

Jim Lutz - EBCE Public Comment 2023-2024 Value Proposition June, 9 2023

Dear EBCE Board,

I am submitting this comment in response to the EBCE 2023-2024 Proposed Value Proposition Webinar I attended on June 6. The rate changes proposed by staff were to increase the Bright Choice discount relative to PG&E rates from 3% to 5% and to reduce the Renewable 100 premium relative to PG&E rates from $\frac{3}{4}\%$ to $\frac{1}{4}\%$.

Since EBCE began, its rates have always been established relative to PG&E's rates for comparable products. While this may have been appropriate for a newly established community energy agency, it is no longer necessary. I believe this practice is now leading EBCE to charge its customers more than it should.

A more fiscally responsible method of setting rates would be to estimate operating costs, including appropriate market volatility risks and maintaining prudent reserves, and then divide those costs across the total projected energy sales, while preserving the current incremental rate differences between the various EBCE products (Bright Choice and Renewable 100) and rate classes.

EBCE states that, as a Renewable 100 customer, I'm paying only $\frac{3}{4}$ percent more per kWh today than I would be paying if I were a PG&E customer. While I believe this to be true, there is no way I can confirm it by examining my own PG&E bill.

To get a rough estimate of the reasonableness of EBCE electric generation charges, I compared my November 2022 PG&E bill with the November bill of a friend of mine who lives in Alameda. My EBCE generation-only charges divided by my kWh usage for the month was 13.81 cents per kWh. The energy charges from the Alameda Municipal Power (AMP) bill for the same month was 11.72 cents per kWh. For basically the same rate class, EBCE generation charges were 17.8% higher than AMP energy charges. While I do not know what EBCE is paying to procure electricity, to me this dramatic difference in generation charges suggests significant opportunities for potential rate reductions for EBCE customers if our rates were calculated independently and not tied to PG&E's.

I'm asking the Board to consider directing staff to evaluate other ways

of setting rates for customers, given EBCE's successful operations so far.

Sincerely, your loyal customer,

Jim Lutz

PS: I am a member of the Community Advisory Committee, but I am submitting this comment on behalf of myself.

PPS: My original email to PublicComment@ebce.org was returned by google mail with a message the group I was trying to contact (publiccomment) may not exist or I didn't have permission to post messages to the group.