



Board of Directors Meeting

Wednesday, March 15, 2023

6:00 pm

In Person

The Lake Merritt Room
Cal State East Bay - the Oakland Center
In the Transpacific Centre
1000 Broadway, Suite 109
Oakland, CA 94607

Or from the following locations:

- Wells Fargo Building - 2140 Shattuck Avenue, Floor 6, Berkeley, CA 94704
- City of Pleasanton City Hall, City Manager's Conference Room - 123 Main Street Pleasanton, California 94566
- City of Dublin City Hall - 100 Civic Plaza, Dublin, CA 94568
- Scott Haggerty Heritage House - 4501 Pleasanton Ave, Pleasanton, CA 94566
- City of Tracy City Hall, 333 Civic Center Drive, Tracy, CA 95376
- City of Albany City Hall - 1000 San Pablo Ave, Albany, CA 94706
- City of Emeryville City Hall - 1333 Park Ave. Emeryville, CA 94608
- City of Oakland City Hall - 475 14th St, Oakland, CA 94612
- City of Piedmont City Hall - 120 Vista Ave, Piedmont, CA 94611
- City of Fremont City Hall - 3300 Capitol Ave, Fremont, CA 94538
- City of Newark City Hall - 37101 Newark Blvd, Newark, CA 94560
- City of Union City City Hall - 34009 Alvarado-Niles Road, Union City, CA 94587
- City of Dublin City Hall - 100 Civic Plaza, Dublin, CA 94568
- City of Livermore City Hall - 1052 S. Livermore Ave, Livermore, CA 94550
- City of Hayward City Hall - 777 B Street Hayward, CA 94541
- City of San Leandro City Hall - 835 East 14th Street, San Leandro, CA 94577
- City of Stockton City Hall - 425 N El Dorado St, Stockton, CA 95202

Via Zoom:

<https://us02web.zoom.us/j/87023071843>

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Webinar ID: 870 2307 1843

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) 906-0491 or cob@ebce.org.

If you have anything that you wish to be distributed to the Board of Directors, please email it to the clerk by 5:00 pm the day prior to the meeting.

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 two minutes per speaker and must complete an electronic speaker slip. The Board Chair may increase or decrease the time allotted to each speaker.

4. Closed Session

- Conference with Legal Counsel. Initiation of litigation pursuant to § 54956.9(c): (1 case)
- Conference with Real Property Negotiations (Government Code § 54956.8) (1999 Harrison St. Oakland, CA 94612; 2100 Franklin St. Oakland, CA 94612 and 1221 Broadway, Oakland, CA 94607)
Negotiation: (Nick Chaset, Howard Chang and Inder Khalsa)
Parties: (Avison Young, Starwood Capital Group and TMG Partners)
Negotiation: (Price and terms of payment)

5. General Report Out of Closed Session

CONSENT AGENDA

6. Approval of Minutes from February 15, 2023

7. Contracts Entered into (Informational Item)

8. Cascade Energy Contract

Contract for the Commercial Energy Efficiency Program

9. ARUP Contract Amendment

Contract Amendment for Application for Federal Funds

REGULAR AGENDA

10. CEO Report

11. CAC Report

12. MRP Malaga (Action Item)

MRP Malaga long-term energy hedge and RA agreement

13. Board Member and Staff Announcements including requests to place items on future Board agendas

14. Adjournment to Wednesday, April 19, 2023 at 6:00 pm.



Draft Minutes

Board of Directors Meeting

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6:00pm

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Cal State East Bay - the Oakland Center
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If you have anything that you wish to be distributed to the Board of Directors, please email it to the clerk by 5:00 pm the day prior to the meeting.

Supervisor David Haubert was sworn in as the new EBCE Director for Alameda County.

Mayor Juan Gonzalez was sworn in as the new EBCE Director for the City of San Leandro.

1. Welcome & Roll Call

Present: Directors: Haubert (Alameda County), Tiedemann (Albany), Hu (Dublin), Bauters (Emeryville), Cox (Fremont), Marquez (Hayward), Barrientos (Livermore), Jorgens (Newark), Kalb (Oakland), Balch (Pleasanton), Gonzalez (San Leandro), Bedolla (Tracy), Patino (Union City), Eldred (Community Advisory Committee) and Acting Chair Cavanaugh (Piedmont)

Excused: Director Bartlett (Berkeley)

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 two minutes per speaker and must complete an electronic speaker slip. The Board Chair may increase or decrease the time allotted to each speaker.

Tom Kelly expressed concern about the lack of updates from staff regarding the \$15 million set-aside for the replacement of gas appliances in low-income households. Tom Kelly explained that staff had recommended a \$15 million gift to the Children's Hospital for research on childhood asthma, but the proposal was met with public pushback. The proposal was withdrawn, and staff promised to come back in January or February with a new proposal to replace gas appliances with induction ranges. Tom Kelly stated that the community was enthusiastic about this new proposal, and he emphasized the importance of timely action in light of recent news regarding the health effects of natural gas combustion inside households.

Blair Beekman expressed hope that the Board has moved past disagreements from December, 2022 around the definition of community advocacy, and that it has recognized the importance of advocates such as Jessica Tovar. Blair Beekman reminded the Board that acquisition of community energy is a community effort, and that he assumes that the Board will figure out increasingly better ways to include a wide range of voices.

Jessica Tovar welcomed new Board members to East Bay Community Energy (EBCE) and explained why the East Bay Clean Power Alliance's (EBCPA) advocates for EBCE's Local Development Business Plan (LDBP). Jessica Tovar stated that the EBCPA fights for EBCE to create more economic incentives in its service territory, promote clean energy jobs, and reduce pollution regionally. Jessica Tovar urged EBCE to focus on the needs of the community, particularly those that have been left out of the clean energy economy. Finally, Jessica Tovar commemorated the late Supervisor Valle and expressed her gratitude for his support for clean energy within Alameda County and beyond.

4. Closed Session

Conference with Labor Negotiators pursuant to Government Code 54957.6. (Labor negotiators: Jen Cavanaugh) (Unrepresented employee).

5. Report out of Closed Session

There were no items to report out of closed session.

CONSENT AGENDA

6. Approval of Minutes from January 18, 2023

7. **AB 361 - Finding for Continued Remote Meetings**
Find that conducting in person meetings of the Board would present imminent risks to attendees' health and authorize the Board to continue meeting via teleconferencing pursuant to Government Code Section 54953(e).
8. **Contracts entered into (Informational Item)**
9. **Frontier Energy Amendment to CSA**
Authorization to extend the term, expand the scope, add compensation
10. **RE Scarlet 1, LLC Contract Amendment**
Adopt a Resolution authorizing the Chief Executive Officer (CEO) to negotiate and execute an Amendment to an existing Power Purchase Agreement (PPA) with RE Scarlet 1, LLC.
11. **Consulting Services Agreement for Brand and Visual Identity Services with Landscape Studio LLC**
Adopt a Resolution authorizing the CEO to negotiate and execute an Agreement for brand and visual identity services with Landscape Studio LLC for the purpose of accelerating customer engagement for the contract period of one year, with an option to extend one additional year, in the amount not to exceed \$300,000.
12. **Travel Reimbursement Policy**
Adopt Travel Reimbursement Policy for Board and Community Advisory Committee
13. **Treasurer's Report**
Receive report on EBCE's cash position

Consent Calendar Item - 10 RE Scarlet 1, LLC Contract Amendment and Consent Calendar Item 12 - Travel Reimbursement were pulled from the Consent Calendar.

Member Marquez (Hayward) motioned to approve Consent Calendar Items 6, 7, 8, 9, 11 and 13. Member Tiedemann (Albany) seconded the motion, which passed 13/0.

Excused: Members Haubert (Alameda County) and Bartlett (Berkeley)

Consent Calendar Item 10. RE Scarlet 1, LLC Contract Amendment

The Board discussed:

- Member Gonzalez (San Leandro) asked if staff anticipates that the challenge from trade constraints will continue, and if an assessment had been made of the risks.
- Member Gonzalez also asked if the replacement energy that is being acquired is green energy.
- Lastly, Member Gonzalez asked if EBCE will be renumerated for increased costs and prices.

Member Bauters (Emeryville) motioned to approve the staff recommendation for Consent Calendar Item 10. Member Haubert (Alameda County) seconded the motion, which passed 14/0.

Excused: Member Bartlett (Berkeley)

Consent Calendar Item 12 - Travel Reimbursement Policy

The Board discussed:

- CAC Chair Eldred stated that the CAC requested that the policy be amended to include required travel costs such as tolls, mileage, and ease of documenting public transportation costs.
- Member Bauters noted that there is no provision or incentive for active transportation and stated that the Air District adopted a policy that uses a climate-based formula to create an incentive for people who choose to walk or bike to meetings. Member Bauters explained that there are ways of calculating total greenhouse gas savings and turning it into an actuarial value for people who use active transportation. Member Bauters stated that the Travel Reimbursement policy should be put on a future agenda to be amended to create incentives that are in line with the agency's values.
- CAC Chair Eldred stated that she did not want to hold up the item, and that she appreciated staff being willing to look at what other bodies in our jurisdiction are doing. CAC Chair Eldred expressed her willingness to connect EBCE staff with staff from other agencies who have transportation reimbursement policies.
- Member Bauters stated that he can provide staff with items that they can use to create an active transportation reimbursement policy.

Member Gonzalez (San Leandro) motioned to approve the staff recommendation for Consent Calendar Item 12. Member Haubert seconded the motion, which passed 13/1.

Nay: Member Bauters (Emeryville)

Excused: Member Bartlett (Berkeley)

Member Haubert (Alameda County) left the meeting after the vote was taken for Consent Calendar Item 12.

REGULAR AGENDA

14. CEO REPORT

CEO Chaset stated that the executive and subcommittee meeting schedules will be set after new members are appointed:

- The Executive Committee traditionally meets in the week following Board meetings.
- The Finance, Administration and Procurement subcommittee, and the Marketing, Regulatory and Legislative subcommittee typically meet once every two to three months.

CEO Chaset also introduced new EBCE staff members Emma Rivers and Heidy Ramirez. Emma Rivers is a Data Analyst on the Technology and Analytics team, and Heidy Ramirez is a Local Programs Reporting Analyst on the Programs team.

CEO Chaset acknowledged a request that was made at the January 18, 2023 EBCE board meeting regarding a solicitation for community resilience hub grants. The request was for EBCE staff to evaluate the potential of co-bidding with East Bay Clean Power Alliance for these grants. CEO Chaset reviewed the correspondence and followed up with EBCE's Sacramento lobbying group to evaluate if they could support the grant writing, and they confirmed their support. However, due to the workload of power procurement contracting, CEO Chaset admitted to not following up to indicate that this resource would be available to East Bay Clean Power Alliance. Staff secured \$3 million in federal appropriations for community resilience projects, including solar and storage projects that are being built on community centers and critical facilities. CEO Chaset indicated that EBCE was likely not in a position to collaborate with East Bay Clean Power Alliance on these grants.

15. Community Advisory Committee Report

CAC Chair Eldred expressed her condolences for the late Supervisor Valle. Chair Eldred then raised a concern about public correspondence that was requested to be distributed to the Board and the Community Advisory Committee, which had not been distributed prior to the start of the CAC meeting. CAC Chair Eldred emphasized the need for timely distribution of correspondence. Lastly, CAC Chair Eldred expressed excitement about the work being done on community grants, and stated that the CAC looks forward to working with staff.

Blair Beekman expressed his condolences for the late Supervisor Valle.

The Board discussed:

- Member Marquez asked for the number of vacancies on the CAC.

16. Mid-Year Budget FY2022/23 (Informational Item)

Report on the status of the current FY budget through December, 2022

The Board discussed:

- Member Gonzalez asked if the mid-year budget numbers were actual or forecast.
- Member Gonzalez also asked if staff could describe the impact of being short \$45 million in surplus.
- Member Teidemann stated that the reason for the heightened cost of energy is not because EBCE is purchasing a lot of natural gas; it is because the whole market has been affected by its reliance on natural gas. CEO Chaset agreed with this assessment and added that the heightened cost of energy has nothing to do with EBCE's procurement mix, and that these impacts are equally felt for EBCE's Bright Choice and Renewable 100 customers.

- Member Balch asked about the size of the reserve, and how staff decided on the target reserve number, given that 75% of the surplus is going to the reserve.
- CAC Chair Eldred asked if the higher cost of energy can be attributed to the reliance of Bright Choice on system power, which in turn is made of up natural gas. CEO Chaset stated that CAC Chair Eldred's statement is incorrect.
- CAC Chair Eldred also asked if the \$20 million customer rebate could provide some protection against gas price volatility if it were put instead into local development or additional renewable procurement.
- CAC Chair Eldred clarified that EBCE's prices are not tied to PG&E; rather, EBCE is only required to offer prices that are at least 3% lower than PG&E. And so, for example, if PG&E raised it rates, EBCE is under no obligation to do the same.

Tom Kelly expressed surprise at the underestimation of energy costs despite contracts and hedging for fixed pricing. Tom Kelly stated that there is an unexpected \$175 million expense because Bright Choice is composed of 40% natural gas. Tom Kelly stated that Bright Choice produces more greenhouse gases than PG&E, and that he hopes that the new Board will address this issue. Additionally, Tom Kelly suggested that EBCE's rates should not be pegged to PG&E and should instead use a cost-of-service formula.

17. Discussion of In-Person and Teleconference Board Meetings Options After the End of the State of California COVID-19 State of Emergency, and Adopt Post-COVID Emergency Attendance Policy for East Bay Community Energy Board and Brown Act Committees (Action Item)

Provide direction to staff and adopt a Resolution approving a POST-COVID Emergency Attendance Policy (Policy) for the Board and East Bay Community Energy Brown Act committees to provide a policy with respect to conducting public meetings after the end of the State of California's COVID-19 State of Emergency, which is expected to occur on February 28, 2023.

The Board discussed:

- CAC Chair Eldred stated that the CAC supports the staff recommendation to go with the traditional Brown Act rules, and she also wished to recognize that several other agencies have gone with the traditional Brown Act rules while maintaining the ability of the public to participate via webinar.
- Member Gonzalez (San Leandro) stated his concern about the recommendation that Board and CAC members can reserve space to join meetings remotely from a local City Hall conference room. Member Gonzalez noted that most city halls, and even libraries, tend to close at night, and that they might not have the staffing or resources to stay open for CAC and Board meetings.
- Member Kalb stated that he hoped that staff could set up two satellite locations, one in the Tri-Valley area, and the other in a location that is close to the South and East County.
- Member Balch that he is on the board of StopWaste, and has reached out to his counterparts on that board in Dublin, Livermore and Alameda County to rotate

among them in order to share resources for StopWaste's remote meetings. Member Balch offered to coordinate with his counterparts on this Board to set up a Tri-Valley location for EBCE meetings.

- CAC Chair Eldred stated that the agenda noticing requirement will be a challenge for the CAC, and encouraged Board members to reach out to CAC members in their districts in order to set up as many remote locations as are feasible.
- Acting Chair Cavanaugh summarized the discussion by stating that there is general agreement with the staff recommendation and in reducing vehicle miles traveled; that Board members are encouraged to be inclusive of CAC members, and that staff is supportive and wants to be helpful, but are not responsible for organizing locations for Board members or the CAC.

Blair Beekman highlighted the benefits of virtual meetings, such as increased public accessibility, convenience, and the ability to participate for those with autoimmune deficiencies or disabilities. Blair Beekman also urged board member to consider making sacrifices to increase public accessibility.

Jim Lutz asked if, under the Brown Act, there is a way to enforce safety rules at meeting locations such as social distancing requirements, masking mandates and vaccine checks.

No vote was taken on Item 17.

18. Long-Term Contracts for Approval (Action Item)
2022 RFO Long Term Contracts for Approval

Member Marquez (Hayward) motioned to approve the staff recommendation to approve Resolutions R-2023-18A and R-2023-18B. Member Tiedemann (Albany) seconded the motion, which passed 13/0. Excused: Members Haubert (Alameda County) and Member Bartlett (Berkeley).

Blair Beekman expressed support for this item and the Mid-Year Budget Review, stating that they represent good practices that can set local government and the community on a positive path over the next few years. Blair Beekman also emphasized the importance of collaborative practices and projects between the local government and community, and expressed confidence in the ability of public officials to develop them.

19. Election of Chair/Vice Chair and Appointment of Executive Committee Members (Action Item)

The Board discussed:

- Acting Chair Cavanaugh stated that Members Marquez and Balch are infinitely qualified and would do a fabulous job on the Executive Committee.

Acting Chair Cavanaugh (Piedmont) motioned to appoint Member Marquez (Hayward) as Chair and Member Balch (Pleasanton) as Vice-Chair. The motion was seconded by Member Bauters (Emeryville), which passed 13/0.

Excused: Members Haubert (Alameda County) and Bartlett (Berkeley)

Acting Chair Cavanaugh appointed the following Members to the Executive Committee:

- **Member Kalb (Oakland)**
- **Member Hu (Dublin)**
- **Member Tiedemann (Albany)**

20. CEO Contract Amendment

Acting Chair Cavanaugh stated that the Board was not in a position to take action on the CEO Contract Amendment, and so it will be deferred to a future meeting.

21. Board Member and Staff Announcements including requests to place items on future Board agendas

- Acting Chair Cavanaugh announced that her last meeting on the EBCE Board, and that the Alternate for the City of Piedmont, Betsy Andersen, would become the new Member starting in March.
- Member Kalb thank Acting Chair Cavanaugh for her work on the Board of Directors.
- Acting Chair Cavanaugh closed the meeting in the memory of Supervisor Valle.

22. Adjournment to Wednesday, March 15, 2023 at 6:00 pm



Consent Item 7

TO: East Bay Community Energy Board of Directors

FROM: Nick Chaset, Chief Executive Officer

SUBJECT: Contracts Entered Into

DATE: March 15, 2023

RECOMMENDATION

Accept the CEO's report on contracts that EBCE has entered, as required by the Administrative Procurement Policy from February 8, 2023 to March 8, 2023;

C-2023-011 Gridscape Solutions (Fremont) Consulting Services Agreement for services related to interconnection applications for EBCE's Resilient Critical Facilities Program through July 1, 2023, with compensation not to exceed \$1,000,000.

C-2023-012 OwnBackup (Engelwood Cliffs, NJ) Master Subscription Agreement, cost not to exceed \$8,581.68 for software that supports the advanced management of backups in Salesforce.

C-2023-013 PlugShare (El Segundo, CA) Data License Agreement for the purchase of data downloads related to electric vehicle supply equipment at a cost not to exceed \$7,500 per year.

C-2023-014 California Energy Commission Grant Agreement, EBCE to receive \$2,726,160 with a minimum match share of \$1,325,685 for California Energy Commission REACH Grant Agreement related to DC Fast charging service planning and design, construction and commissioning through 7/31/2025.

C-2023-015 Komorous-Towey Architects (Oakland) Second Amendment to CSA adds additional services to the scope of work and increases the not to exceed amount from \$600,000 to \$1,074,012 for work on the EBCE office at 251 8th Street, Oakland.

C-2023-016 Zachary Fechheimer (San Francisco) Engagement Letter for investigative services related to a due diligence project for certain energy and power related initiatives in California, compensation is not to exceed \$10,000.

C-2023-017 Nixon Peabody (Los Angeles) First Amendment for Legal Services Agreement increases the total amount of compensation from \$60,000 to not to exceed \$95,000 and expands the scope of work to include review of credit facilities, bonds and other financing mechanisms, financing of office building, establishing a lending program for EBCE charging stations, and other finance matters as needed.

C-2023-018 Alameda County Transportation Commission Amendment No.1 to the Grant Agreement for deploying EV chargers, extends the term for one year.

C-2023-019 California State University, East Bay Facility Use Agreement for one room, March 8, 2023, from 12noon to 2pm and Zoom Room monitor, cost \$375.

C-2023-020 City of Livermore Charging Station Master Site License Agreement for installation and use of 60 - 105 EV Charing Stations in parking spaces across 5 sites in the city of Livermore.



Consent Item 8

TO: East Bay Community Energy Board of Directors

FROM: JP Ross, VP Local Development, Electrification, and Innovation

SUBJECT: Authorizing CEO to negotiate and execute contract with Cascade Energy for the Commercial Energy Efficiency Pay for Performance Program

DATE: March 15, 2023

Recommendation

Approve a Resolution authorizing the CEO to negotiate and execute a Contract with Cascade Energy to lead program implementation for the Commercial Energy Efficiency (“EE”) Pay for Performance (“P4P”) Program, compensation under this Contract will not exceed \$11,569,528.

Background and Discussion

EBCE’s efforts to launch a Commercial EE P4P Program stems from EBCE’s 2018 Local Development Business Plan (LDBP) which outlines a series of recommendations to advance local investments, including a strategy to develop energy efficiency programs. Energy efficiency not only provides the opportunity to deliver bill savings and building comfort to customers, it is also a tool for EBCE to reduce overall baseload consumption and influence peak demand. Given the high value provided to customers and the overall alignment with EBCE’s carbon reduction goals, energy efficiency is an organizational priority.

EBCE partnered with Recurve Analytics to pilot a Commercial EE Program in 2021 which explored the potential of a new EE Program model called “pay-for-performance.” Historical energy efficiency programs pay incentives to customers based on estimated or “deemed” savings calculations. Instead, P4P programs pay incentives based on actual savings impacts as measured at the meter. P4P programs not only protect EBCE against potential overpayment relative to actual results, but they also offer more flexibility in project implementation. Recurve’s piloted program design involved setting up a marketplace of contractors or “aggregators” to perform energy efficiency projects and get paid directly for their actual delivered savings

measured at the meter. In this model, incentive payment is provided directly to the contractor, with no required pass-through to the customer. Results from the pilot indicated market readiness and were used to justify a scaled program.

To obtain ratepayer funding for the Commercial EE P4P Program, EBCE pursued the “elect to administer” pathway - one of two pathways offered to CCAs to administer the Commercial EE P4P Program. EBCE’s Commercial Energy Efficiency Program Plan and Advice Letter were certified by the CPUC in Resolution E-5215 in September 2022. The Resolution allocates a budget of \$13,463,049 of funding collected from EBCE’s customers for EBCE to administer a commercial energy efficiency program. The program design presented in the Energy Efficiency Program Plan was based off Recurve’s model.

2022 Commercial Energy Efficiency P4P RFP

In October of 2022, EBCE put forth a Request for Proposal (“RFP”) for program implementation and measurement & verification services. The RFP solicited proposals for program designs that 1) deliver cost effective savings to customers, 2) cross-promote demand response 3) and encourage electrification. Key parameters for the RFP were as follows:

- Savings need to be measured using a CPUC-approved Normalized Metered Energy Consumption (NMEC) methodology
- RFP is technology-agnostic, though explicitly stated it would not provide funding for gas efficiency measures.
- Include customer education on Time of Use (TOU) and peak load management
- Cost effectiveness requirement of 1.07 TRC.
- Implementer budget is \$11,569,528, 71% going to incentives.
- Program term is 2023 - 2027, with three years of active project deployment, and the last year dedicated to measurement and verification (M&V)

EBCE received two conforming bids from Recurve Analytics and Cascade Energy. While both programs were P4P-based and complied with the key parameters laid out in the solicitation, both program designs were different”:

- Recurve’s program approach leveraged a contractor marketplace to target customers for energy efficiency projects. Performance-based incentives would be paid directly to contractors. While there is flexibility for contractors to pass on part of incentive to customers, this would not be required. (This is the same model used in our pilot).
- Cascade Energy proposed a Strategic Energy Management (“SEM”) program design that involves recruiting a small set of high usage commercial and industrial customers to participate in energy management education cohorts. The program relies on partnering with building owners/facility managers to evaluate low-to-no behavioral, retro-commissioning, or operational improvement (“BRO”) measures. Cost savings from initial BRO measures would also be used to justify further investment in EE upgrades and electrification.

Selection Justification

We ultimately decided to pursue contracting with Cascade Energy for the following reasons:

1. **Cost effectiveness:** Cascade’s proposed program is significantly more cost-effective than Recurve’s proposal because it takes a holistic approach to energy efficiency as it focuses on BRO measures and capital projects. SEM program approaches are notably cost-effective for commercial buildings as the bulk of savings comes from fine tuning existing equipment and operations.¹ Additionally, the CPUC has authorized Recurve to administer the Summer Reliability Market Access Program (MAP) in response to the Governor’s Emergency Proclamation. The MAP program uses the same program design Recurve proposed but is not subject to cost-effectiveness requirements and only runs during the summer months of 2022 and 2023. Because of this, the MAP program is able to afford significantly greater incentives, which would put EBCE’s Commercial EE Program (if using the Recurve model) at a competitive disadvantage.
2. **High touchpoint with customer:** Cascade proposes targeting a small set (34) of high usage commercial and industrial customers to recruit into energy management cohorts. Unlike the Recurve model which relies on contractors to recruit their own projects, the Cascade design relies heavily on customer interaction and relationship building. Given the small subset of customers, EBCE will be able to play a role with customer recruitment as well as develop deep relationships with customers over the course of the program. As EBCE begins prioritizing brand awareness, this customer touchpoint will be invaluable for brand recognition. Additionally, incentives will be paid directly to the customer, not the contractor, further enhancing the value proposition to customers.
3. **Ability to test strategies for commercial electrification:** Cascade’s proposal also poses a significant opportunity to test strategies for commercial electrification, a nascent but critical element of building electrification. This program will give EBCE a close-up understanding of the unique barriers that C&I customers face and the relevant pathways to success.

In addition to these points, the Cascade Energy and their subcontractor kW Engineering team are qualified to do this work. Cascade Energy has been running SEM programs for SCE, SoCalGas, and SDG&E since 2018. Additionally, they administer programs in 15 other states outside of California. With their experience working with SEM design, they have successfully recruited over 500 SEM participants across all programs. Additionally, through their work with California IOUs, Cascade Energy is familiar with the level of program data needed for CPUC reporting requirements and will be able to easily collaborate with our subcontractor, Frontier, to accurately capture savings information. kW Engineering, an Oakland-based energy consulting firm, has over 20 years of experience providing technical expertise and engineering

¹ Smith, Chris. Belkhatay, Kathleen. Kesting, Oliver. *Pay for Performance Case Study – 3 Years of Performance*. ACEEE Summer Study, 2018.

reviews for various commercial and industrial buildings. They have also assigned a dedicated electrification lead to support participants with potential projects.

Fiscal Impact

The contractor amount is a total NTE of \$11,569,528 with a contract term of 2023 - 2027. All funding is coming from approved CPUC-approved ratepayer funds in Resolution E-5125.

Attachments

- A) Resolution of the Board of Directors of the East Bay Community Energy Authority Authorizing the CEO to Execute a Consulting Services Agreement with Cascade Energy
- B) PowerPoint Presentation

RESOLUTION NO. R-2023-XX

A RESOLUTION OF THE BOARD OF DIRECTORS

OF THE EAST BAY COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CEO TO EXECUTE A CONSULTING SERVICES AGREEMENT WITH CASCADE ENERGY, INC.

WHEREAS The East Bay Community Energy Authority (“EBCE”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, Under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of EBCE and parties to its Joint Powers Agreement in March of 2020.

WHEREAS, On July 18, 2018, the Board approved the Local Development Business Plan (“LDBP”) and budget. The LDBP identifies a series of local development early actions, including a strategy to develop energy efficiency programs,

WHEREAS, in September 2022, EBCE was approved for a \$13 million ratepayer funded commercial energy efficiency program administered under the auspices of the CPUC and subject to CPUC compliance requirements,

WHEREAS, in October 2022, EBCE issued a Request for Proposal “RFP” for implementation and measurement and verification services with the objectives of 1) delivering cost-effective savings, 2) cross promoting load-shifting practices, and 3) encouraging electrification program,

WHEREAS, EBCE received two conforming bids and selected Cascade Energy’s Strategic Energy Management program design for the EBCE Commercial Energy Efficiency Program, and

WHEREAS EBCE has selected Cascade Energy to provide these commercial energy efficiency program services and wishes to contract with them.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. THE CEO is hereby authorized to negotiate and execute a four year Contract with Cascade Energy for the implementation of the Commercial Energy Efficiency Program. Compensation under this Agreement is not to exceed \$11,569,528.

ADOPTED AND APPROVED this 15th day of March, 2023.

Elisa Marquez, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board

MARCH 2023

Commercial Energy Efficiency Program



Commercial P4P Energy Efficiency Program Background

2021 - 2022: EBCE ran 3 pilots to test market-readiness for P4P



2022: CPUC approved \$13M for 4-year program commercial P4P EE program

- Subject to TRC = 1.07
- Only serve EBCE customers
- Must file JCM (PG&E Market Access and BayREN Business)

Year	Gross kWh Savings	Gross kW
1	9,011,867	1029
2	9,011,867	1029
3	12,304,105	1405

Commercial P4P Energy Efficiency Solicitation

Program Objectives: 1) Deliver cost-effective energy savings, 2) Cross-promote demand response to maximize peak load reductions, and 3) Encourage electrification of existing natural gas end uses.

Recurve model

- Manages a network of contractors
- Incentives paid directly to contractors
- TRC < 1.0, not cost-effective given competing programs
- Low/no customer touchpoint

Cascade Energy model

- Strategic Energy Management program
- Targets 34 high usage C&I customers
- Incentives paid directly to customers
- TRC = 2.3, highly cost-effective
- High customer touchpoint (brand recognition and relationship development)



What is Strategic Energy Management?



Goal Setting

Document customers targets for energy reduction, cost savings, and environmental impact



Workshops

Educational modules on energy management, peak load shifting, and electrification



Treasure Hunts

Site visits to assess current building operations, energy usage, operational practices, and identify opportunities



No/low-cost O&M Projects

Implement low/no cost behavioral, retro-commissioning, and operation measures



Capital Projects

Implement custom capital EE upgrade projects and electrification

Ongoing Technical Support
and Coaching

Cascade Commercial P4P Energy Efficiency Details

Program Name: STEER (SEM, Training, Efficiency, and Electrification Resource Program)

	2023				2024				2025				2026			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Cohort A		Commercial, 12 Participants														
Cohort B			Commercial, 12 Participants													
Cohort C				Industrial, 10 Participants												

Requested Actions



Consent Item 9

TO: East Bay Community Energy Board of Directors

FROM: Feliz Ventura, Resilience Program Manager

SUBJECT: Approve Resolution Authorizing EBCE CEO to Negotiate and Execute an Amendment to the Agreement with ARUP to Implement Federal Funding Application Support

DATE: March 15, 2023

Recommendation

Approve a Resolution authorizing EBCE CEO to negotiate and execute an Amendment to the Consulting Services Agreement (“Agreement”) with ARUP North America, LTD (“ARUP”) dated May 19, 2021, to provide Engineering and Project Development Services that will facilitate deployment of solar photovoltaic and battery energy storage systems at critical municipal facilities, to expand the scope, and to increase the compensation by \$200,000, for a total amount not to exceed \$580,000 through December 31, 2024.

Background and Discussion

To enhance community energy resilience, EBCE has worked with its local government partners to develop solar photovoltaic and battery energy storage systems at critical municipal facilities. Over the last 3.5 years, JPA members (e.g., cities and the county) have identified over 300 municipal facilities designated to serve the community time of emergency (e.g., extended grid outages, major events like an earthquake) and provided those details to EBCE for analysis. EBCE retained an external consultant, ARUP, to determine critical loads at these facilities based on the services that would be provided to the community, and sized solar photovoltaic and battery energy storage systems accordingly.

The primary goal of this EBCE led initiative is to deploy efficiently and successfully stand-alone solar photovoltaic and solar photovoltaic and battery energy storage systems at each of the project sites. EBCE will phase this work across critical facilities

over the coming years in collaboration with its local government partners. EBCE has successfully selected a respondent to develop the first phase of facilities under this program as of January 2023. EBCE is now focused on further development and acceleration of deployment of solar photovoltaic and solar photovoltaic and battery energy storage systems at critical facilities.

Federal Funding Support Professional Services

To support further development and accelerated deployment of solar and energy storage systems, EBCE submitted a concept paper for the use of \$35 million in federal funding to scale up solar and battery energy storage at critical facilities in EBCE's service area in response to the Department of Energy Grid Deployment Office's Grid Resilience and Innovation Partnerships (GRIP) funding opportunity announcement DE-FOA-0002740. This funding opportunity is the result of the Infrastructure Investment and Jobs Act ("IIJA"), also more commonly known as the Bipartisan Infrastructure Law. DOE reviewed and responded to EBCE's concept paper submission and encouraged EBCE to submit a full application in support of its request for federal funds.

Arup will lead the preparation of EBCE's application for federal funds, leveraging its experience with solar and battery energy storage, EBCE's Critical Municipal Facility program, and grant writing capabilities, to deliver the full federal funding application under DE-FOA-0002740.

In turn, staff is seeking authorization for the CEO to negotiate and execute an Amendment to the ARUP Agreement to expand the scope of work to include additional federal funding application services and increase the compensation by \$200,000.

Fiscal Impact

This Amendment will be funded with \$200,000 from the previously approved Local Development Budget.

Attachments

- A) Resolution of the Board of Directors of the East Bay Community Energy Authority Authorizing the CEO to Amend the Consulting Services Agreement with ARUP North America, LTD.

RESOLUTION NO. R-2023-xx_____

A RESOLUTION OF THE BOARD OF DIRECTORS

OF THE EAST BAY COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CEO TO AMEND THE CONSULTING SERVICES AGREEMENT WITH ARUP NORTH AMERICA, LTD.

WHEREAS The East Bay Community Energy Authority (“EBCE”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, Under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of EBCE and parties to the JPA in March of 2020.

WHEREAS On July 18, 2018, the Board approved the Local Development Business Plan (“LDBP”) and budget. The LDBP identifies a series of local development early actions, outlines a series of policy principles, and defines a set of metrics to measure the impact on Alameda County, and

WHEREAS EBCE issued a competitive Request for Proposal solicitation in April 2021 to select vendors to provide engineering and project development services that will support solar and battery energy storage system deployment, and

WHEREAS EBCE executed an agreement with ARUP North America, Ltd. (“ARUP”) dated May 19, 2021 (“Agreement”) to complete a solar and battery energy storage feasibility assessment on critical municipal facilities designated to serve the community in time of emergency, and

WHEREAS ARUP is a firm with extensive experience supporting applications for federal funding and EBCE wishes to utilize these services in addition to the solar and storage project development services already underway.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The CEO is hereby authorized to execute an Amendment to the Agreement to expand the scope to provide application support to apply for federal funding via the Department of Energy’s Grid Resilience and Innovation Partnerships that will facilitate deployment of solar and battery energy storage systems at critical facilities, and to increase the total compensation by \$200,000; with total compensation not to exceed \$580,000. The CEO is further authorized to execute any clarifying or clerical changes to the Agreement, which must be approved by General Counsel.

ADOPTED AND APPROVED this 15th day of March 2023.

Elisa Marquez, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board



CEO Report Item 10

TO: East Bay Community Energy Board of Directors
FROM: Nick Chaset, Chief Executive Officer
SUBJECT: CEO Report (Informational Item)
DATE: March 15, 2023

Recommendation

Accept Chief Executive Officer (CEO) report on update items below.

Executive Committee Meeting

The Executive Committee is scheduled to meet on the first Wednesdays of each month from 9-10:30am at 1999 Harrison St, Suite 800, starting April 5, 2023. The following Directors have been appointed to the Executive Committee: Tiedemann, Kalb, Hu, Marquez and Chair Balch.

New Staff

Brett Wiley - Senior Program Associate, Electric Mobility

Brett leads EBCE's residential electric mobility initiatives, including e-bike ownership and lending and accelerating EV adoption across our service area.

He brings over 15 years of experience centered on the power of people coming together with the past 12 years focused on expanding our energy democracy and leading initiatives to ensure a just transition. Most recently, he managed electric transportation programs and developed that team for MCE.

Brett holds a B.S. in Biology, Master of Public Administration in Energy & Sustainable Development, and a Certificate in Social Entrepreneurship. He also holds a faculty position at Presidio Graduate School.

Cody Vaughn - Account Services Coordinator

Cody joined EBCE on March 7th, 2023 as the Account Services Coordinator on the Marketing & Account Services team. Cody will be responsible for customer engagement, billing analysis, issues and escalations, and customer notifications.

Prior to joining EBCE, Cody worked at environmental and educational non-profits in the San Francisco Bay Area performing non-profit administration and development developmental roles.

Cody holds a Bachelors of Arts in Political Science with a focus in Environmental Policy from the University of Florida in Gainesville, Florida.

Brand Identity Update

Staff is moving forward with efforts around brand exploration. To date, staff has presented the following:

- 4/1/22 - Presented brand refresh concept to MRL Subcommittee
- 10/19/22 - BOD meeting CEO Report notes hiring of Head of Brand
- 12/14/22 - BOD meeting CEO Report provides update on brand efforts
- 12/15/22 - RFP posted for partner to support Brand Identity Evolution
- 2/15/23 - BOD meeting consent agenda for approval of contract for Brand & Visual Identity Services

In mid-February, staff reached out to four board members and Stockton's future board member to request participation in an ad hoc committee to review, provide feedback, and guidance on developments around a name exploration and updates to the brand identity. The Community Advisory Committee also has an ad hoc committee to provide feedback, which includes the Chair and Vice Chair. Initial meetings of both committees were held on 2/27 and 3/1. Future meetings are anticipated in April and June. Staff will also present updates to executive committee meetings in April and May, and present to the full board seeking approvals in May and June.

A survey for directional feedback was shared with ~200 stakeholders, which included:

- Board of EBCE
- EBCE CAC
- Municipal staff members focused on sustainability
- Original Steering Committee members
- ~20 local environmental community-based organizations
- ~20 non-profit recipients of our local sponsorships
- ~20 local chambers of commerce

A similar survey was sent to residential EBCE customers from across the service territory. We have 550 completed surveys of this sample segment to help inform the process.



Staff Report Item 12

TO: East Bay Community Energy Board of Directors

FROM: Marie Fontenot, Vice President of Power Resources

SUBJECT: Middle River Power Malaga Contract Approval (Action)

DATE: March 15, 2023

Recommendation

Adopt a Resolution authorizing the Chief Executive Officer to finalize negotiations and execute an Agreement with contracting entity MRP Pacifica Marketing, LLC for the Malaga contract. The Malaga contract is a 15-year, multi-product agreement comprised of a financial hedge backed by physical resources and RA from a co-located existing natural gas peaker plant and an incremental battery storage project in Fresno County as well as RA from an incremental battery storage project in Kings County, CA. with April 1, 2024 as the date for contract deliveries to begin. The project is being developed by Middle River Power, LLC.

Background and Discussion

The 2022 Long-Term Resource Request for Offers (RFO) is EBCE's third long-term contract solicitation. The RFO was launched in February 2022. The RFO sought several hundred megawatts (MW) of contracts with renewable energy and battery storage projects with a preference for projects located in California, and more preferentially, those located in Alameda County. EBCE's objective was to drive investments in new renewable and energy storage projects in Alameda County and California, while securing affordable resources to manage future power price risk. EBCE received a healthy response to its RFO both in volume and quality of projects and proposals. EBCE administered the RFO and completed robust analytics using internal tools and the cQuant valuation platform to calculate the net present value of proposed projects and determine the optimal portfolio to meet its objectives. All of these contracts will be utilized to hedge EBCE against price fluctuation in the CAISO energy markets and they will contribute to procurement mandates issued by the California Public Utilities

Commission (CPUC). The 2021-2023 Electric Reliability Requirements procurement mandate identified volumes of RA capacity each CPUC-jurisdictional load serving entity must procure and have online in the years 2021, 2022 and 2023.¹ The second mandate requires additional volumes of RA come online in years 2023, 2024, 2025, and 2026. That mandate is the “Decision Requirement Procurement to Address Mid-Term Reliability 2023-2026”.²

The Malaga contract is comprised of multiple products and three resources; the deal structure includes a financial hedge backed by physical resources and two RA agreements. The Malaga contract was originally offered to EBCE in its 2020 RFO but was re-evaluated during the 2022 RFO process. Staff sees value to this unique mixture of products: a financial hedge offered in part by an existing asset is especially valuable in the current climate: supply chain problems continue to delay the construction of new facilities and investor-owned utilities experience delays in their ability to interconnect new generating resources, and RA provided by a natural gas plant will contribute to EBCE’s position and is needed as the RA rules undergo redesign. The hedge is intended to provide financial coverage, a form of insurance policy, for EBCE during the highest demand periods of the year and will provide some coverage of EBCE’s open position. The proposed hedge structure is a financial transaction only, EBCE will not take possession of or title to the energy generated by the natural gas plant or the energy charged and discharged by the co-located battery; as such the transaction will not add emissions to EBCE’s portfolio.

The physical resources that comprise the contract are a co-located 96MW natural gas peaking facility and a 96MW/96MWh battery storage project in Fresno County and an additional 16MW/64MWh battery storage project in Kings County. The natural gas peaking facility is existing; the batteries are new and not yet developed. The 96MW battery storage project co-located with the gas plant is noteworthy in the addition of this new resource is intended to result in reduced dispatch of the co-located natural gas peaking facility by the CAISO market. The contract is for 15 years with is expected to begin delivery on April 1, 2024. Middle River Power is an experienced developer and project owner having numerous operating natural gas facilities in California. Middle River Power has executed a similar agreement with another CCA. The contracting entity is MRP Pacifica Marketing, LLC.

Attachments

- A. Resolution Authorizing the CEO to Negotiate and Execute a Fifteen-Year Financial Hedge and RA Agreement with MRP Pacifica Marketing, LLC.
- B. PowerPoint Presentation

¹ <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M319/K825/319825388.PDF>

² <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M389/K603/389603637.PDF>

RESOLUTION NO. R-2023-XX

A RESOLUTION OF THE BOARD OF DIRECTORS

**OF THE EAST BAY COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CEO TO
NEGOTIATE AND EXECUTE A DISPATCHABLE ENERGY AND ENERGY STORAGE
AGREEMENT WITH MRP PACIFICA MARKETING, LLC**

WHEREAS The East Bay Community Energy Authority (“EBCE”) was formed as a community choice aggregation agency (“CCA”) on December 1, 2016, Under the Joint Exercise of Power Act, California Government Code sections 6500 *et seq.*, among the County of Alameda, and the Cities of Albany, Berkeley, Dublin, Emeryville, Fremont, Hayward, Livermore, Piedmont, Oakland, San Leandro, and Union City to study, promote, develop, conduct, operate, and manage energy-related climate change programs in all of the member jurisdictions. The cities of Newark and Pleasanton, located in Alameda County, along with the City of Tracy, located in San Joaquin County, were added as members of EBCE and parties to the JPA in March of 2020.

WHEREAS EBCE issued the 2020 Long-Term Resources request for offers (RFO) in October 2020;

WHEREAS EBCE re-evaluated the previously offered project while negotiating contracts from the 2022 RFO and saw new value in the unique commercial structure;

WHEREAS MRP Pacifica Marketing, LLC, proposed a Financial Hedge and RA Agreement for a co-located 96MW natural gas peaking facility and a 96MW/96MWh battery storage project in Fresno County and a 16MW/64MWh battery storage project in Kings County, developed by Middle River Power, and

WHEREAS the project is expected to be operational by April 1, 2024 and will provide a financial hedge and Resource Adequacy (RA) for the term of fifteen years.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE EAST BAY COMMUNITY ENERGY AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The CEO is hereby authorized to negotiate and execute a fifteen-year financial hedge and RA Agreement with MRP Pacifica Marketing, LLC for a co-located 96MW natural gas peaking facility and a 96MW battery energy storage project in Fresno County. The final agreement shall include the key terms outlined in the Staff Report associated with this Resolution.

ADOPTED AND APPROVED this 15th day of March, 2023.

Elisa Marquez, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board



Bilateral Contract for Board Consideration

PRESENTED BY: Marie Fontenot

DATE: March 15, 2023



Agenda

- Context:
 - Recent 2022 RFO Solicitation Overview
 - 2022 RFO Participation
 - Evaluation Process
- Current RFO Portfolio Characteristics
- Projects Proposed for Execution
- Challenges in Marketplace
- Next Steps
- Appendix: Portfolio Summary

Solicitation Overview

Goals & Objectives

- Secure a portfolio of contracts to provide EBCE customers with affordable renewable and clean energy sources
- Meet IRP Near- and Mid-Term Resource Adequacy Reliability Procurement mandates
- Meet a significant percent of SB350 long-term contracting requirements, equal to 65% of RPS obligations
- Create new renewable energy projects to deliver PCC1 RECs
- Contract low-cost energy hedges to compliment existing portfolio
- Partner with SJCE for efficiency, to minimize expenses, and lead the market in contract terms

Project Characteristics

Facilities:

- Location: Projects may be within or outside of California. All energy must be deliverable to CAISO & must provide RA
- Construction Status: Energy and related products may come from new resources or add incremental capacity to existing resources.

Capacity:

- Minimum Contract Capacity: 5 MW
- Maximum Contract Capacity: none

Delivery Date:

- Energy and RPS attribute delivery must be within calendar years 2023, 2024, 2025, or 2026 with a preference for projects that begin delivery earlier within this window.

Contract Duration:

- 10-20 year durations

Technology:

- Renewables, Large Hydro
- Storage – short or long duration; any technology

Actions

- Issued a broad, open, competitive solicitation to ensure wide array of opportunities considered
- Evaluated combinations of projects to achieve desired volume targets
- Typically prioritize project risk, location, workforce development, economics, and other characteristics; limited ability to do so in this RFO due to limited offers in earlier years
- Encouraged RFO participants to be creative and provide proposal variations on individual projects and include battery storage

Solicitation Overview – Eligible Products

Attachment Staff Report Item 12B

Product #	Product Name	Description	Example
Product 1	As-Available RPS Product	New or incremental capacity to an existing stand-alone PCC1-eligible generating resource	solar, wind, geothermal, small hydro or ocean (thermal, wave, or current)
Product 2	As-Available RPS plus Energy Storage	New or incremental capacity to an existing stand-alone PCC1-eligible generating resource with co-located energy storage	Same as above plus storage with 2-hr, 4-hr, or 4-hr+ duration capability
Product 3	Firm or Shaped RPS Product	New PCC1-eligible generating resources; likely paired with energy storage	Energy delivered during specific hours
Product 4	High Capacity Factor, No On-Site Emissions RPS Energy	New stand-alone PCC1-eligible generating resource	Geothermal or Biomass
Product 5	Stand-Alone Energy Storage Toll or RA-Only offer	Energy storage may offer a full product “tolling” structure contract or and RA-only offer	Any storage technology with 2-hr, 4-hr, or 4-hr+ duration capability
Product 6	Zero-Emitting Capacity Resources	Must be available every day from 5pm to 10pm (hours ending 17 through 22); must be able to deliver <u>at least 5 MWh of energy for every 1 MW of incremental capacity</u>	Emission-free generation resources, emissions-free generation paired with storage, or demand response



Participation

- **Less robust project offering than 2020 RFO. 44 unique project sites; 185 contract variations (as compared to 70 sites; 400 project variations in 2020 RFO)**
- **All 6 products that were solicited were offered**
- **Offers included solar, wind, geothermal, pumped hydro, and storage**
- **Projects based in 6 different states (CA, AZ, ID, NM, NV, OR); predominantly CA**
 - **Only 1 projects in EBCE service territory.*

Evaluation Process

- **Evaluation Rubric scored 3 areas:**
 - Counterparty Execution, Offer Competitiveness, and Project Development Status
 - Multiple items under each area
- **Two reviewers were assigned to each project.**
- **Staff reviewed all submitted information and provided scores for all categories except for Term Sheet Markups and NPV.**
 - Each item has 10 point max. at its own weighting.
 - Term Sheet Markups were scored by one assigned reviewer.
 - NPV scores were directly incorporated into overall project score with a weighting of 45%.
 - The Net Present Value was calculated based on simulations on 3 different forward curves
 - For each forward curve we took a weighted average of the P5 (50%), P50 (25%), and P95 (25%) and then took a simple average across the 3 curves
 - We normalized this number on a \$/MW basis and the projects were then assigned a 0-10 score based on the NPV distribution
- **Scoring and rubric were consistent with the selection process for the 2018 California Renewables RFP and 2020 RPS and Storage RFO.**

2022 RFO Portfolio Characteristics

Attachment Staff Report Item 12B

	Developer	Project	Location	Product	Offtake	COD	Nameplate	Sept NQC
Gener- -ation	Longroad	Sun Pond	Maricopa County, AZ	PV and ESA	EBCE	4/1/2025	85 MW	34.4
Stor- age	NextEra Energy	Kola Energy Storage	San Joaquin County (Tracy), CA	ESA	EBCE	6/1/2025	125 MW	116.75
RA Only	ConEd	Alpaugh BESS	Tulare County, CA	RA only	EBCE	6/1/2024	5 MW	4.5
	Vitol	Ocotillo Solar	San Diego County, CA	RA only	EBCE	8/1/2023	50 MW	50
	Broad Reach Power	Noosa Energy Storage	San Joaquin County, CA	RA only	EBCE & SJCE	6/1/2024	30 MW	27
	Broad Reach Power	Cascade Energy Storage	San Joaquin County, CA	RA only	EBCE & SJCE	6/1/2024	5 MW	4.5

“Existing” Portfolio Summary

Attachment Staff Report Item 12B

DEVELOPER	PROJECT NAME	TECHNOLOGY	NAMEPLATE MW	STORAGE MW/MWH	COUNTY	ONLINE	TERM (YEARS)
Clearway Energy Group	Golden Fields Solar	Solar	112	N/A	Kern	December 2020	15
Greenbacker Capital	Scott Haggerty Wind Energy Center	Wind	57.5	N/A	Alameda	July 2021	20
Convergent Energy and Power	Henrietta D Energy Storage	Storage	0	10/40	Kings	January 2022	15
Pattern Energy	Tecolote Wind	Wind	100	N/A	Torrance and Guadalupe (NM)	December 2021	10
Idemitsu Renewables	Tulare Solar Center	Solar	56	N/A	Tulare	May 2022	15
Terra-Gen	Sanborn Storage	Storage	0	47/188	Kern	December 2022	12
EDP Renewables	EDPR Solar Park	Solar + Storage	100	30/120	Fresno	December 2022	20
Terra-Gen	Edwards Solar	Solar + Virtual Storage	100	TBD	Kern	December 2022	15
Clearway Energy Group	Daggett 3	Solar+ Storage	50	12.5/50	San Bernardino	April 2023	15
Intersect Power	Oberon	Solar+ Storage	125	125	Riverside	January 2024	10+
LS Power	Tumbleweed Energy Storage	Storage	0	50/200	Kern	June 2024	15

Middle River Power – Malaga Dispatchable Energy and Energy Storage Project Details



- Originated and negotiated bilaterally. Originally offered into 2020 Renewable Resource and Energy Request for Offers (RFO).
- Financial Hedge back by physical assets and RA Agreement.
 - Existing gas peaker plant
 - Two new batteries
- 15-year contract
- Expected Initial Contract Delivery Date is April 1, 2024
- Project has an executed interconnection agreement.
- The contracting entity under Middle River Power (MRP) is MRP Pacifica Marketing, LLC.



Middle River Power Company Overview

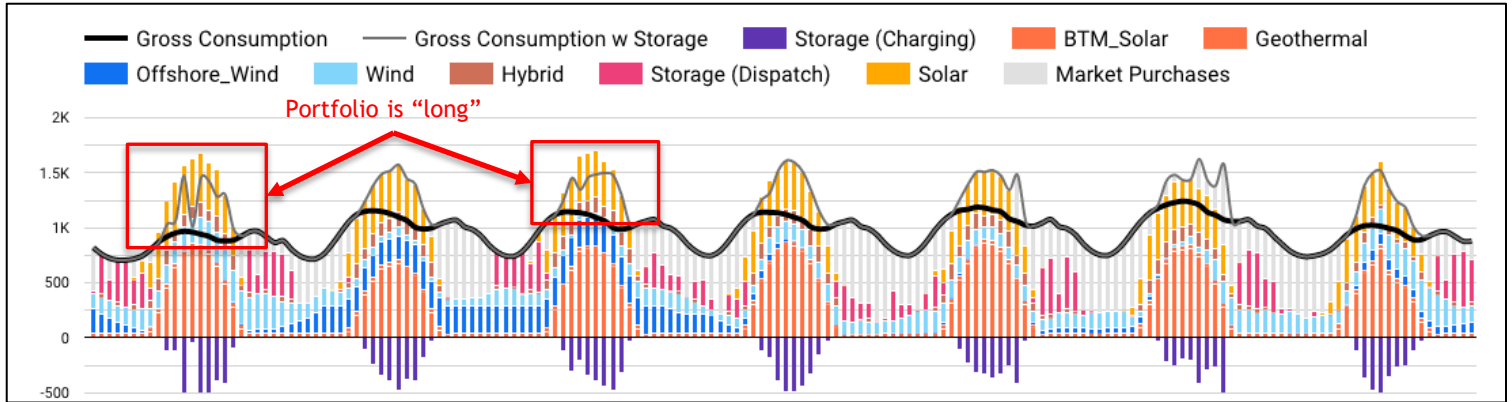
- Middle River Power is a private equity sponsored investment and asset management platform focused on US power generation assets.
- Middle River Power owns and operates 2300 MW of natural gas fired generation with 160 MW of peaker and 100 MW of solar in development within California and a combined total of over 3000 MW throughout the US.
- Middle River Power has 420 MW of co-located natural gas and battery storage in development within California.
- MRP has successfully developed and contracted several assets in California such as a 100 MW solar project with a 50 MW battery in Victorville, a 60 MW standalone battery, and a 130 MW geothermal project in Coso Junction, California
- Middle River Power is an experienced power owner and operator in California with several their projects contracted with PG&E ending in 2022.

Example Portfolio – Market Exposure

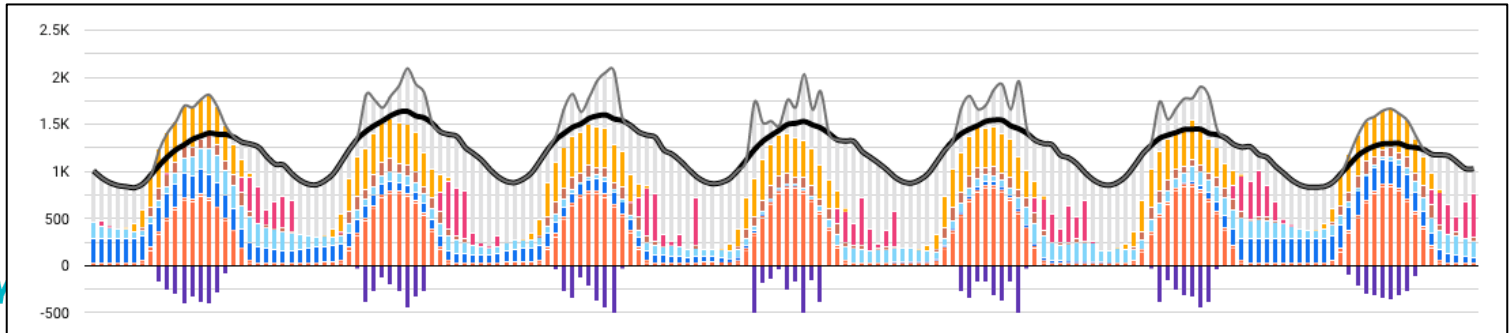
Attachment Staff Report Item 12B

- Modeling exhibits a preference for portfolios that, on average, limit EBCE’s sales of excess electricity into the market. This leads to periods of market reliance in “high load” months to limit exposure to low / negative prices in “lower load” months

Sample week
- April 2030



Sample week
- July 2030



Challenges in Marketplace

- Supply Chain
- Permitting Delays
- Interconnection Delays
- Risk of additional governmental intervention, similar to solar anti-circumvention investigation of 2022

Next Steps

- Finalize contract and execute agreements.
- Assess project as it hits key milestones and matures further.
- Update filing to CPUC on status of 2021-2023 and 2023-2026 Electric Reliability Requirements due June 1, 2023.

Appendix