

Comments on EBCE's Power Mix Products



East Bay Clean Power Alliance appreciates the opportunity to review and comment on East Bay Community Energy's (EBCE) proposals for the power mix products approved by the Board on February 7, 2018. In particular we urge the Board to withdraw the "Brilliant 100" opt-up product and substitute a 100% renewable opt-up product.

While large hydro is an important fossil-free and low cost component of a Community Choice program's default product, offering an opt-up product that is 60% large hydro and only 40% renewable defeats the goal of promoting the switch from fossil fuel to renewable energy.

Below are East Bay Clean Power Alliance's comments on the specific resource mix products.

Power Mix for EBCE's Current Opt-Up Product

The Alliance is concerned about the prioritization of large hydro at the expense of renewable power in the current opt-up product.

While we understand that there is a desire of cities to reduce GHGs to meet their climate action plan goals, procuring large hydro is not a long-term solution to reducing emissions because it does not promote renewable energy and its development—the purpose of climate action plans. Offering an opt-up product with only 2% more renewable energy than the default product will not attract customers looking to opt up to a product that is truly good for the environment. The Alliance is concerned that such an opt-up product will be a PR disaster for EBCE. The many climate activist organizations in the East Bay will see the substitution of "carbon-free" for "renewable" as an effort to fool the public. This product will also become a target for attacks by foes of Community Choice programs.

Large hydro is destructive to the environment. It is also a risky resource to rely on at a time when climate change is creating severe drought conditions throughout the West. Procuring enough large hydro to supply the opt-up offering would increase EBCE's out of state energy purchases, with negative impacts on jobs and the economy of California.

We request that the Board withdraw this product and substitute a genuine 100% renewable opt-up product instead, one priced to reflect the cost of such a product.

Power Mix for EBCE's Default Product

The approved resource mix for EBCE's default product, with 38% renewable and 47% large hydro is an acceptable starting point in providing a mix that is cleaner than PG&E at slightly lower rates. While the Alliance urged a less-than-1% rate discount (compared to PG&E) for this product to maximize the revenue available for programs to promote local renewable resource development, we appreciate the compromise commitment to a 1 ½% rate discount.

East Bay Clean Power Alliance recommends the following criteria in assessing the best default portfolio for EBCE:

1. Meets and exceeds Pacific Gas & Electric's (PG&E) portfolio in renewable, GHG-free energy;
2. Minimizes out-of-state power and unspecified sources of power; and
3. Allows for rates that are minimally competitive to PG&E in order to maximize revenue for local program development.

This approach helps ensure that EBCE is providing a competitive energy default product at competitive rates, and does not undermine EBCE's commitment to developing local renewable resources.