



# Redwood Coast Energy Authority

633 3<sup>rd</sup> Street, Eureka, CA 95501

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## **MEETING AGENDA**

### **NOTE NEW MEETING LOCATION:**

**Humboldt Bay Municipal Water District Office  
828 7th St, Eureka, CA 95501**

**January 23, 2017  
Monday, 3:15 p.m.**

Redwood Coast Energy Authority will accommodate those with special needs. Arrangements for people with disabilities who attend RCEA meetings can be made in advance by contacting Barbara Garcia at 269-1700 by noon the day of the meeting.

### **I. ROLL CALL**

### **II. REPORTS FROM MEMBER ENTITIES**

### **III. ORAL COMMUNICATIONS**

This time is provided for people to address the Board or submit written communications on matters not on the agenda. At the conclusion of all oral & written communications, the Board may respond to statements. Any request that requires Board action will be set by the Board for a future agenda or referred to staff.

### **IV. CONSENT CALENDAR**

All matters on the Consent Calendar are considered to be routine by the Board and are enacted on one motion. There is no separate discussion of any of these items. If discussion is required, that item is removed from the Consent Calendar and considered separately. At the end of the reading of the Consent Calendar, Board members or members of the public can request that an item be removed for separate discussion.

- A. Approve Minutes of November 21, 2016 Board Meeting.
- B. Approve Minutes of December 12, 2016 Board Meeting.
- C. Approve attached Warrants.
- D. Accept attached Financial Reports.
- E. Approve 2017 Board Meeting Calendar.
- F. Approve Amendment No. 2 to Agreement for Employment of Executive Director.

### **V. REMOVED FROM CONSENT CALENDAR ITEMS**

Items removed from the Consent Calendar will be heard under this section.

### **VI. NEW BUSINESS**

- A. Select RCEA Board Chair and Vice Chair and authorize them as signers on RCEA bank accounts.

### **VII. COMMUNITY CHOICE ENERGY (CCE) BUSINESS (Confirm CCE Quorum)**

Items under this section of the agenda relate to CCE-specific business matters that fall under RCEA's CCE voting provisions, with only CCE-participating jurisdictions voting on these matters with weighting voting as established in the RCEA joint powers agreement.

### **VIII. NEW CCE BUSINESS**

- A. 2017 Customer Rate Setting

Adopt Resolution 2017-1 Setting Community Choice Energy Program 2017  
Customer Rates.

**B. Outreach and Customer Notifications**

Adopt Community Choice Energy Program Customer Terms and Conditions.

**IX.ADJOURNMENT**

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## **MEETING MINUTES**

Redwood Coast Energy Resource Center  
633 3<sup>rd</sup> Street, Eureka, CA 95501

November 21, 2016  
Monday, 3:15 p.m.

### **I. ROLL CALL**

Board Chair Atkins called the meeting to order at 3:15 pm.

Present: Linda Atkins, Sheri Woo, Susan Ornelas, Dwight Miller, Ryan Sundberg, Michael Sweeney, Dean Glaser

Absent: Tim Marks, Jean Lynch

### **II. REPORTS FROM MEMBER ENTITIES**

None

### **III. ORAL COMMUNICATIONS**

Community member Walt Paniak submitted a document comparing the particulate emissions of biomass and natural gas power plants in Humboldt County

### **CONSENT CALENDAR**

A. Approve Minutes of October 17, 2016 Board Meeting.

B. Approve attached Warrants.

**M/S/C: Miller, Glaser: Approve consent calendar items A and B.**

### **IV. REMOVED FROM CONSENT CALENDAR ITEMS**

C. Accept attached Financial Reports.

Director Woo pointed out that legal consulting budget is being expended more quickly than anticipated and recommended a budget adjustment in the coming months.

**M/S/C: Woo, Glaser: Approve consent calendar item C.**

### **V. NEW BUSINESS**

A. RCEA Fiscal Audit Report

This item is removed from the agenda and rescheduled for the December meeting agenda.

## **B. Community Choice Energy Program Update (information only)**

- City of Rio Dell participation

Executive Director Marshall reported that the City of Rio Dell has adopted a CCA Ordinance to include the community in the Program.

- Headwaters Fund line of credit

Executive Director Marshall reported that the Headwaters Fund Board voted to recommend approval of the RCEA line of credit.

- Community outreach

Executive Director Marshall provided the Board with an update on the Community Choice program outreach efforts, including the planning and coordination of bus advertising with the Humboldt Transit Authority, radio advertising, and increased social media presence. RCEA staff has also presented at several public meetings throughout the county, and has several more presentations planned through the end of the year.

Director Woo asked about the main questions and feedback from the community at recent presentations. Executive Director Marshall reported that most comments are positive and that the most common questions are regarding the details of how RCEA can achieve lower rates than PG&E.

- Biomass RFO

Executive Director Marshall updated the Board on the status of the Biomass RFO, reporting that the bidder's conference occurred in the previous week and that bids are due in early December.

## **C. Human Resources Systems Audit**

Executive Director Matthew provided an overview of the audit results from HR Consultant Don Turko. The audit report recommends minor updates to the Employee Handbook, establishing policies and procedures for performance evaluations and compensation, established procedures for reviewing and updating the staff salary schedule and job descriptions, and assorted staff training.

The Board discussed the audit recommendations.

### **M/S/C: Miller, Ornelas: Accept Human Resources and Personnel Policies Audit Summary and Recommendations.**

## **D. RCEA Policies and Procedures**

Executive Director Marshall provided the Board with an overview of the assorted policies in development, and the plan to bring new and updated policies to the Board for review and approval in the coming months. He described policies for Customer Confidentiality, Social Media, and Prohibition Against Dissemination of Untrue or Misleading Information.

Executive Director Marshall also presented a draft of the Energy Risk Management Policy to the Board and described how the policy directs The Energy Authority (TEA) consultants to achieve program goals while managing risk and supporting a fiscally-conservative strategy when purchasing power on behalf of RCEA.

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Director Woo asked whether there is any indication that the outcome of the recent elections may affect this program with greater risk or uncertainty in the market. Executive Director Marshall stated that there was not any anticipated negative impacts and that California's State-level policies and regulations would likely have more influence on program implementation.

#### Public Comment

Community Member Ellen Golla stated that she hoped the intent of the Social Media Policy is not to silence critics.

Alison Talbott of PG&E shared that PG&E has a code of conduct policy that parallels the intent of the Prohibition Against Dissemination of Untrue or Misleading Information policy.

#### Public Comment Closed

Executive Director Marshall clarified that the social media policy focuses on providing a media venue on which participants are respectful and comments are appropriate for a public-agency forum, not to delete critical comments.

#### **M/S/C: Ornelas, Sundberg: Adopt Resolution 2016-3 adopting a Customer Confidentiality Policy, Social Media Policy, and Prohibition Against Dissemination of Untrue or Misleading Information Policy.**

Regarding Board operating procedures, Executive Director Marshall inquired if the Board would like to consider formally adopting the League of California Cities "Rosenberg's Rules of Orders". He also asked how the Board would like to approach providing informational updates to the full governing bodies of all member jurisdictions.

The Board discussed their support of the rules of order as well as the process for RCEA staff informational updates to the full governing bodies of member agencies.

The Board discussed their support of the creation of an informational binder and process to orient new Board members in the future, considering the complexities and growing responsibilities of the RCEA Board. Executive Director Marshall stated that RCEA staff would work on assembling binder contents for Board review.

#### **E. Staffing and Reorganization Update**

Executive Director Marshall provided an outline of the schedule of events to complete staffing and reorganization updates, and pointed out that the Director of Finance and Human Resources position is drafted for early approval to assist with organizational growth. He also provided details regarding the process of reviewing and updating the organization chart, staff position descriptions, and salary rates.

The Board discussed the proposed representative agencies used in the salary comparison study.

Director Ornelas asked about the Community Advisory Committee (CAC) listed on the Organization Chart and asked if the committee will continue. Executive Director Marshall explained that the current CAC members have agreed to continue their commitment to the advisory committee, but do not have any regular meetings scheduled at this point.

The Board discussed the roles of consultants and other contracted support shown in the RCEA organization chart.

#### **M/S/C: Sweeney, Miller: Approve creation of Director of Finance and Human Resources position.**

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**M/S/C: Ornelas, Sundberg: Approve allocation of budget to new position and authorize Executive Director to recruit and fill the position.**

**F. December Meeting Schedule**

The Board discussed their interest to move the December meeting and established their availability on December 12<sup>th</sup>.

**Public Comment**

Del Norte County citizen Ronald Sachs introduced himself to the Board and stated that he was part of a Del Norte group following the development of RCEA's Community Choice Program to assess the possibility of a similar program in Del Norte County.

**M/S/C Miller, Ornelas: Approve Special RCEA Board Meeting for December 12<sup>th</sup> at 3:15pm; consider cancelation of December 19<sup>th</sup> meeting.**

**VI.ADJOURNMENT**

Board Chair Atkins adjourned the meeting at 4:19 p.m.

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## **MEETING MINUTES**

Redwood Coast Energy Resource Center  
633 3<sup>rd</sup> Street, Eureka, CA 95501

December 12, 2016  
Monday, 3:15 p.m.

### **I. ROLL CALL**

Board Chair Atkins called the meeting to order at 3:15 pm.

Present: Linda Atkins, Sheri Woo, Susan Ornelas, Dwight Miller, Ryan Sundberg, Michael Sweeney, Dean Glaser, Jean Lynch

Absent: Tim Marks

### **II. REPORTS FROM MEMBER ENTITIES**

- Director Sweeney reported that RCEA staff presented the CCE program to the Ferndale Chamber of Commerce to an interested audience.
- Director Woo reported that Executive Director Marshall presented the CCE program to the McKinleyville Community Services District meeting.

### **III. ORAL COMMUNICATIONS**

None

### **IV. CONSENT CALENDAR**

Both items removed for discussion.

### **V. REMOVED FROM CONSENT CALENDAR ITEMS**

#### **A. Approve attached Warrants.**

Director Woo asked why the American Express expense did not show itemized expense information. Executive Director Marshall explained that this expense is the remaining balance carried over from the previous period.

Director Sundberg asked for an explanation of "self-install rebate" expenses. Executive Director Marshall explained that this denote a rebate issued to a non-residential customer that has self-installed upgrades in-house, rather than using one of RCEA's participating contractors.

**M/S/C: Ornelas, Woo: Approve consent calendar item A.**

#### **B. Accept attached Financial Reports.**

Director Miller asked why the legal professional services expenses are nearing the budget limit earlier than expected. Executive Director Marshall explained that our Legal Counsel has been providing more support than usual with the onset of the CCE program combined with the fact that HR Consulting services were secured through Counsel's office and so have been tracked under the legal professional services category.

**M/S/C: Miller, Sundberg: Approve consent calendar item B.**

## VI. OLD BUSINESS

### A. RCEA Fiscal Audit Report

David L. Moonie & Co., LLP representatives Matt Hague and John Goff provided an overview of the audit process for Fiscal Year ending 6/30/2014 as well as a summary of the audit report and findings. The Board discussed the audit findings.

**M/S/C: Miller, Ornelas: Accept RCEA Independent Fiscal Audit Report for the year ending 6/30/14.**

### B. Board Operating Guidelines

Executive Director Marshall provided an overview of the Operating Guidelines Document. Director Ornelas asked why the risk management policy isn't considered "CCE specific" in the board voting section of the guidelines. Executive Director Marshall explained that the risk of the CCE program affects the RCEA financials as a whole, which is why the full Board is reviewing and approving the policy.

The Board discussed the CCE voting quorum and process of calculating the weighted vote.

**M/S/C: Miller, Sundberg: Adopt Resolution 2016-4 adopting RCEA Board of Directors Operating Guidelines as amended by correcting "1/3 proportional share" to "2/3 proportional share" in section 2.2 number 2.**

### C. Headwaters Fund Loan

Executive Director Marshall updated the Board on the status of the loan application, which was approved by the Headwaters Board and pending final approval by the Board of Supervisors.

**M/S/C: Sweeney, Miller: Approve Headwaters Fund \$700,000 unsecured, non-revolving line of credit with 5% interest rate, 1% underwriting fee, and 72 month term, and authorize the Executive Director to execute any associated documents and agreements pending final review and approval by RCEA General Counsel.**

### D. Staffing and Reorganization

Executive Director Marshall reviewed the proposed employee policies and staffing and compensation updates developed with in consultation with HR Consultant Don Turko. The Board discussed the salary update and proposed position descriptions.

**M/S/C: Miller, Ornelas: Adopt Resolution 2016-5 adopting Compensation Policy, Employee Performance Review Policy, Organization Chart Update, Position Descriptions, and Salary Schedule as amended by addition of "New or vacant positions will be filled by open recruitment." into Section 3 after "to be completed by April 1, 2017".**

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## **E. Energy Risk Management Policy**

Jeff Fuller of TEA presented an overview of the Energy Risk Management Policy.

Director Lynch asked about the timeline for contracting power. Jeff Fuller explained the different contracting timelines would be executed starting in through TEA on RCEA's behalf in a diversified portfolio, with power procurement activities beginning in January 2017.

The Board discussed the Energy Risk Management Policy.

**M/S/C: Miller, Sundberg: Adopt Resolution 2016-6 adopting an Energy Risk Management Policy.**

The Board took a break from 5:10 p.m. - 5:18 p.m.

## **VII. NEW BUSINESS**

### **A. Energy Services Companies Request for Qualifications**

Executive Director Marshall provided an overview of the Request for Qualifications.

The Board discussed the purpose and benefits of this solicitation and the resulting list of vendors.

**M/S/C: Ornelas, Glaser: Approve issuing Request for Qualifications for Energy Service Companies pending final review and approval by RCEA General Counsel.**

## **VIII. COMMUNITY CHOICE ENERGY (CCE) BUSINESS**

CCE Quorum confirmed.

## **IX. NEW CCE BUSINESS**

### **A. Preparation for January 2017 rate-setting**

John Putz of TEA provided an introduction on rate setting and the procurement strategy that will be used for 2017 and the Rate-setting presentation to the Board. The Board discussed the procurement and rate setting strategy.

### **B. Community Choice Energy Outreach Update**

Energy Specialist Richard Engel provided an outreach update to the Board.

## **X. ADJOURNMENT**

Board Chair Atkins adjourned the meeting at 6:20 p.m.

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# Redwood Coast Energy Authority

## Warrants Report

As of January 16, 2017

Type	Date	Num	Name	Memo	Amount
<b>Dec 10 - 31, 16</b>					
Liability Check	12/12/2016	E-pay	EDD	DE88 QB Tracking # 398327767	-108.41
Liability Check	12/12/2016	E-pay	Internal Revenue Service	941 Q4 2016	-565.64
Check	12/14/2016	EFT	Costco	Misc. Supplies	-128.99
Check	12/14/2016	EFT	Umpqua Bank	LOC Annual fee 2016-2017	-150.00
Check	12/15/2016	7067	Redwood Coast Energy Authority	Chase Direct Deposit Payroll Advance - Perf pay	-10,160.00
Check	12/15/2016	7067	Redwood Coast Energy Authority	Chase Direct Deposit Payroll Advance - Perf pay	10,160.00
Bill Pmt -Check	12/16/2016	EFT	Staples Charge Account	November statement.	-167.41
Bill Pmt -Check	12/16/2016	7050	ABC Office Equipment	November print charges/service contract.	-785.60
Bill Pmt -Check	12/16/2016	7051	AM Conservation	LED stock.	-1,780.29
Bill Pmt -Check	12/16/2016	7052	Boudreau, D.	December purchase reimbursement.	-21.72
Bill Pmt -Check	12/16/2016	7053	Burks, K.	November mileage	-64.31
Bill Pmt -Check	12/16/2016	7054	Calcerts	Calcerts 2017 annual membership fee	-120.00
Bill Pmt -Check	12/16/2016	7055	City of Eureka-Water	Water service, 10/24/16 - 11/23/16	-114.93
Bill Pmt -Check	12/16/2016	7056	Diamond, Nancy	November Legal Services.	-5,253.90
Bill Pmt -Check	12/16/2016	7057	Engel, R.	Travel/purchase reimbursements	-56.62
Bill Pmt -Check	12/16/2016	7058	Fortuna Elementary School District	S. Fortuna Elementary self-install rebate/audit 3447.	-5,066.47
Bill Pmt -Check	12/16/2016	7059	HWMA	CFL disposal	-450.75
Bill Pmt -Check	12/16/2016	7060	North Coast Cleaning	November Cleaning Service	-402.00
Bill Pmt -Check	12/16/2016	7061	Pierson's Home Ctr	Facility expenses - lobby windows	-17.39
Bill Pmt -Check	12/16/2016	7062	Recology	November garbage service.	-82.30
Bill Pmt -Check	12/16/2016	7063	Sonoma County Office of Education	September 2016 Professional Services	-857.50
Bill Pmt -Check	12/16/2016	7064	Terry, P.	November Mileage	-69.77
Bill Pmt -Check	12/16/2016	7065	Tolley, M.	November mileage	-129.44
Bill Pmt -Check	12/16/2016	7066	Verizon Wireless	November tablet/cell service	-115.00
Check	12/16/2016	7068	Petty Cash	Replenish petty cash	-83.06
Liability Check	12/21/2016	E-pay	EDD	SDI/PIT QB Tracking # 309469472	-2,507.38
Liability Check	12/21/2016	E-pay	Internal Revenue Service	Q4 2016 QB Tracking # 309470042	-14,157.66
Liability Check	12/21/2016	E-pay	EDD	Q4 2016 ETT/UI QB Tracking # 309473992	-141.40
Paycheck	12/23/2016	7069	Payroll Check	Payroll 12/1 - 12/15/16.	-1,998.75
Bill Pmt -Check	12/23/2016	7070	AT&T	December Telephone Service	-400.68
Bill Pmt -Check	12/23/2016	7071	BPI	Certification Renewal - Means, Mattio, Bishop.	-900.00
Bill Pmt -Check	12/23/2016	7072	David L. Moonie & Co., LLP	Completion of 13/14 audit.	-3,937.80
Bill Pmt -Check	12/23/2016	7073	Engel, R.	December mileage reimbursement.	-122.58
Bill Pmt -Check	12/23/2016	7074	Eureka Chamber of Commerce	2017 Membership Dues	-215.00
Bill Pmt -Check	12/23/2016	7075	FedEx	EUCA Shipping	-46.25
Bill Pmt -Check	12/23/2016	7076	Jacobson, L.	Travel Expenses/PG&E Meetings, SLO 111/8-11/9/16	-83.14
Bill Pmt -Check	12/23/2016	7077	Marshall, M.	CCA travel reimbursement.	-106.38
Bill Pmt -Check	12/23/2016	7078	Mission Uniform & Linen	November janitorial/mat expenses.	-128.23
Bill Pmt -Check	12/23/2016	7079	Petrella, A.	November mileage.	-21.06
Bill Pmt -Check	12/23/2016	7080	PG&E EV Account	EV stations November	-95.02
Bill Pmt -Check	12/23/2016	7081	PG&E Utility Account	November utilities/lighting upgrade financing	-954.67
Bill Pmt -Check	12/23/2016	7082	Platt/Rexel	Demo lamp.	-15.23
Bill Pmt -Check	12/23/2016	7083	Winzler, John	Office Lease - January 2017	-4,100.00
Liability Check	12/23/2016	7084	Umpqua Bank	74-3104616 December HSA Deposit.	-558.04
Liability Check	12/23/2016	7085	Calvert	74-3104616 December IRA Deposit	-6,082.85
Paycheck	12/23/2016		Payroll	December Net Payroll - Direct Deposit.	-35,404.62
<b>Dec 10 - 31, 16</b>					<b>-88,568.24</b>

# Redwood Coast Energy Authority

## Warrants Report

As of January 16, 2017

Type	Date	Num	Name	Memo	Amount
<b>Jan 1 - 16, 17</b>					
Check	01/01/2017	EFT	CoPower	January Premium	-237.00
Check	01/03/2017	7086	Redwood Coast Energy Authority	January Direct Deposit Payroll Advance	-57,000.00
Check	01/03/2017	7086	Redwood Coast Energy Authority	January Direct Deposit Payroll Advance	57,000.00
Liability Check	01/06/2017	E-pay	Internal Revenue Service	QB Tracking # 404801037	-109.91
Liability Check	01/06/2017	E-pay	Internal Revenue Service	2016 FUTA Credit Reduction Balance Due	-3,565.62
Liability Check	01/09/2017	E-pay	EDD	DE88 Q1 2017 SDI/PIT January QB Tracking # 40630428	-1,548.33
Liability Check	01/09/2017	E-pay	EDD	DE88 Q1 2017 ETT/UI January QB Tracking # 40630684	-1,371.17
Liability Check	01/09/2017	E-pay	Internal Revenue Service	941 Q1 2017 January QB Tracking # 406312077	-10,175.38
Paycheck	01/09/2017		Payroll	January Net Payroll - Direct Deposit	-29,075.87
Jan 1 - 16, 17					-46,083.28
<b>TOTAL</b>					<b>-134,651.52</b>

# Redwood Coast Energy Authority

## Visa

As of December 20, 2016

Type	Date	Num	Name	Memo	Amount	Balance
<b>2006 - VISA-3751</b>						<b>1,980.52</b>
Credit Card Charge	11/24/2016		U-Verse	DSL service	92.89	2,073.41
Credit Card Charge	11/25/2016		Uberconference	Conference call subscription	11.06	2,084.47
Credit Card Charge	11/30/2016	7415	CiviSMTP	November listserve	15.00	2,099.47
Credit Card Charge	12/01/2016	December	Square	Card Reader Fee	45.00	2,144.47
Credit Card Charge	12/08/2016	November	U-Verse	November DSL service	95.89	2,240.36
Credit Card Charge	12/15/2016	6026	SnuggPro	Modeling report - job #71817	25.00	2,265.36
Credit Card Charge	12/16/2016	December	U-Verse	December DSL 11/9 - 12/8/16	95.89	2,361.25
Total 2006 - VISA-3751					<u>380.73</u>	<u>2,361.25</u>
<b>TOTAL</b>					<b><u>380.73</u></b>	<b><u>2,361.25</u></b>

# Redwood Coast Energy Authority

## CitiBank

As of December 25, 2016

Type	Date	Num	Name	Memo	Amount	Balance
<b>2008 - CitiBank Travel Account</b>						<b>183.10</b>
Credit Card Charge	12/12/2016	160R3T	Best Western Humboldt Bay Inn	Kathleen Patton: BPI Certification Renewal E	121.16	304.26
Bill	12/25/2016	December	Citibank	December Statement 12/25/16	-304.26	0.00
Total 2008 - CitiBank Travel Account					-183.10	0.00
<b>TOTAL</b>					<b>-183.10</b>	<b>0.00</b>

**Redwood Coast Energy Authority**  
**Profit & Loss Budget vs. Actual**  
July through November 2016

	<u>Jul - Nov 16</u>	<u>Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense			
Income			
<b>5 REVENUE EARNED</b>			
Total 5000 · Revenue - government agencies	64,137.24	357,364.00	17.95%
Total 5100 · Revenue - program related sales	8,571.20	17,500.00	48.98%
<b>Total 5 REVENUE EARNED</b>	<u>633,885.08</u>	<u>1,928,634.00</u>	<u>32.87%</u>
<b>Total Income</b>	<u>633,885.08</u>	<u>1,928,634.00</u>	<u>32.87%</u>
Gross Profit	633,885.08	1,928,634.00	32.87%
Expense			
<b>7 EXPENSES - PERSONNEL</b>			
7101 · Screening/Testing Services	218.12	600.00	36.35%
7102 · Safety	797.50	1,000.00	79.75%
7103 · Staff Training and Development	2,279.00	15,000.00	15.19%
<b>7200 · Salaries, Wages &amp; Benefits</b>			
7210 · Salaries - staff	318,215.89	905,020.00	35.16%
7220 · Wages - interns	24,334.07	71,061.00	34.24%
7230 · Pension Plan Contributions	9,155.23	29,086.00	31.48%
7240 · Employee Benefits-Insurance	80,547.74	277,943.00	28.98%
7250 · Payroll Taxes Etc.	32,751.49	94,326.00	34.72%
7255 · Worker's Comp Insurance	3,596.13	7,400.00	48.6%
Total 7260 · Paid Time Off	49,372.88	142,331.00	34.69%
7265 · Jury Duty	91.28	500.00	18.26%
<b>Total 7200 · Salaries, Wages &amp; Benefits</b>	<u>518,064.71</u>	<u>1,527,667.00</u>	<u>33.91%</u>
<b>Total 7 EXPENSES - PERSONNEL</b>	<u>521,359.33</u>	<u>1,544,267.00</u>	<u>33.76%</u>
<b>8 NON-PERSONNEL RELATED EXP</b>			
<b>8100 · Non-Personnel Expenses</b>			
8110 · Office Supplies	2,075.48	6,000.00	34.59%
8111 · Furniture & Equipment	2,132.30	2,800.00	76.15%
Total 8120 · Information Technology	3,082.84	55,000.00	5.61%
Total 8130 · Telephone & Telecommunications	3,057.06	6,500.00	47.03%
8140 · Postage & delivery	660.44	1,800.00	36.69%
Total 8170 · Printing & copying	3,276.30	7,500.00	43.68%
Total 8180 · Books, subscriptions, edu matls	753.73	1,000.00	75.37%
8190 · Exhibits & displays	0.00	1,800.00	0.0%
8195 · Tool bank	745.75	4,000.00	18.64%
<b>Total 8100 · Non-Personnel Expenses</b>	<u>15,783.90</u>	<u>86,400.00</u>	<u>18.27%</u>
<b>8200 · Facility Expenses</b>			
8210 · Office Lease	24,600.00	49,200.00	50.0%
Total 8220 · Utilities	4,355.42	11,500.00	37.87%
8230 · Janitorial	2,066.58	6,500.00	31.79%
8240 · Facility repairs & maintenance	1,931.88	3,500.00	55.2%
8250 · EV Station Repairs & Maintenance	2,227.55	5,000.00	44.55%
<b>Total 8200 · Facility Expenses</b>	<u>35,181.43</u>	<u>75,700.00</u>	<u>46.48%</u>
<b>Total 8300 · Travel &amp; Meeting Expense</b>	<u>7,759.28</u>	<u>17,000.00</u>	<u>45.64%</u>
<b>Total 8320 · Meetings, workshops &amp; events</b>	<u>3,990.38</u>	<u>12,000.00</u>	<u>33.25%</u>
<b>8500 · Other Expenses</b>			
8513 · Organizational Development	125.00	500.00	25.0%
8520 · Insurance P&L	11,315.86	9,500.00	119.11%
8530 · Dues & Memberships	855.00	3,500.00	24.43%

**Redwood Coast Energy Authority**  
**Profit & Loss Budget vs. Actual**  
July through November 2016

	<b>Jul - Nov 16</b>	<b>Budget</b>	<b>% of Budget</b>
Total 8560 · Website Expenses	75.00	1,000.00	7.5%
Total 8570 · Advertising & Marketing Expense	7,184.63	22,000.00	32.66%
8591 · Use Tax	0.00	300.00	0.0%
8592 · Service Charge	0.00	200.00	0.0%
8593 · Bank Charges	15.00	200.00	7.5%
8595 · Credit Card Processing Fees	230.47	500.00	46.09%
8596 · Flex Billing Service Fee	167.10	300.00	55.7%
8597 · EV Site Host Pmts	1,163.77	5,000.00	23.28%
Total 8500 · Other Expenses	21,131.83	43,000.00	49.14%
8600 · Capital Development - Facility	0.00	1,000.00	0.0%
8700 · Professional Services			
8710 · Contracts - Program Related Ser	72,189.28	261,005.00	27.66%
8720 · Accounting	22,345.80	45,000.00	49.66%
8740 · Legal	49,868.01	48,000.00	103.89%
Total 8700 · Professional Services	144,403.09	354,005.00	40.79%
Total 8 NON-PERSONNEL RELATED EXP	228,249.91	589,105.00	38.75%
Total 9 INCENTIVES & REBATES	92,026.21	460,000.00	20.01%
Total Expense	841,635.45	2,593,372.00	32.45%
Net Ordinary Income	-207,750.37	-664,738.00	31.25%
Other Income/Expense			
Total Other Income	0.00	700,000.00	0.0%
Total Other Expense	795.20	19,008.00	4.18%
Net Other Income	-795.20	680,992.00	-0.12%
Net Income	<b>-208,545.57</b>	<b>16,254.00</b>	<b>-1,283.04%</b>

# Redwood Coast Energy Authority

## Balance Sheet

As of November 30, 2016

	<u>Nov 30, 16</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1062 · Chase DD Checking	64,714.49
1060 · Umpqua Checking-9271	14,712.88
1000 · COUNTY TREASURY 3839	53,911.55
1010 · Petty Cash	108.29
<b>Total 1050 · GRANTS &amp; DONATIONS 3840</b>	<u>15,037.26</u>
<b>Total Checking/Savings</b>	148,484.47
<b>Total Accounts Receivable</b>	299,610.00
<b>Other Current Assets</b>	
1101 · Allowance for Doubtful Accounts	-7,260.54
1102 · Paypal Account Balance	19.87
1120 · Inventory Asset	71,592.60
1202 · Prepaid Expenses	31,627.70
1205 · Prepaid Insurance	21,540.26
<b>Total 1210 · Retentions Receivable</b>	75,269.95
1499 · Undeposited Funds	<u>501.00</u>
<b>Total Other Current Assets</b>	<u>193,290.84</u>
<b>Total Current Assets</b>	641,385.31
<b>Total Fixed Assets</b>	55,611.39
<b>Other Assets</b>	
1700 · Retained Deposits	<u>4,100.00</u>
<b>Total Other Assets</b>	<u>4,100.00</u>
<b>TOTAL ASSETS</b>	<u><u><b>701,096.70</b></u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Total Accounts Payable</b>	52,523.16
<b>Total Credit Cards</b>	2,561.68
<b>Other Current Liabilities</b>	
2001 · Accounts Payable-Other	39,342.60
<b>Total 2100 · Payroll Liabilities</b>	65,130.70
<b>Total 2210 · Retentions Payable</b>	<u>21,622.52</u>
<b>Total Other Current Liabilities</b>	<u>126,095.82</u>
<b>Total Current Liabilities</b>	181,180.66
<b>Total Long Term Liabilities</b>	<u>8,429.11</u>
<b>Total Liabilities</b>	189,609.77
<b>Equity</b>	
2320 · Investment in Capital Assets	47,182.27
3900 · Fund Balance	672,850.23
<b>Net Income</b>	<u>-208,545.57</u>
<b>Total Equity</b>	<u>511,486.93</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u><b>701,096.70</b></u></u>



**Redwood Coast Energy Authority**  
**Profit & Loss**  
November 2016

	<b><u>TOTAL</u></b>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>5 REVENUE EARNED</b>	
Total 5100 · Revenue - program related sales	774.00
Total 5400 · Revenue-nongovernment agencies	118,312.27
<b>Total 5 REVENUE EARNED</b>	<b><u>119,086.27</u></b>
<b>Total Income</b>	<b><u>119,086.27</u></b>
<b>Gross Profit</b>	<b><u>119,086.27</u></b>
<b>Expense</b>	
<b>7 EXPENSES - PERSONNEL</b>	
7102 · Safety	770.00
7103 · Staff Training and Development	1,500.00
7200 · Salaries, Wages & Benefits	
7210 · Salaries - staff	69,429.49
7220 · Wages - interns	2,971.33
7230 · Pension Plan Contributions	1,918.98
7240 · Employee Benefits-Insurance	16,030.43
7250 · Payroll Taxes Etc.	6,513.50
7255 · Worker's Comp Insurance	696.68
Total 7260 · Paid Time Off	7,108.42
7265 · Jury Duty	0.00
<b>Total 7200 · Salaries, Wages &amp; Benefits</b>	<b><u>104,668.83</u></b>
<b>Total 7 EXPENSES - PERSONNEL</b>	<b><u>106,938.83</u></b>
<b>8 NON-PERSONNEL RELATED EXP</b>	
8100 · Non-Personnel Expenses	
8110 · Office Supplies	307.46
8111 · Furniture & Equipment	347.99
Total 8120 · Information Technology	303.57
Total 8130 · Telephone & Telecommunications	566.43
Total 8170 · Printing & copying	1,279.67
Total 8180 · Books, subscriptions, edu matls	200.63
8195 · Tool bank	32.60
<b>Total 8100 · Non-Personnel Expenses</b>	<b><u>3,038.35</u></b>
8200 · Facility Expenses	
8210 · Office Lease	4,100.00
Total 8220 · Utilities	1,011.94
8230 · Janitorial	530.23
8240 · Facility repairs & maintenance	17.39
<b>Total 8200 · Facility Expenses</b>	<b><u>5,659.56</u></b>
Total 8300 · Travel & Meeting Expense	1,446.55
Total 8320 · Meetings, workshops & events	228.82
8500 · Other Expenses	
8513 · Organizational Development	125.00
8530 · Dues & Memberships	750.00

# Redwood Coast Energy Authority

## Profit & Loss

November 2016

	<b>TOTAL</b>
	<hr/>
Total 8560 · Website Expenses	15.00
8593 · Bank Charges	-25.00
8595 · Credit Card Processing Fees	53.08
	<hr/>
Total 8500 · Other Expenses	918.08
8700 · Professional Services	
8710 · Contracts - Program Related Ser	6,330.97
8720 · Accounting	3,937.80
8740 · Legal	5,253.90
	<hr/>
Total 8700 · Professional Services	15,522.67
Total 8 NON-PERSONNEL RELATED EXP	26,814.03
	<hr/>
Total 9 INCENTIVES & REBATES	21,276.17
	<hr/>
Total Expense	155,029.03
	<hr/>
Net Ordinary Income	-35,942.76
Other Income/Expense	
	<hr/>
Total Other Expense	159.04
	<hr/>
Net Other Income	-159.04
	<hr/>
Net Income	<b>-36,101.80</b>
	<hr/>

# **Redwood Coast Energy Authority**

## **Board of Directors**

### **PROPOSED 2017 REGULAR MEETING SCHEDULE**

**Meetings scheduled to start at 3:15pm**

February 27 <sup>nd</sup>	(4 <sup>th</sup> Monday; 3 <sup>rd</sup> Monday is a holiday)
March 20 <sup>st</sup>	(3 <sup>rd</sup> Monday)
April 17 <sup>th</sup>	(3 <sup>rd</sup> Monday)
May 15 <sup>th</sup>	(3 <sup>rd</sup> Monday)
June 19 <sup>th</sup>	(3 <sup>rd</sup> Monday)
July 17 <sup>th</sup>	(3 <sup>rd</sup> Monday)
August 21 <sup>th</sup>	(3 <sup>rd</sup> Monday)
September 18 <sup>th</sup>	(3 <sup>rd</sup> Monday)
October 16 <sup>th</sup>	(3 <sup>rd</sup> Monday)
November 20 <sup>st</sup>	(3 <sup>rd</sup> Monday)
December 18 <sup>th</sup>	(3 <sup>rd</sup> Monday)
January 22 <sup>nd</sup> , 2018	(4 <sup>th</sup> Monday; 3 <sup>rd</sup> Monday is a holiday)

**AMENDMENT No. 2 TO  
AGREEMENT FOR EMPLOYMENT  
OF EXECUTIVE DIRECTOR**

This is an amendment (“Amendment”) to that certain agreement by and between the Redwood Coast Energy Authority (“RCEA”) and Matthew Marshall (“Employee”), entitled *Agreement for Employment of Executive Director*, effective November 15, 2010, and first amended by Addendum on November 15, 2012, and further amended on November 15, 2015. The initial 2010 Agreement, 2012 Addendum and 2015 Amendment are collectively referred to herein as the “Agreement.” This Amendment No. 2 is effective February 1, 2017.

**RECITALS**

**WHEREAS**, Employee has acted in the capacity of Executive Director for RCEA since November 15, 2010 pursuant to an employment agreement which currently expires on November 14, 2018; and

**WHEREAS**, the Board of the RCEA has adopted a schedule of Job Classifications and Pay Scales pursuant to Resolution 2016-5, which provides a compensation schedule for Employee; and

**WHEREAS**, and RCEA and Employee desire to amend the Agreement to reference the compensation schedule adopted pursuant to Resolution 2015-6.

**NOW THEREFORE**, in consideration of the mutual covenants, conditions and terms recited herein and made a material part hereof, the parties agree as follows:

1. **Salary (Employment Agreement, Salary, Section 4.A – REPLACED)**. Section 4, *Compensation of Employee*, Paragraph A, *Salary*, is hereby replaced in its entirety with the following:

**“A. Salary**. Effective February 1, 2017, RCEA agrees to pay Employee for his services under this Agreement an annual base salary of \$ 117,479.43 (Director Step 1), as established by the RCEA’s Job Classification and Pay Scale, payable in installments as other RCEA employees are paid. This amount shall be subject to annual merit step increases, if any, determined by the Board at the time of the annual performance evaluation as provided in Section 5 of this Agreement. In no event shall Employee receive cost of living or other salary adjustments that may be granted to RCEA employees.”

2. **Ratification of Agreement**. The terms and conditions of the Agreement, including all exhibits and attachments, are ratified in their entirety except to the extent inconsistent with the terms and provisions of this Amendment. In the event of such inconsistency, this Amendment No. 2 shall control.

**IN WITNESS WHEREOF**, Employer has caused this Amendment No. 2 to be signed and executed on its behalf by its Chair, and the Employee has executed this Agreement as of the day and year first above written.

**AUTHORITY**

**EXECUTIVE DIRECTOR**

\_\_\_\_\_  
, Chair

Dated: \_\_\_\_\_

Approved As To Form:

\_\_\_\_\_  
Nancy Diamond, Authority Counsel

Dated: \_\_\_\_\_

\_\_\_\_\_  
Matthew Marshall

Dated: \_\_\_\_\_



# REDWOOD COAST Energy Authority

## STAFF REPORT

AGENDA DATE:	January 19, 2017
TO:	Board of Directors
PREPARED BY:	Lori Biondini, Andrea Alstone
SUBJECT:	CCE Customer Rates for 2017

### RECOMMENDED ACTION

Adopt Resolution 2017-1 Setting Community Choice Energy Program Customer Rates for 2017.

### SUMMARY

RCEA's Community Choice Energy (CCE) program was started with the goal of maximizing the use of local renewable energy while providing competitive rates. To establish a solid foundation and support the long-term sustainability of the program, key objectives for the launch period of the program are:

- 1) Offer competitive rates at or below PG&E's rates
- 2) Build a strong financial reserves to ensure long-term rate stability
- 3) Invest in local renewable supply
- 4) Achieve a greater % of renewable energy and lower greenhouse gas emissions that PG&E's power mix.

These priorities and others are captured in the "Guidelines for the Redwood Coast Energy Authority Community Energy Program Launch-Period Strategy and Targets," adopted by the Board on September 19, 2016 (attached for reference). There are budgetary constraints to balancing these priorities, particularly in the launch year. That said, following the CPUC certification of RCEA's Implementation Plan on December 29<sup>th</sup>, TEA (RCEA's contracted power-manager and power procurement agent) moved forward on our behalf with the initial round of procurement to lock-in a significant share of RCEA's power prices for 2017. The resulting prices TEA secured puts the program on track to successfully make progress in 2017 on the above program goals in 2017.

The proposed CCE customer electricity generation rates for 2017, which include the customer PCIA "exit fees" imposed by PG&E (discussed below), are 2.7% lower than PG&E's generation rates, resulting in a lower total bill for each customer class. While this will be a modest rate-savings for any individual customer, it is in alignment with achieving the goal of delivering a cumulative \$2 million per year in county-wide rate savings. The proposed rates also put the program on track toward building the reserve fund to \$6 million by the end of year one.

We also propose to offer two rate-based customer programs: a net-energy-metering program for solar customers that values solar electricity produced by customers at \$0.01/ kWh more than PG&E's comparable program; and a voluntary 100% renewable energy rate option which will be competitive with PG&E's rates for its corresponding 100% renewable option.

## Process for Establishing Rates

As noted, a key program objective is to provide customer rates lower than PG&E's rates. However, to achieve total "bottom-line" bill savings for customers RCEA must set rates to not just beat PG&E's comparable "generation rate" but to also factor in additional fees PG&E charges CCE customers.

Of most significance is the "Power Charge Indifference Adjustment" (PCIA). The PCIA is a charge assessed by PG&E to cover generation costs that PG&E committed to prior to a customer's change in service provider. This fee is collected by PG&E and is effectively an "exit fee" assessed to customers which receive their generation services from another provider. The fee is calculated based on the difference between the contract prices PG&E has previously committed to versus the present market value of those contracts—basically covering the loss that PG&E would otherwise incur (because older contract prices are above current market prices) when it goes to resell the power in contracted for on our customers' behalf. The PCIA is updated each January by PG&E, based on power market prices from October.

RCEA is working with TEA to implement a fiscally-conservative approach that schedules our procurement and rate setting around minimizing the uncertainty associated with the PCIA and PG&E rate setting.

Following the lead of other CCEs in the state, the proposed rate schedule offers the same rate classes as PG&E with some consolidation of similar classes. An equal discount (after factoring in the PCIA and other PG&E fees) of 2.7% will be applied to the electricity generation rate across all rate classes.

## Example Comparison of some "typical" customer bills:

	E1 <sup>*</sup> residential		A1X (TOU) <sup>**</sup> small commercial time of use		E19 <sup>***</sup> large commercial	
	PG&E	RCEA	PG&E	RCEA	PG&E	RCEA
PG&E Electric Delivery Fees <sup>†</sup>	\$ 19.19	\$ 19.19	\$ 284.74	\$ 284.74	\$ 2,458.87	\$ 2,458.87
Electric Generation	\$ 24.69	\$ 16.55	\$ 235.42	\$ 175.75	\$ 3,525.06	\$ 2,755.09
Additional PG&E Fees <sup>‡</sup>	\$ -	\$ 7.47	\$ -	\$ 53.32	\$ -	\$ 674.80
Total	\$ 43.88	\$ 43.22	\$ 520.16	\$ 513.81	\$ 5,983.93	\$ 5,888.76

<sup>†</sup> Includes transmission, distribution, and non-bypassable charges

<sup>‡</sup> Includes PCIA and Franchise Fee

<sup>\*</sup> Assumes 251 kWh consumption

<sup>\*\*</sup> Assumes 2,355 kWh consumption

<sup>\*\*\*</sup> Assumes 34,554 kWh consumption and 74kW max demand

## **Additional Customer Rate Programs**

**Enhanced Net Metering for Solar Customers:** Net Energy Metering (NEM) is a service option administered by electric utilities, including PG&E and RCEA, to address energy produced by customer-sited, small-scale renewable energy generating projects that have been designed with the primary purpose of offsetting the customer-generator's typical energy use. Primarily, NEM addresses the scenario that exists when customer sited renewable generators produce more energy than they use, "spinning the meter backwards." In such instances, the utility must determine the manner in which the customer generator will be credited for the power that it supplies back to the "grid" (which marginally reduces energy quantities that must be purchased by the utility from other sources). When NEM customers produce more energy than they use, RCEA will provide bill credits for any excess electric generation while PG&E will provide applicable credits for any distribution charges that may be "reversed." The credit amounts and settlement processes that apply in such instances are independently determined by the two organizations.

Following the example of other California CCE programs, RCEA proposes to include the following terms in its NEM rate, which will improve upon the NEM terms offered by PG&E.

- Self-generation power is credited to customer's bill at retail rate plus \$0.01/kWh (+5-10% above base retail generation rate).
- Excess generation credits roll-over from year to year and never expire.
- Excess generation credits can be cashed-out for full retail value.

RCEA's NEM tariff is exclusively focused on the administration of charges and credits that may apply to the generation (or electric commodity) portion of the customer's bill. The proposed RCEA NEM rate details are included in the rate schedule.

**100% Renewable Option:** Through its alternative REpower+ service, RCEA will offer customers the option to purchase 100% renewable power, which will include a combination of local, in-state, and out-of-state renewable power. The 100% renewable option will be priced similar to PG&E's comparable product, or include a flat premium applied to all net energy consumed (proposed rate schedule to be presented for consideration at a future meeting). The following features are proposed for the REpower+ service:

- Voluntary opt-up option for premium price (based on actual cost of service).
- Large hydro and system power components of base RCEA power mix replaced with renewable energy (solar, wind, geothermal, etc).

## **ATTACHMENTS:**

Guidelines for the Redwood Coast Energy Authority Community Energy Program Launch-Period Strategy and Targets

Resolution No 2017-1 Setting Community Choice Energy Program Rates for 2017, including proposed 2017 rate schedule.



# GUIDELINES FOR THE REDWOOD COAST ENERGY AUTHORITY COMMUNITY ENERGY PROGRAM LAUNCH-PERIOD STRATEGY AND TARGETS



**Adopted September 19, 2016**

## **OVERVIEW & GOALS**

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The Redwood Coast Energy Authority (RCEA) is proceeding with the launch of a community choice energy program scheduled to commence service to customers in May of 2017. Based on the groundwork established by the RePower Humboldt strategic plan for developing local renewable energy, in June of 2015 the RCEA Board of Directors voted to proceed with developing a community choice energy program for Humboldt County with the following core goal:

***Maximize the use of local renewable energy while providing competitive rates to customers.***

In addition to this over-arching goal, the program will be designed to pursue the following aspirations and community benefits:

- Environmental Quality
- Local Control and the Ability to Pursue Local Priorities
- Economic Development
- Energy Independence
- Customer Rate-savings, Choice, and Community Programs

Implementing a community choice energy (CCE) program that furthers these goals will be an ongoing and evolving process. Outlined below are targets and objectives for the initial launch phase of the program during years 1-5 of operation. These targets and objectives will have to be adaptively managed based on market conditions and local considerations, but will be used as a guiding framework for the development of RCEA's CCE Program Implementation Plan, power procurement strategy, and the development of local generation projects and programs.

## **FINANCIAL TARGETS**

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- A target of approximately 5% of the available program annual budget will be allocated to customer rate savings (based on parity with PG&E generation rates and with PG&E PCIA fees factored in). This equates to a total customer rate savings that averages at least \$2 million per year over the first 5 years, for a targeted total cumulative customer rate savings of at least \$10 million over the first 5 years of operation.
- The program will target building a rate-stabilization/reserve/contingency fund of \$35 million by the end of year five under projected market conditions. The program will be designed to target a minimum reserve of at least \$10 million even under adverse market conditions.
- Over the first 5 years, the program will aim to retain and/or redirect \$100 million dollars or more of rate-payer dollars back into Humboldt County when taking into consideration local power-procurement, customer rate-savings, local-program spending, and allocations toward building the reserve/contingency fund.

## **POWER OBJECTIVES**

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- At least 5% more renewable energy (as defined by state law) than PG&E's power mix.
- At least 5% lower greenhouse gas emission rate than PG&E mix.
- Maximize the use of local renewable energy to the extent technically and economically feasible and prudent.
- Strongly support energy efficiency and conservation as core strategies toward achieving the program's environmental, economic, and community goals.

## **GENERATION PORTFOLIO TARGETS**

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### **Existing Local Biomass**

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- Issue a Request for Offers targeting power purchase agreements with 1-2 existing facilities.
- Structure overall biomass procurement strategy around local waste-management and forest restoration priorities and needs.
- Include environmental, community, and economic considerations in selection process.
- Contingent on price and market conditions, contract for a target of around 20MW of local biomass energy (about 15% of the total RCEA power portfolio).

### **Existing Local Small Hydroelectric**

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- Pursue contracting with a target of 2MW of existing local small hydro.
- Ensure that any contracts are structured to support and prioritize the operators' water-management and environmental quality objectives.

## **New Local Solar Power**

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- ***Feed-in-tariff power procurement program for small generators***
  - <1MW small/medium renewable generators (solar and other technologies)
  - Eligible projects are designed primarily for wholesale power production (not focused on meeting on-site energy loads).
  - Standardized, upfront purchase price, projected to be in the range of \$80-100/MWh to facilitate project financing.
  - Standardized, upfront, and straightforward contract terms and duration to facilitate project financing.
  - Initial power portfolio allocation to the feed-in-tariff program will be targeted at 6MW.
- ***Utility-scale Solar***

In parallel to the feed-in-tariff program RCEA will pursue the development of additional wholesale-generation solar projects, which could be developed by RCEA and/or third parties in pursuit of overall power portfolio solar content targets:

  - Initial target of 5MW of new local wholesale solar online before the end of 2018.
  - Launch-phase target of 15MW of utility-scale/wholesale solar online by the end of year 5 of operations.
  - Focus project development on underutilized/idle public and industrial sites to limit impacts related to other beneficial uses such as agriculture, economic development, habitat, and open space.

## **Additional Power Resources**

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To meet and balance over-arching objectives for rates, renewable energy %, and greenhouse gas emissions as well as to match power generation availability to customer loads demands, the launch-period portfolio will incorporate the following additional power sources:

- Renewable generation projects--wind, solar, geothermal, etc--located outside the County.
- California and/or Pacific Northwest hydroelectric power (which is renewable and emissions-free, but cannot be counted toward CA state renewable portfolio standard requirements). This will not include any power from the Klamath River dams.
- Unspecified "system power" from the CAISO power market pool (while power from the pool is not traceable to any specific generator, in northern CA this power is predominantly generation from natural gas and large hydro power facilities).

## **Future/Long-term Generation**

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- ***New Local On-shore Wind Generation***
  - Assess the possibility for up to 50MW of local on-shore wind energy generation.
    - The most viable site for local on-shore wind is Bear River Ridge west of Rio Dell and South of Ferndale.
    - While there are other possible sites in the area, Bear River Ridge has the best wind resource in the County (it is one of the top wind resource areas in the state), Bear River Ridge property owners are willing and interested in developing a wind project, and there was considerable environmental and technical study and evaluation previously conducted which, if utilized, would reduce the development costs and timelines of a potential project.
- ***New Local Small-scale Hydroelectric***
  - Evaluate options for the development of new small-scale hydroelectric that would be compatible with environmental and cultural priorities.

- **Offshore Wind Energy**
  - While not yet deployed in California, offshore wind energy generation is an established technology. The wind resource off of the Samoa Peninsula coastline is one of the best in North America, and the on-shore infrastructure on the peninsula appears well-suited to accommodate offshore wind development.
  - During the initial 5-year launch-phase of Program, RCEA will allocate resources to moving forward with community and stakeholder engagement, site selection, environmental review, and project scoping.
- **Wave Energy**
  - Wave energy technology is in an early stage of development. During the program launch phase, RCEA will build on the previous WaveConnent and CalWave projects to explore and evaluate opportunities for local wave-energy research, development, and pilot-deployment.

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## PROGRAMS

### Enhanced Solar Net-Energy-Metering (rate-based program)

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- Self-generation power credited to customer's bill at retail rate plus \$0.01/kWh (+5-10% above base retail generation rate).
- Excess generation credits roll-over from year to year and never expire.
- Excess generation credits can be cashed-out for full retail value.

### 100% Renewable Energy Option (rate-based program)

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- Voluntary opt-up option for premium price (based on actual cost of service).
- Large hydro and system power components of base RCEA power mix replaced with renewable energy (non-local solar, wind, geothermal, etc).
- Evaluate 100% solar and/or 100% local renewable options in the near-term (in or after 2018, after launch and ramp-up of operations).

### Programs budget target of an initial allocation of up to \$1,000,000 per year for:

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- **Solar and Energy-storage Technical Assistance**  
Program emphasis will be on public-agency and community facilities, especially critical infrastructure such as water/wastewater treatment and emergency response.
- **Electric Vehicle Charging Infrastructure**  
Supporting the adoption of electric vehicles provides multiple benefits aligned with CCE Program goals: significant reductions in greenhouse gas emission compared to petroleum-powered vehicles; lower \$/mile fuel costs compared to petroleum vehicles, increasing CCE customer-load base, and providing a flexible electricity demand load that has the future potential to be managed to support the integration of renewable energy.
- **Energy Efficiency and Conservation**  
New programs that support and enhance the existing programs offered by RCEA, PG&E, the Redwood Community Action Agency, and others.
- **Match funding for State, Federal, and Foundation Energy Grants**  
The majority of grant funding opportunities require some level of local match funding, so tagging/reserving a flexible component of the CCE program budget to be available as-needed for use as energy-related grant match funding will support bringing resources into Humboldt County to pursue our community energy goals.

**RESOLUTION NO. 2017-1  
OF THE REDWOOD COAST ENERGY AUTHORITY  
SETTING COMMUNITY CHOICE ENERGY PROGRAM RATES FOR 2017**

**WHEREAS**, the Redwood Coast Energy Authority (RCEA) is launching a community choice energy program on behalf of participating jurisdictions in Humboldt County; and

**WHEREAS**, the RCEA Board of Directors adopted the goal of providing competitive rates for customers at or below what customers would otherwise pay through PG&E bundled service; and has contracted with The Energy Authority (TEA) to service and RCEA's power

**WHEREAS**, RCEA is working with its power manager and power procurement agent The Energy Authority (TEA) to secure a portfolio of power supply resources that meet RCEA's customer rate goals while also supporting other program objectives related to building financial reserves and renewable energy content; and

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of the Redwood Coast Energy Authority hereby adopts RCEA's 2017 Community Choice Energy Program 2017 Customer Rate Schedule as set forth in Appendix A, attached hereto and incorporated herein.

Adopted this \_\_\_\_ day of \_\_\_\_\_, 2017

ATTEST:

\_\_\_\_\_  
\_\_\_\_\_, RCEA Board Chair

\_\_\_\_\_  
\_\_\_\_\_, Clerk

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**CLERK'S CERTIFICATE**

I hereby certify that the foregoing is a true and correct copy of Resolution No. 2017-1 passed and adopted at a regular meeting of the Redwood Coast Energy Authority, County of Humboldt, State of California, held on the \_\_\_\_ day of \_\_\_\_\_, 2017, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

\_\_\_\_\_  
Clerk of the Board, Redwood Coast Energy Authority

**APPENDIX A**

**REDWOOD COAST ENERGY AUTHORITY  
COMMUNITY CHOICE ENERGY PROGRAM 2017 CUSTOMER RATE SCHEDULE**

# RCEA Community Choice Energy Program

## 2017 Customer Rate Schedule - Effective January 23, 2017

PG&E EQUIVALENT SCHEDULE	RCEA RATE SCHEDULE	UNIT/PERIOD	RCEA RATE	RCEA RATE WITH PG&E SURCHARGES	PG&E CURRENT GENERATION RATE
<u>RESIDENTIAL CUSTOMERS</u>					
E-1, EL-1, EM, EML, ES, ESL, ESR, ESRL, ET, ETL	E-1				
	ENERGY CHARGE (\$/KWH)	All Energy	0.06595	0.09572	0.09838
E-6, EL-6	E-6				
	ENERGY CHARGE (\$/KWH)	Summer Peak	0.18109	0.21086	0.21671
		Summer Part Peak	0.08100	0.11077	0.11384
		Summer Off Peak	0.04014	0.06991	0.07185
		Winter Partial Peak	0.06282	0.09259	0.09516
		Winter Off-Peak	0.05159	0.08136	0.08362
E-TOU-A	E-TOU-A				
	ENERGY CHARGE (\$/KWH)	Summer Peak	0.14860	0.17837	0.18332
		Summer Off Peak	0.07506	0.10483	0.10774
		Winter Partial Peak	0.06362	0.09339	0.09598
		Winter Off-Peak	0.04970	0.07947	0.08168
E-TOU-B	E-TOU-B				
	ENERGY CHARGE (\$/KWH)	Summer Peak	0.17025	0.20002	0.20557
		Summer Off Peak	0.06997	0.09974	0.10251
		Winter Partial Peak	0.06630	0.09607	0.09874
		Winter Off-Peak	0.04801	0.07778	0.07994
E-TOU-PP-1	E-TOU-PP-1				
	ENERGY CHARGE (\$/KWH)	Summer Peak	0.17025	0.20002	0.20557
		Summer Off Peak	0.06997	0.09974	0.10251
		Winter Partial Peak	0.06630	0.09607	0.09874
		Winter Off-Peak	0.04801	0.07778	0.07994
E-TOU-PP-2	E-TOU-PP-2				
	ENERGY CHARGE (\$/KWH)	Summer Peak	0.18756	0.21733	0.22336
		Summer Part Peak	0.12831	0.15808	0.16247
		Summer Off Peak	0.05784	0.08761	0.09004
		Winter Partial Peak	0.06657	0.09634	0.09901
		Winter Off-Peak	0.04708	0.07685	0.07898
E-TOU-PP-3	E-TOU-PP-3				
	ENERGY CHARGE (\$/KWH)	Summer Peak	0.17076	0.20053	0.20609
		Summer Off-Peak	0.07048	0.10025	0.10303
		Spring Peak	0.05879	0.08856	0.09102
		Spring Off-Peak	0.04680	0.07657	0.07869
		Spring Super Off-Peak	0.02107	0.05084	0.05225
		Winter Peak	0.07094	0.10071	0.10350
		Winter Off-Peak	0.05250	0.08227	0.08455
EV-A	EV-A				
	ENERGY CHARGE (\$/KWH)	Summer Peak	0.19492	0.22469	0.23092
		Summer Part-Peak	0.07851	0.10828	0.11128
		Summer Off-Peak	0.02465	0.05442	0.05593
		Winter Peak	0.05419	0.08396	0.08629
		Winter Part-Peak	0.02268	0.05245	0.05391
		Winter Off-Peak	0.02659	0.05636	0.05792
<u>COMMERCIAL, INDUSTRIAL, AND GENERAL SERVICE CUSTOMERS</u>					
A-1-A	A-1-A				
	ENERGY CHARGE (\$/KWH)	Summer	0.08943	0.11207	0.11518
		Winter	0.05446	0.07710	0.07924
A-1-B	A-1-B				

PG&E EQUIVALENT SCHEDULE	RCEA RATE SCHEDULE	UNIT/PERIOD	RCEA RATE	RCEA RATE WITH PG&E SURCHARGES	PG&E CURRENT GENERATION RATE
A-6	ENERGY CHARGE (\$/KWH)	Summer Peak	0.10469	0.12733	0.13086
		Summer Part-Peak	0.08168	0.10432	0.10721
		Summer Off-Peak	0.05505	0.07769	0.07985
		Winter Part-Peak	0.08148	0.10412	0.10701
		Winter Off-Peak	0.06114	0.08378	0.08610
A-6	ENERGY CHARGE (\$/KWH)	Summer Peak	0.33237	0.35501	0.36486
		Summer Part-Peak	0.09926	0.12190	0.12528
		Summer Off-Peak	0.04254	0.06518	0.06699
		Winter Part-Peak	0.06731	0.08995	0.09245
		Winter Off-Peak	0.05030	0.07294	0.07496
A-10-A-S	ENERGY CHARGE (\$/KWH)	Summer	0.07888	0.10209	0.10492
		Winter	0.05517	0.07838	0.08055
A-10-B-S	DEMAND CHARGE (\$/KW)	Summer Max	4.75797	4.75797	4.89
A-10-B-S	ENERGY CHARGE (\$/KWH)	Summer Peak	0.13220	0.15541	0.15972
		Summer Part-Peak	0.07856	0.10177	0.10459
		Summer Off-Peak	0.05124	0.07445	0.07652
		Winter Part-Peak	0.06304	0.08625	0.08864
		Winter Off-Peak	0.04644	0.06965	0.07158
A-10-A-P	DEMAND CHARGE (\$/KW)	Summer Max	4.75797	4.75797	4.89
A-10-A-P	ENERGY CHARGE (\$/KWH)	Summer	0.07082	0.09403	0.09664
		Winter	0.05013	0.07334	0.07537
A-10-B-P	DEMAND CHARGE (\$/KW)	Summer Max	4.16444	4.16444	4.28
A-10-B-P	ENERGY CHARGE (\$/KWH)	Summer Peak	0.12220	0.14541	0.14944
		Summer Part-Peak	0.07300	0.09621	0.09888
		Summer Off-Peak	0.04709	0.07030	0.07225
		Winter Part-Peak	0.05967	0.08288	0.08518
		Winter Off-Peak	0.04422	0.06743	0.06930
A-10-A-T	DEMAND CHARGE (\$/KW)	Summer Max	4.16444	4.16444	4.28
A-10-A-T	ENERGY CHARGE (\$/KWH)	Summer	0.06241	0.08562	0.08800
		Winter	0.04437	0.06758	0.06946
A-10-B-T	DEMAND CHARGE (\$/KW)	Summer Max	3.27901	3.27901	3.37
A-10-B-T	ENERGY CHARGE (\$/KWH)	Summer Peak	0.11040	0.13361	0.13732
		Summer Part-Peak	0.06479	0.08800	0.09044
		Summer Off-Peak	0.04017	0.06338	0.06514
		Winter Part-Peak	0.05332	0.07653	0.07865
		Winter Off-Peak	0.03914	0.06235	0.06408
E-19-S,V	DEMAND CHARGE (\$/KW)	Summer Max	3.27901	3.27901	3.37
E-19-S,V	ENERGY CHARGE (\$/KWH)	Summer Peak	0.09968	0.11921	0.12252
		Summer Part-Peak	0.06318	0.08271	0.08501
		Summer Off-Peak	0.03709	0.05662	0.05819
		Winter Part-Peak	0.05779	0.07732	0.07947
		Winter Off-Peak	0.04357	0.06310	0.06485
E-19-P,V	DEMAND CHARGE (\$/KW)	Summer Peak	12.28899	12.28899	12.63000
		Summer Part-Peak	3.03576	3.03576	3.12000
E-19-P,V	ENERGY CHARGE (\$/KWH)	Summer Peak	0.09371	0.11324	0.11638



PG&E EQUIVALENT SCHEDULE	RCEA RATE SCHEDULE	UNIT/PERIOD	RCEA RATE	RCEA RATE WITH PG&E SURCHARGES	PG&E CURRENT GENERATION RATE	
E-19-T,V		Summer Part-Peak	0.05636	0.07589	0.07800	
		Summer Off-Peak	0.03236	0.05189	0.05333	
		Winter Part-Peak	0.05132	0.07085	0.07282	
		Winter Off-Peak	0.03829	0.05782	0.05942	
	DEMAND CHARGE (\$/KW)	Summer Peak	10.98517	10.98517	11.29000	
		Summer Part-Peak	2.67575	2.67575	2.75000	
	E-19-T ENERGY CHARGE (\$/KWH)	Summer Peak	0.05862	0.07815	0.08032	
		Summer Part-Peak	0.04635	0.06588	0.06771	
		Summer Off-Peak	0.03013	0.04966	0.05104	
		Winter Part-Peak	0.04829	0.06782	0.06970	
		Winter Off-Peak	0.03582	0.05535	0.05689	
		DEMAND CHARGE (\$/KW)	Summer Peak	12.08466	12.08466	12.42000
	Summer Part-Peak		3.02603	3.02603	3.11000	
E-20-P	E-20-P ENERGY CHARGE (\$/KWH)	Summer Peak	0.10019	0.11610	0.11932	
		Summer Part-Peak	0.06067	0.07658	0.07870	
		Summer Off-Peak	0.03636	0.05227	0.05372	
		Winter Part-Peak	0.05546	0.07137	0.07335	
		Winter Off-Peak	0.04233	0.05824	0.05986	
	DEMAND CHARGE (\$/KW)	Summer Peak	13.07712	13.07712	13.44000	
E-20-T	E-20-T ENERGY CHARGE (\$/KWH)	Summer Part-Peak	3.09414	3.09414	3.18000	
		Summer Peak	0.06001	0.07592	0.07798	
		Summer Part-Peak	0.04811	0.06402	0.06575	
		Summer Off-Peak	0.03236	0.04827	0.04956	
		Winter Part-Peak	0.04998	0.06589	0.06767	
		Winter Off-Peak	0.03789	0.05380	0.05524	
	DEMAND CHARGE (\$/KW)	Summer Peak	15.46097	15.46097	15.89000	
		Summer Part-Peak	3.68767	3.68767	3.79000	
	AGRICULTURAL CUSTOMERS					
	AG-1-A	AG-1-A ENERGY CHARGE (\$/KWH)	Summer	0.07478	0.09664	0.09932
Winter			0.05565	0.07751	0.07966	
CONNECTED LOAD (\$/KW)		Summer Max	1.32328	1.32328	1.36	
AG-1-B	AG-1-B ENERGY CHARGE (\$/KWH)	Summer	0.07766	0.09952	0.10228	
		Winter	0.05572	0.07758	0.07973	
	DEMAND CHARGE (\$/KW)	Summer Max	1.98492	1.98492	2.04	
AG-4-A	AG-4-A ENERGY CHARGE (\$/KWH)	Summer Peak	0.13277	0.15463	0.15892	
		Summer Off-Peak	0.04490	0.06676	0.06861	
		Winner Part-Peak	0.04889	0.07075	0.07271	
		Winter Off-Peak	0.03842	0.06028	0.06195	
	CONNECTED LOAD (\$/KW)	Summer	1.31355	1.31355	1.35	
AG-4-B	AG-4-B ENERGY CHARGE (\$/KWH)	Summer Peak	0.09656	0.11842	0.12171	
		Summer Off-Peak	0.04687	0.06873	0.07064	
		Winner Part-Peak	0.04516	0.06702	0.06888	
		Winter Off-Peak	0.03517	0.05703	0.05861	
	DEMAND CHARGE (\$/KW)	Summer Max	2.32547	2.32547	2.39	
AG-4-C	AG-4-C	Summer Peak	5.39042	5.39042	5.54	

PG&E EQUIVALENT SCHEDULE	RCEA RATE SCHEDULE	UNIT/PERIOD	RCEA RATE	RCEA RATE WITH PG&E SURCHARGES	PG&E CURRENT GENERATION RATE	
AG-5-A	ENERGY CHARGE (\$/KWH)	Summer Peak	0.11371	0.13557	0.13933	
		Summer Part-Peak	0.05489	0.07675	0.07888	
		Summer Off-Peak	0.03351	0.05537	0.05691	
		Winner Part-Peak	0.03958	0.06144	0.06315	
		Winter Off-Peak	0.03040	0.05226	0.05371	
	DEMAND CHARGE (\$/KW)	Summer Peak	5.69205	5.69205	5.85000	
		Summer Part-Peak	0.97300	0.97300	1.00000	
	AG-5-B	AG-5-A ENERGY CHARGE (\$/KWH)	Summer Peak	0.12285	0.14471	0.14873
			Summer Off-Peak	0.04968	0.07154	0.07353
			Winter Part-Peak	0.05307	0.07493	0.07701
Winter Off-Peak			0.04205	0.06391	0.06568	
CONNECTED LOAD (\$/KW)			Summer	3.60010	3.60010	3.70
AG-5-B ENERGY CHARGE (\$/KWH)		Summer Peak	0.11949	0.14135	0.14527	
		Summer Off-Peak	0.02177	0.04363	0.04484	
		Winter Part-Peak	0.04522	0.06708	0.06894	
		Winter Off-Peak	0.01758	0.03944	0.04053	
		DEMAND CHARGE (\$/KW)	Summer Max	4.32985	4.32985	4.45
Summer Peak	5.41961		5.41961	5.57		
AG-5-C	AG-5-C ENERGY CHARGE (\$/KWH)	Summer Peak	0.09467	0.11653	0.11976	
		Summer Part-Peak	0.04542	0.06728	0.06915	
		Summer Off-Peak	0.02709	0.04895	0.05031	
		Winter Part-Peak	0.03259	0.05445	0.05596	
		Winter Off-Peak	0.02425	0.04611	0.04739	
	DEMAND CHARGE (\$/KW)	Summer Peak	10.00244	10.00244	10.28	
		Summer Part-Peak	1.87789	1.87789	1.93	
	AG-R-A	AG-R-A ENERGY CHARGE (\$/KWH)	Summer Peak	0.23827	0.26013	0.26735
			Summer Off-Peak	0.04365	0.06551	0.06733
			Winter Part-Peak	0.05059	0.07245	0.07446
Winter Off-Peak			0.03981	0.06167	0.06338	
CONNECTED LOAD (\$/KW)			Summer	1.27463	1.27463	1.31
AG-V-A ENERGY CHARGE (\$/KWH)		Summer Peak	0.20574	0.22760	0.23392	
		Summer Off-Peak	0.04102	0.06288	0.06462	
		Winter Part-Peak	0.04911	0.07097	0.07294	
		Winter Off-Peak	0.03855	0.06041	0.06209	
		CONNECTED LOAD (\$/KW)	Summer	1.33301	1.33301	1.37
AG-V-B	AG-V-B ENERGY CHARGE (\$/KWH)	Summer Peak	0.18832	0.21018	0.21601	
		Summer Off-Peak	0.04140	0.06326	0.06502	
		Winter Part-Peak	0.57692	0.59878	0.61540	
		Winter Off-Peak	0.02913	0.05099	0.05240	
		DEMAND CHARGE (\$/KW)	Summer Max	1.73194	1.73194	1.78
	Summer Peak		2.22817	2.22817	2.29	
	STREET AND OUTDOOR LIGHTING					
	LS-1, LS-2, LS-3, OL-1	SL				
		ENERGY CHARGE (\$/KWH)	All Energy	0.07293	0.07781	0.07997
	TC-1	TC	All Energy	0.06181	0.08444	0.08678
STANDBY SERVICE						

<b>PG&amp;E EQUIVALENT SCHEDULE</b>	<b>RCEA RATE SCHEDULE</b>	<b>UNIT/PERIOD</b>	<b>RCEA RATE</b>	<b>RCEA RATE WITH PG&amp;E SURCHARGES</b>	<b>PG&amp;E CURRENT GENERATION RATE</b>
S-TOU-P	S-TOU-P				
	ENERGY CHARGE (\$/KWH)	Summer Peak	0.08655	0.09729	0.09999
		Summer Part-Peak	0.07111	0.08185	0.08412
		Summer Off-Peak	0.05091	0.06165	0.06336
		Winter Part-Peak	0.07357	0.08431	0.08665
		Winter Off-Peak	0.05792	0.06866	0.07057
	RESERVATION CHARGE (\$/KW)		0.37947	0.37947	0.39
S-TOU-T	S-TOU-T				
	ENERGY CHARGE (\$/KWH)	Summer Peak	0.07095	0.08169	0.08396
		Summer Part-Peak	0.05813	0.06887	0.07078
		Summer Off-Peak	0.04117	0.05191	0.05335
		Winter Part-Peak	0.06014	0.07088	0.07285
		Winter Off-Peak	0.04712	0.05786	0.05947
	RESERVATION CHARGE (\$/KW)		0.31136	0.31136	0.32

## ELECTRIC SCHEDULE NEM – NET ENERGY METERING

**APPLICABILITY:** This net energy metering (NEM) schedule is applicable to a customer who uses an eligible Renewable Electrical Generation Facility, as defined in PG&E's Electric Schedule NEM (<http://www.pge.com/tariffs/ERS.SHTML#ERS>), within the capacity limits described in PG&E's Electrical Schedule NEM that is located on the customer's owned, leased, or rented premises, is interconnected and operates in parallel with PG&E's transmission and distribution systems, and is intended primarily to offset part of all of the customer's own electrical requirements (hereinafter "eligible customer-generator" or "customer").

This rate schedule is available on a first-come, first-served basis, subject to participatory limit(s) established in PG&E Electric Schedules NEM (the "participatory limit"), to customers that satisfy all necessary application, interconnection and inspection requirements (as described in PG&E Electric Schedules NEM). This NEM schedule also applies to customers served under NEM2, NEMV (virtual Net Energy Metering), NEMVMASH (Virtual Net Energy Metering for Multifamily Affordable Housing), NEMA (NEM Aggregation) and Multiple Tariff facilities as described by PG&E Electric Schedule NEM. Once the participatory limit has been reached, this NEM schedule will be closed to new customers.

**TERRITORY:** The entire Redwood Coast Energy Authority (RCEA) Community Energy Program service area.

**RATES:** All rates charged under this NEM schedule will be in accordance with the eligible customer-generator's otherwise-applicable RCEA rate schedule (OAS). An eligible customer-generator serviced under this schedule is responsible for all charges from its OAS including monthly minimum charges, customer charges, meter charges, facilities charges, demand charges and surcharges, and all other charges owed to RCEA or PG&E – any applicable PG&E charges will be addressed in a corresponding tariff. Charges for energy (kWh) supplied by RCEA will be based on the net metered usage in accordance with this NEM schedule.

**BILLING:** Customers with NEM service will be billed by RCEA as follows:

a) For a customer with Non-Time of Use Rates:

The cost or credit associated with any net usage or production during the customer's normal billing cycle shall be determined as follows:

If the eligible customer-generator is a "Net Consumer", as determined by usage exceeding production during a discrete billing cycle, the eligible customer-generator will be billed in accordance with the eligible customer-generator's OAS

If the eligible customer-generator is a "Net Generator", as determined by production exceeding usage during a discrete billing cycle, the net energy production shall be valued at the OAS plus a NEM production premium of \$0.01/kWh. The value of all net energy production during the billing cycle shall be credited to RCEA customers as described in Section (c).

b) For a customer with TOU Rates:

If the eligible customer-generator is a Net Consumer (as defined above) during any discrete TOU period, the net kWh consumed during such period shall be billed in accordance with the eligible customer-generator's OAS.

If the eligible customer-generator is a Net Generator (as defined above) during any discrete TOU period, net energy production during each TOU period shall be valued in consideration of the eligible customer-generator's OAS plus a NEM production premium of \$0.01/kWh, applying OAS rates to the quantity of energy produced within each TOU period. The value of all net energy production during the billing cycle shall be credited to RCEA customers as described in Section (c).

c) Monthly Settlement of RCEA Charges/Credits:

NEM customers will receive a statement in their monthly PG&E bills indicating any accrued charges for their usage during the billing cycle. Customers who have accrued credits during previous billing cycles will see these credits applied against current RCEA generation charges. Any remaining balance will be due and must be paid in consideration of the due date and remittance advice reflected on each PG&E bill.

When a customer's net energy production results in a net bill credit during any billing cycle, the value of any net energy production during the billing cycle shall be noted on the customer's bill and carried over as a bill credit for use in subsequent billing periods.

d) RCEA Annual Cash-Out:

During the May billing cycle of each year, all current RCEA NEM customers with a credit balance of more than the \$100 will be offered a direct payment option as compensation for the accrued credit balance – this payment will be made by check issued from RCEA to the customer; any credit balance will be determined as of the customer's April billing cycle. Customers who participate in the RCEA Cash-Out process will have an equivalent credit removed from their NEM account balance at the time of check issuance. In the event that customers do not elect to receive a check for accrued NEM credits, such credits will continue to be tracked by RCEA and will remain on the customer's account for future use (i.e., reduction of future RCEA charges)

Customers who close their electric account through PG&E or move outside of RCEA service area prior to the May billing cycle of each year are also eligible for the annual Cash-Out process.

e) Return to PG&E Bundled Service:

RCEA customers with NEM service may opt out and return to PG&E bundled service at any time. Customers should be advised that PG&E will perform a true-up of their account at the time such customers return to PG&E bundled service. As described in PG&E Electric Rule 23 (<http://www.pge.com/tariffs/ER.SHTML#ER>), certain RCEA customers returning to PG&E service may receive Transitional Bundled Service (TBS) for a limited period of time; TBS will expose such customers to various market price risks – please review PG&E's applicable electric rules and tariffs for additional information.

If an RCEA NEM customer opts-out of the RCEA program and returns to bundled service, that customer may request the direct payment option, described above in Section (d), for any generation credits that remain on the account, provided that such request is received by RCEA within 90 calendar days of the customer's return to PG&E service.

f) PG&E NEM Services:

RCEA NEM customers are subject to PG&E's terms, conditions and billing procedures for any non-generation services, as described in PG&E's Electric Schedule NEM, NEM2 and related PG&E tariff options addressing NEM service. Customers should be advised that while RCEA reconciles payment/credit balances for generation on a monthly basis, PG&E will continue to assess charges for delivery, transmission and other services. Most NEM customers will receive an annual true-up from PG&E for these non-generation services.

Customers are encouraged to review PG&E's most up-to-date NEM tariffs, which are available on PG&E's website: <http://www.pge.com/tariffs/ERS.SHTML#ERS>.



# REDWOOD COAST Energy Authority

## STAFF REPORT

AGENDA DATE:	January 23, 2017
TO:	Board of Directors
PREPARED BY:	Richard Engel
SUBJECT:	Community Choice Aggregation Terms and Conditions; Outreach Update

### RECOMMENDED ACTION

Approve terms and conditions for Community Choice Aggregation program participation.

### SUMMARY

#### Community Choice Aggregation Terms and Conditions

AB 117, the 2002 legislation that enabled California cities and counties to create Community Choice Aggregation (CCA) programs, requires such programs to disclose their terms and conditions to all electric accountholders as part of the enrollment notifications that AB 117 directs CCA programs to provide to these accountholders. AB 117 does not stipulate what these terms and conditions shall be. RCEA staff asked consultant Shawn Marshall of LEAN Energy US to investigate whether there are any statutory requirements from the California Public Utilities Commission regarding these terms and conditions. Ms. Marshall determined there are no such requirements, and that the first CCA program to launch in California, Marin Clean Energy, created its own terms and conditions. She reports that other CCAs have based their terms and conditions closely on those of Marin Clean Energy (now MCE Clean Energy) with minor modifications. We are not aware of any objections that have been raised to the terms and conditions that have evolved through this model.

Following this approach, LEAN Energy US and its subcontractor Green Ideals have provided a set of terms and conditions based closely on those currently being used by Peninsula Clean Energy, the most recent California CCA to have launched. In addition to required disclosure as part of the enrollment notice process, RCEA intends to make the terms and conditions available on the RCEA website, again following the example of other CCA programs.

PG&E's Rule 23, Section L.2.b (Community Choice Aggregation Service) requires that CCA customers who opt out of CCA service more than 60 days after enrollment will need to choose whether to 1) return to PG&E service immediately, but pay PG&E's transitional electricity rate for the next six months, or 2) remain a CCA customer for the next six months, then return to PG&E under the standard tariff for that customer. PG&E's transitional rate may be higher or lower than the standard rate, depending on current market power costs. The sole substantive modification to LEAN's proposed terms and conditions that

RCEA staff have made is to add language disclosing this condition imposed by PG&E, reasoning that it will be of interest to persons choosing whether to opt out of the CCA program.

RCEA counsel has reviewed the draft terms and conditions and approved them with minor additional modification. These draft terms and conditions are attached.

### **Outreach Update**

RCEA staff and consultants have continued with the Community Choice Energy (CCE) outreach efforts discussed in prior Board meetings. During this program launch phase, the main objective of outreach is to raise awareness of CCE and its benefits, thereby minimizing program opt-outs.

The bulk of outreach expenditure in the coming months will be on the four required enrollment notification mailings, which must be sent to each electric account holder in the county, other than Ferndale, which is not participating in the program. Printing and postage costs for the four mailings will total approximately \$126,000. A draft of the first notification letter is attached.

Another significant outreach activity is the launching of our CCE website. This is initially being designed as a stand-alone site but will quickly be integrated with RCEA's existing website, which is also undergoing redesign to harmonize with the design of the CCE site. A "version 1.0" of the new CCE site will be presented as part of our January 2017 Board meeting.

Additional outreach efforts include:

- Paid advertising in print, radio, and online media
- Earned media through news releases, interviews, and submitted articles
- Social media messages using Facebook and other platforms
- A promotional video featuring program endorsements by local elected officials and diverse community members (a preview of this work in progress will be provided at our January 2017 Board meeting)
- Face-to-face outreach through presentations to community groups and tabling at public events

More details on these efforts are included in a slide presentation to be given at our January 2017 Board meeting.

### **ATTACHMENTS:**

Proposed Community Choice Energy Terms and Conditions

Draft customer notification letter #1

## Proposed Community Choice Energy Program Customer Terms and Conditions

**RATES:** Redwood Coast Energy Authority (RCEA) electric generation rates are proposed to be stable and cost-competitive. Any changes to rates will be adopted at duly noticed public meetings of the Redwood Coast Energy Authority Board. Changes to PG&E or RCEA rates will impact cost comparisons between RCEA and PG&E. PG&E charges RCEA customers a monthly Power Charge Indifference Adjustment (PCIA) and Franchise Fee Surcharge. These fees are always included in our rate information. (Call (800) 931-RCEA to learn more.) These rates and cost comparisons may change over time. Financial assistance programs like CARE (California Alternate Rates for Energy), FERA (Family Electric Rate Assistance) and Medical Baseline Allowance remain the same with RCEA and will continue to be administered by PG&E. If you are enrolled in any of these programs with PG&E, you will continue to be enrolled if you choose RCEA.

**BILLING:** You will receive a single monthly bill from PG&E that includes RCEA's power generation charges. RCEA's electric generation charge replaces PG&E's electric generation charge. RCEA's charge is not a duplicate charge or extra fee. PG&E will continue to charge you for electric delivery services. If you opt out of RCEA, PG&E will resume charging you for electric generation.

**ENROLLMENT:** California State Assembly Bill 117, passed and signed into law in 2002, requires that Community Choice Energy programs like RCEA's operate as the primary electric generation service provider through an automatic enrollment process. Accounts within RCEA's service area are automatically enrolled with RCEA's REpower energy service unless the account holder chooses to opt out or sign up for REpower+ 100% renewable energy. Account holders may request to opt out at any time, or to choose REpower+ 100% renewable energy. To sign up for REpower+, call (800) 931-RCEA or visit [RedwoodEnergy.org](http://RedwoodEnergy.org).

**OPT OUT:** You may opt out of RCEA's CCE program at any time by calling (800) 931-RCEA, or by visiting [RedwoodEnergy.org](http://RedwoodEnergy.org). Please have your PG&E account information on hand to process your request. RCEA does not charge a fee to opt out at any time.

Please be advised that if you do opt out and return to PG&E's bundled service, you will not have the option to return to RCEA's service for one full year, subject to PG&E's terms and conditions of service. Accounts will be transferred on the day the electric meter is read and cannot be transferred during the middle of a billing cycle. In order for your request to be processed on your next meter read date, your request must be received at least 5 business days prior to the date on which the meter is read. If you opt out after 60 days of service, you will have two options: 1) return to PG&E service immediately, paying PG&E's transitional electricity rate (which varies and could be higher or lower than PG&E's standard rate) for the first 6 months of PG&E service, or 2)



provide notice of your chosen opt-out date 6 months in advance, then return to PG&E service at their standard rate after continuing service with RCEA for those 6 months.

**FAILURE TO PAY:** Redwood Coast Energy Authority may transfer your account to PG&E upon 60 calendar days' written notice if you fail to pay your bill.



# REDWOOD COAST Energy Authority

633 3rd Street  
Eureka, CA 95501

## BOARD OF DIRECTORS

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Kathy Srabian

Matty Tittmann

## Dear community member,

There's a new electricity provider in town—RCEA is launching a Community Choice Energy program to offer you lower electricity rates. It's locally controlled, keeping revenues in Humboldt County. We're buying cleaner, more locally produced electricity and feeding it into the grid, in partnership with PG&E. You'll get the same reliability, with more renewable power—at a lower price.

### How it works

When service begins in May 2017, all residential and commercial electricity ratepayers will be automatically transitioned to our basic service that costs slightly less than PG&E's current service. You'll have a choice to opt up or opt out with a simple phone call or click. There's no fee to make a change.

### The choice is yours

If you take no action, you'll be enrolled in **REpower**, our basic electric service, on your regular billing date. It's 35% renewable and costs slightly less than PG&E's 30% renewable service now—so it's a better deal all around.

If you want to go all-out, sign up for **REpower+** 100% local renewable service. It's an exciting opportunity to receive 100% renewable electricity in Humboldt—for the first time ever. The premium is \$x per kilowatt-hour, or about x % more.

If you'd rather continue with PG&E's standard bundled service, just call us at 1 (800) 931-RCEA or visit [RedwoodEnergy.org](http://RedwoodEnergy.org) to opt out. Be sure you have your PG&E bill on hand so we can help you.

### It's simple

**Just one bill.** Even though you will pay Redwood Coast Energy Authority for power generation and PG&E for power delivery, you will get just one combined bill every month from PG&E.

**Same reliable service.** You'll still call PG&E to start and stop service, and report outages and emergencies. They will continue to maintain the poles and wires, read your meter and provide service.

**Great rates.** Our rates for REpower will be a bit lower than PG&E's rates—with a renewable content that's a bit higher. Nothing else about your service will change. No new risks or hassles.

### Discount programs

If you're enrolled in any of PG&E's discount programs, you will continue to get your discounts with Redwood Coast Energy Authority—there's no need to reapply for: California Alternate Rates for Energy (CARE), Federal Electric Rate Assistance (FERA), Medical Baseline Allowance (MBA) and the Low Income Home Energy Assistance Program (LIHEAP).

### Balanced Payment Plan customers

If you use the Balanced Payment Plan (BPP) option with PG&E, you will continue to receive your gas and electric delivery charges from PG&E in the BPP form. However, your electric generation charges from RCEA will not be included as part of the BPP and will vary from month to month, depending on your usage. Therefore, you will see some variance on your monthly bills.

Sincerely,

**Matthew Marshall**

*Executive Director, Redwood Coast Energy Authority*

# Participating Communities

If you live in one of these cities or in unincorporated Humboldt County, you can be part of Community Choice Energy starting in May 2017.

EUREKA



ARCATA



FORTUNA



COUNTY OF HUMBOLDT



BLUE LAKE



TRINIDAD



RIO DELL



Your electricity service  
is changing soon  
Find out how



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