



**CITY OF PACIFIC GROVE**  
300 Forest Avenue, Pacific Grove, California 93950

Agenda 12C  
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**AGENDA REPORT**

**TO:** Honorable Mayor and Members of City Council

**FROM:** Ben Harvey, City Manager

**MEETING DATE:** November 16, 2016

**SUBJECT:** Monterey Bay Community Power Joint Powers Authority

**CEQA:** Does not Constitute a “Project” per California Environmental Quality Act (CEQA) Guidelines

**RECOMMENDATION**

Adopt a non-binding resolution of intent affirming the City’s desire to participate in governance and financing discussions for the Monterey Bay Community Power Joint Powers Authority.

**DISCUSSION**

Enabled by California legislation (AB117), Community Choice Aggregation (CCA) allows local governments to purchase and generate power to sell to residential and business customers. Energy transmission, distribution, repair and customer service remain the responsibility of investor-owned utilities, such as Pacific Gas & Electric (PG&E).

The County of Marin established Marin Clean Energy, the first CCA in the U.S., in 2008. Marin Clean Energy currently provides the option for enhanced renewable power to residents and businesses in the Counties of Marin and Napa, and the Cities of Richmond, Benicia, El Cerrito, San Pablo, Walnut Creek, and Lafayette at a similar cost to PG&E, but with up to 100% of the power coming from renewable sources (depending on which energy stream option the customer selects). Other CCA examples providing enhanced renewable energy portfolios from those offered by the investor owned utilities (such as PG&E or SCE) exist within California, including Sonoma Clean Power, which has been in operation since 2014, and Lancaster Choice Energy, which has operated since 2015. PG&E currently provides 30% of Monterey Bay region’s energy from renewable sources, and is on track to reach 33% in accordance with the California Public Utility Commission mandate by 2020.

Formed in 2013, the Monterey Bay Community Power project is a region-wide collaborative partnership comprised of all 21 local governments within the greater Monterey Bay area, including the City of Pacific Grove (opting into the project by City Council action in August of 2013). The partnership also includes Monterey Bay Unified Air Pollution Control District, Salinas Valley Solid Waste Authority, and Monterey Regional Waste Management District. The purpose of the project has been to investigate the viability of establishing a local community choice energy (CCE) joint powers agency (JPA) within the region. A summary report providing recommendations from the project’s development advisory committee is attached to this agenda report, along with a fact sheet that details the benefits of pursuing CCA.

Monterey Bay Community Power is asking that the City adopt a non-binding resolution to enter into governance and financing discussions for the proposed JPA. After entering into discussions, should the City decide that it would like to pursue joining the JPA, the City would be required to adopt an Ordinance by the end of January, 2017.

## **OPTIONS**

1. Do nothing.
2. Direct staff to obtain specific additional information before proceeding.

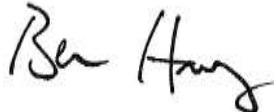
## **FISCAL IMPACT**

There is no fiscal impact in adopting the proposed non-binding resolution to enter into discussions regarding governance and financing for the proposed JPA.

## **ATTACHMENTS**

1. Resolution
2. Summary Report
3. Fact Sheets /English and Spanish

RESPECTFULLY SUBMITTED,



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Ben Harvey, City Manager

## **RESOLUTION NO. 16-**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE AFFIRMING THE CITY'S INTENT TO PARTICIPATE IN GOVERNANCE AND FINANCING DISCUSSIONS FOR THE PROPOSED MONTEREY BAY COMMUNITY POWER (MBCP) JOINT POWERS AUTHORITY (JPA)**

**WHEREAS**, Representatives from various jurisdictions in Santa Cruz, Monterey, and San Benito counties have been meeting for the last several years to discuss forming a JPA, under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 et seq.), to form a community choice aggregation program through which to purchase, supply, and aggregate the electrical load of their municipal, residential and commercial customer accounts.

**WHEREAS**, In 2006, the State Legislature adopted AB 32, the Global Warming Solutions Act, which mandates a reduction in greenhouse gas emissions in 2020 to 1990 levels. The California Air Resources Board is promulgating regulations to implement AB 32 which will require local governments to develop programs to reduce green-house gas emissions; and

**WHEREAS**, The purposes for forming the JPA include:

- A. Jointly administering a community choice aggregation (CCA) program for jurisdictions in the Monterey, Santa Cruz and San Benito County region;
- B. Reducing greenhouse gas emissions related to the use of power in the Monterey, Santa Cruz, and San Benito County region;
- C. Providing electric power and other forms of energy to customers at a competitive cost;
- D. Carrying out programs to reduce energy consumption;
- E. Stimulating and sustaining the local economy by developing local jobs in renewable energy and other energy related initiatives; and
- F. Promoting long-term electric rate stability, energy security, and reliability for residents through local control of electric generation resources.

**THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF PACIFIC GROVE AFFIRMS ITS INTENT TO PARTICIPATE IN GOVERNANCE AND FINANCING DISCUSSIONS FOR THE MONTEREY BAY COMMUNITY POWER JOINT POWERS AUTHORITY (JPA) UNDER THE FOLLOWING GENERAL TERMS:**

- (1) The Monterey Bay Community Power JPA is planned to be formed in early 2017, and the JPA expected to begin providing electrical service to customers by spring 2018.
- (2) The Monterey Bay Community Power JPA will be composed of jurisdictions within the region of Monterey, Santa Cruz and San Benito Counties choosing to participate by passage of a JPA Agreement resolution and CCA ordinance as required by State statute. The target deadline for passage of said resolution and ordinance is January 31, 2017.

- (3) The proposed Governing Board structure of Monterey Bay Community Power JPA seeks to:
- (a) Represent the interests of a large geographical area while keeping the Board size to a manageable level
  - (b) Reserve important policy-level decisions for elected officials through creation of a Policy Board that would meet 2-3 times per year or as requested by the Chief Executive Officer
  - (c) Reserve Agency operational decisions for administrative managers (City Managers and County administrators) through the creation of an Operations Board that would meet 8-12 times per year
  - (d) Provide fair and equitable representation to Agency members based on population size (number of ratepayers) rather than electrical load size (volume of electric usage).
- (4) The proposed MBCP Board seats would be allocated as follows:
- (a) Policy and Operations Board seats for founding JPA members (i.e. those jurisdictions that pass a CCA ordinance by January 30, 2017) which will remain in place unless the number of member jurisdictions exceeds 11
  - (b) Once the JPA reaches more than 11 member agencies, the Policy and Operations Boards' composition shall shift to a regional allocation based on population size.
  - (c) This allocation shall be one seat for each jurisdiction with a population of 50,000 and above, and shared seats for jurisdictions with populations below 50,000 allocated on a sub-regional basis.
  - (d) Under current population estimates, the Board seats in the Tri-County area would be allocated as follows:
    - i. 1 seat for Santa Cruz County
    - ii. 1 seat for Monterey County
    - iii. 1 seat for the City of Santa Cruz
    - iv. 1 seat for the City of Salinas
    - v. 1 seat for the City of Watsonville
    - vi. 1 shared seat for remaining Santa Cruz cities including Capitola and Scotts Valley selected by the City Selection Committee
    - vii. 1 shared seat for Monterey Peninsula cities including Monterey, Pacific Grove, and Carmel selected by the City Selection Committee
    - viii. 1 shared seat for Monterey Coastal cities including Marina, Seaside, Del Rey Oaks, and Sand City selected by the City Selection Committee
    - ix. 1 shared seat for Salinas Valley cities including King City, Greenfield, Soledad, Gonzales selected by the City Selection Committee
    - x. 1 shared seat for San Benito County and cities selected by the City Selection Committee

- (e) It is proposed that the member of the Policy Board and Operations Board shall be from the same jurisdiction.
  - (f) The Policy Board of elected officials would meet three times per year with the option for special meetings as determined by the Chief Executive Officer. It is proposed that the Policy Board would provide guidance/approval in the following areas:
    - i. Strategic planning and goal setting
    - ii. Passage of Agency budget and customer rates
    - iii. Large capital expenditures outside the typical power procurement required to provide electrical service
  - (g) The Operations Board of appointed County Administrative Officers or City Managers from participating jurisdictions would meet no less than 8 times per year and would focus on the routine operations of the Agency and provide oversight and support to the Chief Executive Officer on matters pertaining to the provision of electrical service to customers in the region.
- (5) Financial participation contemplated for members of MBCP JPA is proposed as a pro-rata share of credit support to guarantee a seed capital loan of up to \$3M to implement the program and cover the costs of Agency start up.
- (a) The County of Santa Cruz on behalf of the proposed MBCP will issue an RFP for banking and credit services to solicit credit and terms associated with provision of said capital
  - (b) The final amount of required credit and the level of guarantee to cover pre-revenue expenses will be confirmed once ordinances are passed and the size of the program is known
  - (c) Should the program fail to launch and the Agency were to default on the loan, the city/County would be required to fund its portion of any outstanding loan balance
- (6) Any loan or capital contribution made by a member Agency to the JPA is fully reimbursable through ratepayer revenues at terms mutually agreeable by the jurisdiction and JPA
- (7) Passage of this resolution authorizes staff of the City of Pacific Grove to participate in discussions in anticipation of MBCP JPA formation. It does not, however, bind the City of Pacific Grove to membership in the JPA, allocation of general funds, or participation in a future CCA program. If the City of Pacific Grove chooses to move forward, it will be required to pass a resolution for JPA membership, authorize a pro-rata share of credit support, and pass a CCA ordinance by January 31, 2017.

**PASSED AND ADOPTED BY THE COUNCIL OF THE CITY OF PACIFIC GROVE this 16<sup>th</sup> day of November, 2016, by the following vote:**

AYES:

NOES:

ABSENT:

APPROVED:

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BILL KAMPE  
Mayor

ATTEST:

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SANDRA KANDELL  
City Clerk

APPROVED AS TO FORM:

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DAVID C. LAREDO  
City Attorney

## **SECTION I**

### **REGIONAL PROJECT DEVELOPMENT ADVISORY COMMITTEE**

#### **Summary Report & Recommendations**

### **Background**

Formed in 2013, the Monterey Bay Community Power project is a region-wide collaborative partnership comprised of all 21 local governments within the greater Monterey Bay area, including the Counties of Santa Cruz, Monterey, San Benito and all 18 cities located within. The partnership also includes Monterey Bay Unified Air Pollution Control District, Salinas Valley Solid Waste Authority, and Monterey Regional Waste Management District. The purpose of the project has been to investigate the viability of establishing a local community choice energy (CCE) joint powers agency (JPA) within the region. Authorized by California legislation (AB 117 in 2001, amended by SB 790 in 2011), CCE allows counties and cities to pool their electricity load in order to purchase electricity or invest in energy projects and programs for local residents and businesses as an alternative to the existing utility provider, (PG&E.) Formal resolutions to participate in the project were passed by every jurisdiction during 2013, with each given the option of appointing a representative to the Project Development Advisory Committee overseeing the investigation.

### **Regional Project Development Advisory Committee (PDAC) Work and Process**

After initial formation, the PDAC approved the County of Santa Cruz as the lead agency on behalf of the partnership to raise the funds and provide staffing. The 15-member PDAC hosted 26 public meetings from December 2012 through June 2016, providing guidance and making key decisions with input from the Project Team and consultants. To ensure that the entire region had access to PDAC deliberations, the meetings have been rotated between the Monterey Regional Waste Management District Board Chambers in Marina and the Santa Cruz County Board of Supervisors Chambers in Santa Cruz, with one special session in San Benito County. A project website was established in early 2013 to provide information, answers to frequently asked questions and post PDAC meeting materials and updates, [MBCommunityPower.org](http://MBCommunityPower.org).

By the middle of 2014, \$404,846 had been raised to conduct a Phase 1 Technical Feasibility Study, an analysis of the benefits and risks associated with creating a local CCE agency and a comparison of that information with the current rates and services provided by PGE. The study and an independent peer review were completed by April, 2016 and are included here in Section III and Appendix 4 of this information packet. The study reveals several favorable environmental and economic outcomes. These include local control over electricity rates and complimentary programs, a significant increase in procuring and generating renewable electricity for the region and the potential value of redirected revenue to benefit the local economy and create green jobs.

It is worth noting that the project funds raised were from private community and state resources, not from local government general budgets. The project's non-profit partner, the Community Foundation of Santa Cruz County (CFSCC), graciously accepted private donations for the project totaling \$25,607. The PDAC worked collaboratively with the CFSCC to provide oversight and accountability regarding how these funds have been spent. The remaining funds came from grants procured and managed by Santa Cruz County as the lead project partner. The grants awarded were from the California Strategic Growth Council (\$344,239), the World Wildlife Fund (\$30,000), and the UC Santa Cruz Carbon Fund (\$5,000).

The PDAC has collaborated with the Project Team on all elements of Phase 1 investigative work as outlined below. Members of the PDAC and Project Team and their affiliations are listed under "Acknowledgements" at the end of this report.

- Provided regular public meeting opportunities for community members to learn about CCE and have input into PDAC discussions and decisions;
- Developed a Phase 1 work and Project Team plan with goals and objectives;
- Assisted with the development of grant proposals and oversaw the CFSCC budget and expenditures;
- Tracked State legislative and regulatory activities affecting CCE investigation;
- Created the content, goals and objectives of the project website, community group educational presentations and regular update reports to county and city partners;
- Developed the scope and assumptions of the Technical Feasibility Study, the independent peer review and the qualifications and criteria for hiring the appropriate consultants;
- Gathered expert information, options and best practices regarding the phased formation work tasks, governance, executive staffing, and start-up financing;

- Scoped the qualifications and criteria for a professional consultant to develop a wide outreach communications program and designed the plan with the firm hired;
- Reviewed the contents of the Technical Feasibility Study and all other information and recommendations contained in this packet; and
- Guided the next steps to complete Phase 1 work and assisted the MBCP county and city partners in their deliberations regarding CCE-JPA formation.

This comprehensive information packet has been assembled as a culmination of the PDAC's work over the past few years, providing each county and city partner the information needed to decide whether to participate with partners in the next steps toward forming a regional CCE-JPA. The PDAC has assembled a complete public record of all committee deliberations, which are posted on the website, [MBCommunityPower.org](http://MBCommunityPower.org). The PDAC will continue to meet during 2016 until Phase 1 work is concluded and a CCE ordinance has been considered or approved by interested county and city partners.

## **Phase 1 Project Status, Next Steps and Phase 2 Formation Work**

### **Phase 1 Project Status and Next Steps:**

To recap, in this first phase, the PDAC has conducted an initial exploration of CCE program viability and has overseen the development of a technical study and assembled related resource information. Community engagement strategies have been implemented, and will continue, to educate the affected energy customers and lay the foundation for Phase 2 formation work. Over the next 6 months, the PDAC will steer completion of Phase 1 that will include hosting a series of public workshops and special study sessions to be attended by PDAC representatives, elected officials, county and city executive staff, project staff and CCE experts from around the State. The PDAC has also formed two subcommittees that will meet on an ad hoc basis to discuss governance, executive staff and start-up financing options. The end result of Phase 1 will be the decision to form a CCE-JPA governing Board after start-up financing has been determined and recruitment has begun to hire a chief executive to manage Phase 2 work. The next steps and timeframe to complete Phase 1 work are:

- May 13, 2016: All MBCP county and city partners will receive this information packet with PDAC recommendations regarding best practices and next steps.
- May 24 and June 9th: The PDAC will host three special public study sessions for county and city electeds and executive staff to review and discuss the technical study with the consultants as well as options regarding governance, start-up financing, and formation:
  - May 24- 9:30 am to noon – Monterey County Board Chambers- Salinas
  - June 9- 9:30am to noon – Santa Cruz County Board Chambers – Santa Cruz
  - June 9- 3:00 pm to 5:30pm- San Benito County Board Chambers- Hollister
- County and cities interested in forming a CCE-JPA may join an ad hoc subcommittee comprised of executive staff who will develop a formation proposal for Board of

Supervisors and City Councils' consideration on or before September 15, 2016; Attachment 2  
date.) Professionals who have experience in retail electricity services, program design,  
finance, wholesale purchasing and renewable resource development will assist this  
work.

- May through October: A comprehensive regional outreach and communications program to engage and educate the community at large will be implemented by a professional consulting firm.
- August through October: County and city governing Boards will consider the ad hoc subcommittee formation proposal and adopt ordinances and agreements with other early adoptive partners.
- October 31, 2016: A regional CCE agency joint powers governing Board will be seated and a final selection for the CEO position is made. The CEO hires staff and Phase 2 begins.

#### Phase 2 Formation Work:

This phase involves program design, soliciting energy procurement services, seeking CPUC approval of an implementation plan, executing a service agreement with PG&E, and expanding community engagement. Agency staff will also complete all remaining legal requirements, enroll customers and prepare to launch an independent operation. Appendix 5 has a more detailed proposed formation work plan for the Monterey Bay Community Power partnership. The end result of Phase 2 work will be to launch (i.e., provide power to customers) no later than September/October, 2017. Note that all start-up costs are reimbursable with interest after program launch through ratepayer revenues.

## **PDAC Recommendations- Feasibility, Formation and CCE Best Practices**

#### Feasibility Recommendation:

The prospects for CCE programs in California have improved significantly in recent years as a result of many factors:

- The success of Marin Clean Energy and Sonoma Clean Power in providing their communities with greener power at prices competitive with PG&E while investing considerable surplus funds into local renewable energy and energy efficiency projects that created local jobs;
- Favorable wholesale energy market conditions, resulting in relatively low cost power;

- Recognition that a CCE program can be self-supporting for meeting climate action plan objectives and other local public policy goals;
- The reduced market costs of renewable power and improvements in renewable technologies; and
- The development of expertise, best practices and an expanded vendor base to serve CCE programs.

The Monterey Bay Community Power (MBCP) partnership formed in 2013 as the first tri-county/18 city effort in the State. Since then, two CCE agencies have launched (Sonoma Clean Power and the City of Lancaster) and many more communities are actively pursuing CCE formation, including the counties of Alameda, Butte, Contra Costa, Humboldt, Lake, Los Angeles, Mendocino, San Bernardino, San Diego, San Luis Obispo, San Francisco, San Mateo, Santa Barbara, Santa Clara, Venture and Yolo, as well as the cities of Davis and San Diego.

The analysis and outcomes from the technical feasibility study as well as all of the Phase 1 investigative work undertaken for the past three years indicate that establishing a successful CCE agency within the Monterey Bay Region is highly feasible with a wide range of options.

**Formation Recommendations:**

(1) Next Steps – All MBCP counties and cities are strongly encouraged to participate in one or more of these next steps to determine their interest in becoming an early adoptive partner in forming a regional CCE-JPA agency:

- Attend the public special study sessions hosted by the PDAC starting in May and continuing through June that will focus on the technical study results, governance, executive staffing and start-up financing options and best practices. At these meetings, executive staff from successful CCE agencies and other experts will be in attendance to assist interested county and city representatives. (See page 3 of this report for the schedule.)
- Request a Board or Council general presentation to determine further interest. For more information or to schedule a meeting, contact Gine Johnson, Office of Santa Cruz Supervisor Bruce McPherson, at (831) 454-2200, [gine.johnson@santacruzcounty.us](mailto:gine.johnson@santacruzcounty.us).
- Send a Board representative and/or executive staff member to the PDAC's ad hoc subcommittee meetings. Two subcommittees, Governance and Finance, will meet in parallel with the public special study sessions to develop a formation proposal. Recommendations to the governing Boards of early adoptive county and city partners will be forwarded on or before September 15. To attend these meetings, contact the PDAC Chair, Nancy Gordon at (831) 454-2714, [nancy.gordon@santacruzcounty.us](mailto:nancy.gordon@santacruzcounty.us).

(2) Decision Deadline: Once a formation determination has been made, the PDAC recommends<sup>2</sup> that the CCE-JPA agency be established on or before October 31, 2016 for several important reasons:

- The best window of opportunity to launch a CCE agency (i.e., actually provide power to customers) has proven to be between April and October as a “best practice.” Even after a CCE-JPA is established, additional formation tasks must ensue which may take up to 12 months, so to make the recommended “launch window”, interested partners should form no later than one year in advance.
- Efforts to undermine the ability of local governments to justify forming CCE agencies are continual through the legislative and regulatory processes. Even though these efforts have not succeeded so far, it may just be a matter of time. If these efforts are eventually successful, CCE agencies that have already been formed will be able to continue unimpeded.
- In order to form a CCE agency, county and city partners must first agree on governance, start-up financing and executive staff recruitment. This process typically took California’s established CCE agencies three to four months to accomplish. The deadline of October 31 gives early adoptive partners up to six months to make a final decision. County and city partners that do not make a decision by October will still have the option to join the CCE-JPA at a later date.

CCE Best Practices Recommendations: New CCEs can mitigate risk and ensure best practices by learning from the experiences of operational CCE agencies. In addition to the technical study, Section III of this information packet includes an overview of regulations as well as information and lessons learned from other multi-jurisdictional CCE agencies regarding structure, governance, financing and program phasing. The PDAC spent countless hours reviewing and discussing this information with statewide CCE experts and recommends the following best practices be considered by MBCP county and city partners as they contemplate formation:

- Structure – The PDAC recommends a regional agency that includes as many of the MBCP county and city partners as possible. The economy of scale relative to procurement buying power, start-up and long-term financing and other operational considerations makes a compelling case for a regional agency. Given the nature and technical complexity of running the business of a CCE program, the PDAC also recommends that the agency not be embedded in an existing government entity, but be formed as a stand-alone joint powers agency. Further, the PDAC does not recommend that an existing CCE-JPA be joined for a fee as the economic and job creation benefits to the Monterey region would be considerably diminished. However, “back-end” turn-key administrative services that have a proven operational track record are readily available to newly formed CCEs and should be accessed to streamline start-up and operational tasks and costs.

- Governance – To meet the diverse needs of the Monterey Bay region, the PDAC recommends a governance structure that aligns with these principles:
  - Consistent with the best practices learned from the success and challenges of established CCE governing boards as outlined in Section III of the information packet.
  - Equitably representative and aligned with population density and electricity usage within the region;
  - A manageable number of board members with the ability to scale to accommodate later members;
  - Primary members and alternates should be elected officials;
  - Industry technical experts without a conflict of interest should be advisory to the Board;
  - Structured similarly to an existing and well-accepted Monterey regional JPA board that has been serving the same partner counties and cities successfully for many years, the Monterey Bay Air Resources District.
  - Section III, page 20 of the information packet outlines the specific governance board and technical expert advisory committee structure recommendation.
- Start-up Financing & Payback Period – There are many options to providing the capital for Phase 2 formation work, but the most straight forward path is for one of the main partners to provide all of the funding, or guarantee a private loan, which can be paid back with interest once the CCE agency begins to generate revenue from ratepayers. Although a cost-share strategy is often used in starting a joint powers agency, this requires additional time and contractual work in what is already a complex formation process. However the start-up is financed, the CCE governing Board should aim to pay it back as soon as it is financially feasible.
- Guiding Principles– The PDAC recommends strategic and operational alignment with these principles:
  - Serve community goals and local policy objectives, including greenhouse gas reductions and increased statewide and local renewable energy supply.
  - Control and safeguard customer revenues to ensure long-term financial viability and local government ownership, even when power supply costs fluctuate.

- Offer competitive rates and choice in customer electricity services that does not include the use of unbundled renewable energy credits, coal or nuclear resources and prioritizes in-state renewable contracts as is financially viable and available.
- Support the rapid investment in local renewable energy generation to the maximum extent feasible while ensuring fiscal stability, rate parity and carbon reduction goals are met.
- Pursue long-term power procurement strategies and local power ownerships that hedge future market risk and incorporate diversity of energy suppliers, technologies and products.
- Plan for long-term financial viability through integrated resource planning, in-house fiscal management, transparent rate setting and policies that build program reserves. Building robust reserves enhances the agency's credit rating, lowers the cost of procurement and increases the viability of issuing future bonds for projects.
- Maintain a firewall between the assets and liabilities of the CCE agency and those of municipal general funds.
- Adhere to applicable statutory and regulatory compliance requirements.
- Implement effective risk management practices and ensure transparency and accountability to the local community and oversight agencies.
- Offer complementary programs that serve community interests such as feed and tariff, net-metering, comprehensive energy efficiency retrofits, demand response, community solar, electric vehicle charging, battery storage, as well as support for local training programs in both the private and public sectors and research/development of emerging technologies.
- Establish criteria for the use of surplus revenues that ensures geographic equity and adheres to economic justice principles.
- Define criteria for selecting energy procurement vendor(s) that aligns with the region's sustainability and economic vitality goals.
- Develop a long-term strategic goal of regional energy self-sufficiency by building out local renewable generation projects using local workers making prevailing wages with benefits. Establish a definition of "the use of local workers" and adhere to established local government definitions of "prevailing wages."

## ACKNOWLEDGEMENTS

The Project Development Advisory Committee would like express tremendous gratitude to the respective County Boards, City Councils and Joint Powers Agencies within the Monterey tri-county region for participating in this project and embracing regional collaboration on an initiative that holds such significant potential for meeting economic and environmental goals.

Thank you to the PDAC members, lead partner Santa Cruz County, the Project Team and Ambassadors as well as the professional consultants who worked tirelessly for more than three years to investigate community choice energy and provide education to stakeholder groups. We express our thanks and appreciation as well to the two working groups of local volunteer experts and stakeholders who assisted the Project Team (see Appendix 1.)

This project would not have been possible without the fiscal sponsorship of the Community Foundation of Santa Cruz County (CFSCC) accepting donations from generous members of the community. Our sincere thanks to the CFSCC Board and executive staff, and especially to all of the *Monterey Bay CCA Fund* donors (see Appendix 1.)

Grant support from the California Strategic Growth Council, the World Wildlife Fund, and the UC Santa Cruz Carbon Fund was critical to completing this project, for which the committee is sincerely appreciative.

Finally, to the staff of Marin Clean Energy and Sonoma Clean Power, thank you for your technical assistance, generosity and for paving the way for the rest of the California to follow in your footsteps.

### **Project Development Advisory Committee Members**

Nancy Gordon, Chair, Santa Cruz County

Richard Stedman, Vice-Chair, Monterey Bay Unified Air Pollution Control District

Daniel Bertoldi, Monterey County

Ross Clark, City of Santa Cruz

Tim Flanagan, Monterey Regional Waste Management District

Rich Grunow, City of Capitola

Chris Khan, City of Salinas

Nancy Lockwood, City of Watsonville

Patrick Mathews, Salinas Valley Solid Waste Authority

Larry Pearson, Pacific Cookie Company, Business Sector Representative

Adam Goldstone, San Benito County

Taylor Bateman, City of Scotts Valley

Ray Friend, City of Hollister

Roger Grimsley, City of San Juan Bautista

### **Project Team Members and Ambassadors**

Gine Johnson, Office of Santa Cruz Supervisor Bruce McPherson  
David Carlson, Santa Cruz County Planning Department  
Carol Johnson, Santa Cruz County General Services Department  
Julia Holl, Office of Assembly Member Mark Stone  
Kris Damhorst, Volunteer Project Team Member/Ambassador  
Matt Farrell, Volunteer Project Team Member/Ambassador  
Brennen Jensen, Volunteer Project Team Member/Ambassador  
Joel Kauffman, Volunteer Project Team Member/Ambassador  
Martin Carver, Volunteer Project Team Member/Ambassador  
Marc Adato, Volunteer Project Team Member/Ambassador  
Abby Young, Volunteer Project Team Member  
Laurie Talcott, Volunteer Ambassador  
Beverly DesChaux, Volunteer Ambassador  
Jackson Damhorst, Volunteer Ambassador

### **Consultants**

Local Energy Aggregation Network (LEAN) – General Strategy & Assistance  
Miller Maxfield – Communications and Outreach  
Pacific Energy Advisors - Technical Feasibility Study  
MRW Associates - Independent Peer Reviewer

# FACT SHEET

## OVERVIEW

Monterey Bay Community Power (MBCP) is a regional project among local government agencies that aims to provide electricity to residents and businesses throughout Monterey, San Benito and Santa Cruz Counties through the Community Choice Energy (CCE) model. Established by State law AB 117, CCE enables communities to choose clean-source power at a cost equivalent to PG&E while retaining PG&E's role in maintaining power lines and providing customer service. The CCE model helps ensure local economic vitality because money from rates paid by local customers stays local. Surplus revenues that would normally flow to PG&E will stay in the community to help fund renewable energy projects, create jobs and stimulate the economy.



### RENEWABLE ENERGY

Electricity Generation  
MBCP adds clean electricity to the grid.



### SAME SERVICE AS ALWAYS

Electricity Delivery  
PG&E provides transmission, repairs, billing and service.



### YOUR COMMUNITY CHOICE

A Greener Electricity Option  
You can choose MBCP for cleaner energy, stable prices and local jobs.

## KEY BENEFITS

### Local Choice

- Improves accountability and transparency because consumers have direct access to a local governing body.
- Fosters resilience throughout the region because local leaders make decisions about the mix of energy available to consumers.
- Retains reliable service through PG&E maintenance of infrastructure and delivery of electricity.

### Renewable Energy

- Represents a significant mechanism for addressing climate action goals.
- Doubles the delivery of renewable energy by offering a portfolio with 59% renewable energy, compared to 27% offered by PG&E.
- Reduces greenhouse gas (GHG) emissions significantly by purchasing energy that is at least 70% GHG free.

### Economic Vitality

- Offers the same or lower rates than PG&E and keeps local ratepayer money local to stimulate regional economy.
- Creates numerous construction jobs for renewable energy build-out and nearly \$1.4 billion in total economic output.
- Establishes permanent operations and maintenance jobs and represents additional annual economic output of \$28 million.

## PROVEN MODEL

**Community Choice Energy has been implemented successfully in California.**

- Operating since 2010, Marin Clean Energy has created 2,400 jobs, serves and estimated 170,500 customers, and offers renewable portfolios of 50 or 100 percent at rates comparable to PG&E.
- Sonoma Clean Power, operating since 2014, serves an estimated 196,000 customers, offers a range of renewable, hydro and carbon-free energy at less than PG&E rates, and has saved customers \$13 million in its first year.
- Lancaster Choice Energy in Southern California began serving customers in 2015 offers a 35 percent renewable portfolio at rates that are 3 percent lower than Southern California Edison. A 100 percent renewable product costs \$10 more per month than the investor-owned utility.

**Community Choice Energy projects are under way in:**

- City/County of San Francisco and County of San Mateo
- San Luis Obispo, Santa Barbara and Ventura Counties
- City of San Jose

## OVERSIGHT

The Project Development Advisory Committee (PDAC) has the responsibility to oversee the team implementing the project. The PDAC meets monthly at ADA compliant facilities and the public is welcome to participate. For all past and current PDAC meeting documents, please visit [MBCommunityPower.org](http://MBCommunityPower.org). Meeting announcements are posted on this website in compliance with public meeting protocols.

## MORE INFORMATION

- [MBCommunityPower.org](http://MBCommunityPower.org)
- [facebook.com/montereybaycommunitypower](https://facebook.com/montereybaycommunitypower)



**Monterey Bay Community Power**

Local Choice • Clean Energy • Economic Vitality

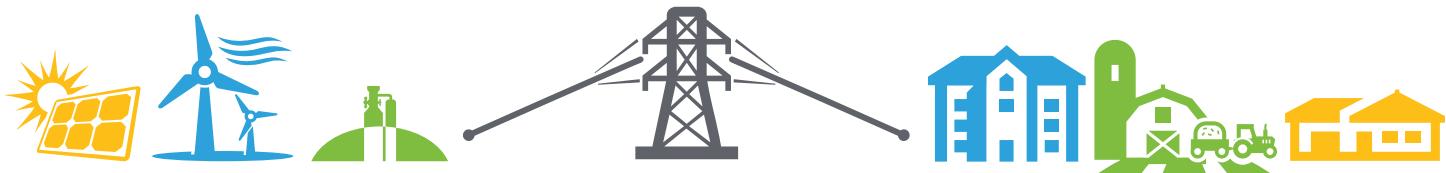
[MBCommunityPower.org](http://MBCommunityPower.org)

# PÁGINA INFORMATIVA

## Bahía de Monterey Poder Comunidad

### VISIÓN DE CONJUNTO

Bahía de Monterey Poder Comunidad (MBCP) es un proyecto regional entre agencias del gobierno local que busca proveer electricidad a residentes y negocios en todo Monterey, San Benito y condados de Santa Cruz mediante el modelo de Energía Elección Comunidad (Community Choice Energy [CCE]). Establecido por la ley estatal AB 117, CCE permite a comunidades escoger fuentes limpias de corriente a un costo equivalente a PG&E conservando el papel de PG&E en mantener líneas de corriente y proveer el servicio al cliente. El modelo CCE ayuda asegurar la vitalidad de la economía local porque el dinero de tarifas pagadas por clientes locales se quedan local. Ingresos excedentes que normalmente fluirían a PG&E se quedarán en la comunidad para ayudar financiar proyectos de energía renovable, crear trabajos y estimular la economía.



#### ENERGÍA RENOVABLE

Generación eléctrica  
MBCP agrega electricidad limpia a la red.

#### EL MISMO SERVICIO DE SIEMPRE

Suministro de electricidad  
PG&E proporciona el servicio de transmisión, reparación y factorización.

#### ELECCIÓN DE LA COMUNIDAD

Una opción más verde de electricidad  
Para una energía mas limpia puede elegir MBCP a precios estables y con empleos locales.

### BENEFICIOS CLAVES

#### Elección Local

- Mejora contabilidad y transparencia porque consumidores tienen acceso directo al consejo de gobierno local.
- Fomenta resistencia en toda la región porque líderes locales hacen decisiones acerca de la combinación de energía disponible a los consumidores.
- Retiene servicio confiable mediante el mantenimiento de infraestructura de PG&E y la distribución de electricidad.

#### Energía Renovable

- Representa un mecanismo significante por hacer frente a las metas de acción climáticas.
- Duplica la distribución de energía renovable ofreciendo un portafolio con el 59% de energía renovable, comparado con el 27% ofrecido por PG&E.
- Reduce significantemente emisiones de gases invernaderos (GHG) comprando energía que sea hasta el 70% libre de gases GHG.

#### Vitalidad Económica

- Ofrece precios iguales o más bajos que los de PG&E y mantiene el dinero del contribuyente local para estimular la economía regional.
- Crea numerosas construcciones de trabajo renovable y casi \$1.4 billones en total de producción económica.
- Establece operaciones permanentes y mantenimiento de trabajo y representa contribución económica anual adicional de \$28 millones.

## MODELO COMPROVADO

**Energía Elección Comunidad (CCE) se ha implementado satisfactoriamente en California.**

- Operando desde el 2010, Marin Clean Energy ha creado 2,400 trabajos, atiende aproximadamente 170,500 clientes, y ofrece portafolios renovables del 50 o 100 porciento a precios comparables a PG&E.
- Sonoma Clean Power, opera desde el 2014, sirve un estimado de 196,000 clientes, ofreciendo un rango de energía renovable, hidro y libre de carbono a precios menores a los de PG&E, y le ha salvado \$13 millones a consumidores en su primer año.
- Lancaster Choice Energy en el Sur de California empezó a servir clientes en el 2015 ofrece un 35 por ciento de portafolio renovable a precios que son 3 porciento menores a los de Southern California Edison. Un 100 porciento de productos renovables cuesta \$10 más por mes que el servicio poseído por el inversionista.

**Proyectos de Energía Elección Comunidad (CCE) están llevando a cabo en:**

- La ciudad/condado de San Francisco y el condado de San Mateo
- San Luis Obispo, Santa Barbara y condados de Ventura
- La ciudad de San Jose

## SUPERVISION

El Proyecto Desarrollo Comité Asesor (PDAC) tiene la responsabilidad de supervisar el equipo implementando el proyecto. El PDAC se junta mensualmente en las instalaciones complacientes a la ADA y el publico es bienvenido a participar. Para todo documento de junta PDAC pasada y presente, favor de visitar MBCommunityPower.org. Anuncios de junta son publicados en la pagina web complaciente con los protocolos de juntas publicas.

## MÁS INFORMACIÓN

- MBCommunityPower.org
- facebook.com/montereybaycommunitypower



Monterey Bay Community Power

Elección local • Energía limpia • Vitalidad económica

MBCommunityPower.org