



Consent Item 8

TO: East Bay Community Energy Board of Directors

FROM: Izzy Carson, Power Resources Manager

SUBJECT: PG&E Long-Term Market Offer Award Contract Approval (Action)

DATE: May 17, 2023

Recommendation

Adopt a Resolution authorizing the Chief Executive Officer to execute a 20-year Agreement for Renewable Portfolio Standard (RPS) eligible energy and Renewable Energy Credits (RECs) through the Pacific Gas and Electric (PG&E) 2023 Power Charge Indifference Adjustment (PCIA) RPS Long-Term Market Offer.

Background and Discussion

In May of 2021, the California Public Utilities Commission issued a Decision (D.21-05-030) that proposed the allocation of RPS products to all Load Serving Entities (LSE) in Investor-Owned Utility (IOU) service territories linked to the PCIA process. The Decision asserted that customers are entitled to a proportional share of the IOU RPS products due to customer payment through the PCIA. The process established for this allocation became known as the Voluntary Allocation and Market Offer (VAMO) and through it, PG&E allocated a proportional share of their renewable portfolio to EBCE and other LSEs within their service territory.

Following LSE acceptance or rejection of their VAMO allocation, excess RPS eligible energy and RECs were then offered for purchase through a formal solicitation that became known as the Market Offer.

Pursuant to CPUC Decision D. 22-11-021, PG&E offered 100% of the remaining PCIA-eligible long-term contracts through their 2023 Long-Term Resource PCIA RPS Market Offer solicitation.

EBCE participated in Market Offer solicitation and was awarded bundled RPS-eligible energy and RECs for a 20-year term from facilities with power purchase agreements with delivery terms of more than 10-years remaining.

Fiscal Impact

As the agreement is based on a percentage of PG&E's remaining RPS portfolio rather than firm delivery amounts, exact cost will depend on final delivery volumes. Cost is estimated at approximately 110 million dollars over a 20-year term.

Attachments

- A. Resolution of the Board of Directors of the East Bay Community Energy Authority Authorizing the CEO to Execute an Agreement for Renewable Portfolio Standard Eligible Energy and Renewable Energy Credits with PG&E

RESOLUTION NO. XX

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EAST BAY COMMUNITY ENERGY AUTHORITY AUTHORIZING THE CEO TO
EXECUTE AN AGREEMENT FOR RENEWABLE PORTFOLIO STANDARD ELIGIBLE
ENERGY AND RENEWABLE ENERGY CREDITS WITH PACIFIC GAS AND ELECTRIC**

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. The city of Stockton located in San Joaquin County, was added as a member of EBCE in December of 2022.

WHEREAS the California Public Utilities Commission proposed the allocation of Renewable Portfolio Standard (RPS) products to all Load Serving Entities in Investor-Owned Utility service territories linked to the Power Charge Indifference Adjustment (PCIA) process; and

WHEREAS the process established for the allocation became known as the Voluntary Allocation and Market Offer (VAMO); and

WHEREAS excess RPS eligible energy and Renewable Energy Credits (RECs) from the VAMO were offered for purchase through a formal Market Offer; and

WHEREAS Pacific Gas and Electric (PG&E) launched their 2023 Long-Term Resource PCIA RPS Market Offer Solicitation on March 7, 2023; and

WHEREAS EBCE participated in the Market Offer solicitation and was awarded bundled RPS eligible energy and RECs for a 20-year term.

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 a 20-year agreement for Renewable Portfolio Standard eligible energy and Renewable Energy Credits with PG&E that was awarded through the 2023 Long-Term Resource PCIA RPS Market Offer Solicitation.

ADOPTED AND APPROVED this 17th day of May 2023.

Elisa Márquez, Chair

ATTEST:

Adrian Bankhead, Clerk of the Board