



**Community Advisory Committee Meeting**  
Monday, March 13, 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:**

4563 Meyer Park Circle, Fremont, CA 94536  
3602 Thornton Ave, Fremont, CA 94536

**Via Zoom:**

<https://us02web.zoom.us/j/84794506189>

**Or join by phone:**

Dial (for higher quality, dial a number based on your current location):  
US: +1 669 900 6833 or +1 346 248 7799 or +1 253 215 8782 or +1 929 205  
6099 or +1 301 715 8592 or +1 312 626 6799 or 877 853 5257 (Toll Free)  
Webinar ID: 847 9450 6189

*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](mailto:cob@ebce.org).*

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

**C1. Welcome & Roll Call**

**C2. Public Comment**

*This item is reserved for persons wishing to address the Committee 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 Committee are customarily limited to three minutes per speaker and must complete an electronic [speaker slip](#). The Committee Chair may increase or decrease the time allotted to each speaker.*

**C3. Approval of Minutes from February 13, 2023**

**C4. CAC Chair Report**

**C5. MRP Malaga (CAC Action Item)**

MRP Malaga long-term energy hedge and RA agreement

**C6. Emissions Reporting (CAC Informational Item)**

Receive update on Power Procurement activities

**C7. CAC Member and Staff Announcements including requests to place items on future CAC agendas**

**C8. Adjournment to Monday, April 17, 2023 at 6:00 pm**



**Draft Minutes**

**Community Advisory Committee Meeting**

Monday, February 13, 2023

6:00pm

In person:

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

Via Zoom:

<https://us02web.zoom.us/j/84794506189>

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 669 900 6833 or +1 346 248 7799 or +1 253 215 8782 or +1 929 205  
6099 or +1 301 715 8592 or +1 312 626 6799 or 877 853 5257 (Toll Free)

Webinar ID: 847 9450 6189

*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](mailto:cob@ebce.org).*

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

**C1. Welcome & Roll Call**

**Present: Members: Landry, Hu, Liu, Swaminathan, Souza, Kaur, Lutz, Vice Chair Hernandez and Chair Eldred**

**Excused: Lakshman, Talreja and Pacheco**

*Alternate Harman Kaur served as the Member for San Joaquin County.*

**C2. Public Comment**

*This item is reserved for persons wishing to address the Committee 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 Committee are customarily limited to three minutes per speaker and must complete an electronic [speaker slip](#). The Committee Chair may increase or decrease the time allotted to each speaker.*

**Kelly A** spoke about two issues - 1. the Valley Link railroad and 2. Next Tracker, a Fremont based company. First, Kelly discussed Valley Link, a proposed railroad that, if built, would run from Fremont to Mountain House. The proposal states that the Valley Link railroad would be powered with self-generated energy on two-hundred acres of land in Tracy. However, Kelly argued that only forty-seven acres of this land can be used to generate solar energy. Kelly A stated that this level of energy production will amount to only a small fraction of the energy that the train will need, rendering the proposal unrealistic. Second, Kelly A mentioned a Fremont-based company called Next Tracker that produces solar-tracking devices. Next Tracker recently had a successful IPO of \$600 million and is valued at \$3.5 billion. Kelly explained that Next Tracker's solar trackers compare favorably to solar rooftops because, by following the sun, the solar trackers produce energy at more valuable times of the day, resulting in a higher return on investment and energy value.

**Tom Kelly** asked Chair Eldred if she received his correspondence responding to EBCE General Council Inder Khalsa's 12/14/22 letter. He then alleged that EBCE had failed to beat PG&E on greenhouse gas emissions. Tom Kelly stated that he has been reviewing the Joint Powers Agreement and the legislation passed by participating jurisdictions and that he has found that it requires that EBCE to do better than PG&E on greenhouse gas emissions. Tom Kelly expressed his frustration at his characterization of the EBCE Board's unwillingness to address this issue and stated his intention to seek alternative means to seek enforcement. Tom Kelly stated that he had sent Chair Eldred a summary of the Joint Powers Authority Agreement and individual legislation demonstrating that greenhouse gas emissions are an obligation that EBCE is required to meet.

**Brenden Pittman** spoke regarding questions that he first raised at the December 12, 2022 Community Advisory Board meeting regarding the November 17, 2021 summary presentation on the 2021 load proportional share of generation from PG&E contracted carbon-free resources, primarily related to nuclear-generation. Brenden stated that he had not seen a response to his questions and wished to state them again:

1. Who was the Contracting Party that tried to move the nuclear generation volume? Can staff provide the reasons why that generation could not be sold? And can staff provide more specific reasons than they gave at the November 17th meeting for why that generation could not be sold?
2. Had the Board approved that nuclear allocation, and folded it into Bright Choice, would rate-payers have saved additional money?
3. The 2021 power mix included 1.7% nuclear power. If the Board rejected any nuclear generation to be included in the power content mix for all plans, where did this nuclear energy come from?

**Blair Beekman** cited Jessica Tovar as an important community advocate and emphasized the importance of community advocacy for agencies like EBCE. Blair Beekman also noted that the process for making nuclear allocation decisions within EBCE needed to become more accountable. Blair Beekman also mentioned his concerns about earthquake preparedness in the Bay Area, given the recent earthquake in Southern Turkey and Northern Syria.

**Jessica Tovar** addressed the December 14, 2022 letter that was sent by EBCE's Legal Counsel, Inder Khalsa. Jessica Tovar stated that Inder Khalsa's letter had been buried in the Consent Calendar, and therefore requested that future correspondence should be sent directly to her or the East Bay Clean Power Alliance. Jessica Tovar also urged EBCE to provide transparency and act on community concerns regarding energy needs, as expressed during public comment at the Board and CAC. Finally, Jessica Tovar emphasized the importance of EBCE's role in addressing the needs of the environmental justice community, and the central role that EBCE plays in the creation of a clean energy economy.

**Alita Dupree** expressed her appreciation for East Bay Community Energy's service and hoped for the day when municipalization would make it possible for every electricity user in EBCE's service territory to be with EBCE. Alita Dupree briefly mentioned that she believes that it's important to move away from nuclear, that Diablo Canyon should be closed on schedule, and that more solar, wind and battery projects should be built. Alita Dupree said that she has noticed an increase in hydrogen buses in the AC transit system, and that these buses can help to facilitate electrolysis of hydrogen for clean energy. Alita Dupree also encouraged the use of electric ride-share services which can help to build out the electric charging infrastructure.

### **C3. Approval of Minutes from January 17, 2023**

**Member Lutz motioned to approve the minutes. Member Kaur seconded the motion, which passed 9/0.**

**Excused: Members Lakshman, Talreja and Pacheco.**

**C4. CAC Chair Report**

Chair Eldred reported on her meeting with Tom Kelly. Chair Eldred stated that she discussed the carbon load associated with EBCE's power to get a better idea of the topics that he did not feel have been adequately addressed by staff. Chair Eldred stated that she will follow up with the points raised in that conversation to get clearer answers to Tom Kelly's questions.

Chair Eldred stated that three new Directors were sworn in at the January 18, 2023 Board of Directors meeting, representing the City of Tracy (Member Matt Bedolla), the City of Pleasanton (Member Jack Balch) and the City of Livermore (Member Ben Barrientos).

Chair Eldred reported that Richard Valle (Alameda County) had passed away. Chair Eldred stated his passing is a massive loss, and that those who had worked with him are feeling that loss.

The agreement with Google was passed and approved. Long-term Contracts were passed, and Agreement to support long term critical care facilities was approved.

Member Landry requested that Chair Eldred bring back to the body the answers to Tom Kelly's questions about EBCE vs PG&Es' carbon output.

Member Lutz stated that the Board had passed Item 15 - Authorizing CEO to Negotiate Agreements for Resilient Critical Facilities, without discussion from the CAC. Member Lutz explained that Agenda Item 15 expanded the criteria for the Low to Moderate Income Program, which would broaden the availability of the program. Lutz expressed concern that this issue was not discussed by the CAC.

In response to Member Lutz's comment, Chair Eldred explained how she, along with Vice-Chair Hernandez, set the CAC agenda. Chair Eldred said that she asks for agenda items that staff have prioritized for CAC feedback and that are prioritized in the CAC Workplan. The CAC is likely to pick items that are controversial and that would benefit from input from the public and constituent groups. Chair Eldred stated that the CAC must prioritize agenda items to create a manageable agenda, and therefore important topics are sometimes missed. Chair Eldred welcomed input from the CAC about agenda items that should appear on the agenda.

Vice Chair Hernandez stated that CAC members should make sure that they are signed up to receive notifications from the EBCE Upcoming Public Meetings bulletin list (located at <https://ebce.org/contact-us/>), and requested that the clerk send requests notifications of upcoming Board items to the entire CAC membership.

**C5. EBCE Community Grants - 2023 (CAC Informational Item)**

Staff will provide update about Community Grants program.

**The Committee discussed:**

- Member Souza asked if EBCE is designing incentives with the Inflation Reduction Act in mind. Member Souza asked if the IRP being taken account for the induction stoves program, for example.
- Member Hu asked if the March-April work session is intended to take place during the CAC meeting itself, or if CAC members will work directly with staff between meetings to help plan the process? Member Hu also asked for staff to refresh the CAC on the parameters for potential conflicts of interest if the CAC were to help co-develop the goals of the solicitation plan.
- Member Lutz asked if it is possible to disburse grants in a three-year rolling cycle. Member Lutz also asked if there anything in the proposal like Innovation Grants that do not tie people down to squares in the matrix. Member Lutz also asked if how the community was involved in the creation of the matrix.
- Vice Chair Hernandez asked for staff to describe how they plan to involve the CAC in the grant proposal creation process.
- Chair Eldred asked if staff could provide an equivalent to the Innovation Grants for smaller community organizations that are working to develop an idea? With the addition of new staff, Chair Eldred also expressed hope that staff can return to the consideration of success metrics.

**Tom Kelly** asked for a status update about the \$15 million grant proposal.

**Alita Dupree** spoke in favor of an induction lending library. Alita Dupree stated that it was a good idea to give an opportunity to ratepayers to get real-life, extended, hands-on experience with induction cooking. Alita Dupree also stated that she is sensitive to issue of indoor air quality, especially the danger of unburned natural gas leaking from the stovetop. The induction lending library would provide access in equity priority communities to ratepayers who may not have the resources or comfort level to adopt new technologies.

**Jessica Tovar** reiterated Tom Kelly's request for an update about the \$15 million grant and stated that she had heard that one of the possible uses for the grant money is to swap out gas stoves with induction cooktops.

**Member Kaur left the meeting.**

**C6. Mid-Year Budget FY2022/23 (CAC Informational Item)**

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

**The Committee discussed:**

- Vice Chair Hernandez stated that he agreed with Tom Kelly's public comment (below) about the link between PG&E and EBCE pricing, and asked if there a way to understand the EBCE's true cost and margin target, rather than tying prices to PG&E.
- Member Liu asked if the increase in revenue was due to an increase in the price of electricity or to the increase in the number of rate-payers?
- Chair Eldred asked about system power, which has become more expensive, as a driver of costs.

**Tom Kelly** stated that EBCE rates are linked to PG&E rates even though EBCE's costs are not related to PG&E's costs. Tom Kelly pointed out that other CCAs, such as Marin Clean Power, use cost of service pricing for their rates which completely delinks the relationship to PG&E. Tom Kelly also stated that energy costs have increased because natural gas costs has spiked. Tom Kelly stated that EBCE relies on 40 percent of its power from system power which is primarily natural gas.

**C7. Long-Term Contracts for Approval (Action Item)**

2022 RFO Long Term Contracts for Approval

**The Committee discussed:**

- Chair Eldred asked for an explanation for how resource adequacy can be procured from a distant location.
- Vice Chair Hernandez requested information about the entities that EBCE is partnering with, including ownership, previous contracts, who is getting the jobs and who is making profits. Vice Chair Hernandez requested information about supplier diversity, inclusion practices, women-owned business or minority owned business, veterans.
- Member Souza requested to understand the impact of these contracts on EBCE's power mix.

**Kelly A** questioned the reliability of the carbon intensity numbers on the Power Content Label, noting that on the California mix, 38% comes from natural gas, but PG&E lists 9%, and EBCE's power content label lists 0% natural gas. Kelly A also asked why pricing information for storage and resource adequacy was not included in the staff presentation.



**Aleta Dupree** stated that she appreciated the explanation about resource adequacy and emphasized that these contracts are part of a larger ecosystem - the California grid, which is part of the western grid. Aleta Dupree stated that we are all dependent on a super-regional grid, which provides electricity for all of us. Aleta Dupree stated that, because of the complex nature of the grid, compliance is important. For that reason, the staff proposal is worthy of support.

**Audrey Ichinose** asked how the partnership with San Jose Community Energy was created.

**Vice Chair Hernandez motioned to approve the staff recommendation.**

**Member Swaminathan seconded the motion, which passed 7/0.**

**Abstained: Member Hu.**

**Excused: Members Kaur, Lakshman, Talreja and Pacheco.**

**C8. 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 Committee discussed:**

- Chair Eldred asked if EBCE will be retaining the ability for the public to join meetings virtually in all scenarios.
- Member Landry asked for clarification that Members would no longer meet from their homes, but from a location that can be noticed on the agenda, and from where the public can also participate.
- Member Lutz asked if any other requirements could be imposed on in person meeting locations, such as a requirement to wear masks, or provide covid tests to enter the meeting.

There was no public comment for this item.

**Member Swaminathan motioned to approve Option 2 “Traditional” Brown Act Teleconference Meetings, with the ability for the public to continue to join meetings via webcast. Member Landry seconded the motion, which passed 7/0.**

**Abstained: Member Souza.**

**Excused: Members Kaur, Lakshman, Talreja and Pacheco.**

**Member Landry left the meeting.**

**C9. Travel Reimbursement Policy (CAC Action Item)**

Adopt Travel Reimbursement Policy for Board and Community Advisory Committee

**The Committee discussed:**

- Chair Eldred asked why mileage was not included in the policy and if reimbursement for tolls could be included in the policy.
- Member Hu noted a mistake in the policy.
- Member Lutz provided instructions for how to print out a receipt from a Clipper Card.

There was no public comment for this item.

**Chair Eldred motioned for the policy to be expanded to be representative of other Brown Act bodies in EBCE's jurisdiction, to incorporate a mileage reimbursement form, and to include tolls and other required costs to reach meeting locations.**

**Member Hernandez seconded the motion.**

**Member Lutz offered a friendly amendment to simplify the reimbursement of public transportation costs.**

**Chair Eldred and Vice-Chair Hernandez accepted the friendly amendment.**

**Chair Eldred's final motion is to expand the transportation reimbursement policy to include mileage reporting in accordance with other Brown Act bodies operating within EBCE's jurisdiction; to include required tolls, to simplify documentation for public transportation and to provide the means to include all reimbursement expenses in one, single, all-inclusive form.**

**Chair Eldred's motion passed 7/0. Excused: Members Landry, Kaur, Lakshman, Talreja and Pacheco.**

**C10. CAC Member and Staff Announcements including requests to place items on future CAC agendas**

- Chair Eldred stated that applications are open for non-profits to be able to apply for up to \$2500 through EBCE's non-profit granting program. The application is on the landing page on the EBCE website.

- **Chair Eldred encouraged CAC members to attend the 2/15/23 Board of Directors meeting to commemorate Richard Valle.**
- **Chair Eldred stated that she is organizing efforts to support survivors of the earthquake in Syria.**
- **Member Souza requested to include Mark Hall from ReValue IO on a future agenda.**
- **Vice Chair Hernandez requested to adjourn the meeting in the honor of the memory of Richard Valle and the victims of the earthquake in Turkey and Syria.**

**C11. Adjournment to Monday, March 13, 2023**



**CAC Item C5  
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.<sup>1</sup> 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”.<sup>2</sup>

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

---

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

<sup>2</sup> <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 15<sup>th</sup> 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)
<b>Clearway Energy Group</b>	Golden Fields Solar	Solar	112	N/A	Kern	December 2020	15
<b>Greenbacker Capital</b>	Scott Haggerty Wind Energy Center	Wind	57.5	N/A	Alameda	July 2021	20
<b>Convergent Energy and Power</b>	Henrietta D Energy Storage	Storage	0	10/40	Kings	January 2022	15
<b>Pattern Energy</b>	Tecolote Wind	Wind	100	N/A	Torrance and Guadalupe (NM)	December 2021	10
<b>Idemitsu Renewables</b>	Tulare Solar Center	Solar	56	N/A	Tulare	May 2022	15
<b>Terra-Gen</b>	Sanborn Storage	Storage	0	47/188	Kern	December 2022	12
<b>EDP Renewables</b>	EDPR Solar Park	Solar + Storage	100	30/120	Fresno	December 2022	20
<b>Terra-Gen</b>	Edwards Solar	Solar + Virtual Storage	100	TBD	Kern	December 2022	15
<b>Clearway Energy Group</b>	Daggett 3	Solar+ Storage	50	12.5/50	San Bernadino	April 2023	15
<b>Intersect Power</b>	Oberon	Solar+ Storage	125	125	Riverside	January 2024	10+
<b>LS Power</b>	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

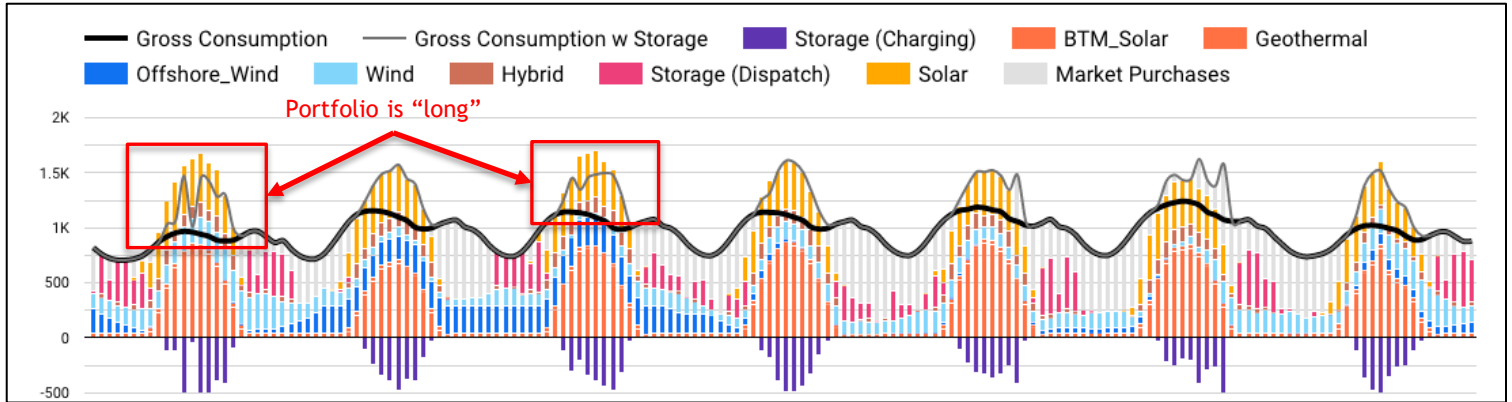
- Middle River Power is a private equity sponsored investment and asset management platform focused on US power generation assets.
- Middle River Power owns and operates 2300 MW of natural gas fired generation with 160 MW of peaker and 100 MW of solar in development within California and a combined total 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

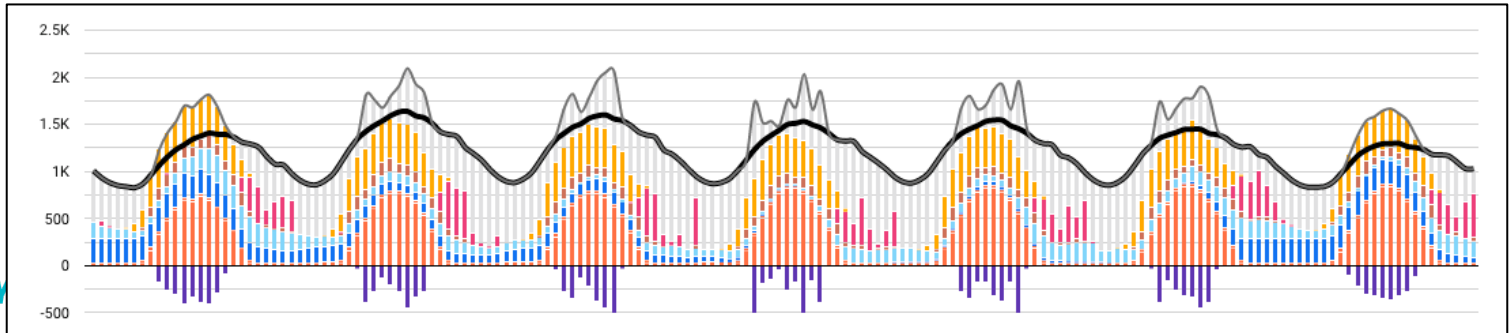
Attachment Staff Report Item 12B

- 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