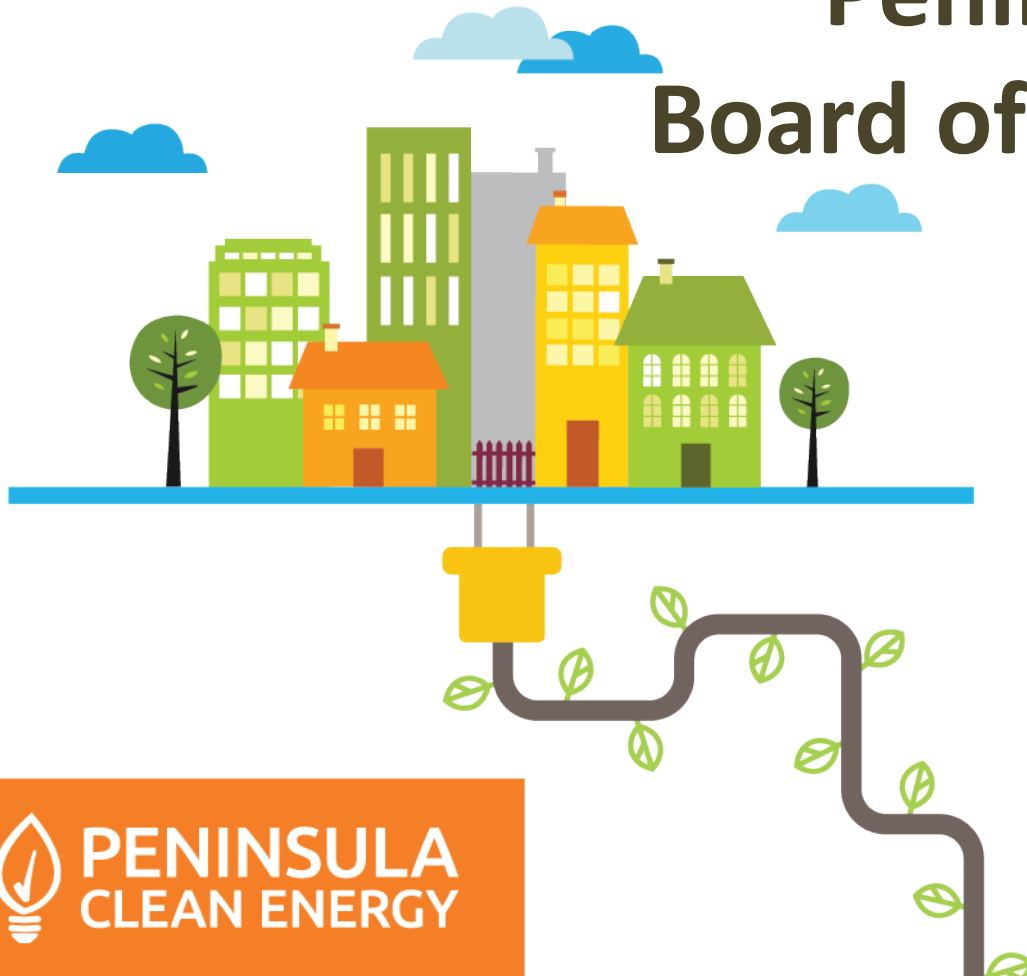


Peninsula Clean Energy Board of Directors Meeting

March 23, 2017



**PENINSULA
CLEAN ENERGY**

Agenda

Call to order / Roll call

Public Comment

Action to set the agenda and approve consent items

Regular Agenda

1. Chair Report (Discussion)

Regular Agenda

2. CEO Report (Discussion)

Recruiting Update

- Introducing Leslie Brown, Manager of Customer Care
- New PCE Employees starting on March 27th:
 - Joseph Wiedman, Senior Regulatory/Legislative Analyst
 - Siobhan Doherty, Manager of Contracts
- Other positions
 - Posting soon for Finance Manager / Director and Energy Analyst

Regulatory/Legislative Update

- CalCCA meetings (attended by David Burruto):
 - February 28 meetings in Sacramento
 - Senate Energy and Utilities Committee
 - Assembly Energy and Utilities Committee members
 - Governor's Office staff
 - March 15 meetings in SF
 - Ex Parte with advisors to CPUC Commissioners Peterman, Randolph and Picker
 - CA Foundation on the Environment and Economy (CFEE)
- Diablo Canyon Retirement proceeding
 - PG&E withdrew portion of testimony for Tranches 2 and 3
 - Followed Joint Parties recommendation to cover in IRP Proceeding
- En Banc Hearing on Retail Choice – May 19 - Sacramento

PCE Weekly Newsletter

- Opportunity to share important information with board
 - Compile information during the week
 - Send out on Fridays
- Started on February 24, 2017
- Hope you're enjoying it!

Employee Handbook

- Compiling now
 - Introduction to PCE
 - Employment policies
 - Employee Conduct
 - Employee Benefits

Regular Agenda

3. Marketing and Outreach Report (Discussion)

Thank You to Your City Staff!

- Sustainability staff are doing a great job implementing their PCE city outreach plans!



Recent Presentations & Tabling

March 1	City of Milbrae combined workshop on energy and water
March 2	Rebuilding Together Peninsula Energy Working Group Presentation
March 2	City of Brisbane City Council Presentation
March 7	South San Francisco Kiwanis Club
March 7	City of San Carlos Official PCE Community Workshop
March 8	City of San Mateo Official PCE Community Workshop
March 9	Portola Valley Official PCE Community Workshop #1
March 11	Portola Valley Official PCE Community Workshop #2
March 14	San Bruno City Council Presentation
March 15	City of Daly City Official PCE Community Workshop
March 18	Tabling District 5 Together in Daly City
March 18	Redwood City Gardening Workshop
March 21	Millbrae Rotary Club
March 23	Menlo Park Chamber of Commerce

Upcoming Presentations & Tabling

March 27	Belmont PCE Community Workshop
March 28	Burlingame BAYREN Multifamily Energy Workshop
March 28	PCE Presentation to Fun After Fifty Seniors Group in Redwood City
April 10	Half Moon Bay PCE and Hero Community Workshop
April 14	Skyline College Women in Energy career panel
April 18	Lunchtime PCE presentation to SamTrans employees
April 19	PCE Presentation at Atherton City Council
April 20	Silver Dragon -- flyering
April 22	Marine Science Earth Day tabling Redwood City
April 22	Pacifica Earth Day tabling
April 22	Portola Valley Earth Day tabling
April 22	Atherton Earth Day tabling
April 29	Belmont Earth Day tabling
April 29	Burlingame rainwater and energy workshop
April 29	STEAM fest in Redwood City tabling
May 10	Burlingame Streets Alive tabling
May 11	Bike to Work Day -- flyering
June 3	Hillsborough Earth Day tabling

Social Media Champions

- Thank you for volunteering!
- Action steps:
 1. Like PCE Facebook page
 - *PCE FB group will be phased out as redundant*
 2. Re-post FB content on your page, especially events in your area
 3. Follow @pencleanenergy on Twitter, mention and re-tweet
 - When you tag PCE, will we amplify
 4. Board members: Please do post accurate information about PCE on Next Door, identifying that you are on board

Reaching CARE and Medical Baseline


- CARE, FERA, LIHEAP discounts automatically continue for PCE customers
- Medical Baseline customers are exempt from PCIA, receive additional 35% savings!
- PCE is designing special post card to send to customers with discounts
 - In English, Spanish, and Chinese
- Getting word out through Thrive network and discount enrollment agencies
 - Will supply agencies with post cards for clients

How to Read PG&E Bills

- PCE line items appear on pages 1, 3, and 4 of PG&E bills – not much we can do (next slides)
- Annotated sample bill already on PCE website explaining bill line by line
- Sending a special post card to residential (E1) customers on how to find savings on bill
- Creating website video on reading your bill
- Organizing workshop/open house for solar customers to bring in their NEM bills

PCE Sample Energy Bill: Page 1

SAMPLE BILL: PAGE ONE

**ENERGY STATEMENT**
www.pge.com/MyEnergy

Account No: 0123456789-1
Statement Date: 12/15/2016
Due Date: 01/05/2017

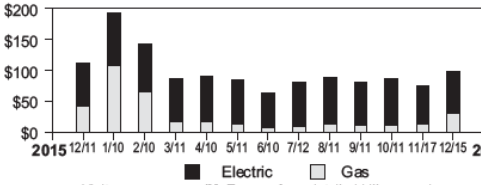
Service For:
WILLIAM SAMPLE
1234 ROAD STREET
REDWOOD CITY, CA
94064-0001

Questions about your bill?
24 hours per day, 7 days per week
Phone: 1-866-743-0335
www.pge.com/MyEnergy

Local Office Address
275 INDUSTRIAL RD
SAN CARLOS, CA 94070

Your Account Summary

Amount Due on Previous Statement	\$75.84
Payment(s) Received Since Last Statement	-75.84
Previous Unpaid Balance	\$0.00
Current PG&E Electric Delivery Charges	\$43.45
PENINSULA CLEAN ENERGY Electric Generation Charges	25.33
Current Gas Charges	30.24
Total Amount Due by 01/05/2017	\$99.02

Monthly Billing History

Visit www.pge.com/MyEnergy for a detailed bill comparison

Daily Usage Comparison

1 Year Ago	Last Period	Current Period
13.12	11.82	12.33
Electric kWh / Day		
1.09	0.31	0.67
Gas Therms / Day		

Important Messages
Your current electricity rate Your electricity usage is currently billed on a rate for a single-family home or common-use area of a multi-family complex. If this is incorrect, please call us at 1-800-743-5000 for a free rate analysis.

Continued on page 6

New Changes to Your Bill

- ❖ PCE charge on page 1
- ❖ PG&E Generation Credit on page 3

PCE charge + PCIA and FF fees is LESS than the Generation Credit → Customer saves with PCE

PCE Sample Energy Bill: Page 1

IE

TEMENT

nergy

Account No: 0123456789-1

Statement Date: 12/15/2016

Due Date: 01/05/2017

Your Account Summary

Amount Due on Previous Statement \$75.84

Payment(s) Received Since Last Statement -75.84

Previous Unpaid Balance \$0.00

Current PG&E Electric Delivery Charges \$43.45

PENINSULA CLEAN ENERGY Electric Generation Charges 25.33

Current Gas Charges 30.24

Total Amount Due by 01/05/2017 \$99.02

PCE Sample Energy Bill – Page 3

SAMPLE BILL: PAGE THREE



ENERGY STATEMENT

www.pge.com/MyEnergy

Details of PG&E Electric Delivery Charges

11/09/2016 - 12/08/2016 (30 billing days)

Service For: 1234 ROAD STREET

Service Agreement ID: 0123456789

Rate Schedule: E1 X Residential Service

11/09/2016 – 12/08/2016

Your Tier Usage

1

2

3

Tier 1 Allowance	327.00 kWh	(30 days x 10.9 kWh/day)	
Tier 1 Usage	327.000000 kWh	@ \$0.18353	\$60.01
Tier 2 Usage	43.000000 kWh	@ \$0.24276	10.44
Generation Credit			-35.83
Power Charge Indifference Adjustment			8.60
Franchise Fee Surcharge			0.23

Total PG&E Electric Delivery Charges \$43.45

2016 Vintaged Power Charge Indifference Adjustment


PCE Sample Energy Bill: Page 3

11/09/2016 – 12/08/2016		Your Tier Usage		1	2	3
6	Tier 1 Allowance	327.00	kWh	(30 days x 10.9 kWh/day)		
	Tier 1 Usage	327.000000	kWh	@ \$0.18353		\$60.01
7	Tier 2 Usage	43.000000	kWh	@ \$0.24276		10.44
	Generation Credit					-35.83
8	Power Charge Indifference Adjustment					8.60
	Franchise Fee Surcharge					0.23
9	Total PG&E Electric Delivery Charges					\$43.45

2016 Vintaged Power Charge Indifference Adjustment

PCE Sample Energy Bill: Page 4

SAMPLE BILL: PAGE FOUR

 ENERGY STATEMENT www.pge.com/MyEnergy		Account No: 0123456789-1 Statement Date: 12/15/2016 Due Date: 01/05/2017
Details of PENINSULA CLEAN ENERGY Electric Generation Charges 11/09/2016 - 12/09/2016 (31 billing days) Service For: 1234 ROAD STREET Service Agreement ID: 0123456789 ESP Customer Number: 0123456789 11/09/2016 – 12/09/2016		Service Information Total Usage 370.000000 kWh For questions regarding charges on this page, please contact: PENINSULA CLEAN ENERGY 455 COUNTY CENTER 4TH FLOOR REDWOOD CITY CA 94063 1-866-966-0110 www.peninsulacleanenergy.com
10	Rate Schedule: E-1 GENERATION - TOTAL 370.000000 kWh @ \$0.06815 \$25.22 NET CHARGES 25.22	Additional Messages Peninsula Clean Energy (PCE) is San Mateo County's official electricity provider. PCE is a not-for-profit, public agency that sources 50-100% renewable energy for your electric generation. PCE replaces PG&E's charge for electric generation, and at more competitive rates. PG&E continues to provide and bill for electric delivery services. Gas services are not provided by PCE. We invite you to contact us at info@peninsulacleanenergy.com or 866-966-0110 to learn more. We're happy to help.
11	Energy Surcharge 0.11 Peninsula Clean Energy is San Mateo County's official electricity provider You're getting cleaner energy at lower rates!	
12	Total PENINSULA CLEAN ENERGY Electric Generation Charges \$25.33	

PCE Sample Energy Bill: Page 4

Details of PENINSULA CLEAN ENERGY Electric Generation Charges

11/09/2016 - 12/09/2016 (31 billing days)

Service For: 1234 ROAD STREET

Service Agreement ID: 0123456789 ESP Customer Number: 0123456789

11/09/2016 – 12/09/2016

10

Rate Schedule: E-1

GENERATION - TOTAL	370.000000 kWh @ \$0.06815	\$25.22
	NET CHARGES	25.22

11

Energy Surcharge	0.11
------------------	------

Peninsula Clean Energy is San Mateo County's official electricity provider
You're getting cleaner energy at lower rates!

12

Total PENINSULA CLEAN ENERGY Electric Generation Charges	\$25.33
---	----------------

The Math

PENINSULA CLEAN ENERGY Generation Charges (Page 1)	\$25.33
Power Charge Indifference Adjustment Fee (Page 3)	8.60
Franchise Fee Surcharge (Page 3)	0.23
<u>Minus Energy Surcharge (Page 4)</u>	<u>- 0.11</u>
Total	\$34.05
Generation Credit (Page 3)	- \$35.83
Savings =	\$1.78

Your PCE savings are $\$1.78 / \$35.83 = 5\%$!!!!!

Social Media: March 2017

Peninsula Clean Energy
Published by Kirk Nelson [?] · March 12 at 1:32pm · 🌐

Today is Daylight Saving - be energy efficient, take advantage of the extra hour of natural light!



298 people reached


Like Comment Share

Stef Miller, Gladwyn d'Souza and Ellis Coombs

Write a comment...

Peninsula Clean Energy
Published by Kirk Nelson [?] · March 14 at 2:15pm · 🌐

You've got questions, we've got answers! Visit our FAQs page to learn about Peninsula Clean Energy. <http://www.peninsulacleanenergy.com/frequently-asked-questions/>



Peninsula Clean Energy
I choose Peninsula Clean Energy for cleaner and greener energy at lower rates.

PENINSULACLEANENERGY.COM

Peninsula Clean Energy
Published by Kirk Nelson [?] · 1 hr · 🌐

Your choice matters! Thank you to all of our phase 1 customers for choosing cleaner and greener energy. We're all in - Peninsula Clean Energy is going countywide this Spring!



Peninsula Clean Energy
Published by Kirk Nelson [?] · March 17 at 1:31pm · 🌐

We're all about green, especially on St. Patrick's Day!



478 people reached

Like Comment Share

Peninsula Clean Energy and Evi Nunnery Pagh

Write a comment...

Press Releases

- One press release distributed in March
 - SamTrans, Caltrain to Use 100 Percent Renewable Electricity from
 - Media coverage included:
 - Mass Transit Magazine
 - The Almanac
- April press releases will include:
 - Portola Valley goes ECO100
 - PCE now the largest CCA in California (with press event)
 - PCE signs new power supply contracts

Spring Advertising Summary

Media Mix:

- Print
- Radio
- Online
- Cable
- Outdoor/Transit
- Social Media

Audiences:

- Residents
 - English, Spanish, & Chinese language
- Multicultural Communities
- Businesses
- Seniors

Timing:

- Late February
- All March
- Early/Mid April

Social Media Videos

- Completed for:
 - Wayne Lee
 - Lori Liu
 - John Keener
 - Harvey Rarback
 - Glenn Sylvester
 - Daniel Yost
 - Charles Stone
 - Jan Pepper
- Will be posted to our website and YouTube channel, and distributed through social media
- Please share with your network



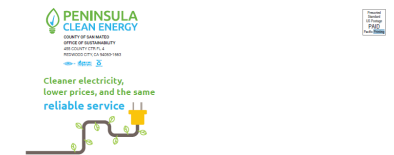
Op Ed Update

- Two drafted for March:
 - Jeff Aalfs for Almanac
 - Dave Pine for San Mateo Daily Journal
- On deck:

Author	Month	Topic	Outlet
John Keener	April	How PCE helps us meet our climate action plan goals	Pacifica Tribune
Donna Colson	April	Green Power Options with PCE	Burlingame Voice

Customer Notices: Update

- 208,000 units of each notice
- Phase 2 notice #1 already sent
- Phase 2 notice #2 currently mailed weekly
- 2 different notices for #2
 - Self-mailer
 - Portola Valley letter format
- Self-mailer includes both Spanish and Chinese
- Post-enrollment notices #3 and #4 will be large postcard format



Outreach to Top 100 Customers

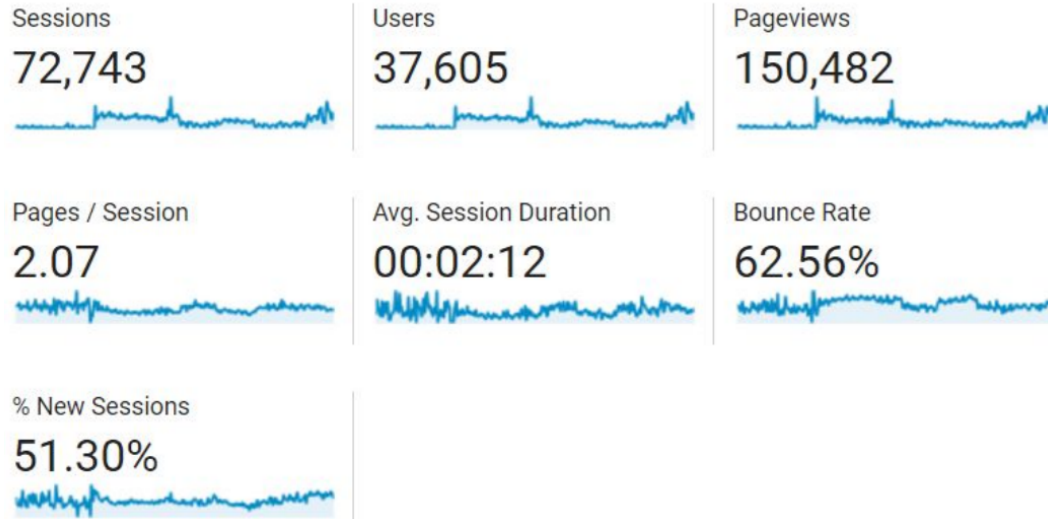
- Reaching out to largest electric users and other key accounts such as school districts and hospitals
- Asking for meeting to provide overview of PCE and answer questions
- Meetings are going well and mutually informative

Eco Business Directory

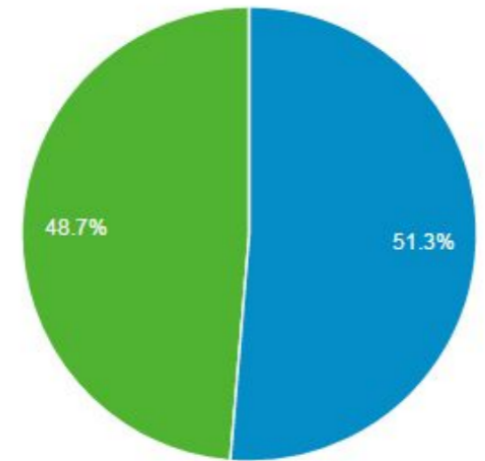
- Form sent to all 24 ECO100 businesses and cities enrolled in Phase 1
- Web site being completed this week based on completed forms
- Soft launch (live website) next week
- Promotion around Earth Day
- Can be used to help encourage business upgrades to ECO100
- We can add new ECO100 businesses anytime

Ad Campaign & Web Metrics

Website Visits: May 1, 2016 - February 21, 2017



■ New Visitor ■ Returning Visitor



Opt-Outs

OPT OUT BY CITY/POPULATION 3/17/17				
CITY	Eligible Accts	Past Phase Accts	Total	TOTAL OPT OUT %
PORTOLA VALLEY INC	1,674	160	42	2.51%
COLMA INC	799	772		1.25%
SAN BRUNO INC	16,416	4,088	191	1.16%
SO SAN FRANCISCO INC	24,857	7,315	279	1.12%
PACIFICA INC	15,417	3,778	154	1.00%
SAN CARLOS INC	14,380	4,704	133	0.92%
HILLSBOROUGH INC	4,056	1,027	37	0.91%
DALY CITY INC	33,729	8,111	307	0.91%
UNINC SAN MATEO CO	24,362	7,180	221	0.91%
BELMONT INC	11,818	3,085	102	0.86%
MILLBRAE INC	9,377	2,386	80	0.85%
HALF MOON BAY INC	4,910	1,449	41	0.84%
BURLINGAME INC	15,458	4,595	129	0.83%
SAN MATEO INC	43,457	11,540	335	0.77%
BRISBANE INC	2,475	864	19	0.77%
WOODSIDE INC	2,282	675		0.66%
ATHERTON INC	2,683	756		0.56%
FOSTER CITY INC	14,401	3,445	80	0.56%
MENLO PARK INC	14,955	4,255	83	0.55%
REDWOOD CITY INC	34,377	9,387	185	0.54%
EAST PALO ALTO INC	7,715	1,852	38	0.49%
Grand Total	299,598	81,424	2,496	0.83%

Opt-Ups

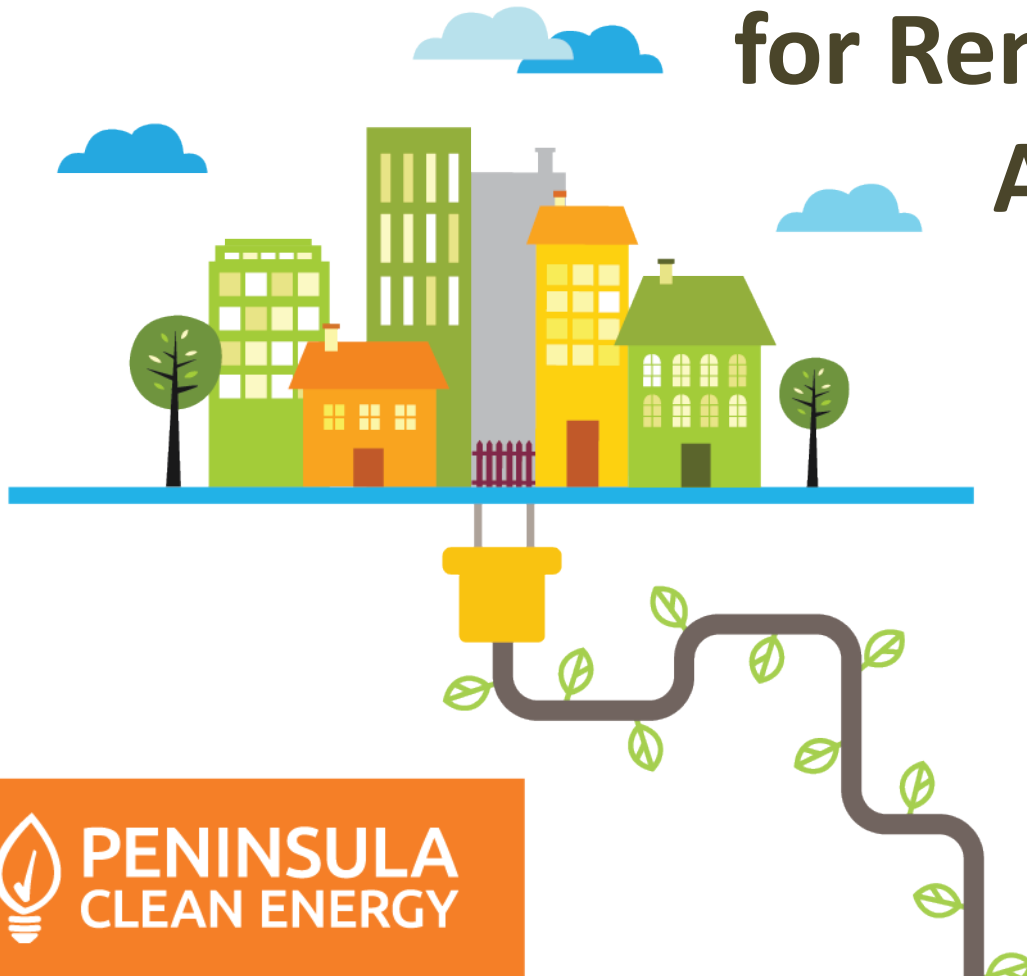
ACTIVE ACCTS BY CITY	Eligible Accts	March	
CITY	Full Territory	ACTIVE	ECO100
ATHERTON INC	2,683	725	31
BELMONT INC	11,818	3,076	23
BRISBANE INC	2,475	848	51
BURLINGAME INC	15,458	4,487	39
COLMA INC	799	806	
DALY CITY INC	33,729	7,859	
EAST PALO ALTO INC	7,715	1,855	
FOSTER CITY INC	14,401	3,421	63
HALF MOON BAY INC	4,910	1,425	
HILLSBOROUGH INC	4,056	1,046	
MENLO PARK INC	14,955	4,135	136
MILLBRAE INC	9,377	2,376	51
PACIFICA INC	15,417	3,677	32
PORTOLA VALLEY INC	1,674	284	99
REDWOOD CITY INC	34,377	9,234	379
SAN BRUNO INC	16,416	4,049	20
SAN CARLOS INC	14,380	4,651	114
SAN MATEO INC	43,457	11,326	92
SO SAN FRANCISCO INC	24,857	7,233	19
UNINC SAN MATEO CO	24,362	6,901	99
WOODSIDE INC	2,282	691	23
Unallocated			
Unallocated (cust type)		370	
Grand Total	299,598	80,475	1,320

Regular Agenda

- 4. Authorize the Chief Executive Officer to execute Power Purchase Agreements and ancillary documents for Renewable Supply with:**
 - 1) Buena Vista Energy, LLC; 2) Energy Development & Construction Corporation; and 3) Cuyama Solar, LLC**

Power Purchase Agreements (PPAs) for Renewable Supply – Approval Request

March 23, 2017



Renewables PPA Approval Request

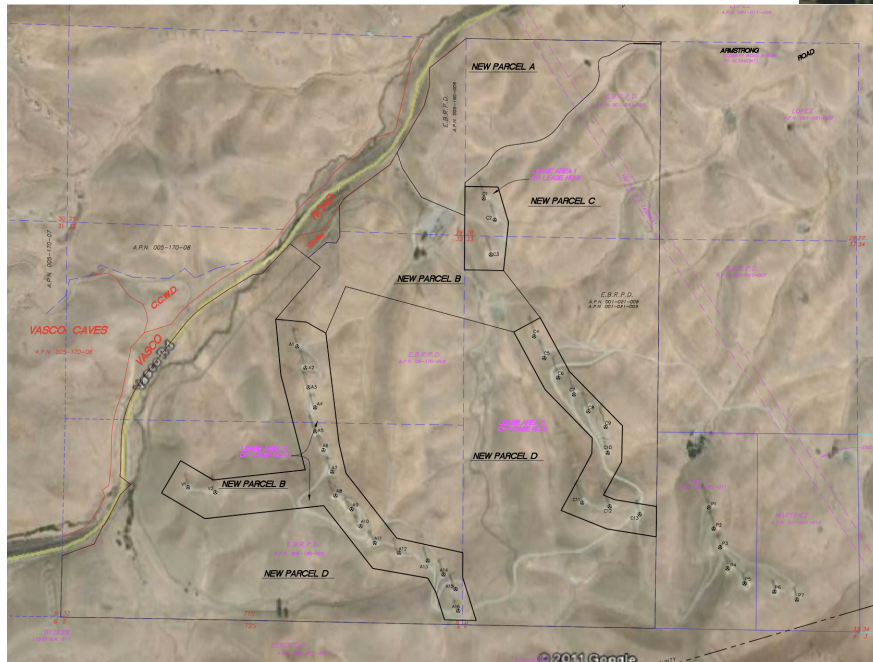
- At the January Board of Directors meeting, PCE staff presented four contracts, and received Board of Directors approval to execute them
 - These contracts were executed and are moving forward
- Since that time, negotiations have proceeded successfully with a number of project development teams
 - Supported by our Associate General Counsel and outside counsel Winston & Strawn
- Tonight, PCE staff presents three Renewables PPAs for approval
 - Two wind projects (existing) and one solar farm (new)
 - PCE anticipates bringing additional contracts to the Board of Directors for approval at the April meeting

Summary of the Three Renewables Projects

Project	Buena Vista Energy, LLC	Energy Development & Construction Corporation (EDCC)	Cuyama Solar, LLC
Technology	Wind (Existing)	Wind (Existing)	Solar (New)
Location	Altamont Pass	Palm Springs	Santa Barbara County
Anticipated delivery start date	4/17/2017	7/1/2017	1/1/2018
Delivery term, years	5	3	1
Contract capacity, MW	38	11.7	40

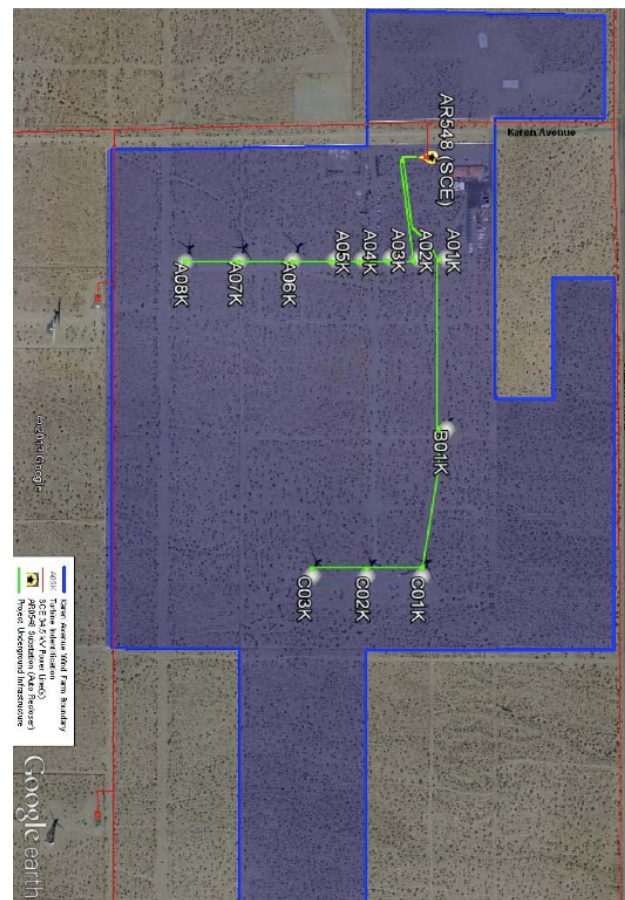
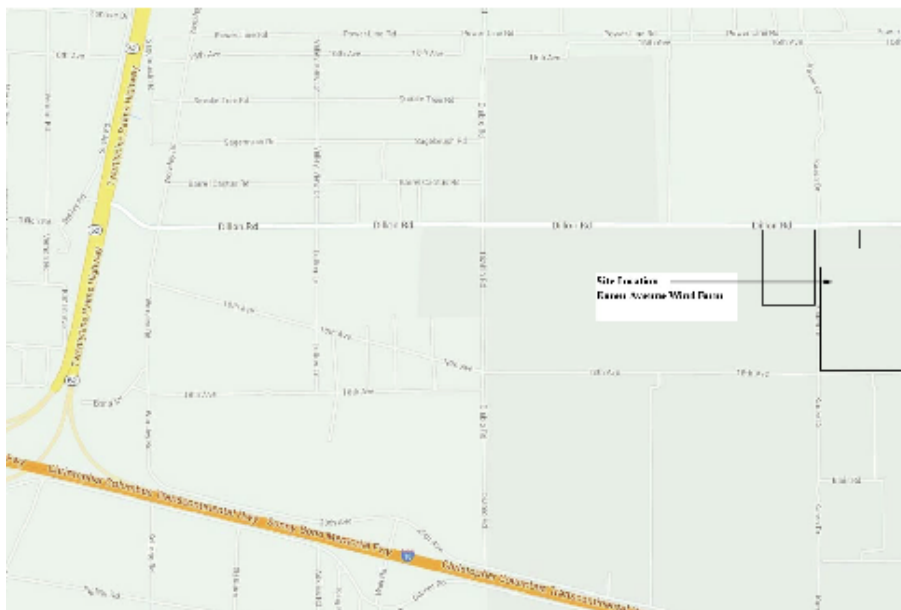
Buena Vista Energy, LLC

- The Seller is Buena Vista Energy, LLC, a California limited liability company
 - The parent company is Leeward Renewable Energy, LLC, based in Texas



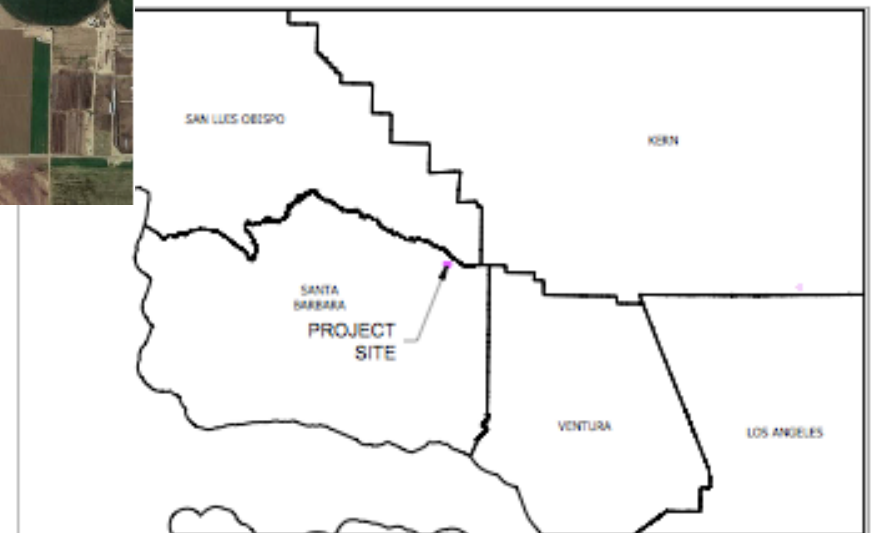
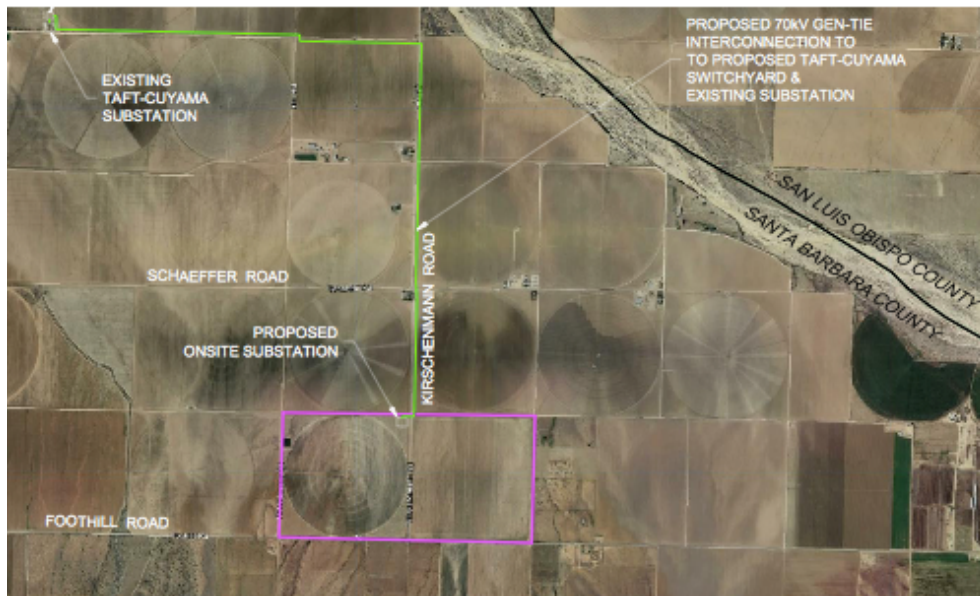
Energy Development & Construction Corporation (EDCC)

- The Seller is Energy Development & Construction Corporation, a Delaware corporation (dba EDCC in California)
 - EDCC is a small, privately owned company based in southern California



Cuyama Solar, LLC

- The Seller is Cuyama Solar, LLC, a Delaware limited liability company
 - The parent company is First Solar, based in San Francisco



Regular Agenda

- 5. Authorize the Chief Executive Officer to execute WSPP Confirmation for Purchase of Resource Adequacy from PG&E for June 2017, in an amount not to exceed \$375,000 (Action)**

Regular Agenda

6. Authorize the Chief Executive Officer to execute WSPP Confirmation for Purchase of Greenhouse Gas Free Energy from Morgan Stanley Capital Group, Inc. for 2017 in an amount not to exceed \$350,000 (Action)

Regular Agenda

- 7. Receive update on status of Wright Solar Park and Delegate Authority to CEO to modify certain dates in the Power Purchase Agreement between PCE and Wright Solar Park (Action)**

Regular Agenda

8. Update from Ad Hoc Committee on Formation of New Citizens Advisory Committee (Discussion)

Regular Agenda

9. Power Charge Indifference Adjustment (PCIA) Vintaging and PCIA Workgroup Update (Discussion)

PCIA

(Power Charge Indifference Adjustment)

- Mandated by legislature, through CPUC
- Paid by PCE customers, not PG&E
- 35% of PCE's residential generation charges
 - After 3/15/2017, ~47% of residential generation
- Supposed to pay for above market power contracts
 - Mostly renewables, but not exclusively

PCIA Calculation

Original value of PG&E's above market contracts

Minus: Current value of those contracts

= PCIA

PG&E's Above Market Contracts

- Mainly renewable energy, but not exclusively
- Some were CPUC-mandated to develop renewable market
- Details of contracts are not available
- Why not have ALL contracts be part of PCIA?
 - Why do we pay for just the above market ones?

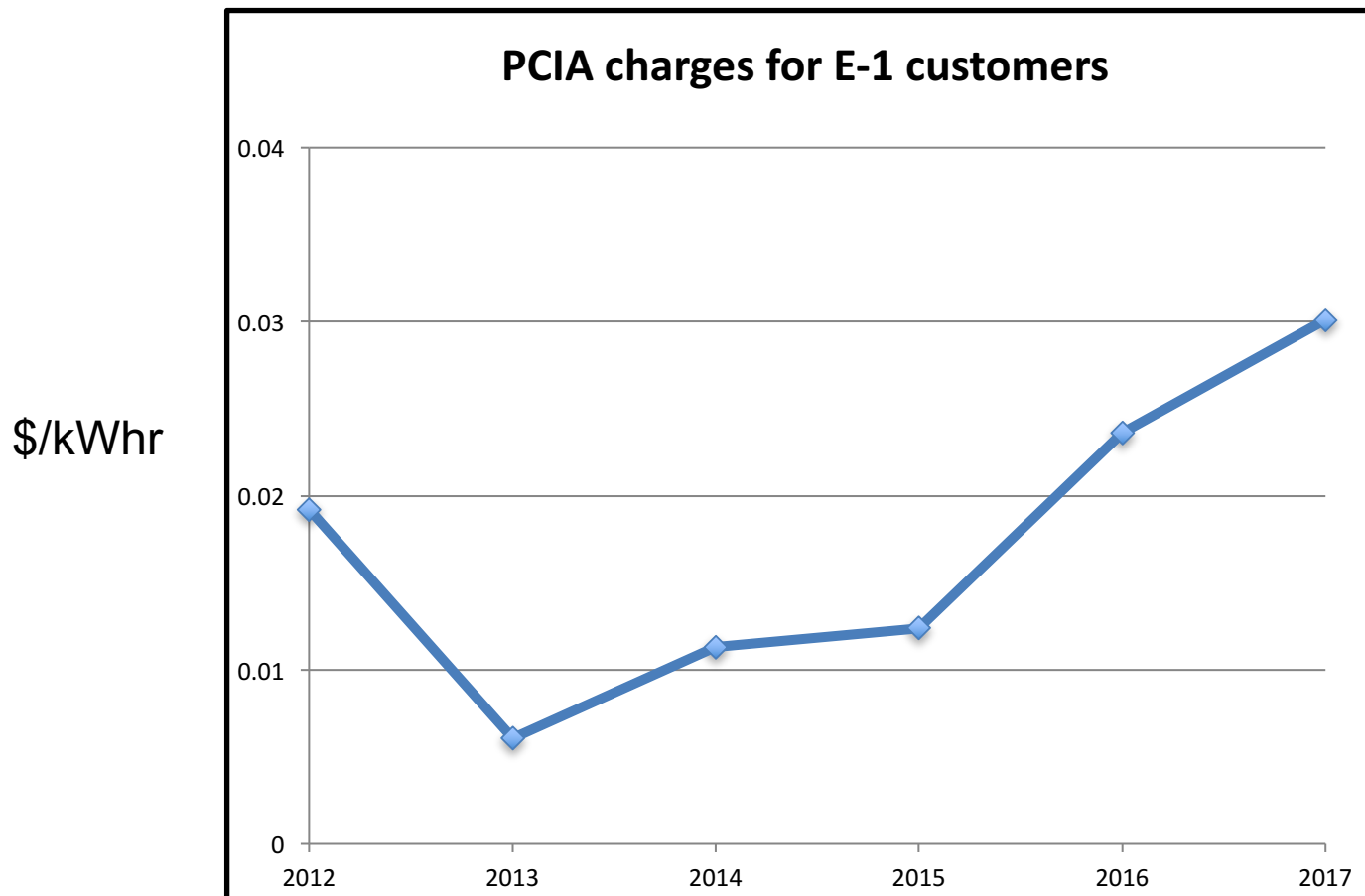
Current Value of PG&E Contracts

- Each year, utility estimates amount of power delivered from above market contracts
- Multiplies that by Market Price Benchmark (MPB) to give current value
- MPB determined administratively

PCIA Problems

- Contracts are not transparent
- Depends on power estimates and market estimates for coming year – no "true up"
- Unpredictable how much increases will be each year

PCIA Over the Years



PCIA Calculation Revisited

Original value of PG&E's above market contracts

Minus: Current value of those contracts
(energy x Market Price Benchmark)

= PCIA

- Increase in 2016 due to Market Price Benchmark decrease
- In 2017, due to increase in above market contracts

Vintages of PCIA

- Vintage 2016 includes all PCE customers, those who started PCE last October as well as those who start in April 2017
- Vintage 2016 is not responsible for new contracts PG&E makes in 2017
 - But is responsible for extensions to existing contracts

PAM

(Portfolio Allocation Methodology)

- Utility proposal to replace PCIA, very preliminary
- A portion of above market contracts transferred to CCAs each year
 - CCAs could use the energy
 - But, if CCAs don't need it, forced to sell on spot market
- Problems remain: No transparency on contracts
 - Probably state legislature action required to make legal

PCIA Workshop Update

March 23, 2017

Pradeep Gupta

Current PCIA Methodology

- The PCIA represents the difference between the utilities' contracted rate and the market price benchmark set annually by the CPUC.
- The market price benchmark (MPB) represents what the utility would get in the current market to sell-off unused power contracts
- RPS adder, a component of MPB, uses average of DOE Survey of Western energy premiums and PG&E' RPS compliant resources.

IOU Proposed Portfolio Allocation

Methodology (PAM)

OBJECTIVE

The Portfolio Allocation Methodology (PAM) approach is intended to replace the “above-market” construct, which is based on administratively-set benchmarks, in order to ensure bundled customer indifference. ***IOUs claim that benchmarks overstate market values and underestimate PCIA.***

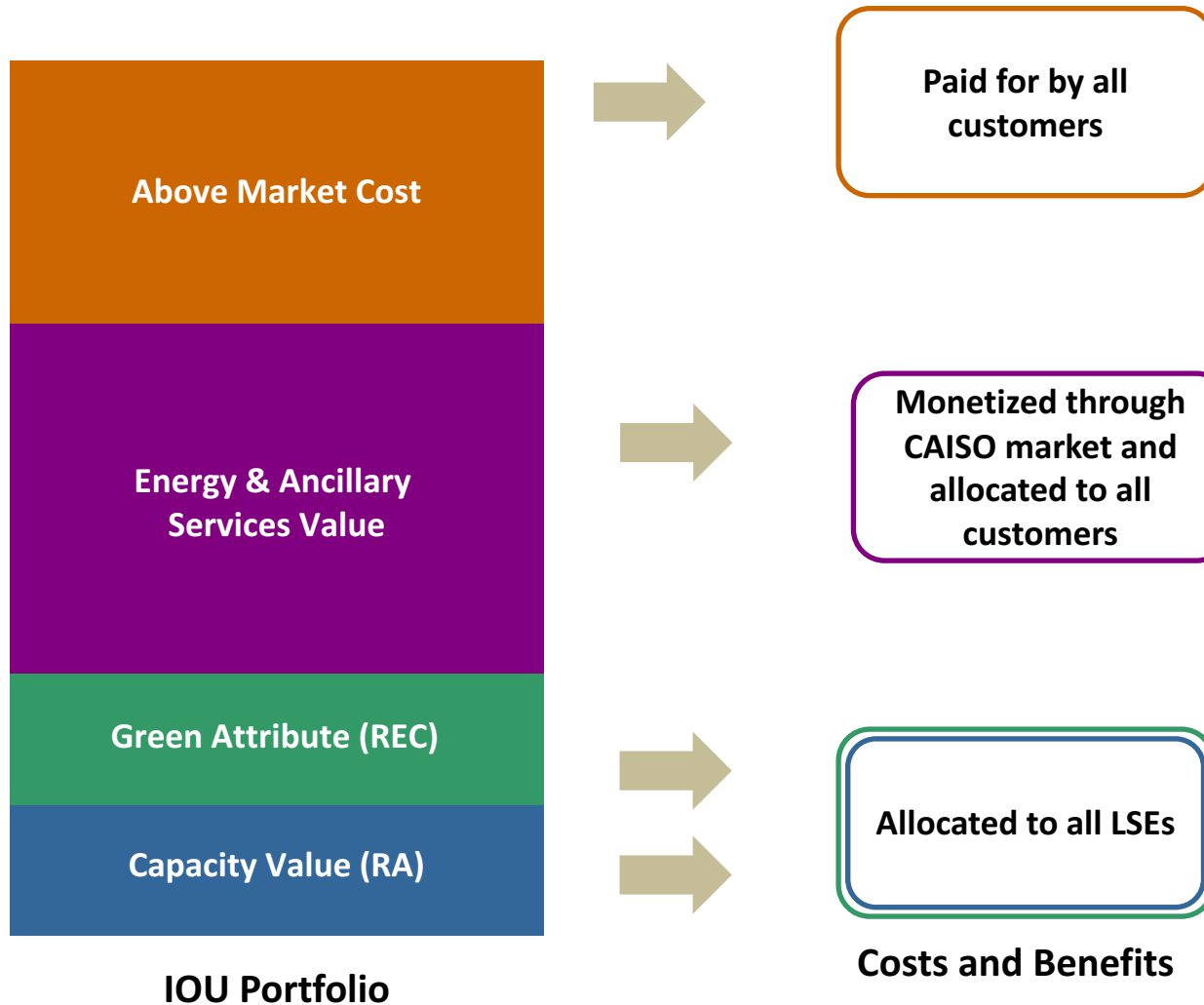
MARKET-BASED DETERMINATION OF ACTUAL COSTS

Pro-rated net costs allocated to customers would be determined on a vintaged portfolio basis, based on forecast portfolio costs and market revenues, and would be trued up to reflect actual costs and revenues.

EQUITABLE ALLOCATION OF ACTUAL BENEFITS

Load Serving Entities (LSEs) would receive a pro-rated allocation of resource attributes, including Resource Adequacy (RA), Renewable Energy Credits (RECs), and any future attributes.

PAM OVERVIEW



CALCULATION OF NET COSTS

COSTS

- Contract Costs
 - PPA costs
 - GHG compliance instrument costs
- Indirect Costs
 - Fuel (e.g., natural gas, water, etc.)
 - Hedging
- UOG Costs
 - Capital
 - O&M
 - New Capital Upgrades

Excluded Costs:

- Congestion Revenue Rights
- Gas Storage

Market Revenues

- Energy and Ancillary Service Revenues (all markets)
- Net CAISO grid management revenues/costs, unit commitment revenues/costs, and “make whole” revenues/costs

SUMMARY: Initial rate based on forecast of resource costs and revenues/charges from CAISO market; trued-up annually.

ALLOCATION AND TRUE-UP OF NET COSTS

Resource Costs – Offsetting Revenues = PAM Amount

- PAM Amount is calculated for each vintage resource portfolio, and allocated to departed customers based on assigned vintage consistent with **D.16-09-044**.
- Net costs are trued-up in the ERRR Forecast proceeding based on actual portfolio performance and **market** settlement data using a balancing account (like CAM).

SUMMARY: Consistent with the current PCIA vintaging, costs are calculated and allocated to customers based on their date of departure. Customers are responsible for their pro-rata share of the net costs of their vintaged portfolio.

ALLOCATION OF BENEFITS: RECs

ALLOCATION OF REC ATTRIBUTES	
ALLOCATION	RECs allocated to the LSEs based on load share (not peak load)
TIMING	<ul style="list-style-type: none">• Forecasted yearly• Allocated annually
TRUE-UP	Annually, to reflect changes to <u>actual load share</u> and <u>actual changes to REC generation</u>

SUMMARY: RECs allocated to LSEs based on their annual energy load share.

ALLOCATION OF BENEFITS: RA ATTRIBUTES

ALLOCATION OF RA ATTRIBUTES	
ALLOCATION	RA credit allocated to the LSEs based on forecast peak load share
TIMING	<ul style="list-style-type: none">• System, Local, and Flex RA credit forecasted annually
RE-ALLOCATION	<p>Based on updates to monthly peak loads, amounts of RA credit are re-allocated:</p> <ul style="list-style-type: none">• Details on timing to be developed

SUMMARY: Consistent with current CAM RA allocations, credit for System, Local, and Flexible RA will be allocated to LSEs based on forecast peak load share.

CalCCA- Issues with PAM

1. Utility costs higher than sum of RECs, RA, energy.
2. Data unavailable- SFPUC request denied.
3. Regulatory gaps- process to transfer RECs, RA, RPS contracts.
4. Monetization of benefits to LSE-
5. LSEs have contracted for their needs
6. Avoided costs due to departing loads not included.

Regular Agenda

10. Financial Reports (Discussion)

Regular Agenda

11. Board Members' Reports (Discussion)

Regular Agenda

Adjourn