

Response to Proposed Early Local Renewables Procurement RFP



East Bay Clean Power Alliance appreciates CEO Nick Chaset's desire to "demonstrate EBCE's commitment to local development" through his proposed narrow early procurement of Alameda county renewables (see [CEO Report, 12/7/17](#) and [Draft RFP, 1/17/18](#)) by contracting with one or more Alameda County projects that would come on line in 2019.

We and others are strongly supportive of the procurement of local resources and have been advocating for such procurement by or before launch time of the EBCE program, now slated for May/June 2018.

However, we are concerned that proposing local procurement outside of the Local Development Business Plan (LDBP) may compromise the coordinated and integrated development of local renewables that the LDBP roadmap is intended to address.

The JPA Agreement for EBCE clearly places local procurement within the purview of the LDBP. Section 5.4 states that EBCE "shall cause to be prepared a Business Plan, which will include a roadmap for the development, procurement, and integration of local renewable energy..." with the intent of achieving the community benefits goals explicitly cited in Recital 3 and Recital 6 of the JPA Agreement (see attached exhibit).

The LDBP is being structured to directly address the community benefits referenced in the JPA Agreement. For example, the Feed in Tariff and Net Energy Metering (NEM) LDBP work products are both structured around a number of pricing "adders" to incentivize projects that reflect the environmental, economic, and social justice benefits called for in the JPA Agreement. These include built environment adders, community benefit adders, supply shift (storage) adders, and workforce adders.

We propose that CEO Nick Chaset's early local procurement RFP should also include community benefit incentives and be integrated into the LDBP to ensure consistent and coordinated policies and procurement decisions, and to ensure that this early procurement does not displace other programs being developed within the LDBP. In particular, we propose that the competitive procurement RFP include bid point adders or bid price adjustments made on the basis of the same four adders proposed for the two programs described above.

CEO Nick Chaset's December 7 Report called for "Board feedback on prioritization of where these projects might be located" and "specific selection criteria for projects..."

While the East Bay Clean Power Alliance supports the intent to develop local renewables as quickly as possible, we ask the Board to respect the LDBP process, by calling for the integration of the early local procurement RFP into the LDBP effort, so it can be part of the roadmap of local renewable energy development recommended by the LDBP.

Sincerely,

A handwritten signature in black ink, appearing to read "Jessica Tovar".

Jessica Tovar, Coordinator, East Bay Clean Power Alliance.

January 15, 2018

EXHIBIT D

RELEVANT EXCERPTS FROM JPA AGREEMENT

RFP No. 16-CCA-2

Alameda County Community Choice Aggregation / East Bay Community Energy: Local Development Business Plan

The following are relevant excerpts from the approved Joint Powers Authority (JPA) Agreement for the East Bay Community Energy Authority which specify preparation and completion of the Local Development Business Plan and the policies under which it would be analyzed and implemented. A complete JPA Agreement may be obtained upon request from the Alameda County Planning Department; to request the JPA Agreement, please contact Bruce Jensen at bruce.jensen@acgov.org or at (510) 670-6527.

Section 5.4 Business Plan. The Authority shall cause to be prepared a Business Plan, which will include a roadmap for the development, procurement, and integration of local renewable energy resources as outlined in Section 5.3 of this Agreement. The Business Plan shall include a description of how the CCA Program will contribute to fostering local economic benefits, such as job creation and community energy programs. The Business Plan shall identify opportunities for local power development and how the CCA Program can achieve the goals outlined in Recitals 3 and 6 of this Agreement. The Business Plan shall include specific language detailing employment and labor standards that relate to the execution of the CCA Program as referenced in this Agreement. The Business Plan shall identify clear and transparent marketing practices to be followed by the CCA Program, including the identification of the sources of its electricity and explanation of the various types of electricity procured by the Authority. The Business Plan shall cover the first five (5) years of the operation of the CCA Program. The Business Plan shall be completed by the Authority no later than eight (8) months after the seating of the Authority Board of Directors. Progress on the implementation of the Business Plan shall be subject to annual public review.

Section 5.3 Integrated Resource Plan. The Authority shall cause to be prepared an Integrated Resource Plan in accordance with CPUC regulations that will ensure the long-term development and administration of a variety of energy programs that promote local renewable resources, conservation, demand response, and energy efficiency, while maintaining compliance with the State Renewable Portfolio standard and customer rate competitiveness. The Authority shall prioritize the development of energy projects in Alameda. Principal aspects of its planned operations shall be in a Business Plan as outlined in Section 5.4 of this Agreement.

Recital 3. The purposes for the Initial Participants (as such term is defined in Section 1.1.16 below) entering into this Agreement include securing electrical energy supply for customers in participating jurisdictions, addressing climate change by reducing energy related greenhouse gas emissions, promoting electrical rate price stability, and fostering local economic benefits such as jobs creation,

community energy programs and local power development. It is the intent of this Agreement to promote the development and use of a wide range of renewable energy sources and energy efficiency programs, including but not limited to State, regional and local solar and wind energy production.

Recital 6. By establishing the Authority, the Parties seek to:

- (a) Provide electricity rates that are lower or competitive with those offered by PG&E for similar products;
- (b) Offer differentiated energy options (e.g. 33% or 50% qualified renewable) for default service, and a 100% renewable content option in which customers may “opt-up” and voluntarily participate;
- (c) Develop an electric supply portfolio with a lower greenhouse gas (GHG) intensity than PG&E, and one that supports the achievement of the parties’ greenhouse gas reduction goals and the comparable goals of all participating jurisdictions;
- (d) Establish an energy portfolio that prioritizes the use and development of local renewable resources and minimizes the use of unbundled renewable energy credits;
- (e) Promote an energy portfolio that incorporates energy efficiency and demand response programs and has aggressive reduced consumption goals;
- (f) Demonstrate quantifiable economic benefits to the region (e.g. union and prevailing wage jobs, local workforce development, new energy programs, and increased local energy investments);
- (g) Recognize the value of workers in existing jobs that support the energy infrastructure of Alameda County and Northern California. The Authority, as a leader in the shift to a clean energy, commits to ensuring it will take steps to minimize any adverse impacts to these workers to ensure a “just transition” to the new clean energy economy;
- (h) Deliver clean energy programs and projects using a stable, skilled workforce through such mechanisms as project labor agreements, or other workforce programs that are cost effective, designed to avoid work stoppages, and ensure quality;
- (i) Promote personal and community ownership of renewable resources, spurring equitable economic development and increased resilience, especially in low income communities;
- (j) Provide and manage lower cost energy supplies in a manner that provides cost savings to low-income households and promotes public health in areas impacted by energy production; and
- (k) Create an administering agency that is financially sustainable, responsive to regional priorities, well managed, and a leader in fair and equitable treatment of employees through adopting appropriate best practices employment policies, including, but not limited to, promoting efficient consideration of petitions to unionize, and providing appropriate wages and benefits.