Clean Energy Alliance
JOINT POWERS AUTHORITY

AGENDA

Board of Directors Meeting Agenda
December 19, 2019, 2 p.m.
Carlsbad City Hall | City Council Chamber
1200 Carlsbad Village Drive | Carlsbad, CA 92008

CALL TO ORDER:

ROLL CALL:

FLAG SALUTE:

PUBLIC COMMENT
Time is provided so members of the public can address the Board on items that are not listed on the agenda. Speakers are limited to three (3) minutes each. In conformance with the Brown Act, no Board action can occur on items presented during Public Comment. If you desire to speak during Public Comment, fill out a SPEAKER CARD and submit it to the Board Secretary. When you are called to speak, please come forward to the podium and state your name.

BOARD COMMENTS & ANNOUNCEMENTS

PRESENTATIONS

NEW BUSINESS

Item 1: **Public Hearing for Clean Energy Alliance Community Choice Aggregation Implementation Plan and Resolution Approving Clean Energy Alliance Implementation Plan & Statement of Intent**

RECOMMENDATION:

1. Conduct Public Hearing to consider the Clean Energy Alliance (CEA) Community Choice Aggregation Implementation Plan & Statement of Intent.
2. Adopt a Resolution approving the CEA Community Choice Aggregation Implementation Plan and Statement of Intent.
3. Direct staff to file the Implementation Plan and Statement of Intent with the California Public Utilities Commission no later than December 31, 2019.

Item 2: **Selection of Interim Chief Executive Officer for Fiscal Year 2019/2020**

RECOMMENDATION:

1. Direct General Counsel to negotiate an agreement with the Bayshore Consulting Group, Inc. (Bayshore) for professional services to fulfill the duties of interim Chief Executive Officer (CEO) for the Clean Energy Alliance (CEA) for Fiscal Year 2019/2020; and
2. Authorize the CEA Board Chair to execute the agreement for a not to exceed amount of $50,000.

BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

ADJOURN

NEXT MEETING: January 16, 2020, 2 p.m., Del Mar City Hall (1050 Camino Del Mar)

Reasonable Accommodations
Persons with a disability may request an agenda packet in appropriate alternative formats as require by the Americans with Disabilities Act of 1990. Reasonable accommodations and auxiliary aids will be provided to effectively allow participation in the meeting. Please contact the Carlsbad City Clerk's Office at 760-434-2808 (voice), 711 (free relay service for TTY users), 760-720-9461 (fax) or clerk@carlsbadca.gov by noon on the Monday before the Board meeting to make arrangements.

Public Comment
Members of the public may speak on any Authority related item that does not appear on the agenda. State law prohibits the Board from taking action on items not listed on the agenda. Comments requiring follow up will be referred to staff and, if appropriate, considered at a future Board meeting. Members of the public are also welcome to provide comments on agenda items during the portions of the meeting when those items are being discussed. In both cases, a request to speak form must be submitted to the Board Secretary.

Written Comments
To submit written comments to the Board, please contact the Carlsbad City Clerk's office at clerk@carlsbadca.gov or in person at 1200 Carlsbad Village Drive. Written materials related to the agenda that are received by 5:00 p.m. on the day before the meeting will be distributed to the Board in advance of the meeting and posted on the Authority webpage. To review these materials during the meeting, please see the Secretary

Clean Energy Alliance
JOINT POWERS AUTHORITY

Staff Report

DATE: December 19, 2019

TO: Clean Energy Alliance Board of Directors

FROM: Dan King, City of Solana Beach
Assistant City Manager

ITEM 1: Public Hearing for Clean Energy Alliance Community Choice Aggregation Implementation Plan and Resolution Approving Clean Energy Alliance Implementation Plan & Statement of Intent

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RECOMMENDATION:

1. Conduct Public Hearing to consider the Clean Energy Alliance (CEA) Community Choice Aggregation Implementation Plan & Statement of Intent.

2. Adopt a Resolution approving the CEA Community Choice Aggregation Implementation Plan and Statement of Intent (Attachment 1).

3. Direct staff to file the Implementation Plan and Statement of Intent with the California Public Utilities Commission no later than December 31, 2019 (Attachment 2).

BACKGROUND AND DISCUSSION:

Community Choice Aggregation (CCA), authorized by Assembly Bill 117, is a state law that allows cities, counties and other authorized entities, such as Joint Powers Authorities, to aggregate electricity demand within their jurisdictions in order to purchase and/or generate alternative energy supplies for residents and businesses within their jurisdiction while maintaining the existing electricity provider for transmission and distribution services. The goal of a CCA is to provide a higher percentage of renewable energy electricity at competitive and potentially cheaper rates than existing Investor Owned Utilities (IOUs), while giving consumers local choices and promoting the development of renewable power sources and programs and local job growth. Under Public Utilities Code section 366.2, customers have the right to opt out of a CCA Program and continue to receive service from the IOUs.

The cities of Carlsbad, Del Mar and Solana Beach (Member Agencies) have each adopted a resolution approving the execution of a joint powers agreement (Agreement) creating CEA and a new CCA program. Solana Beach has an existing CCA program, Solana Energy Alliance, whose customers will transition to CEA when the program launches.

Public Utilities Code (Code) Section 366.2(c)(3) requires a prospective CCA to file an Implementation Plan and Statement of Intent (Plan) with the California Public Utilities

Commission (CPUC) for review and certification and is the first step in establishing a CCA program.

The draft CEA Plan was introduced to the CEA Board at its meeting November 19, 2019, and the Board provided input to be incorporated into the Plan. The Plan, as proposed, includes the following changes requested by the Board:

Section 2.2 Process of Aggregation – added the following:

Customers currently being served by SEA were provided the required enrollment notices during their transition from SDG&E service in 2018. These customers are not subject to the four required notices for customers leaving SDG&E service, however, they will be provided at least one notice notifying them of the transition from SEA service to CEA service and any rate or service impacts.

Section 6.2 Resource Plan Overview – added Joint Powers Authorities as an alternative partnership for energy resources.

The Plan is a regulatory compliance document that:

- Must be considered and adopted at a noticed Public Hearing;
- Must contain the following sections:
    - Organization structure, operations & funding
    - Rate setting
    - Methods for entering and terminating agreements with other entities
    - Rights & responsibilities of program participants
    - Termination of program
    - Energy suppliers

Code Section 366.2(c)(3) also requires the Statement of Intent which addresses:

- Universal Access
- Reliability
- Equitable Treatment of customer classes
- Compliance with requirements of state law or commission concerning greenhouse gas emission performance standards

The Statement of Intent is included as part of the Plan to meet the requirements of the Code.

In addition to the statutory requirements, the Plan discusses the goals and purpose of CEA, such as renewable energy standards and rate discount targets, as identified in the Agreement including:

- Offering an energy mix for its default service that provides a cleaner power portfolio than that of San Diego Gas & Electric (SDG&E);
- Offering a voluntary opt-up service at 100% renewable content that customers may elect to participate in;
- Achieving – and sustaining – the Climate Action Plan goals of the Member Agencies;
- Setting rates that with a target generation of at least 2 percent below that of SDG&E's base product generation rate.

To meet these goals, the Plan assumes an energy mix for its default service that is a minimum 50% renewable energy sourced, increasing to the goal of 100% by no later than 2035, at a target rate 2% below that offered by SDG&E for its comparable base energy generation (not total bill) product. These assumptions were confirmed with the Board at its November 5, 2019 meeting.

The Plan is based on a May 2021 launch date for financial pro forma and load forecasting purposes. This timing is being used as it provides the optimal cash flow for CEA to operate. Should circumstances require the launch month to be changed, the Board has the discretion to change the date and notify the CPUC of the new date.

The Plan is written to meet all the requirements to be certified, while providing the Board the greatest flexibility as it considers program design and options in establishing its CCA program to meet its goals. The Plan should be considered a statutory requirement and not a detailed business plan that sets program targets and goals but does not lock the Board in to specific details that have not been fully reviewed or analyzed for feasibility.

Pursuant to CPUC Resolution E-4907, the Plan must be submitted to the CPUC no later than January 1, 2020 for CEA to be eligible to serve customers in 2021. The CPUC has 90 days to review and certify that the Plan meets the requirements set forth in the Code, unless the CPUC staff responds with questions or requests additional information. The Plan has been modeled after implementation plans that have successfully been through the CPUC review and certification process.

In anticipation of its customers transitioning to CEA service, Solana Beach City Council held a public hearing to approve an amendment of the SEA Implementation Plan, outlining the approved actions to join CEA and the process and impact to customers. The Amended SEA Implementation Plan will be filed with the CPUC concurrent with the filing of the CEA Implementation Plan.

ATTACHMENTS:

1. Board Resolution Approving the Clean Energy Alliance Implementation Plan and Statement of Intent
2. Clean Energy Alliance Implementation Plan and Statement of Intent

RESOLUTION NO. 2019-_____

A RESOLUTION OF THE CLEAN ENERGY ALLIANCE APPROVING THE COMMUNITY CHOICE AGGREGATION IMPLEMENTATION PLAN AND STATEMENT OF INTENT

WHEREAS, the Clean Energy Alliance (Alliance) is a joint powers agency created by the cities of Carlsbad, Del Mar and Solana Beach; and

WHEREAS, the members of the Alliance desire to establish a community choice aggregation (CCA) program in support of meeting their respective Climate Action Plan goals; and

WHEREAS, Public Utilities Code Section 366.2(c)(3) requires a prospective CCA to file an implementation plan and statement of intent ("Plan") with the California Public Utilities Commission (CPUC) for review and certification; and

WHEREAS, an Implementation Plan and Statement of Intent was drafted and presented to the CEA Board of Directors for review on November 19, 2019; and

WHEREAS, the final Implementation Plan and Statement of Intent was presented to the CEA Board of Directors at a duly noticed public hearing for its consideration and adoption on December 19, 2019.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Clean Energy Alliance, as follows:

Section 1. The Board of Directors of the Clean Energy Alliance hereby approves the Clean Energy Alliance Community Choice Aggregation Implementation Plan and Statement of Intent.

Section 2. CEA staff is directed to file the Implementation Plan and Statement of Intent with the California Public Utilities Commission no later than December 31, 2019.

The foregoing Resolution was passed and adopted this _____ day of _____, 2019, by the following vote:

AYES:
NAYS:
ABSENT:
ABSTAIN:

APPROVED:

_____
Cori Schumacher, Chair

ATTEST:

_____
Sheila Cobian, Board Secretary

CLEAN ENERGY ALLIANCE

Community Choice Aggregation
Implementation Plan
and
Statement of Intent

December 2019

TABLE OF CONTENTS

1 INTRODUCTION

The Clean Energy Alliance ("CEA" or "Alliance"), located within San Diego County, is a Joint Powers Authority ("JPA") pursuing the implementation of a community choice aggregation program ("CCA" or "Program"). Founding Member Agencies of CEA include the following three (3) municipalities within the County of San Diego, which have elected to allow the JPA to provide electric generation service within their respective jurisdictions:

City of Carlsbad
City of Del Mar
City of Solana Beach

This Implementation Plan and Statement of Intent ("Implementation Plan") describes CEA's plans to implement a voluntary CCA program for electric customers within the jurisdictional boundaries of the Member Agencies. Electric customers within the Cities of Carlsbad and Del Mar currently take bundled electric service from San Diego Gas and Electric ("SDG&E"). Electric customers within the City of Solana Beach currently have the option of taking electric service from Solana Energy Alliance ("SEA"), an existing Community Choice Aggregation program, or as a bundled customer of SDG&E. The Program will provide electricity customers the opportunity to jointly procure electricity from competitive suppliers, with such electricity being delivered over SDG&E's transmission and distribution system. The planned start date for the Program is May 1, 2021. All current SDG&E customers within the Del Mar and Carlsbad service area will receive information describing the CEA Program and will have multiple opportunities to opt out and choose to remain full requirement ("bundled") customers of SDG&E, in which case they will not be enrolled. Current SEA customers will receive information describing the CEA Program and their transition from SEA to CEA. They will also have multiple opportunities to opt out. Thus, participation in the CEA Program is completely voluntary. However, as provided by law, customers will be automatically enrolled according to the anticipated schedule later described in Chapter 5 unless they affirmatively elect to opt-out. Once, and as long as CEA is operational and all SEA customers have transitioned to CEA, SEA will cease to be an operational CCA.

Implementation of CEA will enable customers within CEA's service area to take advantage of the opportunities granted by Assembly Bill 117 ("AB 117"), the Community Choice Aggregation Law.

CEA's primary objectives in implementing this Program are to:

1) Procure an electric supply portfolio with higher renewable content than SDG&E;
2) Provide cost competitive electric services when compared to SDG&E;
3) Gain local control in rate setting to provide long-term rate stability for residents and businesses;
4) Meet Climate Action Plan goals of the Member Agencies.

The California Public Utilities Code provides the relevant legal authority for the Alliance to become a Community Choice Aggregator and invests the California Public Utilities Commission ("CPUC" or "Commission") with the responsibility for establishing the cost recovery mechanism that must be in place before customers can begin receiving electrical service through the CEA Program. The CPUC also has responsibility for registering the JPA as a Community Choice Aggregator and ensuring compliance with

basic consumer protection rules. The Public Utilities Code requires adoption of an Implementation Plan at a duly noticed public hearing. The plan must then be filed with the Commission.

The Alliance is also aware that a CCA Program-specific Renewables Portfolio Standard ("RPS") Procurement Plan must be completed and submitted to the CPUC during its CCA registration process – the Alliance anticipates that the renewable energy targets reflected in this Implementation Plan will meet or exceed applicable procurement mandates, including prudent planning reserves.

On December 19, 2019, the JPA, at a duly noticed public hearing, adopted this Implementation Plan, through Resolution No. 2019-XX (a copy of which is included as part of Appendix A).

The Commission has established the methodology to use to determine the cost recovery mechanism, and SDG&E has approved tariffs for imposition of the cost recovery mechanism. The cities of Del Mar and Carlsbad have adopted an ordinance to implement a CCA program through its participation in CEA and Solana Beach adopted its ordinance to implement a CCA program as part of implementing SEA. Each of the Members has adopted a resolution permitting CEA to provide service within its jurisdiction[1]. Having accomplished these milestones, CEA submits this Implementation Plan to the CPUC. Following the CPUC's acknowledgement of its receipt of this Implementation Plan and resolution of any outstanding issues, CEA will submit a draft customer notice, file a draft Renewable Portfolio Standards Procurement Plan, submit the Financial Security Requirement and execute the Service Agreement with San Diego Gas & Electric as established in CPUC Resolution E-4907. CEA will take the final steps needed to register as a CCA and participate in the year-ahead Resource Adequacy ("RA") process prior to initiating the customer notification and enrollment process.

1.1 Statement of Intent

The content of this Implementation Plan complies with the statutory requirements of AB 117. As required by Public Utilities Code Section 366.2(c)(3), this Implementation Plan details the process and consequences of aggregation and provides the Alliance's statement of intent for implementing a CCA program that includes all of the following:

- Universal access;
- Reliability;
- Equitable treatment of all customer classes; and
- Any requirements established by state law or by the CPUC concerning aggregated service.

[1] Copies of individual ordinances adopted by the Clean Energy Alliance's Members are included within Appendix A

1.2 ORGANIZATION OF THIS IMPLEMENTATION PLAN

The remainder of this Implementation Plan is organized as follows:

Chapter 2: Aggregation Process

Chapter 3: Organizational Structure

Chapter 4: Startup Plan & Funding

Chapter 5: Program Phase-In

Chapter 6: Load Forecast & Resource Plan

Chapter 7: Financial Plan

Chapter 8: Rate setting

Chapter 9: Customer Rights and Responsibilities

Chapter 10: Procurement Process

Chapter 11: Contingency Plan for Program Termination

Appendix A: Clean Energy Alliance Resolution No. 2019-XXX (Adopting Implementation Plan)

The requirements of AB 117 are cross-referenced to Chapters of this Implementation Plan in the following table.

AB 117 Cross References

AB 117 REQUIREMENT	IMPLEMENTATION PLAN CHAPTER
Statement of Intent	Chapter 1: Introduction
Process and consequences of aggregation	Chapter 2: Aggregation Process
Organizational structure of the program, its operations and funding	Chapter 3: Organizational Structure Chapter 4: Startup Plan & Funding Chapter 7: Financial Plan
Disclosure and due process in setting rates and allocating costs among participants	Chapter 8: Rate setting
Rate setting and other costs to participants	Chapter 8: Rate setting Chapter 9: Customer Rights and Responsibilities
Participant rights and responsibilities	Chapter 9: Customer Rights and Responsibilities
Methods for entering and terminating agreements with other entities	Chapter 10: Procurement Process
Description of third parties that will be supplying electricity under the program, including information about financial, technical and operational capabilities	Chapter 10: Procurement Process
Termination of the program	Chapter 11: Contingency Plan for Program Termination
Methods for ensuring procurement from small, local, and diverse business enterprises in all categories, including, but not limited to, renewable energy, energy storage system, and smart grid projects.	Chapter 6: Load Forecast and Resource Plan

2 AGGREGATION PROCESS

2.1 INTRODUCTION

This Chapter describes the background leading to the development of this Implementation Plan and describes the process and consequences of aggregation, consistent with the requirements of AB 117.

In 2017 the cities of Del Mar, Carlsbad and other interested partner agencies engaged the assistance of a technical consultant to evaluate the feasibility of establishing a CCA program, considering various agency member formations. The studies revealed that a CCA program was viable, offering customers rates competitive with SDG&E. Throughout early 2019 the Member Agencies evaluated several different options related to the provision of CCA services to their service territories. SEA has been a financially stable CCA since launching in June 2018. The financial model reflected in Section 7, Table 9, demonstrates that the proposed CEA is a financially viable CCA program.

The CEA was formed with the following objectives: 1) procure a power supply from a minimum 50% renewable energy sources; 2) help meet the goals of the Member Agency's Climate Action Plans to reduce GHG emissions; 3) provide cost-competitive electric services to the customers of CEA; 4) gain local control of the territory's energy procurement needs; and 5) provide local clean energy programs and benefits.

The City of Solana Beach ("Solana Beach") currently operates SEA, the only CCA that is currently serving customers in SDG&E territory. Solana Beach intends to transition its customers from SEA to CEA during CEA's launch month of May 2021. Once its customers are fully transferred to CEA, Solana Beach will no longer operate SEA. Solana Beach will submit an amended Implementation Plan, concurrent with this CEA Implementation Plan, that reflects its customers transitioning to CEA.

The Alliance released a draft Implementation Plan in November 2019, which described the planned organization, governance and operation of the CCA Program. Following consideration of comments related to the draft document, a final Implementation Plan was prepared and duly adopted by the CEA Board of Directors.

The CEA Program represents a culmination of planning efforts that are responsive to the expressed needs and priorities of the residents and business community within the service territory. The Alliance plans to expand the energy choices available to eligible customers through creation of innovative new programs for voluntary purchases of renewable energy and net energy metering to promote customer-owned renewable generation.

2.2 Process of Aggregation

Before they are enrolled in the Program, prospective CEA customers in Carlsbad and Del Mar will receive two written notices in the mail that will provide information needed to understand the Program's terms and conditions of service and explain how customers, if they desire, can opt-out of the Program. All customers that do not follow the opt-out process specified in the customer notices will be automatically enrolled, and service will begin at their next regularly scheduled meter read date following the date of automatic enrollment, subject to the service phase-in plan described in Chapter 5. The initial enrollment notices will be provided to customers in March 2021, with a second notice being provided in April 2021.

Customers currently being served by SEA were provided the required enrollment notices during their transition from SDG&E service in 2018. These customers are not subject to the four required notices for customers leaving SDG&E service, however, they will be provided at least one notice notifying them of the transition from SEA service to CEA service and any rate or service impacts.

Customers enrolled in the CEA Program will continue to have their electric meters read and to be billed for electric service by the distribution utility (SDG&E). The electric bill for Program customers will show

separate charges for generation procured by CEA as well as other charges related to electricity delivery and other utility charges assessed by SDG&E.

After service cutover, customers will have approximately 60 days (two billing cycles) to opt-out of the CEA Program without penalty and return to the distribution utility (SDG&E). CEA customers will be advised of these opportunities via the distribution of two additional enrollment notices provided within the first two months of service. Customers that opt-out between the initial cutover date and the close of the post enrollment opt-out period will be responsible for program charges for the time they were served by CEA but will not otherwise be subject to any penalty for leaving the program. Customers that have not opted-out within thirty days of the fourth enrollment notice will be deemed to have elected to become a participant in the CEA Program and to have agreed to the CEA Program's terms and conditions, including those pertaining to requests for termination of service, as further described in Chapter 8.

2.3 Consequences of Aggregation

2.3.1 Rate Impacts

CEA customers will pay the generation charges set by the Alliance and no longer pay the costs of SDG&E generation. Customers enrolled in the Program will be subject to the Program's terms and conditions, including responsibility for payment of all Program charges as described in Chapter 9.

The Alliance's rate setting policies described in Chapter 7 establish a goal of providing rates that are competitive with the projected generation rates offered by the incumbent distribution utility (SDG&E). The Alliance will establish rates sufficient to recover all costs related to operation of the Program, and the CEA Board will adopt actual rates.

Initial CEA Program rates will be established following approval of the Alliance's inaugural program budget, reflecting final costs from the CEA Program's energy procurement. The Alliance's rate policies and procedures are detailed in Chapter 7. Information regarding final CEA Program rates will be disclosed along with other terms and conditions of service in the pre-enrollment and post-enrollment notices sent to potential customers.

Once CEA gives definitive notice to SDG&E that it will commence service, CEA customers will generally not be responsible for costs associated with SDG&E's future electricity procurement contracts or power plant investments. Certain pre-existing generation costs and new generation costs that are deemed to provide system-wide benefits will continue to be charged by SDG&E to CCA customers through separate rate components, called the Cost Responsibility Surcharge and the New System Generation Charge. These charges are shown in SDG&E's electric service tariffs, which can be accessed from the utility's website, and the costs are included in charges paid by both SDG&E bundled customers as well as CCA and Direct Access customers[2]. SEA customers that transition to CEA will maintain their current Power Charge Indifference Adjustment ("PCIA") vintage of 2017, having already departed from SDG&E generation services. Eligible Del Mar and Carlsbad customers who transition to CEA service will be assigned a 2020 PCIA vintage.

[2] For SDG&E bundled service customers, the Power Charge Indifference Adjustment element of the Cost Responsibility Surcharge is contained within the CCA-CRS rate tariff.

2.3.2 Renewable Energy Impacts

A second consequence of the Program will be an increase in the proportion of energy generated and supplied by RPS-eligible renewable resources. The resource plan includes procurement of renewable energy in excess of California's renewable energy procurement mandate, and SDG&E's forecast renewable percentage, with a goal of providing a minimum of 50% renewable energy at launch, for all enrolled customers. Consistent with Senate Bill 100, CEA renewable energy will increase toward 60% by 2030. CEA customers may also voluntarily participate in a higher renewable supply option, potentially up to 100%. To the extent that customers choose CEA's voluntary renewable energy option, the renewable content of CEA's aggregate supply portfolio will further increase. Initially, requisite renewable energy supply will be sourced through one or more short-term power purchase agreements; however, shortly after launching operations, long-term procurement of renewable energy will begin to meet California's long-term renewable energy contracting requirements that become effective in Compliance Period 4 and beyond[3]. Over time, the Alliance will also consider independent development of new renewable generation resources.

2.3.3 Greenhouse Gas Reduction

A third consequence of the Program will be an anticipated reduction in the greenhouse gas emissions attributed to the CEA supply portfolio as compared to SDG&E. An important objective of the CEA formation is to support the Climate Action Plans of the Member Agencies. Therefore, CEA will set aggressive GHG-emissions reduction targets and acquire zero or low GHG-emitting supply to achieve those targets.

[3] Under California's RPS Program, 65 percent of mandated renewable energy purchases must be sourced from eligible long-term contracts beginning in calendar year 2021.

3 ORGANIZATION AND GOVERNANCE STRUCTURE

This section provides an overview of the organizational structure of CEA and its proposed implementation of the CCA program. Specifically, the key agreements, governance, management, and organizational functions of CEA are outlined and discussed below.

3.1 ORGANIZATIONAL OVERVIEW

CEA is a joint powers authority formed under the California Joint Exercise of Powers Act. It was established on November 4, 2019 with a Board of Directors serving as its Governing Board. The Board is responsible for establishing CEA's Program policies and objectives and overseeing CEA's operation. In December 2019, the Board appointed an Interim Chief Executive Officer ("CEO") to manage the operation of the Alliance in accordance with policies adopted by the Board.

3.2 GOVERNANCE

The CEA Program will be governed by the CEA Board, which shall include one appointed designee from each of the Member Agencies. The Members of CEA include three (3) municipalities within the County of San Diego, Del Mar, Carlsbad and Solana Beach, all of which have elected to allow CEA to provide electric generation service within their respective jurisdictions. The Alliance's Board will be comprised of representatives appointed by each of the Members in accordance with the JPA agreement. The CEA Program will be operated under the direction of an CEO appointed by the Board, with legal and regulatory support provided by a Board appointed General Counsel.

The Board's primary duties are to establish program policies, approve rates and provide policy direction to the CEO, who has general responsibility for program operations, consistent with the policies established by the Board. The Board will elect a Chair and Vice Chair and may form various standing and ad hoc committees, as appropriate, which would have responsibility for evaluating various issues that may affect the Alliance and its customers, including rate-related and power contracting issues, and would provide analytical support and recommendations to the Board in these regards.

3.3 MANAGEMENT

The CEA CEO has management responsibilities over the functional areas of Administration & Finance, Marketing & Public Affairs, Power Resources & Energy Programs, and Government Affairs, as well as the assisting the Board with overall supervision of the legal services provided by the Alliance's General Counsel. In performing the defined obligations to CEA, the CEO may utilize a combination of internal staff and/or contractors. Certain specialized functions needed for program operations, namely the electric supply and customer account management functions described below, will be performed by experienced third-party contractors.

Major functions of the Alliance that will be managed by the CEO are summarized below.

3.4 ADMINISTRATION

CEA's CEO will be responsible for managing the organization's human resources and administrative functions and will coordinate with the CEA Board, as necessary, with regard to these functions. The functional area of administration will include oversight of any employee hiring and termination, compensation and benefits management, identification and procurement of requisite office space and various other issues. It is likely that existing Member Agency staff will initially assist with this function.

3.5 FINANCE

The CEO is also responsible for managing the financial affairs of the Alliance, including the development of an annual budget, revenue requirement and rates; managing and maintaining cash flow requirements; arranging potential bridge loans as necessary; and other financial tools.

Revenues via rates and other funding sources (such as a rate stabilization fund, when necessary) must, at a minimum, meet the annual budgetary revenue requirement, including recovery of all expenses and any reserves or coverage requirements set forth in bond covenants or other agreements. The Alliance will have the flexibility to consider rate adjustments, administer a standardized set of electric rates, and may offer optional rates to encourage policy goals such as encouraging renewable generation and incentivizing peak demand reduction, provided that the overall revenue requirement is achieved.

CEA's finance function will be responsible for preparing the annual budget, arranging financing necessary for any capital projects, preparing financial reports, managing required audits and ensuring sufficient cash flow for successful operation of the CEA Program. The finance function will play an important role in risk management by monitoring the credit of energy suppliers so that credit risk is properly understood and mitigated. In the event that changes in a supplier's financial condition and/or credit rating are identified, the Alliance will be able to take appropriate action, as would be provided for in the electric supply agreement(s).

3.6 MARKETING & PUBLIC AFFAIRS

The marketing and public affairs functions include general program marketing and communications as well as direct customer interface ranging from management of key account relationships to call center and billing operations. The Alliance will conduct program marketing to raise consumer awareness of the CEA Program and to establish its "brand" in the minds of the public, with the goal of retaining and attracting as many customers as possible into the CEA Program. Communications will also be directed at key policy-makers at the state and local level, community business and opinion leaders, and the media.

In addition to general program communications and marketing, a significant focus on customer service, particularly representation for key accounts, will enhance the Alliance's ability to differentiate itself as a highly customer-focused organization that is responsive to the needs of the community. CEA, through its data services provider, will also establish a customer call center designed to field customer inquiries and routine interaction with customer accounts.

The customer service function also encompasses management of customer data. Customer data management services include retail settlements/billing-related activities and management of a customer database. This function processes customer service requests and administers customer enrollments and departures from the CEA Program, maintaining a current database of enrolled customers. This function

coordinates the issuance of monthly bills through SDG&E's billing process and tracks customer payments. Activities include the electronic exchange of usage, billing, and payments data with SDG&E and CEA, tracking of customer payments and accounts receivable, issuance of late payment and/or service termination notices (which would return affected customers to bundled service), and administration of customer deposits in accordance with credit policies of the Alliance.

The customer data management services function also manages billing-related communications with customers, customer call centers, and routine customer notices. The Alliance will contract with an experienced third party to perform the customer account and billing services functions.

3.7 Power Resources & Energy Programs

CEA must plan for meeting the electricity needs of its customers utilizing resources consistent with its policy goals and objectives as well as applicable legislative and/or regulatory mandates. CEA's long-term resource plans (addressing the 10-20-year planning horizon) will comply with California Law and other pertinent requirements of California regulatory bodies. In particular, CEA is aware of compulsory Integrated Resource Planning requirements, as identified in Senate Bill 350 (de Léon, 2015), which require, among other provisions, that CCAs periodically submit integrated resource planning documents and related materials to the CPUC. Specifically, the Public Utilities Code requires that, "The plan of a community choice aggregator shall be submitted to its governing board for approval and provided to the commission for certification, consistent with paragraph (5) of subdivision (a) of section 366.2". The Alliance intends to comply with this requirement similar to the manner in which other CCA organizations have complied and will rely on the experience gained by such organizations in completing pertinent data templates and documentation during future processes. Integrated resource planning efforts of the Alliance will make use of demand side energy efficiency, distributed generation and demand response programs as well as traditional supply options, which rely on structured wholesale transactions to meet customer energy requirements. Integrated resource plans will be updated and adopted by the Board as required by state law and applicable regulations. The Alliance is also aware of the need to periodically prepare and submit RPS Procurement Plans, which shall address the manner in which the CEA Program will achieve compliance with pertinent provisions of California's RPS mandate. As required, the first RPS Procurement Plans will be developed and submitted during the 90-day certification period related to this Implementation Plan.

The Alliance may develop and administer complementary energy programs that may be offered to CEA customers, including green pricing, energy efficiency, net energy metering and various other programs that may be identified to support the overarching goals and objectives of the Alliance.

3.7.1 Electric Supply Operations

Electric supply operations encompass the activities necessary for wholesale procurement of electricity to serve end use customers. These highly specialized activities include the following:

- *Electricity Procurement* – assemble a portfolio of electricity resources to supply the electric needs of Program customers.
- *Risk Management* – application of standard industry techniques to reduce exposure to the volatility of energy and credit markets and insulate customer rates from sudden changes in wholesale market prices.

- *Load Forecasting* – develop load forecasts, both long-term for resource planning, short-term for the electricity purchases, and sales needed to maintain a balance between hourly resources and loads.
- *Scheduling Coordination* – scheduling and settling electric supply transactions with the California Independent System Operator ("CAISO").

The Alliance will contract with one or more experienced and financially sound third-party energy services firms to perform most of the electric supply operations for the CEA Program. These requirements include the procurement of energy, capacity and ancillary services, scheduling coordinator services, short-term load forecasting and day-ahead and real-time electricity trading.

3.8 Governmental Affairs & Legal Support

The CEA Program will require ongoing regulatory and legislative representation to manage various regulatory compliance filings related to resource plans, RA, compliance with California's RPS program and overall representation on issues that will impact CEA customers. The Alliance will maintain an active role at the CPUC, the California Energy Commission, the California Independent System Operator ("CAISO"), the California legislature and, as necessary, the Federal Energy Regulatory Commission with either in-house staff or contracted third parties with experience in the energy market arena.

CEA's General Counsel is hired by and reports to the Board of Directors. However, the CEO will assist the Board in supervising the legal services as provided by General Counsel. The Alliance may retain specialized outside legal services, as necessary, to review power purchase agreements, give advice on regulatory matters, and provide other specialized legal services related to activities of the CEA Program. In addition, CEA's wholesale services provider may assist with regulatory filings related to wholesale procurement.

4 STARTUP PLAN AND FUNDING

This Chapter presents the Alliance's plans for the start-up period, including necessary expenses and capital outlays. As described in the previous Chapter, the Alliance will utilize a mix of internal staff and contractors in its CCA Program implementation and operation.

4.1 STARTUP ACTIVITIES

The initial program startup activities include the following:

- Hire staff and/or contractors to manage implementation
- Adopt policies and procedures for the operation of CEA
- Identify qualified suppliers (of requisite energy products and related services) and negotiate supplier contracts
    - Electric supplier and scheduling coordinator
    - Data management provider (if separate from energy supply)
- Define and execute communications plan
    - Customer research/information gathering
    - Media campaign
    - Key customer/stakeholder outreach
    - Informational materials and customer notices
    - Customer call center
    - Website
- Post financial security requirement and complete requisite registration requirements
- Establish reserves that may be required by energy suppliers
- Pay utility service initiation, notification and switching fees
- Perform customer notification, opt-out and transfers
- Conduct load forecasting
- Establish rates
- Legal and regulatory support
- Financial management and reporting

Some costs related to starting up the CEA Program may be the responsibility of the CEA Program's contractors. These may include capital requirements needed for collateral/credit support for electric

supply expenses, customer information system costs, bond requirements, electronic data exchange system costs, call center costs, and billing administration/settlements systems costs.

4.2 STAFFING AND CONTRACT SERVICES

Personnel in the form of Alliance staff, Member Agency staff, or contractors will be utilized as needed to match workloads involved in forming CEA, managing contracts, and initiating customer outreach/marketing during the pre-operations period. During the startup period, minimal personnel requirements may include a CEO, legal support, and other personnel needed to support regulatory, procurement, finance, legal, marketing, and communications activities. This support will come from existing Member Agency staff and contractors. Once operational, additional staff and/or contractors may be retained, as needed, to support the rollout of additional value-added services (e.g., efficiency projects) and local generation projects and programs.

4.3 CAPITAL REQUIREMENTS

The start-up of the CCA Program will require capital for three major functions: (1) staffing and contractor costs; (2) deposits and reserves; and (3) operating cash flow. Based on the Alliance's anticipated start-up activities and implementation schedule, a total need of $4.4M has been identified to support the aforementioned functions. Out of the $4.4 capital requirements, $450,000 will be funded from member advances for costs incurred in fiscal year 19/20, $959,000 is related to the implementation/startup efforts (i.e., rate setting, power procurement and contract negotiations, marketing and communications, regulatory compliance, SDG&E security deposit, etc.) in order to serve customers by May 2021. A deposit in the amount of $500,000 will also need to be posted to CAISO for the Alliance to be a Congestion Revenue Rights Holder. The remaining $2,500,000 is the "float" required for CEA to pay its monthly bills before the program generates enough internal cash to self-fund its working capital needs.

The capital requirement is further broken down as follows:

Clean Energy Alliance
Draft Budget
Fiscal Years 19/20 and 20/21

	FY 19/20	FY 20/21
Staffing/Consultants	$ 50,000.00	$ 235,000.00
Legal Services	130,000.00	200,000.00
Professional Services	115,000.00	200,000.00
CCA Bond	147,000.00	
CAISO Fee		500,000.00
CalCCA Membership & Dues	1,500.00	130,000.00
Print/Mail Services		132,000.00
Advertising		10,000.00
Graphic Design Services	6,500.00	10,000.00
Website Maintenance		2,500.00
Audit Services		40,000.00
Cash Flow & Lockbox Reserves		2,500,000.00
TOTAL PROJECTED BUDGET	**$ 450,000.00**	**$ 3,959,500.00**

The finance plan in Chapter 7 provides additional detail regarding the Alliance's expected capital requirements and general Program finances. All the capital required for start-up will be provided through in-kind support from Member Agencies, deferred fees, Member advances and direct loans.

Related to the Alliance's initial capital requirement, this amount is expected to cover staffing and contractor costs during startup and pre-startup activities, including direct costs related to public relations support, technical support, and customer communications. Requisite deposits and operating reserves are also reflected in the initial capital requirement, including the following items: 1) operating reserves to address anticipated cash flow variations; 2) deposit with the CAISO prior to commencing market operations (if required); 3) Financial Security Requirement (CCA bond posted with the CPUC); and 4) SDG&E service fee deposit, if required.

Operating revenues from sales of electricity will be remitted to CEA beginning approximately sixty days after the initial customer enrollments. This lag is due to the distribution utility's standard meter reading cycle of 30 days and a 30-day payment/collections cycle. CEA will need working capital to support electricity procurement and costs related to program management, which is included in CEA's initial $4,400,000 capital requirement.

4.4 Financing Plan

CEA's initial capital requirement will be met through a combination of financing mechanisms. CEA will be seeking assistance through deferred fees from contractors and vendors, loans and/or lines of credit from financial institutions and in-kind services and advances provided by Member Agencies (to be reimbursed in the future). CEA will repay back the principal and interest costs associated with the start-up funding via retail generation rates charged to CEA customers. It is anticipated that the start-up costs will be fully recovered through such customer generation rates within the first three years of operations.

5 PROGRAM PHASE-IN

CEA plans to roll out its service offering to all eligible customers in a single phase at start-up. There are approximately 58,000 eligible customer accounts within the Alliance's boundaries, resulting in a single-phase roll-out being reasonable and the most efficient way for CEA to serve customers beginning in May 2021.

Solana Beach is currently providing energy to its residents and businesses through SEA, its community choice aggregation program. During May 2021, SEA customers will transfer from SEA to CEA. Once, and as long as CEA is operational and all SEA customers have transitioned to CEA, SEA will cease operating as a community choice aggregation program.

It is possible that Net Energy Metering ("NEM") customers may be enrolled over multiple periods to mitigate the impact of SDG&E NEM true-up treatment.

6 LOAD FORECAST & RESOURCE PLAN

6.1 INTRODUCTION

This Chapter describes the planned mix of electric resources that will meet the energy demands of CEA customers using a diversified portfolio of electricity supplies. Several overarching policies govern the resource plan and the ensuing resource procurement activities that will be conducted in accordance with the plan. The key policies are as follows:

- Develop a portfolio with a minimum 50% renewable energy and lower greenhouse gas ("GHG") emissions than SDG&E.
- Manage a diverse resource portfolio to increase control over energy costs and maintain competitive and stable electric rates.
- Comply with RA procurement requirements as established by CPUC Resolution E-4907.
- Comply with applicable renewable energy procurement mandates, as increased under Senate Bill 100 ("SB 100"; de Léon, 2018).
- Comply with SB 350, periodically preparing and submitting (for certification by the CPUC) an Integrated Resource Plan ("IRP").
- Comply with applicable requirements for ensuring procurement from small, local and diverse business enterprises in all categories, including, but not limited to, renewable energy, energy storage system, and smart grid projects as required by SB 255 ("SB 255"; Bradford, 2019).
- As applicable, annually prepare and submit a detailed and verifiable plan to the CPUC for increasing procurement from small, local and diverse business enterprises in all categories, including, but not limited to, renewable energy, energy storage system, and smart grid projects as required by SB 255.
- As applicable, annually prepare and submit a report to the CPUC regarding its procurement from women, minority, disabled veteran and LGBTQ business enterprises in all categories, including, but not limited to, renewable energy, energy storage system, and smart grid projects as required by SB 255.

The plan described in this section would accomplish the following:

- **Procure Competitive Supply**: Procure energy, RA, renewables and low-GHG supply through competitive processes in the open market to support the potential offering of service options to include a 100% renewable energy voluntary opt-up product.
- **Use Best Practices Risk Management**: Maintain rate competitiveness by using a dollar-cost-averaging approach with particular attention to the methodology used in the power charge indifference adjustment ("PCIA") calculation. Use stochastic modeling to measure and achieve risk management objectives.
- **Achieve Environmental Objectives**: Procure supply to offer two distinct generation rate tariffs: 1) a voluntary 100% renewable energy offered to CEA customers on a price premium basis relative

to CEA's default retail option; and 2) a default CEA service option that is sourced from a minimum 50% renewable energy.

- **Provide NEM Tariff**: Encourage distributed renewable generation in the local area through the offering of a net energy metering tariff that is more remunerative than SDG&E's NEM tariff.
- **Compliance**: Ensure compliance with participation in the Annual and Monthly RA process.
- **Diversity**: Encourage procurement from small, local and diverse business enterprises.

CEA will comply with regulatory rules applicable to California load serving entities. CEA will arrange for the scheduling of sufficient electric supplies to meet the demands of its customers. CEA will adhere to capacity reserve requirements established by the CPUC and the CAISO designed to address uncertainty in load forecasts and potential supply disruptions caused by generator outages and/or transmission contingencies. These rules also ensure that physical generation capacity is in place to serve CEA's customers, even if there were a need for the Alliance's Program to cease operations and return customers to SDG&E. In addition, the Alliance will be responsible for ensuring that its resource mix contains sufficient production from renewable energy resources needed to comply with the statewide RPS mandate (33 percent renewable energy by 2020, increasing to 60 percent by 2030). The resource plan will meet or exceed all of the applicable regulatory requirements related to RA and the RPS.

In relation to its RPS procurement obligation, CEA is aware that SB 100 was signed into law by Governor Brown on September 10, 2018, with an effective date of January 1, 2019. One of SB 100's key requirements is to increase California's RPS procurement mandate to 44 percent by December 31, 2024, 52 percent by December 31, 2027, and 60 percent by December 31, 2030. The Alliance is also aware of applicable long-term renewable energy contracting requirements and plans to satisfy such requirements with one or more eligible contracts put in place prior to or during early-stage operation of the CCA Program. As a local governmental agency, the Alliance's resource planning and procurement activities are subject to and overseen by its Board through an open and public process.

In relation to its small, local and diverse business enterprise procurement requirement, the Alliance is aware that SB 255 was signed into law by Governor Newsom on October 2, 2019. SB 255 requires the CEA Implementation Plan that to include the methods for ensuring procurement from small, local and diverse business enterprises in all categories, including, but not limited to, renewable energy, energy storage system, and smart grid projects. These methods are described in the Small, Local and Diverse Business Enterprise Procurement section.

6.2 Resource Plan Overview

To meet the aforementioned objectives and satisfy the applicable regulatory requirements pertaining to CEA's status as a California load serving entity, CEA's resource plan includes a diverse mix of power purchases, renewable energy, and potentially, new energy efficiency programs, demand response, and distributed generation. A diversified resource plan minimizes risk and volatility that can occur from over-reliance on a single resource type or fuel source, and thus increases the likelihood of rate stability. The planned power supply will initially be comprised of power purchases from third party electric suppliers and, in the longer-term, may include renewable generation assets owned and/or controlled by CEA.

Once the CEA Program demonstrates it can operate successfully, CEA may begin evaluating opportunities for investment in renewable generating assets, subject to then-current market conditions, statutory requirements and regulatory considerations. Any renewable generation owned by CEA or controlled under a long-term power purchase agreement with a proven public power developer, could provide a portion of CEA's electricity requirements on a cost-of-service basis. Depending upon market conditions and, importantly, the applicability of tax incentives for renewable energy development, electricity purchased under a cost-of-service arrangement can be more cost-effective than purchasing renewable energy from third party developers, which will allow the CEA Program to pass on cost savings to its customers through competitive generation rates. Any investment decisions in new renewable generating assets will be made following appropriate environmental reviews and in consultation with qualified financial and legal advisors.

As an alternative to direct investment, CEA may consider partnering with an experienced public power developer or other Joint Powers Authorities and could enter into a long-term (15-to-30 year) power purchase agreement that would support the development of new renewable generating capacity. Such an arrangement could be structured to reduce the CEA Program's operational risk associated with capacity ownership while providing its customers with all renewable energy generated by the facility under contract.

CEA's indicative resource plan for the years 2021 through 2030 is summarized in the following table. Note that CEA's projections reflect a portfolio mix of renewable energy compliant with the annual RPS requirement and all other supply coming in the form of conventional resources or CAISO system power[4].

Table 1: Proposed Resource Plan

Clean Energy Alliance
Proposed Resource Plan (MWh)
2021 - 2030

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Demand (MWh)										
Retail	144,022	928,654	949,406	965,616	980,219	990,867	997,196	1,017,140	1,037,482	1,058,232
Losses	6,193	39,932	40,824	41,521	42,149	42,607	42,879	43,737	44,612	45,504
Wholesale	150,215	968,586	990,230	1,007,137	1,022,368	1,033,474	1,040,075	1,060,877	1,082,094	1,103,736
Supply (MWh)										
Renewable	72,011	464,327	474,703	482,808	490,109	495,433	518,542	556,036	594,823	634,939
System	78,204	504,259	515,527	524,329	532,259	538,041	521,533	504,840	487,271	468,797
Total Supply	150,215	968,586	990,230	1,007,137	1,022,368	1,033,474	1,040,075	1,060,877	1,082,094	1,103,736

6.3 SUPPLY REQUIREMENTS

The starting point for CEA's resource plan is a projection of participating customers and associated electric consumption. Projected electric consumption is evaluated on an hourly basis and matched with resources best suited to serving the aggregate of hourly demands or the program's "load profile." The electric sales forecast and load profile will be affected by CEA's plan to introduce the CEA Program to customers in one

[4] The Alliance has applied known RPS procurement targets, as reflected in SB 100, for calendar years 2024, 2027 and 2030. In the intervening years, the Alliance has assumed a general straight-line trajectory between each of the aforementioned years (which are associated with the final years of Compliance Periods 4, 5 and 6 respectively).

single phase and the degree to which customers choose to remain with SDG&E during the customer enrollment and opt-out period. The Alliance's rollout plan and assumptions regarding customer participation rates are discussed below.

6.4 Customer Participation Rates

Customers will be automatically enrolled in the CEA Program unless they opt-out during the customer notification process conducted during the 60-day period prior to enrollment and continuing through the 60-day period following commencement of service. The Alliance anticipates an overall customer participation rate of approximately 90 percent of eligible SDG&E bundled service customers, based on reported opt-out rates for already operating CCAs. It is assumed that customers taking direct access service from a competitive electricity provider will continue to remain with their current supplier.

The participation rate is not expected to vary significantly among customer classes, in part because the Alliance will offer two distinct rate tariffs that will address the needs of cost-sensitive customers as well as the needs of both residential and business customers that prefer a highly renewable energy product. The assumed participation rates will be refined as CEA's public outreach and market research efforts continue to develop.

6.5 Customer Forecast

Once customers enroll, they will be transferred to service by CEA on their regularly scheduled meter read date over an approximately thirty-one-day period. Approximately 2,900 service accounts per day will be transferred during the first month of service. The number of accounts anticipated to be served by CEA at the end of the enrollment period is shown in Table 2.

Table 2: Total Customer Counts at the end of First Month of Operation, here presuming enrollment occurs in May 2021.

	May-21
Residential	49,800
Commercial & Agriculture	8,000
Street Lighting & Traffic	200

The Alliance assumes that customer growth will generally offset customer attrition (opt-outs) over time, resulting in a relatively stable customer base (<1% annual growth) over the noted planning horizon. While the successful operating track record of California CCA programs continues to grow, there is a relatively short history with regard to CCA operations, which makes it difficult to anticipate the actual levels of customer participation within the CEA Program. The Alliance believes that its assumptions regarding the offsetting effects of growth and attrition are reasonable in consideration of the historical customer growth (based on SDG&E data) within the JPA and the potential for continuing customer opt-outs following mandatory customer notification periods. The following table shows the forecast of service accounts (customers) served by CEA for each of the next ten years.

Table 3: Customer Accounts by Year

	2021	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
Residential	49,800	49,800	49,900	49,900	50,000	50,100	50,100	51,100	52,200	53,200
Commercial & Agriculture	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,200	8,400	8,500
Street Lighting & Traffic	200	200	200	200	200	200	200	200	200	200

6.6 SALES FORECAST

The Alliance's forecast reflects the rollout and customer enrollment schedule shown above.

Annual energy requirements are shown in Table 4.

Table 4: Demand Forecast in MWh, 2021-2030

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Demand (MWh)										
Retail	144,022	928,654	949,406	965,616	980,219	990,867	997,196	1,017,140	1,037,482	1,058,232
Losses	6,193	39,932	40,824	41,521	42,149	42,607	42,879	43,737	44,612	45,504
Wholesale	150,215	968,586	990,230	1,007,137	1,022,368	1,033,474	1,040,075	1,060,877	1,082,094	1,103,736

6.7 CAPACITY REQUIREMENTS

The CPUC's RA standards applicable to the CEA Program require a demonstration one year in advance that CEA has secured physical capacity for 90 percent of its projected peak loads for each of the five months May through September, plus a minimum 15 percent reserve margin.

Additionally, the Alliance must demonstrate one year in advance that it has secured physical capacity for 100 percent of its local RA obligation across all months in the upcoming compliance year 2021 and the following compliance year 2022 and 50 percent across all months in 2023. On a month-ahead basis, CEA must demonstrate 100 percent of the peak load plus a minimum 15 percent reserve margin. Per CPUC Resolution E-4907, the Alliance must participate in the year-ahead RA compliance cycle in order to serve customers in the following calendar year. The Alliance will follow the prescribed year-ahead RA compliance timeline outlined within Appendix A of Resolution E-4907; this includes:

- Submission of year-ahead load forecast to the CEC and CPUC in April 2020;
- Submission of updated year-ahead load forecast to the CEC and CPUC in August 2020;
- Submission of year-ahead compliance materials in October 2020; and
- Submission of month-ahead load migration forecast by February 2021.

A portion of CEA's capacity requirements must be procured locally, from the San Diego – Imperial Valley local capacity area as defined by the CAISO. The Alliance would be required to demonstrate its local capacity requirement for each month of the following calendar year. The local capacity requirement is a percentage of the total (SDG&E service area) local capacity requirements adopted by the CPUC based on CEA's forecasted peak load. CEA must demonstrate compliance or request a waiver from the CPUC requirement as provided for in cases where local capacity is not available.

CEA is also required to demonstrate that a specified portion of its capacity meets certain operational flexibility requirements under the CPUC and CAISO's flexible RA framework.

The estimated forward RA requirements for 2021 through 2023 are shown in the following tables[5]:

Table 5: Forward Capacity Requirements (Total) for 2021-2023 in MW, presuming service starts in May 2021

Month	2021	2022	2023
January		182.8	186.1
February		171.2	174.2
March		151.2	153.8
April		144.1	152.4
May	139.9	143.7	140.5
June	165.6	170.1	172.9
July	176.0	188.0	191.2
August	168.8	167.0	169.8
September	172.7	177.4	180.5
October	164.5	168.9	171.7
November	155.3	159.5	162.2
December	172.1	176.7	186.9

CEA's plan ensures that sufficient reserves will be procured to meet its peak load at all times. The projected CEA annual capacity requirements are shown in the following table:

Table 6: Annual Maximum Capacity Requirements 2021-2030

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Max Wholesale Demand	176.0	188.0	191.2	191.2	189.2	190.6	194.6	198.5	202.5	206.5
Reserve Requirement (15%)	26.4	28.2	28.7	28.7	28.4	28.6	29.2	29.8	30.4	31.0
Total Capacity Requirement	202.4	216.2	219.8	219.9	217.5	219.2	223.8	228.3	232.9	237.5

Local capacity requirements are a function of the SDG&E area RA requirements and CEA's projected peak demand. CEA will need to work with the CPUC's Energy Division and staff at the California Energy Commission to obtain the data necessary to calculate its monthly local capacity requirement. A preliminary estimate of CEA's annual maximum local capacity requirement for the ten-year planning period ranges between 132-155 MW as shown in Table 7.

Table 7: Annual Maximum Local Capacity Requirements 2021-2030

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Max Wholesale Demand	176.0	188.0	191.2	191.2	189.2	190.6	194.6	198.5	202.5	206.5
Local Capacity (% of Total)	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%
San Diego - IV (MW)	132.0	141.0	143.4	143.4	141.9	142.9	146.0	148.9	151.9	154.9

The CPUC assigns local capacity requirements during the year prior to the compliance period; thereafter, the CPUC provides local capacity requirement true-ups for the second half of each compliance year.

CEA will coordinate with SDG&E and appropriate state agencies to manage the transition of responsibility for RA from SDG&E to CEA during CCA program phase-in. For system RA requirements, CEA will make month-ahead showings for each month that CEA plans to serve load, and load migration issues would be addressed through the CPUC's approved procedures. CEA will work with the California Energy

[5] The figures shown in the tables are estimates. CEA's RA requirements will be subject to modification due to application of certain coincidence adjustments and resource allocations relating to utility demand response and energy efficiency programs, as well as generation capacity allocated through the Cost Allocation Mechanism. These adjustments are addressed through the CPUC's RA compliance process.

Commission and CPUC prior to commencing service to customers to ensure it meets its local and system RA obligations through its agreement(s) with its chosen electric supplier(s).

6.8 RENEWABLES PORTFOLIO STANDARDS ENERGY REQUIREMENTS

6.8.1 Basic RPS Requirements

CEA will be required by statute and CPUC regulations to procure a certain minimum percentage of its retail electricity sales from qualified renewable energy resources. For purposes of determining CEA's renewable energy requirements, many of the same standards for RPS compliance that are applicable to the distribution utilities will apply to CEA.

California's RPS program is currently undergoing reform. On October 7, 2015, Governor Brown signed Senate Bill 350 ("SB 350"; De Leon and Leno), the Clean Energy and Pollution Reduction Act of 2015, which increased California's RPS procurement target from 33 percent by 2020 to 50 percent by 2030 amongst other clean-energy initiatives. The RPS program was further amended on September 10, 2018 when Governor Brown signed SB 100, increasing California's RPS procurement target to 60 percent by 2030 amongst other clean-energy initiatives. Many details related to SB 100 implementation will be developed over time with oversight by designated regulatory agencies. However, it is reasonable to assume that interim annual renewable energy procurement targets will be imposed on CCAs and other retail electricity sellers to facilitate progress towards the 60 percent procurement mandate. For planning purposes, CEA has assumed straight-line annual increases (1.7 percent per year) to the RPS procurement target beginning in 2021, as the state advances on the 60 percent RPS in 2030. CEA will also adopt an integrated resource plan in compliance with SB 350. Furthermore, the Alliance will ensure that all long-term renewable energy contracting requirements, as imposed by SB 350, will be satisfied through appropriate transactions with qualified suppliers and will also reflect this intent in ongoing resource planning and procurement efforts.

6.8.2 CEA's Renewables Portfolio Standards Requirement

CEA's annual RPS procurement requirements, as specified under California's RPS program, are shown in Table 8.

Table 8: Renewable Procurement Obligation and Target Percentages and Volumes 2021-2030

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Retail Load (MWh)	144,022	928,654	949,406	965,616	980,219	990,867	997,196	1,017,140	1,037,482	1,058,232
RPS % Target	36%	39%	41%	44%	47%	49%	52%	55%	57%	60%
RPS Obligation (MWh)	51,560	357,532	392,105	424,871	457,762	488,497	518,542	556,036	594,823	634,939
CEA % Target	50%	50%	50%	50%	50%	50%	52%	55%	57%	60%
CEA Target (MWh)	72,011	464,327	474,703	482,808	490,109	495,433	518,542	556,036	594,823	634,939

6.9 PURCHASED POWER

Power purchased from power marketers, public agencies, generators, and/or utilities will be a significant source of supply during the first several years of CEA Program operation. CEA will initially contract to obtain all of its electricity from one or more third party electric providers under one or more power supply agreements, and the supplier(s) will be responsible for procuring the specified resource mix, including CEA's desired quantities of renewable energy, to provide a stable and cost-effective resource portfolio for the CEA Program.

6.10 Renewable Resources

CEA will initially secure necessary renewable power supply from its third-party electric supplier(s). CEA may supplement the renewable energy provided under the initial power supply contract(s) with direct purchases of renewable energy from renewable energy facilities or from renewable generation developed and owned by CEA. At this point in time, it is not possible to predict what projects might be proposed in response to future renewable energy solicitations administered by CEA, unsolicited proposals or discussions with other agencies. Renewable projects that are located virtually anywhere in the Western Interconnection can be considered as long as the electricity is deliverable to the CAISO control area, as required to meet the Commission's RPS rules and any additional guidelines ultimately adopted by the Alliance. The costs of transmission access and the risk of transmission congestion costs would need to be considered in the bid evaluation process if the delivery point is outside of CEA's load zone, as defined by the CAISO.

6.11 Small, Local and Diverse Business Enterprise Procurement

CEA's procurement processes will be developed to ensure compliance with SB 255 regarding procurement from small, local and diverse business enterprises as applicable. These methods may include, but are not limited to, providing preferences to small, local and diverse business enterprises as permitted by law, developing specifications that encourage responses by small, local and diverse business enterprises, conducting outreach to these enterprises and other methods as may be directed by the CEA Board. CEA will request from contractors and information related to the hiring of small, local and diverse business enterprises that will be reported to commission.

6.12 Energy Efficiency

CEA does not currently anticipate running locally managed energy efficiency programs. In the future, CEA may apply to become EE program administrators. In the meantime, CEA will support already existing energy efficiency efforts within its service territory.

7 FINANCIAL PLAN

This Chapter examines the monthly cash flows expected during the startup and customer phase-in period of the CEA Program and identifies the anticipated financing requirements. It includes estimates of program startup costs, including necessary expenses and capital outlays. It also describes the requirements for working capital and long-term financing for the potential investment in renewable generation, consistent with the resource plan contained in Chapter 6.

7.1 DESCRIPTION OF CASH FLOW ANALYSIS

The Alliance's cash flow analysis estimates the level of capital that will be required during the startup and phase-in period. The analysis focuses on the CEA Program's monthly costs and revenues and the lags between when costs are incurred and revenues received.

7.2 COST OF PROGRAM OPERATIONS

The first category of the cash flow analysis is the Cost of CCA Program Operations. To estimate the overall costs associated with CCA Program Operations, the following components were taken into consideration:

- Electricity Procurement;
- Ancillary Service Requirements;
- Exit Fees;
- Staffing and Professional Services;
- Data Management Costs;
- Administrative Overhead;
- Billing Costs;
- Scheduling Coordination;
- Grid Management and other CAISO Charges;
- CCA Bond and Security Deposit; and,
- Pre-Startup Cost Reimbursement.

7.3 REVENUES FROM CCA PROGRAM OPERATIONS

The cash flow analysis also provides estimates for revenues generated from CCA operations or from electricity sales to customers. In determining the level of revenues, the analysis assumes the customer phase-in schedule described herein, and assumes that CEA charges a standard, default electricity tariff similar to the generation rates of SDG&E for each customer class and an optional renewable energy tariff (with a renewable energy content that exceeds the CEA default retail option) at a premium reflective of incremental renewable power costs. More detail on CEA Program rates can be found in Chapter 8.

7.4 Cash Flow Analysis Results

The results of the cash flow analysis provide an estimate of the level of capital required for the Alliance to move through the CCA startup and phase-in periods. This estimated level of capital is determined by examining the monthly cumulative net cash flows (revenues from CCA operations minus cost of CCA operations) based on assumptions for payment of costs or other cash requirements (e.g., deposits) by CEA, along with estimates for when customer payments will be received. This identifies, on a monthly basis, what level of cash flow is available in terms of a surplus or deficit.

The cash flow analysis identifies funding requirements in recognition of the potential lag between revenues received and payments made during the phase-in period. The estimated financing requirements for the startup and phase-in period, including working capital needs associated with the customer enrollments, is determined to be $4.4M. Of the $4.4M in capital requirements, $1.4 is related to the implementation/startup efforts, to be incurred during fiscal years 19/20 and 20/21, (i.e., rate setting, power procurement and contract negotiations, marketing and communications, regulatory compliance, CPUC bond, SDG&E security deposit, etc.) in order to serve customers by May 2021. A deposit in the amount of $500,000 will also need to be posted to CAISO for the Alliance to be a Congestion Revenue Rights Holder. The other $2,500,000 is the "float" required for CEA to pay its monthly bills before the program generates enough internal cash to self-fund its working capital needs. Working capital requirements peak soon after enrollment of all CEA customers.

7.5 Program Implementation Pro Forma

In addition to developing a cash flow analysis that estimates the level of working capital required to move CEA through full CCA phase-in, a summary pro forma analysis that evaluates the financial performance of the CCA program during the phase-in period is shown in Table 9. The difference between the cash flow analysis and the CCA pro forma analysis is that the pro forma analysis does not include a lag associated with payment streams. In essence, costs and revenues are reflected in the month in which service is provided. All other items, such as costs associated with CCA Program operations and rates charged to customers remain the same. Cash provided by financing activities are not shown in the pro forma analysis, although payments for loan repayments are included as a cost item.

The results of the pro forma analysis are shown in Table 9. In particular, the summary of CCA program startup and phase-in addresses projected CEA Program operations for the period beginning May 2021 through June 2030. The Alliance has also included a summary of Program reserves, which are expected to accrue over this same period.

Table 9: Pro Forma including Reserves Accumulation 2021-2030

Table 9: Pro Forma including Reserves Accumulation 2021-2030	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenues from Operations ($)										
Electric Sales Revenues	$ 11,461,369	$ 71,583,581	$ 73,964,197	$ 76,857,180	$ 79,688,575	$ 83,285,097	$ 88,240,950	$ 90,005,769	$ 91,805,885	$ 93,642,002
Uncollected Accounts	$ (34,384)	$ (214,751)	$ (221,893)	$ (230,572)	$ (239,066)	$ (249,855)	$ (264,723)	$ (270,017)	$ (275,418)	$ (280,926)
Total Revenues	$ 11,426,985	$ 71,368,830	$ 73,742,304	$ 76,626,609	$ 79,449,510	$ 83,035,242	$ 87,976,228	$ 89,735,752	$ 91,530,467	$ 93,361,076
Cost of Operations ($)										
Staffing & Consulting	$ 421,013	$ 2,570,281	$ 2,647,390	$ 2,726,811	$ 2,808,616	$ 2,892,874	$ 2,979,660	$ 3,039,254	$ 3,100,039	$ 3,162,040
Wholesale Services	$ 152,250	$ 929,318	$ 957,197	$ 985,913	$ 1,015,490	$ 1,045,955	$ 1,077,334	$ 1,098,880	$ 1,120,858	$ 1,143,275
Data Management Services	$ 146,492	$ 879,504	$ 880,609	$ 881,725	$ 882,853	$ 883,992	$ 885,142	$ 902,845	$ 920,902	$ 939,320
IOU Fees	$ 33,662	$ 203,090	$ 205,339	$ 207,615	$ 209,919	$ 212,252	$ 214,613	$ 218,906	$ 223,284	$ 227,749
Energy Procurement	$ 5,866,343	$ 54,089,555	$ 59,546,313	$ 61,419,452	$ 62,917,913	$ 64,521,128	$ 66,312,081	$ 67,638,323	$ 68,991,089	$ 70,370,911
Total Operations	$ 6,619,760	$ 58,671,747	$ 64,236,847	$ 66,221,516	$ 67,834,791	$ 69,556,202	$ 71,468,831	$ 72,898,208	$ 74,356,172	$ 75,843,295
Net Program Revenues	$ 4,807,225	$ 12,697,083	$ 9,505,457	$ 10,405,092	$ 11,614,718	$ 13,479,041	$ 16,507,397	$ 16,837,545	$ 17,174,295	$ 17,517,781
Cumulative Reserves	$ 4,807,225	$ 17,504,308	$ 27,009,765	$ 37,414,858	$ 49,029,576	$ 62,508,617	$ 79,016,013	$ 95,853,558	$ 113,027,853	$ 130,545,635

The surpluses achieved during the phase-in period serve to build CEA's net financial position and credit profile and to provide operating reserves for CEA in the event that operating costs (such as power purchase costs) exceed collected revenues for short periods of time.

7.6 Clean Energy Alliance Financings

It is anticipated that CEA will need financing for its start-up activities. CEA plans to seek financing through its service providers that will amortize their start-up costs over the subsequent months following when revenues begin flowing, through a loan or line of credit from a financial institution and through in-kind services and advances from its Member Agencies that will be repaid in the future. Subsequent capital requirements will be self-funded from accrued CEA financial reserves.

7.7 Renewable Resource Project Financing

CEA may consider project financings for renewable resources, likely local wind and solar projects. These financings would only occur after a sustained period of successful CEA Program operation and after appropriate project opportunities are identified and subjected to appropriate environmental review.

In the event that such financing occurs, funds would include any short-term financing for the renewable resource project development costs and would likely extend over a 20 to 30-year term. The security for such bonds would be the revenue from sales to the retail customers of CEA.

8 RATE SETTING, PROGRAM TERMS AND CONDITIONS

8.1 INTRODUCTION

This Chapter describes the initial policies proposed for CEA in setting its rates for electric aggregation services. These include policies regarding rate design, rate objectives, and provision for due process in setting Program rates. Program rates are ultimately approved by the CEA Board. The Alliance would retain authority to modify program policies from time to time at its discretion.

8.2 RATE POLICIES

The Alliance will establish rates sufficient to recover all costs related to operation of the CEA Program, including any reserves that may be required as a condition of financing and other discretionary reserve funds that may be approved by CEA. As a general policy, rates will be uniform for all similarly situated customers enrolled in the CEA Program throughout the JPA service territory.

The primary objectives of the rate setting plan are to set rates that achieve the following:

- Rate competitive tariff option (default service offering), including a proportionate quantity of renewable energy in excess of California's prevailing renewable energy procurement mandate;
- Voluntary renewable energy supply option (renewable content greater than the CEA default retail service offering);
- Rate stability;
- Equity among customers in each tariff;
- Customer understanding; and
- Revenue sufficiency.

Each of these objectives is described below.

8.3 RATE COMPETITIVENESS

The primary goal is to offer competitive rates for electric services that CEA would provide to participating customers. For participants in the CEA default energy product, the goal would be for CEA Program target generation rates to be initially at least two percent below, subject to actual energy product pricing and decisions of the Board, similar generation rates offered by SDG&E. For participants in the CEA's Program's voluntary 100% renewable energy product, the goal would be to offer the lowest possible customer rates with an incremental monthly cost premium reflective of the actual cost of additional renewable energy supply required to serve such customers.

Competitive rates will be critical to attracting and retaining key customers. In order for CEA to be successful, the combination of price and value must be perceived as superior when compared to the bundled SDG&E alternative. As planned, the value provided by the CEA Program will include a local community focus, investment and control.

As previously discussed, the CEA Program will increase renewable energy supply to program customers by offering two distinct energy products. The default product for CEA Program customers will increase renewable energy supply to a minimum 50%, while maintaining generation rates that are targeted to provide a minimum two percent discount from comparable SDG&E rates. The initial renewable energy content provided under CEA's default product will exceed California's prevailing renewable energy procurement mandate during the initial years of operation, increasing to 60% by 2030. CEA will also offer its customers a voluntary 100% renewable energy tariff at rates that reflect CEA's cost for procuring related energy supplies.

Participating qualified low- or fixed-income households, such as those currently enrolled in the California Alternate Rates for Energy ("CARE") program, will be automatically enrolled in the default energy product and will continue to receive related discounts on monthly electricity bills through SDG&E.

8.4 Rate Stability

CEA will offer stable rates by hedging its supply costs over multiple time horizons and by including renewable energy supplies that exhibit stable costs. Rate stability considerations may prevent CEA Program rates from directly tracking similar rates offered by the distribution utility, SDG&E, and may result in differences from the general rate-related targets initially established for the CEA Program. The Alliance plans to offer the most competitive rates possible after all Program operating costs are recovered and reserve targets are achieved.

8.5 Equity among Customer Classes

Initial rates of the CEA Program will be set based on cost-of-service considerations with reference to the rates customers would otherwise pay to SDG&E. Rate differences among customer classes will reflect the rates charged by the local distribution utility as well as differences in the costs of providing service to each class. Rate benefits may also vary among customers within the major customer class categories, depending upon the specific rate designs adopted by the Alliance.

8.6 Customer Understanding

The goal of customer understanding involves rate designs that are relatively straightforward so that customers can readily understand how their bills are calculated. This not only minimizes customer confusion and dissatisfaction but will also result in fewer billing inquiries to the CEA Program's customer service call center. Customer understanding also requires rate structures to reflect rational rate design principles (i.e., there should not be differences in rates that are not justified by costs or by other policies such as providing incentives for conservation).

8.7 Revenue Sufficiency

CEA Program rates must collect sufficient revenue from participating customers to fully fund the annual CEA operating budget. Rates will be set to collect the adopted budget based on a forecast of electric sales for the budget year. Rates will be adjusted as necessary to maintain the ability to fully recover all costs of the CEA Program, subject to the disclosure and due process policies described later in this chapter. To ensure rate stability, funds available in CEA's rate stabilization reserve may be used from time to time to augment operating revenues.

8.8 Rate Design

CEA will generally match the rate structures from SDG&E's standard rates to avoid the possibility that customers would see significantly different bill impacts as a result of changes in rate structures that would take effect following enrollment in the CEA Program.

8.9 Net Energy Metering

As planned, customers with on-site generation eligible for net metering from SDG&E will be offered a net energy metering rate from CEA. Net energy metering allows for customers with certain qualified solar or wind distributed generation to be billed on the basis of their net energy consumption. CEA's net energy metering tariff will apply to the generation component of the bill, and the SDG&E net energy metering tariff will apply to the utility's portion of the bill. CEA plans to pay customers for excess power produced from net energy metered generation systems in accordance with the rate designs adopted by the JPA. The goal is to offer a higher payout for surplus generation than SDG&E. In order to minimize the impact of mid-relevant period true-ups, NEM customers may be enrolled over multiple phases.

8.10 Disclosure and Due Process in Setting Rates and Allocating Costs among Participants

Initial program rates will be adopted by the CEA Board following the establishment of the first year's operating budget prior to initiating the customer notification process. Subsequently, CEA will prepare an annual budget and corresponding customer rates. Following the commencement of service, any proposed rate adjustment will be made to the Board and affected customers will be given the opportunity to provide comment on the proposed rate changes.

After proposing a rate adjustment, CEA will furnish affected customers with a notice of its intent to adjust rates, either by mailing such notices postage prepaid to affected customers, by including such notices as an insert to the regular bill for charges transmitted to affected customers, by including a related message directly on the customer's monthly electricity bill (on the page addressing CEA charges) or by following CEA's public hearing noticing procedures adopted by the Board. The notice will provide a summary of the proposed rate adjustment and will include a link to the CEA Program website where information will be posted regarding the amount of the proposed adjustment, a brief statement of the reasons for the adjustment, and the mailing address of the CEA Program to which any customer inquiries relative to the proposed adjustment, including a request by the customer to receive notice of the date, time, and place of any hearing on the proposed adjustment, may be directed.

9 CUSTOMER RIGHTS AND RESPONSIBILITIES

This Chapter discusses customer rights, including the right to opt-out of the CEA Program and the right to privacy of customer usage information, as well as obligations customers undertake upon agreement to enroll in the CCA Program. All customers that do not opt out within 30 days of the fourth enrollment notice will have agreed to become full status program participants and must adhere to the obligations set forth below, as may be modified and expanded by the Board from time to time.

By adopting this Implementation Plan, the Alliance will have approved the customer rights and responsibilities policies contained herein to be effective at Program initiation. The Alliance retains authority to modify program policies from time to time at its discretion.

9.1 CUSTOMER NOTICES

At the initiation of the customer enrollment process, four notices will be provided to customers describing the Program, informing them of their opt-out rights to remain with utility bundled generation service, and containing a simple mechanism for exercising their opt-out rights. The first notice will be mailed to customers approximately sixty days prior to the date of automatic enrollment. A second notice will be sent approximately thirty days later. The Alliance will likely use its own mailing service for requisite enrollment notices rather than including the notices in SDG&E's monthly bills. This is intended to increase the likelihood that customers will read the enrollment notices, which may otherwise be ignored if included as a bill insert. Customers may opt out by notifying CEA using the CEA Program's designated telephone-based or Internet opt-out processing service. Should customers choose to initiate an opt-out request by contacting SDG&E, they would be transferred to the CEA Program's call center to complete the opt-out request. Consistent with CPUC regulations, notices returned as undelivered mail would be treated as a failure to opt out, and the customer would be automatically enrolled.

Following automatic enrollment, at least two notices will be mailed to customers within the first two billing cycles (approximately sixty days) after CEA service commences. Opt-out requests made on or before the sixtieth day following start of CEA Program service will result in customer transfer to bundled utility service with no penalty. Such customers will be obligated to pay charges associated with the electric services provided by CEA during the time the customer took service from the CEA Program, but will otherwise not be subject to any penalty or transfer fee from CEA.

Customers who establish new electric service accounts within the Program's service area will be automatically enrolled in the CEA Program and will have sixty days from the start of service to opt out if they so desire. Such customers will be provided with two enrollment notices within this sixty-day post-enrollment period. Such customers will also receive a notice detailing CEA's privacy policy regarding customer usage information. CEA will have the authority to implement entry fees for customers that initially opt out of the Program, but later decide to participate. Entry fees, if deemed necessary, would aid in resource planning by providing additional control over the CEA Program's customer base.

9.2 Termination Fee

Customers that are automatically enrolled in the CEA Program can elect to transfer back to the incumbent utility without penalty within the first two months of service. After this free opt-out period, customers will be allowed to terminate their participation but may be subject to payment of a Termination Fee, which CEA reserves the right to impose, if deemed necessary. Customers that relocate within CEA's service territory would have CEA service continued at their new address. If a customer relocating to an address within CEA's service territory elected to cancel CCA service, the Termination Fee could be applied. Program customers that move out of CEA's service territory would not be subject to the Termination Fee. If deemed applicable by CEA, SDG&E would collect the Termination Fee from returning customers as part of CEA's final bill to the customer.

If adopted, the Termination Fee would be clearly disclosed in the four enrollment notices sent to customers during the sixty-day period before automatic enrollment and following commencement of service. The fee could also be adopted or changed by the CEA Board subject to applicable customer noticing requirements. Other CCAs have adopted small or zero-dollar termination fees, and CEA would likely do the same initially.

Customers electing to terminate service after the initial notification period would be transferred to SDG&E on their next regularly scheduled meter read date if the termination notice is received a minimum of fifteen days prior to that date. Such customers would also be liable for the reentry fees imposed by SDG&E and would be subject to SDG&E's current terms and conditions, including being required to remain on bundled utility service for a period of one year, as described in the utility CCA tariffs.

9.3 Customer Confidentiality

CEA will establish policies covering confidentiality of customer data that are fully compliant with the required privacy protection rules for CCA customer energy usage information, as detailed within Decision 12-08-045. CEA will maintain the confidentiality of individual customers' names, service addresses, billing addresses, telephone numbers, account numbers, and electricity consumption, except where reasonably necessary to conduct business of the CEA Program or to provide services to customers, including but not limited to where such disclosure is necessary to (a) comply with the law or regulations; (b) enable CEA to provide service to its customers; (c) collect unpaid bills; (d) obtain and provide credit reporting information; or (e) resolve customer disputes or inquiries. CEA will not disclose customer information for telemarketing, e-mail, or direct mail solicitation. Aggregate data may be released at CEA's discretion.

9.4 Responsibility for Payment

Customers will be obligated to pay CEA Program charges for service provided through the date of transfer including any applicable Termination Fees. Pursuant to current CPUC regulations, CEA will not be able to direct that electricity service be shut off for failure to pay CEA bills. However, SDG&E has the right to shut off electricity to customers for failure to pay electricity bills, and SDG&E Electric Rule 23 mandates that partial payments are to be allocated pro rata between SDG&E and the CCA. In most circumstances, customers would be returned to utility service for failure to pay bills in full and customer deposits (if any) would be withheld in the case of unpaid bills. SDG&E would attempt to collect any outstanding balance from customers in accordance with Rule 23 and the related CCA Service Agreement. The proposed process is for two late payment notices to be provided to the customer within 30 days of the original bill

due date. If payment is not received within 45 days from the original due date, service would be transferred to the utility on the next regular meter read date, unless alternative payment arrangements have been made. Consistent with the CCA tariffs, Rule 23, service cannot be discontinued to a residential customer for a disputed amount if that customer has filed a complaint with the CPUC, and that customer has paid the disputed amount into an escrow account.

9.5 Customer Deposits

Under certain circumstances, CEA customers may be required to post a deposit equal to the estimated charges for two months of CCA service prior to obtaining service from the CEA Program. A deposit would be required for an applicant who previously had been a customer of SDG&E or CEA and whose electric service has been discontinued by SDG&E or CEA during the last twelve months of that prior service arrangement as a result of bill nonpayment. Such customers may be required to reestablish credit by depositing the prescribed amount. Additionally, a customer who fails to pay bills before they become past due as defined in SDG&E Electric Rule 11 (Discontinuance and Restoration of Service), and who further fails to pay such bills within five days after presentation of a discontinuance of service notice for nonpayment of bills, may be required to pay said bills and reestablish credit by depositing the prescribed amount. This rule will apply regardless of whether or not service has been discontinued for such nonpayment[6]. Failure to post deposit as required would cause the account service transfer request to be rejected, and the account would remain with SDG&E.

[6] A customer whose service is discontinued by Clean Energy Alliance is returned to SDG&E generation service.

10 PROCUREMENT PROCESS

10.1 INTRODUCTION

This Chapter describes CEA's initial procurement policies and the key third party service agreements by which the Alliance will obtain operational services for the CEA Program. By adopting this Implementation Plan, the Alliance will have approved the general procurement policies contained herein to be effective at Program initiation. CEA retains authority to modify Program policies from time to time at its discretion.

10.2 PROCUREMENT METHODS

CEA will enter into agreements for a variety of services needed to support program development, operation and management. It is anticipated that CEA will generally utilize competitive procurement methods for services but may also utilize direct procurement or sole source procurement, depending on the nature of the services to be procured. Direct procurement is the purchase of goods or services without competition when multiple sources of supply are available. Sole source procurement is generally to be performed only in the case of emergency or when a competitive process would be an idle act.

CEA will utilize a competitive solicitation process to enter into agreements with entities providing electrical services for the program. Agreements with entities that provide professional legal or consulting services, and agreements pertaining to unique or time sensitive opportunities, may be entered into on a direct procurement or sole source basis at CEA's discretion. Authority for terminating agreements will generally mirror the authority for entering into such agreements.

10.3 KEY CONTRACTS

10.3.1 Electric Supply

CEA will procure initial energy supply, as well as Scheduling Coordinator Services, through competitive solicitation in the over-the-counter electricity markets. Suppliers will be selected to hedge CEA's financial risk, meet its capacity obligations and achieve its environmental objectives. CEA will administer Request for Proposal processes for energy supply. Procurement will commence once this implementation plan has been approved and the CEA Board has made the final determination to proceed to going live with the CCA.

Procurement will be an ongoing process in order to achieve desired levels of risk mitigation by dollar-cost-averaging supply costs. In addition, particular strategies will be employed to mitigate the risk of changes to the PCIA impacting CEA's rate competitiveness. Specifically, this entails procuring a certain amount of supply annually during the month of October when the PCIA market price benchmark is set for the coming year.

CEA's wholesale services provider will also serve as the Scheduling Coordinator for scheduling loads, resources and Inter-SC trades into the CAISO market. In addition, the provider will be responsible for ensuring CEA's compliance with all applicable RA and regulatory requirements imposed by the CPUC or FERC.

10.3.2 Data Management Contract

A data manager will provide the retail customer services of billing and other customer account services (electronic data interchange or EDI with SDG&E, billing, remittance processing, and account management). The data management contract will be awarded to an experienced data management services provider.

The data manager is responsible for the following services:

- Data exchange with SDG&E;
- Technical testing;
- Customer information system;
- Customer call center;
- Billing administration/retail settlements;
- Settlement quality meter data reporting; and
- Reporting and audits of utility billing.

Utilizing a third party for account services eliminates a significant expense associated with implementing a customer information system. Such systems can impose significant information technology costs and take significant time to deploy. Separation of the data management contract from the energy supply contract provides the JPA with greater flexibility to change energy suppliers, if desired, without facing an expensive data migration issue.

11 CONTINGENCY PLAN FOR PROGRAM TERMINATION

11.1 INTRODUCTION

This Chapter describes the process to be followed in the case of CEA Program termination. By adopting the original Implementation Plan, the Alliance will have approved the general termination process contained herein to be effective at Program initiation. In the unexpected event that the JPA would terminate the CEA Program and return its customers to SDG&E service, the proposed process is designed to minimize the impacts on its customers and on SDG&E. The proposed termination plan follows the requirements set forth in SDG&E's tariff Rule 27 governing service to CCAs. The JPA retains authority to modify program policies from time to time at its discretion.

11.2 TERMINATION BY CLEAN ENERGY ALLIANCE

CEA will offer services for the long term with no planned Program termination date. In the unanticipated event that the JPA decides to terminate the Program, the Board would vote on Program termination.

After any applicable restrictions on such termination have been satisfied, notice would be provided to customers six months in advance that they will be transferred back to SDG&E. A second notice would be provided during the final sixty-days in advance of the transfer. The notice would describe the applicable

distribution utility bundled service requirements for returning customers then in effect, such as any transitional or bundled portfolio service rules.

At least one-year advance notice would be provided to SDG&E and the CPUC before transferring customers, and CEA would coordinate the customer transfer process to minimize impacts on customers and ensure no disruption in service. Once the customer notice period is complete, customers would be transferred *en masse* on the date of their regularly scheduled meter read date.

CEA will post a bond or maintain funds held in reserve to pay for potential transaction fees charged to the Program for switching customers back to distribution utility service. Reserves would be maintained against the fees imposed for processing customer transfers (CCA Service Requests). The Public Utilities Code requires demonstration of insurance or posting of a bond sufficient to cover reentry fees imposed on customers that are involuntarily returned to distribution utility service under certain circumstances. The cost of reentry fees is the responsibility of the energy services provider or the community choice aggregator, except in the case of a customer returned for default or because its contract has expired. CEA will post financial security in the appropriate amount as part of its registration materials and will maintain the financial security in the required amount, as necessary.

12 APPENDIX A: CLEAN ENERGY ALLIANCE RESOLUTION NO. 2019-### (ADOPTING IMPLEMENTATION PLAN)

Clean Energy Alliance
JOINT POWERS AUTHORITY

Staff Report

DATE: December 19, 2019

TO: Clean Energy Alliance Board of Directors

FROM: Clem Brown, City of Del Mar
Environmental Sustainability/Special Projects Manager

ITEM 2: Selection of Interim Chief Executive Officer for Fiscal Year 2019/2020

RECOMMENDATION:

1. Direct General Counsel to negotiate an agreement with the Bayshore Consulting Group, Inc. (Bayshore) for professional services to fulfill the duties of interim Chief Executive Officer (CEO) for the Clean Energy Alliance (CEA) for Fiscal Year 2019/2020; and

2. Authorize the CEA Board Chair to execute the agreement for a not to exceed amount of $50,000.

BACKGROUND AND DISCUSSION:

Section 5.5 of the CEA Joint Powers Agreement establishes the requirement for the Board to appoint a CEO. The CEO is responsible for the day-to-day operation and management of CEA and its community choice aggregation (CCA) program.

At CEA's November 5, 2019 meeting, staff recommended that the Board contract with a qualified consultant to fill the CEO role during Fiscal Year 2019/2020 on an interim basis. Staff did not believe that hiring a full time, permanent employee at this stage of CEA's development would be financially prudent or operationally necessary to accomplish the tasks for the remainder of the fiscal year. Staff also recommended that the Board retain its ability to determine at any time that the hiring of a permanent staff member is necessary for the ongoing administration of CEA.

Based on that recommendation, the Board directed staff to develop and release a Request for Qualifications (RFQ) and to return to the Board at its December meeting to select a qualified firm to serve as CEO for Fiscal Year 2019/2020.

With that direction, staff collaborated on the development and release of an RFQ to solicit proposals from qualified firms interested in serving as interim CEO for Fiscal Year 2019/2020 (Attachment 1). The scope of required services in the RFQ to fulfill the duties of interim CEO included:

- Developing, planning and implementing all work necessary to achieve a 2021 launch of the CCA program;
- Collaborating and communicating with key stakeholders;
- Providing policy and regulatory advocacy on behalf of CEA;
- Developing and implementing the CEA budget;
- Developing Board agendas, writing staff reports and making presentations to the CEA Board; and
- Other duties as assigned by the CEA Board of Directors.

The RFQ was issued on November 21, 2019 and proposals were due December 9, 2019. The RFQ was posted on each member agency's website and posted on the California Community Choice Association (CalCCA) job board. A supplemental Responses to Questions received on the RFQ was prepared and posted with the RFQ on December 3, 2019 (Attachment 2). Three responsive proposals were received from 1) Pilot Power Group, 2) EES Consulting, and 3) Bayshore Consulting Group, and are included as Attachment 3.

Member agency staff reviewed the proposals and evaluated them based on the following criteria:

- Best value;
- Relevant experience and qualifications of the firm;
- Proposed services and methodology;
- Schedule; and
- Overall response to the RFQ.

Phone interviews with all three firms were conducted on December 11, 2019 to help inform the evaluation.

Based on a detailed evaluation of the written proposals and oral interviews, staff recommends the Board retain the services of Bayshore Consulting Group to serve as interim CEO for Fiscal Year 2019/2020. Staff makes this recommendation because of Bayshore's ability to provide high quality service to the duties of interim CEO at the best value. Specifically, staff notes the following reasons for its recommendation:

- Extensive experience and expertise supporting the launch and implementation of five CCAs in Southern California as well as establishing a new JPA;
- Track record of providing excellent professional consulting services to the Solana Energy Alliance, the only operating CCA program in the San Diego region;
- Background and experience at the municipal government executive level; and
- Offers the lowest hourly rate and submitted a project budget that aligns with CEA's proposed budget for the interim CEO.

FISCAL IMPACT:

CEA's proposed FY 2019/2020 budget for staffing and/or consulting services for the interim CEO and administrative support is $50,000. Bayshore's proposal included a fee schedule ($150/hour) and proposed budget of 25 hours per week for the remainder of the fiscal year, which translates to a total project budget of $90,000 for FY 2019/2020. Further clarification was provided during the oral interview that the 25 hours per week estimate represents Bayshore's available capacity to support CEA for the remainder of the fiscal year. Bayshore provided a supplement project budget for only the hours needed to complete the tasks necessary as interim CEO for FY 2019/2020. That supplement project budget totaled $37,200, which is well within CEA's budget line item for these services. The other two proposals included project budgets well above CEA's proposed budget for the interim CEO.

Staff also recommends that the Board award the contract in an amount not to exceed $50,000, CEA's total proposed budget for these services, to allow the Board flexibility in requesting additional as-needed services from Bayshore, if needed.

In summary, staff recommends the Board 1) direct its General Counsel to negotiate an agreement with Bayshore to fulfill the duties of interim CEO for FY 2019/2020, and 2) authorize the Board Chair to execute the agreement for a not to exceed amount of $50,000.

Attachments:
1. RFQ for Professional Services for Interim Chief Executive Officer
2. Supplemental Responses to Questions received on the RFQ
3. RFQ Proposals

Clean Energy Alliance
JOINT POWERS AUTHORITY

REQUEST FOR QUALIFICATIONS:

Professional Services from Qualified Firms for Interim Chief Executive Officer

Date of Issuance: November 21, 2019

SUBMITTALS DUE:

5 P.M. (PST)
Monday, December 9, 2019

THE CLEAN ENERGY ALLIANCE ENCOURAGES THE PARTICIPATION OF MINORITY- AND WOMEN-OWNED BUSINESSES

TABLE OF CONTENTS

I. INTRODUCTION & BACKGROUND

The Clean Energy Alliance (CEA) is seeking responses to this Request for Qualifications (RFQ) from qualified firms to provide professional services, filling the duties of interim Chief Executive Officer (CEO) for CEA.

About CEA
In October 2019, the cities of Carlsbad, Del Mar and Solana Beach formed CEA, a non-profit public entity that will operate a Community Choice Energy (CCE) program within their service territories. CEA's purpose is to be an energy services provider, which benefits the community through the delivery of cleaner and more locally produced electricity, demand reduction, economic investment, and competitive rates for residents, businesses, and municipal facilities in the service territory.

CEA's program will allow participating local governments to pool the electricity demands of their communities in order to increase their purchasing power for higher renewable power content, and invest in local energy infrastructure and energy efficiency programs. CEA will be locally controlled and ratepayer supported, with no taxpayer subsidies.

By law, as a Joint Powers Authority (JPA), CEA is a separate legal entity from its member agencies and its budget is completely separate from the general funds of these local governments. Board meetings are open to the public. In addition, CEA will be funded through program reserves.

The service territory of CEA may expand in the future to include additional counties and cities.

II. SCOPE OF REQUIRED SERVICES

At this time, the professional services requested will fulfill the duties required of an interim CEO. This position will report to the Board of Directors of CEA and provide strategic leadership and direct all activities within the organization.

The selected firm will coordinate all administrative aspects of launching and operating the CCE program, and building it into an innovative enterprise that benefits CEA's residents and businesses. The interim CEO will have responsibility over the functional areas of power procurement, integrated resource planning, energy infrastructure development, internal operations, marketing, customer service, community stakeholder relations, finance, and regulatory and legislative affairs.

The selected firm will also work with numerous stakeholders including CEA residents, businesses, labor representatives, community groups, government officials, other CCA programs, regulatory bodies, and energy and utility experts. The selected firm will initially utilize a combination of respective member agencies' staff and contractor support, as may be needed to perform the required functions of CEA.

The initial term to provide the requested services, and those detailed below, will be until the end of Fiscal Year (FY) 2019/2020 (June 30, 2020), at which time the Board will consider options for the most optimal and efficient operation of the services. At that time, the Board may choose to extend the consultant services as the interim and/or permanent CEO, recruit for a new firm to fulfill the duties of the interim and/or permanent CEO, or consider the hiring of a full time or part time employee to serve as the permanent CEO.

CEA Administration and Management Responsibilities:

- Builds CEA and its consultant team. Plans, organizes, directs and evaluates the activities of CEA and the establishment of policies and procedures.
- Negotiates and administers CEA contracts with energy service providers and other outside consultants or contractors.
- Develops agreements, methods and procedures to implement, administer and evaluate the CEA programs; directs the preparation, review and approval of technical reports and proposals, oversees and directs regulatory compliance reviews and analyzes performance outcome measures to determine program effectiveness; develops process improvement plans and strategies to enhance service delivery; reviews project metrics and related records in order to assess the progress of key initiatives and to assure effectiveness and compliance.
- Administers the initial annual operating budget of $450,000 in FY 2019/2020; establishes, revises and maintains CEA fiscal policies including operating reserves and debt/credit limits; negotiates and monitors CEA debt and works with the interim Treasurer/Chief Financial Officer to oversee financing of CEA operations and projects, establishment of accounting systems and procedures to efficiently and accurately monitor income sources and expenses, and provide internal accounting controls and financial reports; oversees annual independent audit for CEA.
- Develops and implements data and management information systems in order to track, plan, and analyze various CEA programs, customer relationship management, grid-related data systems, power procurement and development, and program performance.

Program Development:

- Plans and recommends program and policy direction for CEA that implements various Board approved plans and documents including but not limited to: CEA's JPA Agreement, Implementation Plan, and Integrated Resource Plan(s).
- Directs the development of CEA operational and program policies; explains, advises and recommends action on policy matters to the Board of Directors and relevant Board committees; advises the Board of problems and potential problems, and recommends appropriate courses of action.
- In coordination with the Board of Directors, general/regulatory special counsels and relevant committees of the Board, engages in developing strategic, operational, and integrated resource plans and policies, and implementing adopted plans and policies.
- Researches, identifies, develops and negotiates public and private funding opportunities in order to support CEA goals and programs; identifies grant funding opportunities and submits grant applications for funding; issues directives related to fund distribution, and policy and procedural constraints of grant requirements.

Collaboration and Community Engagement:

- Coordinates program planning with jurisdictions participating in CEA, other relevant jurisdictions, federal funding agencies and community and business groups; stays abreast of community, social and political issues and their relevance to and impact upon CEA's programs.
- Directs the development of a public affairs program to inform and get feedback from the public about operations, services, programs, goals and objectives; provides consultation to individuals, citizen groups, business organizations, consultants and governmental agencies on all matters related to JPA operations.

Policy and Regulatory Advocacy:

- Analyzes the impact of newly-enacted State and Federal legislation and regulatory decisions on CEA policies and operations; addresses legislative and regulatory bodies to influence or persuade them to take supportive actions related to protecting and advancing CEA program goals; makes recommendations and decisions regarding CEA legislative and regulatory positions; tracks, reviews and critiques California Public Utility Commission (CPUC) proceedings, rulemaking proceedings and proposed legislation, initiates studies of technical problems and recommends necessary actions.
- Represents CEA at governmental hearings, in front of administrative bodies, and at public meetings.

III. SUBMITTAL REQUIREMENTS

Submittals should be concise, well-organized and demonstrate the qualifications, experience and approach necessary to provide the required scope of services. Submittals shall include the following items in the order listed:

General qualifications, key personnel & sub-consultants – Submit a general description of your firm's qualifications to complete the Scope of Required Services, along with the qualifications and specific roles of any sub-consultants to be employed on this project. Summary of qualifications should speak to relevant experience with executive leadership, budget/finance, governance and personnel management, and energy market or utility experience. Include the names and qualifications of the key individuals who will be responsible for delivering these services, their respective roles, percent of time to be spent delivering these services by each individual, and the organizational structure of the team. Include resumes for key individuals who will provide service. Technical support staff should be included if they will perform a significant role in the preparation of the work products. If the firm has multiple offices, the office of record for each team member shall be listed, as well as the primary office location where the work is to be performed.

Experience – Provide summaries of up to three completed service contracts that are similar in scope to the type of services required by CEA. The summaries should include client name, contact information, scope of service, team members, date completed and total (or annual) cost of services. Provide an example of a complex contract negotiation you were directly involved in and its outcome. Please include the names of any team members who will also be working on the CEA scope of service. Please specify any experience in the San Diego region including experience working on behalf of public agencies with San Diego Gas and Electric (SDG&E).

References – Provide contact information for three professional references.

Approach – Describe your firm's proposed approach to the scope of service. Identify the methods to be used in the completion of and/or carrying out the Scope of Required Services.

Schedule – Include an anticipated schedule for providing the required services. Provide a statement of time commitment by the firm to this scope, justifying the firm's ability to complete the Scope of Required Services.

Fee schedule – Include the firm's hourly billing rate fee schedule for all personnel likely to be engaged in completing the tasks described in the Scope of Required Services. Include the scope of work and cost for

any sub-consultants proposed for the services, and the approximate percentage of the work (as a percentage of the total scope) to be performed by each sub-consultant.

IV. SELECTION

Submittals will be reviewed and ranked by a selection committee composed of member agency staff. During the evaluation process, the selection committee and CEA reserve the right to request additional information or clarification from firms responding to this RFQ. All submittals deemed responsive will be evaluated using the following criteria (listed in no particular order of importance or value of rating):

- Best value
- Relevant experience and qualifications of the firm (including experience working in the San Diego region and specifically with SDG&E)
- Proposed services and methodology
- Schedule
- Overall response to the RFQ

Selection will be made by the CEA Board of Directors based upon the firm's current ability to provide the highest quality of service that meets the requirements and objectives of this RFQ, the needs of CEA, and provide the best value to CEA.

Upon ranking of the submittals based on a review of the selection criteria, the selection committee will present a recommendation to the CEA Board of Directors. Upon selection by the Board, staff will begin negotiations with the selected firm as to the final scope of work, schedule and price. If staff is unable to reach an acceptable agreement with the selected firm, staff will terminate negotiations, and initiate negotiations with the next highest-ranked firm.

This RFQ does not commit CEA to award a contract for any costs incurred in the preparation of the submittal. CEA reserves the right to accept or reject any or all submittals, or any part of a submittal received as a result of this request, to waive minor defects or technicalities, to award multiple contracts, or to solicit new submittals for the same scope of work or a modified scope of work, or to extend, expand, or cancel in part, or its entirety, this RFQ if it is in the best interest of CEA to do so. CEA will not reimburse any of the proposers for their costs to prepare and submit a proposal.

V. RFQ SCHEDULE

CEA anticipates the process for selecting a firm, and awarding the contract will be according to the following tentative schedule:

Issue RFQ ……	November 21, 2019
Submittal due date ……	December 9, 2019
Oral interviews ……	December 11-13, 2019
Selection and Notice to Proceed ……	December 19, 2019

VI. BILLING & EXPENSES

Firms shall propose a project budget, which identifies deliverables, and work hours estimated for the completion of each deliverable. Firms shall provide a schedule of hourly rates of personnel used in this agreement. The fee proposal must be received by 5:00 PM on December 9, 2019.

VII. SUBMITTAL & REVIEW

Firms must submit required materials no later than 5:00 PM on December 9, 2019, via email to cbrown@delmar.ca.us. Please title the email in the Subject field as "CEA RFQ Interim CEO". Submittals received after the specified time will not be considered and will be returned to the responding firm.

For additional information, please contact Clem Brown, Environmental Sustainability/Special Projects Manager with the City of Del Mar, by telephone at 858-755-9313 or by email at cbrown@delmar.ca.us.

VIII. EQUAL OPPORTUNITY

CEA requires all proposers to comply with equal opportunity policies. CEA's contracts are open to all persons without regard to race, religion, color, national origin, sex, age, marital status, handicap, or political affiliation.

Thank you for your interest, and we look forward to reviewing your submittal.

Clean Energy Alliance
JOINT POWERS AUTHORITY

REQUEST FOR QUALIFICATIONS:

Professional Services from Qualified Firms for Interim Chief Executive Officer

Date of Issuance: November 21, 2019
Submittals Due: December 9, 2019 - 5 P.M. (PST)

RESPONSES TO QUESTIONS

THE CLEAN ENERGY ALLIANCE ENCOURAGES THE PARTICIPATION OF MINORITY- AND WOMEN-OWNED BUSINESSES

INTRODUCTION

The Clean Energy Alliance (CEA) opened a Request for Qualifications (RFQ) from qualified firms to provide professional services, filling the duties of interim Chief Executive Officer (CEO) for CEA.

Below are questions that were received in response to the RFQ, with answers and clarifications provided.

RESPONSES TO QUESTIONS

1) **Question:** From RFQ Section II. CEA Administration and Management Responsibilities: "Negotiates and administers CEA contracts with energy service providers and other outside consultants or contractors." Does this include the preparation of the RFQ to the ESPs?

   Answer: Yes.

2) **Question:** From RFQ Section II. CEA Administration and Management Responsibilities: "Develops agreements, methods and procedures to implement, administer and evaluate the CEA programs; directs the preparation, review and approval of technical reports and proposals, oversees and directs regulatory compliance reviews and analyzes performance outcome measures to determine program effectiveness; develops process improvement plans and strategies to enhance service delivery; reviews project metrics and related records in order to assess the progress of key initiatives and to assure effectiveness and compliance." What are the programs? Or, does the CEO originate the programs de novo using other CCA lessons learned?

   Answer: The Interim CEO would make recommendations to the Board on CCE programming based on best practices and fiscal considerations, and would take direction from the Board to initiate new programs when revenues would support the development and implementation of appropriate programs.

3) **Question:** From RFQ Section II. CEA Administration and Management Responsibilities: "Develops and implements data and management information systems in order to track, plan, and analyze various CEA programs, customer relationship management, grid-related data systems, power procurement and development, and program performance." Does the budget include acquisition of management systems licenses?

   Answer: Item #10 on CEA's 11/5/2019 Board agenda includes a draft FY 2019/2020 Initial Budget and Preliminary FY 2020/2021 Budget for CEA. If necessary, the Interim CEO would be responsible for preparing and submitting additional budget requests to the Board for approval including, but not limited to, the acquisition of management systems licenses.

4) **Question:** From RFQ Section II. Program Development: "Plans and recommends program and policy direction for CEA that implements various Board approved plans and documents including but not limited to: CEA's JPA Agreement, Implementation Plan, and Integrated Resource Plan(s)." What other plans are expected or anticipated?

Answer: For the purpose of responding to this RFQ, none.

5) **Question:** From RFQ Section II. Program Development: "Researches, identifies, develops and negotiates public and private funding opportunities in order to support CEA goals and programs; identifies grant funding opportunities and submits grant applications for funding; issues directives related to fund distribution, and policy and procedural constraints of grant requirements." Approximately how many grants are expected for the CEO to originate during the period of performance?

   Answer: There are no predetermined performance metrics for these tasks. The Interim CEO would take direction from the Board to pursue grant opportunities and would also identify and present grant or funding opportunities to the Board as appropriate.

6) **Question:** From RFQ Section II. Collaboration and Community Engagement: "Directs the development of a public affairs program to inform and get feedback from the public about operations, services, programs, goals and objectives; provides consultation to individuals, citizen groups, business organizations, consultants and governmental agencies on all matters related to JPA operations." Is there a budget for a Public Affairs Resource?

   Answer: Item #10 on CEA's 11/5/2019 Board agenda includes a draft FY 2019/2020 Initial Budget and Preliminary FY 2020/2021 Budget for CEA. If necessary, the Interim CEO would be responsible for preparing and submitting additional budget requests to the Board for approval including, but not limited to, implementing a public affairs program.

7) **Question:** From RFQ Section II. Policy and Regulatory Advocacy: "Analyzes the impact of newly-enacted State and Federal legislation and regulatory decisions on CEA policies and operations; addresses legislative and regulatory bodies to influence or persuade them to take supportive actions related to protecting and advancing CEA program goals; makes recommendations and decisions regarding CEA legislative and regulatory positions; tracks, reviews and critiques California Public Utility Commission (CPUC) proceedings, rulemaking proceedings and proposed legislation, initiates studies of technical problems and recommends necessary actions." Is the CEO firm expected to augment his service with a regulatory and legislative professional?

   Answer: General Counsel and Special Regulatory Council have already been retained by CEA and would provide this support to the Interim CEO. The Interim CEO would be expected to work directly with the General Counsel and Special Regulatory Counsel to perform these services and keep the Board informed of pertinent issues.

8) **Question**: From RFQ Section II. Policy and Regulatory Advocacy: "Represents CEA at governmental hearings, in front of administrative bodies, and at public meetings." There will be many meetings, on the order of 10 or more, that the CEO could attend locally and at the CPUC and CEC. Does this number accord generally with your estimate?

   Answer: CEA plans to hold monthly Board meetings, in addition to which the Interim CEO would be expected to represent CEA at other pertinent government hearings and/or public meetings at the direction of the Board.

9) **Question**: The budget states:

FY 19/20 Initial Budget	Cost	Notes
Staffing/Consultants	$50,000	FY 2019-2020 partial year, part-time CEO and administrative support
Legal Services	$130,000	General and special counsel
Professional Services*	$115,000	Technical support; website development
CCE Bond*	$147,000	Required to be paid by March 2020
CalCCA Membership & Dues	$1,500	Affiliate Membership for FY 2019-2020
Graphic Design/Marketing	$6,500	Logo/mailers
Total Projected Budget	**$450,000**	

*Could be financed or funded through deferred fees and/or consultant partner support

Is there "budgetary room to maneuver" during the period of performance to meet unspecified deliverables?

Answer: If necessary, the Interim CEO would be responsible for preparing and submitting additional budget requests to the Board for approval to address unspecified deliverables.

CONTACT INFORMATION

For additional information, please contact Clem Brown, Environmental Sustainability/Special Projects Manager with the City of Del Mar, by telephone at 858-755-9313 or by email at cbrown@delmar.ca.us.

Qualification

Response to

Request for Qualification

Professional Services from Qualified Firms for Interim Chief Executive Officer

PRIMARY CONTACT

Pilot Power Group, Inc.
8910 University Center Lane, Suite 520
San Diego, CA 92122

December 9, 2019

Table of Contents

City of Del Mar
ATTN: Clem Brown
1050 Camino Del Mar
Del Mar, CA 92014

To Whom It May Concern:

Please accept this qualification ("Qualification") in response to the ***CLEAN ENERGY ALLIANCE request for qualifications for professional services from qualified firms for interim Chief Executive Officer*** **("RFQ").**

The primary contact person for the Qualification is:

Name:	Denis Vermette, President and Chief Financial Officer
Address:	Pilot Power Group, Inc. 8910 University Center Lane Suite 520 San Diego, CA 92122
Telephone:	(858) 678-0118
Facsimile:	(858) 678-0353
Email:	dvermette@pilotpowergroup.com

Pilot Power Group, Inc. ("PPG") submits this Proposal in response to the RFQ. We stand ready to provide the services as an interim Chief Executive Officer on behalf of the Clean Energy Alliance as well as exceed those requirements on many counts. Our proposed pricing for services is $33,000 per month for the responsibility for the functional areas of power procurement, integrated resource planning, energy infrastructure development, internal operations, marketing, customer service, community stakeholder relations, finance, and regulatory and legislative affairs.

To ensure the success of any Community Choice Aggregation ("CCA") program, as in any business, having the right individual or entity to lead the preparation and launch of the CCA is paramount. This individual or entity must have the capacity and understanding to develop, administer and manage the new organization; comprehend the requirements of contracting for procurement and vendors; create policies to govern by; understand the operations of billing and data management; involved in community marketing and customer service, and much more. Albeit, this cannot be done by a single individual alone and without additional resources. In most cases, new CCAs will hire additional resources (i.e., consultants) to facilitate a lot of these services. These resources then place an additional burden on the new CCA due to the extra costs associated with these additional outside advisors, potentially leading to budget constraints.

PPG, however, has the ability to perform all of these tasks in-house without requiring the outsourcing of resources to get the job done. In our response to your RFQ, we will demonstrate our capabilities, ensuring a successful launch with minimal outsources and maintain budget requirements. We have provided the exact same services for an existing CCA that launched in 2018, resulting in their first year's operational costs ending up below

their budget, exceeding expectations, and with minimal burden to the city council and staff. We are confident we can do the same for Clean Energy Alliance in the preparation and launch of your CCA.

For more than 18 years, PPG has consistently exceeded the expectations of all its clients in the California energy market through customized solutions, in-house teams to deliver on requests quickly, and a focus on the future of the industry to make adjustments and mitigate risks.

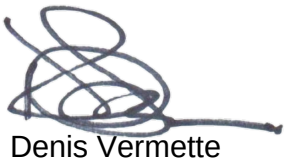
Having the breadth of knowledge in all areas is what makes PPG so unique. We launched King City Community Power ("KCCP") and continued to perform full-service operations to serve the community from enrollment and data management to customer experience and finance that no other consultant or organization has done in the CCA arena. Furthermore, we are working with Western Community Energy ("WCE") in the Southern California Edison ("SCE") territory to perform procurement and scheduling services.

Lastly, PPG's original business, Direct Access, serves over 1,000 accounts in all 3 utility service territories: PG&E, SCE, and San Diego Gas & Electric ("SDG&E"). Over the years, we have built and maintained outstanding relationships with all 3, and they continue to look to PPG as the gold standard of energy operations.

In preparation for this RFQ, I have reviewed the requirements of the project as described in the RFQ, and its enclosures.

Thank you for the opportunity to submit this Qualification.

Very truly yours,



Denis Vermette
President and CFO
Pilot Power Group, Inc.

1. General Qualification, Key Personnel & Sub-Consultants

a. General Qualification

Pilot Power Group, Inc. ("PPG") was founded in California in 2001. We quickly became a leading provider of innovative energy supply and energy management solutions for customers in the deregulated energy market. Furthermore, with the formation of Community Choice Aggregation ("CCA") in California and across the United States, we have also provided our Full-Service Option ("FSO") to local communities in establishing and operating CCAs. For over eighteen years, we have provided our customers with unique and customized services that can lower costs, reduce risks, and provide greater procurement flexibility. We offer services which include, but are not limited to procurement and energy portfolio optimization, forecasting, analysis, scheduling coordination, settlements, long-term resource planning, modeling, financial and regulatory accounting, legal and regulatory (including compliance), risk management, executive management, data management, billing, customer care, and many other professional services.

PPG is in a unique position and possibly the only provider in the industry who has provided the entire suite of services to a CCA without having to outsource any of the CCA functions. We understand all aspects of planning, launching, and operating a CCA. As a CEO of a CCA or any business, understanding the entire operation is key to its success. And do not be mistaken, a CCA is a business and operates differently than a government entity.

We are currently providing procurement, project planning, data management, operational services, and call center services for King City Community Power, which launched in July 2018. Additionally, we have been selected to provide scheduling coordination and forecasting services for Western Community Energy ("WCE"), whereby PPG has consumed WCE interval data into its system for six cities in the Western Riverside county consisting of approximately 114,000 customer accounts in the Southern California Edison ("SCE") territory.

Selecting PPG provides a multitude of benefits over other competitors:

- **SDG&E Relationship and Experience** – PPG has a long-standing working relationship with Adriana Magallanes, SDG&E Market Advisor, to ensure seamless account acquisitions and precise account maintenance.
- **Understanding of CCA Budget** – With PPG's unique KCCP structure, we are responsible for administering the budget and ensuring all operations are within the annual budget. PPG also records and processes all activity for KCCP, including such things as cash receipts, accounts payable, bank activity, etc. Every month, PPG will process all adjusting journal entries associated with month-end close, reconcile bank statements, and prepare a monthly financial summary packet for project management.
- **Contract Negotiations** – PPG currently negotiates contracts, credit, and pricing terms with various suppliers for Energy, RA, and RPS products for our own C&I portfolio and KCCP to achieve maximum benefits for our customers and find the lowest cost solutions. We will also be providing portfolio management services effective April 2020 to WCE. Having been in business since 2001, we have utilized our long-established relationships with various energy wholesalers to procure energy products for KCCP and our other Direct Access clients at the lowest costs.

- **Data Management** – For over 18 years, PPG's core business has been collecting, understanding, and analyzing energy data for our clients. Using this data and changes in the regulatory landscape, PPG is consistently enhancing our systems to ensure accuracy. As part of KCCP's full service, PPG has built a customized customer relationship tool so the call center and analysts can quickly provide a comprehensive and amazing customer experience.
- **Program Recommendations** – In partnership with King City's Council, we have identified several projects and programs that would be a benefit to the community, including a roof-top solar program for limited-income households. In the CCA's first year of operations, the CCA has assisted in sponsoring 16 installations to date. Furthermore, we are assisting the CCA with the identification and feasibility of a small (3-5 MW) photovoltaic field on city property that would otherwise be unusable. And finally, we identified an opportunity to provide the community with additional street lighting using photovoltaic technology. This program is slated to begin in 2020. We worked closely with the city to identify the needs of the community, ensuring the community benefits, not only on greener energy and savings, but also projects that improve the community as a whole.
- **Reporting** – Our **real-time** reporting engine provides users the ability to run ad-hoc reports from the database as well as schedule reports to run automatically at specified times as desired. Additionally, our customer portal provides staff, authorized consultants, and contractors 24/7 access to these generated reports, so your data is available when you need it. Our analysts are experienced and equipped to provide reports in digestible dashboards and PowerPoint reports that allow the Board of Directors to understand the key information necessary for decision-making quickly.
- **Regulatory Expertise** – PPG prepares and advises all FERC and California regulatory filings currently for PPG and KCCP. PPG also advises the University of California on regulatory matters. We have an internal team of attorneys, analysts, and outside counsel that support the day-to-day regulatory functions to ensure that PPG and our clients stay in compliance and up to date on regulatory changes. Regulatory Compliance Reports and related filings that we are making on behalf of PPG and KCCP include, but not limited to, the following regulatory programs:
    - CPUC Resource Adequacy
    - CAISO Reliability Requirements
    - CPUC Renewable Portfolio Standard
    - CPUC GHG Emission Performance Standard
    - CPUC Energy Storage Procurement
    - California Energy Commission Power Source Disclosure
    - California Energy Commission Integrated Energy Policy Report
    - CAISO Audit
    - ARB Retail Load Reporting
    - DOE EIA-861 M
    - DOE Natural Gas Exports
    - FERC Quarterly Filing

b. Key Personnel

Denis Vermette, MBA

President and Chief Financial Officer

Pilot Power Group, Inc.
8910 University Center Lane, Suite 520
San Diego, CA 92122
Phone: 858-678-0118 x101
Email: dvermette@pilotpowergroup.com

Educational Background

- B.A., Economics, University of Calgary, Canada
- MBA, Mays Business School at Texas A&M

Time Dedicated to CEA: 25%

As President and Chief Financial Officer, Mr. Vermette is responsible for PPG's business development, financial, and accounting functions. He has over twenty-five years of leadership experience in the energy industry, with over ten years of retail energy experience.

Before joining PPG, Mr. Vermette was the CFO and Corporate Treasurer at several electric and natural gas retail energy companies with operations throughout the United States. Other positions held by Mr. Vermette include finance, credit, and market risk positions at investor-owned utilities such as AGL Resources, Dominion Resources, and Ameren Corporation. Mr. Vermette is also a leader in the credit community, having served various board and committee positions with the International Energy Credit Association (IECA), including the position of President.

Mr. Vermette holds a Master of Business Administration from the Mays Business School at Texas A&M University and a B.A. in Economics from the University of Calgary.

Sheetal Parr, MBA

Vice President, Operations and Procurement

Pilot Power Group, Inc.
8910 University Center Lane, Suite 520
San Diego, CA 92122
Phone: 858-678-0118 x125
Email: sparr@pilotpowergroup.com

Educational Background

- B.S., Business Administration, Finance, State of New York University at Buffalo
- M.B.A., Regis University

Time Dedicated to CEA: 25%

Ms. Parr joined PPG in May 2017 as Vice President of Operations managing day to day operations, procurement responsibilities, and regulatory filings. Ms. Parr has over 16 years of experience in both North American Natural Gas and Power markets, holding various trading, marketing, operations, and functional support roles. Prior to joining the team, Ms. Parr worked at Power Costs Inc., where her primary responsibilities were product development for their Natural Gas ETRM system. During her term at PCI, she was also responsible for project management and system implementation for their clients.

Ms. Parr also worked at Shell Energy North America for 10 Years. During her tenure at Shell, she held various roles in Management, Sales, and Accounting. She was awarded Shell Commitment Award in 2011 for being the lead for the commercial and industrial team for the successful implementation of the Single Gas Platform. She was also chosen as a candidate for Shell Project Better World in Sirsi, India, in 2015. She participated in the program collecting various research data and working closely with the scientists to explore the impacts of fragmentation, degradation, and climate change on the forests of the Western Ghats and their associated human and wildlife communities.

Ms. Parr started her career in accounting with a Natural Gas Utility based out of Buffalo, NY. During this time, she advanced into trading, scheduling, and market planning. Ms. Parr holds a Master of Business Administration degree from Regis University in Denver, Colorado and a B.A. in Finance from the State University of New York at Buffalo.

Jennifer Wong, MBA, LSS Green Belt

Manager, CCA Account Services

Pilot Power Group, Inc.
1900 Powell Street
Emeryville, CA 94608
Phone: 510-393-1989
Email: jwong@pilotpowergroup.com

Educational Background

- B.A., Economics, UC San Diego, La Jolla, CA
- MBA, Finance, St. Mary's College, Moraga, CA

Time Dedicated to CEA: 75%, will be the main point of contact for CEA

Ms. Wong joined PPG in July 2019 and is responsible for managing CCA relationships, as well as provide business development support for further CCAs. Prior to joining PPG, Ms. Wong worked with an existing CCA to enhance and optimize call center operations.

Ms. Wong has extensive experience with the IOU, having worked for PG&E as a compliance consultant expert and business operations expert. She has written the testimony, presented at CPUC workshops, and responded to advice letters on behalf of PG&E. She managed risks associated with PG&E's Third Party (CTA, DA, CCA) tariffs, improved processes, and implemented Third Party billing, payment, and collection system enhancements to achieve millions in avoided costs and annual savings for PG&E and Third Parties.

Matthew Lacy, CPA

Controller

Pilot Power Group, Inc.
8910 University Center Lane, Suite 520
San Diego, CA 92122
Phone: 858-678-0118 x113
Email: mlacy@pilotpowergroup.com

Educational Background

- B.S., Managerial Accounting, CSU Sacramento, Sacramento, CA

Time Dedicated to CEA: 25%

Mr. Lacy joined PPG in August 2018 as Controller, in charge of all aspects of accounting for PPG.

Prior to joining PPG, Mr. Lacy had over 12 years of public accounting experience, where he was a Manager in audit and assurance services at two large regional accounting firms. His experience covers a variety of industries and business types, providing a broad background in accounting best practices and generally accepted accounting principles.

Mr. Lacy holds a B.S. in Managerial Accounting from CSU Sacramento, holds an active CPA license from the state of California, and is a member in good standing with various accounting associations including the AICPA.

Angela Gregory

Manager, Regulatory Affairs

Pilot Power Group, Inc.
8910 University Center Lane, Suite 520
San Diego, CA 92122
Phone: 713-253-9891
Email: agregory@pilotpowergroup.com

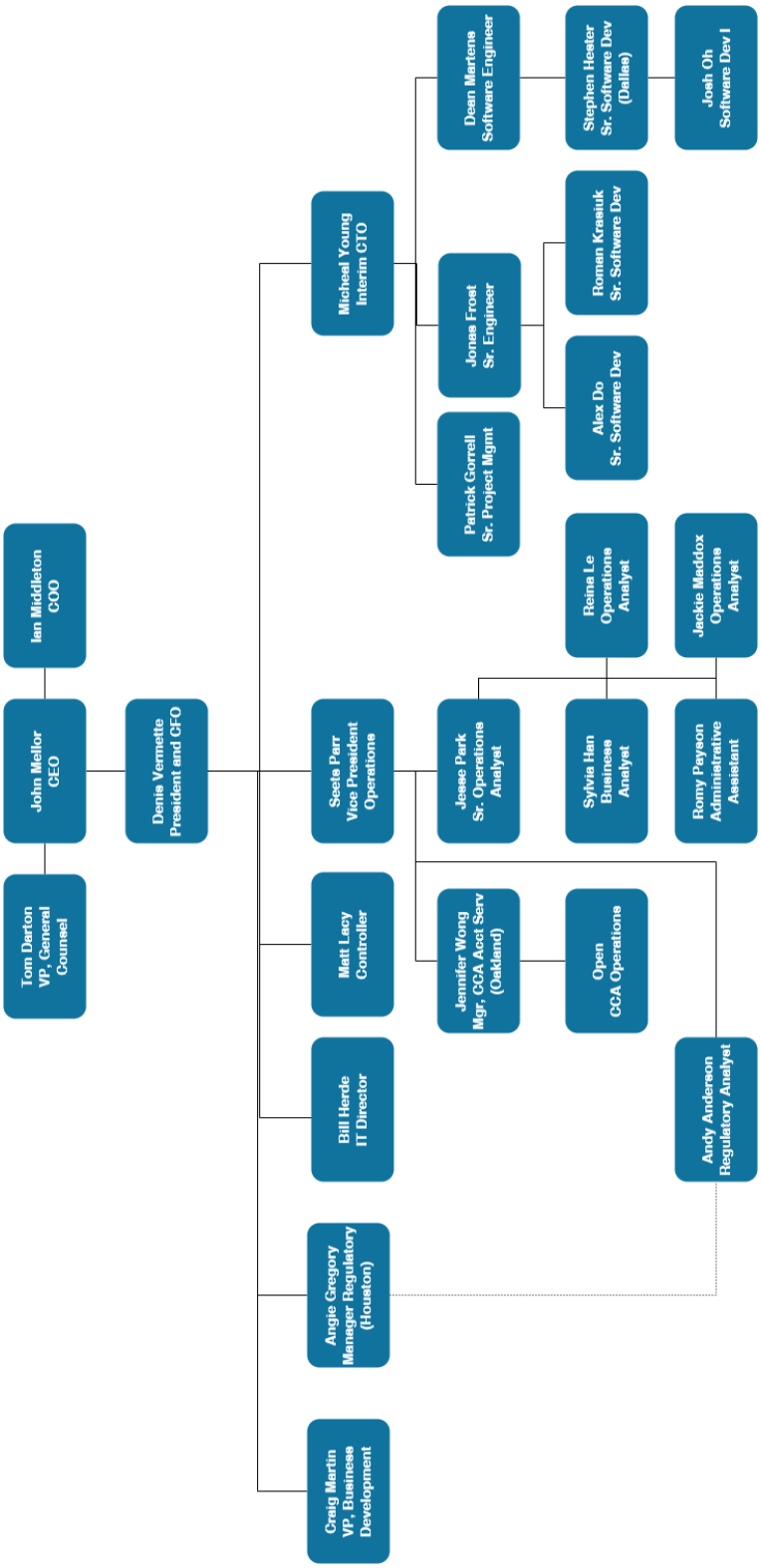
Educational Background

- B.S. Human Nutrition, Texas A&M University, College Station, TX

Time Dedicated to CEA: 50%

Ms. Gregory has worked in the energy industry for almost 15 years with experience in upstream and downstream markets for electricity and natural gas. Most recently, Angela's experience has been focused on regulatory affairs for deregulated markets. Prior to PPG, Ms. Gregory worked for EDF Trading North America and Direct Energy. She is a graduate of Texas A&M University.

c. Organizational Chart



2. Experience

a. King City Community Power

Client Name:	King City Community Power
Contact:	Steve Adams, City Manager 831-386-5917 sadams@kingcity.com
Scope of Service:	Planning, Programming, Launch, and Operations (which included Procurement, Long-term Resource Planning, Marketing, Customer Care, Data Management, Finance, Regulatory, Settlements, Risk Management, Executive Management, and Billing)
Completion Date:	Contracted until December 31, 2025
Total Annual Cost:	Approximately $250,000

b. Western Community Energy

Client Name:	Western Community Energy
Contact:	Barbara Spoonhour, Deputy Executive Director (951) 405-6760 bspoonhour@wrcog.us
Scope of Service:	Procurement, Scheduling Coordination, Risk Management, Financial Planning, and Rate Setting
Completion Date:	Contracted until December 31, 2023
Total Annual Cost:	$500,000
Summary:	We have been actively involved with WCE negotiations with its credit provider, providing the financial and cash flow proformas supporting the approved operating and letter of credit facilities and debt service coverage. We have identified the waterfall for the moving of funds to support the procurement of energy, creditors, vendors, and the CCA. Additionally, we were actively involved in the negotiations with the IOU supporting the CCA's Resource Requirements.

c. Shell Energy North America

Client Name:	Shelly Energy North America
Contact:	Patrick Scott, West Retail (858) 320-1578 Patrick.scott@shell.com
Scope of Service:	Consulting Services, Rate Analysis, Portfolio Analysis, System Reporting, Special Projects, Battery Technology Analysis, Data Management, and Billing Operations
Completion Date:	On-going relationship since 2004

The following team members will be working with CEA on the scope of service:

Name	Title
Denis Vermette	President and CFO
Sheetal Parr	VP of Operations
Jennifer Wong	Manager of CCA Account Services
Matt Lacy	Controller
Angela Gregory	Manager of Regulatory Affairs

3. References

The following organizations, partners, and customers are references that illustrate a sampling of the strong professional relationships that PPG holds with those we work for and with to deliver value to our customers and community. The primary contact for each reference has been contacted and is ready and willing to talk with CEA staff should they be called upon.

City of King – CCA

Contact:
Steve Adams, City Manager

212 South Vanderhurst Avenue
King City, CA 93930
831-386-5917
sadams@kingcity.com

Company Description:
King City is a city in Monterey County, California, United States. King City is located on the Salinas River 51 miles (82 km) southeast of Salinas, at an elevation of 335 feet (102 m). It lies along U.S. Route 101 in the Salinas Valley of the Central Coast. King City is a member of the Association of Monterey Bay Area Governments.

Scope:
PPG is providing EDI and back-office services supporting the launch of its local CCA.

Pacific Gas and Electric

Contact:
Kathy Follan, Account Manager

245 Market Street
San Francisco, CA 94105
415-973-6479
KMF1@pge.com

Company Description:
Pacific Gas and Electric Company is one of the largest combined natural gas and electric energy companies in the United States. PPG provides natural gas and electric service to approximately 16 million people throughout a 70,000-square-mile service area in northern and central California.

Scope:
PPG has a long-standing working relationship with PG&E to ensure seamless account acquisition and precise account maintenance.

Western Community Energy

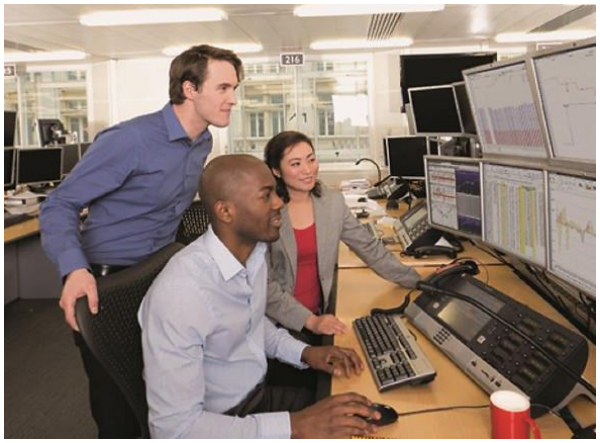
Contact:
Barbara Spoonhour, Deputy Executive Director

Western Riverside Council of Governments
Western Community Energy
3390 University Avenue, Suite 450
Riverside CA 92501
Phone: (951) 405-6760

Company Description:
Western Community Energy (WCE) is a Community Choice Aggregation (CCA) program developed by WRCOG to serve interested communities in Western Riverside County. Offering its community with competitive energy rates compared to those offered by Southern California Edison (SCE). WCE is scheduled to launch in April 2020.

Scope:
PPG has been selected by WCE to provide portfolio management and scheduling coordination services. To be able to facilitate these services, PPG consumed all of WCE territory, which is in SCE service territory, interval data to determine load profiles and forecasts.

Shell Energy North America



Contact:
Patrick Scott, West Retail

4445 East Gast Mall, Suite 100
San Diego, CA 92121
858-320-1578
Patrick.scott@shell.com

Company Description:
Shell Energy aims to meet the energy needs of society in ways that are economically, socially and environmentally viable, now and in the future. Learn about our business and people, and how a small shop in London nearly 200 years ago grew to become one of the world's major energy companies.

Scope:
PPG has provided a full suite of back-office services to Shell Energy North America since our inception. Our services ensure customers are provided the highest level of service offered in the market.

University of California

Contact:
Mark Byron, Electricity Program Manager

1111 Franklin Street
Oakland, CA 94607
510-287-3846
mark.byron@ucop.edu

Company Description:
The University of California (UC) is a public university system in the U.S. state of California. Under the California Master Plan for Higher Education, the University of California is a part of the state's three-system public higher education plan, which also includes the California State University system and the California Community Colleges System.

Scope:
PPG has completed a range of services for UC from EDI testing to account maintenance, to usage data processing and SQMD aggregation, our services support UC as an Energy Service Provider in California.

4. Approach of Proposed Services

a. CEA Administration and Management Responsibilities:

With each new client, PPG appreciates the opportunity to learn how the organization is currently set up and review the goals of each group as well as talk to any contractors or consultants currently in place. We are here to build relationships and partnerships with our clients to guide them through a smooth transition.

Our team consists of experienced professionals from Fortune 500 companies specializing in the California energy sector. Our experiences encompass end-to-end operations ranging from procurement, billing and settlement, regulatory, and finance. We understand that building a team and establishing policies and procedures are the core of effective operations. We intend to provide our expertise in helping develop metrics and dashboards to show progress; gaining everyone's input and advising the team on the most appropriate energy programs; and building a culture of compliance with all tariffs, CPUC Decisions, CAISO rules, and state/federal rules while maintaining low overhead costs. We also understand that the first year of the CCA's operation is the most critical and will provide our lessons learned with KCCP to leverage CEA's enrollments and launch to prevent as many opt-outs as possible.

Having our own customers and client needs, PPG knows, firsthand, the importance of integrated systems to provide the best customer experience. Personally, we have implemented our own set of integrated systems to serve our customers and clients and can provide best practices to help CEA avoid missteps along the way without employing additional consultants.

Lastly, PPG recognizes the criticality of CCA budgets. For KCCP, we have maintained approximately 25% of its annual budget as a reserve, and it continues to grow. This ensures KCCP can increase its discounts to its customers and provide value to its customers. The program has been so successful in its first year, customer savings have increased to 5% over the IOU. Further, our procurement strategies have enabled KCCP to pursue its goal of exceeding the state requirement for its renewable energy portfolio in 2020. Moreover, in the program's first year of operations, the CCA's financial results surpassed its budget by 4.35%. As a result, our approach to finances has protected KCCP and positioned it to be able to afford unexpected expenses. PPG will carry its effective money management skills into CEA to oversee the initial $450,000 annual budget.

b. Program Development:

Our team has worked with several CCA members and gained solid working knowledge on the programs that each CCA has offered to their community and whether or not they are effective. Furthermore, we are inquisitive and have learned why these programs serve their particular communities well. This awareness will translate well into CEA's decision-making process that PPG intends to facilitate with the team, which will also be communicated to the Board of Directors.

Also, data is fundamental in supporting the testimony. While the information from other CCAs is extremely valuable, PPG still believes the data is a requirement to demonstrate CEA's real opportunities. By utilizing a combination of energy data, customer satisfaction information, and our historical expertise, PPG can guide CEA and its Board of Directors by presenting the advantages and disadvantages from governance, operational, regulatory, financial, and customer experience standpoint, providing a 360-degree viewpoint of the options.

We understand that the Board of Directors' time is valuable and plan to share all the data in a CEO memo prior to each of the Board Meetings, so the Board of Directors has all the information prior to the meeting. We reserve the meetings for necessary discussion and final decision-making.

c. Collaboration and Community Engagement:

All of the opportunities and activities are essential to the CCA but are nothing without the collaboration of the Board of Directors and the community it serves. With CEA being right in PPG's backyard, we fully understand the customer base and the potential needs that CEA will face. PPG fully intends to work with local organizations and build a strategy to develop a core team that can excite the community.

For example,

- Marketing and strategy member or team to build marketing materials, communicate and inform customers, and solicit feedback for improvement
- Outreach organization to attend local community events and execute on marketing strategies
- Key accounts manager or team to reach out to large businesses to engage customers in ways that most utilities are not equipped to do

Working closely with the interim Treasurer/Chief Financial Officer, PPG's team will develop options for the Board of Directors to feel comfortable with.

d. Policy and Regulatory Advocacy:

With over a combined 30 years of regulatory experience, PPG's team is consistently keeping up to date on any changes from a state/federal, CAISO, CPUC, and utility level. We analyze each level to determine how it impacts the CCA's operations and challenges they may pose. We will continue the efforts as we do so for other CCA clients and will be advocating on behalf of their best interests. PPG will provide regular updates to the team and summarize the changes to the Board of Directors to ensure they stay informed.

We have staff that is experienced in speaking at large forums such as conferences and CPUC workshops, which are able to represent CEA at government hearings and public meetings.

e. Summary

In summary, PPG is uniquely positioned to deliver innovation for how CEA manages its energy usage. We believe that the "Value Added Services" are the next evolution of the CCA business.

From microgrids optimization to DER metering and verification, our expertise will help you implement the most progressive carbon-reducing initiatives. Our team of energy experts will help you ensure the program is implemented and tracked to achieve the maximum benefits for CEA's customers.

Our team has over 100+ years of combined experience assisting load-serving entities in the SDG&E territory; consequently:

- We have over a decade of data exchange experience, specifically with processes handling SDG&E data files

- We understand the validation and processing required for EDI, XML, and CSV data from SDG&E
- We have a thorough understanding of all roles that each party plans, which will help us work efficiently with contractors, SDG&E, and CCA staff
- We have over a decade of compiling regulatory filings and filing them accurately
- We have experience attending CPUC proceedings, presenting to interveners, and advocating for our clients
- We have over a decade of experience with forecasting energy consumption, generation production, and supply requirements
- We understand the data and process involved with financial risk management and integrated resource planning
- We have a Web-based delivery model that is capable of optimally handling the big data Analytics associated with an enterprise utility software solution. We have an efficient database structure that can handle the big-data associated with real-time metering and Web interfaces
- We believe we are the only company with over a decade of mass-market data exchange
- We are the only company with an enterprise platform that integrates web portal access, customer enrollment information, usage (EDI, Green Button, HAN), billing, payments, CRM, ETRM, Credit reporting, Rate Ready validations, Bill Ready validations, snapshot validations, aging validations, advanced forecasts, weather data, program tracking, customer service reporting and many other existing and customizable reports
- Our aging validations and reports are unique in the industry. Our system operates and reports in real-time, and will identify aging discrepancies before significant cash flow problems arise
- We are located in San Diego and are willing to be at CEA's offices as needed

5. Pricing for Services and Schedule

a. Pricing for Services

In this Proposal, PPG is offering RFQ-compliant Primary Services as well as additional enhanced technical services. Prices included in this Cost Analysis and Budget for Primary Services are reflective of the assumption that PPG is offering interim CEO services as a bundled package.

Travel time relating to the scope of the project will not be billed to CEA and is included in the cost of the proposal.

CEO Professional Services Thru 6/30/20			
Interim CEO Professional Services	Expiration 6/30/20	**$33,000**	Per Month

To provide CEA further flexibility and additional cost savings, we are also offering to extend on a month-to-month basis after the expiration of June 30, 2020.

Optional Extended CEO Professional Services (On-going After 6/30/20)		
CEO of Professional Services	**$29,500**	Per Month

At the request and approval of CEA travel time required for specials projects or consulting services, outside this Proposal, will be billed at the rates outlined below, and any out of pocket expenses be billed at cost with no markup.

Special Project Consulting Services			
Time & Material	Executive Consultant	$250.00	Hourly Rate
	Consultant	$160.00	Hourly Rate
	Analyst	$90.00	Hourly Rate

b. Schedule

Given PPG's proximity to CEA's office and experience in the CCA market, PPG expects to be fully operational within 3 weeks of "Notice to Proceed."

Below is a list of deliverables and schedule PPG would be expected to produce for CEA and its Board of Directors:

#	Deliverable	Summary	Est. Hours (PPG)	Est. Due Date
1	Notice to Proceed	CEA has completed selection of Interim CEO. PPG will compile contract and send to CEA for review and approval.	8	12/19/19
2	Contract Negotiation	Review and discuss contract.	16	1/9/20
3	(Initial) Current State Assessment	Talk to all current CEA members, Board of Directors, and consultants to get feedback on current state and document current state. Use data and analysis including, but not limited to SWOT analysis, Porter's Five Competitive Forces, and PESTLE. Identify each group's SMART goals and objectives.	40	1/31/20
4	Reporting System to BOD	Develop template for memo and PowerPoint presentation to ensure consistent communication to Board of Directors.	24	1/31/20
5	Metrics and Dashboards	Identify and develop relevant metrics that would be communicated to CEA and Board of Directors through a dashboard that can be used in Board Meetings and decision-making.	80	2/29/20
6	Risk Management Policy (if applicable)	Issue a framework for conducting procurement activities that maximizes the probability of CEA's goals (for scheduler).	80	2/29/19
7	Maturity Model	Develop maturity matrix for CEA to use in the future in evaluating its policies and procedures, programs, and compliance.	80	3/31/20
8	Relevant CPUC proceedings and Utility advice letters	Compile list of active and relevant CPUC proceeding and utility advice letters that are pertinent to CEA's operations and provide a template for status reports.	24	3/31/20
9	Customer Journey	Map out all the ways for which a customer can contact CEA for questions, concerns, opt-out up, and feedback. This will be used for call center operations and enhancing the customer experience.	80	4/30/20
10	Staff Proposal	With coordination from the interim Treasurer/Chief Financial Officer and input	40	4/30/20

#	Deliverable	Summary	Est. Hours (PPG)	Est. Due Date
		from the current team, PPG will develop a list of staff members, associated job descriptions, and organization chart to build CEA's organization.		
11	Policies and Procedures	Document policies and guidelines for CEA operations. List and outline of procedures/process maps necessary for CEA's continuity.	160	5/31/20
12	Recommendations on Process Improvement (if applicable)	Under the assumption that there are current processes in place, PPG and the CEA team will review the processes and identify any gaps then proceed to recommend any solutions to close the gap and mitigate risks.	24	5/31/20
13	Communication and Change Management (if applicable)	With issuance of deliverables, summarize changes and development communication plan to current staff, Board of Directors, consultants, and customers (if applicable).	40	6/15/20
14	Governance Charter	Create and develop a governance structure and implement charter for CEA which includes but not limited to mission, purpose, process stakeholders, meeting frequency, revisions to documentation, and escalation paths.	40	6/30/20
15	Strategic Framework	Develop 1-page summary of CEA's vision, mission, purpose, and strategic initiatives.	40	6/30/20
16	Compliance Items and Inventory	Identify all compliance items that CEA will need to comply with and provide an inventory that contains the requirements and references to utility advice letter or CPUC decision.	40	6/30/20
17	Technology Roadmap	With coordination from the interim Treasurer/Chief Financial Officer and input from the current team, PPG will review all current systems and identify system gaps to compile a plan for IT infrastructure.	160	6/30/20
18	Program Recommendation	With coordination from the interim Treasurer/Chief Financial Officer and input from the current team, PPG will compile a list of programs that CEA can implement and provide the advantages and disadvantages of each program.	160	6/30/20
19	(End) Current State Assessment	Using a combination of deliverables, metrics, and feedback from staff, Board of Directors, and consultants, compare the	40	6/30/20

#	Deliverable	Summary	Est. Hours (PPG)	Est. Due Date
		results from the initial current state analysis to the new current state assessment to identify any gaps that still need to be closed.		
Total Estimated Time for Completion			1,176 hours	

6. Financial Viability

PPG is a privately held company. PPG's financial statements has been audited annually since inception and reported as consolidated financials. As a private company, the audited financial statements are not publicly available. However, PPG is prepared to provide CEA two years of audited financial statements under "CONFIDENTIALITY" and an executed Mutual Non-disclosure Agreement, at the request of CEA.

7. Cyber Security Insurance Policy

In addition to all the steps PPG has taken to protect against a cybersecurity event, we also have in place comprehensive insurance coverage with Coalition Insurance Solutions (part of Swiss Re LTD – A.M. Best A+ rating; and part of Argo Group Int. Holdings – A.M. Best A Rating). This policy covers the following:

- Network and Information Security Liability
- Regulatory Defense and Penalties
- Multimedia Content Liability
- Breach Response
- Crisis Management and Public Relations
- Cyber Extortion
- Business Interruption and Extra Expenses
- Digital Asset Restoration
- And more

8. Contact Information

Organization	Contacts	Services
Pilot Power Group, Inc. **Headquarters** **8910 University Center Lane, Ste. 520** **San Diego, CA 92122** **www.pilotpowergroup.com** **Branch Offices** • Emeryville, CA • Dallas, TX • Houston, TX **Legal Structure:** S Corporation	**Primary Contact:** Denis Vermette **Telephone:** (858) 678-0118 **Fax Number:** (858) 678-0353 **E-mail:** dvermette@pilotpowergroup.com **Principal Officers:** Ian Middleton, *Chief Operating Officer* Denis Vermette, *President and CFO* Matt Lacy, *Controller* Seets Parr, *Vice President Operations*	• Establishment of policies and procedures • Evaluation and implementation of CEA programs • Administration and maintenance of annual operating budget • Oversight and implementation of systems • Coordination with Board • Presentation and analysis of regulatory decisions • Coordination of program planning with CEA jurisdictions • Representation on behalf of CEA at public events and government hearings • Compliance with all SDG&E Rules and Tariffs

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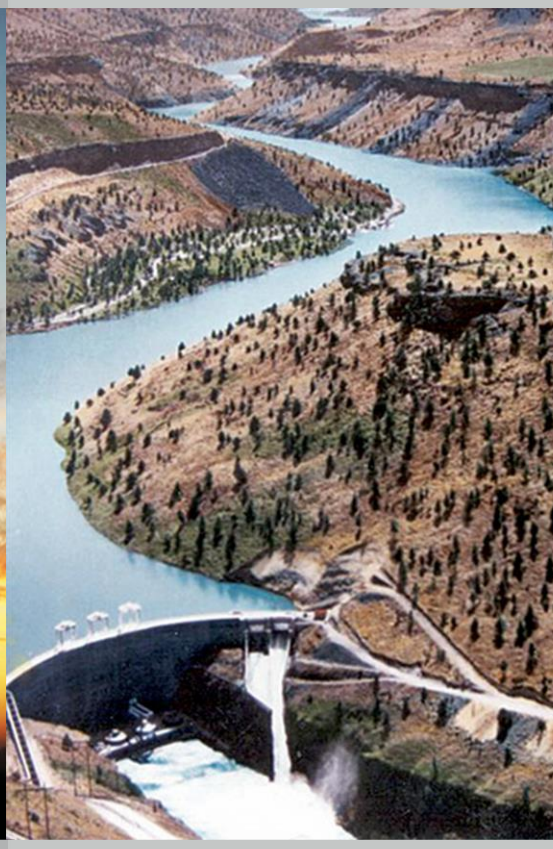
Clean Energy Alliance

Request for Qualifications for Interim Chief Executive Officer and Technical Services

December 2019



EES Consulting, Inc.

A registered professional engineering and management consulting firm with offices in Kirkland, WA; Portland, OR; Spokane, WA; and La Quinta, CA

570 Kirkland Way, Suite 100
Kirkland, Washington 98033
(425) 889-2700

www.eesconsulting.com

EES Consulting

December 9, 2019

Mr. Clem Brown
City of Del Mar
Environmental Sustainability/Special Projects Manager
1050 Camino del Mar
Del Mar, California 92014

SUBJECT: CEA RFQ Interim CEO

Dear Mr. Brown:

EES Consulting, Inc. (EES) is pleased to submit this proposal to Clean Energy Alliance (CEA) to fulfill duties required of an Interim Chief Executive Officer.

EES is uniquely qualified to assist the CEA in this project for the following reasons:

- EES has supported several CCAs during the launch phase including California's largest CCA: Clean Power Alliance. In addition to CPA, EES has played crucial roles in launching Western Community Energy, the City of San Jose, and is currently working with Butte Choice Energy during their implementation phase. EES staff are already engaged in important regulatory matters that impact CCAs as well as the timelines, filings, and requirements for CCA implementation
- EES has selected Jack Clark to act as Interim CEO. Jack has more than 20 years of experience in Energy, Environmental and Cultural programming directed solely at developing large scale comprehensive and inclusive solutions to resource conservation. He leads the strategy, development and execution of renewable energy, energy efficiency, clean transportation, distributed generation, and advanced clean energy market transformation programming and initiatives. Jack is an experienced leader in the electric utility industry making him a strong choice for CEA's Interim CEO.
- EES is the only firm to have worked for all of the San Diego area jurisdictions considering CCA. EES has built relationships with each of these clients, which will pave the way for smooth inter-CCA collaboration.

570 Kirkland Way, Suite 100
Kirkland, Washington 98033

Telephone: 425 889-2700 Facsimile: 425 889-2725

A registered professional engineering corporation with offices in
Kirkland, WA; Portland, OR; Spokane, WA and La Quinta, CA

- EES has negotiated over 100 power purchase agreements in the electric utility business including deals between CCAs and IOUs. EES has been on both sides of negotiations and brings creativity, experience, and technical analysis in support of each potential contract.

- EES is a multidisciplinary firm serving electric power utility clients with extensive economic, engineering and financial analysis qualifications. EES's ability to apply hard engineering principles to what is sometimes viewed incorrectly as a "financial analysis" is unique with EES.

- The senior staff at EES are widely known as competent instructors in the areas of electric utility costing including wholesale power procurement and delivery cost, non-power supply costs, wholesale power market forecasting, cost of service, rate design, capital budgeting, financial management and overall utility operations. We teach a number of courses and workshops on these subjects. These classes are taught on behalf of the Northwest Public Power Association (NWPPA), Washington PUD Association (WPUDA), American Public Power Association (APPA), American Water Works Association (AWWA) and the California Municipal Utilities Association (CMUA).

We look forward to working CEA at this very exciting time, and hope to hear back from you in the near future.

Very truly yours,

Gary Saleba
President/CEO

Table of Contents

General Qualifications & Key Personnel

Staff Resumes

EES has a senior staff of consultants with over 20 years' experience in advising electric power utilities in financial analysis, cost of service, rate design and wholesale power acquisition. EES has been in operation since 1978 and has assisted electric power utilities in North America since the inception of the firm.

Jack Clark, Consultant
M.A., Community Planning emphasis on Sustainability, Northern Arizona University, Flagstaff, AZ
B.A., Anthropology & Environmental Science, Northern Arizona University, Flagstaff, AZ

Jack Clark is the Head of Department for Energy Operations at DNV GL. Jack has more than 20 years of experience in Energy, Environmental and Cultural programming directed solely at developing large scale comprehensive and inclusive solutions to resource conservation. He leads the strategy, development and execution of renewable energy, energy efficiency, clean transportation, distributed generation, and advanced clean energy market transformation programming and initiatives. Jack currently sits on the Board of the California Energy Efficiency and Demand Management Council.

Prior to his work at DNV GL, Jack was the Deputy Director of the Energy & Sustainability Division at the City of San Diego where he was responsible for implementing the City's comprehensive energy programs. He worked closely with staff, other City departments and community members to incorporate a broad range of energy efficiency, clean renewable generation and environmental quality issues into City operations and community programming. He oversaw the City operations energy use, billing, rates, development of the Municipal Energy Plan, community energy and sustainability programs and compliance with the City Climate Action Plan. Projects also included deployment and retrofitting of 14,000 Intelligent St. Lights (with 3400 smart sensors), installation of 8 MW of Solar on City Buildings & facilities, feasibility study and analysis on San Diego's goal of reaching 100% Renewable Electricity by 2035, and many others. Jack led the City's Sustainable Energy Advisory Board, represented the City of San Diego as the Vice Chair and Board member of the California Local Government Sustainable Energy Coalition, and was a member of the SANDAG Energy Working Group.

Prior to joining the City of San Diego, Jack was the Director of Programs at the Center for Sustainable Energy where he led the strategy, development and execution of renewable energy, energy efficiency, clean transportation, distributed generation, and advanced clean energy market transformation programming and initiatives. He has worked closely with utilities, governmental agencies, the business community and all other stakeholder groups presenting on a wide variety of topics in the field of sustainable energy.

Gary Saleba, Principal
M.B.A., Finance, Butler University, Indianapolis, IN
B.A., Economics and Mathematics, Franklin College, Franklin, IN

Gary Saleba has over 25 years of experience in providing consultant services to electric power utilities. Gary started EES in 1978 and has worked for our electric power utility clients ever since. Gary's areas of specialty include overall quality control for EES's projects as well as development of corporate management, financial and strategic planning models primarily for electric, natural gas and water utilities. He has extensive experience in the areas of utility rate design, revenue requirement analysis, Cost of Service, financial planning, management audits, professional development educational seminars, marketing, consumer research, forecasting, integrated resource planning, cost-benefit analyses, overall strategic planning, and mergers and acquisitions.

Having worked as a utility employee, Gary combines an extensive background as both a utility industry expert and a management consultant. He is able to draw upon this professional and educational experience to manage projects including comprehensive water, wastewater, gas and electric cost of service studies, strategic planning, and management critiques for clients throughout North America. His experience extends to alternative fuel cost comparisons, econometric forecasting models, resource planning and reliability studies. Gary has participated in numerous generic utility proceedings, testified before over 200 regulatory bodies and courts of law and coordinated over 500 financial planning, rate study, resource acquisition, and strategic planning studies.

Gary has served on numerous energy and natural resource-related trade associations, including as Chairman of the American Water Works Association Financial Management Committee and Management Division. He has also served on the board of directors for the Northwest Public Power Association and on the Board of Directors for ENERconnect, Inc., a bulk power aggregation and procurement entity serving the municipal utilities in the Province of Ontario.

Howard Choy, Senior Associate
B.S., Mechanical Engineering, University of California at Berkeley
Registered Professional Engineer
Certified Energy Manager

Howard Choy will provide support to Jack Clark as the local face and presence of the Project. Howard has worked with EES over the past three years on EES' CCA projects and has provided oral and written communications and presentations on CCA to local elected, their staff, key community stakeholders and the public. Howard was deeply involved with EES' CCA projects in the San Diego region; including the CCA studies for the cities of Encinitas/Carlsbad/Oceanside/Del Mar, the cities of Chula Vista/La Mesa/Santee, and the County of San Diego.

Prior to joining EES Consulting, Howard served as the General Manager of the County Office of Sustainability for the County of Los Angeles and led the development of the County's CCA Feasibility Study and Business Plan before his retirement from the County in 2017. Howard also

managed the County's $300 million Utilities and Energy annual budget which included oversight of County-internal and regional public and private sector energy programs. As part of this job, Howard routinely participated in and spoke before the State's energy regulatory agencies.

Howard also led the development of Statewide and regional energy organizations focused on developing a greater role for local governments in State energy policy and practice. He founded and lead, as Board Chair, the Local Government Sustainable Energy Coalition – a consortium of local governments that lead their participation in regulatory agency proceedings. He also led the creation of the Southern California Regional Energy Network – a government run program that received CPUC authorization to use IOU ratepayer energy efficiency program funding under independent County administration. Howard also helps CCAs understand the range of funding sources throughout the State for customer energy programs.

Gail Tabone, Senior Associate
M.S., Agricultural and Applied Economics, University of Minnesota
B.S., Economics, University of Minnesota

Gail has over 30 years of experience in short- and long-term utility planning related to both operations and financial analysis. Gail has managed projects concerning power supply planning, load aggregation, cost of service and rate analyses, and regulatory proceedings. Her experience includes power supply management for a large public utility district in the Northwest that diversified from the Bonneville Power Administration. This project included load forecasting, optimization of resource and contract options, procurement and negotiations for power supply, power supply cost estimation, negotiating transmission contracts, auditing of scheduling and dispatching services, rate design and devising customer choice programs.

Gail participated in the deregulation process very early on when she assisted an Alberta municipal utility through the deregulation that occurred in that province resulting in the establishment of a power pool and a grid operating company. She was involved in strategic planning and regulatory intervention for the utility and performed an unbundled cost of service study incorporating the new power supply and transmission costs.

Gail has been actively involved in resource planning, evaluating resource proposals and negotiating contracts for numerous utilities. She has assisted a group of Northwest public utility districts and municipal utilities with load aggregation, evaluation of power supply proposals, and negotiations for supply and transmission contracts. She has also assisted municipal utilities in California in the area of transmission rate design and has worked for municipal utilities with respect to participation in the California ISO.

Gail is skilled at determining clients' needs in the changing utility environment. She develops unique approaches to the analysis of issues facing each client. While her primary focus is economic, she also has a thorough knowledge of the technical issues related to power supply diversification.

Steven Andersen, Manager of Project Evaluations
B.S., Electrical Engineering, University of Washington

Steve has over 15 years of experience in developing wholesale power supply pricing and financial analysis for electric utilities. Steve has been with EES since 1995. Steve's broad knowledge of the engineering field enables him to handle most technical issues and provide economic and technical analyses for utility and industrial clients of EES. He has evaluated power supply proposals for many utilities in the northwest. He has calculated the potential savings in total power supply costs offered by competing suppliers. With his background in power engineering, he is able to assess the technical barriers to potential savings in today's changing electric industry.

Steve has been responsible for managing the interplay of multiple power supply contracts for a major Northwest utility. He has monitored the hourly loads and power schedules of the utility and recommended changes to economically optimize the utility's various resources. He has also negotiated and implemented short and long-term power supply and transmission contracts on behalf of the utility.

Steve has performed integrated resources plans for both large and small utilities and has performed resource feasibility studies for both utility and industrial clients.

He has performed cost of service analyses for many utilities. This analysis includes developing rates for residential, commercial and large industrial customer classes. He has also audited the power supply costs of large industrial corporations and suggested options for reducing their overall costs.

Steve has experience monitoring gas and electric markets and recommending purchases based on potential savings in total power supply costs. He is familiar with the functionality of hourly, daily, monthly, and long-term energy markets.

Amber Nyquist, Manager Economic Evaluations
M.A., Economics, Simon Fraser University
B.A., Economics, Western Washington University

Amber has over 10 years of experience. Amber manages the economic and financial studies conducted by EES. Not only is she experienced in CCA feasibility studies, she regularly assists Western Community Energy in their prelaunch efforts and requirements. She offers experience and knowledge to a wide range of topics related to regulated utilities. Her background includes cost of service analysis, electric rate design, integrated resource planning, and other power supply analysis. Amber has provided specific resource evaluations and economic feasibility studies for demand-side and conservation resources, geothermal, wind, large hyrdropower, renewable energy credits, and gas-fired generation among others.

In addition to resource planning, Amber uses her background in econometrics and data analysis to develop load forecasts, normalize electric loads according to weather, and to develop market price forecasts. She also conducts conservation program evaluations and provides utilities with statistically significant results, which assist in utility program planning, data collection, and

presentation. Finally, Amber and her staff have performed over 70 conservation potential assessment studies for electric utilities on the west coast.

Kimberly Gentle, Senior Associate
Spokane Community College, University of Reno, Nevada

Kimberly has over 20 years of experience in developing wholesale and retail power contracts, origination and risk management for electric utilities and power brokers. Ms. Gentle's knowledge of wholesale energy markets, contract design and risk management strategies strengthen the EES team and clientele. She has developed risk management policies, hedging strategies and staffing plans and has consistently identified cost saving measures throughout her career while employed with utilities, brokers and global energy trading facilities. Ms. Gentle has optimized renewables, natural gas, power, and transmission portfolios. She has negotiated retail and wholesale energy supply contracts in multiple commodities and has significant experience in contract default and bankruptcy in physical and derivative contracts.

Jessica Ray
M.B.A., Master of Business Administration, California State University Northridge
B.S., Business Administration, Wichita State University

Jessica is known for consistently delivering results beyond client goals. Jessica owns a Women-Owned (WBE), Disadvantaged Business Enterprise (DBE), and Small Business Enterprise (SBE) as classified by the U.S. Small Business Administration and works with consultants and clients to develop program designs based on successful program experience. She is adept at taking successes and lessons learned to mitigate the traditional barriers to participation, and to gain stakeholder buy-in. Jessica specializes in developing and implementing successful outreach and engagement strategies to all levels of stakeholders.

For Pasadena Water and Power (PWP), a southern California municipal utility developed and implemented a direct install program for commercial customers. The program strategy relied heavily on effective outreach and communication, including branding, digital media, written materials, collateral and presentations. For the Southern California Regional Energy Network (SoCalREN), and energy efficiency program administrator regulated under the CPUC, Jessica developed a new engagement strategy for the SoCalREN multi-family building evaluation and retrofit program that resulted in the creation of a substantial project pipeline. Jessica's revived engagement strategy resulted in an increase in pipeline of 228% over the prior most successful quarter.

This work has positioned Jessica Ray as an engagement strategist, to develop a strategy to promote CEA's program efforts, and to create a social awareness of CEA's community-positive goals. Jessica's work collaborating with partner agencies and local communities in the SoCalREN provides her with the experience to bring CEA and its partners closer to stakeholders at all levels.

Chad Wilcox
J.D. University of Maine School of Law, Portland, Maine
B.S., Accounting, Husson University, Bangor, Maine

Chad Wilcox has more than eight (8) years of experience in the energy and utility sector helping utilities achieve strategic rate and revenue solutions, analyze and account for emerging energy regulation, and navigate compliance requirements.

His energy and utility experience began while working as a Lead Tax Analyst at an international utility group where he developed expertise in accounting for the income taxes of rate regulated organizations under ASC 980 and applicable international standards. In addition to providing technical accounting and reporting support, Mr. Wilcox was responsible for preparing annual income tax returns, tax related sections of annual reports including the FERC Form 1, and rate base analysis in support of rate making.

Chad has managed the Sales and Revenues Department of an electric transmission and distribution company in Maine where he was responsible for the company's rate and revenue strategy. He achieved numerous strategic rate initiatives in proceedings before the FERC and Maine Public Utility Commission (MPUC). He has assisted in drafting a broad range of rate filings, participated as an expert in technical conferences, and participated in settlement negotiations yielding solutions that were favorable to both customers and the utility. Chad utilizes his expertise in utility regulation and finance, along with a strong proficiency in financial and quantitative modeling, to provide comprehensive solutions and bottom line impact analysis.

Chad has also assisted municipal and cooperative electric utilities with a variety of cost of service and ratemaking assignments, including preparation of cost-of-service formula based rates, and supporting interventions on investor-owned utility rate filings. Mr. Wilcox's utility accounting expertise has been invaluable in advising electric wholesale customer clients navigate through the rate implications of investor-owned utilities' compliance with the Tax Cuts and Jobs Act, asset retirement obligations, among other things. Most recently, Mr. Wilcox has taken the lead in the review of various investor-owned utility depreciation studies filed at the FERC and various state utility commissions.

Ted Light, Senior Project Manager
B.S., Aeronautical & Aerospace Engineering, Purdue University
Certified Energy Manager (CEM)

Ted Light is a Senior Project Manager with a specialty in energy efficiency and demand-side management. He brings nearly nine years of experience to EES, having worked previously for the Energy Trust of Oregon, the non-profit energy efficiency and renewable energy program administrator for Oregon's investor-owned utilities. He has expertise and knowledge on a broad array of energy efficiency program management and planning topics including: conservation/DSM potential assessments, conservation program planning, program data analysis, and cost-benefit analyses. Ted is a Certified Energy Manager with the Association of Energy Engineers and holds a B.A. in Aerospace Engineering from Purdue University.

Kyle Morrill, Senior Analyst
M.A., Economics, University of Colorado Denver
B.S., Economics, University of Puget Sound

Kyle Morrill provides analytical expertise for EES in support of economic and financial studies. Mr. Morrill offers experience and knowledge to a wide range of topics related to regulated utilities. Mr. Morrill's background includes economic analysis, econometric forecasting, municipal solid waste policy and demand-side management analysis. In addition to his background in economics, Mr. Morrill is also trained in data management and research. He has lead data management and collection for research institutions and local government assisting in policy and demographic analysis.

Connor Birkeland, Senior Analyst
MPA, Evans School of Public Policy and Governance, University of Washington
B.A., Astrophysics, The Evergreen State College

Connor Birkeland is a Senior Analyst with a specialty in distributed energy resource modeling and financial analysis. He brings nearly a decade of experience within the energy sector, having most recently collaborated as Research Fellow with Seattle City Light and the Federal Department of Energy. Mr. Birkeland's background includes resource modeling, short- and long-term weather forecast modeling, and conservation potential assessments. He has experience with a broad range of sectors including renewable energy manufacturing, system design, benefit-cost analysis, and policy analysis. While working with the Department of Energy and Seattle City Light, Mr. Birkeland helped develop innovative forecasting models for short-term behind-the-meter distributed generation utilizing specialized ensemble weather modeling. This model separated behind-the-meter distributed generation from system load within Seattle City Light's service territory.

Summary Background Information

Clean Energy Alliance (CEA) is seeking support from a qualified firm to provide professional services, filling the duties of interim Chief Executive Officer. This proposal offers coordination of all administrative aspects of launching and operating the CCA Program in addition to overseeing functional areas of power procurement, integrated resource planning, energy infrastructure development, internal operations, marketing, customer service, community stakeholder relations, finance, and regulatory and legislative affairs.

With over 35 years' experience providing services to electric power utilities and recent experience providing support to emerging CCA entities, EES is uniquely qualified to provide the requested services. EES has developed the initial CCA feasibility analysis and business plans for:

- Los Angeles Clean Choice Energy (now Clean Power Alliance)
- Western Community Energy, Coachella Valley Association of Governments, San Bernardino Association of Governments
- City of Irvine
- Cities of Encinitas, Carlsbad, Oceanside, and Del Mar
- Cities of Chula Vista, La Mesa, and Santee
- County of San Diego
- County of Butte and City of Chico
- East Bay Clean Energy
- City of San Jose

EES has also provided implementation services, nearly identical to CEA's requested scope of work here, for Los Angeles Clean Choice Energy (Clean Power Alliance), Western Community Energy, the City of San Jose, and the County of Butte and City of Chico.

Experience

Significant related experience includes:

Working with SDG&E

EES worked with SDG&E on acquisition of load data for all potential CCA customers and developed modeling for complex analyses of loads and consumption patterns. EES has also interacted with SDG&E on numerous public workshops put on by local governments investigating CCA. Typically SDG&E would discuss their formal role in working with jurisdictions investigating CCA. Also, EES has interacted with SDG&E at various CPUC venues where CCA-specific issues have been discussed; including PCIA derivation and modifications. EES is uniquely situated in that we are the only firm that has worked for all San Diego cities (and County) who have evaluated CCA.

Clean Power Alliance

EES provided an Interim Executive Director and staffing services for the Los Angeles Clean Choice Energy (LACCE) community choice aggregation program from the general time period after the LACCE CCA Feasibility Study and Business Plan were adopted by the Los Angeles County Board of Supervisors and into LACCE's initial operations. LACCE has now become the Clean Power Alliance of Southern California.

The assignment was conducted under contract with Los Angeles County who sought support from a consultant to provide enhanced evaluation and analysis of the feasibility of Community Choice Aggregation in LA County, assistance with the ongoing planning and implementation of CCA in the County and executive level oversight and County representation at various venues and assistance with the initial operation of the CCA.

Los Angeles County specifically requested documented experienced related to the following services:

- Electric Power Cost of Service and/or Revenue Requirement Studies
- Electric Power Retail Rate Designs for Electricity Providers
- Participation in Electric Power Retail Rate-Related Regulatory Proceedings at CPUC
- Expertly negotiated contract with SCE for resource adequacy products

In addition, EES assisted with issuing and evaluating RFPs for a variety of CCA start-up services, producing monthly meeting materials for the Board, updating financial information, informing and participating in regulatory proceedings on behalf of CPA, and finally transitioning EES roles to CPA newly hired staff. EES assisted CPA in negotiating consultant contracts and facilitated the transition of EES work products to appropriate technical consultants.

Project Name:	**Los Angeles Community Choice Energy (Clean Power Alliance)**
Project Location:	California
Contact:	Gary Gero, Chief Sustainability Officer, ggero@ceo.lacounty,gov, (213) 974-1160
Schedule:	1/2017 – 8/2018
Total/Annual Cost of Services	$250,000/year
Team Members	Howard Choy, Gary Saleba, Amber Nyquist, Steve Andersen

Western Community Energy

EES is currently assisting WCE in prelaunch activities and has completed several tasks that will be needed by CEA including: RA filings, RPS compliance and procurement filings, coordination for binding notice of intent, proforma analysis and phasing studies, power contract and working capital evaluations, and initial retail rates. EES will also be completing an IRP for WCE in 2020. EES has worked for WCE as an extension of staff providing work products regularly and participating in board meetings, project updates, and coordination with the consultant team.

EES also developed the CCA technical business plan; electric wholesale power market forecast, developed Investor-Owned Utility rate forecast, provided in-depth analysis of electric load forecasts and wholesale power supply costing scenarios, including delivery that includes different levels of renewable supply and demand-side management (DSM), evaluated non-power related costs, examined the potential for energy efficiency and demand reduction and performed an extensive sensitivity analysis that considers variables such as gas and electricity prices, loads, program participation rates, discount rates, and financing scenarios.

Project Name:	**Western Riverside Council of Governments (WRCOG)**
Project Location:	California
Contact:	Barbara Spoonhour, Director of Energy Programs spoonhour@wrcog.cog.ca.us, (951) 955-8313
Schedule:	07/16 – 07/17
Total/Annual Cost of Services	$120,000/year
Team Members	Gary Saleba, Amber Nyquist, Connor Birkeland

Butte Community Energy

EES is assisting Butte Community Energy through their launch phase and providing the same work products as were developed for WCE including issuing RFPs, proforma analysis, Implementation Plan, IRP, regulatory filings and tracking, program development, scheduling and coordinating consultant team. BCE has very limited staff, so EES will be providing the technical deliverables with guidance from the Interim co-CEOs.

Project Name:	**Butte Community Energy**
Project Location:	California
Contact:	Brian Ring, Assistant Chief Administrative Officer bring@buttecounty.net, (530) 570-7688
Schedule:	12/19 – 12/20
Total/Annual Cost of Services	$150,000/year (estimate)
Team Members	Gary Saleba, Amber Nyquist, Connor Birkeland

Contract Negotiations

In addition to the experience described above, EES has negotiated hundreds of power purchase agreements. Some of the more notable include negotiating resource adequacy contracts with SCE for both LA County and WCE and obtaining hydropower supply for Microsoft as a direct access customer. EES has worked on both sides of power contracting. PPL Energy engaged EES Consulting to manage an offer of 100 MW of discounted power to load providers in Northwestern Energy's control area. As the administrator, EES Consulting provided notice of the availability of such power and administered the qualification, subscription and creditworthiness process.

References

Contact information for three professional references is provided below.

Project Name:	**Los Angeles Community Choice Energy (Clean Power Alliance)**
Project Location:	California
Contact:	Gary Gero, Chief Sustainability Officer, ggero@ceo.lacounty,gov, (213) 974-1160

Project Name:	**Western Riverside Council of Governments (WRCOG)**
Project Location:	California
Contact:	Barbara Spoonhour, Director of Energy Programs spoonhour@wrcog.cog.ca.us, (951) 955-8313

Project Name:	**Butte Community Energy**
Project Location:	California
Contact:	Brian Ring, Assistant Chief Administrative Officer bring@buttecounty.net, (530) 570-7688

Approach

Project Management

EES's experience in working on resource planning and strategic studies for numerous utilities has shown us that the key to success is a well-conceived, carefully controlled management/communications plan that emphasizes leadership, responsiveness, communication, and accountability. For this project, clearly defined communication protocols and roles and responsibilities is critical.

EES's project management approach involves detailed planning of the content and flow of all tasks and work activities and timely, consistent decision-making. Our primary goal is to deliver a work product that meets CEA's needs, has been produced efficiently, and represents a technically sound document.

The most crucial activities – those that will dictate the success or failure of a project – are planned during the kickoff phase. We will work with CEA or cities' staff to prepare a solid work plan and schedule, a communication protocol, and a clear path to project delivery during this kickoff phase. EES will provide CEA staff with monthly updates of the project progression and EES senior staff is always available to answer questions or provide additional support as needed.

At EES, primary responsibility for cost control is assigned to the Project Manager for individual projects. It is the Project Manager's responsibility to establish project budgets, track project costs and take corrective action, if necessary, to correct any problems. EES's electronic timesheet system is linked to the accounting system to facilitate early identification of project costs and enable corrective action, if necessary, as early as possible. Project Managers have access to the accounting information that tracks project costs vs. project budgets. Project budgets are entered into the accounting system at the start of each project through the Project Setup memo sent from the Project Manager to the accounting system. It is EES's strict policy to never invoice above authorized project budgets.

Scope of Services

Having conducted this type of service for LA County (Clean Power Alliance) and Western Community Energy, EES understands the multiple tasks needed, level of involvement required from staff, board members, and members of the community. Our approach to the scope requirements is provided below.

Administration and Management Services

1.0 Build CEA and consultant team. Plan, organize, direct, evaluate CEA and establishment of policies and procedures.

1.1 Proposed Staff: Jack Clark, Howard Choy, Amber Nyquist

1.2 Approach: EES will build the CEA team through a transparent solicitation process. Job postings will be made public and available for a matter of weeks to maximize the number of well-qualified applicants. An RFP process will be used to build the consultant team. RFP responses will be ranked according to the selection criteria identified in the request, and as directed by CEA member cities and input from the Board, as desired.

2.0 Negotiate and administer contracts with ESPs and other consultants, contractors.

2.1 Proposed Staff: Gary Saleba, Steve Andersen, Kim Gentle

2.2 Approach: EES will work with CEA staff to prepare Request for Proposals or Requests for Offers for various services including scheduling/coordination, data management, financial services, banking and credit services, legal services, and marketing.

2.2.1 Requests will be made for each service individually so that offers can be compared easily. This would not preclude firms bidding on multiple requests where doing so may provide economies of scope savings to CEA.

2.2.2 Power Supply contracts are typically bid in coordination with the eventual power supply services/scheduler consultant. It is anticipated that these contracts will be finalized 1-2 quarters prior to CEA serving new load.

2.2.3 The timing of the RFPs will consider possible economies of scope savings, regulatory requirements, and implementation schedule.

3.0 Develop agreements, methods, procedures to implement, administer and evaluate programs; direct preparation, review and approval of technical reports and proposals; oversee and direct regulatory compliance reviews; analyzes performance outcome measures to determine program effectiveness; review project metrics and records in order to assess progress of key initiatives and assure effectiveness and compliance.

3.1 Proposed Staff: Jack Clark, Howard Choy, Jessica Ray

3.2 Approach: Since CEA is not currently serving loads, it is anticipated that this task would include primarily internal programs, procedures, and reporting. Our proposed staff have over 20 years of experience in designing and implementing procedures that are efficient and effective.

4.0 Administer the initial annual operating budget in FY 2019/2020. Establish, revise and maintain fiscal policies including operating reserves and debt/credit limits; negotiates and monitors debt and work with Treasurer/CFO to oversee financing of CEA operations and projects, establishment of accounting systems and procedures to monitor income sources and expenses and provide internal accounting controls and financial reports; oversees annual independent audit for CEA.

4.1 Proposed Staff: Jack Clark, Howard Choy, Amber Nyquist, Chad Wilcox

4.2 Approach: EES will track and report changes to the operating budget as the year progresses. EES will utilize certified public accountants to ensure accounting controls and financial reports are in good order and prepared for the annual independent audit. Financials will be presented at each Board Meeting.

5.0 Develops and implements data and management information systems to track, plan and analyze various programs, customer relationship management, grid-related data systems, power procurement and development, and program performance.

5.1 Proposed Staff: Jack Clark, Howard Choy, Amber Nyquist, Kim Gentle, Kyle Morrill, Ted Light, Jessica Ray.

5.2 Approach: EES will utilize Microsoft Project and other Microsoft programs for project and data management purposes developing plans, managing budgets, and tracking progress. The software offers a great deal of flexibility when in terms of managing resources, as well including an integrative reporting system that offers a number of different views and presentation tools. For example, EES personnel and clients use Microsoft Project to develop detailed business plans and very detailed Gantt charts that outline and manage the process of transitioning ownership of Army, Air Force, and Navy utility systems to private ownership for the utility. This standup process is very similar to the creation of CCA utility. Transitioning ownership is a very detailed process. This software is used to organize personnel and timelines, assign and track necessary resources, and maintain budgets and invoices. Microsoft Project provides EES and clients the level of detail required to implement and manage large scale, regimented processes. GDS will apply their knowledge and experience with this software to the CEA contract. This tool will be especially helpful in planning and analyzing programs for the CEA system. Useful for their database and built-in analytic and reporting capabilities, Microsoft Project and other Microsoft programs will be employed for monitoring income sources and expenses, as well as tracking and managing customer relations. EES also employs SAS for statistical analysis of grid-related data sets such as hourly AMI data.

Program Development

6.0 Plan and recommend program and policy direction that implements Board approved plans and documents: JPA Agreement, Implementation Plan, Integrated Resource Plan (IRP).

6.1 Proposed Staff: Jack Clark, Gary Saleba, Howard Choy, Amber Nyquist,

6.2 Approach: EES will prepare policies for Board approval. These policies may include power management risk (with input from power management consultant) and operating rules and regulations. EES will also develop CEA Amended Implementation Plans as new cities join the JPA. The amended Implementation Plan is generally a straight-forward task involving requesting additional load data from SDG&E and incorporating the new loads in the CEA resource plan.

As a load serving entity, CEA will be required to file its first IRP by May 1, 2020. This is a very short timeframe between certification by the CPUC and the due date. Therefore, the IRP will need to be developed at the same time the CPUC reviews the CEA Implementation Plan. The IRP will be developed using deterministic modeling consistent with the IRP requirements determined by the CPUC and inputs developed by the California Energy Commission (CEC). The IRP will contain the following components:

a) Appropriate planning horizon of 10 or more years as required in PUC code section 9621(b)(1) and (2)
b) Scenarios and sensitivity analysis
c) Standardized tables per CPUC documents
d) Supporting information such as charts, graphs, and narratives
e) Demand Forecast (energy and peak demand) and narrative explaining methodology and assumptions
f) Demand forecast from other regions/production cost modeling
g) Resource procurement plan
h) Diversified Procurement
i) RPS requirements
j) Energy efficiency and demand response evaluation
k) Energy Storage
l) Transportation electrification (section 9621(d)(1)(c)
m) System reliability and local reliability and reliability criteria per CAISO Resource adequacy
n) Assessment of net demand in peak hours
o) Greenhouse Gas Emissions as portfolio performance criteria
p) Retail Rate impact
q) Transmission and Distribution system reliability

r) Programs for low income and disadvantaged communities per localized air pollutants.

EES will customize an excel-based IRP model and report the results as required by the PUC. Since this will be the first IRP filed for CEA, and CEA will not yet be serving loads, the IRP will be prepared economically to meet the regulatory requirements. This first IRP should be developed to be informative, but it should also be prepared with the recognition that CEA has yet to obtain power supply contracts.

7.0 Direct development of operational and program policies; explains, advises and recommends action on policy matters to the Board and committees; advises Board of problems and recommend appropriate courses of action.

7.1 Proposed Staff: Jack Clark, Gary Saleba, Howard Choy

7.2 Approach: EES will closely monitor all functions with in CEA as the program progresses from pre-launch to serving its first electric loads. EES will prepare a schedule of program policies and required Board action. These policies and action items will be efficiently prioritized so that the Board regularly reviews and approves policies and actions throughout the start-up phase. This will ensure the Board has ample time to review recommendations and provide feedback for each matter. While many of the required items could be brought to the Board at one time, EES has found that it creates a more cohesive working relationship to gradually role out each component of the program.

Draft policy language will be developed based on CCA and utility best practices. The starting point for each policy should be documents adopted by other CCA programs and tailored to fit CEA. This approach minimizes cost to CEA while establishing strong policy and procedure to support years of successful operation.

EES staff, through their recent CCA experiences, are extremely experienced in governmental policies, procedures and protocols for written communications and public/private presentations – especially on deep technical and financial matters. As noted, staff also have recent experience within local government at executive level management.

8.0 Develop strategic, operational and integrated resource plans and policies.

8.1 Proposed Staff: Gary Saleba, Amber Nyquist, Steve Andersen

8.2 Approach: EES will implement best practices to set up the initial strategic, operational, and resource planning. As CEA moves closer to the launch period, EES will coordinate with the selected power and data management consultants to develop advice and recommendations for the Board. In order to provide appropriate guidance to the Board, EES actively follows California energy

markets, CPUC proceedings, and the legislative sessions. EES is well versed in the relevant markets and regulatory environment and consistently provides forecasts that have been deemed reasonable or conservative by independent third-party review.

One of the first tasks for CEA will be acquiring resource adequacy products to meet the CPUC 2 and 3 year-ahead and requirements. As such, one of EES' first tasks will be to issue an RFP and contract with a power management consultant.

Another example of a policy or procedure that will be needed in the first half of 2020 is related to power management risk policies. Recently new CCAs have needed to amend CPUC filings to meet the requirements even though the requirements don't consider the timing of CCA launch, and the requisite establishment of policies and resource plans. Power management risk mitigation policies will be needed to develop RPS procurement plan filings (due within 90 days of registration) and the policies will also become the basis for quantitative risk assessment within the IRP. Specifically, the CPUC has asked CCAs to provide resource plans that consider the risk of resource generation/delivery as it pertains to meeting renewable portfolio standard requirements including long-term contracting requirements. EES will utilize best practices to develop a quantitative risk assessment the ensures CEA meets CPUC filing requirements regardless of when final polices are adopted by the Board.

9.0 Research, identify, develop and negotiate public and private funding, identify grant funding, issues directives related to fund distribution and grant constraints.

9.1 Proposed Staff: Jack Clark, Howard Choy, Amber Nyquist, Jessica Ray

9.2 Approach: EES will develop and issue an RFP for banking and credit services. The amount of working capital and pre-launch start-up costs will be calculated using proforma and cash flow analysis. Working capital will be required to cover the cost of power supply (due generally within 30 days of delivery) and customer revenues (received within 60 days of service period). Working capital requirements could be reduced if power supply contracts lag in payment for more than 30 days; however, the typical time period is utilized for working capital estimates. Additionally, the timing and structure of launch will also impact working capital requirements. Specifically, working capital will be impacted according to seasonal power prices vs. seasonal average retail rate revenue. EES will run launching or customer phasing scenarios as needed to help minimize the cost of financing to CEA. Finally, resource adequacy prepayments will also impact working capital as year-ahead resources will need to be acquired by April 1, 2020.

EES staff's government, energy experience will be utilized to assess outside funding opportunities for CEA programs including; CPUC Energy Efficiency

program funding for CCA's, Regional Energy Networks, and local governments; other CPUC program funding for distributed energy resources (DERs); California Energy Commission funding for DERs and local governments; California Cap & Trade funding for clean transportation and other clean energy programs; public/private partnerships; and electric grid modernization programs and partnerships for CCAs.

Collaboration and Community Engagement

10.0 Coordinate program planning with jurisdictions, other relevant jurisdictions, federal funding and community and business groups; stay abreast of community, social and political issues and relevance/impact on programs. (Howard, Jack, Jessica)

10.1 Proposed Staff: Jack Clark, Howard Choy, Amber Nyquist, Jessica Ray

10.2 Approach: EES will work with CEA Board or cities' staff, existing CCA resources, local stakeholders (e.g.; workforce development and training groups, higher education, business interests, homeowner associations, etc.), local electeds and staff, and energy program funding agencies to develop and implement a strategy on program planning. An assessment of local and regional needs around programs (as dictated in Climate Action Plans or other policies if applicable) against program funding agencies objectives and availability will be conducted. Additionally, changing regulatory, legislative and political environments and details will be assessed for impact on programs. EES recognizes greenhouse gas reductions for many local governments relies on CCA clean power supplies and customer programs implementation. EES' approach at utilizing local and regional staff resources is important given the number of potential activities here.

11.0 Direct development of a public affairs program to inform and get feedback from public about operations, services, programs, goals and objectives; provides consultation to individuals, citizen groups, business organizations, consultants and government agencies on all matters. (Howard, Jack, Jessica)

11.1 Proposed Staff: Jack Clark, Howard Choy, Jessica Ray

11.2 Approach: Measuring customer satisfaction is essential to CEA ongoing operations. EES will work with CEA Board or cities' staff to expand on any existing programs in place to do this. EES can combine the objectives here (provide information and receive public feedback) with the strategy described above on program planning outreach efforts to streamline all public outreach and communications. Additionally, traditional approaches around multiple, mass media communications, surveys and other feedback can be employed or expanded. EES' approach at utilizing local and regional staff resources is important given the number of potential activities here.

Policy and Regulatory Advocacy

12.0 Analyze the impact of State and Federal legislation and regulatory decisions, address legislative and regulatory bodies, make recommendations regarding legislative and regulatory positions; track/review/critique CPUC proceedings.

12.1 Proposed Staff: Jack Clark, Howard Choy, Amber Nyquist

12.2 Approach: EES staff already tracks Federal and State legislation as well as regulatory proceedings impacting CCAs in California. EES will provide the Board with regular updates and estimated impacts at the monthly meetings. For involvement and representation in regulatory processes, EES recommends that CEA join CalCCA as an associate member for 2020. CalCCA works in great detail on each of the regulatory proceedings of interest to CCAs. Since CCA interests are well-aligned across geography and IOU service area, CalCCA membership is a cost-effective way for CEA to participate. EES proposes to participate in CalCCA meetings and efforts on behalf of CEA, and to regularly report on those matters to the Board.

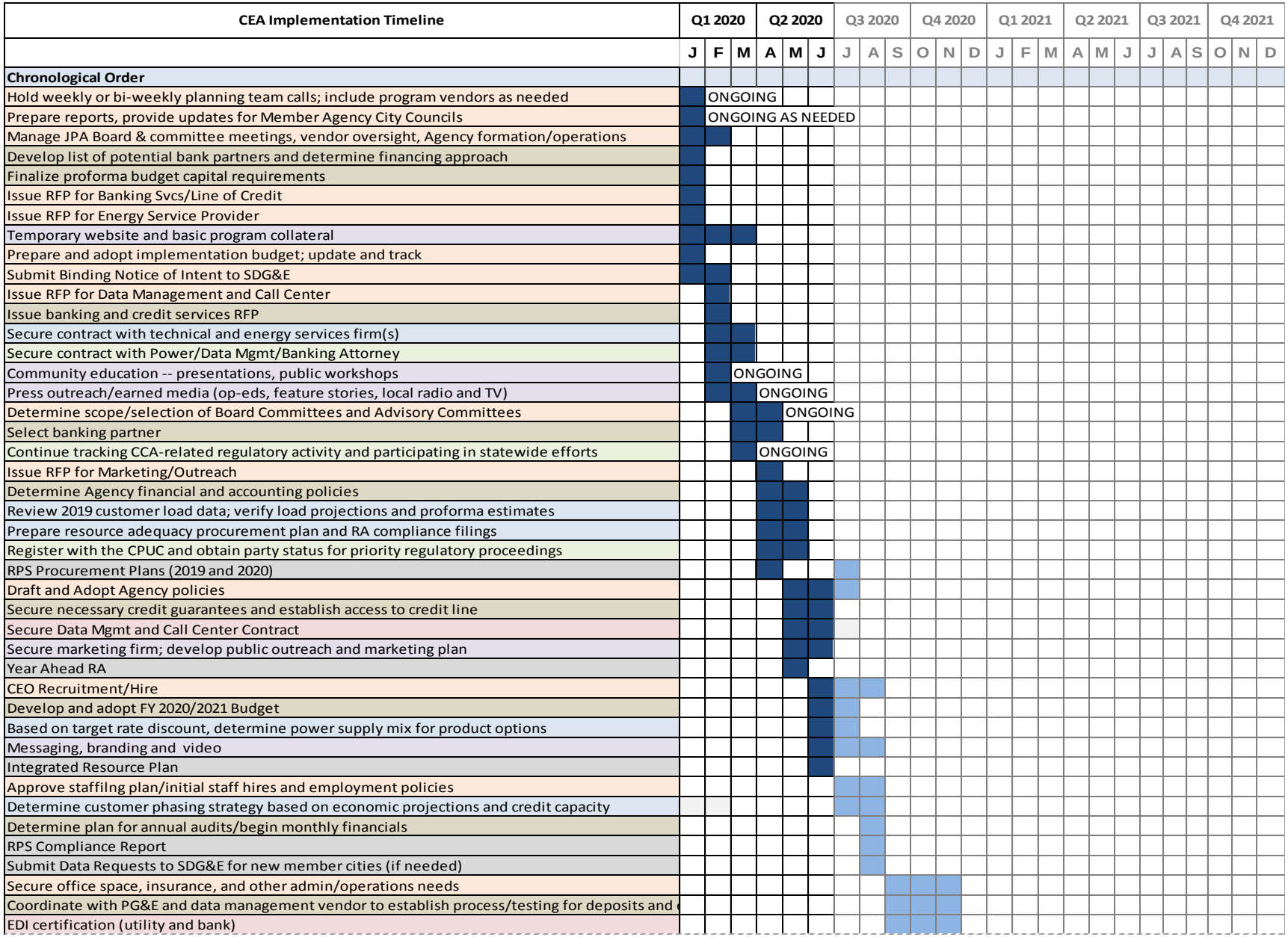
13.0 Represent CEA at governmental hearings, in front of administrative bodies, and at public meetings.

13.1 Proposed Staff: Jack Clark, Gary Saleba, Howard Choy, Amber Nyquist

13.2 Approach: EES is prepared to participate in or present at any hearings or public meetings on behalf of CEA; including, but not limited to: CPUC, California Energy Commission, California Air Resources Board, California State Legislature, local/regional/state electeds and staff, and at key public gatherings described above under Collaboration and Community Engagement. EES resources understand regulatory proceedings and their administrative law structure, legislative lobbying and communication processes, and government administrative protocols. In addition, EES has led and participated in many, many public meetings in the San Diego region.

Schedule

EES has staff available to maintain the schedule provided on the next two pages. The schedule of activities is based on our understanding of CEA's desire to expand customer services in 2021. The schedule includes implementation tasks beyond June 30, 2020 while recognizing CEA's stated initial term of the end of Fiscal Year 2019/2020 as an initial term of this Project. Both to ensure continuity and also for cost efficiencies, CEA may continue using consultants for many of these tasks after the June 30 stop date. The schedule is meant to be a comprehensive guide to EES' approach to launching a CCA such as CEA.


CEA Implementation Timeline
Q1 2020
Q2 2020
Q3 2020
Q4 2020
Q1 2021
Q2 2021
Q3 2021
Q4 2021
J F M A M J J A S O N D J F M A M J J A S O N D
Chronological Order
Hold weekly or bi-weekly planning team calls; include program vendors as needed
ONGOING
Prepare reports, provide updates for Member Agency City Councils
ONGOING AS NEEDED
Manage JPA Board & committee meetings, vendor oversight, Agency formation/operations
Develop list of potential bank partners and determine financing approach
Finalize proforma budget capital requirements
Issue RFP for Banking Svcs/Line of Credit
Issue RFP for Energy Service Provider
Temporary website and basic program collateral
Prepare and adopt implementation budget; update and track
Submit Binding Notice of Intent to SDG&E
Issue RFP for Data Management and Call Center
Issue banking and credit services RFP
Secure contract with technical and energy services firm(s)
Secure contract with Power/Data Mgmt/Banking Attorney
Community education -- presentations, public workshops
ONGOING
Press outreach/earned media (op-eds, feature stories, local radio and TV)
ONGOING
Determine scope/selection of Board Committees and Advisory Committees
ONGOING
Select banking partner
Continue tracking CCA-related regulatory activity and participating in statewide efforts
ONGOING
Issue RFP for Marketing/Outreach
Determine Agency financial and accounting policies
Review 2019 customer load data; verify load projections and proforma estimates
Prepare resource adequacy procurement plan and RA compliance filings
Register with the CPUC and obtain party status for priority regulatory proceedings
RPS Procurement Plans (2019 and 2020)
Draft and Adopt Agency policies
Secure necessary credit guarantees and establish access to credit line
Secure Data Mgmt and Call Center Contract
Secure marketing firm; develop public outreach and marketing plan
Year Ahead RA
CEO Recruitment/Hire
Develop and adopt FY 2020/2021 Budget
Based on target rate discount, determine power supply mix for product options
Messaging, branding and video
Integrated Resource Plan
Approve staffilng plan/initial staff hires and employment policies
Determine customer phasing strategy based on economic projections and credit capacity
Determine plan for annual audits/begin monthly financials
RPS Compliance Report
Submit Data Requests to SDG&E for new member cities (if needed)
Secure office space, insurance, and other admin/operations needs
Coordinate with PG&E and data management vendor to establish process/testing for deposits and
EDI certification (utility and bank)

CEA Implementation Timeline	Q1 2020			Q2 2020			Q3 2020			Q4 2020			Q1 2021			Q2 2021			Q3 2021			Q4 2021		
	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
Develop and issue power supply RFP(s)																								
Prepare/design customer enrollment notices																								
Prepare Utility Service Agreement, Deposit and Bond Posting																								
Prepare and submit Amended Implementation Plan (if needed to add cities)																								
Complete all regulatory registrations for program compliance (CPUC, CAISO, WREGIS etc)																								
Develop website 2.0 with translation and opt-out features																								
Negotiate and finalize terms of initial power contracts																								
Rate design & rate setting (incl PCIA, NEM and utility cost comparisons)																								
Call center training/go live																								
List of Phase 1/Phase 2 customers																								
Program rates and reports														ONGOING										
Develop and launch advertising campaign (paid media, social media, et al)																								
Develop call center script/Call center live in when first notice drops																								
Develop related energy programs including FIT, NEM, EE, DR et al																								
1st opt-out period (60 days out)																								
Manage Ph 1 customer enrollment printing and mailing														#1	#2		#3	#4						
2nd opt-out period (30 days out)																								
Utility account set up (dead period)																								
Account Switches/Customer enrollments																								
1st Full Billing Cycle (Phase 1 and 2)																								
3rd opt-out period																								
4th opt-out period																								
2nd full billing cycle (phase 1 and 2)																								
Develop post launch communications plan																								

Key:

JPA Administration/Project Management
Compliance Filings (CPUC)
Finance/Banking
Technical/Energy Services
Regulatory/Legislative
Data Management/Call Center
Communications/Marketing

Fee Schedule

EES's standard hourly billing rates are as follows:

President	$200
Senior Associate	195
Manager	190
Senior Project Manager	185
Project Manager	180
Senior Analyst/Engineer	175
Analyst/Engineer	170
Senior Administrative Assistant	120

These rates will remain in effect through the duration of the contract. Travel expenses are not included in the budget; however, these are expected to be minimal as key staff are located locally.

To provide CEA with additional information on potential budget and cost for this effort, below are representative cost estimates for certain deliverables we believe CEA will need under the Approach developed. It is our understanding that many of the activities CEA will need will be scoped and budgeted by CEA after the engagement of EES and based on the Fee Schedule above.

	Q1 2020			Q2 2020			Q3 2020			Q4 2020			Q1 2021			Q2 2021			Q3 2021			Q4 2021		
Deliverable:	**J**	**F**	**M**	**A**	**M**	**J**	**J**	**A**	**S**	**O**	**N**	**D**	**J**	**F**	**M**	**A**	**M**	**J**	**J**	**A**	**S**	**O**	**N**	**D**
Financial Proforma		$8,000			$1,000			$1,000			$1,000			$1,000			$1,000			$1,000			$1,000	
Budgets and Updates					$5,000			$1,000			$1,000			$1,000			$1,000			$1,000			$1,000	
Integrated Resource Plan		$25,000																						
Banking Services RFP		$3,000																						
Power Services RFP		$3,000																						
Legal/Attorney RFP		$3,000																						
Binding Notice of Intent		$5,000																						
2019 RPS Procurement Plan		$2,000																						
2020 RPS Procurement Plan		.			$2,000																			
2019 RPS Compliance								$2,000																
Data Management RFP					$3,000																			
Marketing RFP					$3,000																			
RA Compliance Filings (year ahead & month ahead)		$5,000			$2,000																			
Amended Implementation Plan											$12,000													
Develop Initial Rates											$25,000													
Total	**$54,000**			**$16,000**			**$4,000**			**$39,000**			**$2,000**			**$2,000**			**$2,000**			**$2,000**		

Resumes

Jack Clark

4511 Narragansett Ave., San Diego, CA 92107 (928) 225-1557 jackclark3755@gmail.com

Clean Energy and Sustainability Executive responsible for strategy, development, policy and execution of large scale Market Transformation Programs & Initiatives. More than 20 years of experience in energy, environmental and cultural programming directed solely at developing comprehensive and inclusive solutions to climate change.

Experience:

DNV GL San Diego, CA
Head of Department, Energy Operations & Sustainable Energy Use 08/18 – present

- Leads the strategy, development, and execution of DNV GL's Western Region Sustainable Energy Use programs and initiatives;
- Manages a staff of 35 professionals across multiple states and offices, with a total annual budget of $25 million;
- Works closely in partnership with Utilities, Municipalities, State Government, Trade Allies, Community Groups and others on a wide range of sustainability development efforts;
- Develops business plan proposals, manages detailed budgets and program deliverables and metrics. Oversight of partners and subcontractors on a variety of different sustainable and conservation efforts;
- Reports and tracks energy & sustainability progress, metrics and goals using quantitative analysis and data collection techniques;
- Developed new project management and forecasting operational standards for department to ensure continued success.
- Board Member of the California Energy Efficiency and Demand Response Council.

City of San Diego San Diego, CA
Deputy Director, Energy & Sustainability 08/16 to 08/18

- Direct the strategy, business development, and execution of a team of eighteen professionals implementing the City's comprehensive energy programs, including public facing clean energy programming with a total annual budget of $80 million, quality assurance and performance monitoring oversight;
- Develop, direct, and execute Municipal Energy Strategic Plan and implementation targeting energy efficiency, distributed generation (award winning efficiency & solar projects), and electric vehicle infrastructure deployment throughout the City's 700 building portfolio;
- Oversee various functional groups that deliver DSM program components in outreach, marketing, engineering, administration and business analytics;
- Develop and execute the City's first analysis and plan for Solar/Battery Storage deployment;
- Lead proposal developer & Principal Investigator on multiple Department of Energy, National Renewable Energy Lab, California Energy Commission, and California Public Utility Commission Distributed Energy Resource grants;
- Active coordination and development with SDG&E on the Local Government Partnership Program (energy efficiency), AB2868 Battery Storage deployment opportunities with City facilities and Communities with an emphasis on positive financial impact, reduction in GHG emissions and resiliency for critical operation centers;
- Speak and presents nationally on multiple clean energy and smart city topics including battery storage market deployment, integrated distributed energy resources, smart city development and research and policy initiatives;
- Direct oversight of the nation's largest deployment of smart sensors network (IoT) on Municipal Street Lighting assets (3400 sensors and 14,000 LED retrofits with adaptive controls) in support of ongoing smart city development (multiple award-winning project);
- Developed Commercial/Multifamily and Residential Building Energy Conservation Ordinance;
- Work closely with the public, policy makers, businesses, staff and other City departments to incorporate a broad range of energy conservation and environmental quality issues into City operations;
- Oversight of the City operations energy use, billing, forecasting, rates (over 3500 utility accounts) and compliance with the City Climate Action Plan, including GHG analysis and reporting, Community Choice Aggregation feasibility studies/utility proposals aimed at getting the City of San Diego to 100% Renewable Electricity by 2035.
- Vice Chair/Board Member of the California Statewide Local Government Sustainable Energy Coalition.
- Member of the SANDAG Energy Working Group.

- San Diego Climate Collaborative Member.

Center for Sustainable Energy (CSE) San Diego, CA
Director of Programs 05/13 to 07/16

- Direct the strategy, business development and execution of Renewable Energy, Energy Efficiency, Clean Transportation, Distributed Generation, and Advanced Clean Energy Market Transformation programming and initiatives;
- Responsible for the day to day administration of local, statewide and multi-state programming on behalf of Investor Owned and Municipal Owned Utilities, the Federal Department of Energy, California Public Utilities Commission, California Energy Commission, the California Air Resources Board, the Massachusetts Department of Energy Resources, Connecticut Department of Energy and Environmental Resources, NYSERDA, Los Angeles Department of Water and Power and multiple regional and local municipalities;
- Directly responsible for over $200 million yearly budget and a staff of over 85 cross-functional clean energy professionals, recruit, hire, mentor and train staff; program accomplishments include 299 MW of installed residential and commercial distributed generation capacity (solar pv, thermal, and battery storage), 120,000 plug in electric vehicles incentivized and technical assistance on more than 2500 residential unit and commercial building retrofits;
- Oversee various functional groups that deliver innovative DSM and DER program components in outreach, marketing, engineering, administration and business analytics;
- Program Business Development, Administration/Principal Investigator oversight on the Self Generation Incentive Program, California Solar Initiative Program, Multiple California Energy Commission Pier & Epic Research Projects including Vehicle to Grid Integration, Zero Net Energy Buildings, CARB's Clean Vehicle Rebate Project, DOE's Pacific Clean Energy Center Program on Combined Heat and Power technical resources across Hawaii, California and Nevada, CPUC's Energy Upgrade California & many others;
- Business Development leadership on proposals, strategic partnerships and the growth of CSE's organizational development into new statewide and national markets including programming from California to Massachusetts, Nevada, Hawaii, Connecticut and New York;
- Only non-utility program administrator for the California Solar Initiative and Self Generation Incentive programs in the state of California;
- Works with policymakers, government agencies, utilities, businesses, academic institutions, and individuals throughout the nation to drive the adoption of clean energy technologies and practices. Highly trained clean energy industry expert helping to transform the market in support of sustainable energy goals;
- Led organizational restructuring that eliminated staffing inefficiencies in labor utilization and resulted in capturing more than $600,000 in potential lost labor revenue in one year, helped create project management principle structure for organization.
- Member of the San Diego Association of Governments Energy Work Group.
- Chair of the Mayor of San Diego's Sustainable Energy Board.
- Acting Director of the DOE's Pacific Clean Energy Center (CHP) Technical Assistance Program.
- Former Non-Utility Co-Chair of the Energy Upgrade California Working Group.
- Winner of the CSE 2013 Above and Beyond Award.
- Received multiple awards for successful programs and projects.

California Center for Sustainable Energy (CCSE) San Diego, CA
Senior Manager, Building Performance and Energy Efficiency 09/10 to 05/13

- Responsible for program and department development including working with building industry stakeholders, local government representatives, state regulators and funding agencies to gain buy-in and commitment. Develop detailed implementation plans and program structures. Identifying key program needs and develop actions to ensure program success. Leverage market research to tailor program design and implementation details;
- Develop and oversee detailed program policies and guidelines, building performance team roles & responsibilities, budgets, and schedules. Continuously monitoring program effectiveness and implement new approaches as required, coordinated multiple projects that are large in scope and determined appropriate construction procurement process, interpreted and assured program contract or regulatory compliance that includes federal and state environmental impact laws and regulations;
- Implement strategic consulting and coordination between existing and future programs, such as the Department of Energy's Better Buildings and Home Performance with Energy Star Programs, California Energy Commission's

Comprehensive Building Retrofit Program, Energy Upgrade California SDG&E Retrofit Program, municipal EECBG-funded initiatives, workforce development and building science training, Weatherization Assistance Program, Low Income Energy Efficiency Program (LIEE), and others as they evolve. Adapt programs to local government needs where valuable and feasible;

- Develop and sustain positive, productive relationships with a variety of core industry stakeholders: builders and contractors, architects, training organizations, city, county, state, and federal permitting and inspection officials, and real estate professionals. Guide CCSE's leadership of the region's Retrofit Advisory Committee;

E3 Energy L.L.C. Flagstaff, AZ
Existing Homes Program Manager 12/09 to 09/10

- Managed Existing Homes Program for a private market-based Building Science Company, including contracting, Home Energy rating, indoor air quality, water conservation and BPI level assessments;
- Managed implementation and ongoing building science operations of City of Flagstaff Energy Efficiency and Conservation Block Grant in over 260 residential retrofits in an eighteen-month period for E3 Energy consulting services;
- Managed Arizona Public Service's Home Performance with Energy Star operations for building science company including customer education, home auditing, data collection financial tracking, budgeting and logistics and staff supervision and training in150 homes each year;
- Represented E3 Energy in public meetings, contract development, procurement, negotiations and collaborations, grant/proposal writing, residential energy modeling, testing and data collection;
- Managing Weatherization contracting services to Northern Arizona Council of Governments Weatherization Assistance Program;
- Developed proposal for Unisource Energy Services Revolving Loan Fund, accepted by the Arizona Corporate Commission.

Coconino County Community Services (Community Action) Flagstaff, AZ
Program Coordinator/Project Management 12/07-12/09
Energy Efficiency & Conservation Block Grant,
Community Development Block Grant & Housing Services

- Developed, funded and implemented nationally recognized (Brookings Institute) volunteer energy conservation workforce development program for the Coconino County Energy Conservation Corps and the retrofitting of over 200 low income homes;
- Grew and promoted an increasing awareness and program infrastructure for low income housing programming in concert with energy efficiency, water conservation, indoor air quality and renewable generation;
- Developed, implemented, coordinated, promoted and evaluated community based Low-Income Housing Service programs including rehabilitation, home replacement, ADA accommodations, energy efficiency, renewable energy, and planning, performed educational & outreach services, presentations to address and motivate the County Board of Supervisors, public organizations and professional groups;
- Wrote, developed, and implemented grants - coordinated multiple projects that are large in scope and determined appropriate construction procurement process, interpreted and assured program contract or regulatory compliance that includes federal and state environmental impact laws and regulations;
- Developed and administered multiple program budgets, documented and communicated findings and developed appropriate recommendations at conclusion of professional investigations;
- Supervised assigned personnel, including project managers, contractors, front line and support staff;
- Served as a resource and provides consultation, education and advice to public, local government, non-profit organizations and contractors.
- Coconino County Sustainable Building Award for innovation in Low Income Homes.
- Member of the Northern Arizona Sustainable Economic Development Initiative (SEDI).

Education:

Northern Arizona University, Flagstaff, AZ

- ***M.A. Community Planning (emphasis in Sustainability)***

Northern Arizona University, Flagstaff, AZ

- ***B.A. Anthropology & Environmental Science***

GARY S. SALEBA
President/CEO

Gary Saleba is a principal and president/CEO of EES Consulting, Inc. His areas of specialty include overall quality control for EES Consulting's projects as well as development of corporate management, financial and strategic planning models. Mr. Saleba has extensive experience in the areas of utility rates, financial planning, management audits, professional development educational seminars, marketing, consumer research, forecasting, integrated resource planning, cost-benefit analyses, overall strategic planning, and mergers and acquisitions.

Having worked as a utility employee, Mr. Saleba combines an extensive background as both a utility industry expert and a management consultant. He is able to draw upon this professional and educational experience to manage projects including comprehensive water, wastewater, gas and electric cost of service studies, strategic planning, and management critiques for clients throughout North America. His experience extends to alternative fuel cost comparisons, econometric forecasting models, resource planning and reliability studies. Mr. Saleba has participated in numerous generic utility proceedings, testified before over 200 regulatory bodies and courts of law and coordinated over 500 financial planning, rate study, resource acquisition, and strategic planning studies.

Mr. Saleba has also served on numerous energy and natural resource-related trade associations. He has served as Chairman of the American Water Works Association Financial Management Committee and Management Division. He has also served on the board of directors for the Northwest Public Power Association. He also served on the Board of Directors for ENERconnect, Inc., a bulk power aggregation and procurement entity serving the municipal utilities in Ontario.

Through EES Consulting and as a utility employee, Mr. Saleba has provided expert testimony in a number of subject areas including:

- Cost of Service
- Wholesale and Retail Rate Design
- Avoided Cost of Power
- General Utility Financing Guidelines
- Load Forecasting/Retail Wheeling
- Automatic Adjustment Clauses
- Supply Contracts/Negotiations
- Interclass Load Characteristics
- Resource Acquisitions
- Integrated Resource Planning
- Efficient Utility Operations
- Construction Contract Analysis
- Return on Equity
- Mergers and Acquisitions

EDUCATION
M.B.A., Finance, Butler University, Indianapolis, Indiana
B.A., Economics and Mathematics, Franklin College, Franklin, Indiana

PROFESSIONAL ASSOCIATIONS
American Water Works Association, American Public Power Association
Northwest Public Power Association, Canadian Energy Association,
California Municipal Utilities Association

EES Consulting

HOWARD CHOY, P.E.
Senior Associate

Howard Choy has spent over 30 years in the energy industry which included: development and administration of Los Angeles County's Office of Sustainability, private sector consulting services for utilities and utility customers, and engineering and management of projects for the Los Angeles Department of Water & Power.

Howard's areas of expertise include:

- Community Choice Aggregation (CCA) program assessment, development, implementation and operations.
- Corporate and agency energy program development and administration; including – utilities accounting, clean energy programs, energy projects, utility partnerships, financing and funding, and community partnerships.
- California Public Utility Commission (CPUC), California Energy Commission (CEC) programs, and California legislature energy programs, policies, and proceedings.

Howard created the County Office of Sustainability (COS) within the Internal Services Department and led COS' activities under a $250 million annual budget. COS included the County's internal Energy Management organization and the County's community-facing energy programs. Major responsibilities included:

- Management of the County's $200 million internal energy budget (electricity, natural gas, water and cogeneration and central heating and cooling plants).
- Implementation of hundreds of energy efficiency, renewable energy, and water efficiency projects in County facilities.
- Development of a County-wide energy management system for tracking and analyzing bills, meter data, and energy consumption patterns.
- Development of the County's CCA feasibility study and business plan; and Board authorization to proceed with a County-wide CCA program.
- Development and administration of the SoCalREN, a CPUC-funded, independently administered energy efficiency program using investor-owned utility ratepayer energy efficiency funds.
- Development and administration of the County Property Assessed Clean Energy (PACE) program which finances residential and non-residential energy upgrades; the County's PACE program exceeded $1 billion in projects approved in one year.

EDUCATION

Bachelor of Science, Mechanical Engineering, University of California at Berkeley
Registered Professional Engineer and Certified Energy Manager, California

PROFESSIONAL ASSOCIATIONS

Past Board Chair, Local Government Sustainable Energy Coalition
Past Administrator, Southern California Regional Energy Network

EES Consulting

GAIL D. TABONE
Senior Associate

Ms. Tabone has managed projects concerning regulatory proceedings, mergers, new utility formation, power supply planning, load aggregation and cost of service and rate analyses.

On the regulatory front, Ms. Tabone has prepared evidence or appeared as an expert witness in several proceedings before public regulatory bodies in the U.S. and Canada. She has been active in preparing and intervening in electric and natural gas rate proceedings, wholesale transmission access and rates, as well as approval for mergers and/or new utility formation.

Ms. Tabone participated in various aspects of changing utility regulation, from early deregulation in Alberta, pooling of transmission costs in Texas, and formation of CCAs in California. She has been involved in strategic planning and regulatory intervention for existing utilities facing changes in the industry structure and reviewing the feasibility of forming new utilities under CCA regulation in California.

Ms. Tabone's experience includes power supply management and has been actively involved in resource planning, evaluating resource proposals and negotiating contracts for numerous utilities. This work involves load forecasting, optimization of resource and contract options, procurement and negotiations for power supply, power supply cost estimation, negotiating transmission contracts, auditing of scheduling and dispatching services, rate design and devising customer choice programs.

Ms. Tabone is both skilled and experienced at determining the needs of the client in the changing utility environment. She is able to develop unique approaches to the analysis of issues facing the client. While her primary focus is economic, she is capable of addressing non-economic issues along with her economic analysis. She has a thorough knowledge of the technical issues related to planning and feasibility analysis.

EDUCATION

M.S., Agricultural and Applied Economics, University of Minnesota
B.S., Economics, University of Minnesota

PROFESSIONAL ASSOCIATIONS

American Water Works Association, Northwest Public Power Association, California Municipal Utilities Association

EES Consulting

STEVEN J. ANDERSEN
Manager of Project Evaluations

Steve Andersen, whose broad knowledge of the engineering field enables him to handle most technical issues, provides economic and technical analyses for utility and industrial clients of EES Consulting, Inc.

Mr. Andersen is skilled in evaluating power supply proposals and has done so for many utilities in the region. He has calculated the potential savings in total power supply costs offered by competing suppliers. With his background in power engineering, he is able to assess the technical barriers to potential savings in today's changing electric industry.

Mr. Andersen has been responsible for managing the interplay of multiple power supply contracts for a major Northwest utility. He has monitored the hourly loads and power schedules of the utility and recommended changes to optimize economically the utility's various resources. He has also negotiated and implemented short and long-term power supply and transmission contracts on behalf of the utility.

Mr. Andersen has performed integrated resources plans for both large and small utilities. He has also performed resource feasibility studies for both utility and industrial clients.

Mr. Andersen has performed cost of service analyses for many utilities. This analysis includes developing rates for residential, commercial and large industrial customer classes. He has also audited the power supply costs of large industrial corporations and suggested options for reducing their overall costs.

Mr. Andersen, has experience scheduling output from hydroelectric and thermal projects based on inflow information, flood control restrictions, maintenance outages, economic displacement and native load requirements. He has experience monitoring gas and electric markets and recommending purchases based on potential savings in total power supply costs. He is familiar with the functionality of hourly, daily, monthly and long-term energy markets.

Mr. Andersen has experience working with BPA power and transmission contracts and rates. This experience runs the gamut from participating in rate case activities to auditing power and transmission invoices.

EDUCATION

B.S., Electrical Engineering, University of Washington

EES Consulting

AMBER NYQUIST
Manager, Economic Evaluations

Amber Nyquist provides analytical expertise for EES in support of economic and financial studies. Ms. Nyquist offers experience and knowledge to a wide range of topics related to regulated utilities. Ms. Nyquist's background includes cost of service analysis, electric rate design, Bonneville Power Administration's tiered rate methodology and other power supply costs or related information. Ms. Nyquist assists in Integrated Resource Planning as well as independent resource evaluation. Specific resources include demand-side and conservation resources, geothermal, wind, renewable energy credits, gas-fired and other resources.

Besides resource planning, she uses her background in econometrics and data analysis to develop load forecasts, normalize electric loads according to weather, and to develop market price forecasts. Also using her statistics knowledge Ms. Nyquist conducts conservation program evaluations and provides utilities with statistically significant results. The results assist in utility program planning, data collection, and presentation.

Furthermore, Ms. Nyquist has specific experience with the federal standards for evaluating benefits and costs of water supply and related resources according to the *Economic and Environmental Principles and Guidelines for Water and Related Land Resources Implementation Studies* (March 10, 1983).

In addition to her background in economics, Ms. Nyquist is also trained in written communication skills. She has four years experience in teaching others to write as well as abundant experience in written and oral presentations.

EDUCATION

M.A., Economics, Simon Fraser University
B.A., Economics, Western Washington University

EES Consulting

KIMBERLY GENTLE
Senior Associate

Kimberly has over 20 years of experience in developing wholesale and retail power contracts, origination and risk management for electric utilities and power brokers. Kimberly's knowledge of wholesale energy markets, contract design and risk management strategies strengthen the EES team and clientele. She has developed risk management policies, hedging strategies and staffing plans. Kimberly has consistently identified cost saving measures throughout her career while employed with utilities, brokers and global energy trading facilities. Kimberly has optimized renewables, natural gas, power and transmission portfolios.

The foundation of Kimberly's experience is contracts and risk management and she specializes in optimizing value through policy and contracts. Kimberly has in-depth understanding of the International Swap and Derivatives (ISDA) contracts, the EEI Master Agreement, the National Energy Standards Board (NAESB) and Gas Industry Standards Board (GISB) agreements and the WSPP agreement. Kimberly regularly teaches energy contracting classes with a focus on the WSPP and ISDA agreements.

Kimberly has worked as a senior utility executive and had developed budgets, staffing plans, business strategy and policy development. Kimberly has been an industry leader in distributed generation, renewable energy strategy, block chain and cryptocurrency. She has negotiated retail and wholesale energy supply contracts in multiple commodities and has significant experience in contract default and bankruptcy in physical and derivative contracts.

Kimberly has a background in tariffs and policy and resource planning. Kimberly has a history in regulatory compliance and has acted as a subject matter expert, has developed and implemented strategic plans to save costs in regulatory oversight. She has experience with both BPA transmission and BPA power and the associated policies, business practices, rate cases and statues. Kimberly has experience in northwest natural gas and pipeline tariffs. As a utility professional, Kimberly has scheduled power, nominated natural gas, and traded both cash and forwards.

Kimberly has a background in power and natural gas settlements, after the fact check out and reporting and credit evaluation and controls. Kimberly has overseen and directly performed a variety of risk, contracts, scheduling and after the fact functions.

EES Consulting

Jessica Ray, FMP, LEED Green Associate

310-895-7070 jessicaray21@gmail.com

EXPERIENCE OVERVIEW

Over 14 years of project management, energy efficiency, real estate management and facilities experience. Background in ground-up construction and management of commercial and industrial facilities with a broad understanding of operations, building systems, occupant behavior and sustainability initiatives. Specializes in identify opportunities across portfolios to increase operational efficiency and implement sustainability programs and energy efficiency solutions. Directed the execution of energy efficiency programs, managing elements of the Energy Upgrade California program, as well as managing implementation of the Southern California Regional Energy Network programs. Created detailed analysis and proposals for Direct Install, Behavioral, Multifamily, all sizes of Commercial, and a variety of other programs. Developed and implemented sustainability trainings around operations to increase stakeholder participation in initiatives. Experienced working with all levels of stakeholders to develop sustainability programs from the top down.

Accomplishments

- Demonstrated management of Commercial and Industrial energy and water efficiency programs.
- Technological acumen, training and field experience enhance program design expertise.

Education

- B.S., Business Administration, Wichita State University

  Minor in Marketing
- M.B.A., Master of Business Administration, California State University Northridge

Certifications and Training

- LEED Green Associate, USGBC – Member since 2014
- Facilities Management Professional, International Facilities Management Association – Member since 2007
- Building Science Principles Certification, Building Performance Institute, Inc. (BPI)

PROGRAM/PROJECT EXPERIENCE

ICF INTERNATIONAL

Program Manager, Southern California Regional Energy Network, L.A. County, 2017 to 2019. Management and Implementation of Single Family and Multifamily programs for the Southern California Regional Energy Network (a county-wide program with a $22 million budget). Completely redesigned the program structure and delivered substantial results in a short amount of time (228% over the prior most successful year). Responsible for Business Development, including proposal development and program design for small business, large commercial, industrial, agricultural, etc. Integrated concepts such as pay-for performance, direct install, demand side management, trade ally delivery, and NMEC. Created sustainability plans, program manuals, marketing plans, collateral and end-user guides for water and energy reduction.

CLEARESULT

Water and Energy Direct Install Program, Pasadena Water and Power, 2012-2017. Developed and implemented a highly successful Direct Install program, incorporating water and energy components. Achieved high customer satisfaction ratings and reached installation goals year after year. Managed marketing, field operations, ran savings calculations, developed project scope, managed contractors and all projects through completion.

Project Manager, Pasadena Unified School District, Proposition 39, 2014. Completed bidding and negotiation of several school lighting retrofit projects in Pasadena. Coordinated with the district to oversee auditing, compliance, installation and quality control of school projects.

Project Manager, Multiple School Districts, Southern California Regional Energy Network, 2014-2015. Won contracts to consult with school districts to utilize Southern California Regional Energy Network funds, and managed several projects through completion, including multiple large school districts consisting of 10-20 schools.

BKI

Program Manager, Los Angeles County, Energy Upgrade California, 2011-2012. Lead marketing Program Consultant for BKi, working primarily on the Energy Upgrade California program for L.A. County. Involved in all aspects of program management (including development, financial reporting, success metrics reporting and implementation), and developed and implemented a highly successful Co-Op Marketing program. Also involved in developing curriculum and implementing green building trainings in Los Angeles. Created marketing content, social media content, and drafted sustainability plans for end-users.

IDS REAL ESTATE GROUP

Facilities Manager/Real Estate Manager/Energy Projects Specialist, 2007-2010. Certified as a Facilities Management Professional by the International Facilities Management Association. Responsible for the management and operation of commercial buildings. Work included capital improvements, maintenance, lease administration, tenant relations and emergency response. Initiated millions of dollars in lighting retrofits, obtained and evaluated solar energy generation bids and other energy projects, and founded the company's energy efficiency practice. Marketed large-scale energy efficiency projects to clients and managed projects through completion. Competencies include contractor selection, RFP and scope development, product selection and negotiation, and project management. Experience in energy management includes energy use analysis, retrofit impact analysis, post-retrofit tracking and reporting, solar bidding and analysis.

Managed large portfolios of real estate for high-profile clients, such as Disney, US Bank and OneWest Bank, which included creating sustainability plans, including efficiency projects, on-site programs (recycling, sustainable practices, etc.) and reporting for company Annual Reports.

GALAXY COMMERCIAL HOLDING

Construction Coordinator, 2006–2007. Coordinated ground-up new construction for high-rise residential. Became proficient with the coordination of trades, complex contracts, and project planning and development.

PROFESSIONAL AFFILIATIONS

USGBC – United States Green Building Council
IFMA – International Facilities Management Association
ASHRAE – American Society of Heating Refrigeration and Air-Conditioning Engineers
AWWEE – Association of Women in Water, Energy and Environment

GDS Associates, Inc
ENGINEERS & CONSULTANTS

CHAD D. WILCOX, JD CPA

Project Manager

EDUCATION

University of Maine School of Law, Juris Doctorate (*cum laude*), Portland, Maine, 2010
Husson University, Bachelor of Science – Accounting (*summa cum laude*), Bangor Maine, 2007

PROFESSIONAL CERTIFICATIONS

Certified Public Accountant – Maine
Bar License – Maine, Kentucky, District of Columbia

ENERGY AND UTILITY INDUSTRY EXPERIENCE

Mr. Wilcox has more than eight (8) years of experience in the energy and utility sector helping utilities achieve strategic rate and revenue solutions, analyze and account for emerging energy regulation, and navigate compliance requirements.

Mr. Wilcox's energy and utility experience began while working as a Lead Tax Analyst at an international utility group where he developed expertise in accounting for the income taxes of rate regulated organizations under ASC 980 and applicable international standards. In addition to providing technical accounting and reporting support, Mr. Wilcox was responsible for preparing annual income tax returns, tax related sections of annual reports including the FERC Form 1, and rate base analysis in support of rate making.

More recently, Mr. Wilcox managed the Sales and Revenues Department of an electric transmission and distribution company in Maine where he was responsible for the company's rate and revenue strategy. Mr. Wilcox achieved numerous strategic rate initiatives in proceedings before the FERC and Maine Public Utility Commission (MPUC). He has assisted in drafting a broad range of rate filings, participated as an expert in technical conferences, and participated in settlement negotiations yielding solutions that were favorable to both customers and the utility. Mr. Wilcox utilizes his expertise in utility regulation and finance, along with a strong proficiency in financial and quantitative modeling, to provide comprehensive solutions and bottom line impact analysis.

Since joining GDS in late 2018, Mr. Wilcox has assisted municipal and cooperative electric utilities with a variety of cost of service and ratemaking assignments, including preparation of cost-of-service formula based rates, and supporting interventions on investor-owned utility rate filings. Mr. Wilcox's utility accounting expertise has been invaluable in advising electric wholesale customer clients navigate through the rate implications of investor-owned utilities' compliance with the Tax Cuts and Jobs Act, asset retirement obligations, among other things. Most recently, Mr. Wilcox has taken the lead in the review of various investor-owned utility depreciation studies filed at the FERC and various state utility commissions.

Recent Rate Making Experience

Mr. Wilcox has been involved with a variety of rate proceedings including:

Rate Making at FERC:

- Depreciation Rate Study – Docket Nos. ER20-227, ER19-404
- Formula Rate Annual Updates and Settlements – Docket No. ER15-1429-000
- Tax Cuts and Jobs Act Compliance - Docket No. ER18-1244-002
- ROE Challenges and Revenue Requirement Impacts – Docket No. EL11-66-001
- Mergers and Merger Related Costs – Docket No. EC13-81-001
- Known and Measurable Load Adjustments in Formula Rates– Docket No. ER16-1301-000

Rate Making at MPUC:

- Modernization of Minimum Demand Requirements – MPUC Docket No. 2017-00102
- Development of LED Street Light Rates – MPUC Docket No. 2018-00133
- Load Forecasting for Retail Rates – MPUC Docket No. 2017-00198
- Energy Auctions in Deregulated Energy Markets – MPUC Docket No. 2018-00192

Other Experience

Mr. Wilcox served as the 2018 Secretary for the Pooled Transmission Owner's Administrative Committee, an organization of New England transmission owners holding joint filing rights over the ISO New England Open Access Transmission Tariff.

Energy Sector Employment

GDS Associates, Inc., Orlando, Florida
Project Manager, December 2018 – Present

Emera Maine, Bangor, Maine
Manager, Sales and Revenues, December 2015 – December 2018

Avangrid, New Gloucester, Maine
Lead Analyst, Tax Reporting, September 2011 – December 2015

PUBLIC ACCOUNTANT / CERTIFIED PUBLIC ACCOUNTANT EXPERIENCE

JANUARY 2007 – AUGUST 2011

- Advanced Tax Staff, Strothman and Company, P.S.C., Louisville, KY (June 2010 – August 2011)
- Tax Staff, Strothman and Company, P.S.C., Louisville, KY (September 2010 – June 2011)
- Contract Tax Accountant, Dawson Smith Purvis & Bassett, P.A., Portland, Maine (January 2007 – May 2010)

TED LIGHT
Project Manager

Ted Light is a Project Manager with a specialty in energy efficiency and demand-side management. He brings nearly nine years of experience to EES, having worked previously for the Energy Trust of Oregon, the non-profit energy efficiency and renewable energy program administrator for Oregon's investor-owned utilities. He has expertise and knowledge on a broad array of energy efficiency program management and planning topics including: conservation/DSM potential assessments, conservation program planning, program data analysis, and cost-benefit analyses.

While working for the Energy Trust, Mr. Light managed the development of a new conservation potential assessment model that included an innovative approach to forecasting savings from emerging energy efficient technologies. That model was used to develop energy savings forecasts in over half a dozen electric and natural gas utility IRP processes.

Mr. Light also developed new tools to calculate avoided costs and benefit-cost ratios for energy efficiency programs and measures, greatly improving Energy Trust's reporting capability. Those tools incorporated new load shapes developed by the Northwest Power and Conservation Council for the 7th Power Plan and enabled the calculation of utility specific peak demand reductions for both electric and natural gas measures.

In addition to his conservation planning work, Mr. Light also managed Energy Trust's small industrial, agricultural, and industrial lighting programs. He provided technical review for Strategic Energy Management program participants in the commercial sector and advised the residential program on a behavior program. With the development of new measures that offer both efficiency and demand response capabilities, Mr. Light helped Energy Trust consider the combined benefits of these technologies. He also served on the Northwest Energy Efficiency Alliance's Cost Effectiveness Advisory Committee.

Earlier in his career, Mr. Light taught high school math and science on the Rosebud Reservation in South Dakota through Teach For America.

EDUCATION

B.S., Aeronautical & Aerospace Engineering, Purdue University

CERTIFICATIONS

Certified Energy Manager (CEM), Association of Energy Engineers (#14608)

EES Consulting

KYLE MORRILL
Senior Analyst

Kyle Morrill provides analytical expertise for EES in support of economic and financial studies. Mr. Morrill offers experience and knowledge to a wide range of topics related to regulated utilities. Mr. Morrill's background includes economic analysis, econometric forecasting, municipal solid waste policy and demand-side management analysis.

In addition to his background in economics, Mr. Morrill is also trained in data management and research. He has lead data management and collection for research institutions and local government assisting in policy and demographic analysis.

EDUCATION

M.A., Economics, University of Colorado Denver
B.S., Economics, University of Puget Sound

EES Consulting

CONNOR BIRKELAND
Senior Analyst

Connor Birkeland is a Senior Analyst with a specialty in distributed energy resource modeling and financial analysis. He brings nearly a decade of experience within the energy sector, having most recently collaborated as Research Fellow with Seattle City Light and the Federal Department of Energy. Mr. Birkeland's background includes resource modeling, short- and long-term weather forecast modeling, and conservation potential assessments. He has experience with a broad range of sectors including renewable energy manufacturing, system design, benefit-cost analysis, and policy analysis.

While working with the Department of Energy and Seattle City Light, Mr. Birkeland helped develop innovative forecasting models for short-term behind-the-meter distributed generation utilizing an ensemble model for weather forecasting. This model separated behind-the-meter distributed generation from system load within Seattle City Light's service territory.

Mr. Birkeland also helped develop new tools for Seattle City Light to forecast load growth resulting from a range of potential electrification futures with a focus on impacts from climate change and air conditioning load growth. Those tools were incorporated into Seattle City Light's 2019 System Load Forecast.

Including his work with the City of Seattle, Mr. Birkeland has consulted on various federal contracts and clean tech startups. Most recently, he provided expertise as part of a SunShot grant to rural communities in northern Minnesota seeking to update local interconnection practices and reduce distributed generation soft-costs.

EDUCATION

MPA, Evans School of Public Policy and Governance, University of Washington
B.A., Astrophysics, The Evergreen State College

EES Consulting

REQUEST FOR QUALIFICATIONS RESPONSE FOR INTERIM CHIEF EXECUTIVE OFFICER FOR CLEAN ENERGY ALLIANCE

The Bayshore Consulting Group

December 9, 2019

Barbara@BayshoreCGI.com

Clean Energy Alliance:

The Bayshore Consulting Group ("Bayshore") is pleased to submit this proposal in response to the Request for Qualification for Interim Chief Executive Officer ("CEO") for Clean Energy Alliance ("CEA").

Bayshore's team brings the experience and expertise that meets the requirements that CEA seeks and will ensure its successful community choice energy ("CCE" or "CCA") implementation. Our experience includes not only providing support in launching and implementing CCE programs, we also have expertise in the administration and management of a Joint Powers Authority ("JPA"). Bayshore is well poised to support a growing agency such as CEA.

The initial term of the Request for Qualifications ("RFQ") is through the end of Fiscal Year 2019/2020 (June 30, 2020). During that time, CEA will be focused on building its technical support team, marketing and customer outreach; activities to ensure a successful implementation; and establishing the policies and procedures needed for a new JPA organization. The Bayshore team has successfully supported the implementation of five CCEs in Southern California as well as establishing a new JPA. We are confident that Bayshore is the right choice for assisting CEA through its launch in 2021 and creating programs in support of the Climate Action Plan goals of Carlsbad, Del Mar and Solana Beach.

Principals of Bayshore are:

Barbara Boswell, Partner
Mark Bozigian, Partner
Marshall Linn, Sr., Partner

Barbara Boswell is the lead for this project and proposed as the Interim CEO for this engagement. She is authorized to enter into agreements on behalf of Bayshore, and can be reached at:

Barbara@BayshoreCGI.com, 661-510-0425.

We appreciate the opportunity to respond to the RFQ and look forward to further discussions regarding how our experience matches the scope of services and will benefit CEA.

Barbara Boswell
Partner

THE BAYSHORE CONSULTING GROUP, INC.
3111 N. Tustin St, Suite 110, Orange, CA 90265

TABLE OF CONTENTS

GENERAL QUALIFICATIONS, KEY PERSONNEL & SUB-CONSULTANTS

Between January – June 2020, CEA will be focused in two areas: establishing a new joint powers authority organization with proper policies and procedures to ensure long-term stability and completing the steps necessary to ensure CEA's registration as a community choice aggregation program and successful CCA implementation in 2021.

Bayshore Consulting Group is the right choice for successfully meeting both of these priorities. Our team has extensive experience implementing and operating all aspects of CCE programs, including solicitation of technical consultants, data management, call center start-up, power procurement, regulatory compliance, regulatory advocacy, budgeting, marketing, budget and finance, and customer service. Bayshore also brings the necessary experience at the municipal government executive level to meet the JPA administrative needs of CEA.

CEA will not only benefit from Barbara's experience; Bayshore's team includes individuals with extensive municipal financial advisory consulting experience, energy solicitation and contracting experience, representing CCAs on the California Community Choice Association ("CalCCA") board and municipal management experience (at the City Manager level). In addition, the Bayshore partners have extensive experience working in partnership with the Building & Construction Trades Council, the International Brotherhood of Electrical Workers ("IBEW") and the National Electrical Contractors Association ("NECA") in advancing renewable energy and economic development projects throughout southern California. These partnerships include working with solar developers to secure Los Angeles County approval for numerous renewable energy projects; advocating before the California Public Utilities Commission ("CPUC") and state legislators for positions favorable to CCEs; and effecting mutually beneficial partnerships between local governments and labor interests. CEA would have access to, and benefit from, the entire Bayshore team.

Bayshore Organizational Structure

Barbara Boswell, Partner – Project Lead & Proposed Interim CEO, 50%-75% of time on project;

> Responsible for management and administration of California Choice Energy Authority (CalChoice) including annual budget preparation, board presentations, overseeing all accounting functions; provides on-going support to the five operational CalChoice CCA members including third-party service provider relations, liaison with IOU, regulatory compliance, rate setting, customer relations, billing issue resolution, CPUC proceeding tracking and analysis; successfully managed the launch of five CCA in Southern California Edison territory; implementation and on-going support to Solana Energy Alliance, the first CCA in San Diego Gas & Electric territory.

Successfully managed the finances of the cities of Lancaster and Santa Clarita through economic ups and downs. Established internal controls, policies and procedures to ensure compliance with legislative, regulatory and best practices. Developed budgets and department goals and objectives. Responsible for annual financial audits, receiving unqualified opinions every year under her leadership, budgeting, procurement, contract negotiation and administration, accounts payable, payroll, information technology and accounts receivable.

Led the team that successfully launched Lancaster Choice Energy, the first Community Choice Aggregation program in Southern California Edison territory. Served as a founding board member and Treasurer of California Community Choice Association (CalCCA). Served as a board member of California Society of Municipal Finance Officers.

Barbara holds a Master's in Public Administration degree from California State University Dominguez Hills and Bachelor's in Business Administration from Woodbury University.

Mark Bozigian, Partner – Focus on relations with labor groups; Available on an as needed/requested;

Mark Bozigian has more than 26 years of experience in local and regional government, most recently as City Manager for the City of Lancaster, California from 2008 through 2018. In his role as City Manager, Mr. Bozigian worked with the Mayor, City Council, and city staff to lead the city through the great recession without reducing public services or laying off staff; develop and manage eleven annual municipal budgets in excess of $200 million, expanding city services and increasing city reserves to over 25% in that time span; renovate the city's downtown into a state-designated regional entertainment and cultural center; reduce crime through a comprehensive strategy directing resources, deployment, policies, and operations; reduce unemployment and increase job opportunities through local business enhancement programs and successful attraction of large regional employers, leading to Lancaster being named the only two-time winner as the most Business Friendly City in Los Angeles County; and establish the first stand-alone, city Community Choice Aggregation in California, Lancaster Choice Energy.

Mark holds both a Master's and Bachelor's degree in Business Administration from Loyola Marymount University.

Marshall Linn, Partner – Focus on Financial Advisory services; available on an as needed/requested basis;

Marshall has more than 46 years of experience working with more than 300 governmental jurisdictions, including 40 years with City of Lancaster, in the structuring of their debt issues. The par value of his financial advisory transactions exceeds well over $7,000,000,000. Prior to forming Bayshore Consulting Group with Barbara,

Marshall was the founder of Urban Futures, Inc. and served as their CEO for 45 years before retiring in 2016.

Marshall has taught graduate and undergraduate level classes for Cal Poly State University, Pomona, and the University of Southern California where he has also served as a guest lecturer.

Marshall is a graduate of the University of Southern California, where he was awarded B.A. and M.P.A. degrees.

Cathleen DeFalco, Procurement and Regulatory Manager – Available on an as needed/requested basis.

Responsible for procurement and regulatory affairs for California Choice Energy Authority (CalChoice), including procurement and commodity management, supplier relations, contract negotiations and administration, and regulatory and legislative affairs on behalf of CalChoice's five operational CCAs. Additionally, Cathy is a board member of the California Community Choice Association which advocates on behalf of CCAs at the state level.

Cathy was conferred the degree of Executive Juris Doctor with honors from the Concord School of Law, a Master Certificate in Contract Management from Villanova University, and a Bachelor's in Business Administration from the University of LaVerne. Cathy was awarded Certified Purchasing Manager lifetime certification for successfully achieving the prescribed requirements in education, professional development, and professional responsibility by the Institute for Supply Management.

No subconsultants are included in the proposal.

Bayshore's main office is in Orange, CA, with satellite offices in Santa Clarita and Lancaster. Barbara works primarily out of the Santa Clarita satellite office and will be in person in the CEA territory for board meetings and on an as needed basis.

CEA Administration and Management Responsibilities

Experience establishing a new JPA organization (California Choice Energy Authority); implementing five different CCAs in both San Diego Gas & Electric ("SDG&E") and Southern California Edison ("SCE") territories; and supporting ongoing CCE operations makes Barbara uniquely qualified to perform the duties of Interim CEO as described in the scope of services.

Barbara brings experience working with CCE programs operating under various structures, including traditional stand-alone enterprise CCEs, turn-key enterprise CCEs, and those working together under a hybrid JPA structure. Implementation of a CCE program is deadline driven, with specific due dates for regulatory compliance filings and operational tasks. Barbara has proven experience developing work programs to ensure all deadlines are met and implementation tasks completed on time.

Community choice energy implementation and operational support experience includes:

Solana Energy Alliance – first CCE in SDG&E territory; turn-key enterprise structure
Lancaster Choice Energy – first CCE in SCE territory; stand-alone enterprise that transitioned to hybrid JPA structure
Pico Rivera Innovative Municipal Energy – Hybrid JPA structure
San Jacinto Power – Hybrid JPA structure
Rancho Mirage Energy Authority – Hybrid JPA structure
Apple Valley Choice Energy – Hybrid JPA structure
King City – stand-alone turn-key structure

- Develop Request for Proposals, evaluate proposals, and make recommendations for selection of technical consultants to support CCE operations including Data Management, Scheduling Coordinator, Load Forecasting, Rate Setting, Regulatory Compliance, and Regulatory Advocacy;
- Develop Request for Offers, evaluate responses, and make recommendations for energy supply, renewable energy and resource adequacy;
- Develop energy supply hedging strategy to provide financial stability for emerging CCE programs;
- Develop policies and procedures for new CCE operations to ensure compliance with regulatory requirements;
- Coordinate with Investor Owned Utility ("IOU") for testing of Electronic Data Interchange with Data Management provider;
- Establish procedures with IOU to ensure compliance with Code of Conduct for timely preparation of Joint Rate Comparison;
- Develop procedures and policies to ensure compliance with Customer Privacy Rights and Confidentiality requirements;
- Prepare and file regulatory compliance reports including monthly U.S. Energy Information Administration Electric Industry Power Report and quarterly California Energy Commission Electric Sales and Delivery Report;
- Review and approve Resource Adequacy compliance filings, Renewable Portfolio Standards Procurement Plans, and Integrated Resource Plans;
- Preparation of Annual Budgets, development of quarterly CCE status reports for governing body;

- Preparation and presentation of staff reports related to rate setting, energy supply award, budgets, and program updates;
- Establish Accounting system for recording CCE financial transactions;
- Support set up of Call Center and create customer service and integrated voice recording scripts to ensure consistency with CCE messaging goals;
- Develop CCE program terms and conditions;
- Coordinate with Data Manager and Call Center consultant in addressing customer questions and concerns;
- Track CPUC proceedings, analyze impact to CCE programs and develop strategies for advocating CCE position and mitigating impact;
- Establish productive working relationship with IOU resulting in a positive customer experience;
- Founding board member of CalCCA.

Municipal Government Finance Experience:

City of Lancaster – Director of Finance/Treasurer; Led team implementing Lancaster Choice Energy
California Choice Energy Authority ("CalChoice") – Appointed Treasurer
City of Santa Clarita – Finance Manager

- Prepare Annual Budgets and develop systems for tracking revenues and expenditures;
- Prepare long-range financial forecasting models;
- Develop policies and procedures to ensure proper internal controls for managing public funds;
- Develop financing plans for meeting City Council/JPA Board goals;
- Prepare staff reports and make presentations to City Council and JPA boards;
- Manage all phases of accounting process including accounts payable, payroll, purchasing, auditing and reporting;
- Preparation of award winning Comprehensive Annual Financial Reports;
- Issue debt instruments (bonds) for financing projects;
- Establish policies and procedures for new JPA organization (CalChoice).

Program Development

A key goal of the CEA members is meeting their respective agency Climate Action Plan goals. In addition to the regulatory activities required of an emerging CCE program, Bayshore recognizes the importance of ensuring CEA's policies and programs are established to assist in moving forward the goals of the Climate Action Plans ("CAP") of Carlsbad, Del Mar and Solana Beach.

To do this, Bayshore will review each CAP and prepare a matrix identifying both common and unique goals of the Members. This matrix will assist the Board in establishing CEA policies and work plans that will further those goals.

Barbara and the Bayshore team have direct experience in soliciting technical consultants with the necessary experience to support the operational needs of a CCE, including preparing regulatory compliance reports such as Integrated Resource Plans, Renewable Portfolio Standards Procurement Plans, load forecasting and power procurement. Bayshore is familiar with the various funding opportunities available to CCEs, such as energy efficiency program funds, and the process necessary to successfully apply for these funds.

Collaboration and Community Engagement

A key element of a successful CCE implementation is a community outreach program that communicates program goals, addresses questions and concerns, and generates confidence in the program resulting in low customer opt outs. Barbara has experience developing marketing plans for new CCEs that have resulted in high participation rates. These plans have included product naming and branding; developing websites; working with graphic designers for logo creation; creation of marketing materials; and development of commercial outreach plans for top customers.

Successful outreach campaigns include a variety of activities including identifying and working with key community groups; visibility at community events that provides opportunities for one-on-one communications with residents and businesses such as at farmer's markets or community events, as well as advertising. These are in addition to CEA Board presentations, City Council presentations and the required notices to be mailed out. Each of the CEA Member cities may utilize any variety of outreach activities that would best meet the needs of their specific community.

Solana Beach does not have the same noticing requirements as Carlsbad and Del Mar, due to their customers having gone through the noticing process during SEA's launch in 2018. It is prudent for an outreach plan to be developed to communicate the impact of the transition from Solana Energy Alliance to Clean Energy Alliance service for affected customers.

Policy and Regulatory Advocacy

Policy and regulatory advocacy is a critical component of ensuring the long-term autonomy of CCE programs. Over the past several years there have been regulatory and legislative efforts that would reduce local control over CCE procurement and operations. These limits could

impact CEA's success in meeting its environmental goals as identified by the Board. CEA's JPA agreement has established a target discount of 2% compared to SDG&E for generation rates.

Participation in SDG&E's rate setting processes will inform CEA's rate setting and provide opportunities for CEA to ensure that CEA customers are treated fairly by SDG&E through the PCIA rates and that CEA is not put at a competitive disadvantage by SDG&E not allocating costs appropriately between delivery and generation.

Developing a strategy early to stay on top of regulatory and legislative activity and participating actively in the CPUC and legislative process will mitigate the risk of impact to CEA of decisions. Barbara and the Bayshore team have experience working with specialized regulatory attorneys in reviewing CPUC proposed decisions and legislative bills, analyzing impacts, and developing strategies for participating and commenting on the proposed decisions and bills. Barbara led a team that successfully filed a complaint against and IOU due to the IOU unfair treatment of CCE customers related to billing. The complaint resulted in a settlement agreement that was to the benefit of the CCE customers.

EXPERIENCE

Solana Energy Alliance Implementation & On-Going Support
Contact Information: Greg Wade, City Manager, 858-720-2444; gwade@cosb.org
Team Members: Barbara Boswell
Date Completed: On-going
Annual Cost of Services: Average $35,000 per year; billed hourly at $150 per hour

Scope of service:
Assist with evaluation of Request for Proposal responses for community choice aggregation turn-key solution that includes energy supply, scheduling coordinator, regulatory compliance, data management and call center; participation in interviews and selection of third-party providers. Outcome resulted in a turn key CCA implementation that met the goals of Solana Beach of no up-front costs; general fund protections, rate discount and increased renewable energy supplied to residents and businesses.

Scope extended to include implementation assistance and on-going operational support. Implementation support included working with IOU and Data manager for EDI testing; establishing program policies and procedures to meet regulatory requirements; creating customers notices; setting up SEA program website; initial rate setting support; working with SDG&E to develop Joint Rate Comparison process; work with call center to create customer service representative and interactive voice response scripting; work with Solana Beach finance to establish budget and accounting procedures. On-going support that includes CCA administrative support: weekly & monthly energy supply invoice validation; customer service

support; assist rate setting; Joint Rate Comparison process with SDG&E; monthly transaction processing; monthly and quarterly regulatory reporting preparation and filing; participation on Energy Risk Management Committee; preparation of staff reports and presentations to City Council; responding to customer inquiries as needed; other related activities as needed.

California Choice Energy Authority JPA Administration & Management
Contact Information: Jason Caudle, City Manager/Executive Director, 661-723-6010; jcaudle@cityoflancasterca.org
Team Members: Barbara Boswell, Cathy DeFalco, Mark Bozigian, Marshall Linn, Subconsultant: Tripepi Smith
Date Completed: On-going
Annual Cost of Services: $522,000 per year

Scope of service:
Provide all JPA administrative, management, finance, risk management and marketing services for the benefit of the CalChoice member agencies including policy setting, Board administration, power procurement, contract administration, regulatory advocacy and compliance, budgeting, accounts payable, accounts receivable, cash management, debt administration, website maintenance, public relations in the form of press releases, monthly newsletter to member agencies and interested subscribers. Preparation of board reports and presentations to Board. The Bayshore team is currently in the process of negotiating long term renewable energy supply contracts with suppliers on behalf of the CalChoice member agencies in compliance with SB 350. The contract negotiation process has resulted in a diverse pool of suppliers, including solar and wind, meets the energy demand shape of the Member Agencies, protects the general funds of the Member Agencies while meeting the regulatory compliance requirements of SB 350. Cathy DeFalco, Mark Bozigian, Marshall Linn and Tripepi Smith are available to CEA on an as needed/requested basis.

Rancho Mirage Energy Authority Implementation & On-Going Support
Contact Information: Isaiah Hagerman, City Manager, 760-324-4511, IsaiahH@RanchoMirageCA.gov
Team Members: Barbara Boswell, Cathy DeFalco
Date Completed: On-going
Annual Cost of Services: $30,000 per year

Scope of service:
Provide all CCA implementation and on-going CCA project management services including preparation and filing of Implementation Plan, oversight of development of Integrated Resource Plan and Renewable Portfolio Standards Procurement Plan; development of initial and on-going Joint Rate Comparison in cooperation with Southern California Edison; rate setting; customer notice development; establishment of CCA website; development of CCA financial pro forma, and annual budget; completed RFP for energy efficiency consultant to

complete the CPUC Elect to Administer process for energy efficiency funds; on-going regulatory advocacy and tracking; preparation of position papers; rate setting; power portfolio management and procurement strategies to meet renewable and GHG-Free portfolio goals; preparation of monthly operational reports to communicate financial and operational results of the CCA; provide all aspects of power procurement and contract administration. Cathy DeFalco is available to CEA on an as needed/as requested basis.

References

Bayshore References:

Name	Telephone Number	Email	Description
Greg Wade, City of Solana Beach, City Manager	858-720-2444	GWade@cosb.org	CCA implementation and operational support
Ty Tosdal, Tosdal APC	858-704-4711	ty@tosdallaw.com	Regulatory Advocacy; coordinated on IOU complaint for benefit of CCA customers
Rosa Cucicea, Assistant Vice President, River City Bank	925-398-2763	Rosa.Cucicea@RiverCityBank.com	Professional reference related to CCA lockbox and banking activities

APPROACH

Bayshore approach will be as a member of the Clean Energy Alliance team and not merely a consultant. CEA's success will be our success. We believe that communication is key to providing quality service, and will establish regular, recurring status calls and in person meetings to keep key staff apprised of the progress being made towards key milestones and goals. Our breadth of experience from both the CCE and municipal government perspectives will ensure that each task and challenge will be looked at from both the broader CCE view, as well as from the Member Agency impact view.

Barbara will be available in person at least monthly at the Board meetings, as needed between the meetings, and always available to staff via phone, text and email. She will be responsible for the monthly Board agenda preparation, coordinating and drafting staff reports and presentations, and working with the Board Secretary for necessary posting.

SCHEDULE

The schedule below reflects the top critical tasks CEA needs to complete through June 30, 2020 in order to meet the regulatory requirements and operational steps to stay on track for a May 2021 launch.

Timing	Description
12/19/19	Appoint Interim Executive Director
12/19/19	Approve & File Implementation Plan & Statement of Intent
1/6/20	Issue RFP for Banking and Credit Solutions
1/16/20	Authorize RFP for Technical Consultant to Assist with Regulatory Filings (RPS & RA Filings)
1/16/20	Authorize RFP for Data Manager
1/24/20	Proposals for Banking and Credit Solutions Due
1/24/20	Issue RFP for Technical Consultant & Data Manager
2/20/20	Select Financial Institution & Approve Financing Plan
2/20/20	Select Technical Consultant to Assist with Regulatory Filings
2/20/20	Select Data Manager
2/20/20	Develop Draft Customer Notice for Submittal to CPUC
2/20/20	Develop RPS Procurement Plan
2/20/20	Authorize SDG&E Service Agreement
3/1/20	Develop FY 20/21 staffing requirements
3/1/20	Create CEA website; create CEA logo
3/1/20	Review and consolidate Climate Action Plans
3/19/20	Post CCA Bond with CPUC
3/19/20	Execute Service Agreement with SDG&E
4/16/20	CEA FY 20/21 Planning & Goal Setting Workshop
4/16/20	Approval for solicitation of long-term renewable energy & Resource Adequacy
4/23/20	Resource Adequacy Compliance Filing
5/1/20	Develop CEA FY 20/21 Budget
6/18/20	Approval of CEA FY 20/21 Budget

Bayshore is committed to providing the time needed to complete the scope of services as detailed in the RFQ, including, but not limited to, the tasks in the schedule above. Beginning in January 2020 Barbara has 20 – 30 hours per week available to dedicate to CEA as interim CEO.

FEE SCHEDULE & PROJECT BUDGET

Barbara Boswell – Interim Chief Executive Officer - $150/hour for actual time worked.
Estimated average 25 hours per week = $3,750 per week to accomplish tasks above as well as monthly Board meeting preparation and attendance.

Travel time will be billed for one-way travel only.
Actual travel expenses (mileage at the IRS mileage rate and lodging as incurred), will be billed.

Other Bayshore Staff Available on as needed/requested basis:

Mark Bozigian - $225/hour
Marshall Linn - $250/hour
Cathy DeFalco - $125/hour

No Sub-consultants are included in the proposal.

Bayshore Consulting Group
Clean Energy Alliance Cost Estimate

through 6/30/19

Board meeting attendance	24	6 meetings assumed
Board Meeting Prep	48	6 meetings assumed
Meetings with staff (conf call or in person on Board meeting date)	24	Meetings with Staff per month/2 hours each
Other Administrative Activities	36	Review invoices; reply to emails; calls
CCA Registration Activities	36	
CCA Imp. Activities	80	Develop/review RFPs/Website
	248	
@ $150/hour	$ 37,200.00	