services to the fossil fuel industry, but it also has several loans and investments in the green energy and clean technology industries. With full consensus, the panel of interviewers agree on recommending Barclays Bank PLC to provide EBCE's initial credit

based on the flexibility of the uncollateralized credit facility offering and strength of balance sheet.

The cost of Barclay's credit facility, accounting for the undrawn and drawn fees for an uncollateralized facility, is not the lowest cost financing. Additional collateral in the form of posting cash, letter of credit, or guarantees from city or county entities can reduce these costs significantly (i.e. up to \$2M in savings). Alternatively, collateral can be provided for a portion of the facility to partially offset the rate differential.

Based on the received proposals and thorough vetting by the interview panel and reference checks, EBCE staff recommends that the EBCE Board authorize the CEO to move ahead with River City Bank to provide banking and deposit services and Barclay's to provide the initial credit facility. Any financing must be approved by the Board pursuant to the Joint Powers Agreement, so final documents will be submitted to the Board for final approval. Additional consideration should also be made to provide collateral or financial guarantees by JPA members to help alleviate the costs of the credit facility.



### **Staff Report Item 8**

**TO:** East Bay Community Energy Board of Directors

**FROM:** Nick Chaset, Chief Executive Officer

**SUBJECT:** Update on Local Development Business Plan

**DATE:** November 15, 2017

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#### **Recommendations**

Receive update and provide feedback as needed.

#### **Discussion and Analysis**

There are no posted materials for this item. Representatives from ALH Urban and Regional Economics will be available to provide an update on local development business plan status and proposed next steps.