



**Community Advisory Council**

Wednesday, June 24, 2020

4:00 PM

**Monterey Bay Community Power (MBCP)**

**70 Garden Court, Suite 300**

**Monterey, CA 93940**

**IMPORTANT NOTICE REGARDING COVID-19 MEETING REQUIREMENTS**

The special procedures in place to minimize the spread of the COVID-19 virus may supersede general meeting procedures and delay distribution of materials to members, although every effort will be made to ensure comments and materials received prior to the meeting end will be made part of the record.

Based on guidance from the California Department of Public Health and the California Governor's Office, in order to minimize the spread of the COVID-19 virus, please do the following:

1. You are strongly encouraged to observe the live stream of the MBCP CAC meeting at:

<https://mbcommunity.onbaseonline.com/1800AgendaAppNet/Meetings/Search?dropid=4>

2. The MBCP Board Room remains open. If you attend the MBCP CAC meeting in person:

- a. You will be required to (i) wear a mask during the meeting and (ii) maintain appropriate social distancing, ie, maintain a 6-foot distance between yourself and other individuals.
- b. Additional seating with audio of the MBCP CAC meeting will be available in the MBCP Main Conference Room, located at 70 Garden Court, Suite 300, Monterey, CA 93940. Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact Heather Vowell, Board Clerk, at 831-641-7216 or [HVowell@MBCP.org](mailto:HVowell@MBCP.org). Requests should be made as soon as possible but at least 72 hours prior to the scheduled meeting.

3. If you choose not to attend the MBCP CAC meeting but wish to make a comment on a specific agenda item, you may please submit your comment as set out below. The timing of public comment shall be at the discretion of the Chair. Options for public comment are as follows:

- a. Submit your comment via email by 5:00 p.m. on the Tuesday prior to the meeting. Please submit your comment to the Clerk of the Board at [publiccomment@mbcp.org](mailto:publiccomment@mbcp.org). To assist the Clerk in identifying the agenda item relating to your public comment please indicate in the Subject Line, the meeting body (i.e. Operations Board Agenda) and item number (i.e. Item No. 3). Your comment will be placed into the record at the Board meeting.
- b. If you are watching the live stream of the Board meeting and wish to make either a general public comment for items not on the day's agenda or to comment on a specific agenda item as it is being heard, please submit your comment, limited to 250 words or less, to the Clerk of the Board at

publiccomment@mbcp.org. To assist the Clerk in identifying the agenda item relating to your public comment please indicate in the Subject Line, the meeting body (i.e. CAC Agenda) and item number (i.e. Item No. 3). Your comment will be placed into the record at the Board meeting.

Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations. Comments received after an agenda item will be made part of the record if received prior to the end of the meeting.

You may participate through ZOOM. For ZOOM participation please join by computer audio at:

<https://us02web.zoom.us/j/87205655303>

Or join by phone:

Dial(for higher quality, dial a number based on your current location):

US: +1 669 900 6833 or +1 346 248 7799 or +1 253 215 8782 or +1 312 626 6799 or +1 929 205 6099 or +1 301 715 8592

Enter this Webinar ID Number: **872 0565 5303** when prompted. Please note there is no Participant Code, you will just hit # again after the recording prompts you.

You will be placed in the meeting as an attendee; when you are ready to make a public comment if joined by computer audio please Raise your Hand; and by phone please push \*9 on your keypad.

If you have anything that you wish to be distributed to the Council please provide 15 copies and hand them to a member of MBCP staff or Heather Vowell, Board Clerk, who will distribute the information to the Council members and other staff.

The public may comment on a specific item listed on this agenda when the Board considers that item. In addition, the members of the public may request and receive copies without undue delay of any documents that are distributed to the Board, unless there is a specific exemption under the Public Records Act that prevents the disclosure of the record. (Cal. Gov't Code Section 54957.5)

In compliance with Government Code Section 54957.5, non-exempt writings that are distributed to a majority or all of the Board in advance of a meeting and that relate to an agenda item will be made available at MBCP's offices located at 70 Garden Court, Suite 300, Monterey, CA 93940 during normal business hours and are also available on the [MBCP website](http://www.mbcommunitypower.org/about/meetings/) located at: <http://www.mbcommunitypower.org/about/meetings/>.

## **AGENDA**

- . Welcome & Roll Call
- . Public Comment on Matters Not Listed on the Agenda  
*The public may provide comments on any item within the CAC's jurisdiction but not on the Agenda. The CAC may not take action at this meeting on any item not listed on the Agenda other than to refer the matter to staff or set it for a future meeting. Speakers are limited to 3 minutes each.*
- . Corrections and Additions  
*The CAC Clerk will announce agenda corrections and proposed additions of emergency, urgency, or continued items, which will be acted on by the CAC as provided in Sections 54954.2 of the California Government Code.*

## **CONSENT AGENDA**

1. Approve Minutes from the May 27, 2020 Regular Meeting of the Community Advisory Council (Action Item)

## **REGULAR AGENDA**

2. CEO's Report (Discussion Item)
  - a) Staff Updates
  - b) Approved Re-Organization
  - c) Approval of Central Coast Community Energy
  - d) Governance Committee Changes
  - e) Update on Special Policy Board Meeting
  - f) PCIA Increase
  - g) California Energy Commission ("CEC") Power
  - h) Resource Adequacy and Integrated Resource Plan Update
3. Receive Update Regarding Cost of Service and Rate Design and Support Seeking Approval of Continuing the Current Monthly Discount Rate Structure in FY2020/2021 (Action Item)
4. Receive Presentation on MBCP's Draft Outreach & Customer Engagement Strategy and Discuss Empowering the Community Advisory Council (CAC) to Promote More Effective Outreach (Discussion Item)
5. Receive Presentation on MBCP Proposed FY 20/21 Energy Programs and Proposed Timeline for CAC Engagement for FY 21/22 Energy Programs Development (Discussion Item)
6. Recommend Adoption of Resolution Supporting Rate Assistance Programs (Action Item)

7. Receive and Approve Nominating Committee Recommendations for Community Advisory Council Chair and Vice Chair (Action Item)
- . Recognition of Vice Chair La Van for Her Contributions to the Community Advisory Council and Monterey Bay Community Power Authority
- . CAC Member Reports & Comments (Information Only)  
*CAC members will have the opportunity to provide brief announcements and reports on their own activities that are not within the purview of the CAC.*
- . Adjournment



**Community Advisory Council**

Wednesday, May 27, 2020

4:00 PM

**Monterey Bay Community Power (MBCP)**

**70 Garden Court, Suite 300**

**Monterey, CA 93940**

**MINUTES**

The meeting was called to order by Chair Byron at 4:04 p.m. with 10 members attending via teleconference pursuant to Governor Newsom's Executive Order N-29-20 and a quorum established.

Councilmembers Present Remotely: Amezquita, Dr. Bueno, Bezzerá Wist, Capron, Groot, Kimball, O'Rourke, Osmer, Stedman, Chair Byron

Councilmembers Absent: Wolfrum, Vice Chair LaVan

The Chair called for public comments on matters not listed on the agenda.

The following individuals had their comments distributed to the council or read into the record for items not listed on the agenda.

- Michael Saint
- Jill ZamEk
- Michal Judith Gillman
- Klaus Schumann
- Catharine Krupp
- Joan Carter
- Thomas Rippner
- Vicki Bookless
- Patrice Horspool
- Dawn Borst
- David Nelson
- Susan Pyburn
- Richard E.T.Sadowski
- Rosemary Wilvert
- Calvin Wilvert
- Kathleen Hilton
- Ann Dusenberry
- Timothy Irving
- Paul Provence

- Peter G. Sarafian, PhD
- Derek Bell
- Gary Corsiglia
- Jack Shoulders
- W. Yip
- Brett Garrett
- Lucy Jane Swanson
- Elaine Holder
- Molly P Johnson
- Cynthia Hawley
- Carole Hisasue
- David Weisman
- Marty Brown
- Fred Fink
- Sherry Lewis
- Daniel Hirsch

The Chair closed the public comment period.

#### **CONSENT AGENDA**

- 1 Approved the Minutes from the April 22, 2020 Community Advisory Council Meeting were approved as submitted.

**MOTION:** Councilmember Groot motioned to approve, seconded by Councilmember O'Rourke.

The Chair opened the public comment period. There were no comments from the public received.

The Chair closed the public comment period

**ACTION:** The motion carried with a 10/0/2/0 vote.

AYES: Amezcuita, Bezzera-Wist, Dr. Bueno, Capron, Groot, Kimball, O'Rourke, Osmer, Stedman, Chair Byron

NOES: None

ABSENT: Wolfrum, Vice Chair LaVan

ABSTAINED: None

#### **REGULAR AGENDA**

2. Received CEO's Report
  - (a) Staff Updates
  - (b) Power Supply Update
  - (c) Progress Update on Rate Design
  - (d) Rate Assistance Options
  - (e) SB 350 (Hill, Dodd, McGuire, Holden) Update

The Chair opened the public comment period. There were no comments from the public received.

The Chair closed the public comment period

**ACTION:** Discussion item only; no action taken.

3. Received Presentation on Governance Committee Recommendations and Support moving the recommendations to the Policy Board for Approval.

**MOTION:** Councilmember Osmer motioned to support recommendation with changes to suggested by Councilmember Capron to increase number of meetings to 10 inclusive of the annual meeting, seconded by Councilmember Capron .

**ACTION:** The motion fails with a 4/7/1/0 vote.

AYES: Amezquita, Dr. Bueno, Capron, Osmer

NOES: Bezzera- Wist, Groot, Kimball, O'Rourke, Stedman, Wolfrum (arrived at 5:27pm), Chair Byron

ABSENT: Vice Chair LaVan

ABSTAINED: None

**MOTION:** Councilmember Osmer motioned to support recommendation with *amendment to Section 2.01 – Purpose - to read as follows: "The CAC shall publicly discuss and provide in-depth review of recommendations and discussion items provided by CCCE staff or the CAC to be presented to the CCCE Boards regarding implementation, development and prioritization of CCCE's energy plans and programs in support of the Authority's Key Goals, summarized as follows:"*, seconded by Councilmember Capron .

**ACTION:** The motion carried with a 11/0/1/0 vote.

AYES: Amezquita, Bezzera-Wist, Dr. Bueno, Capron, Groot, Kimball, O'Rourke, Osmer, Stedman, Wolfrum, Chair Byron

NOES: None

ABSENT: Vice Chair LaVan

ABSTAINED: None

**MOTION:** Councilmember Groot moved to recommend approval of the Operating Rules and Regulations and CAC Bylaws with changes to Article IV Section A removing the months that we meet in to be determined by Staff or the Council, seconded by Councilmember Stedman.

The Chair opened the public comment period. The following individual(s) comments were distributed or read to the Council.

- Eric Veium
- John Smigelski

The Chair closed the public comment period

**ACTION:** The motion carried with a 11/0/1/0 vote.

AYES: Amezquita, Bezzera-Wist, Dr. Bueno, Capron, Groot, Kimball, O'Rourke, Osmer, Stedman, Wolfrum, Chair Byron

NOES: None

ABSENT: Vice Chair LaVan

ABSTAINED: None

4. The Chair established a Two Member Ad Hoc Committee to Present Nominations for Community Advisory Council Chair and Vice Chair for Consideration and Final Action at the Community Advisory Council's June 2020 Meeting.

**MOTION:** Councilmember Capron motioned to approve, seconded by Councilmember Groot.

The Chair opened the public comment period. There were no comments from the public received.

The Chair closed the public comment period

**ACTION:** The motion carried with a 11/0/1/0 vote.

AYES: Amezquita, Dr. Bueno, Capron, Groot, Kimball, O'Rourke, Osmer, Stedman, Wolfrum, Chair Byron

NOES: None

ABSENT: Vice Chair LaVan

ABSTAINED: None

#### **INFORMATION ITEMS**

. CAC Member Reports & Comments (Information Only)

5. CAC Annual Agenda Calendar

**ACTION:** Information Item, no action taken

. Adjournment 7:51pm



**CEO's Report**

**TO:** MBCP Community Advisory Council

**FROM:** Tom Habashi, Chief Executive Officer

**SUBJECT:** CEO's Report (Discussion Item)

**DATE:** June 24, 2020

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**STAFF UPDATES**

Mi Ra Park joined MBCP as an HR Generalist on June 16, 2020. Mi Ra is an established public sector human resources professional with experience serving a wide range of local government agencies along the Central Coast. While at Regional Government Services, a joint powers authority that provides consulting and management support for local government, Mi Ra provided guidance in developing sound human resource policies and procedures as well as handling sensitive staffing issues, benefits, and organizational development support. Mi Ra is a graduate of California State University at Monterey Bay and an International Public Management Association of Human Resources certified professional.

**APPROVED RE-ORGANIZATION**

In response to the increased challenges on community choice energy programs and the related demands on the CEO, the Policy Board approved a general reorganization and staffing increase to better serve MBCP's community energy needs. The Board approved reclassifying the current General Counsel and Director of Finance and Administrative Services to Chief Operating Officer/General Counsel and Chief Financial and Technology Officer, respectively. The Board also approved the addition of eight total new positions in FYs 19/20 and FY 20/21.

Dan Bertoldi will serve as the Interim Director of Energy Programs and Stephen Keehn will serve as the Interim Director of Regulatory and Legislative Affairs.

## **APPROVAL OF CENTRAL COAST COMMUNITY ENERGY**

On June 3, 2020, the Policy Board unanimously approved Resolution PB-2020-02 amending the MBCP JPA and changing the agency's name from Monterey Bay Community Power Authority to Central Coast Community Energy effective Sept 4, 2020. Additionally, the Policy Board unanimously approved the following logo and tagline:



"Clean Energy, Local Control."

## **GOVERNANCE COMMITTEE CHANGES**

At its June 3, 2020 meeting, the Policy Board approved the Governance Committee's recommendations to improve communication and involvement between MBCP and its member jurisdictions.

The recommendations included amendments to the MBCP Operating Rules and Procedures (introduced at the June 3, 2020 meeting): (1) creating non-voting Limited Members seats for non-seated shared-seat members at the Policy and Operations Boards; and, (2) establishing an Annual Joint Meeting of both Boards and the Community Advisory Council (CAC). Separate amendments to the CAC Bylaws reduced the number of CAC meetings from 10 to 7 meetings and limited the number of CAC members to 15. The reduced CAC meeting schedule will be supplemented with a staff supported outreach effort connecting CAC members to community, business, and advocacy groups in our area.

Other operational recommendations include member support efforts including annual member presentations; a memorandum of understanding best practice guide; and new member onboarding packets.

## **UPDATE ON SPECIAL POLICY BOARD MEETING**

At a June 10, 2020 Special Meeting, the Policy Board re-considered its earlier direction regarding acceptance of carbon-free attributes ("CFAs") generated by Diablo Nuclear Power Plant ("DNPP").

Following a lengthy meeting with significant community input, the Board directed staff to reject the 2020 allocation of nuclear CFAs but to continue MBCP’s self-imposed 100% carbon-free commitment and to bring the matter back to the Board within six months. Upon the return of the item the Board requested the staff provide greater analysis of the potential impacts of the rising Power Charge Indifference Adjustment, cost of market sourced large hydro CFAs, the environmental benefits of CFAs, and other regulatory or cost constraints facing MBCP as related to the question before the Board.

### PCIA INCREASE

	CPUC-Approved Electric Procurement Revenue Requirements				
	In \$millions				
	2016	2017	2018	2019	2020
Allocated to PG&E bundled customers	\$4,275	\$3,952	\$2,633	\$1,653	\$1,798
Allocated to CCA and DA customers	\$136	\$246	\$632	\$1,043	\$3,056
Regulatory mandated resources	\$181	\$207	\$152	\$131	\$205
Residual of first bankruptcy	\$235	\$77	\$82	\$80	\$112
Totals	\$4,827	\$4,482	\$3,499	\$2,907	\$5,171

### CALIFORNIA ENERGY COMMISSION (“CEC”) POWER

Following the passage of AB 1110, the CEC has undertaken amendments to its rules regarding the Power Content Label. Specifically, the CEC changes will compel LSEs to report all the energy they acquire, include emissions associated with hydro, geothermal and renewable bio generation, while also making it more difficult to procure carbon free attributes separately from energy. These changes will ultimately make showing 100% carbon free more difficult in future years.

### RESOURCE ADEQUACY AND INTEGRATED RESOURCE PLAN UPDATE

Some parties to Resource Adequacy (“RA”) proceedings at both the CPUC and the CAISO are considering whether energy requirements should be added to existing RA requirements. If adopted, such a proposal would be a significant departure from the current RA scheme, which acts as a capacity “insurance” separate from the delivery of energy.

Similar concepts are being considered in the Integrated Resource Plan (“IRP”) procedures. The IRP is a ten-year planning document through which the CPUC certifies that the generation

sources being relied on by load serving entities (“LSEs”) have are appropriately diverse to meet the system’s overall demand. The CPUC is considering requirements that LSEs demonstrate that they can reliably provide for the energy needs of the LSE across the entire year and potentially that LSE procured resources be capable of meeting energy needs of the LSE across the entire 24 hours 7 days a week for the month or year. To the extent that storage is part of the resource mix, current proposals would require that the portfolio ensure that there is enough excess generation to be able to charge the storage fully to ensure it can provide energy when needed. These analyses also examine situations when potential weather conditions would prevent solar and/or wind resources from generating at full capacity for several days.

Such changes are being considered as the increase in renewable generation and lagging battery technologies have regulators concerned that LSE’s will not be able to meet peak demand. California Independent System Operator has presented data showing that the tightest supply is moving past the peak hour to slightly later in the day when demand remains high but most solar resources are no longer producing.

MBCP procurement has include baseload eligible renewables as part of its energy mix and is currently working with other CCAs to explore long duration storage proposals. Additionally, MBCP’s procurement has consistently required storage as part of any long-term solar procurement. Such actions seek to address the concerns being raised in the RA and IRP proceedings, but additional measures will likely be necessary.

**ATTACHMENTS:**

1. Update on FY 19/20 Energy Programs
2. Regulatory Update (Information Only)
3. Community Advisory Council Bylaws Approved (Information Only)
4. CAC Annual Calendar of Agenda Items (Information Only)

**Memorandum**

**TO:** MBCP Community Advisory Council

**FROM:** Tom Habashi, Chief Executive Officer

**DATE:** 6/24/2020

**RE:** Update on FY 19/20 Energy Programs

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Staff continues to develop and implement MBCP's Energy Programs for a broad range of customers to advance building electrification, transportation electrification, and community resiliency. Provided in this Memorandum is an update on Energy Programs launched in FY 19/20.

Zero Emissions School Bus Program (\$1.2 million)

On May 13, 2020, the Operations Board authorized the CEO to execute a Memorandum of Understanding (MOU) with Monterey Bay Air Resources District (MBARD) to partner on MBARD's Zero Emissions School Bus Program. The MOU allows MBARD to administer MBCP's contribution of \$1.2 million (\$200K per bus), as part of MBARD's existing Zero Emissions School Bus Program (ZESBP), along with other state funding sources to replace six (6) traditional diesel school buses with all-electric buses. Eligible recipients of MBCP funds are public schools/school districts who are enrolled in MBCP electricity service and who are located within the Counties of Monterey, Santa Cruz, and San Benito. On June 17, 2020, MBARD opened applications to allow for schools to apply for MBCP funds. As of this report, MBARD has received four (4) applications. MBCP staff is in the process of determining Program eligibility for these applications. MBCP's Zero Emissions School Bus Program webpage is found at the following address: <https://www.mbcommunitypower.org/zero-emission-school-bus-program/#>

Uninterruptible Power Supply Fund Program (\$25 million)

After receiving Policy Board approval, on March 23, 2020, MBCP launched the UPS Fund Program to begin receiving applications from *public sector* customers operating critical facilities within MBCP's service area. As part of this launch, staff has developed a UPS Fund Program webpage (<https://www.mbcommunitypower.org/ups-fund/#>) to inform interested potential applicants and to guide them to the online customer application. The application for public sector customers is currently active, while applications for *private sector* customers will be made available pending further negotiations with Santa Cruz County Bank.

To provide a pre-vetted pool of vendors as an option for UPS Fund Program participants, staff conducted a request for qualifications (RFQ) to pre-qualify energy service company (ESCO) vendors. After receiving seven highly qualified RFQ responses, staff selected the following vendors: Sandbar Solar & Electric, Ameresco Inc., and Swell Energy Inc. UPS Fund Program participants will have the option to solicit proposals from the three vendors or any vendor of their choosing.

#### Reach Code Incentive Program (\$100K)

In parallel with the launch of the MUD Electrification Grant Program, staff launched the Reach Codes Incentive Program. This program sets out to provide MBCP member jurisdictions with \$15,000 in incentives for the adoption and codification of an all-electric building code ordinance that exceed California's Title 24 building codes ("Reach Codes"). In addition to the incentives available to MBCP member agencies, staff will provide resources, such as staff reports and ordinance examples, to help member agency staff bring the reach code ordinance to their respective governing bodies for adoption.

#### Central Coast Incentive Project (CCIP)/CALeVIP (\$1 million)

Since its launch in October 2019 to provide \$7 million in EV infrastructure incentives across the counties of Monterey, Santa Cruz, and San Benito, the CALeVIP - Central Coast Incentive Program (CCIP) has reserved a total of \$3.7 million for DC Fast Charger (DCFC) implementation and \$733,000 for Level-2 (L2) charger implementation. Approximately \$2.1 million in applications are still pending review. A total of \$421,000 is still available for L2 charging stations in Monterey County. Staff is still in the process of working with the Center for Sustainable Energy (CSE), the third-party vendor hired to administer the program, to allocate MBCP's \$1 million equitably across eligible applicants of the CCIP. The CALeVIP – CCIP webpage is found at the following address: <https://calevip.org/incentive-project/central-coast>

### Residential Electric Distribution (RED) Program (\$1 million)

To complement the Uninterruptible Power Supply (UPS) Fund Program, the Policy Board, during the March 9, 2020 meeting, approved a budget allocation of \$1 million for the Resilient Electric Distribution (RED) Program. The RED Program will target MBCPs most vulnerable customers (medical-baseline and low income) to provide energy resiliency during prolonged power outages. Staff is in the process of developing the RED Program design and will return with an update at a subsequent meeting.

### Agricultural Equipment Electrification Program (\$160K)

Staff is designing an Agricultural Equipment Electrification Program (\$160K) to replace traditional diesel irrigation pumps, tractors, and other ag-related equipment with all-electric option. To help guide the program design process, staff has solicited input from ag industry stakeholders, include the Monterey County Farm Bureau, the Monterey County Grower Shipper Association, the San Benito County Business Council, and the Salinas Valley Chamber of Commerce. The Program will be designed as a pilot to inform on future ag electrification programs. Staff will return with an update at a subsequent meeting.

### Residential Electrification Program (\$295k)

Staff is in the process of designing a Residential Electrification Program that will provide incentives for all-electric heat pump water heaters (\$135K), in-home electric Vehicle Chargers (\$160K), as well as panel upgrades to support the in-home electrification upgrades. Details of this program are still under development. Anticipated launch of the Program is summer 2020.

### Community-Wide Greenhouse Gas Emissions (GHG) Inventories

At its May 13, 2020 meeting, the Operations Board authorized the CEO to execute a MOU with the Association of Monterey Bay Area Governments (AMBAG) for the development of annual Community-wide GHG Inventories for each of the MBCP Member Agencies. AMBAG's Board of Directors approved the MOU on June 10, 2020.

As a first step, during FY 19/20 AMBAG will develop GHG Inventories on behalf of the current 21 MBCP member jurisdictions enrolled in MBCP's electricity service as of January 2020. MBCP will allocate the same level of funding (\$5,400 per jurisdiction) for AMBAG to complete GHG Inventories for all new member jurisdictions in San Luis Obispo (SLO) and Santa Barbara Counties. The MOU provides an approach for MBCP to fund GHG Inventories for new jurisdictions after they initiate MBCP electricity service in 2021.

AMBAG and MBCP have sought additional funding from stakeholders in San Luis Obispo and Santa Barbara Counties to cover added costs for first time GHG Inventories for non-AMBAG jurisdictions which require more resources to prepare. The supplemental funding opportunities are subject to further negotiation and would require future approvals by any funding entity's governing body. AMBAG, to complete a GHG Inventory for the entire Central Coast, is also seeking additional funds from stakeholders to cover fees for non-MBCP member jurisdictions who would not receive MBCP funds.



## Regulatory Update

### Resource Adequacy (RA)

- Central Procurement Entity (CPE): On 6/11 the CPUC issued a Decision D.20-06-002 that establishes PG&E and SCE as the CPE for local RA in their service territories and establishes a “hybrid” CPE. Rather than adopt MBCP’s proposal of a full procurement CPE utilizing a single clearing price auction to provide load serving entities (LSE) with a market price for local RA, the Commission ordered CalCCA to lead a working group with either PG&E or SCE to develop an “LCR reduction compensation mechanism.”
- On the CPUC agenda for their June 25, 2020 meeting are proposed decisions dealing with Import RA Rules, and Track 2 of R.19-11-009, which will adopt Local Capacity Obligations for 2021-2023, Flexible Capacity Obligations for 2021, and other items refining the RA program, including counting conventions for hydro, hybrid (storage combined with other resources), demand response, and other resources, as well as Maximum Cumulative Capacity Buckets which limit how use-limited resources can count for RA, and other issues, such as penalties and waivers. MBCP worked with CalCCA on comments and reply comments on both of these proceedings.
- R.19-11-009 Track 3: MBCP has been working with CalCCA and other stakeholders on potential proposals to redefine the requirements for RA. These proposals will likely include some type of energy requirement in addition to the existing capacity requirement.

### Integrated Resource Planning (IRP)

- MBCP is working on filing its IRP on September 1, 2020. Recent CPUC decisions and rulings have established the reference system portfolio and cases (amount of GHG emissions) that must be presented, as well as the load forecasts to be used.
- On September 1 MBCP will file its compliance with the procurement ordered in D.19-11-016 to meet the need for resources in the 2021-23 time frame.

### Direct Access (DA) (R.19-03-009)

- CPUC Staff is working on a study about whether DA can be further expanded. The CPUC was supposed to provide the report to the legislature by 6/1/20. This has been delayed. MBCP took part in workshops on this issue in January and worked with CalCCA on comments. It is not known when the report will be issued.

### De-Energization/Public Safety Power Shut-off (PSPS)

- A PD was issued on 4/27 and approved at the 5/28 meeting. MBCP has worked with CalCCA on comments and reply comments emphasizing the need for CCAs to be included in the PSPS planning process. MBCP continues to work with CalCCA on analyzing the recent report from the CPUC’s Safety and Enforcement Division on last year’s PSPSs and in the Order Instituting Investigation into PSPS.

### Renewable Portfolio Standards (RPS)

- MBCP is preparing its annual RPS filing to the CPUC, which is due 6/29 this year.

# **Community Advisory Council (CAC) Bylaws**

**Approved by the Policy Board of Directors on June 3, 2020**

Central Coast Community Energy  
70 Garden Court, Suite 300  
Monterey, CA 93940

## **Central Coast Community Energy Community Advisory Council (CAC) Bylaws**

### **Article I.     Role of CAC**

As prescribed by the Policy Board of Central Coast Community Energy (“CCCE” or the “Authority”), the Community Advisory Council (“CAC”) shall consist of fifteen (15) members appointed from each county with CCCE’s service area (Monterey County, Santa Cruz County, San Benito, San Luis Obispo, and Santa Barbara County) and representing a diversity of customer classes and interests. The CAC’s activities shall include:

- (a) Act as a liaison to the community by engaging in community outreach to assist and support CCCE, as well as seeking the views of various groups of customers and potential customers of CCCE regarding CCCE proposals and policies;
- (b) Provide feedback to CCCE Policy and Operations Boards (the “Boards”) and staff (“Staff”) on proposals and policy recommendations; and,
- (c) Assist with legislative advocacy in furtherance of CCCE’s key goals.

The CAC shall act in an advisory capacity to the Policy Board and Operations Board of CCCE (collectively, the “Boards”), and the Policy Board of CCCE shall at all times be the final decision-making body on all matters related to CCCE as defined in the JPA and the CCCE Operating Rules and Regulations.

### **Article II.     Purpose, Functions and Reporting Requirements**

**Section 2.01 Purpose.** The CAC shall publicly discuss and provide in-depth review of recommendations and discussion items provided by CCCE staff or the CAC to be presented to the CCCE Boards regarding the implementation, development and prioritization of CCCE’s energy plans and programs to support the Authority’s Key Goals, summarized as follows;

- (i) To source electric supplies that will reduce, if not eliminate, greenhouse gas emissions in the electric utility sector and to adopt programs that would minimize GHG emissions in the transportation, industrial and home building sectors;

- (ii) To provide electric power and other forms of energy to customers at affordable rates;
- (iii) To carry out programs that would reduce energy consumption resulting from burning fossil fuels.
- (iv) To stimulate and sustain the local economy by lowering electric rates and creating local jobs;
- (v) To promote long-term electric rate stability and energy security and reliability for residents through local control of electric generation resources; and
- (vi) To accelerate the State's transition to clean power resources by focusing short and long-term acquisition of electricity generation on renewable resources.

**Section 2.02 Involvement.** The CAC is formed to ensure that all parties, including private citizens, organizations, government agencies and industry, have a local community group to provide feedback on CCCE staff proposals and policy recommendations to the Boards. The CAC endeavors to conduct its business openly, fairly, quickly and effectively.

**Section 2.03 Reporting Requirements.**

- (a) The CAC shall take minutes of its meetings and submit copies of approved minutes to the Policy and Operations Boards.
- (b) The CAC shall be required to provide input on certain matters, as follows:
  - (i) Upon the request of CCCE's CEO;
  - (ii) As directed by the Boards; and
  - (iii) On items placed on CAC meeting agendas by the CAC Chair, in cooperation with Staff; subject to the requirements that,
    - 1) Any agenda items placed on the Agenda shall address issues related to the CAC's role in Article I above;
    - 2) At its discretion, the Chair shall place matters on the agenda for discussion or action as suggested by CAC members; and
    - 3) If the Chair declines to place an item on the agenda as suggested by a CAC member, then the Chair shall put the question to the full CAC on a forthcoming agenda. At that future meeting, the CAC shall vote on whether to place an item on the agenda and such item will be put on a future agenda if approved by a majority of the votes present.

- (c) In its review, the CAC should, to the extent feasible, consider factors related to the general welfare of the citizens within the CCCE service area. These factors include, but are not limited to, the environmental, health, social, economic, political, legislative, legal and employment effects of an issue on the entire Central Coast community. Oversight should advance efforts to meet the of CCCE.
- (d) A representative of the CAC (the “CAC Liaison”) shall attend all Board meetings to provide a summary of the CAC’s most recent actions and discussions, as well as to act as a liaison to the CAC. The CAC’s reports may be supplemented in any or all of the following ways:
  - (i) attachment of the minutes of a CAC meeting;
  - (ii) a letter from the CAC Chair; or
  - (iii) a presentation from the CAC liaison.

The form and content of supplemental transmittal information shall be determined by the CAC, subject to the approval of the Boards.

- (e) Individual CAC members may express an opinion on any recommendation, either supporting or dissenting, by either expressing a personal opinion directly to the Boards or requesting his/her opinion be placed on the record in the meeting minutes and transmitted to the Boards. Such CAC member is responsible for providing the statement to the Board Clerk.
- (f) All CAC members will be expected to support the mission and Key Goals of CCCE, and to align their views and actions with the long-term success of the Authority. CAC members will focus on what is best for the customers, member jurisdictions and employees of CCCE. CAC members are encouraged to ask questions and openly debate relevant issues and be respectful of other opinions and tolerant of other viewpoints.

### **Article III. Membership**

#### **Section 3.01 Member Appointments, Composition and Terms.**

- (a) The number of members and composition of the CAC is established by the Policy Board and set forth in Section 2 of the CCCE Operating Rules and Procedures (CCCE Operating Rules). The CAC shall be comprised of fifteen (15) members.
- (b) If the initial term of a CAC member is less than three years, as set forth in Section 2 of the CCCE Operating Rules, then such CAC member may serve two full 3 year terms following his or her initial term.

- (c) CAC members require no special technical background. Since technical knowledge from some members is essential during CAC deliberations, and non-technical members can become expert with increasing experience, a certain level of continuity in membership is encouraged. Although not required, a good mix of new and seasoned members provides for optimum CAC operation.
- (d) The Board Clerk shall notify the CAC of new and renewed member appointments by the Policy Board.

**Section 3.02 CAC Liaison.** The CAC Chair, or his or her designee, will be the CAC Liaison to the Boards to deliver the CAC's report on the CAC's activities and to respond to questions from the Boards. That said, nothing in these Bylaws prevents any other CAC member from also attending the Board meetings to provide his or her independent views on any matter, including matters considered at meetings of the CAC.

**Section 3.03 No Conflicts of Interest.**

- (a) CAC members represent their communities, professions, and industries, and are appointed with the specific purpose of providing input from these sectors, in both discussion and voting. This is not a conflict of interest.
- (b) No CAC member should vote on a question in which he or she has a personal or pecuniary interest not common to other members of the community. The CCCE General Counsel has developed the following guidelines for CAC members whose financial interest could potentially create a conflict of interest:
  - Publicly (orally) identify the financial interest that gives rise to the conflict of interest, or potential conflict-of-interest, in detail sufficient to be understood by the public. This public identification must be made part of the official public record (i.e. the meeting minutes).
  - State each type of economic interest held (i.e. investment, business position, interest in real property, personal financial effect, or the receipt or promise of income or gifts) which is involved in the decision and gives rise to the conflict of interest.
  - Recuse yourself from discussing and voting on the matter after public identification of the conflict-of-interest has been provided. You shall not be counted toward achieving a quorum while the item is discussed.
  - Leave the room before the discussion of the item until after the discussion, vote, and any other disposition of the matter is concluded.
- (c) CAC members may appear before either Board or elsewhere on committee or energy related issues. However, members must, during every appearance, state for the record that they are expressing either an approved CAC position or their own position. Presentation of majority and/or minority opinions and reports require the same clarification.

- (d) CAC members shall comply with all conflict of interest laws, all regulations promulgated by the California Fair Political Practices Commission (FPPC) and CCCE's Conflict of Interest Code.

#### **Article IV. Time and Location of Meetings**

##### **Section 4.01 Brown Act Requirements.**

- (a) The CAC is a permanent, advisory committee created by the Policy Board, and as such, California Government Code section 54950 et seq. (the "Brown Act") requirements apply to the CAC.

##### **Section 4.02 Regular Meetings.**

- (a) The CAC shall hold seven regularly scheduled meetings per year, in the months of February, April, June, August, October, and December. The time and dates of such regularly scheduled meetings shall be determined by resolution, order, or other formal vote of the CAC with the intention of meetings being held prior to Policy Board meetings in months where both bodies meet. Regular meetings are held at the CCCE headquarters, currently located at 70 Garden Court, Suite 300, Monterey, CA 93940. The CAC can approve amending its regularly scheduled meeting time, date and/or location without having to seek Policy Board authorization.

The CAC will additionally meet as part of the September CCCE Joint Annual Meeting of the Policy and Operations Board of Directors and CAC.

- (b) A quorum must be present by fifteen minutes after the scheduled meeting time. If a quorum is not present by such time, the meeting may be adjourned to a time and place specified in the order of adjournment, subject to the provisions of Section 54955 of the Cal. Gov. Code.
- (c) Attendance being of prime importance to maintain contact between constituents and the CAC, the attendance of members is required at all meetings. Should a member be unable to attend a meeting they should notify the Board Clerk before the meeting. Should any member have more than two (2) absences in a calendar year, the CAC Chair shall send the member a reminder of the attendance policy. Any member who is absent for four (4) regularly scheduled meetings during a calendar year shall automatically be recommended to the Policy Board for termination. Any resulting vacancy shall be filled, at the discretion of the Policy Board, for the duration of the departing member's term.

##### **Section 4.03 Special Meetings.**

- (a) Special meetings may be scheduled and conducted in accordance with

the Brown Act generally and section 54956 specifically.

#### **Section 4.04 Adjournment and Continuances.**

- (a) The CAC may adjourn or continue any regular, special, or adjourned special meeting to a time and place specified in the order of adjournment, provided that the provisions of California Government Code sections 54955 and 54955.1 are complied with by the Board.

#### **Article V. Action at a Meeting, Quorum and Required Vote**

**Section 5.01 Quorum.** The presence of a majority of the members of the CAC shall constitute a quorum for all purposes. If a quorum is not present, no official action may be taken, except roll call and adjournment.

#### **Section 5.02 Required Vote.**

- (a) The affirmative vote of a majority of the members present shall be required for the approval of all matters.
- (b) A motion by any CAC member is required to request a vote on an issue. The motion shall describe the action to be taken.
- (c) A second is required to place the motion before the CAC for a vote. After a motion and a second, all CAC members present shall be polled for a voice vote by the Chair. The results of the vote are reported in the minutes and provided to the Board, as follows:
  - (i) Each CAC member present has one vote;
  - (ii) Voting by proxy is not allowed;
  - (iii) Secret ballots are not allowed; and
  - (iv) The Chair may vote on any issue.
- (d) Recusals shall occur, as follows:
  - (i) CAC members may recuse themselves from voting on an issue for any reason. Members shall announce any economic conflict of interest which requires recusal, and in such case, the reason for such recusal shall be included in the minutes before the member recuses himself or herself; and
  - (ii) Recusals shall be recorded and reported by the Board Clerk during the vote.



## **Article VI. Officers**

**Section 6.01 Officers, Duties and Elections.** The Officers of the CAC shall include a Chair and Vice-Chair who are elected from the CAC membership. The Board Clerk for the CAC shall not be an elected position, but rather shall be the Executive Assistant to CCCE's CEO. Officers shall serve for one year, but there is no limit on the number of terms an Officer may serve. When an officer ceases to be a CAC member, for any reason, the CAC shall hold an election for that office at the next regular meeting. Elections of Officers are held during the first regular CAC meeting in June of each year, or as soon thereafter as the CAC's schedule provides. If elections are delayed, existing Officers will continue to serve through the election. Election votes follow the same rules as regular votes.

**Section 6.02 Duties of the Chair.** The primary duties of the Chair are, as follows:

- (a) Conduct CAC meetings by presiding over discussions, deliberations, and voting. In addition, the Chair shall moderate public discussion and presentations. The Chair shall attempt to provide equal time to all sides and factors. The Chair shall seek to ensure that all members understand the issue under discussion, the motion, and the vote results.
- (b) Verify that a quorum is present prior to the start of official meetings.
- (c) Verify that both roll and minutes are taken by the Board Clerk.
- (d) Poll and allow the public audience to raise issues of discussion not on the agenda during the open public comment portion of the meeting; provided that any responses to such public comments by the CAC or Staff are subject to Brown Act restrictions.
- (e) Ensure that meeting minutes, as prepared by the Board Clerk, are reviewed, corrected if necessary, and approved.
- (f) Decide questions of order or procedure. The Chair's decisions may be appealed to the CAC, which may vote on the issue.
- (g) The secondary rules for the Chair are, as follows:
  - (i) If a sufficient number of meetings lack a quorum, the Chair shall inform the Policy Board through the Board Clerk and request replacements for members in violation of Article VI's attendance requirements;
  - (ii) As stated in Section 3.02, the Chair shall be the CAC Liaison, unless the Chair designates another CAC member to perform his or her duties of CAC Liaison. Accordingly, the Chair shall write letters and make personal appearances and presentations as the CAC Liaison to the Boards and to other agencies and groups on behalf of the CAC; and

- (iii) The CEO and the Boards may call upon the Chair to go to outside meetings (i.e. with CPUC, legislatures, sister counties and districts) as their representative from the CAC, as an expert, or representing the CAC prestige and expertise.

**Section 6.03 Duties of the Vice-Chair.** The primary duties of the Vice-Chair are, as follows:

- (a) Perform all of the primary duties of the Chair when the Chair is absent.
- (b) Aid the Chair in the efficient conduct of the meeting and, at the Chair's request, coordinate side issues while the Chair is running the meeting. These side issues may include interactions with the audience, public, staff, or CAC members, answering questions, or making other arrangements to keep the meeting moving efficiently and undisturbed.
- (c) Monitor the proceedings and plans of the CAC, notifying the Chair of potential problems.
- (d) Assume Chair duties when the position becomes vacant. Chair duties shall cease when the CAC elects a new Chair.
- (e) Represent the CAC when needed if the Chair is unable to fulfill this obligation.

**Section 6.04 Duties of the Board Clerk.** At the direction of the CEO, the primary duties of the Board Clerk are, as follows:

- (a) Prepare and distribute the meeting Agendas and packets, post and distribute all meeting information as legally required, arrange for meeting rooms and facilities, satisfy any legal notice requirements and prepare documentation to support this effort.
- (b) Take meeting minutes, prepare a draft of those minutes and send the draft to CAC members with the next regular meeting packet.

**Section 6.05 Duties of the CEO.** With respect to the CAC, the CEO, or his/her designee, shall participate in CAC meetings and assist, as follows:

- (a) Advise the CAC of upcoming events, schedules, and situations.
- (b) Know, appreciate, and convey the desires, actions, and problems of the Staff and Boards.
- (c) Bring to the CAC a perspective on the activities of recent legislative activities, state

agencies, federal agencies and other CCAs, including updates on regulatory and legal issues and agency proceedings.

- (d) Take part in discussions during meetings and deliberations, in order to assist CAC members in understanding and appreciating all pertinent facts and factors from both the CCCE and the Boards.

## **Article VII. Meetings and Agendas**

### **Section 7.01 Preparation of the Agenda.**

- (a) The Agendas for all meetings are prepared by the Board Clerk subject to the direction of the CEO and with the input of the Chair and Vice Chair as to what Agenda items should be included.

### **Section 7.02 Attendance at Meetings.**

- (a) CAC members unable to attend a meeting shall notify the Board Clerk no later than one day before the meeting.
- (b) When CAC member notifications or an online meeting request poll reveals enough absences to prevent a quorum, the meeting shall be continued or cancelled as provided for under the Brown Act. The Board Clerk shall inform the CAC by email as soon as possible and the public shall be informed as well, if possible.

## **Article VIII. Ad Hoc Subcommittees**

### **Section 8.01 Appointing Ad Hoc Subcommittees.**

- (a) Ad Hoc Subcommittees may be established by the Chair or a majority action of the CAC.
- (b) The CAC shall not establish Standing Subcommittees requiring the support of staff resources.
- (c) Subcommittee members shall be appointed by the Chair or the CAC, along with a temporary Subcommittee Chair. The CAC Chair is an ex-officio member of each subcommittee.
  - (i) At the first subcommittee meeting, members may affirm change of the Subcommittee Chair. The Subcommittee Chair shall schedule Subcommittee meetings, take minutes, provide a subcommittee report to the CAC; and

- (ii) Ad Hoc Subcommittee membership or attendance must not exceed a CAC quorum.
- (d) Any subcommittee reports to the full CAC must be placed on the Agenda in compliance with the Brown Act. Dissenting or multiple subcommittee reports or recommendations are permissible if differing or competing solutions exist.

## **Article IX. Amendment and Review of Bylaws**

**Section 9.01 Amending the Bylaws.** These Bylaws may be changed or amended by the Policy Board.

Further, changes or amendments to these Bylaws may be recommended by the CAC at any regular meeting for later approval of the Policy Board. Any CAC proposed changes must be submitted in writing to each CAC member before the meeting at which a vote on the change takes place, either in the meeting packet or in a presentation to the CAC at a previous meeting. Prior to any amendment to these Bylaws becoming effective, the amendment must be approved by a majority of the Policy Board of Directors entitled to vote at a meeting at which a quorum is present.

**Community Advisory Council  
2020 Annual Calendar of Agenda Items**

<b>August 26, 2020</b>	<b>September 2-3, 2020</b>
<ul style="list-style-type: none"> <li>• Minutes of June 24</li> <li>• CEO's Report</li> <li>• Evaluation of past Energy Programs</li> <li>• Present Draft FY21 Energy Programs Work Plan</li> <li>• Power Content Label Update</li> </ul>	<ul style="list-style-type: none"> <li>• Joint Annual Meeting</li> </ul>
<b>October 28, 2020</b>	<b>December 2020</b>
<ul style="list-style-type: none"> <li>• Minutes of September Joint Meeting</li> <li>• CEO's Report</li> <li>• Present FY22 Energy Program Design Criteria</li> <li>• Update on FY20 Energy Program Outcomes</li> </ul>	<ul style="list-style-type: none"> <li>• Minutes of October 2020</li> <li>• CEO's Report</li> <li>• Propose FY22 Energy Program Concepts</li> </ul>
<b>February 2021</b>	<b>April 2021</b>
<ul style="list-style-type: none"> <li>• Minutes of December 2020</li> <li>• CEO's Report</li> <li>• Enrollment Update</li> <li>• Recommend/Discuss CAC Community Engagement Strategy on FY22 Energy Program Offerings</li> </ul>	<ul style="list-style-type: none"> <li>• Minutes of February 2021</li> <li>• CEO's Report</li> <li>• Present Draft FY22 Energy Programs Work Plan</li> </ul>
<b>June 2021</b>	<b>August 2021</b>
<ul style="list-style-type: none"> <li>• Minutes of April 2021</li> <li>• CEO's Report</li> <li>• Present Revised Draft FY22 Energy Programs Work Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Minutes of June 2021</li> <li>• CEO's Report</li> <li>• Energy Programs TBD</li> </ul>

### Staff Report Item 3

**TO:** MBCP Community Advisory Council

**FROM:** Tom Habashi, Chief Executive Officer

**SUBJECT:** Receive Update Regarding Cost of Service and Rate Design and Support Operations and Policy Board Approvals of Staff's Recommendation to Continue the Current Monthly Discount Rate Structure in FY2020/2021 (Discussion Item)

**DATE:** June 24, 2020

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#### **RECOMMENDATION:**

This recommends that

1. The cost of service rates implementation postponed to October 1, 2021 for Pacific Gas & Electric ("PG&E") and October 1, 2022 for Southern California Edison ("SCE") respectively,
2. Rates for FY 2020-21 set at the comparable Investor-Owned Utilities ("IOUs") less 2% for all customer classes; and,
3. The Rate Stabilization Reserve ("RSR") is used to address revenue shortfall or surplus.

#### **BACKGROUND:**

In August 2019, staff shared with the Community Advisory Council ("CAC") that MBCP plans to develop a cost of service rate design model with the intent of shifting into rates based on actual cost of service rather than the approach we followed since inception; offering the same rates as PG&E, with an identical rebate/discount percent distributed to all customer classes.

In November 2019, MBCP contracted with EES Consulting to conduct the cost of service analysis ("COSA") study and develop cost-based rates that allow for the full recovery of operational costs, inclusive of programs expenses and anticipated deposit into the RSR.

In December 2019, 11 new jurisdictions joined MBCP with an expectation that they will begin receiving electric generation service from MBCP in January 2021. Following negotiation with SCE in the past several months, it is now apparent that the starting date for customers currently served by PG&E will be different than that for customers served by SCE.

#### **DISCUSSION/ANALYSIS:**

We are starting to see from the bill comparisons that the 2021 implementation of cost-based rates is likely to be problematic. Given the projected PCIA rates, lower than previously forecasted load consumption, sizable drop in wholesale market power prices and deferral of charges, all due to COVID-19, MBCP rates, inclusive of the PCIA, appear to be higher than PG&E in many cases. This does not leave any room to shift rates to match the COSA results because some classes need a rate increase relative to PG&E rates.

The bill comparisons for PG&E show that residential and agricultural rates are higher than PG&E rates, while commercial is well below PG&E. Industrial rates are about the same. This is not a surprising result and is typical when utilities shift to true cost of service allocation. We can fix this issue to some extent by rebalancing the classes within a reasonable range, but then we are moving away from cost-based rates.

In terms of overall rates, with the impacts of the rate rider for 2021 and the large expected increase in PCIA rates, the overall rates to customers are higher than PG&E by 0.6% in 2021, 0.9% in 2022 and 3.3% in 2023. The assumption may be the worst-case scenario, but we need to be prepared for that case. The issue is exacerbated for new customers that will be enrolled in 2021 that will face the higher 2020 PCIA Vintage.

The COVID-19 situation was unexpected and has reduced sales and added costs for MBCP. The 3.4% rate increase for 2021 has been set up to cover COVID-19 mitigation costs incurred in 2020. Without that make-up revenue, MBCP rates would have been slightly lower than PG&E in 2021. If that revenue could be taken from the RSR instead, that could help with the 2021 rates, but not the other years. But the amount being put into RSR and Energy Program Fund, and perhaps drawing down those reserve levels, could be useful to getting rate levels down.

Another issue is the ability for customers to remain on grandfathered rates. With customers having so many options available to them, they will choose the option that is least costly to them. The COSA-based rates are designed based on all customers in the class, and the proposed change in rate design will have winners and losers within a class based on their usage level and TOU shape. If some customers opt to use grandfathered rates based on their load level and shape, they will see lower bills and the overall revenue will be less than

projected with the COSA-based rates. Generally, COSA -based rates do not work well if customers can opt out of them.

If rates were sufficiently low, resulting in lower bills for all classes, even if some saw greater savings than others, then cost-based rates would be appropriate. In the current situation, with COVID-19 impacts, reduced sales, grandfathered rate options and high PCIA levels, there is too much uncertainty to make the change to cost-based rates.

#### FISCAL IMPACT:

There is no fiscal impact to this report. Fiscal impacts related to the cost-based rates design will be proposed as part of the future FY 21/22 and FY 22/23 budget proposals.

Table 1A Residential Average Bill Comparison (PG&E Area)							
	MBCP Current E-1 Rate	MBCP Proposed TOU Rate (with Pro-Rata PCIA)			PG&E Forecast E-TOUC Rate		
kWh/Mo	2020	2021*	2022	2023	2021	2022	2023
200	\$23.18	\$25.54	\$25.98	\$26.98	\$23.12	\$23.58	\$24.05
300	\$34.77	\$36.24	\$36.97	\$38.48	\$34.68	\$35.37	\$36.08
426	\$49.37	\$49.72	\$50.81	\$52.96	\$49.25	\$50.23	\$51.24
600	\$69.54	\$68.35	\$69.93	\$72.95	\$69.36	\$70.75	\$72.16
1,000	\$115.89	\$113.62	\$116.27	\$121.31	\$115.60	\$117.91	\$120.27
		Percent Difference from PG&E Rate					
kWh/Mo		2021*	2022	2023			
200		10.5%	10.2%	12.2%			
300		4.5%	4.5%	6.6%			
426		1.0%	1.2%	3.4%			
600		-1.5%	-1.2%	1.1%			
1,000		-1.7%	-1.4%	0.9%			

\* Includes 3.4% Rate Rider



**Table 2A**  
**Commercial A-1 Annual Average Bill Comparison (PG&E Area)**

	MBCP Current A-1 Rate	MBCP Proposed TOU Rate (with Pro-Rata PCIA)			PG&E Forecast A-1 Rate		
kWh/Mo	2020	2021*	2022	2023	2021	2022	2023
1,163	\$131	\$134	\$137	\$143	\$133	\$135	\$138
2,000	\$225	\$231	\$236	\$246	\$228	\$233	\$237
4,344	\$488	\$487	\$499	\$521	\$495	\$505	\$515
8,000	\$899	\$898	\$919	\$959	\$912	\$931	\$949
13,662	\$1,536	\$1,581	\$1,616	\$1,685	\$1,558	\$1,589	\$1,621
		Difference from PG&E Rate					
kWh/Mo		2021*	2022	2023			
1,163		1.1%	1.3%	3.6%			
2,000		1.1%	1.3%	3.6%			
4,344		-1.6%	-1.2%	1.1%			
8,000		-1.6%	-1.2%	1.1%			
13,662		1.5%	1.7%	4.0%			

\* Includes 3.4% Rate Rider

**Table 3A**  
**Commercial A-6 Annual Average Bill Comparison (PG&E Area)**

	MBCP Current A-6 Rate	MBCP Proposed TOU Rate (with Pro-Rata PCIA)			PG&E Forecast A-6 Rate		
kWh/Mo	2020	2021*	2022	2023	2021	2022	2023
1,163	\$160	\$134	\$137	\$143	\$166	\$169	\$172
2,000	\$275	\$231	\$236	\$246	\$285	\$291	\$296
4,344	\$597	\$487	\$499	\$521	\$619	\$631	\$644
8,000	\$1,100	\$898	\$919	\$959	\$1,139	\$1,162	\$1,185
13,662	\$1,879	\$1,581	\$1,616	\$1,685	\$1,946	\$1,985	\$2,024
		Difference from PG&E Rate					
kWh/Mo		2021*	2022	2023			
1,163		-19.1%	-18.9%	-17.1%			
2,000		-19.1%	-18.9%	-17.1%			
4,344		-21.2%	-20.9%	-19.1%			
8,000		-21.2%	-20.9%	-19.1%			
13,662		-18.7%	-18.6%	-16.8%			

\* Includes 3.4% Rate Rider

**Table 4A**  
**Commercial A-10 Annual Average Bill Comparison (PG&E Area)**

	MBCP Current A-10 Rate	MBCP Proposed TOU Rate (with Pro-Rata PCIA)			PG&E Forecast A-10 Rate		
kWh/Mo	2020	2021*	2022	2023	2021	2022	2023
1,163	\$137	\$134	\$137	\$143	\$134	\$137	\$140
2,000	\$235	\$231	\$236	\$246	\$231	\$235	\$240
4,344	\$510	\$487	\$499	\$521	\$501	\$511	\$522
8,000	\$939	\$898	\$919	\$959	\$923	\$942	\$961
13,662	\$1,604	\$1,581	\$1,616	\$1,685	\$1,577	\$1,608	\$1,640
		Difference from PG&E Rate					
kWh/Mo		2021*	2022	2023			
1,163		-0.1%	0.1%	2.4%			
2,000		-0.1%	0.1%	2.4%			
4,344		-2.8%	-2.4%	-0.1%			
8,000		-2.8%	-2.4%	-0.1%			
13,662		0.3%	0.5%	2.7%			

\* Includes 3.4% Rate  
Rider

**Table 5A**  
**Industrial E-19 Average Bill Comparison (PG&E Area)**

	MBCP Current E-19 Rate	MBCP Proposed TOU Rate (with Pro-Rata PCIA)			PG&E Forecast E-19 Rate		
kWh/Mo	2020	2021*	2022	2023	2021	2022	2023
30,481	\$3,044	\$3,063	\$3,154	\$3,307	\$3,050	\$3,111	\$3,174
60,000	\$5,992	\$6,028	\$6,208	\$6,509	\$6,004	\$6,125	\$6,247
500,000	\$49,930	\$50,237	\$51,730	\$54,245	\$50,037	\$51,038	\$52,059
1,228,314	\$122,659	\$123,109	\$126,786	\$132,965	\$122,923	\$125,381	\$127,889
2,000,000	\$199,720	\$200,453	\$206,438	\$216,501	\$200,149	\$204,152	\$208,235
		Difference from PG&E Rate					
kWh/Mo		2021*	2022	2023			
30,481		0.4%	1.4%	4.2%			
60,000		0.4%	1.4%	4.2%			
500,000		0.4%	1.4%	4.2%			
1,228,314		0.2%	1.1%	4.0%			
2,000,000		0.2%	1.1%	4.0%			

\* Includes 3.4% Rate Rider

**Table 6A**  
**Industrial E-20 Average Bill Comparison (PG&E Area)**

	MBCP Current E-20 Rate	MBCP Proposed TOU Rate (with Pro-Rata PCIA)			PG&E Forecast E-20 Rate		
kWh/Mo	2020	2021*	2022	2023	2021	2022	2023
30,481	\$2,978	\$3,063	\$3,154	\$3,307	\$2,962	\$3,021	\$3,082
60,000	\$5,861	\$6,028	\$6,208	\$6,509	\$5,831	\$5,947	\$6,066
500,000	\$48,846	\$50,237	\$51,730	\$54,245	\$48,590	\$49,562	\$50,553
1,228,314	\$119,996	\$123,109	\$126,786	\$132,965	\$119,368	\$121,755	\$124,191
2,000,000	\$195,383	\$200,453	\$206,438	\$216,501	\$194,361	\$198,248	\$202,213
		Difference from PG&E Rate					
kWh/Mo		2021*	2022	2023			
30,481		3.4%	4.4%	7.3%			
60,000		3.4%	4.4%	7.3%			
500,000		3.4%	4.4%	7.3%			
1,228,314		3.1%	4.1%	7.1%			
2,000,000		3.1%	4.1%	7.1%			

\* Includes 3.4% Rate Rider

**Table 7A**  
**Agricultural Average Bill Comparison (PG&E Area)**

	MBCP Current AGR Rate	MBCP Proposed TOU Rate (with Pro-Rata PCIA)			PG&E Forecast AGR Rate		
kWh/Mo	2020	2021*	2022	2023	2021	2022	2023
5,000	\$547	\$592	\$604	\$629	\$584	\$595	\$607
10,000	\$1,094	\$1,185	\$1,209	\$1,259	\$1,168	\$1,191	\$1,215
13,272	\$1,452	\$1,572	\$1,604	\$1,671	\$1,550	\$1,581	\$1,612
20,000	\$2,188	\$2,369	\$2,417	\$2,518	\$2,335	\$2,382	\$2,430
25,000	\$2,735	\$2,962	\$3,021	\$3,147	\$2,919	\$2,977	\$3,037
		Difference from PG&E Rate					
kWh/Mo		2021*	2022	2023			
5,000		1.5%	1.5%	3.6%			
10,000		1.5%	1.5%	3.6%			
13,272		1.5%	1.5%	3.6%			
20,000		1.5%	1.5%	3.6%			
25,000		1.5%	1.5%	3.6%			

\* Includes 3.4% Rate Rider

**CONCLUSION:**

Waiting one year will help resolve many of the issues that concern staff regarding the implementation of cost of service rates design.

**ATTACHMENT(S):**

1. EES Consulting Cost of Service and Rate Design Presentation

# MONTEREY BAY COMMUNITY POWER

## *COST OF SERVICE AND RATE DESIGN*

JUNE 24, 2020

Presented by:

**EES Consulting**

**Gail Tabone, Senior Consultant**

A registered professional engineering and management  
consulting firm with offices in Kirkland, WA and Portland, OR  
(425) 889-2700 [www.eesconsulting.com](http://www.eesconsulting.com)



# MEETING OBJECTIVES

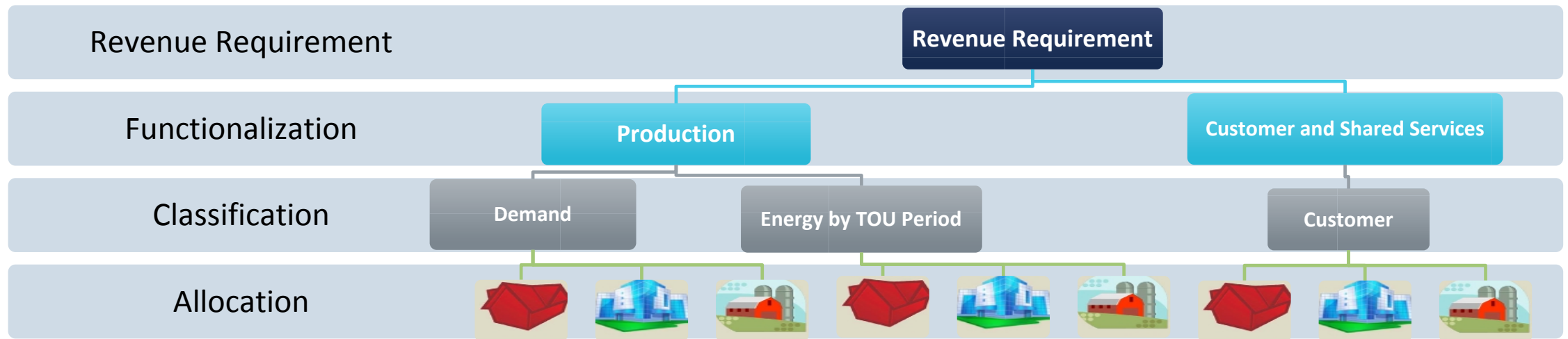
- **Revenue Requirements**
- **COSA Results**
  - Methodology
  - Results by class
- **Rate Design Process**
  - Based on COSA Results
  - Bill impacts
- **Recommendation and Next Steps**
  - Postpone Implementation Schedule to October 2021

# TRADITIONAL RATE SETTING PRINCIPLES

## ○ Rates Should

- Meet revenue requirement
- Be cost-based
- Be “Just, Reasonable and Not Unduly Discriminatory or Preferential” – “Fair and Equitable”
- Be easy to understand and administer
- Conform to generally accepted rate setting techniques
- Provide revenue stability to the utility and rate stability to the customer
- Be competitive

# COSA OVERVIEW





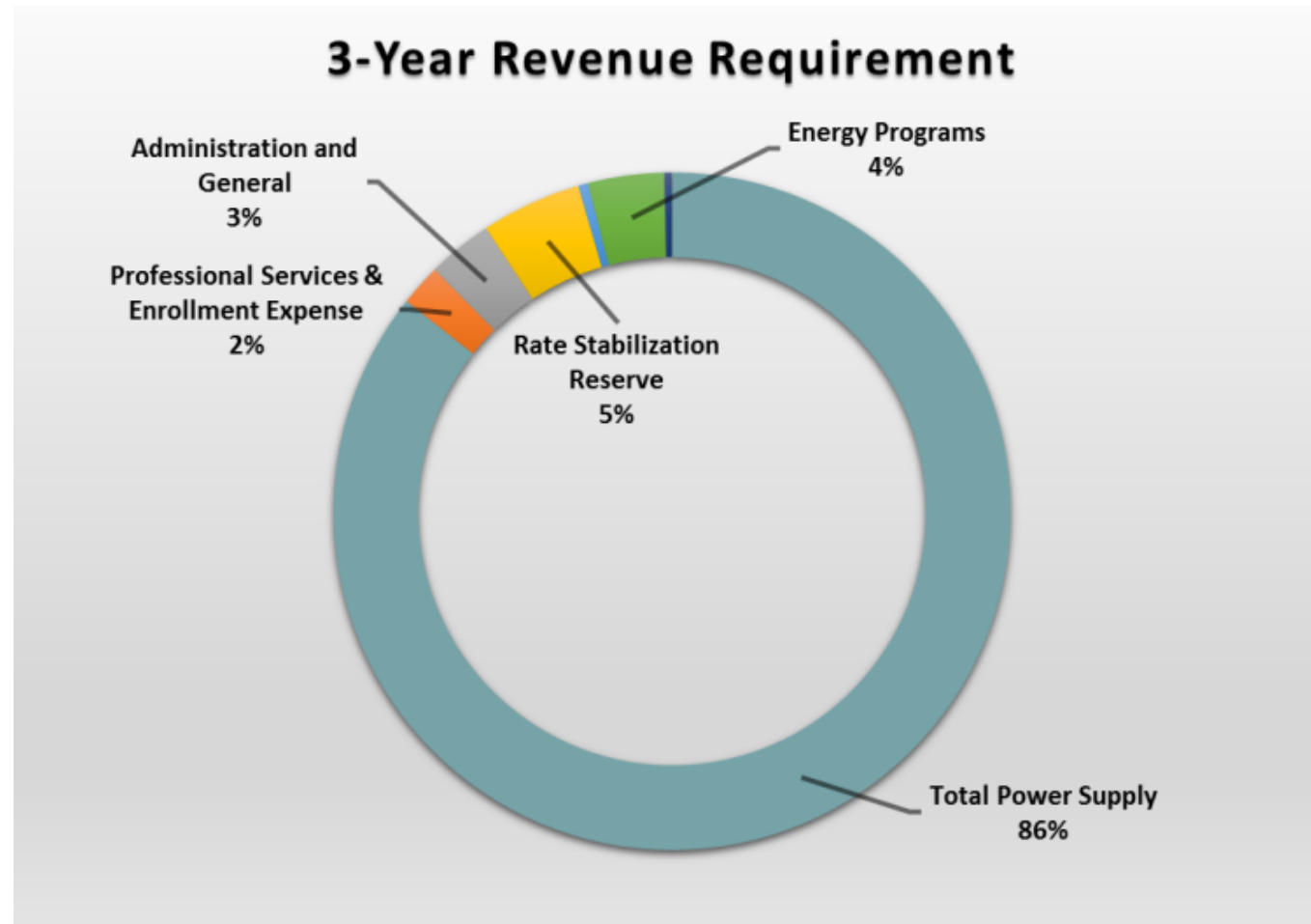
# REVENUE REQUIREMENTS

## ○ Looked at 3 Years

- COSA calculated for each year
- Used total of three years to set rates

Table 1				
Revenue Requirements - Total MBCP Service Area				
	FY 20/21	FY 21/22	FY 22/23	3-Year
Total Power Supply	\$252,865,382	\$319,051,888	\$327,157,200	\$899,074,470
Total Customer Service, Accounts & Sales	\$5,985,866	\$7,384,604	\$7,578,116	\$20,948,586
Total Administrative & General	\$10,142,709	\$10,905,601	\$11,503,854	\$32,552,163
Increase in Net Position	\$12,503,130	\$34,423,145	\$3,359,078	\$50,285,354
Capital Outlay	\$2,450,750	\$2,390,250	\$82,250	\$4,923,250
Energy Programs	\$8,789,203	\$14,743,090	\$14,608,526	\$38,140,818
Interest Income	-\$1,285,000	-\$1,285,000	-\$1,285,000	-\$3,855,000
REVENUE REQUIREMENT for COSA	\$291,452,038	\$387,613,578	\$363,004,024	\$1,042,069,641
Average Cost per kWh	\$0.0664	\$0.0730	\$0.0677	\$0.0692

# BREAKOUT OF MBCP REVENUE REQUIREMENTS



# COSA METHODOLOGY FOR MBCP

## ○ **Power Supply Costs**

- Allocated on the Basis of Time of Use (TOU) Periods
- Split Between PG&E and SCE Service Areas
- Used Historic Market Prices by TOU period for Each Service Area
- Used 2021 New TOU Periods for Both PG&E and SCE Service Areas

## ○ **Other Costs**

- Customer Costs on Basis of Number of Customers
- A&G and Other Costs on Basis of All other Expenses

# SUMMARY OF RATE CLASSES IN COSA

## ○ COSA Based on Rate Families for Each Service Area

- Consolidated rate classes where appropriate
- COSA results supported consolidation
- Standby, NEM and EV

Rate Class	PG&E Rate Schedules	SCE Rate Schedules
Residential	E1, E6, EV and ETOU	Domestic and Residential TOU
Commercial <500 kW	A1, A6, A10	TOU-GS1, TOU-GS2, TOU- GS3
Industrial >500 kW	E19, E20	TOU8
Agricultural	AG1, AG4, AG5, AGR, AGV	TOU-PA2, TOU-PA3
Lighting & Traffic	Multiple	Multiple

# COSA RESULTS

## ○ Costs Allocated to Customer Classes

- Separate for each rate schedule and service area
- Rate rider for PG&E area – Covid-19 mitigation costs from 2020

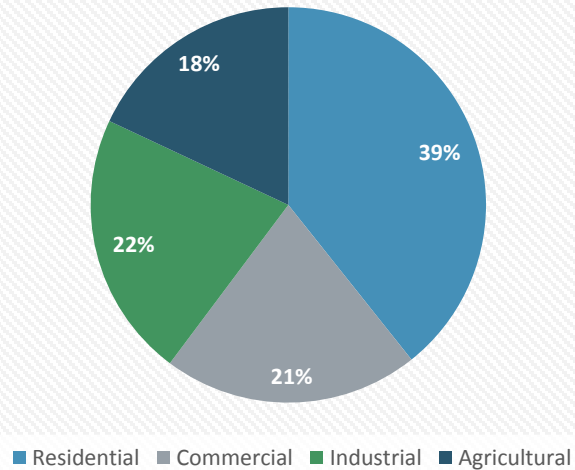
Table 2 Revenue Requirement by Class from COSA				
Customer Class	FY 20/21	FY 21/22	FY 22/23	3-Year Total
Residential	\$111,329,017	\$144,777,220	\$135,765,916	\$391,872,153
Commercial	\$64,328,511	\$85,018,344	\$78,659,555	\$228,006,409
Industrial	\$66,211,126	\$86,904,348	\$79,587,853	\$232,703,327
Agricultural	\$47,695,690	\$68,446,332	\$66,680,677	\$182,822,698
Standby	\$745,111	\$1,008,162	\$946,317	\$2,699,590
Lighting	\$1,142,584	\$1,459,173	\$1,363,706	\$3,965,463
Sum of Revenue Requirements	\$291,452,038	\$387,613,578	\$363,004,024	\$1,042,069,641
Rate Rider	\$10,364,240			\$10,364,240
Revenue Requirements w/ Rate Rider	\$301,816,278			\$1,052,433,881

# COSA RESULTS

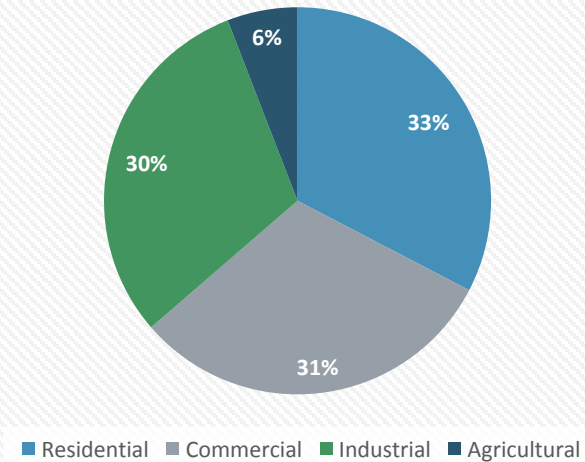
## ○ Costs Allocated to Customer Classes

- PG&E Area has more Residential & Agricultural
- SCE Area has more Commercial & Industrial

COSA by Class PG&E Area

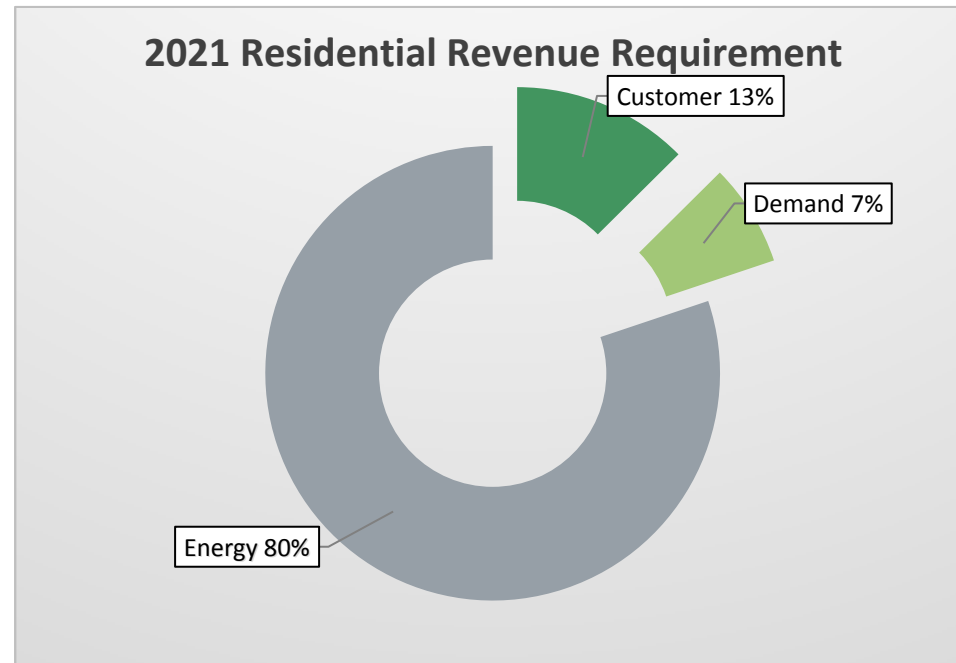
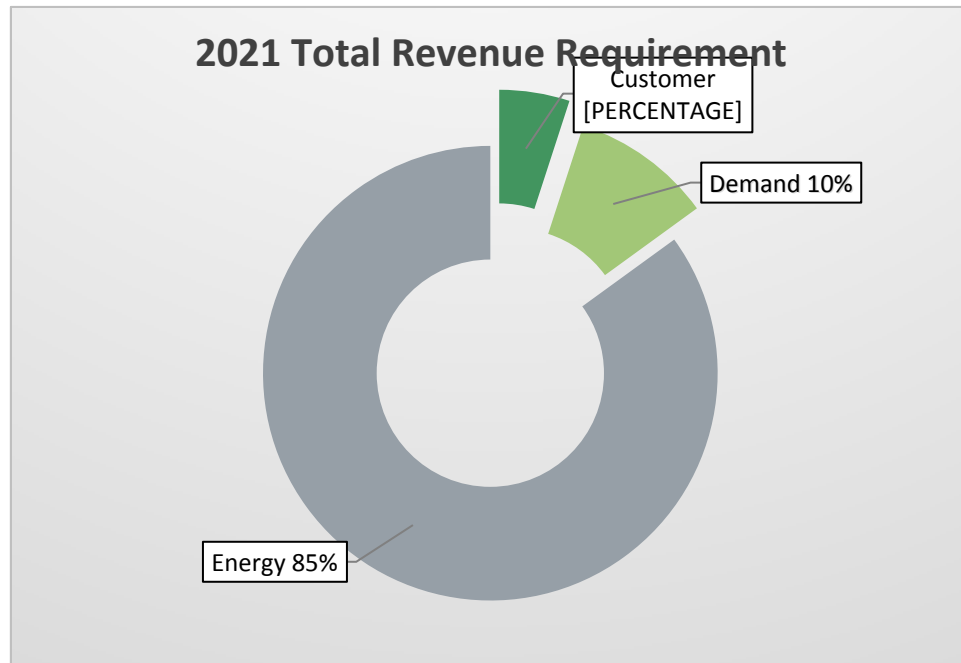


COSA by Class SCE Area



# COSA RESULTS

## ○ Costs Allocated to Rate Components



# RATE DESIGN METHODOLOGY FOR MBCP

## ○ **Proposed Rates – New Rate Classes and TOU Periods**

- Based on unit costs for PG&E and SCE areas by class
- Target revenues = 3-year allocated costs by class
- 3.4% rate rider in 2021 for Covid-19 mitigation (PG&E Only)

## ○ **Prepared Bill Comparisons**

- MBCP Proposed Rate + PCIA + Franchise Fee compared to PG&E/SCE Generation
- Monthly Bill at Different Usage Levels
- Different PG&E/SCE Rates for Each Class

## ○ **Rebalancing Between Classes**

- Adjusted Rate Levels to Provide Competitive Rates in Each Class



# BILL COMPARISON RESULTS

## ○ Summary of Average per Rate Class with Pro-Rate PCIA

- Will differ by rate selected within the class and PCIA Vintage
- Will differ by Usage Level and Load Shape

Table 3 Summary of Bill Comparisons by Class			
	Percent Difference from PG&E Rates		
	2021	2022	2023
Residential	+1.0%	+1.2%	+3.4%
Commercial	-1.7%	-1.5%	+0.7%
Industrial	+1.8%	+2.8%	+5.7%
Agricultural	+1.5%	+1.5%	+3.6%
Total	+0.6%	+0.9%	+3.3%

## RESIDENTIAL CLASS PROPOSED RATES (PG&E SERVICE AREA)

Table 3	
Residential Proposed Rates	
Customer Charge (\$ per month)	\$4.00
PG&E Energy Charges (\$ per kWh)	
Summer On-Peak	\$0.1200
Summer Off-Peak	\$0.0545
Winter On-Peak	\$0.0968
Winter Off-Peak	\$0.0510

## COMMERCIAL CLASS PROPOSED RATES (PG&E SERVICE AREA)

Table 4	
Commercial Proposed Rates	
Energy Charges (\$ per kWh)	
Summer On-Peak	\$0.1400
Summer Partial Peak	\$0.1030
Summer Off-Peak	\$0.0600
Winter Part-Peak	\$0.0920
Winter Off-Peak	\$0.0565
Winter Super Off-Peak	\$0.0320

## INDUSTRIAL CLASS PROPOSED RATES (PG&E SERVICE AREA)

Table 4	
Industrial Proposed Rates	
Demand Charge (\$ per kW-month)	\$2.25
Energy Charges (\$ per kWh)	
Summer On-Peak	\$0.0750
Summer Partial Peak	\$0.0580
Summer Off-Peak	\$0.0500
Winter Part-Peak	\$0.0650
Winter Off-Peak	\$0.0525
Winter Super Off-Peak	\$0.0400

# AGRICULTURAL CLASS PROPOSED RATES (PG&E SERVICE AREA)

Table 5	
Agricultural Proposed Rates	
Energy Charges (\$ per kWh)	
Summer On-Peak	\$0.1500
Summer Off-Peak	\$0.0830
Winter On-Peak	\$0.0910
Winter Off-Peak	\$0.0600

# RECOMMENDATION TO POSTPONE NEW RATES

## ○ **PCIA Issues**

- May 2020 PG&E ERRRA Forecast Much Higher Than Expected
- Results in Unfavorable Bill Comparisons for Certain Classes

## ○ **Covid-19 Impacts**

- Reduced Sales Forecast/Collect Mitigation Costs in 2021
- Reduced Market Prices, Higher PCIA

## ○ **Schedule for Rate Transition**

- TOU Transition in Mar & Oct 2021 for PG&E Customers and Mar 2022 for SCE Customers
- Can Stay on Grandfathered Rates During 2021
- Delay in SCE Service Area

## ○ **Allows More Time for Board and Customer Input**

# SCHEDULE FOR COST-BASED RATES

- **Can Use COSA Results for 2-Year Period/Assuming No Major Changes in Costs & Loads**
- **New Schedule for PG&E**
  - Finalize Rates in January 2021
  - Customer Education and Workshops from January to April 2021
  - Community Advisory Council and Boards Approval from April to September 2021
  - Rate Implementation in October 2021
- **New Schedule for SCE**
  - Finalize Rates in January 2022
  - Customer Education and Workshops from January to April 2022
  - Community Advisory Council and Boards Approval from April to September 2022
  - Rate Implementation in October 2022

**Staff Report Item 4**

**TO:** MBCP Community Advisory Council

**FROM:** Tom Habashi, Chief Executive Officer

**SUBJECT:** Receive Presentation on MBCP's Draft Outreach & Customer Engagement Strategy and Discuss Empowering the Community Advisory Council (CAC) to Promote More Effective Outreach (Discussion Item)

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**DATE:** June 24, 2020

**RECOMMENDATION**

Receive presentation on MBCP's Draft Outreach & Customer Engagement Strategy and discuss Community Advisory Council's (CAC) role in effective outreach.

**BACKGROUND**

MBCP has successfully enrolled 295,000 customers throughout 21 jurisdictions, most recently the Cities of San Luis Obispo and Morro Bay. In 2021, MBCP will expand to eleven additional communities, primarily throughout San Luis Obispo and Santa Barbara Counties. Upon the completion of the 2021 enrollment, MBCP estimates it will service close to 430,000 customers across 5 counties encompassing 8,000 square miles.

To date, MBCP has utilized mass market outreach efforts to educate and inform communities to support successful enrollments. MBCP's "all hands-on deck" approach to outreach and customer engagement focuses on individual customer interactions, sponsoring and attending community events and workshops, and supporting local and regional membership organizations.

While there is at least one more significant enrollment on the horizon, MBCP recognizes the need to normalize operations and build greater community engagement around issues and increase direct community input on matters being presented to MBCP's Boards. At its June 3, 2020 meeting, the MBCP Policy Board approved a reorganization structure to facilitate the normalization of MBCP operations. At the same meeting, the Policy Board approved certain amendments to the CAC By-Laws that refocused the CAC to provide greater community input by



reducing the number of CAC meetings to 7 per year and supplementing those meetings with staff supported community engagement.

## **DISCUSSION**

Despite its enrollment focused outreach, MBCP continues to engage with a wide variety of stakeholders and community groups to solicit input. Most notably, MBCP has joined more than 30 membership organizations across the four counties as well as sponsoring, attending and presenting at over 150 community events. MBCP launched the first ever farmworker outreach program within the CCA community to engage and connect with farmworkers across the Monterey Bay region. To date, staff connected with close to 800 farmworkers at 17 different farms. Staff also participates in monthly roundtables with South County Outreach Effort (SCORE) and County Immigration Services Network (CISNE) with over 50 regional non-profits which discuss community issues and needs.

MBCP recognizes the need to develop and institute an overall strategy to guide outreach and customer engagement to effectively serve our current and future customers. Moving away from its mass market outreach approach, MBCP's first Outreach & Customer Engagement Strategy targets specific customer sectors and community needs while identifying necessary staffing and resources. The Outreach & Customer Engagement Strategy identifies the following key focus areas:

- **Community Events:** tabling activities, panel discussions, forums, summits, workshops and other gatherings where people come together to learn, network, engage and collaborate with each other.
- **Memberships:** donations by MBCP through which MBCP joins a local business, economic or regional organization to support MBCP's continued engagement in the Central Coast Region.
- **Customer Segments<sup>1</sup>**
  - **Member Agencies:** the city and county governments which are members of MBCP.
  - **Key Accounts:** the top 100 MBCP customers by aggregated annual load and demand.

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<sup>1</sup> Additional customer segments and focus areas will be identified and included in the future.

- **Major Accounts:** customers whose aggregated annual load and demand equal to the Top 101<sup>st</sup> to 300<sup>th</sup> after the Key Accounts.
- **Residential:** customers who rent or own a type of residential building such as single-family homes, multi-unit dwellings (MUDs), apartments, manufactured homes, or mobile homes.
- **Commercial:** customers who are non-residential customers and owns or rents a business or facility defined as commercial consistent with IOU rate tariffs.
- **Agriculture:** customers whose business operations deals with the growing, storing and processing of food or beverage products.
- **Underserved/Disadvantaged Communities:** communities of minority populations or individuals who experience or have experienced economic, health or environmental burdens.
- **Regional Advocates:** local and regional community-based organizations who work with energy, climate, and social equity issues consistent with MBCP's mission
- **State Legislators:** assembly members, senators, and relevant officials in the Governor of California's office
- **Community Advisory Council:** appointed community volunteers representing a specific regional geography and the interests of their constituents

Empowering the CAC with tools and resources to be a positive and successful ambassador for MBCP and the communities it serves is a key component of implementing MBCP's Outreach and Customer Engagement Strategy. Effective engagement throughout MBCP's diverse geography, communities, and stakeholders requires more direct involvement of the CAC rather than relying entirely on noticed meetings and workshops. CAC members' engagement will be reallocated toward engaging the community directly through staff supported outreach. Staff proposes a continual engagement framework through which MBCP will support CAC members direct community engagement focused around MBCP soliciting community feedback, particularly in the area of program development.

- **Empowerment of CAC members** – two-part in-depth presentation series for CAC members as part of their meetings to review the agency and how to be an effective ambassador.
- **Identification of Stakeholders and Community Groups** – Establish a list of stakeholders and community groups by geography, interest, sector, and reach.

- **Staff Support** – Staff will support the CAC members by assisting them to “plug into” stakeholder or community groups; providing trainings, written materials, and collateral; and attending with CAC members when appropriate.
- **CAC Reporting** – Ongoing reporting through CAC meetings and program development input.

### **FISCAL IMPACT**

There is no fiscal impact to this report. Fiscal impacts related to the overall Outreach and Customer Engagement Strategy will be proposed as part of the FY 20/21 budget proposal.

### **CONCLUSION**

In FY 20/21, MBPC’s outreach strategy will focus less on mass market enrollment support. Instead, as MBPC normalizes operations, outreach will be more targeted and will empower the CAC members to be ambassadors for their communities to further incorporate greater community input into the agency’s goals, outreach, customer engagement and energy program efforts.

### **ATTACHMENTS**

1. Draft MBPC Outreach & Customer Engagement Strategy
2. Draft Community Advisory Council Outreach & Engagement Strategy

## **MBCP Draft Outreach and Customer Engagement Strategy**

### **Purpose**

As an energy resource in the Central Coast Region, MBCP will effectively engage its stakeholders and customers through outreach, education and marketing activities. MBCP will strategically partner with key stakeholders to raise awareness and deliver solutions that address climate change, electrification, fuel-switching, building community resiliency, eliminating greenhouse gas emissions, creating economic development opportunities and increasing social equity.

### **Areas of Focus**

- 1) Community Events
- 2) Memberships
- 3) Customer Segment Engagement
  - a. Member Agencies
  - b. Key Accounts
  - c. Major Accounts
  - d. Residential
  - e. Commercial
  - f. Agricultural
- 4) Underserved/Disadvantaged Communities
- 5) Regional Advocates
- 6) State Legislators
- 7) Community Advisory Council

### **Community Events**

#### **Definition**

Community events encompass local/regional events, panel discussions, forums, summits, workshops and other gatherings where people come together to learn, network, engage and collaborate.

#### **What is the role of Community Events for MBCP?**

MBCP will focus on events that increase customer awareness of MBCP's service offerings, energy programs and community benefits while providing educational value to various

customer segments. MBCP will collaborate and engage with organizations that are focused on energy, electrification, fuel-switching and community resiliency. MBCP will identify key annual community events to either host or sponsor in partnership with other organizations. These events will provide opportunities to promote MBCP's name change, service enrollment, Earth Day celebrations and MBCP's energy program launches. MBCP will also support through sponsorships and/or staffing a limited number of MBCP Board Member requests for relevant community events.

- ❖ Goal: to raise brand awareness/visibility around a specific MBCP service, program or campaign. To directly connect with customers, leverage partnership opportunities and provide education related to key agency goals.

- ❖ Strategy:

- Sponsor key community events that support JPA goals
- Leverage strategic events to increase branding awareness
- Engage customers regarding MBCP Service Offerings and Energy Programs
- Leverage promotional opportunities across a variety of media channels

- ❖ Tactics:

- Support 5 annual Earth Day Events (sponsor/no staff attendance)
- Support 5 annual Chamber of Commerce Events (sponsor/no staff attendance)
- Support 5 annual Chamber of Commerce Business Expos (sponsor/attend)
- Support 10 community events (sponsor/attend)
- Host 6 Program Workshops focused on electrification and resiliency – virtual and/or live (sponsor/attend)
- Sponsor 1 annual Climate Summit (sponsor/attend)
- Support 3 regional economic summits (sponsor/attend)

- ❖ Metrics:

- Number of attendees reached from events (in person and through media platforms)
- Number of newsletter sign-ups
- Number of campaign promotion entrants
- Number of new partnership opportunities

- ❖ Staffing:
  - Lead MBCP Staff: Energy Public Engagement Associates
  - Support MBCP Staff: Energy Account Specialists, Key Account Specialists, Energy Marketing Specialist, Marketing Outreach Representative, Public Engagement Representative
  - Support Staff:
- ❖ Budget: TBD

## Memberships

### Definition

Membership are a type of donation by MBCP through which MBCP joins a local business, economic or regional organization to support MBCP's continued engagement in the Central Coast Region.

### What is the role of Memberships for MBCP?

MBCP will join local and regional business, economic and environmental groups which allow MBCP the opportunity to successfully engage and connect with key industries and community stakeholders. Though strategic partnership opportunities, building trusted relationships with membership organizations becomes an extension of MBCP's outreach efforts, and provides MBCP with valuable access to its expansive service area across five counties.

- ❖ Goal: gain greater access and agency visibility related to the general economic and environmental benefit of the business, agricultural and non-profit communities serving MBCP's customers along the five-county Central Coast Region.
- ❖ Strategy:
  - Join relevant chambers of commerce, business councils, farm bureaus, vintners associations, convention and visitors bureaus, grower/shipper associations, and economic development partnership non-profits
  - Join regional climate action planning organizations.
  - Seek presentation and panel speaking opportunities through memberships
  - Leverage partnership opportunities to expand MBCP education and reach
  - Support key strategic annual chamber events
- ❖ Tactics:
  - Participate in strategic monthly, quarterly and annual meetings as time and staffing allow to provide MBCP updates

- Distribute periodic updates to membership organizations to increase MBCP visibility via membership newsletters
- Distribute press releases relevant to membership organizations network
- Provide MBCP social media video content to member ship organizations
- Support Regional Economic Development Summits (sponsor/attend)
- Support Chamber of Commerce Business Expos (sponsor/attend)

❖ Metrics:

- Number of newsletters distributions about MBCP
- Number of monthly Chamber meetings attended
- Number of speaking opportunities
- Number of quarterly climate resiliency meetings attended
- Number of annual Chamber of Commerce Business Expos attended
- Number of annual Regional Economic Summits attended
- Number of grower-shipper, vintner, farm bureau presentations attended
- Number of tourism and hospitality association presentations attended
- Number of press releases and social media content distributed

❖ Staffing:

- Lead MBCP Staff: Key Account Specialists, Energy Account Specialists, Manager of Energy Account Services, Director of Communications & Outreach
- Support MBCP Staff: Marketing Outreach Representative, Public Engagement Representative, Energy Marketing Specialist, Manager of Energy Communications

❖ Cost: TBD

## Customer Segment Engagement

### Definition

MBCP serves close to 300,000 customers across three major segments: residential, commercial and agriculture. Member agencies are defined as the city and county governments which are members of MBCP's Joint Powers Authority (JPA). Residential customers represent any customers who rent or own a type of residential building stock. Commercial customers are defined as small to industrial businesses which consume energy to meet their operational

needs. Agriculture customers are defined as entities which consume energy for their needs related to agricultural operations.

#### What is the role of Customer Segment Engagement with MBCP?

By 2021, MBCP estimates to serve over 400,000 customers across 28 cities and 4 counties across the Central Coast. Engagement with the defined customers segments carries a significant role for MBCP as developing relationships and creating trust and value will continue to support customer enrollment and participation in MBCP energy programs. In order to do so, staff will develop customer service tools, oversees the CRM platform, maintains customer data and supports the management of MBCP's Customer Service Call Center. Additionally, staff will support engagement through a variety of other tactics such as events, workshops, sponsorships and high value engagement opportunities.

### **Member Agencies**

#### Definition

Member agencies are defined as the city and county governments which are members of MBCP's Joint Powers Authority (JPA).

#### What is the role of Member Agency Engagement with MBCP?

MBCP's Member Agencies are critical to the effective governance and delivery of services and programs for the agency. It is crucial that each MBCP member agency help advocate and support MBCP either locally or at the state level in relationship to regulatory and legislative matters. MBCP Member Agencies help lend credibility and trust to MBCP as extensions of the agency in terms of communications and engagement.

#### ❖ Goal:

- To effectively serve and support MBCP member agencies with care and responsiveness

#### ❖ Strategy:

- Deliver high level of customer service
- Educate member agency board members on the benefits of MBCP through its power procurement, rate making, regulatory/legislature platforms, outreach & customer engagement and energy programs
- Encourage and support ongoing communications about MBCP to maximize visibility and awareness to customers and the community
- Actively solicit input on MBCP energy programs

#### ❖ Tactics:

- Deliver annual energy report card



- Provide annual updates to each of the MBCP member agencies
- Host quarterly webinar series for member agency staff
- Provide MBCP collateral for member agency offices
- Collaborate with Public Information Officers about social media communications
- Create quarterly member agency newsletter
- Provide new member orientation session at MBCP annual meeting
- Participate in member agency lead community events (upon request)
- Recommend relevant Energy Programs and assist with application submission
- ❖ Metrics:
  - Conduct 32 member agency presentations
  - Deliver 32 member agency energy report cards
  - Conduct 4 member agency webinars
- ❖ Staffing:
  - Lead MBCP Staff: Director of Communications & Outreach, Manager of Energy Accounts Services, Key Account Specialists
  - Support MBCP Staff: Energy Marketing Specialist, Marketing Outreach Representative, Public Engagement Representative, Local Government Affairs Advisor, Senior Energy Media Specialist, Manager of Energy Communications
- ❖ Cost: TBD

## **Key Accounts (Top 100 by energy load)**

### Definition

Key Accounts are defined as the top 100 MBCP customers by aggregated annual load and demand.

### What is the role of Key Account Engagement with MBCP?

Key Accounts account for an estimated 25% of annual load and therefore warrant a thoughtful and strategic approach to ensure key accounts are satisfied with MBCP's products, customer service and energy programs. Key Accounts can and should play an important role in ongoing engagement related to bringing value to their business but also the region as they represent economic influence.

- ❖ Goal
  - To ensure 100% of MBCP's key accounts stay enrolled with MBCP service
- ❖ Strategy:
  - build lasting relationships with a commitment to providing individualized service that helps our customers achieve their goals.
  - Build strong partnerships with Energy Consultants and IOU Account Managers who represent key accounts

- Engage with opted-out key accounts for potential re-enrollment
- ❖ Tactics:
  - Identify primary and secondary contacts for all Essential Accounts within 90 days
  - Conduct Bi-Annual Site Visits with Essential Account Holders
  - Provide Annual Energy Report Cards and Cost Savings Analysis
  - Recommend relevant Energy Programs and assist with application submission
  - Development of Quarterly Commercial Customer Newsletter
  - Annual Key Account Customer Meeting
  - Conduct initial meetings and establish a follow-up schedule with identified Essential Account stakeholders within 6 mos
  - Conduct Essential Customer Satisfaction Interviews during site visits.
  - Provide a same day response to all Essential Customer inquiries.
  - Complete data requests within 24-hours
  - Develop working groups to garner program feedback for programs from Key Accounts.
  - Provide recommendation of relevant programs
- ❖ Metrics:
  - Retain all Key Accounts
  - 50 contacts identified within first 90 days per assigned staffer
  - 25 site visits scheduled within first 6 mos per assigned staffer
  - Re-enroll 6 Key Accounts
- ❖ Staffing:
  - Lead MBCP Staff: Key Account Specialists, Manager of Energy Accounts Services
  - Support MBCP Staff: Energy Account Specialists, Director of Communications & Outreach
- ❖ Cost: TBD

## **Major Accounts (top 100 to 300 by energy load)**

### Definition

Major Accounts are defined as the MBCP customers whose aggregated annual load and demand equal to the Top 101<sup>st</sup> to 300<sup>th</sup> after the Key Accounts.

### What is the role of Major Account Engagement with MBCP?

Major Accounts account for an estimated 15% of annual load and therefore warrant a focused approach to ensure major accounts are aware and engaged with MBCP's products, customer service and energy programs.

- ❖ Goal: to ensure 100% of major accounts stay enrolled with MBCP
- ❖ Strategy:
  - To build relationships with a commitment to providing service that helps our customers achieve their goals
  - Engage with relevant chambers and membership groups which support major accounts
  - Effectively disseminate relevant information and opportunities to major accounts
- ❖ Tactics:
  - Annual Survey to garner customer feedback
  - Provide Annual Energy Report Cards and Cost Savings Analysis
  - Provide a same day response to all Essential Customer inquiries.
  - Complete data requests within 48-hours
  - Provide recommendation of relevant programs
- ❖ Metrics:
  - Retain all Essential Accounts
  - Respond to data request within 24 hours
  - Respond to opt-out requests same day.
- ❖ Staffing:
  - Lead MBCP Staff: Energy Account Specialists
  - Support MBCP Staff: Key Account Specialist, Manager of Energy Account Services, Energy Marketing Specialist, Manager of Energy Communications
- ❖ Cost: TBD

## **Residential**

### Definition

Residential customers represent any customers who rent or own a type of residential building stock such as single family homes, multi-unit dwellings (MUDs), apartments, commodious, manufactured homes or mobile homes.

### What is the role of Customer Segment Engagement with MBCP?

MBCP serves close to 260,000 residential customers. By 2021, MBCP estimates to serve over 400,000 customers across 28 cities and 4 counties across the Central Coast of which 75% will be residential. Engagement with the residential customer segment warrants a variety of strategies and tactic to develop trust and value. The residential customer segment tends to be the most vocal related to positive and negative actions MBCP takes so understanding how to better engage and share information will provide MBCP will greater success and participation.

- ❖ Goal:

- Strive for 100% customer satisfaction with existing residential customers
- ❖ Strategy:
  - Engage in soliciting feedback relative to local opportunities to support MBCP customers
  - Providing transparency and access through stakeholders or IOUs to help customers better understand energy
  - Streamline the channel of communications between community groups, customers and MBCP to increase better access
  - Facilitate ongoing discussion related to residential opportunities for MBCP energy programs.
  - Collaboration with MBCP staff to create a strategic marketing/communications campaign related to re-enrollment
  - Engage with community groups to share collateral and messaging related to re-enrollment
- ❖ Tactics:
  - Create Annual Customer Satisfaction Survey
  - Participate in at a minimum of 2 community events per county
  - Create feedback survey related to MBCP call center
  - Collaborate with IOUs for at least 2 community events relative to rate assistance options
  - Empower CAC to garner feedback about MBCP
  - Create Annual Energy Report Card
  - Send out Monthly Tips and Tricks for Energy Efficiency
  - Create Customer Energy App
  - Launch Re-enrollment Campaign via social media (NextDoor, Instagram, Facebook) focused on areas of concentrated opt outs
  - Share re-enrollment link to MBCP Member Agency pages about MBCP
  - Create collateral materials for CAC members to distribute and promote through their networks
- ❖ Metrics:
  - Retain 99% of existing customer base
  - Participate in 10 community events (2 per county)
  - Achieve at least 5% participation in Customer Satisfaction Survey
  - Increase CARE/FERA enrollments by 5%
  - CAC members participate in 15 stakeholders meetings
  - Re-enroll 300 residential customers per year
- ❖ Staffing:
  - Lead MBCP Staff: Energy Public Engagement Associates

- Support MBCP Staff: Marketing Outreach Representative, Public Engagement Associate, Energy Marketing Specialist, Senior Energy Media Specialist, Manager of Energy Communications
- ❖ Cost: TBD

## **Commercial**

### Definition

Commercial customers represent any customers who are non-residential customers and owns or rents a business or facility defined as commercial consistent with IOU rate tariffs.

### What is the role of Commercial Customer Engagement with MBCP?

Commercial customers account for a smaller portion of actual accounts but account for an estimated 54% of MBCP's annual revenue. MBCP serves close to 39,000 commercial customers. Engagement with the commercial customer segment warrants a focused approach that leverages existing relationships to establish trust and collaboration. The commercial customer segment is more focused on the bottom line and what value MBCP derives so ensuring MBCP is consistent, transparent, cost competitive and open for feedback and input will provide MBCP with greater success and participation.

- ❖ Goal:
  - To build lasting relationships with a commitment to providing a perfect customer experience
  - Maintain 100% of commercial customers
- ❖ Strategy:
  - Continue to join relevant regional or local business and chamber memberships
  - Leverage current relationships to partner or engage with new organizations related to the key industry sectors MBCP serves
  - Increase agency awareness relative to new name, Central Coast Community Energy
  - Build customer tools to help create greater access to data and energy understanding
  - Increase outreach and engagement relevant to MBCP energy programs
- ❖ Tactics:
  - Send out Annual Energy Report Card
  - Create advertisements for sector specific customer segments
  - Sharing consistent messaging/updated with membership organizations
  - Quarterly newsletter focus on commercial sector
  - Leverage membership organizations to partner on Energy Programs opportunities
  - Annual Customer Satisfaction Survey

- Identify Customer Energy App for deployment
- Activate Re-enrollment Campaign
- ❖ Metrics:
  - Retain 100% of existing customer base
  - Re-enroll 5 GWhs of opted out customers
  - Distribute 4 newsletter updates to each membership organization
  - Achieve at least 5% participation in Customer Satisfaction Survey
- ❖ Staffing:
  - Lead MBCP Staff: Energy Account Specialists
  - Support MBCP Staff: Key Account Specialists, Manager of Energy Account Services, Energy Marketing Specialist, Manager of Energy Communications, Director of Communications & Outreach
- ❖ Cost: TBD

## **Agricultural**

### Definition

Agriculture customers are defined as customers whose business operations deals with the growing, storing and processing of food or beverage products.

### What is the role of Agricultural Customer Engagement with MBCP?

While there are only about 3,900 agriculture customers, these customers represent about 11% of MBCP's annual revenue. Agriculture customers are the backbone of the Central Coast economy and it is important to have an open and effective dialogue. Engagement with the agriculture customer segment will leverage existing relationships, membership organizations as well as energy consultants who act as energy advisors to many agriculture customers. The agriculture customer segment is focused on the bottom line and what value MBCP derives as well as an increased focused on triple bottom line sustainability. It will be important for MBCP to collaborative, transparent, cost competitive and open for feedback and input from the agriculture customer segment.

- ❖ Goal:
  - To build lasting relationships with a commitment to providing a perfect customer experience
- ❖ Strategy:
  - Join agriculture focused membership organizations
  - Leverage current relationships to partner or engage with new organizations related to the key industry sectors MBCP serves

- Increase agency awareness relative to new name, Central Coast Community Energy, in the agriculture sector
- Increase outreach and engagement relevant to MBCP energy programs to the agriculture sector
- 
- ❖ Tactics:
  - Participate in agriculture related events or networking opportunities
  - Deliver presentations at agriculture focused events
  - Share MBCP updates to agriculture membership newsletters
  - Share Customer Satisfaction Survey
- ❖ Metrics:
  - Maintain 100% of existing agriculture customers
  - Re-enroll 1 GWh of departed agriculture demand
  - Deliver 4 presentations to agriculture groups
  - Circulate 4 MBCP updates to Agriculture Membership Organizations
  - Achieve at least 5% participation in customer survey
- ❖ Staffing:
  - Lead MBCP Staff: Energy Account Specialists
  - Support MBCP Staff: Key Account Specialists, Manager of Energy Account Services, Energy Marketing Specialist, Manager of Energy Communications, Director of Communications & Outreach
- ❖ Cost: TBD

## **Underserved/Disadvantaged Communities**

### Definition

Underserved & Disadvantaged communities are defined as communities of minority populations or individuals who experience or have experienced economic, race, educational, health or environmental burdens.

### What is the role of Underserved/Disadvantaged Community Engagement with MBCP?

MBCP recognizes that those communities who lack an abundance of resources whether it is access to income, economic opportunity, food, healthcare or basic infrastructure are more vulnerable to climate change and major societal events. Currently, close to 25% of MBCP customers are enrolled in rate assistance programs and there still is room for continued enrollment as there are customers who don't qualify for rate assistance programs but still struggle to make ends meet.

- ❖ Goal: to effectively engage with customers in underrepresented and disadvantaged communities to provide clear and concise information to provide further value
- ❖ Strategy:
  - Provide information that relates to customers in working-class communities of color concerned about immigration issues and the impacts of climate change on their jobs.
  - Connect customers to local and state resources that allow access to energy efficiency and energy discount programs.
- ❖ Tactics:
  - Conduct direct outreach to farmworkers and grower/shipper operations
  - Support Social Services Roundtables
  - Network with local NGOs to create partnership opportunities for combined customer education
  - Support Unified School District STEM Cafes
  - Support Farmworker Resource Fairs
  - Target education to “hot spot” opt-out locations
  - Support annual bi-monthly MBCP Farmworker Field Promotion
  - Attend monthly CINSE, Impact Monterey and SCORE roundtables
  - Attend 8 STEM Cafes
  - Partner with the Consulate General of Mexico (S.J., CA) on 1 Resource Fair that supports the immigrant farmworker population
  - Support 2 annual Salinas Valley events for farmworkers (sponsor/no staff attendance)
  - Develop an outreach campaign to educate customers in “hot spot” opt-out locations
- ❖ Metrics:
  - 24 monthly field promotions, number of attendees/NGO participants
  - Number of Spanish radio spots, Spanish social media promotions
  - Number of targeted emails for “hot spot” opt-out campaign
  - Number of CARE/FERA/LIHEAP applications distributed at events/roundtables
  - Attend 24 monthly roundtables
  - Number of materials/attendees at STEM Cafes
  - Number of MBCP Newsletters shared with Social Services roundtables
  - Number of MBCP promotional sign-ups
- ❖ Staffing:
  - Lead MBCP Staff: Energy Public Engagement Associates
  - Support MBCP Staff: Energy Marketing Specialist, Senior Energy Media Specialist, Marketing Outreach Representative, Public Engagement Representative, Manager of



Energy Communications, Manager of Energy Account Services, Director of Communications & Outreach

❖ Cost: TBD

## **Regional Advocates**

### Definition

Regional advocates are defined as local and regional community based organizations who work with energy, climate and social equity issues consistent with MBCP's mission.

### What is the role of Regional Advocate Engagement with MBCP?

MBCP recognizes regional advocates as important stakeholders who can be very effective in mobilizing and supporting regional, state and national efforts related to MBCP's agency goals. Regional advocates provide access and understanding to local and regional community needs which is valuable for MBCP to help shape its approach to its goals.

#### ❖ Goal:

- solidify effective collaboration with regional groups and advocates to ensure the community's needs and voice are incorporated into MBCP's decision making

#### ❖ Strategy:

- Increase communication channels across the Central Coast
- Provide support and information related to MBCP's governance engagement, regulatory efforts, service offerings and energy programs
- 

#### ❖ Tactics:

- Establish bi-monthly advocacy meeting to engage and learn from regional advocates
- Sponsor local and regional events or workshops consistent with MBCP's sponsorship policy
- encourage signing up for MBCP newsletter and board meeting notifications
- Staff participating in regional advocate meetings or provide relevant presentations
- Connect interested regional advocates with CAC members

#### ❖ Metrics:

- 6 advocacy meetings held
- 10 strategic events or workshops sponsored
- 50% increase in advocate enrollment in newsletter and board meeting notifications
- Number of letters related to state legislation that either supports or opposes CCAs

#### ❖ Staffing:

- Lead MBCP Staff: Local Government Affairs Advisor, Energy Public Engagement Associates

- Support MBCP Staff: MBCP Staff: Director of Communications & Outreach, Manager of Energy Account Services, Director of Energy Programs, Director of Energy Regulatory & Legislative Affairs, Manager of Energy Programs
- ❖ Cost: TBD

## State Legislators

### Definition

State Legislators are defined as assembly members, senators and relevant positions held in the Governor of California's office.

### What is the role of Underserved/Disadvantaged Community Engagement with MBCP?

MBCP recognizes that significant value and influence state legislators play in shaping the energy landscape in California related to regulatory and legislative decisions. Engaging with state legislators on a strategic and ongoing basis will provide MBCP and the CCA network with valuable partnerships to meet the agency's goals as well as the state's goals related to energy, climate and social equity.

- ❖ Goal: increase state legislator education and advocacy related to MBCP and the entire CCA network
- ❖ Strategy:
  - Increase communication channels with state legislators
- ❖ Tactics:
  - Support regional town halls hosted by state legislators
  - Participate in annual legislation day
  - Circulate relevant press release to legislator staff
  - Distribute relevant MBCP communication and energy programs materials at regional offices
  - Connect state legislators with CalCCA and ongoing advocacy efforts
- ❖ Metrics:
  - # of regional town halls supported
  - # of district office visits and engagements
  - # of state legislators met each year
- ❖ Staffing:
  - Lead MBCP Staff: CEO, COO/General Counsel
  - Support MBCP Staff: Director of Energy Regulatory & Legislative Affairs, Director of Energy Programs, Director of Communications & Outreach, Local Government Affairs Advisor
  -
- ❖ Cost: TBD

## Community Advisory Council

### Definition

Community Advisory Council members are defined as appointed community volunteers representing a specific regional geography and the interests of their constituents.

### What is the role of Community Advisory Council Engagement with MBCP?

The Community Advisory Council represents a board coalition of public interest groups and customer segments of which CAC members have the opportunity to convene public conversations, carry public interests to MBCP boards and be a resource relative to agency efforts. The CAC plays a strategic role in overall outreach and customer engagement to ensure the community voice is heard and considered in deliberation of agency efforts.

- ❖ Goal: empower CAC members to actively engage the community to bring back opportunities and community feedback related to agency efforts
- ❖ Strategy:
  - Provide relevant tools and resources for CAC members to be effective ambassadors
  - Support CAC members in the acquisition of customer feedback
- ❖ Tactics:
  - Participate in MBCP's updated governance structure related to non-voting seats
  - Attend local and regional events or discussions relevant to MBCP and energy programs
  - Distribute MBCP service offerings and energy programs opportunities to relevant networks as needed
  - Provide updates at CAC meetings which consist of community feedback regarding important issues and energy programs
  - Co-present annual energy programs suite with MBCP staff
- ❖ Metrics:
  - Deliver 7 or more MBCP communications to networks relative to the CAC meetings
  - Attend 2 regional events or workshops
  - Connect CAC members with 5 new membership organizations within their county
  - Connect MBCP staff with 3 new community groups per CAC member
- ❖ Staffing:
  - Lead MBCP Staff: Director of Communications & Outreach
  - Support MBCP Staff: Energy Public Engagement Associates, Director of Energy Programs, Manager of Energy Account Services, Local Government Affairs Advisor, Key Account Specialists, Energy Accounts Specialists
- ❖ Cost: TBD



## **Draft Community Advisory Council Outreach & Engagement Strategy**

This document outlines a conceptual framework for activation and engagement with the Community Advisory Council (CAC).

The CAC's activities include:

- 1) Act as a liaison to the community by engaging in community outreach to assist and support CCCE, as well as seeking the views of various groups of customers and potential customers of CCCE regarding CCCE program development, proposals, and policies;
- 2) Provide feedback to CCCE's Policy and Operations Boards (the "Boards") and staff ("Staff") on proposals and policy recommendations; and
- 3) Assist with legislative advocacy in furtherance of CCCE's key goals
- 4) Collaborate with CCE staff to obtain community feedback through customer surveys, rate design workshops, and virtual meetings.

Staff envisions the CAC as ambassadors of MBCP such that they are willing, capable and informed to successfully engage with their community and bring back ideas and concepts that are consistent with MBCP's JPA goals and strategy. The CAC has a tremendous opportunity to support CCCE in the acquisition of customer feedback by facilitating participation in community workshops and encouraging workshop participation among members of other community organizations. In order to empower and support the CAC members to actively engage as ambassadors of MBCP, staff proposes the following draft outline. Staff highly encourages the CAC to focus on their representative county and become a recognized and value ambassador both for MBCP/CCCE and the community.

### **Step 1 – Empowerment of CAC Members**

Staff will conduct 2 in-person or virtual presentations (1 hour each) at designated CAC board members about MBCP in its entirety such that CAC members gain foundational knowledge and understanding to be effective ambassadors.

- 1) Part #1
  - a. Overview of CCAs and Role of Public Agency in being the primary electric service provider for the Central Coast
  - b. Overview of MBCP & CCCE
  - c. Overview of MBCP/CCCE Regulatory & Legislative Platform i.e. Advocacy Policy
  - d. Outreach & Customer Engagement Overview
  - e. Overview of MBCP/CCCE customers and customer participation
  - f. Overview of MBCP/CCCE energy programs
  - g. Question & Answer
- 2) Part #2
  - a. Overview of Effective in-person engagement & networking skills
  - b. Overview of effective social media engagement skills
  - c. Review of MBCP/CCCE talking points and opportunities
  - d. Review of MBCP public presentation
  - e. How to bring back ideas/concepts to the CAC Chair or as part of CAC member updates

#### Step 2 – Provide Resources & Materials for Outreach

Staff will put together a suite of resources such as collateral and marketing materials to support an in-person or online engagement with the community. These materials would be in English and Spanish as needed.

#### Step 3 – Share List of Community Organizations & Memberships

Staff will work with CAC to share its list of community organizations and membership organizations based on the respective county to limit any duplicative efforts. Staff certainly encourages the CAC to engage with known and established networks as well as look to new and relevant organizations or groups as time permits.

#### Step 4 – Ongoing feedback and discussion at CAC meetings

As part of the overall Outreach & Customer Engagement strategy at MBCP/CCCE, CAC members will have the opportunity to share any feedback, input, ideas or concepts related to the agency and its potential or established energy programs as part of the ongoing CAC meetings.

#### Ongoing Support and Education for CAC members

Staff will ensure updated materials are circulated to the CAC members via the Director of Communications & Outreach or the Board Clerk (TBD). Should a CAC member require additional support or education, staff will be open to providing additional updates via the next CAC meeting.

**Staff Report Item 5**

**TO:** MBCP Community Advisory Council

**FROM:** Tom Habashi, Chief Executive Officer

**SUBJECT:** Receive Presentation on MBCP FY 20/21 Energy Programs Concepts and Proposed Timeline for CAC Engagement for FY 21/22 Energy Programs Development (Discussion Item)

**DATE:** June 24, 2020

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**RECOMMENDATION:**

Receive presentation and provide input on MBCP FY 20/21 Energy Programs concepts and proposed timeline for CAC Engagement for FY 21/22 Energy Programs development.

**BACKGROUND:**

MBCP launched service in March 2018 and committed to set aside 3% of annual revenue to support energy programs focused on reducing greenhouse gas emissions and stimulating the local economy. At the September 4, 2019 Policy Board meeting, the Board increased the Programs Fund to 4% of annual revenue.

In 2019, MBCP developed the Electrification Strategic Plan (“ESP”) to guide MBCP’s development and implementation of Energy Programs over a five-year planning horizon. The ESP provided the following core deliverables:

1. Technology and Market Assessment
2. Electrification Forecast and Target Setting Report
3. 5-Year Electrification Programs Roadmap

At its September 19, 2019 meeting, the CAC received a report introducing the 2019 MBCP ESP and Energy Program concepts for FY 19/20. Upon receiving feedback and support from the CAC, on November 13, 2019, the Policy Board approved the ESP and the FY 19/20 suite of Energy Programs.

**DISCUSSION/ANALYSIS:**

While initially planned around clear program concepts as set forth in the ESP and 5-Year Electrification Programs Roadmap, the FY 19/20 program year was significantly impacted by Pacific Gas & Electric (“PG&E”) Public Safety Power Shutoffs and the continuing impact of the COVID-19 pandemic.

Both the widespread PSPS events of 2019 and the COVID-19 pandemic required a significant realignment of staff resources to provide community relief. In response to PSPS events, staff developed the Uninterruptible Power Supply (UPS) Program and the Residential Electrification Program (discussed in more detail below). In response to COVID-19, MBCP provided customers with nearly \$24 million in bill deferments, providing immediate financial relief across the entirety of the local economy. The impacts of COVID-19 has further impacted the adoption and utilization of other FY 19/20 program offerings. In addition to the planned multi-year commitment to the FY 19/20 program offerings, staff believes the PSPS and COVID-19 impacts warrant continued commitment to the existing program offerings, with some modifications.

### ***Energy Program Design Criteria***

The 2019 ESP provides a 5-Year Electrification Programs Roadmap to establish a foundation and guide for the development and implementation of MBCP’s Energy Programs. Based on MBCP’s prior work and the stated goals of the organization, the Electrification Programs Roadmap provides program design criteria that was used to screen and ultimately select a suite of energy programs for FY 19/20. Staff proposes to continue the use of the following design criteria into the FY 20/21 Energy Programs planning process. Program concept and screening criteria is as follows:

- GHG emissions reduction
- Community emergency preparedness
- Cost effectiveness
- Economic development
- Social equity
- Leverages complementary resources
- Builds MBCP brand awareness

### ***Program Selection for FY 20/21***



Staff proposes to carry over the following FY 19/20 Energy Programs into FY 20/21. Staff will apply programmatic adjustments to some of the programs as to incorporate lessons learned and feedback from stakeholders and the community. Current program concepts include the following:

- **Multi-unit Dwelling (MUD) Electrification Grant Program** – Grant incentives for housing developers to choose to develop all-electric housing in MBCP’s service area rather than mixed-fuel developments. Opportunities for FY20/21 may include expanding the scope of the program to include single family home development.
- **Reach Code Incentive Program** – Provide incentives for MBCP’s member jurisdictions to adopt and codify electrification building codes that expand upon the Title 24 of the California Code of Regulations. This program opportunity would remain available to MBCP member jurisdictions in FY 20/21.
- **Zero Emissions School Bus Program** – In partnership with MBARD, Support school bus electrification throughout MBCP’s service area by providing incentives to replace traditional school buses with all-electric buses. Opportunities for FY 20/21 may include extending the current program offering within the Monterey Bay region and expanding the Program to San Luis Obispo and Santa Barbara Counties with the local Air Resources Districts.
- **California Electric Vehicle Infrastructure Project (CALeVIP)**
  - **Central Coast Incentive Program (CCIP)** – In partnership with the Center for Sustainable Energy (CSE), CALeVIP offers incentives for EV Charging stations infrastructure. This project is proposed to continue into FY 20/21 as projects are implemented throughout the Monterey Bay Region. MBCP signed a Letter of Intent stating it would commit to \$1 million in FY 19/20 and potentially another \$2 million over FY 20/21 and FY 21/22 if the board approves the funding.
  - **South Central Coast Incentive Project (SCCIP)**- Staff is in discussions with CSE and regional partners in the counties of San Luis Obispo and Santa Barbara to explore the CALeVIP - SCCIP, a counterpart to the CCIP. MBCP sought Operations Board approval back on January 8, 2020 to submit an LOI to potentially invest \$1.7 million over the life of the project for EV infrastructure with MBCP member communities in San Luis Obispo and Santa Barbara Counties. Total Program funding amounts are still to be determined based on State funding contributions.

- **Uninterruptible Power Supply (UPS) Program** – The UPS Fund Program offers a low-cost financing option for critical facilities in MBCP’s service area looking to increase resiliency to maintain operations during Public Safety Power Shutoffs and other prolonged power outages. This program is available to MBCP’s customers through FY 20/21.
- **Residential Resiliency Incentive (RRI) Program (formerly known as the Residential Energy Distribution Program)** – The RRI Program is planned to target MBCPs most vulnerable customers (medical-baseline and low income) to provide incentives for energy resiliency during Public Safety Power Shutoffs or other prolonged power outages. The RRI is still under development and may continue into FY 20/21.
- **Residential Electrification Program** – MBCP will provide incentives for all-electric heat pump water heaters, in-home electric Vehicle Chargers, and associated electrical panel upgrades to electrify existing homes in MBCP’s service area. Potential opportunities to explore in FY 20/21 include incentives for existing MUD electrification retrofits and inclusion of advanced smart-home and smart-grid technologies, such as vehicle-grid integration and demand response capabilities.
- **Community-wide Greenhouse Gas Emissions Inventories** – MBCP has partnered with Association of Monterey Bay Area Governments (AMBAG) to complete the 2018, 2019, and 2020 community-wide GHG emissions inventories for all 32 MBCP member jurisdictions. This initiative is planned to be implemented over a three-year period from FY 19/20 - FY 21/22, or until the inventories are completed.
- **Agricultural Equipment Electrification Program** – MBCP will provide incentive opportunities to promote the electrification of the agricultural industry throughout MBCP. Incentives will be provided to ag customers to replace fossil fuel-powered ag equipment like tractors, vehicles, forklifts, irrigation equipment, and food storage equipment. In FY 20/21, staff is proposing to expand the program to reach a greater number of customers, pending feedback on the FY 19/20 program outcomes.

MBCP continues to explore new and innovative ways to establish the Central Coast as a leader in electrification and energy sustainability. While the current programs outlined above will continue to evolve, staff is proposing the following new program concepts for implementation in FY 20/21.

- **Electrification Education Program** - In collaboration with the CAC, MBCP suggests partnering with one or more outside organizations to implement educational opportunities focused on electrification throughout the Central Coast. This proposed educational program will target the general public, as well as local tradespeople, and industry leaders. The goal of this multifaceted approach is to initiate market adoption of EVs, EV Infrastructure, residential and commercial building electrification, and agricultural electrification. Types of opportunities may include, but are not limited to, ride-and-drive events, training for local home appliance installers, hands-on community or industry workshops, as well as online educational and/or training portals.
- **Community Grants Program** - Staff proposes to provide grant opportunities that will be available to community members and/or community organizations. Grants may provide a focus on supporting low-income customer segments and communities to achieve their electrification and energy sustainability goals. MBCP is exploring potential partnership opportunities with community leaders from each County in MBCP's service area for equitable distribution of funds. To promote ingenuity and creative thinking, MBCP is proposing to allow a broad range of grant applicants, including student groups, non-profits, climate coalitions, and other community-driven groups or organizations.

#### ***Additional FY 20/21 Energy Program Concepts***

Staff continues to engage with local stakeholders and potential collaborators to gather feedback on future program opportunities. Staff is exploring the following program concepts as potential opportunities for FY 20/21 or FY 21/22:

- Establish online marketplace for customers to purchase electrified products
- Residential Propane to Electric Pilot
- Virtual Power Plant concept
- Residential in-home battery storage
- Affordable MUD Battery Storage
- Low-Income EV Incentives

#### ***CAC Engagement and FY 21/22 Energy Programs Design***

Staff is proposing the following timeline for CAC engagement pertaining to the development and implementation of FY1/22 MBCP Energy Programs.

- **Summer 2020** – Staff presents in-depth review and evaluation for past MBCP Energy Programs; solicits feedback from CAC.

- **Fall 2020** – Development of FY 21/22 Energy Program Design Criteria for program development, solicit feedback from CAC.
- **Winter 2020/2021** – Bring FY 21/22 Energy Program Design Criteria, informed by CAC feedback, for approval by MBCP Operations Board; Identify, evaluate, and discuss FY 21/22 Energy Program concepts based on approved design criteria; CAC directly engages community on Program concepts, provides feedback to staff.
- **Spring 2021** – Staff develops draft FY 21/22 Energy Programs Workplan with detailed Energy Program offerings.
- **Summer/Fall 2021** – Staff incorporates draft FY 21/22 Energy Programs into the budget planning process for presentation at the Joint Annual Meeting; CAC directly engages with community on adopted FY 21/22 Energy Programs Workplan.

**FISCAL IMPACT:**

There is no fiscal impact associated with the recommended action.

**CONCLUSION:**

MBCP staff is requesting feedback from the CAC on the proposed suite of programs for FY 20/21, which includes the continuation of Energy Programs from FY 20/19 and the newly proposed FY 20/21 initiatives. Additionally, staff is requesting feedback on the proposed timeline for CAC engagement on the FY 21/22 Energy Programs design process.

**Staff Report Item 6**

**TO:** MBCP Community Advisory Council

**FROM:** Tom Habashi, Chief Executive Officer

**SUBJECT:** Support Recommending the Policy Board's Adoption of a Resolution Reinforcing MBCP's Continued Commitment to Ensuring Eligible Customer Awareness of, and Enrollment in, Rate Assistance Programs (Action Item)

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**DATE:** June 24, 2020

**RECOMMENDATION**

Staff recommends the CAC support seeking the Policy Board's adoption of a resolution reinforcing MBCP's continued commitment to ensuring eligible customers are aware of, and enroll in, California's rate assistance programs

**BACKGROUND**

The Public Goods Charge is collected from all rate payers in California, to fund programs supporting income qualified energy customers. Pacific Gas & Electric ("PG&E"), and other Investor Owned Utilities ("IOUs"), act as the administrator for these low-income rate assistance programs.

Current low-income rate assistance programs include:

- California Alternate Rates for Energy Program (CARE)<sup>1</sup>: A monthly discount of 20% or more on gas and electricity bill. Participants qualify through income guidelines or if enrolled in certain public assistance programs.
- Family Electric Rate Assistance Program (FERA): A monthly discount of 18% on electricity only. Participants must be a household with three or more people, qualifying through income guidelines.

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<sup>1</sup> [https://www.pge.com/en\\_US/residential/save-energy-money/help-paying-your-bill/longer-term-assistance/care/care.page?WT.mc\\_id=Vanity\\_care](https://www.pge.com/en_US/residential/save-energy-money/help-paying-your-bill/longer-term-assistance/care/care.page?WT.mc_id=Vanity_care)

- Medical Baseline Allowance<sup>2</sup>: is an assistance program for residential customers who have special energy needs due to qualifying medical conditions. The program includes two different kinds of help:
  - A lower rate on your monthly energy bill
  - Extra notifications in advance of a Public Safety Power Shutoff

Additionally, low-income customers may take advantage of the Low-Income Home Energy Assistance Program (LIHEAP)<sup>3</sup> which is a federally funded program assisting low-income households that pay a high portion of their income to meet their energy needs.

In response to the COVID-19 pandemic, PG&E will not disconnect residential customers, will implement payment plan options, and will not remove customers from rate assistance programs. MBCP responded to COVID-19 by deferring 50% of all customer's electric generation charges in May and June of 2020 and indefinitely suspending its Customer Return Policy.

At the May 27, 2020 Community Advisory Council meeting, Councilmember Osmer raised a concern that when PG&E lifts its disconnection ban, customers – including those unfamiliar with rate assistance programs – may be disconnected. Councilmember Osmer recommended staff consider a resolution reconfirming MBCP's support for educating eligible customers about, and enrolling eligible customers in, available rate assistance programs.

## **DISCUSSION**

MBCP supports the enrollment of all eligible customers in the available rate assistance programs. This discussion outlines the status of MBCP customers enrolled in rate assistance programs, MBCP's outreach regarding rate assistance programs, and targeted outreach during enrollments.

### Status of Eligible MBCP Customer Enrollment in Rate Assistance Programs

MBCP estimates that 60,000 of its customers enrolled in CARE and FERA (accounts for 23% of total residential accounts and 20% of total enrolled accounts). MBCP further estimates that 8095 of its customers are enrolled in Medical Baseline (3.2% of total residential accounts and 2.7% of total enrolled accounts).

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<sup>2</sup> [https://www.pge.com/en\\_US/residential/save-energy-money/help-paying-your-bill/longer-term-assistance/medical-condition-related/medical-baseline-allowance/medical-baseline-allowance.page?WT.mc\\_id=Vanity\\_medicalbaseline](https://www.pge.com/en_US/residential/save-energy-money/help-paying-your-bill/longer-term-assistance/medical-condition-related/medical-baseline-allowance/medical-baseline-allowance.page?WT.mc_id=Vanity_medicalbaseline)

<sup>3</sup> <https://www.csd.ca.gov/Pages/LIHEAPProgram.aspx>

The most recent enrollment report and identified a 5% increase (est. 3000 customers) in MBCP eligible customer enrollments in CARE/FERA since the onset of COVID-19 in early March 2020. As of early June, staff estimates that CARE/FERA enrollments are at about 85% of eligible accounts. Staff estimates that Medical Baseline enrollments are at about 90% of eligible accounts. The under-enrollment of eligible customers is primarily due to misinformation about these rate assistance program not being available to MBCP customers.

In order to raise awareness about MBCP and its role in supporting rate assistance programs, staff has engaged with a wide variety of stakeholders and community groups supporting CARE/FERA and Medical Baselines customers.

#### Rate Assistance Program Outreach and Support

Customers enrolled in CARE, FERA or Medical Baseline programs do not need to take any action relative to MBCP electric generation service and do not need to reapply upon enrollment in MBCP service.

MBCP was the first CCA to launch a Facebook page strictly in Spanish to directly reach the Spanish speaking population which comprises a significant portion of the overall Monterey Bay region. MBCP also launched the first ever farmworker outreach program within the CCA community to engage and connect with farmworkers across the Monterey Bay region. To date, staff connected with close to 800 farmworkers at 17 different farms. In addition, staff participated in monthly roundtables with South County Outreach Effort (SCORE) and County Immigration Services Network (CISNE) with over 50 regional non-profits which discuss community issues and needs related to underserved and disadvantaged communities.

MBCP promotes low-income rate programs through presentations, our call center energy advisors, our website, newsletter, social media platforms (both in English and Spanish), distributing flyers through tabling events, and our Farmworker Outreach Program.<sup>4</sup>

#### **FISCAL IMPACT**

There is not fiscal impact to this report.

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<sup>4</sup> <https://www.mbcommunitypower.org/residential-services/>

**CONCLUSION**

The CAC's support for the Draft Resolution reinforces MBCP's commitment to ensuring all eligible MBCP customers are aware of how to enroll in, and benefit from, rate assistance programs.

**ATTACHMENTS**

DRAFT Resolution PB-2020-XX



**DRAFT RESOLUTION NO. PB -2020-XX**

**A RESOLUTION OF THE POLICY BOARD OF DIRECTORS OF THE MONTEREY BAY COMMUNITY  
POWER AUTHORITY SUPPORTING MBCP'S CONTINUED SUPPORT OF CALIFORNIA'S  
RATE ASSISTANCE PROGRAMS**

**WHEREAS**, the Monterey Bay Community Power ("Authority") is a Joint Powers Authority established and operated pursuant to California Government Code section 6500 et seq. function as a Community Choice Energy program pursuant to California Public Utilities Code section 366.2 in the California Central Coast region of Santa Cruz, Monterey, San Benito, Santa Barbara Counties, and certain cities within San Luis Obispo County; and

**WHEREAS**, U.S. Census Bureau data for 2014 – 2018 data years identify the poverty rate in Monterey, San Benito, Santa Cruz, San Luis Obispo, and Santa Barbara counties are 13.4%, 9.2%, 12.3%, 13.2%, and 12.5%, respectively, and

**WHEREAS**, the mission of MBCP is to reduce greenhouse gas emissions by providing clean energy at affordable rates and stimulating the local economy, and

**WHEREAS**, MBCP seeks to reduce greenhouse gas emissions through the procurement of utility scale renewable energy generation and the deployment of energy programs focused on electrification and fuel switching away from fossil fuels, and

**WHEREAS**, MBCP's service area has unique local needs that reflect each respective county's diverse environmental, economic, and social community, and

**WHEREAS**, The COVID-19 pandemic has impacted MBCP's entire service area resulting in increased unemployment rates, and

**WHEREAS**, local Shelter-in-Place orders have resulted in more MBCP customers at home during the day resulting in increased residential energy consumption and generally higher residential energy bills, and

**WHEREAS**, low income households are at higher risk of utility shutoffs due to likelihood of being unable to pay high energy bills. In 2019 alone, 91,667 low-income households were disconnected for non-payment in PG&E service territory, and

**WHEREAS**, MBCP will defer 50% of MBCP Electric Generation Charges for all customers for the billing months of May and June 2020 and offer a 2% monthly discount from July to December 2020 in response to COVID-19, and

**WHEREAS**, MBCP has also voluntarily suspended its Customer Return Policy indefinitely, and

**WHEREAS**, in response to COVID-19, Pacific Gas and Electric has indicated it will not disconnect residential customers, as implemented payment plan options, and is encouraging customers experiencing COVID-19 related financial issues to call 1-800-743-5000 for assistance, and

**WHEREAS**, California's rate assistance programs, such as California Alternate Rates for

Energy Program (CARE), Family Electric Rate Assistance Program (FERA) and Medical Baseline Allowance offer eligible customers 18% to 20% monthly discounts on their energy bill, and

**WHEREAS**, income qualifying customers may also seek one-time financial assistance through the federally funded Low-Income Home Energy Assistance Program, and

**WHEREAS**, MBCP continuously advertises, informs, and actively encourages customers to enroll in the state and federal rate assistance programs available through its website, social media, newsletter, outreach programs, and other outlets, and

**WHEREAS**, MBCP seeks to prevent utility disconnections, and minimize further economic hardship for its low-income customers and the local economy.

**NOW THEREFORE BE IT RESOLVED**, that the Policy Board of the Monterey Bay Community Power Authority does hereby resolve, determine, and order as follows:

1. MBCP shall continue to actively encourage all eligible customers to enroll in California's rate assistance programs, including CARE, FERA and Medical Baseline programs, as well as making eligible customers aware of the federally funded LIHEAP program assistance.

**PASSED AND ADOPTED** by the Policy Board of the Monterey Bay Community Power Authority this XX day of MONTH 2020 by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

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Chair, Bruce McPherson

Attest:

**Staff Report Item 7**

**TO:** MBCP Community Advisory Council

**FROM:** Community Advisory Council Nominating Committee

**SUBJECT:** Receive and Approve Nominating Committee Recommendations for Community Advisory Council Chair and Vice Chair (Action Item)

**DATE:** June 24, 2020

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**RECOMMENDATION:**

This recommends that the Community Advisory Council (“CAC”) receive and consider nominations for, and approve, the appointment of Norman Groot to serve as Chair and Seth Capron to serve as Vice Chair of the Community Advisory Council.

**BACKGROUND / DISCUSSION:**

Article VI of the CAC Bylaws provide that the Chair and Vice Chair shall be selected by vote of the CAC at the first CAC meeting in June of each year.

At its May 27, 2020 meeting, the CAC appointed Norman Groot and Richard Stedman to serve as the Nominating Committee to make nominations for the CAC’s consideration and action.

The Nominating Committee has met with members and nominates Norman Groot to serve as Chair and Seth Capron to serve as Vice Chair.