

Key to East Bay Community Energy (EBCE): Local Resource Development



The Importance of EBCE’s Local Development Business Plan

One of the unique features of East Bay Community Energy (EBCE) among Community Choice energy programs in California is its commitment to developing local renewable energy resources. In addition to the climate benefit of reducing greenhouse gas emissions, the development of local renewable resources:

- Creates healthier and more sustainable communities through local control of electricity and resilience to the impacts of climate change. This can help address the economic and social justice needs of our communities, while increasing tax revenues from new business activity.
- Provides family-sustaining clean energy jobs and careers by supporting strong labor standards, local workforce development, and overcoming barriers to employment in disadvantaged communities.
- Improves long-term stability of the Community Choice program by shielding it from the volatility of the energy market. Investments in local energy projects come with more stable and more manageable costs and result in more secure and self-sufficient energy supplies.

EBCE Founding Documents Call for Local Resource Development

EBCE’s commitment to local renewable energy resource development is expressed in the Joint Powers Authority (JPA) Agreement, which explicitly calls for a Local Development Business Plan as a “roadmap for the development, procurement, and integration of local renewable energy resources.”

As specified in the JPA Agreement, the Local Development Business Plan will include a description of how the Community Choice program can contribute to fostering local economic benefits, such as job creation and community energy programs. It will also identify opportunities for local power development, explain how to achieve the Community Choice program’s community benefits goals, and provide employment and labor standards for adoption by the EBCE program.

The JPA Agreement also specifies that the Local Development Business Plan is to cover the first five years of operation of EBCE and be completed within eight months of the seating of the EBCE Board of Directors. The County allocated \$500,000 to support development of the Plan.

Why Does EBCE Need a Local Development Business Plan?



The development of local renewable energy resources requires a transition over time from procuring renewable electricity on the wholesale market to creating an optimized system¹ of local distributed energy resources (DER)² that play a larger and larger role in addressing the energy needs of our communities. But this transition does not happen by accident or a spontaneous market; it requires a roadmap for making it happen within an aggressive yet achievable timeframe.

The Local Development Business Plan is meant to provide this high-level roadmap for local renewable generation, demand reduction, storage, and other distributed energy resource programs in Alameda County. It will

¹ Optimizing the energy system in this context means minimizing waste, lowering costs, assuring reliable service, and minimizing the carbon footprint.

² Distributed energy resources (DER) refer to energy technologies, such as solar PV, solar thermal, micro-turbines, energy efficiency, storage, demand response, combined heat and power, microgrids, and others that can be developed and deployed locally.

provide a timeline for developing local projects and programs—either on its own or in partnership with private sector developers—and lay out how projects can be prioritized, financed and coordinated. It will also discuss cost implications, trade-offs and other challenges to implementation. Finally, the Plan will provide policy guidance that will inform the development of the EBCE’s power resource plan over the long term.

The Plan should answer questions such as the following. How many megawatts of local renewable energy development and demand reduction can be developed as a result of EBCE, and over what time period? How does EBCE address the credit, development and implementation issues involved? How can the local development benefits of this Community Choice program be achieved, and what are the priorities and trade-offs involved?

A Key Effort

As described above, the Plan is intended to develop a comprehensive framework for accelerating the development of clean energy assets within Alameda County. To achieve that goal, the County sought a team of consultants to conduct a thorough analysis of local resources and perform the other complex and interrelated tasks required in its request for proposals (RFP) for the Plan, as shown below.

Preparing the Local Development Business Plan

<u>Task #</u>	<u>Description</u>
1	Grid-side DER Assessment: Large-scale Local Clean Energy Potential
2	Customer-side DER Assessment: Behind-the-meter Energy Resources
3	Development Models and Strategies: Local DER Programs and Incentives
4	EBCE Development Issues: Labor and Workforce, Finance and Ownership Models
5	Implementation and Policy Issues: Permitting, Equity, Transparent Reporting
6	Integrated Resource Planning: Integrating LDBP w/Long-term Planning (IRP)
7	Preliminary Plan Scenarios: Develop Local Development Business Plan

Completing these tasks requires an integrated and inter-disciplinary team of consultants. The team was selected through a competitive process early in 2017 and it began work on the project this past April. The Project Team includes the following vendors and their roles:

- ALH Economics: Prime Contractor & Chief Economist
- The Offset Project: Project Management & Stakeholder Outreach
- Clean Coalition: Solar Site Mapping & Tariff Design
- EcoShift Consulting: Energy Analysis & Scenario Planning
- Optony: Integrated Resource Assessment & Planning
- Betony Jones: Labor & Workforce Advisor
- Gary Calderon: Energy Storage & Demand Response Advisor

In June the Project Team organized a series of roundtables and focus groups as part of a rigorous stakeholder engagement process. Through that process the Project Team established a dialog with over 100 community stakeholders and industry professionals, helping to ensure that the plan is feasible and well-aligned with community goals. Response of the community has been overwhelmingly positive.

With delays in the anticipated launch date of EBCE, and with the hiring of EBCE CEO, Nick Chaset, in July, the completion date of the Local Development Business Plan has been pushed back. Nevertheless, the Local Development Business Plan process remains the centerpiece for engaging our community in the design of a sustainable, community-focused EBCE program.