



Monterey Bay Community Power



Ensuring a Bright, Clean Future

Proposed Operating Budget

Fiscal Year 2019-20

Policy Board
September 4, 2019

Monterey Bay Community Power
70 Garden Court, Suite 300
Monterey, CA 93940
(831) 641-7222
mbcp.org

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CHIEF EXECUTIVE OFFICER'S MESSAGE

Monterey Bay Community Power (MBCP) launched into the electricity retail business over a year ago, and what a year it was!

We've enrolled over 272,000 customers, held participation at over 96%, one of the best amongst the CCEs in California, sourced 100% carbon-neutral electricity and rebated our customers over \$4.4 million in the first partial year of operation.

Our Power Supply Team has skillfully managed the risk of power supply price volatility, hedged energy cost several years in advance and executed three long-term power supply agreements that will provide MBCP with enough renewable energy to meet more than 20% of the agency's electricity demand.

Recently, MBCP launched several energy programs aimed at reducing emissions in the transportation sector through funding of electric vehicle (EV) charging stations and providing incentives for MBCP customers to buy or lease EVs. In addition, working with Grid Alternatives, we are rebating nearly the total cost for the installation of rooftop solar panels on 20 low-income homes in our community.

While working toward all of these important successes, MBCP has also carefully managed our financial position, fully paid off over \$6.2 million of debt that we incurred prior to and during launch, accumulated over \$94 million in reserves and proved to the skeptics that Community Choice agencies can serve cleaner power, offer generous programs and lower rates while maintaining a very strong financial position.

It's these success stories that motivated the cities of San Luis Obispo and Morro Bay to join MBCP in December 2018, a welcome addition to the MBCP community. This, in turn encouraged the cities of Del Rey Oaks (Monterey County), Paso Robles, Pismo Beach, Grover Beach and Arroyo Grande (San Luis Obispo County), Carpinteria, Goleta, Guadalupe and Santa Maria (Santa Barbara County) and the County of Santa Barbara to request joining MBCP.

CEO Message

Climbing to the top, achieving operational success and earning our community's trust was hard work. Maintaining our position at the top and continuing to earn our customers' trust will require that we work harder and smarter.

We continue to face many threats that could erode our achievements. Annually, new legislation is being introduced that could diminish our autonomy in resource acquisition and rate setting. The California Public Utilities Commission continues to treat CCEs as a disrupter to business as usual as opposed to an improvement and welcome partner. Some customers believe, unjustly, that we are responsible for the neighboring utility's bankruptcy declaration or their decision to close the nuclear power plant, both of which provide economic support to many of the communities in San Luis Obispo County.

Misinformation, envy and overt attempts to stunt the CCEs movement has already caused one CCE in southern California to halt operation on the eve of their launch and prompted another to advise many of their customers to opt-out fearing their inability to compete with the surrounding investor-owned utility.

However, as long as we remain true to our mission of providing cleaner energy at affordable prices and promoting the economic vitality of our community, the headwind, no matter how strong, will not slow us down for the simple reason that we are governed by and work for the sole benefit of the communities we serve.

Sincerely,



Tom Habashi
Chief Executive Officer



FY 2018-19 Key Accomplishments

Fiscal Stability

- Established a strong net position balance of \$103.4 million as of July 31, 2019
- Expect to reach a balance of \$95.3 million in the Rate Stabilization Reserves or 55% of operating expenses by September 30, 2019; 5% higher than target
- Secured high return on investment (ROI) in first year of operation; projected at more than \$1 million by September 30, 2019

Reduction of Green House Gas (GHG) Emissions

- Executed two long-term agreements for 125 MW Solar + 38 MW Battery Energy Storage, the largest in California history
- Entered into a 15-year agreement for 90 MW Wind power
- Combined, these three long-term renewable energy contracts will generate enough power to meet 20% of MBCP electricity demand

Affordable Rates and High Customer Participation

- Maintained enrollment rates at 96% of eligible customers or 272,000 customers
- Delivered 3% rebate to all customers in 2018, increasing to 5% in 2019

Energy Programs

- Partnered with three local car dealerships for the Monterey Bay Electric Vehicle Incentive Program, funding \$1.1 million in electric vehicles lease or purchase
- Secured \$6 million grant from the California Energy Commission's California Electric Vehicle Infrastructure Project (CALeVIP) to fund our Central Coast Incentive Project, supporting Level II & DC fast charger infrastructure buildout in Tri-County
- Launched \$100k Project Sunshine program to fund 20 rooftop solar panel installations for low-income homes

Communication & Outreach

- Rebuilt MBCP's website and developed a secondary website in Spanish
- Established the first CCA Spanish Facebook page in CA
- Sponsored and supported over 200 community events and organizations

MBCP's Economic Outlook: 2019-2025

Rate Structures

At the current pace, MBCP is expected to reach the maximum reserve level (75% of operating expenses) in FY 2020/21. In 2020, staff plans to recommend the conventional cost-plus approach to rate design instead of the current approach of charging identical rates to PG&E, then offering rebates at the end of the year. The rate-setting process will balance simplicity and accuracy, aligning wholesale and retail prices while ensuring that rates are competitive with PG&E (and SCE in southern Santa Barbara County in 2021) for each customer class.

Unifying Central Coast Counties

MBCP is well on its way to a successful expansion along the Central Coast. Residents and businesses in the cities of San Luis Obispo and Morro Bay will be enrolled in January 2020. Provided Board approval, the cities of Del Rey Oaks (Monterey County), Arroyo Grande, Grover Beach, Paso Robles, and Pismo Beach (San Luis Obispo County), Carpinteria, Goleta, Guadalupe and Santa Maria (Santa Barbara County) and the County of Santa Barbara will join MBCP in 2019 and will be enrolled in early 2021.

The inclusion of the above jurisdictions will enlarge MBCP's geographical footprint and expand the political influence of CCAs in California. Fortunately, San Luis Obispo County is likely to become a major hub for developing and integrating new renewable resources in CA and having access to these resources will advance MBCP's goal of reaching 100% carbon-neutral resources.

Budgetary Summary

MONTEREY BAY COMMUNITY POWER AUTHORITY FY 2019-20 PROPOSED BUDGET

(\$ in thousands)	Approved Budget FY 2018/19	% of Rev	Actual (7 mo) + Forecast FY 2018/19	% of Rev	Proposed Budget FY 2019/20	% of Rev	Change \$	Change %
Period Ending Sep 30								
REVENUE AND OTHER SOURCES								
Net Revenue - Electricity	228,045	100.0%	245,267	100.0%	273,944	100.0%	28,677	11.7%
Investment and Miscellaneous Income	0	0.0%	1,067	0.4%	1,285	0.5%	218	20.5%
Total net revenue and other sources	228,045	100.0%	246,333	100.4%	275,229	100.5%	28,896	11.7%
EXPENDITURES AND OTHER USES								
CURRENT EXPENDITURES								
Cost of energy	174,564	76.5%	162,869	66.4%	176,488	64.4%	13619063	8.4%
Data manager	2,659	1.2%	2,703	1.1%	2,680	1.0%	(23)	(0.9%)
PG&E service fees	1,210	0.5%	1,143	0.5%	1,251	0.5%	108	9.5%
Staffing	4,399	1.9%	3,572	1.5%	6,457	2.4%	2,886	80.8%
Professional services	838	0.4%	451	0.2%	690	0.3%	238	52.8%
Legal Services	200	0.1%	298	0.1%	200	0.1%	(98)	(32.9%)
Marketing and Customer Enrollment	787	0.3%	948	0.4%	1,128	0.4%	180	19.0%
General and administration	1,100	0.5%	873	0.4%	1,152	0.4%	279	32.0%
Total current expenditures	185,758	81.5%	172,857	70.5%	190,046	69.4%	17,189	9.9%
OTHER USES								
Capital outlay	98	0.0%	75	0.0%	4,092	1.5%	4,017	5370.4%
Total other uses	98	0.0%	75	0.0%	4,092	1.5%	4,017	5370.4%
DEBT SERVICE								
Principal and interest	44	0.0%	0	0.0%	0	0.0%		0.0%
Total expenditures, Other Uses and Debt Service	185,900	81.5%	172,932	70.5%	194,137	70.9%	21,205	12.3%
Fund balance surplus BEFORE Rebate, Program and Reserve	42,145	18.5%	73,402	29.9%	81,092	29.6%	7,690	10.5%
Rebate Expenditures	7,517	3.3%	13,699	5.6%	19,176	7.0%	5,477	40.0%
Transfer to Rate Stabilization Reserve	30,067	13.2%	54,797	22.3%	50,958	18.6%	(3,839)	(7.0%)
Transfer to Program Funds	4,561	2.0%	4,905	2.0%	10,958	4.0%	6,052	123.4%
Fund balance surplus AFTER Rebate, Program and Reserve	0		0		0		0	
Program Balance:								
Carryover balance	2,520		2,342		5,955		3,613	
Net increase	4,561	2.0%	4,905	2.0%	10,958	4.0%	6,052	123.4%
Propose to spend	(1,292)	(0.6%)	(1,292)	(0.5%)	(4,276)	(1.6%)	(2,984)	231.0%
Ending balance	5,789		5,955		12,637		6,682	112.2%
Rate Stabilization Reserve Balance:								
Carryover balance	38,254		40,479		95,276		54,797	
Net increase	30,067	13.2%	54,797	22.3%	50,958	18.6%	(3,839)	(7.0%)
Ending balance	68,321		95,276		146,234		50,958	53.5%
% of operating expenses	37%		55%		75%			
					At Max			
Key Statistics:								
Total Load (MWh)	3,336,675		3,030,461		3,157,473			
\$/MWh - Net Electricity Sales	\$ 68.34		\$ 80.93		\$ 86.76			
\$/MWh - Cost of Energy	\$ 52.32		\$ 53.74		\$ 55.90			
\$/MWh - Total Expenditures	\$ 55.71		\$ 57.06		\$ 61.49			
Gross Margin %	23.5%		33.6%		35.6%			

Five-Year Financial Proforma

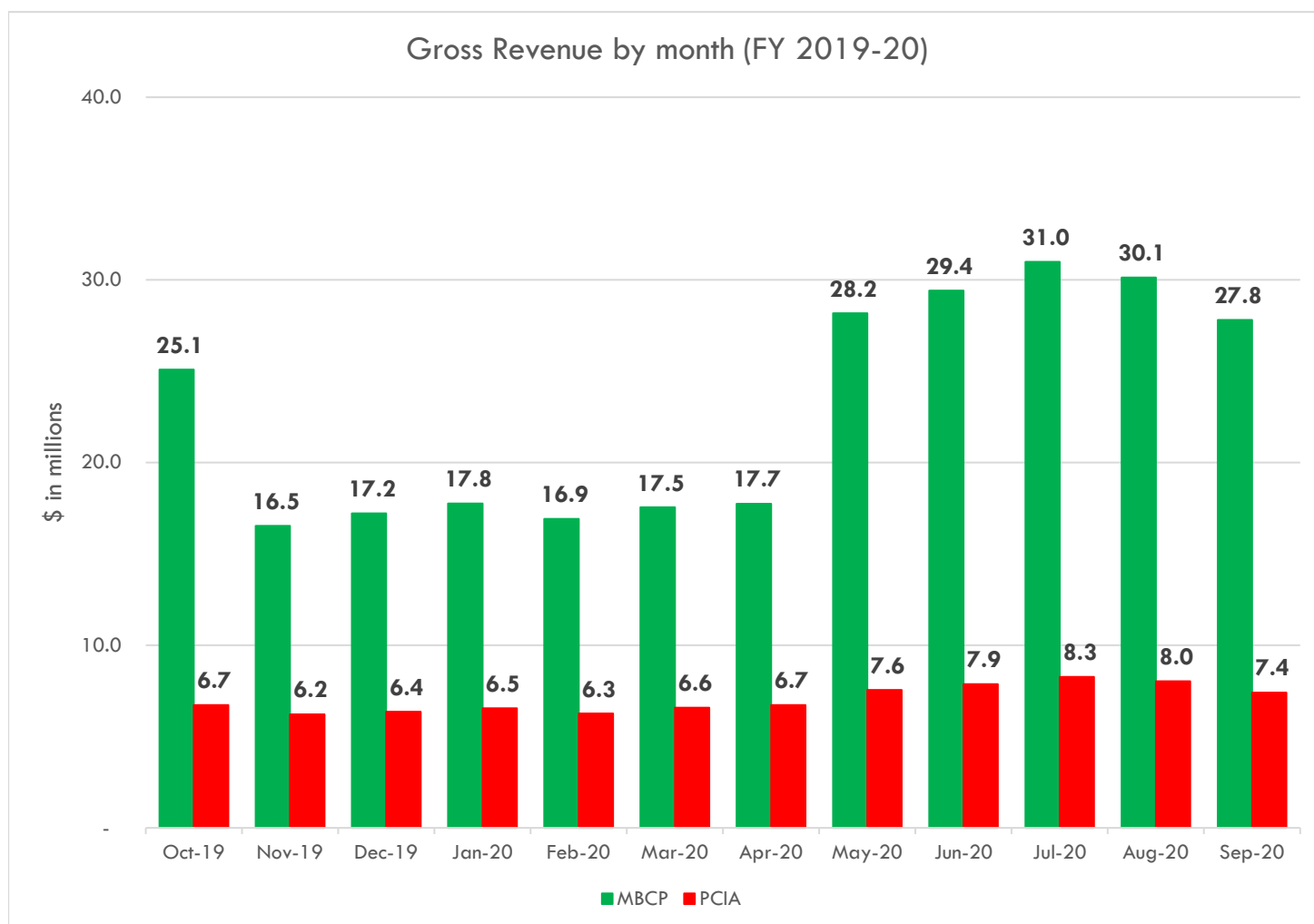
MONTEREY BAY COMMUNITY POWER AUTHORITY FINANCIAL PLAN FOR FISCAL YEAR 2019/20 THROUGH 2024/25

(\$ in thousands)												
Period Ending Sep 30	Proposed Budget FY 2019/20	% of Rev	Projection FY2020/21	% of Rev	Projection FY2021/22	% of Rev	Projection FY2022/23	% of Rev	Projection FY2023/24	% of Rev	Projection FY2024/25	% of Rev
REVENUE AND OTHER SOURCES												
Net Revenue - Electricity	273,944	100.0%	322,584	100.0%	386,601	100.0%	354,728	100.0%	357,920	100.0%	361,501	100.0%
Other Source - Misc Income	1,285	0.5%	1,285	0.4%	1,285	0.3%	1,285	0.4%	1,285	0.4%	1,285	0.4%
Total net revenue and other sources	275,229	100.5%	323,869	100.4%	387,886	100.3%	356,013	100.4%	359,205	100.4%	362,786	100.4%
EXPENDITURES AND OTHER USES												
CURRENT EXPENDITURES												
Cost of energy	176,488	64.4%	285,513	88.5%	330,052	85.4%	327,157	92.2%	324,667	90.7%	325,683	90.1%
Data manager	2,680	1.0%	3,902	1.2%	4,296	1.1%	4,307	1.2%	4,317	1.2%	4,328	1.2%
PG&E service fees	1,251	0.5%	1,821	0.6%	2,005	0.5%	2,010	0.6%	2,015	0.6%	2,020	0.6%
Staffing	6,457	2.4%	6,780	2.1%	7,119	1.8%	7,475	2.1%	7,849	2.2%	8,241	2.3%
Professional services	690	0.3%	532	0.2%	512	0.1%	518	0.1%	548	0.2%	555	0.2%
Legal Services	200	0.1%	209	0.1%	215	0.1%	222	0.1%	228	0.1%	235	0.1%
Marketing and Customer Enrollment	1,128	0.4%	1,498	0.5%	1,487	0.4%	1,262	0.4%	1,325	0.4%	1,391	0.4%
General and administration	1,152	0.4%	1,382	0.4%	1,441	0.4%	1,296	0.4%	1,286	0.4%	1,355	0.4%
Total current expenditures	190,046	69.4%	301,636	93.5%	347,127	89.8%	344,245	97.0%	342,236	95.6%	343,808	95.1%
OTHER USES												
Capital outlay	4,092	1.5%	2,451	0.8%	2,390	0.6%	82	0.0%	4	0.0%	4	0.0%
Total other uses	4,092	1.5%	2,451	0.8%	2,390	0.6%	82	0.0%	4	0.0%	4	0.0%
DEBT SERVICE												
Principal and interest	0	0.0%		0.0%		0.0%		0.0%		0.0%		0.0%
Total expenditures, Other Uses and Debt Service	194,137	70.9%	304,087	94.3%	349,517	90.4%	344,328	97.1%	342,239	95.6%	343,811	95.1%
Fund balance surplus BEFORE Rebate, Program and Reserve	81,092	29.6%	19,782	6.1%	38,368	9.9%	11,685	3.3%	16,965	4.7%	18,975	5.2%
Rebate Expenditures	19,176	7.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Transfer to Rate Stabilization Reserve	50,958	18.6%	6,799	2.1%	22,816	5.9%	(2,592)	(0.7%)	(1,041)	(0.3%)	789	0.2%
Transfer to Program Funds	10,958	4.0%	12,983	4.0%	15,552	4.0%	14,277	4.0%	18,007	5.0%	18,186	5.0%
Fund balance surplus AFTER Rebate, Program and Reserve	0		0		0		0		0		0	
Program Balance:												
Carryover balance	5,955		12,637		19,120		26,273		29,630		33,357	
Net increase	10,958	4.0%	12,983	4.0%	15,552	4.0%	14,277	4.0%	18,007	5.0%	18,186	5.0%
Propose to spend	(4,276)	(1.6%)	(6,500)	(2.0%)	(8,400)	(2.2%)	(10,920)	(3.1%)	(14,280)	(4.0%)	(18,782)	(5.2%)
Ending balance	12,637		19,120		26,273		29,630		33,357		32,760	
Rate Stabilization Reserve Balance:												
Carryover balance	95,276		146,234		153,032		175,849		173,257		172,215	
Net increase	50,958	18.6%	6,799	2.1%	22,816	5.9%	(2,592)	(0.7%)	(1,041)	(0.3%)	789	0.2%
Ending balance	146,234		153,032		175,849		173,257		172,215		173,004	
% of operating expenses	75%		50%		50%		50%		50%		50%	
	At Max		At Target		At Target		At Target		At Target		At Target	
Program/Rebate/Reserve	4%/7%/75%		4%/0/50%		4%/0/50%		4%/0/50%		5%/0/50%		5%/0/50%	

Revenue

Key Assumptions

- The cities of San Luis Obispo and Morro Bay will be enrolled in Jan 2020
- The cities of Del Rey Oaks (Monterey County), Arroyo Grande, Grover Beach, Paso Robles, and Pismo Beach (San Luis Obispo County), Carpinteria, Goleta, Guadalupe and Santa Maria (Santa Barbara County) and the County of Santa Barbara are enrolled in Jan 2021
- Power Charge Indifference Adjustment (PCIA) for the PG&E service territory is about 7% lower for FY 2019/20 (approximately 2.68 cents per KWh)
- Uncollectible is assumed at 0.5 percent



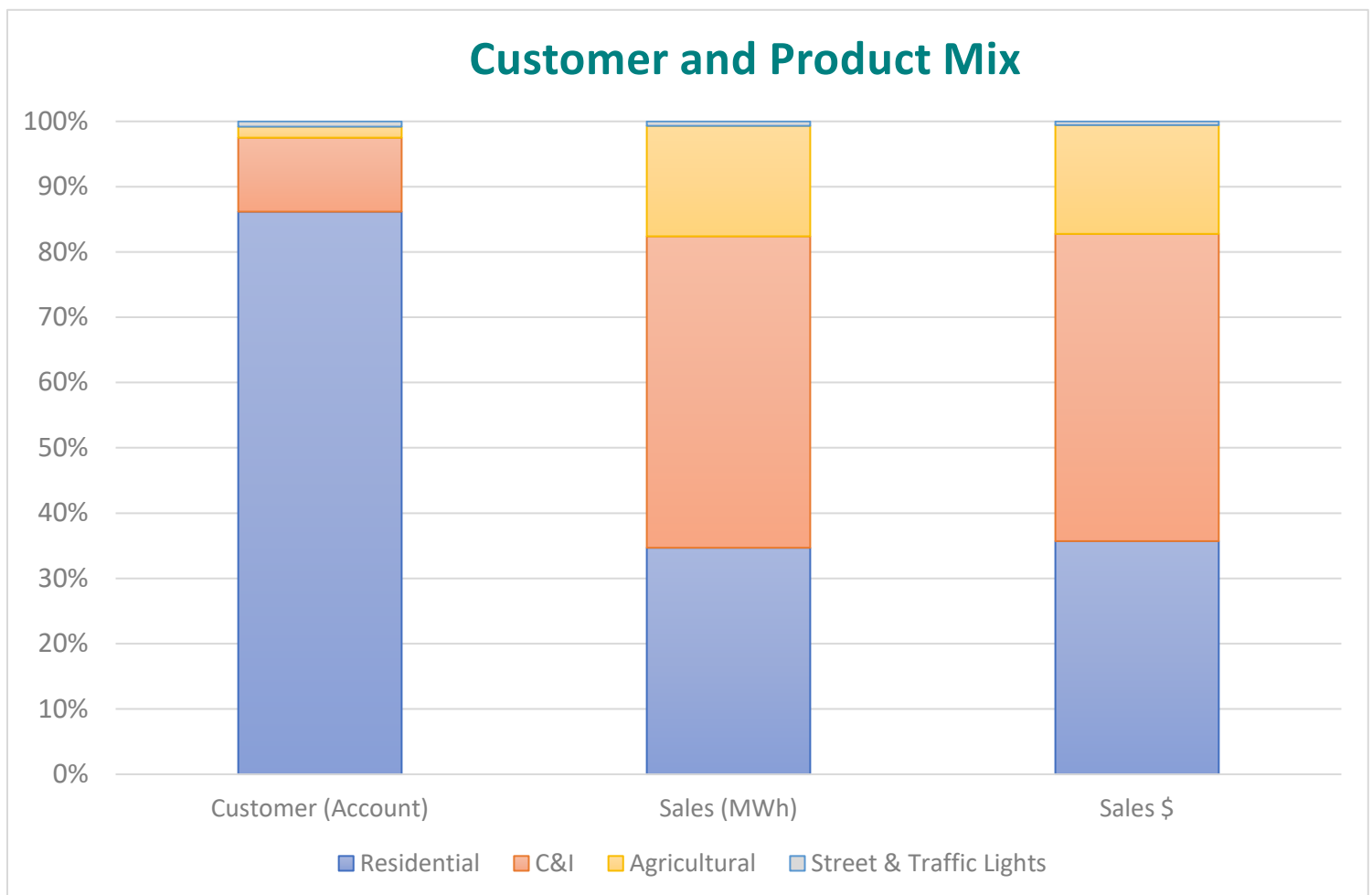
Gross Revenue = \$275.3 million

PCIA = \$84.5 million

Non-Discretionary Spending

Power Supply Expenses:

- Energy cost including eligible renewables and carbon free electricity is estimated at \$158 million, or 90% of the total power supply cost
- Resource adequacy cost is forecasted at \$17.7 million, or 10% of the total power supply cost
- Power supply rates escalate by 3.7% in FY2019-20 and by 4.3% starting 2021
- System and distribution losses are estimated at 6.44%
- Energy prices are hedged for 97% of expected consumption. Therefore, changes in market price, demand forecast deviation, unusual weather and regulatory risks could cause slight deviations from current forecast



Non-Discretionary Spending (Cont'd)

Operating Expenses:

Data Manager and PG&E Service Fees:

- MBCP's contracts with GridX for data management services, billing services, and call center operations. The data management fees are based on a fixed price per meter per month.
- Service fees paid to PG&E consist of a charge of \$0.14 per account per month for meter data posting services, and \$0.21 per account per month for processing MBCP's energy charges and customer payments.

Human Resources:

The FY 2019-20 proposes the following adjustments to MBCP organization. Impact of total staffing costs are budgeted at less than 2.5% of revenue.

- Proposes to add 7 full-time positions:
 - Three additions to the Internal Operations team
 1. Finance Manager
 2. Manager of Strategic Analysis & Rates
 3. Data Scientist
 - Four additions to the Communication and External Affairs team
 4. Manager of Community Relations
 5. Energy Accounts Analyst (SLO)
 6. Energy Programs Analyst (SLO)
 7. Energy Marketing Specialist
- Proposes to amend employee salary and benefits schedule as follows:
 - Offer across-the-board 4% Cost-of-Living Adjustments (COLA) and update salary max pay accordingly
 - Add 20 Paid Time-Off (PTO) hours per year to each employee
 - Establish MBCP funding of Health Reimbursement Account (HRA) at \$300 per month and Flexible Spending Account (FSA) at \$200 per month
 - Offer Wellness Reimbursement Program at \$1,000 per year

Non-Discretionary Spending (Cont'd)

Professional and Legal Support Services:

- Internal Operations: day-to-day accounting services, annual financial audit, HR services, IT services and a rate design support.
- Power Procurement: consulting support for power procurement and risk management, consulting support for microgrid implementation plan and conducting feasibility study for virtual power plant.
- Marketing and Outreach: consulting support to assist with program design and other outreach activities in the new service territory.
- Legal: support negotiation for long-term power supply procurement and regulatory advocacy.

Marketing and Customer Enrollment:

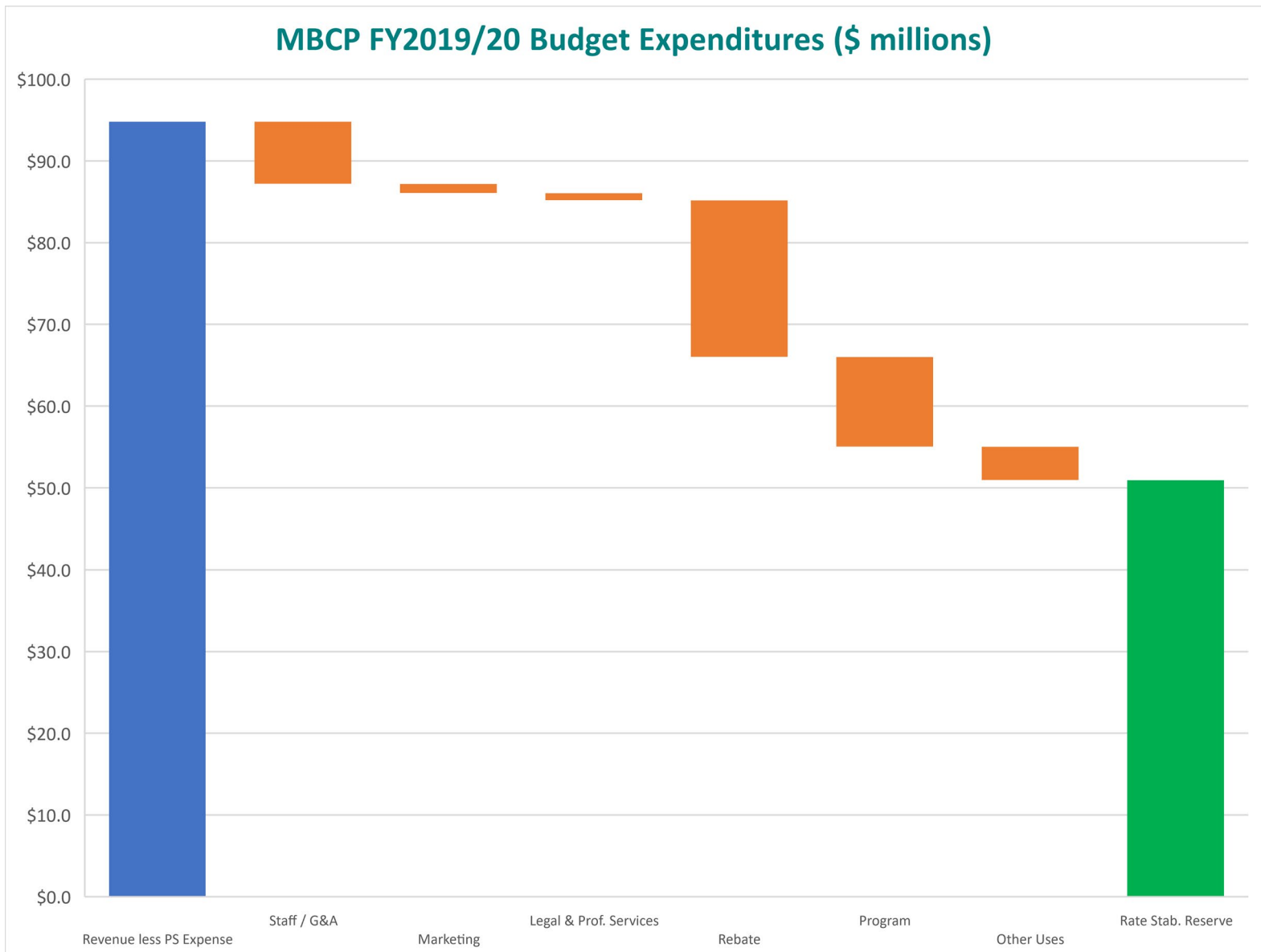
Proposed initiatives for this fiscal year include:

- Engagement with relevant organizations, groups and underserved communities
- Continued sponsorships, advertisements, working with press/media outlets to share MBCP story and value proposition
- Social media and video development to promote brand name
- Support and collaboration on energy educational opportunities
- Support of strategic accounts through re-enrollment campaign
- Successful enrollment of the customers in San Luis Obispo and Morro Bay

Non-Discretionary Spending (Cont'd)

General and Administration:

- Ordinary business expenses such as conferences and professional development, rent, liability insurance, office supplies, phone and internet, small equipment and software, subscriptions, copier lease and usage, travel, business meals, and miscellaneous operational expenses.
- In addition, this budget covers the California Community Choice Association (Cal-CCA) Membership Dues. Cal-CCA provides legislative and regulatory support to its members to address many of the challenges that face our industry in these arenas.



Non-Discretionary Spending (Cont'd)

Capital Investment:

MBCP Headquarters

In the coming fiscal year, Staff will begin investigating the acquisition of land and construction of MBCP Headquarters in the Monterey Bay area. Staff will evaluate sites using the following criteria:

- Ordinances or zoning restrictions, infrastructure conditions (roads, utilities, etc.), real estate availability and costs, space needs, accessibility and parking, etc.
- Proximity to highways and services such as restaurants, commute time for MBCP employees and board of directors and council members, accessibility to talent pool, etc.
- Potential for renting space, or board meeting room to public agency and organizations with similar mission such as MBARD.

Computer Information Systems

Staff will also investigate the acquisition of a Customer Resource Management (CRM) and Data Analytics systems for the analysis and collection of customer data and a Portfolio Management system for management of the MBCP energy portfolio.

Company Vehicle

Funds are included to purchase a vehicle to assist staff in attending events and help grow MBCP brand awareness. The vehicle will provide space for loading event supplies as well as an opportunity for company carpooling to outreach activities and meetings.

Discretionary Spending

Some of the surplus will be deposited into the Rate Stabilization Fund, which is expected to reach the maximum level allowed by policy. The remaining surplus will be allocated as follows:

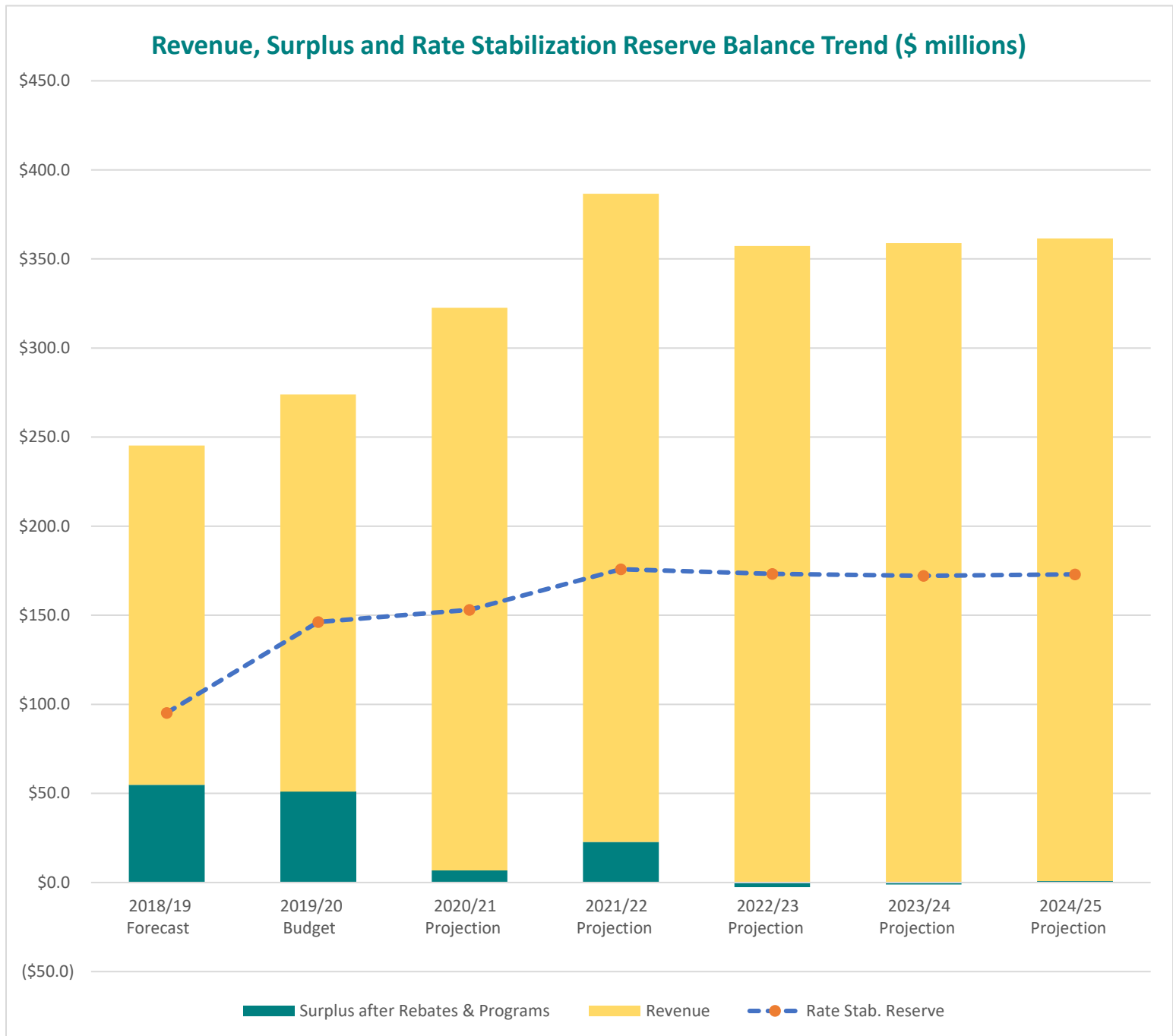
- Programs at 4% of net electricity revenue
- Rebates at 7% of net electricity revenue
- Rate Stabilization Reserve Balance at Max (75% of operating expenses)

In FY 2019/20...

- Customer rebates, offered as monthly discounts, are assumed at \$19.2mil or 7% of revenue.
- Program funding balance at the end of FY 2018-19, estimated at \$6 million, will rollover to FY 2019-20. The accumulated program fund will allow for several additional programs to be launched next year. These programs will meet a variety of quantitative and qualitative objectives, including GHG emissions reductions, raising brand awareness, providing access to renewable resources and EVs for disadvantaged communities. Programs will fall into one of three categories:
 - **Transportation electrification** programs are designed to encourage the community to switch from fossil fuel-powered vehicles to clean electric options
 - **Building Electrification** programs will motivate customers to upgrade building stock by switching from gas to clean electric appliances and efficient building equipment
 - **Local Energy Resources** programs prioritize opportunities to support local development and reduce grid dependence and include storage and demand management programs

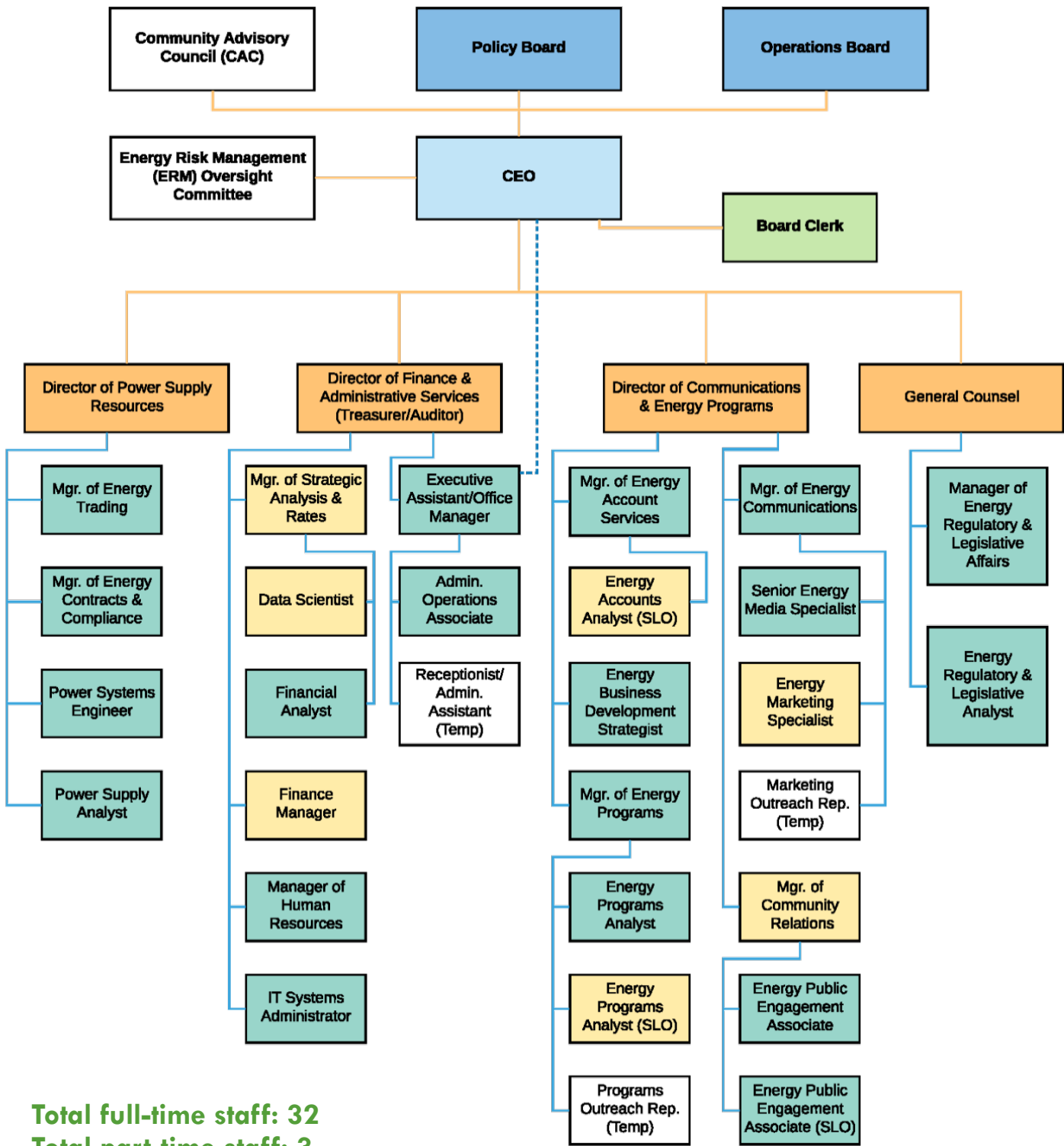
5-Year Financial Proforma Assumptions

- PG&E rates increases by 7.4% beginning in 2020.
- Load growth at 0.25% annually.
- 5% inflation rates each year for Non-Power Supply Expenses.



Organizational Chart

Proposed MBCP Organizational Chart



Note: 7 New headcounts are highlighted in yellow.

CCA FY 2019/20 Budget Comparison

COMPARISON ACROSS MULTIPLE CCAS FY 2019-20 PROPOSED BUDGETS (\$ in thousands)

Fiscal Year	10/1 - 9/30		4/1 - 3/31		7/1 - 6/30		7/1 - 6/30		10/1 - 9/30	
(\$ in thousands)	2019/20 Budget MBCP % of Rev		2019/20 Budget MCE % of Rev		2019/20 Budget EBCE % of Rev		2019/20 Budget PCE % of Rev		2019/20 Budget SVCE % of Rev	
NET REVENUE AND OTHER SOURCES										
Total net revenue and other sources	275,229	100.5%	358,698	100.9%	465,380	100.1%	270,182	100.9%	320,330	100.7%
EXPENDITURES AND OTHER USES										
CURRENT EXPENDITURES										
Cost of energy	176,488	64.4%	318,036	89.4%	387,262	83.3%	216,549	80.9%	244,640	76.9%
Power supply services	3,931		8,343		9,011		5,078		4,880	
Other expenditures	9,627		17,980		14,567		10,157		11,960	
Total current expenditures	190,046	69.4%	344,359	96.9%	410,840	88.4%	231,784	86.6%	261,480	82.2%
OTHER USES										
Capital outlay	4,092	1.5%	259	0.1%	0	0.0%	98	0.0%	400	0.1%
Total other uses	4,092	1.5%	259	0.1%	0	0.0%	98	0.0%	400	0.1%
Fund balance surplus BEFORE Rebate, Program and Reserve	81,092	29.6%	14,080	4.0%	54,540	11.7%	38,300	14.3%	58,450	18.4%
Rebate Expenditures	19,176	7.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Program Expenditures	10,958	4.0%	846	0.2%	3,640	0.8%	5,094	1.9%	6,360	2.0%
Fund balance surplus AFTER Rebate and Program	50,958	18.6%	13,234	3.7%	50,900	11.0%	33,205	12.4%	52,090	16.4%

	MBCP	MCE	EBCE	PCE	SVCE
Customer Accounts	272,000	470,000	533,000	293,000	270,000
Footprint (sq. mi)	5,787	2,348	760	744	1,070
Total Consumption (GWh)	3,245	5,000	6,013	3,583	3,916
Number of Juristictions	21	32	12	21	13

CCA FY 2019/20 Proposed Budget Comparison

For the purposes of comparing our proposed revenue and expenditures with those proposed by other CCAs we compiled the FY 2019-20 Proposed Budgets of MCE, East Bay Community Energy (EBCE), Peninsula Clean Energy (PCE), and Silicon Valley Clean Energy (SVCE).

	MBCP	MCE	EBCE	PCE	SVCE
Cost of Energy - \$/kWh	\$ 0.05590	\$ 0.06361	\$ 0.06440	\$ 0.06044	\$ 0.06247
Power Supply Services - \$/kWh	\$ 0.00124	\$ 0.00167	\$ 0.00150	\$ 0.00142	\$ 0.00125
Other Expenditures - \$/kWh	\$ 0.00305	\$ 0.00360	\$ 0.00242	\$ 0.00283	\$ 0.00305
Capital Outlay - \$/kWh	\$ 0.00130	\$ 0.00005	\$ -	\$ 0.00003	\$ 0.00010
Rebate - \$/kWh	\$ 0.00607	\$ -	\$ -	\$ -	\$ -
Programs - \$/kWh	\$ 0.00347	\$ 0.00017	\$ 0.00061	\$ 0.00142	\$ 0.00162
Reserve - \$/kWh	\$ 0.01614	\$ 0.00265	\$ 0.00846	\$ 0.00927	\$ 0.01330

About MBCP

By March 2017, the County Board of Supervisors from Monterey, San Benito and Santa Cruz counties as well as City Councils in sixteen local communities voted to establish the Joint Powers Authority, Monterey Bay Community Power (MBCP). In December 2018, MBCP approved the inclusion of the Cities of San Luis Obispo and Morro Bay as part of the expansion into San Luis Obispo County. MBCP was formed to provide locally-controlled, carbon-neutral electricity to residents and businesses in Monterey, San Benito and Santa Cruz Counties through the Community Choice Energy (CCE) model established by the State of California.



CCE is an opportunity to change the electricity market and provide residents and businesses with a new choice. A CCE functions as a new electricity provider and is locally operated and administered. The agency buys power on the open market encouraging the kind of competition that can result in more carbon free energy sources contributing to the energy grid at lower rates. California state policy allows local governments to form a CCE to pool electricity demand within and across their communities.

MBCP Major Milestones

Feb
2017

- Monterey Bay Community Power established

Nov
2017

- MBCP Implementation Plan certified by the CPUC

Mar
2018

- **Phase 1 enrollment launched** - Commercial customers

Jun
2018

- Policy Board appoints the Community Advisory Council (CAC)

July
2018

- **Phase 2 enrollment launched** - Residential customer & NEM
- New 100% eligible renewable service offering, MBprime launched

Sept
2018

- MBCP pays off start up loans in full and ahead of schedule

Nov
2018

- Signing of solar + storage contracts set to increase US storage capacity 12%
- MBCP delivers \$4.4 million in rebates

Dec
2018

- Cities of San Luis Obispo and Morro Bay join MBCP JPA

Mar
2019

- MBCP launches "Project Sunshine" - affordable housing incentive program

May
2019

- MBCP launches MBeVIP - electric vehicle incentive program

Our Boards

MBCP is governed by two Boards, a Policy Board and an Operations Board. Each Board is comprised of 12 members with 12 alternates representing the participating communities. Policy Board Members are elected officials from MBCP member communities; and Operations Board Members are appointed executives leading the members cities and counties.

MBCP Policy Board formed a Community Advisory Council comprised of 12 members appointed from member communities.



2019 Policy Board



Chair
Bruce McPherson
County of Santa Cruz



Vice Chair
Steve McShane
City of Salinas



Member
Alan Haffa
City of Monterey



Member
Jane Parker
County of Monterey



Member
Jaime De La Cruz
County of San Benito



Member
John Freeman
City of San Juan Bautista



Member
Heidi Harmon
City of San Luis Obispo



Member
Sandy Brown
City of Santa Cruz



Member
Ian Oglesby
City of Seaside



Member
Jack Dilles
City of Scotts Valley



Member
Anna Velazquez
City of Soledad



Member
Trina Coffman-Gomez
City of Watsonville

2019 Operations Board



Chair
Rene Mendez
City of Gonzales



Vice Chair
Ray Corpuz
City of Salinas



Member
Hans Uslar
City of Monterey



Member
Lew Bauman
County of Monterey



Member
Ray Espinosa
County of San Benito



Member
Don Reynolds
City of San Juan Bautista



Member
Derek Johnson
City of San Luis Obispo



Member
Martin Bernal
City of Santa Cruz



Member
Carlos Palacios
County of Santa Cruz



Member
Jenny Haruyama
City of Scotts Valley

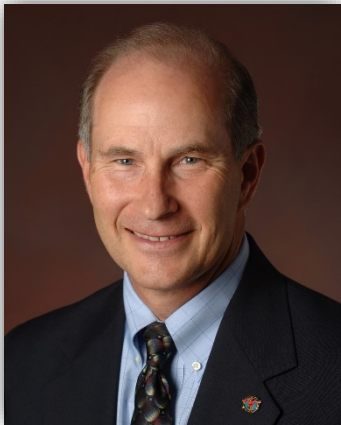


Member
Craig Malin
City of Seaside



Member
Matt Huffaker
City of Watsonville

2019 Community Advisory Council



Chair
Jeff Byron
County of Monterey



Vice Chair
Natalie LaVan
County of Santa Cruz



Member
Horacio Amezcuita
County of Monterey



Member
Norman Groot
County of Monterey



Member
Richard Stedman
County of Monterey



Member
Amy Wolfrum
County of Monterey



Member
Seth Capron
County of San Benito



Member
Ludmila Wist
County of San Benito



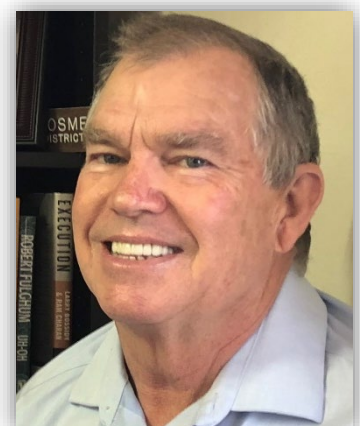
Member
Brandon O'Rourke
County of San Luis Obispo



Member
Allen Bueno del Bosque
County of Santa Cruz



Member
Brian Kimball
County of Santa Cruz



Member
Dennis Osmer
County of Santa Cruz