



East Bay Clean Power Alliance
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East Bay Clean Power Alliance: 2019-2020 FY LDBP Budget Proposal

East Bay Clean Power Alliance (EBCPA) is proud of East Bay Community Energy's commitment to local development as evidenced in their adoption of the Local Development Business Plan (LDBP) in 2018. The current proposal to fund the plan for the 2019-2020 Fiscal Year (FY) at less than one percent of the budget does not do justice to that commitment. EBCPA proposes doubling the current budget proposal for this priority program. Doing so would result in the LDBP being nearly 2% of the proposed Energy Operations budget, which is where that item should eventually reside.

The current proposal budgets \$3,640,000 and an additional \$900,000 in outside revenue, resulting in a proposed \$4,500,000 to be spent on LDBP programs and projects for the next fiscal year. EBCPA proposes increasing the net operations budget for the LDBP to \$7,280,000, or 1.8% of the Energy Operations budget. EBCPA suggests that the majority of the extra \$3,640,000 to double spending for the LDBP could be taken from one or two accounts in the proposed reserve allocations. \$2,250,000 could come out of the Operating/Credit or the Local Development reserve allocations, or some portion taken from each of those two items. We make this suggestion knowing that \$1,250,000 of what was budgeted for previously, but not yet spent on the LDBP in FY 2018-2019, must now be included in the Net Position. Anticipated outside funds would make up \$900,000 of the difference and the remaining \$275,000 would be conditional on having at least that much in surplus in the final FY 2018-2019 accounting, once it is completed.

EBCPA also requests an increase in staffing for implementation of the LDBP, which would be necessary in order to plan programs and effectively utilize the larger budget.

EBCPA also proposes that the LDBP program budget should be shifted to be included in the Energy Operations portion of the budget rather than Overhead Operations. Our rationale for that switch is that EBCE's commitment to prioritize the development of local clean energy resources should eventually significantly impact the Energy Operations of EBCE. Therefore making that switch would recognize EBCE's commitment to prioritize local development. It would also be a better way to track spending on local clean energy projects and the impact of these projects on reducing the money spent on market purchased energy.

There will be many details to work out as to how the LDBP should be represented in the Energy Operations, such as how to distinguish it from other local projects such as the Oakland Clean Energy Initiative, or from on-going costs such as Net Energy Metering (NEM). However, this move anticipates a time when the LDBP has resulted in significant local renewable energy generation and an overall reduction in demand, particularly peak load demand, as well as increased equity, economic development and resilience for our communities.

Thank you,

A handwritten signature in black ink, appearing to read "Jessica Tovar". The signature is fluid and cursive.

Jessica Tovar, Coordinator of the East Bay Clean Power Alliance