



Staff Report Item 7

TO: East Bay Community Energy Board of Directors

FROM: Nick Chaset, Chief Executive Officer

SUBJECT: CEO Report (Informational Item)

DATE: March 21, 2018

Recommendation

Accept CEO report on update items below.

Workflow Priorities

With EBCE staff working diligently towards successful execution of program goals, there are many priorities to accomplish to stay on track with the target launch in June. Each of the below topic areas is addressed in the PowerPoint presentation attached to this agenda item.

- **Data & Billing Management:** Systems and technology update with data insights
- **Procurement:** Overview of power transactions and administrative items
- **Marketing and Outreach:** Timeline of key actions and Phase 1 Outreach Update
- **Banking and Credit services:** Finance update on credit, banking, and accounting
- **Regulatory and Legislative Update:** Overview of major regulatory and legislative activities
- **Local Development Business Plan:** Update on upcoming work session and work products
- **Phase 2:** Update and operational considerations



CEO Report

PRESENTED BY: Nick Chaset

DATE: 3/21/18

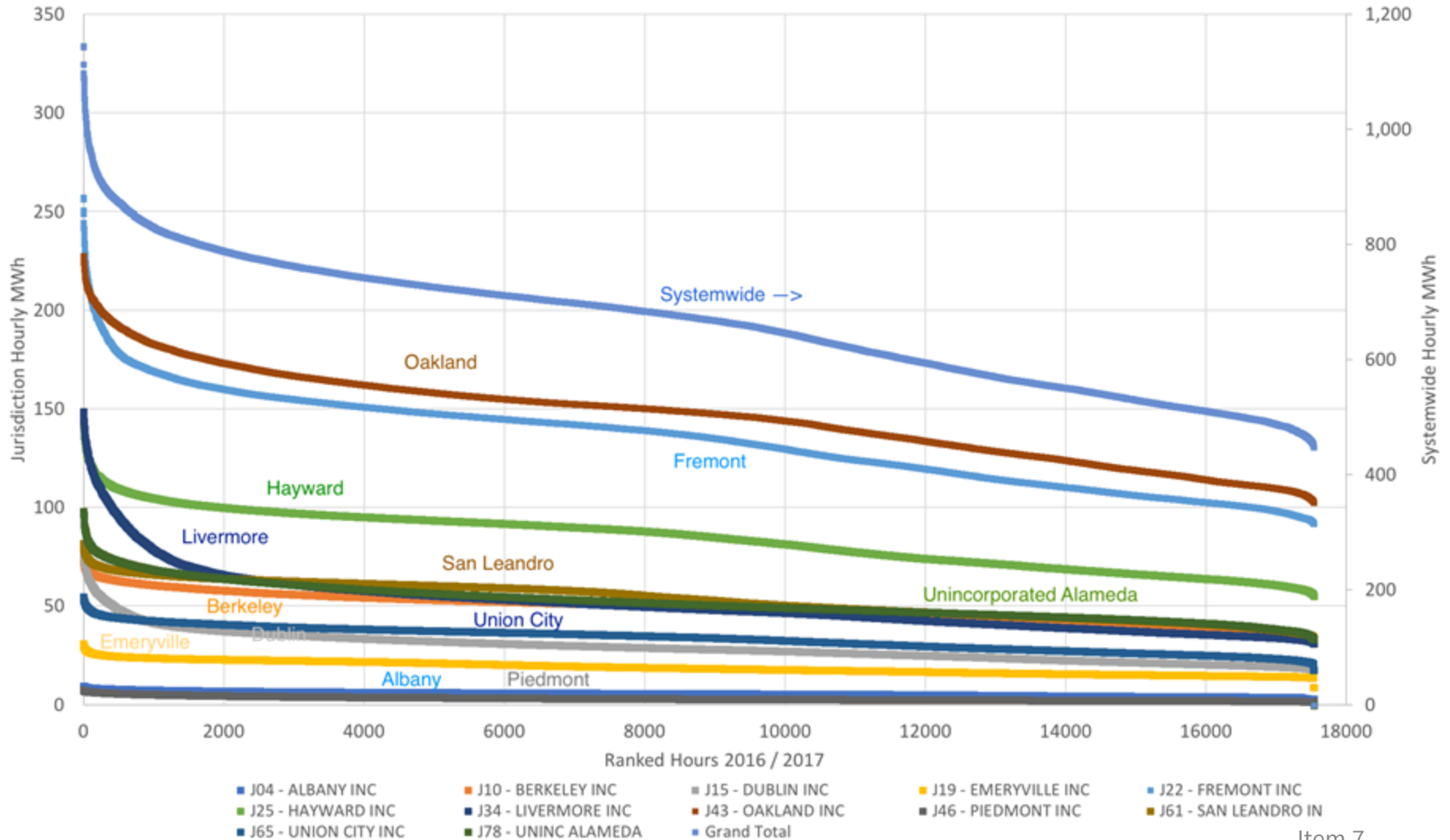


SYSTEMS AND TECHNOLOGY UPDATE

- Meter Data Management and Call Center Services
 - Systems configuration and development almost complete
 - Initiating User Acceptance Testing in late March
 - Call Center Training to begin concurrently
 - Soft Launch scheduled for 4/2 - when noticing begins
- Data Analytics Warehouse
 - 2017 interval and billing data uploaded, normalized and aggregated, combined with 2016 data.
 - Initial analytics performed to support Forecasting

DATA INSIGHTS: LOAD DURATION CURVES

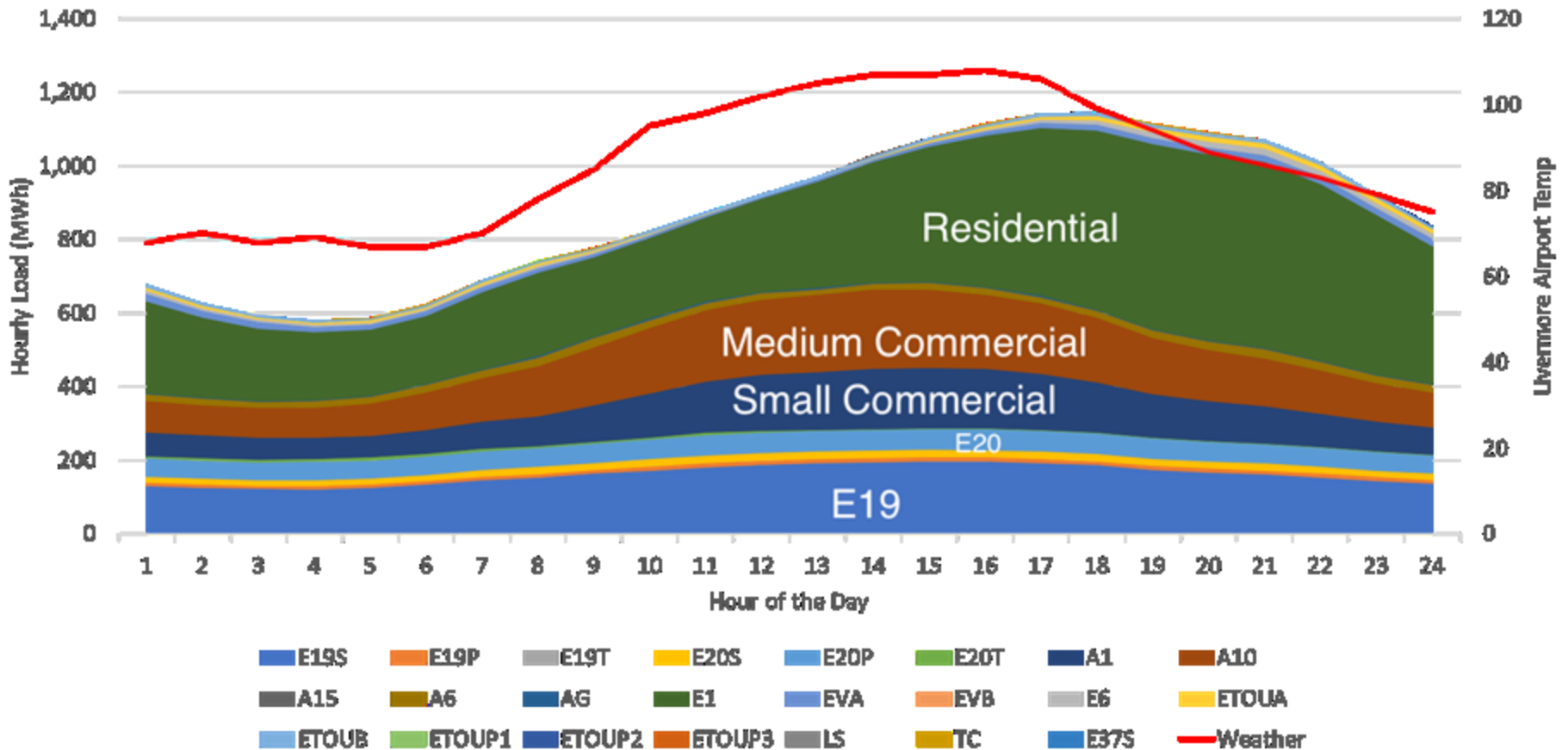
Systemwide and Jurisdiction Load Duration Curves
Aggregated 2016 / 2017 Load Data



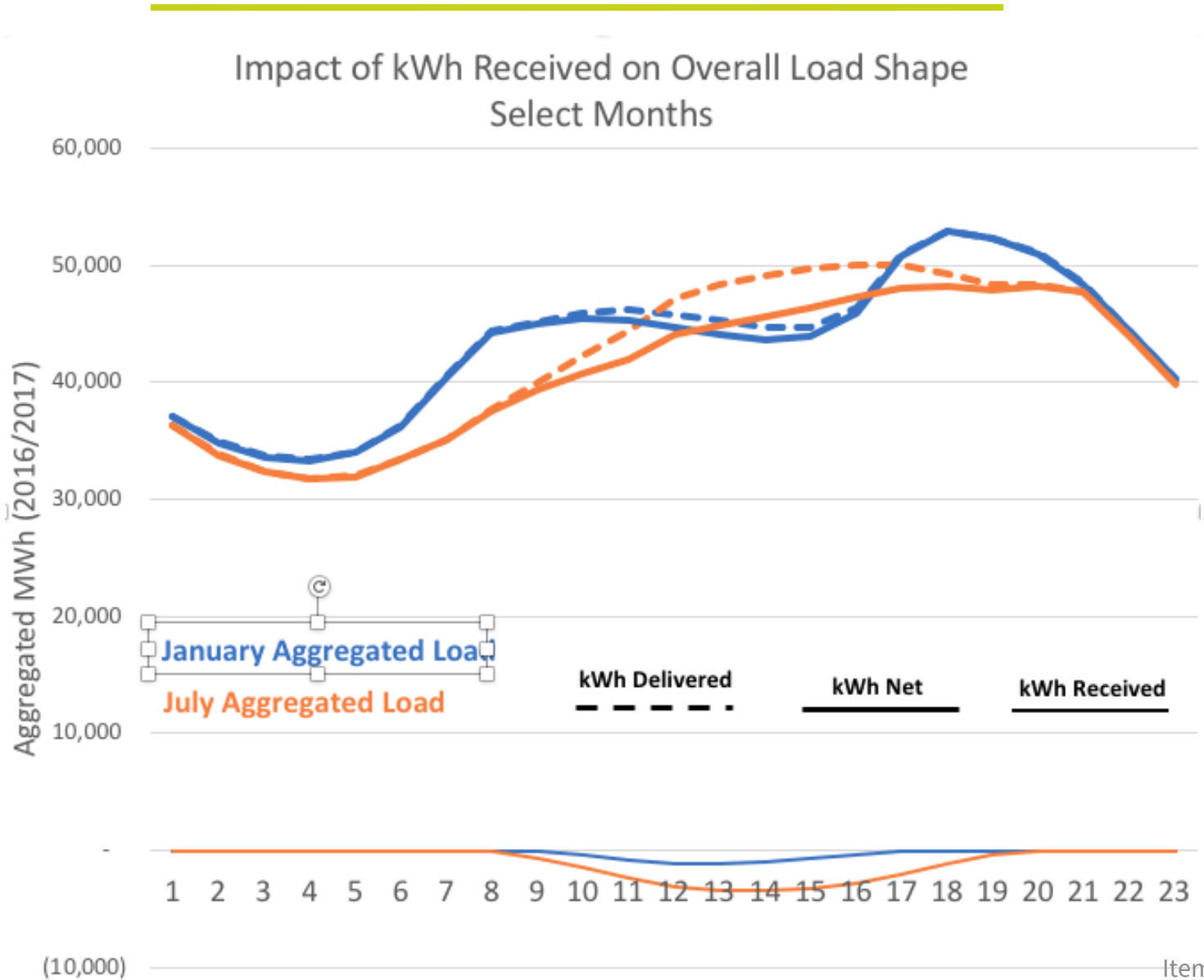
DATA INSIGHTS: PEAK DAY (9/3/2017)



Load and Weather 9/3/2017
Peak Day in 2016-2017



DATA INSIGHTS - CUSTOMER GENERATION



PROCUREMENT UPDATE

Short-term Power Transactions

- Go-to market strategy for short term power procurement breaking down energy product, quantity, and duration and formalizing solicitation docs
 - Anticipating initial RFP solicitation at the end of March
- In accordance to recent approvals, we have executed EEI and Lockbox agreements with a substantial group of energy suppliers to ensure competitive pricing
- Ongoing negotiations with additional counterparties to continue to build out a network of suppliers
- Completing additional market research on value at risk to inform price thresholds for hedging

Long-term Power Transactions

- Finalizing 2 long-term local Alameda County renewable energy PPA RFPs
- Assessing service providers to administer and assist in project evaluation

PROCUREMENT UPDATE

Administration

- WSPP registration is completed
- Energy Services Contract executed with NCPA
- Filing our compliance requirements for Resource Adequacy and ERRA
- Settlement Quality Meter Data (SQMD) plan submitted to CAISO
- Load Serving Entity (LSE) status confirmed
- Integrated Resource Planning underway to deliver for August 1 deadline
- Actively recruiting on the Director of Power Resources role

MARKETING AND ACCOUNT SERVICES UPDATE

March	April	May	June	July
<ul style="list-style-type: none"> PSA 	<ul style="list-style-type: none"> Call Center opens Early Adopter request form 	<ul style="list-style-type: none"> Print Ads 	<ul style="list-style-type: none"> Enrollment 	<ul style="list-style-type: none"> First bill
<ul style="list-style-type: none"> Opt up and Opt out forms 				
C&I account outreach				
	Digital Advertising			
	Customer Notification			

OUTREACH UPDATE

Individual Outreach

- Continuing to contact and meet with Top 200
- Working with city staff to identify contacts at the key accounts that have not responded
- Preparing usage analysis for key accounts

Targeted Mass Outreach

- Hosting three lunch-hour webinars, and will post webinar to web
- Communicating to customers via chambers of commerce newsletters and events

FINANCE UPDATE

Credit

- Credit agreement closed and initial draw in process

Banking

- Multiple deposit accounts created for operating fund, reserves, and collateral management

Accounting

- In the process of transitioning services from the County to EBCE
 - Currently evaluating accounting vendors

REGULATORY UPDATE

- Power Charge Indifference Adjustment (PCIA) Rulemaking
 - CalCCA continues to develop a proposal for a successor mechanism to the PCIA
 - Testimony is due April 2nd
 - Proposed Decision expected as early as late July
- Resource Adequacy (RA) Rulemaking
 - Considering reforms to current RA paradigm:
 - Support capacity needs while avoiding double-procurement and unexpected backstop procurement charges
 - Enable a more rapid transition to a cleaner grid relying increasingly on GHG-free capacity as natural gas plants retire

LEGISLATIVE OUTLOOK

- The legislative session is in the very early phases
 - Bills were introduced in February; committee hearings in first house occur in March and April
- Legislature/Governor priorities
 - Sexual harassment response
 - Push back on Trump Administration policies
 - Pending major energy legislation:
 - Wildfire response – bills dealing with insurance, liability, line clearance, emergency protocols
 - Electric vehicle adoption
 - SB 100 (De Leon) – 100% carbon-free grid with 60% renewable portfolio standard
 - AB 726 (Holden) – Early procurement of renewables
 - AB 813 (Holden) – Regionalization

LEGISLATIVE OUTLOOK

- EBCE efforts
 - Meeting with key members who represent EBCE's service area and energy policy leaders
 - Prepare local members for EBCE's imminent rollout
 - Policymaker views on CCAs are largely undefined and will be formed over the next few years
- Elections
 - Rapidly approaching primaries in June and general elections in November
 - Likely to make it difficult to enact significant legislation this year

LOCAL DEVELOPMENT BUSINESS PLAN

The LDBP summary draft report is due to staff 3/16 prior to a 3/26 public workshop hosted by the draft consultants in Oakland.

Most recent LDBP Work Products (January)

- Demand Response Assessment
- Analysis of Locational Benefit Factors
- Net Energy Metering Strategy Assessment
- Energy Efficiency Assessment
- Energy Storage Contracting Strategy Recommendations
- Capacity Building Recommendations

Previous LDBP Work Products

- Grid-side DER Assessment
- Customer-side DER Assessment
- Development Models and Strategies
- EBCE Development Issues
- Implementation and Policy Issues
- Integrated Resource Planning
- Preliminary Plan Scenarios

PHASE 2 UPDATE

- With the goal of expediting our residential service, we have accelerated our Phase II residential segment to November for this critical customer segment based on feedback from the board and community
- Planning and execution are already well under way

Operational considerations:

- Load forecasting, compliance, and power procurement planning
- Coordination with SMUD to ensure call center preparedness for high volume segment
- Customer insights market research and customer notifications
- Additional customer outreach and brand awareness
- City coordination on default product selection