

**REGULAR MEETING of the Board of Directors of the
Los Angeles Community Choice Energy Authority
Wednesday, January 17, 2018
2:00 p.m.**

Metropolitan Water District
Committee Room 2-145
700 N. Alameda Street
Los Angeles, California 90012

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact Matt Skolnik, at least 2 working days before the meeting at mskolnik@ceo.lacounty.gov or (213) 893-0286. Notification in advance of the meeting will enable LACCE to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it. Attendees to this meeting are reminded that other attendees may be sensitive to various chemical based products.

If you wish to speak to the Board, please fill out a speaker's slip located on the tables as you enter the Board Chambers. If you have anything that you wish to be distributed to the Board and included in the official record, please hand it to a member of LACCE staff who will distribute the information to the Board members and other staff.

Members of the public may also participate in this meeting remotely at the following addresses:

*Calabasas City Hall
100 Civic Center Way
Calabasas, CA 91301*

I. WELCOME AND ROLL CALL**II. PUBLIC COMMENT**

This item is reserved for persons wishing to address the Board on any LACCE-related matters not on today's agenda. Public comments on matters on today's agenda shall be heard at the time the matter is called.

As with all public comment, members of the public who wish to address the Board are requested to complete a speaker's slip and provide it to LACCE staff. Speakers are customarily limited to two minutes, but an extension can be provided at the discretion of the Board Chair.

III. REGULAR AGENDA

1. Appoint Chair and Vice-Chair, Establish a Finance Committee and Appoint a Committee Chair, and Consider Options for an Executive Committee
2. Approve Minutes from the December 7, 2017 and December 19, 2017 Board Meetings
3. Adopt Resolution Adjusting Rate Schedules Phase 1 Accounts
4. Approve Mid-Year Budget Adjustments
5. Approve Grace Period Extension and Related Requests
6. Approve Power Procurement Approach for 2018
7. Adopt Proposal to Establish a Community Advisory Committee
8. Legislative and Regulatory Update

IV. STAFF AND BOARD ANNOUNCEMENTS**V. CLOSED SESSION**

1. PUBLIC EMPLOYMENT

(Government Code Section 54957)
Recruitment of Executive Director and General Counsel

2. Consideration of potential litigation CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
(Paragraph (2) of subdivision (d) of Government Code Section 54956.9)
Significant exposure to litigation (one case)

VI. ADJOURN – TO FEBRUARY 1, 2018

Public records that relate to any item on the open session agenda for a regular board meeting are available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members of the Board. The Board has designated the County of Los Angeles, Chief Sustainability Office, Kenneth Hahn Hall of Administration, Room 493, 500 West Temple Street, Los Angeles, CA 90012, for the purpose of making those public records available for inspection. The documents are also available on LACCE's internet website. The website is located at: lacce.org

Staff Report – Item 1

To: Los Angeles Community Choice Energy Board of Directors

From: LACCE Staff

Subject: Appoint Chair and Vice Chair, Establish a Finance Committee and Appoint its Chair, and Consider Options for an Executive Committee

Date: January 17, 2018

RECOMMENDATION:

Staff recommends that the Board:

1. Solicit nominations and elect Directors to serve as Chair and Vice-Chair for 2018;
2. Seek volunteers to serve on the Finance Committee and nominate a chair of the Finance Committee; and
3. Consider options for the formation of an Executive Committee and consider Executive Committee formation.

BACKGROUND AND DISCUSSION:

Election of a Chair and Vice-Chair

Section 5.1 of the LACCE joint powers authority agreement (JPA) specifies that the Directors shall elect, from among the members, a Chair who shall be the presiding officer of Board meetings, and a Vice Chair who shall serve in absence of the Chair. The duties of the Chair include presiding over Board meetings, signing all contracts on behalf of the Authority, and such other duties as may be determined by the Board.

In 2017, the Board rotated the Chair and Vice-Chair on a monthly basis with the expectation that at the start of 2018 a permanent Chair and Vice-Chair would be selected by the Board. Since this is the first meeting of the year, it is appropriate that the Board solicit nominations for Directors to serve as Chair and as Vice-Chair and elect Directors into those positions. Staff recommend that the Acting Chair will preside over this process and that the newly elected Chair preside over the remainder of this and the other agenda items.

Establishment of a Finance Committee and Appointment of a Committee Chair

Section 5.9 of the LACCE JPA agreement specifies that the Board shall establish three committees: a Community Advisory Committee (which is the subject of a separate agenda item), a Finance Committee, and an Executive Committee. Staff sought volunteers for the Finance Committee and Director Gold of Beverly Hills has volunteered. Additional Directors are needed to fill this committee which will be responsible for reviewing and recommending to the Board the annual fiscal year budget, financial policies and procedures, and other related duties.

Staff recommend that the Chair solicit Directors to serve on the Finance Committee, appoint volunteering Directors to the committee, and appoint one of the volunteering Directors to be the Chair of the Finance Committee.

Options for Establishment of an Executive Committee

The LACCE JPA agreement provides that the Board may delegate to an Executive Committee all authorities that the Board may exercise with the exception of certain essential functions such as adopting an annual budget and hiring or firing the Executive Director. Executive Committees are essential to the efficient operation of an organization as, by virtue of their smaller membership than the Board as a whole, they can take more time to examine issues in depth, can dispose of routine items leaving more significant items to be considered by the full Board, and can be much more easily scheduled on an emergency basis to address urgent issues.

In reviewing existing CCAs and other JPA boards, the Executive Committees are generally comprised of the Chair, Vice-Chair, and other Directors including past Chairs, Finance Committee Chairs, Secretaries, Treasurers and other Directors. The size of these committee ranges from 5 for Silicon Valley Clean Energy (with a total city membership of 24) up to 11 for Marin Clean Energy (with a total city membership of 33).

Further, given the diversity of the LACCE board both in terms of geographic spread, city size, and socioeconomic attributes, it is important that the Executive Committee represent a range of interests. Thus, based on the foregoing, staff would recommend a strawman proposal for the Executive Committee as follows for the Board's consideration:

Los Angeles Community Choice Energy

Staff Proposal for an Executive Committee: Chair, Vice-Chair, Finance Committee Chair, and two at-large seats to be filled to ensure geographic representation and representation by small and large jurisdictions and jurisdictions with a variety of socioeconomic circumstances.

Recognizing the need for the Board to fully consider this item, it is expected that the January meeting will be used to discuss and, potentially, set the committee structure and that the at-large seats could potentially be determined at the February meeting, at which time the Executive Committee would be established.

Meeting of the Board of Directors of the
Los Angeles Community Choice Energy Authority (LACCE)

Thursday, December 7, 2017, 1:00pm
Los Angeles Cleantech Incubator, Amphitheater
525 S. Hewitt, Los Angeles, CA 90013

DRAFT MINUTES

I. WELCOME AND ROLL CALL

Chair Horvath called the meeting to order at 1:10pm. Interim Executive Director Bill Carnahan conducted the roll call:

Present:

Director Sheila Kuehl, LA County
Director Lindsey Horvath, West Hollywood
Director Kim Hughes (alternate), South Pasadena
Director Steve Zuckerman, Rolling Hills Estates
Director John Harabedian, Sierra Madre
Director Corey Calaycay, Claremont
Director Kevin McKeown, Santa Monica
Director Alex Saab, Downey

Absent:

Director Alicia Weintraub, Calabasas
Director Stephen Sham, Alhambra

A quorum was established.

It was noted that future Board members Meghan Sahli-Wells of Culver City and Julian Gold of Beverly Hills were present, as well as Harry Schwartz of Agoura Hills via phone.

II. PUBLIC COMMENT

Dana Murray, Environmental Manager, City of Manhattan Beach:
Ms. Murray wanted to make it known that the City of Manhattan Beach was present but not voting. Ms. Murray indicated that she will be the second alternate LACCE Board member for Manhattan Beach.

III. REGULAR AGENDA

1. Appoint Acting Chair and Vice Chair

Staff recommended the rotation of Chair and Vice Chair remain the same for this month, as Director Weintraub was unable to be present at this month's meeting to assume chairmanship. Acting Chair Horvath was willing to remain Acting Chair at staff's recommendation.

Since Director Weintraub was absent, Counsel advised a new Acting Vice Chair be appointed by the Board for this meeting.

Director McKeown moved to appoint Director Kuehl as the Acting Vice Chair, and Director Hughes seconded. Motion passed unanimously.

2. Approval of minutes from the November 2, 2017 Board Meeting

Chair Horvath moved to approve. Vice Chair Kuehl seconded. As many of the Board members were not present at the November meeting, Counsel requested a roll call vote to record abstentions.

Roll Call Vote:

Director Calaycay, Claremont: Abstain

Director Saab, Downey: Abstain

Director Zuckerman, Rolling Hills Estates: Abstain

Director Harabedian, Sierra Madre: Abstain

Director McKeown, Santa Monica: Abstain

Chair Horvath, West Hollywood: Aye

Director Hughes, South Pasadena: Aye

Vice-Chair Kuehl, LA County: Aye

Due to the number of abstentions the motion did not obtain quorum, and will be placed on a future Board agenda for approval.

No request for public comment was received on this item.

3. Approve Amendment Number 1 to the Los Angeles Community Choice Energy (LACCE) Authority Joint Powers Agreement

Thirty (30) days required public notice of this intent to amend the JPA was provided at the November 2, 2017 meeting.

Director Hughes motioned to approve the item. Vice Chair Kuehl seconded.

In discussion, Director Zuckerman proposed a language change to the amendment with the understanding that a city could be subject to more than one power procurement contract at the time of its departure. His

recommendation was for the language to read: “under any power purchase agreement,” rather than “under the power purchase agreement.”

Director Hughes accepted the amendment.

Counsel asked Director Zuckerman to make the motion adopting the amendment with the amended language, which was seconded by Director Hughes.

A roll call vote was requested by Counsel, as an item to amend the JPA requires a two-thirds (2/3) vote per the LACCE Joint Powers Agreement.

Roll Call:

Director Hughes, South Pasadena: Aye
Director Zuckerman, Rolling Hills Estates: Aye
Director Harabedian, Sierra Madre: Aye
Director Calaycay, Downey: Aye
Director Saab, Claremont: Aye
Vice Chair Kuehl, Los Angeles County: Aye
Director McKeown, Santa Monica: Aye
Chair Horvath, West Hollywood: Aye

The motion was approved.

No request for public comment was received on this item.

Prior to moving to next item, the Executive Director recognized Carson City Councilmember Jawane Hilton in the audience as a soon-to-be board member for Carson.

4. Approve Budget Amendment to earmark \$2.7 Million of the LA County loan for assuring payment to Constellation for Phase 1 power supply costs

Mr. Carnahan made the staff presentation for the item.

Director McKeown moved to approve the item. Director Harabedian seconded. The motion passed unanimously.

No public comment was received on this item.

5. Adopt Resolution Approving Rate Schedules effective February 1, 2018, through December 31, 2018, for Phase 1 accounts

Mr. Carnahan explained the LACCE approach for rate-setting for Phase 1. For Phase 1, the County will continue to pay nearly their current Edison rates while maximizing renewable power. The contract with the power

supply vendor will guarantee rates for Phase 1 for three years at 60% renewable power, 25% carbon free, and 15% unspecified power. He indicated that is the lowest unspecified resource percentage in the state among CCAs.

Mr. Carnahan confirmed that SoCal Edison will finalize their rates in January or February of 2018, which will have some impact on the final LACCE rates. He also confirmed Phase 2 rate negotiations would begin in March or April of 2018, but the approach will be different because Phase 1 was unique.

Roll Call Vote:

Director McKeown, Santa Monica: Aye
Director Harabedian, Sierra Madre: Aye
Director Hughes, South Pasadena: Aye
Director Zuckerman, Rolling Hills Estates: Aye
Director Calaycay, Downey: Aye
Director Saab, Claremont: Aye
Vice Chair Kuehl, Los Angeles County: Aye
Chair Horvath, West Hollywood: Aye

The motion passed.

No public comment was received on this item.

Chair Horvath requested to take the next item out of order and hear it at this time, as the vendor was present to answer questions for that item had to leave early. No Board objections to taking the item out of order.

6. Discussion Item: LACCE name change (taken out of order)

Staff presented name change options to the Board for discussion, and branding consultant ATAK Interactive gave a brief presentation on the thought process behind the generation of the alternate names.

Public Comment

Denise Fairchild, Los Angeles County resident, made comments on potential names.

Board members gave specific feedback on the options presented by staff.

Chair Horvath noted that since this was a discussion item, no action would be taken and that staff would return the following month with a plan based on the feedback received.

7. Approve request to develop a plan for temporary staff assistance

Mr. Carnahan gave the staff presentation for this item. He stated that LACCE has been operating with three staff people, but that the workload necessitates additional staff assistance and asked for authority to return in January with a staffing plan.

Vice Chair Kuehl expressed concern about waiting until the January Board meeting to give approval for a plan for temporary staff hire, as staff indicated the need was immediate.

Director Harabedian asked if the Board could take action to authorize the interim Executive Director to hire temporary staff under a dollar amount ceiling, given the way the agenda item was written. Counsel advised that if a motion was made to approve a specific dollar amount cap or number of staff for the director to be authorized to hire on a temporary basis, that would be allowable.

Director Calaycay made a motion that the Board allow the Interim ED up to the full requested amount of \$150,000 to secure temporary help which could include the assistance of county staff or outside temporary hire to fulfill the needed workload. Director Kuehl seconded.

Counsel noted that the County Memorandum of Understanding (MOU) with LACCE is up to \$2 Million for administrative costs, so this amount could be accommodated under the MOU.

Director McKeown requested that the motion be updated to include a preference for staff who have technical expertise or experience in distributed energy and other related fields.

Director Calaycay and Vice Chair Kuehl accepted the amendment.

Roll Call:

Director McKeown, Santa Monica: Aye
Director Harabedian, Sierra Madre: Aye
Director Hughes, South Pasadena: Aye
Director Zuckerman, Rolling Hills Estates: Aye
Director Saab, Downey: Aye
Director Calaycay, Claremont: Aye
Vice Chair Kuehl, County of LA: Aye
Chair Horvath, West Hollywood: Aye

The motion passed.

No request for public comment was received on this item.

8. Adopt policy for new entrants to LACCE after the Initial Enrollment Period

Gary Gero, LA County Chief Sustainability Officer, gave the staff presentation on this item which described the process by which cities would be added to LACCE after the initial enrollment period.

Public Comment

Kent Minault, Sierra Club, made comments regarding the importance of ensure low income communities being included in the program.

Chair Horvath suggested that cities be added quarterly instead of biannually and that a 90-day grace period be considered for cities affected by recent wildfires in Los Angeles and Ventura counties.

Director Zuckerman suggested that it be made clear that any costs associated with joining be LACCE not be seen as punitive and that it be made known LACCE welcomed additional cities into the program.

Staff acknowledged the recommendations and indicated that they would be included in the policy.

Public Comment

Garrett Wong, City of Santa Monica, asked if the Board has the discretion to accept or not accept a city, and encouraged the Board to enshrine a policy for cities with Disadvantaged Community Status.

Director Calaycay motioned to approve the staff recommended policy with the addition that the Board consider a cost waiver due to recent wildfires, and with the recommended change from Director Zuckerman to make explicit in the policy that the point of the policy is to offset additional costs, and there will not be additional charges or fees associated with late entry. Director Harabedian seconded.

Roll Call Vote:

Director McKeown, Santa Monica: Aye
Director Harabedian, Sierra Madre: Aye
Director Hughes, South Pasadena: Aye
Director Zuckerman, Rolling Hills Estates: Aye
Director Saab, Downey: Aye
Director Calaycay, Claremont: Aye
Vice Chair Kuehl, County of LA: Aye
Chair Horvath, West Hollywood: Aye

The motion passed.

9. Legislative and Regulatory Updates

Mr. Carnahan gave the staff presentation. For legislative updates, Mr. Carnahan indicated that staff was proactively planning for the January start of the legislative session, and would be identifying key committees and sharing position papers with Board members.

Chair Horvath noted that she serves as chair of the legislative committee of the California Contract Cities Association, and that they had already moved to include CCA legislation as a priority issue, and that the League of California Cities was prioritizing as well. Mr. Carnahan stated he would put Chair Horvath in touch with Cal CCA to coordinate efforts.

Director McKeown asked about LACCE's role in the PCIA proceedings. Mr. Carnahan confirmed that LACCE, at the Board's approval, was currently participating in a cost sharing agreement with Western Riverside COG and the Coachella Valley Association of Governments for legal and regulatory expertise in the proceedings.

No request for public comment was received on this item.

10. Discussion Item: 2018 Board Meeting Schedule and Strategic Planning Session

Mr. Carnahan emphasized that January would be very busy for the Board, and that the volume of items for strategic planning discussions would likely necessitate its own session outside of a regular Board meeting.

Mr. Gero suggested scheduling the January Board meeting on Wednesday, January 17 at 1pm at a to-be-determined location, and that future Board meetings be held on the second Thursday of each month at 9am at a to-be-determined location.

Vice Chair Kuehl wanted to make sure staff knows who the best contact point is for each member city for scheduling purposes, and that onboarding was essential for each new Board member.

Mr. Carnahan confirmed that staff intends to onboard Board members prior to their first Board meeting, but that recent weeks had been extremely busy for staff with the large jump in membership.

Director McKeown stated that a 9am meeting might be impractical given mobility issues and traffic. He also provided a list of requests for staff response at the January Board meeting so that the Board could start to plan for Phases 2 & 3. Mr. Carnahan responded that staff would try to have this ready by the January meeting.

Public Comments

Denise Fairchild, County of LA resident, stated that LACCE had a growing constituency of interested community members, and that as LACCE was implementing a new model with more community engagement, that meetings should be scheduled in the evenings to make it easier for community members to attend.

Sarah Friedman, Sierra Club, asked how the Community Advisory Committee could be involved in the strategic planning, given the timing. She also asked how the strategic planning would be informing Phases 2 and 3 of the program.

Dana Murray, City of Manhattan Beach, asked about batched trainings for new Board members, and whether they would occur before strategic planning. She also asked about plans for general public outreach.

Joe Sullivan, IBEW, advised the Board to start a Community Advisory Committee as soon as possible, on an ad-hoc basis if needed.

Mr. Carnahan responded on the status of the Community Advisory Committee, and said that staff had been holding workshops to gather suggestions from the public on the formation of a Community Advisory Committee. The idea was that community feedback from those workshops would be provided to the Board to incorporate into a future Board meeting at which formation of the committee would be addressed.

Mr. Carnahan also confirmed staff would be scheduling trainings for new Board members prior to the strategic planning process. With regards to outreach, Mr. Carnahan stated that the RFP for outreach services had not gone out yet, but it would be soon and that it would be mainly for Phases 2 and 3.

Mr. Carnahan also stated that LACCE was unique in that unlike other CCAs, LACCE did not start out with a full complement of Board members and that the decision had been made to wait until there were more members to inform the formation of a Community Advisory Committee.

IV. STAFF AND BOARD ANNOUNCEMENTS

Director Calaycay noted, as a Brown Act procedural matter before proceeding with future meetings, that if Board members were joining via phone, and if they are going to vote via phone from a satellite location, their satellite location needs to be noticed on the agenda. Staff and counsel confirmed this procedure for future meetings.

Director McKeown expressed his preference for turning more to a portfolio manager such as TEA for guidance on procurement for future phases. He also asked about the process for setting of the Board agenda and expressed Santa Monica's interest in being involved in that process. He also referred back to the issue of Board trainings, and reiterated that the subjects were very complex and that Board members needed comprehensive energy training in order to make knowledgeable decisions.

V. CLOSED SESSION

The Board entered closed session. No action was taken.

VI. ADJOURN

The meeting was adjourned at 3:43pm.

Special Meeting of the Board of Directors of the
Los Angeles Community Choice Energy Authority (LACCE)

Tuesday, December 19, 2017, 12:00pm
Los Angeles County Hall of Administration
500 W. Temple Street, Room 830
Los Angeles, CA 90012

DRAFT MINUTES

I. WELCOME AND ROLL CALL

Chair Horvath called the meeting to order at 12:06pm.

Present:

Director Lindsey Horvath, West Hollywood
Director Diana Mahmud, South Pasadena
Director Steve Zuckerman, Rolling Hills Estates
Director John Harabedian, Sierra Madre
Director Kevin McKeown, Santa Monica
Director Meghan Sahli-Wells, Culver City
Director Amy Howorth, Manhattan Beach
Alt. Director Gary Gero, LA County

Via Phone from Noticed Remote Meeting Locations:

Director Julian Gold, Beverly Hills
Director Corey Calaycay, Claremont

A quorum was established.

II. PUBLIC COMMENT

No members of the public requested to speak.

The Board adjourned into Closed Session.

III. CLOSED SESSION

Alt. Director Reata Kulcsar of Carson arrived during closed session.

General Counsel report out on action taken during Closed Session:

Board authorizes General Counsel to initiate litigation. The defendants and other particulars shall, once action is formally commenced, be disclosed to

any person upon inquiry. The vote of the Board was unanimous, with all Directors present at the meeting voting in support.

IV. REGULAR AGENDA

The Chair recognized a member of the public who had not been in the meeting earlier. Harvey Eder, Public Solar Power Coalition, made remarks on increasing greenhouse gases and the need for immediate total solar conversion with justice and equity.

1. Public Hearing Item

A. Adopt Resolution No. 17-004 to Approve Addendum to the LACCE Implementation Plan and Authorize Staff to Submit the Addendum as approved or substantially similar to the California Public Utilities Commission on or before December 31, 2017.

Chair Horvath moved to open the public hearing and asked how item was noticed. Staff confirmed agenda was sent to Board and members of public simultaneously on the day prior, in accordance with the 24-hour notice requirement for a special meeting. Agenda was shared with an extensive email contact list and also posted on the LACCE website at lacce.org.

Staff report for this item was given by Interim Executive Director Bill Carnahan.

Board Discussion

Director Mahmud asked staff that the attachments be made clearer in the future agenda packets; for example, to better identify appendices versus attachments.

Director McKeown stated he had expressed concerns to staff over page 7, Table 1 of the addendum to the IP where distributed generation is shown as zero and ratio of renewable to conventional energy shown at 50% throughout. He noted that had been assured these are placeholder numbers that can be revised at a later date without necessitating a further amendment to the IP and, given this assurance, he stated that Santa Monica is supportive of this item.

The future alternate Board representative from the City of Carson, Reata Kulcsar, echoed Santa Monica's comments in that they are generally supportive of this agenda item and while they understand the need to submit the amendment Implementation Plan before the end of the year, Carson wants to emphasize the hope that the Implementation Plan will address union jobs in the future.

Director McKeown motioned to close public hearing and to support item 1A. Director Gold seconded. The motion passed unanimously.

2. Approve Establishment of an Ad Hoc committee to consider a change to the name of the LACCE Authority

The cities of Claremont, West Hollywood, and Culver City volunteered to serve on the committee.

Director Calaycay moved that Claremont, West Hollywood and Culver City serve on name change committee. Seconded by Rolling Hills Estates.

Chair Horvath remarked on the urgency to select a name, and timeline was clarified to confirm committee would by the January 17th Board meeting attempt to have 1 or 2 options for Board consideration.

The motion was approved unanimously.

No request for public comment was received on this item.

3. Approve the Minutes from the November 2, 2017 Board of Directors Meeting

A motion was made to approve the minutes. Motion was seconded.

General Counsel made the clarification that Board members can vote to approve the minutes even if they were not present or were not a member at the time of the meeting.

The motion to approve the November 2, 2017 Board of Directors meeting minutes was approved unanimously.

V. STAFF AND BOARD ANNOUNCEMENTS

No staff or Board announcements were made.

VI. ADJOURN

Director Gold moved to adjourn the meeting, and the motion was seconded. The meeting was adjourned at 1:41pm.

Staff Report – Item 3

To: Los Angeles Community Choice Energy Board of Directors

From: LACCE Staff

Subject: Adopt Resolution to Adjust LACCE schedule for Phase 1 Rate TOU-GS2-R

Date: January 17, 2018

RECOMMENDATION

Staff recommends that the Board adopt Resolution No. 18-001 to adjust the LACCE rate schedule for Phase 1 Rate TOU-GS2-R.

BACKGROUND

The Board adopted Phase 1 rates at its meeting on December 7, 2017. A review of the rates found an error in the on-peak rate for Rate Schedule TOU-GS2-R that requires an adjustment from \$0.01552 per kWh to \$0.32031 per kWh. As a reference, Southern California Edison's comparable 2018 rate is \$0.35987 per kWh.

Staff are providing an adjusted Rate Schedule to effectuate this correction.

Attachments

- 1 – Resolution 18-001
- 2 – Rate schedule adjustment

RESOLUTION NO. 18-001

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY APPROVING CUSTOMER GENERATION RATES FOR PHASE 1

THE BOARD OF DIRECTORS OF THE LOS ANGELES COMMUNITY CHOICE ENERGY AUTHORITY DOES HEREBY FIND, RESOLVE, AND ORDER AS FOLLOWS:

WHEREAS, the Los Angeles Community Choice Energy Authority (“Authority”) was formed on June 27, 2017 pursuant to a Joint Powers Agreement to study, promote, develop, conduct, operate, and manage energy programs in Los Angeles County; and

WHEREAS, the Board of Directors directed staff to procure power supply for Phase 1 load utilizing the maximum renewable resource mix while keeping the Authority’s customer generation rates equivalent to Southern California Edison’s ("SCE") Generation rates.

NOW THEREFORE, the Board of Directors ("Board") of the Los Angeles Community Choice Energy Authority does hereby resolve, determine, and order as follows:

Section 1. The rate schedules as adopted by the Board at its December 7, 2017 meeting (Resolution 17-003) shall hereby be amended to reflect the adjustment contained in Attachment

Section 2. All other provisions of Resolution 17-003 shall remain in effect.

PASSED AND ADOPTED this 17th Day of January, 2018

Chair, Los Angeles Community
Choice Energy Authority

Attest:

Secretary, Los Angeles Community
Choice Energy Authority

Attachement 2
Los Angeles Community Choice Energy
Updated Rate

LACCE Rate Schedule	SCE Equivalent Rate Schedule	Unit/Period	LACCE Updated Generation Rate
TOU-GS-2-R Energy Charge (\$/kWh)	TOU-GS2R, TOU-GS2R-AE	Summer On-Peak	\$0.32031

Staff Report – Item 4

To: Los Angeles Community Choice Energy Board of Directors

From: LACCE Staff

Subject: Approve LACCE FY2018 Mid-Year Budget Adjustment

Date: January 17, 2018

RECOMMENDATION

Staff recommends that the Board approve a mid-year budget adjustment for the LACCE Fiscal Year 2017-18 (FY18) budget.

BACKGROUND AND DISCUSSION

Staff has recently compiled all the necessary accounting information to provide the LACCE Board with an accurate budget update that reflects LACCE's expenditures to date, its current schedule and load size, and the current energy market conditions.

Attachment 1 contains the original and new budget projections for FY18 that show a net decrease of approximately \$20 million leaving LACCE with a surplus of \$23.6 million at the fiscal year end.

The key changes from the adopted budget include:

Revenues

The total LACCE program revenues for FY18 are projected to be approximately \$18 million less than the original budget. The key differences are smaller than expected rate revenues largely resulting from a more accurate projection following clarity on actual program timing (a relatively small number of Phase 2 customers beginning service in June 2018 as the program rolls out). Additionally, we have now estimated the need for a smaller loan to cover 2018 power purchases. The revised line items are as follows:

REVENUE	Original	Adjusted	Variance
Program Revenues (rates)	\$4,000,154	\$1,737,534	-\$2,262,620
Phase 2/3 2018 Loan	\$47,000,000	\$31,000,000	-\$16,000,000
<i>Total Revenue Changes</i>			<i>-\$18,262,620</i>

Expenditures

The total FY18 expenditures are projected to be approximately \$1.8 million more than originally budgeted. The key differences are:

- Power procurement costs and utility fees in FY18 are \$1.6 million less than projected as a result of a more accurate estimate that reflects the actual program schedule, load, and phasing.
- Several smaller line items totaling approximately \$305,000 have been added to the original budget to reflect identified program needs, including CalCCA membership, temporary staffing, travel, and slightly higher County reimbursable costs. The membership and staffing costs were previously authorized by the Board and the travel item is newly proposed and is intended to allow the staff and Board members to travel to San Francisco and Sacramento to participate in legislative and regulatory proceedings and to attend CalCCA Board meetings.
- A posting of \$2.7 million as collateral is included as previously authorized by the Board to provide security for Phase 1 power purchases. As collateral, these are funds that will be available for future expenditures once the procurement and reimbursement for Phase 1 power has been completed
- Costs for our technical consultant, EES, were originally anticipated in the FY18 budget to be paid by LA County for reimbursement rather than paid directly by LACCE as the contract was not expected to be assigned to LACCE. Additionally, these costs are \$250,000 higher than was previously budgeted as staff have relied more on consultants to support program development given our limited staff resources.

EXPENDITURES	Original	Adjusted	Change
Power Procurement	\$4,899,948	\$3,250,273	-\$ 1,649,675
Utility Fees	\$292,155	\$509,124	\$216,969
Repayment to County	\$6,680,000	\$6,754,399	\$74,399
Memberships (CalCCA)	\$ -	\$75,000	\$75,000
Cash Collateral for Phase 1 Power	\$ -	\$2,700,000	\$2,700,000
Temporary Staff	\$ -	\$150,000	\$150,000
Technical/Regulatory Support (EES)	\$ -	\$250,000	\$250,000
Travel		\$6,000	\$6,000
<i>Total Expenditure Changes</i>			<i>\$1,822,692</i>

Attachments

1 – Budget Adjustment – January 17, 2018

Item 4 - Budget Adjustment - Attachment 1

LACCE FY 17-18 Budget Adjustment - January 17, 2018				
BUDGET ITEM	Original	Adjusted	Change	NOTES
REVENUES				
LA County Loan	\$6,000,000			
Program Revenues (rates)	\$4,000,154	\$1,737,534	-\$2,262,620	Updated to reflect current schedule, load size, and market conditions
Phase 2-3 Loan	\$47,000,000	\$31,000,000	-\$16,000,000	Updated to reflect current schedule, load size, and market conditions
Total Revenues	\$57,000,154	\$38,737,534	-\$18,262,620	
EXPENDITURES				
New Staff				
Executive Director	\$150,000	\$150,000		
Assistant	\$50,000	\$50,000		
Subtotal New JPA Staff	\$200,000	\$200,000		
Existing Contract Services				
Executive Support (BD Management)	\$180,000	\$180,000		
Data Manager Consultant	\$3,000	\$3,000		
Subtotal Existing Contract Services	\$183,000	\$183,000		
New Contract Services				
Legal Services	\$200,000	\$200,000		
Communications and Outreach	\$150,000	\$150,000		
Power Procurement Consultant	\$150,000	\$150,000		
Contingency	\$50,000	\$50,000		
Subtotal New Contract Services	\$550,000	\$550,000		
Office Space and Equipment	\$150,000	\$150,000		
Power Procurement	\$4,899,948	\$3,250,273	-\$1,649,675	Updated to reflect current schedule, load size, and market conditions
Fees and Bonds				
Utility Fees	\$292,155	\$509,124	\$216,969	Updated to reflect current schedule, load size, and market conditions
CPUC Bond	\$100,000	\$100,000		
SCE Bond	\$260,000	\$260,000		
Subtotal Fees and Bonds	\$652,155	\$869,124	\$216,969	
Repayment to County	\$6,680,000	\$6,754,399	\$74,399	County staff and contractor time projected to increase \$75,399
New Budget Items				
Memberships	\$0	\$75,000	\$75,000	As authorized by the LACCE Board at its November 2, 2017 meeting
Cash Collateral for Phase 1 Power	\$0	\$2,700,000	\$2,700,000	As authorized by the LACCE Board at its December 7, 2017 meeting
Temporary Staff	\$0	\$150,000	\$150,000	As authorized by the LACCE Board at its December 7, 2017 meeting
Technical and Regulatory Support	\$0	\$250,000	\$250,000	Contract assumed by the LACCE Board at its November 2, 2017 meeting. Previously budgeted as a County in-kind service
Board and Staff Travel	\$0	\$6,000	\$6,000	For Board and staff travel expenses to attend conferences, regulatory proceedings, and other important meetings/events
Subtotal New Budget Items	\$0	\$3,181,000	\$3,181,000	
Total Expenditures	\$13,315,103	\$15,137,796	\$1,822,692	
Net	\$43,685,051	\$23,599,738	-\$20,085,313	

 Budget Adjustment

Staff Report – Item 5

To: Los Angeles Community Choice Energy Board of Directors
From: LACCE Staff
Subject: Grace Period and Related Requests for Consideration and Approval
Date: January 17, 2018

RECOMMENDATION:

It is recommended that the Board consider requests from the cities of Camarillo and Simi Valley to join the LACCE program at no cost due to delays in City Council consideration caused by the wildfires of December 2017.

BACKGROUND AND DISCUSSION:

At the December 7, 2017 meeting of the LACCE Board, the Board considered and adopted a New Entrant's Policy that guides how LACCE will evaluate and approve cities seeking to join LACCE after the initial "open enrollment" period that ended on December 27, 2017. The Board amended the policy to recognize the impact that wildfires in Los Angeles and Ventura counties were having on cities and their ability to meet the December 27th deadline. This amendment offered a 90-day grace period for cities affected by the wildfires to join at no cost.

Staff advised cities of the amended policy and indicated to cities that such requests would be granted at the discretion of the LACCE Board. The cities of Camarillo and Simi Valley have each requested to join LACCE at no cost and their requests are included as attachments to this report. Both cite the wildfires as reasons why they were not able to agendaize consideration of the LACCE program prior to the end of the year. Staff is recommending approval of these requests.

Additionally, the City of Redondo Beach has requested that it be permitted to join LACCE at no cost as the result of an unusual circumstance in which the City Council approved the enabling ordinance and JPA agreement prior to the December 27 deadline, only to have it vetoed by the Mayor. An override of that veto is scheduled for consideration by the City Council on January 16, 2018. If the Mayor's veto is overridden, staff recommends granting this request given the City's best efforts to meet the deadline.

Timing of New Entrants Beginning of Electric Service

As directed by the LACCE Board in adopting the New Entrant's Policy, staff will file amendments to the Implementation Plans on a quarterly basis (as needed) to bring new

Los Angeles Community Choice Energy

cities into the program. Addendum #1 to the LACCE Implementation Plan was filed on December 29, 2017 to include the 21 jurisdictions that joined LACCE in 2017 after the initial Implementation Plan filing of August 15, 2017.

Therefore, cities that join in the first quarter of 2018 – whether under the no-cost grace-period extension or otherwise – will be included in Addendum #2, which will be filed in April 2018. It is anticipated that these cities will begin electric service as part of Phase 3 in December 2018, if possible, or in early 2019. However, if CPUC Resolution E-4097 is adopted as currently drafted, it is possible that those cities would not be able to begin service until January 2020.

Attachments:

- 1 – Email from Camarillo City Manager Dave Norman
- 2 – Letter from Simi Valley City Manager Eric Levitt

From: [Dave Norman](#)
To: [Gary Gero](#)
Subject: Request for Thomas Fire Related Waiver
Date: Thursday, January 11, 2018 8:05:42 AM

Gary:

Thank you for attending last night's meeting of the Camarillo City Council. Your presentation and presence during the Council's extensive question and answer session was critical to getting the Council to a position of making a decision toward joining LACCE.

We would like to join LACCE within the next 90 days via the fire-related waiver currently being offered by the LACCE Board. The reasons for seeking this waiver are due to the impacts experienced by key staff during the period of December 5 – 15 (the duration of the Thomas Fire), and the City Council's December schedule.

Although the City of Camarillo was spared fire damage, the staff that would have been involved in preparing the City Council to consider joining LACCE (primarily the City Manager) was fully engaged during this period with public outreach, Emergency Operations Center preparations, response to power outages for high wind events, and particulate mask distribution. Since the City Council has only one meeting scheduled for the month of December (December 13th), preparation of City Council Agenda materials for the Council's consideration of LACCE membership needed to be deferred. Furthermore, the ability of LACCE representatives to attend Council's December 13th meeting was also constrained due to presentations being made in other cities.

For these reasons, and for the Camarillo City Council's positive direction last night, I ask that the LACCE Board consider granting a 90-day waiver for joining the JPA without needing to make a financial contribution.

Thank you for your consideration.

DAVE NORMAN, ICMA-CM
City Manager
City of Camarillo
601 Carmen Drive, Camarillo, CA 93010
(805) 388-5307

The information contained in this e-mail is intended only for the use of the named addressee(s). If you received this message in error, please notify the sender of its receipt by calling (805) 388-5300, and subsequently delete and/or destroy this document along with any attachments.



CITY OF SIMI VALLEY

Home of The Ronald Reagan Presidential Library

December 13, 2017

Gary Gero
Chief Sustainability Officer
LA Office of Sustainability
500 W Temple Street
Los Angeles, CA 90012

Re: Request to extend a 90 day grace period for the City of Simi Valley to join the LACCE Program

Dear Mr. Gero:

I would like to thank you for taking the time to speak with our City Council Monday evening, December 11, 2017. As we discussed, the Thomas fire as well as the Rye fire created hardship for many cities within Ventura County. Due to the impacts of the Rye Fire and the threat of the fire moving into Simi Valley, our Police Department staff immobilized the City's Emergency Operations Center (EOC) beginning Tuesday, December 5th through Friday, December 8, 2017. Staffing for the EOC involved significant management resources as many employees worked 12 to 14 hour shifts throughout the week. As a result of the local fires, several of our schools were closed due to poor air quality. Given the circumstance, there was little time for our staff to prepare the typical staff report analysis regarding membership in the LACCE for the December 11th City Council meeting and unfortunately, this was the last scheduled meeting of the calendar year. In addition, as Ventura County has been the catalyst in Community Choice Energy efforts, the City Council wanted to extend the courtesy of allowing the County the first opportunity to vote on LACCE membership. As you are aware, the Board of Supervisors cancelled their meeting scheduled for December 5th and postponed their vote to December 12, 2017, the day after our last City Council meeting of the year.

As it is our understanding that the LACCE Board had provided a 90-day grace period for those cities impacted by the local fires, we respectfully ask the LACCE Board to consider providing the same 90 day grace period to the City of Simi Valley. If the Board elects to grant the grace period, staff would request that the City Council adopt the Joint Powers Agreement and introduce the ordinance in January, 2018.

Your thoughtful consideration to this matter would be appreciated. If you should have any questions, please feel free to contact me at (805)583-6701.

Sincerely,

A handwritten signature in black ink, appearing to read "Eric Levitt".

Eric Levitt
City Manager

cc: City Council
City Manager

Staff Report – Item 6

To: Los Angeles Community Choice Energy Board of Directors

From: LACCE Staff

Subject: Approve LACCE 2018 Procurement Strategy

Date: January 17, 2018

RECOMMENDATION:

Staff recommends that the Board approve a procurement strategy for 2018 to achieve the LACCE goals of providing three tiers of renewable energy offerings to customers in time for the June 2018 Phase 2 program launch.

BACKGROUND AND DISCUSSION:

On August 15, 2017, Los Angeles Community Choice Energy submitted its Implementation Plan to the California Public Utilities Commission, and received certification on November 13, 2017. The certified Implementation Plan details LACCE's plan to launch in phases over the course of 2018, with LACCE commercial and industrial customers scheduled to begin service in Phase 2 (June 2018), and residential customers to begin service in Phase 3 (December 2018).

On December 29, 2017, LACCE submitted an addendum to its original Implementation Plan, noting its intent to expand to an additional 21 members for Phases 2 and 3 in 2018. To meet its launch schedule, LACCE must soon begin the contracting process for the balance of its 2018 power requirements.

It is noted that the Phase 1 requirements, scheduled to begin early February 2018, have been acquired from Constellation Energy to be delivered on a bundled basis for a fixed price. However, LACCE staff and our portfolio management consultant, The Energy Authority (TEA) recommend a different approach for Phase 2 and the first month of Phase 3 (December 2018). To the extent feasible, it is recommended that the energy requirements be purchased unbundled so that services like Resource Adequacy, Renewable Portfolio Standard requirements, and others can be bid and acquired separately from the base energy requirements.

Additionally, TEA is currently contracted to, among other tasks, develop an initial risk management and power procurement strategy for LACCE. Working with TEA, LACCE staff developed a 2018 procurement approach that:

- Minimizes market and regulatory risks

Los Angeles Community Choice Energy

- Enables LACCE to successfully meet its 2018 launch schedule
- Maintains rate stability and rate competitiveness
- Preserves the LACCE Board's ability to make important procurement decisions for 2019 and beyond
- Gives preferences to resources located within Los Angeles County and California

Portfolio Characteristics and Approach

For its 2018 procurement, staff recommends that LACCE quickly procure its load requirements soon after the CPUC decision on Draft Resolution E-4907 once the full extent of the 2018 load is known.

LACCE's 2018 procurement approach is designed to allow LACCE to offer its customers the choice of three rate options (33% renewable, 50% renewable, and 100% renewable), and with the following portfolio characteristics:

- Coal free
- Nuclear free
- No Bucket 3 Renewable Energy Certificates

and with the following portfolio objectives¹:

- GHG free
- No power from unspecified sources

Following approval of the 2018 procurement strategy for LACCE, staff will issue a Request for Proposal (RFP) for its unbundled 2018 power supply requirements. Staff will return to the Board in April with for final contract approval, portfolio content, and rate options.

Once 2018 procurement is complete, planning can begin for 2019/2020 procurement, providing flexibility to incorporate long-term commitments that will extend beyond 2020, including utility scale solar, distributed energy resources, and projects that support local labor and workforce development.

Attachment

Presentation, The Energy Authority, LACCE 2018 Procurement Strategy

¹ Due to load and generation uncertainty, there is always a possibility that the final portfolio may be less than 100% GHG free and/or will include a small percentage of unspecified sources of power

Staff Recommendations for 2018 Resource Acquisition

BILL CARNAHAN

INTERIM EXECUTIVE DIRECTOR

TEA Initial Procurement Strategy For LACCE

- TEA is contracted to develop an initial power procurement approach and risk management strategy for LACCE
- Working with TEA, LACCE staff has developed a strategy that:
 - Minimizes market and regulatory risks
 - Enables LACCE to successfully meet its 2018 launch schedule
 - Preserves the LACCE Board's ability to make important procurement decisions for 2019/2020

What are the Options?

1. Issue a Bid Request for purchase of all the requirements (bundled) to serve 2018 load for a fixed price. (method used in Phase 1 from Constellation)
2. Separately bid the individual energy components; the energy itself, Resource Adequacy, RPS and GHG-free to reduce costs and better control the content of the 2018 portfolio.

Why do this Now?

- Timing is becoming a factor for serving Phase 2 customers in June
- This approach will allow greater control over portfolio content
- This approach will produce a lower cost portfolio
- TEA has a proven track record with many CCAs for these services
- TEA is owned by several publicly-owned utilities and is a non-profit organization so is aligned with community-based CCAs



Procurement Strategy for 2018 Load Requirements

January 17, 2018

A solid red horizontal bar spans the width of the slide at the bottom.

Key Takeaways

- Given market conditions, LACCE has a great opportunity to achieve many program goals.
- LACCE's biggest financial risk for 2018 is power prices given SCE's Generation and PCIA rates are fixed.
 - Sooner is better to procure power in order to manage market price risk for 2018 because competition (SCE) is already hedged; market pricing movements have been relatively stable in recent months although trending slightly upward

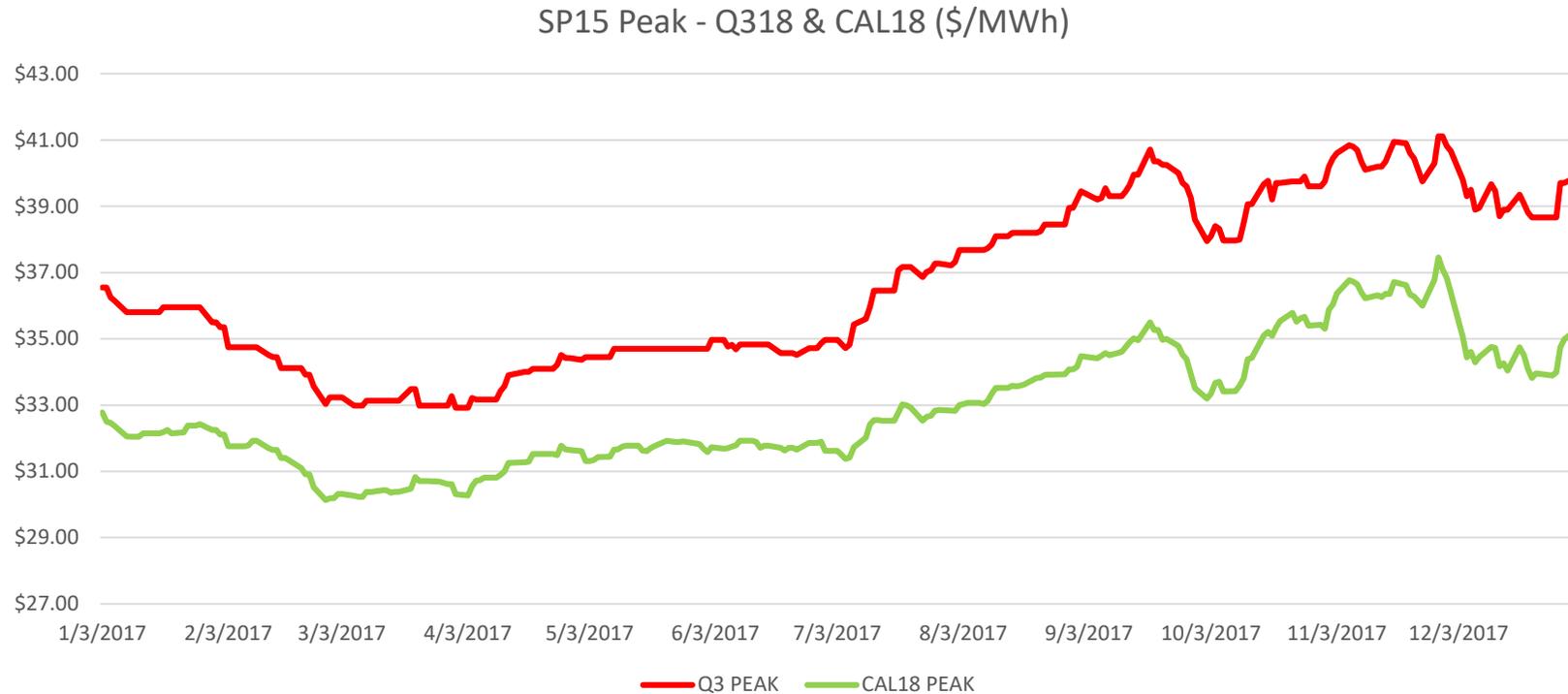
Recommendations

- Procure balance of 2018 Phase 2 and 3 requirements in February, very soon after CPUC decision on Draft Resolution E-4907
 - Volumes may need to be scaled back to meet requirements of only LA County, Rolling Hills and South Pasadena
 - Solicit separate offers for energy, RA, RPS and GHG-free
- Procurement for future years executed at a measured pace to provide:
 - Mitigation of market price risk through diversification of suppliers, technologies and transaction terms
 - Maintain flexibility to incorporate long-term commitments, including local DER as strategic program goals are solidified and implementation plans developed
- Begin 2019/2020 procurement after 2018 procurement complete; augment to incorporate contract structures that allow for long-term commitments to utility scale and local DER

Schedule

Month	Activity
January	<ul style="list-style-type: none"> Finalize RFP documents
February	<ul style="list-style-type: none"> Procure 2018 power supplies Establish banking relationship
March	<ul style="list-style-type: none"> Finalize 2018 budget and set rates Prepare enrollment notices Submit June peak demand forecast to CEC
April	<ul style="list-style-type: none"> Send first enrollment notices Receive RA allocation from CPUC and finalize RA procurement Submit June RA plan to CPUC and CAISO
May	<ul style="list-style-type: none"> Send second enrollment notices
June	<ul style="list-style-type: none"> Begin service to Phase 2 customers

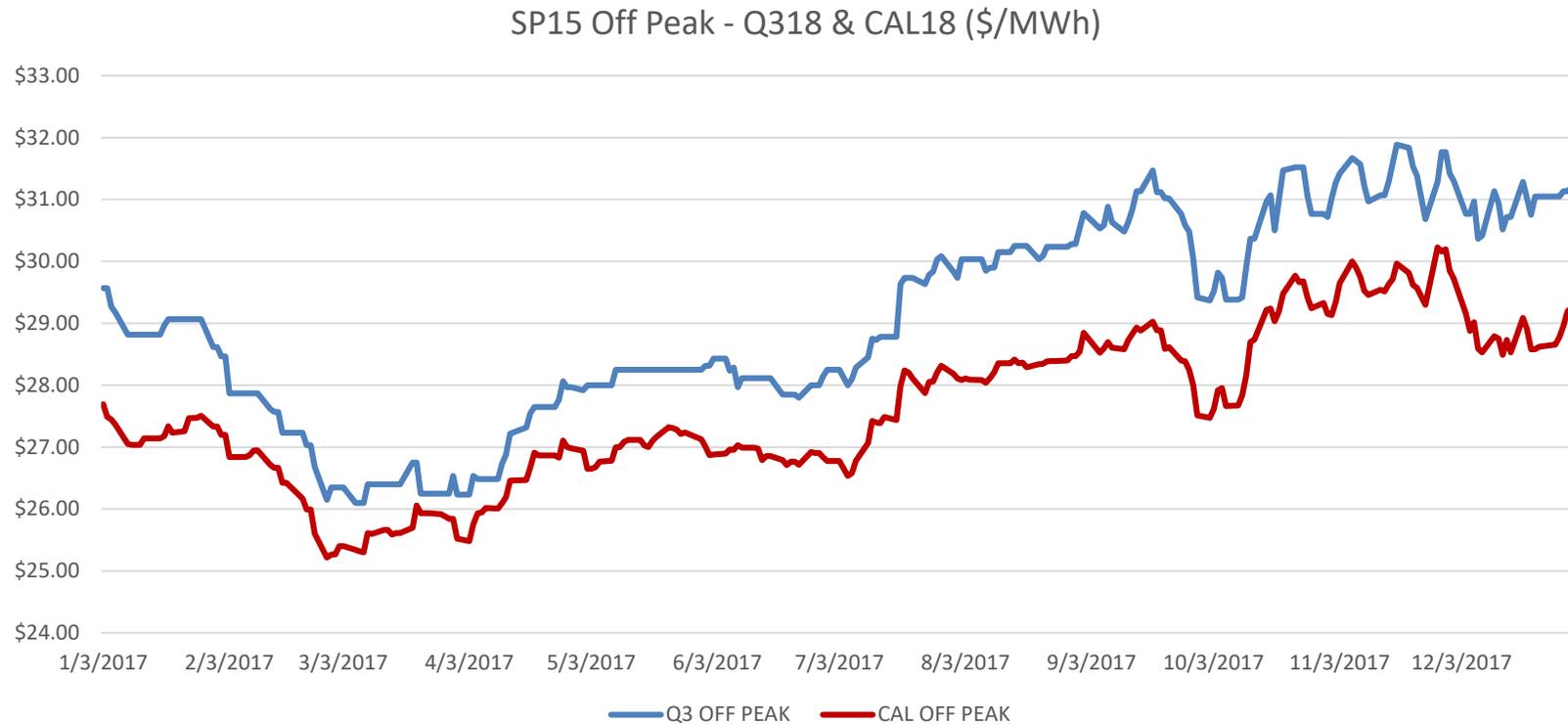
SP15 Peak Prices



SP prices are slightly higher today than when 2018 PCIA was set:

- Cal-18: \$35.40/MWh (current) vs \$34.65/MWh (October)
- Q3-18: \$39.95/MWh (current) vs \$39.05/MWh (October)

SP15 Off-Peak Prices

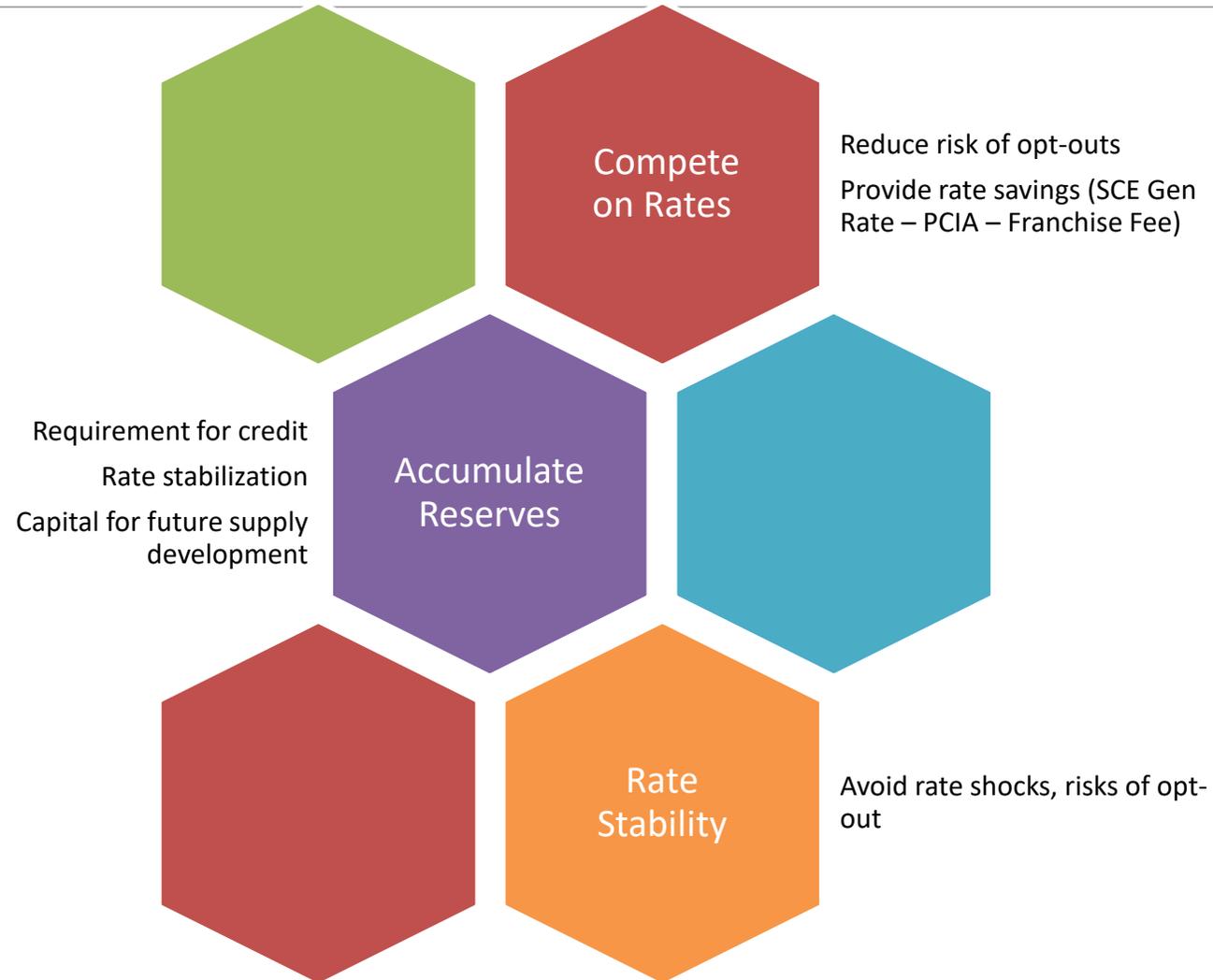


SP prices are slightly higher today than when 2018 PCIA was set:

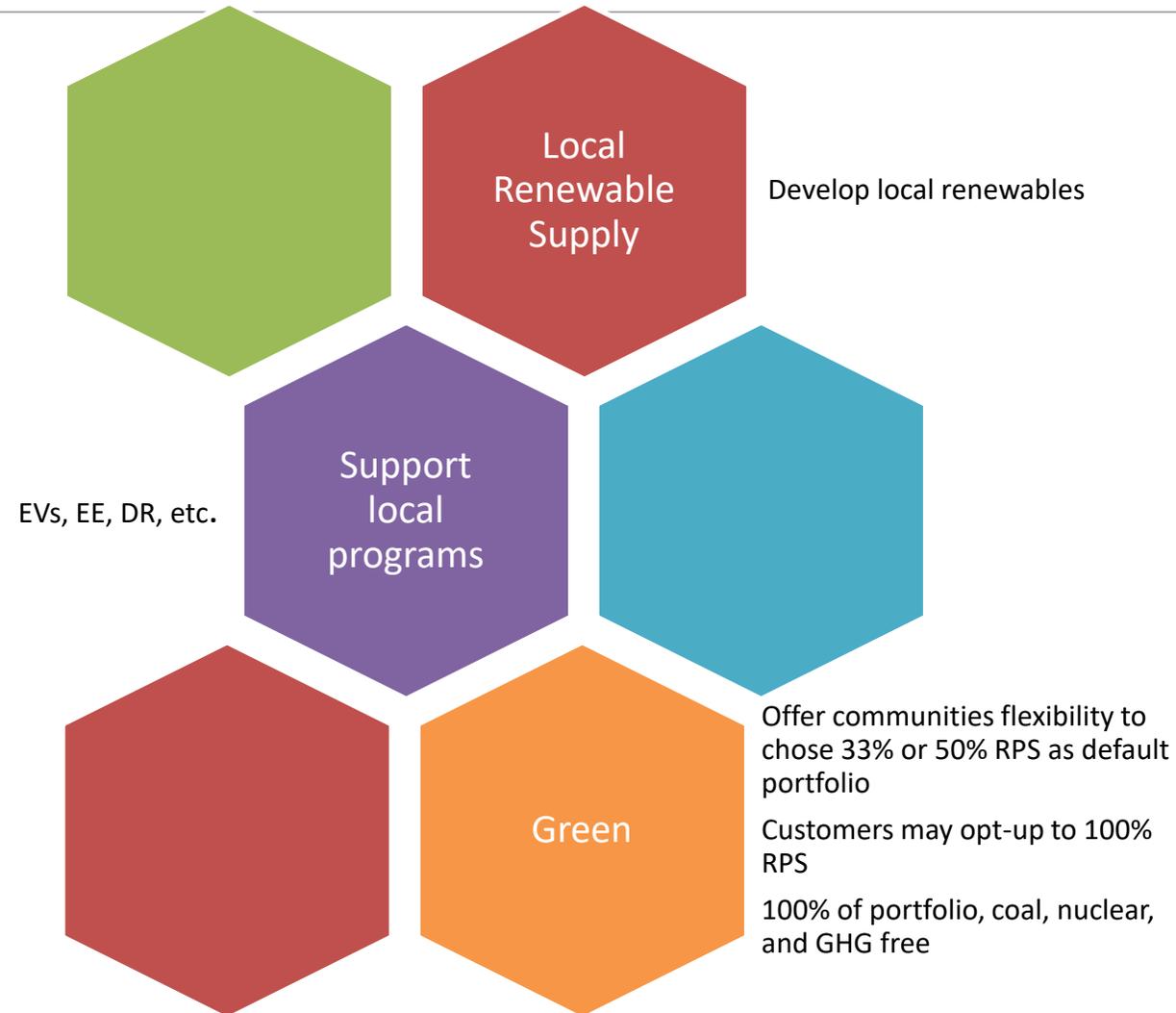
- Cal-18: \$29.45/MWh (current) vs \$28.75/MWh (October)
- Q3-18: \$31.40/MWh (current) vs \$30.45/MWh (October)

LACCE Objectives & Costs

LACCE Financial Objectives



LACCE Non-Financial Objectives



Next Steps for LACCE

- Prepare and issue RFP documents
- Evaluate proposals, and return to the Board in April for approval of final contracts, rates, and portfolio content
- Once power for 2018 load is secured, develop procurement strategy and finalize program goals for 2019/2020

Questions?

Staff Report – Item 7

To: Los Angeles Community Choice Energy Board of Directors

From: LACCE Staff

Item 7: Community Advisory Committee Proposal

Date: January 17, 2018

RECOMMENDATION:

Staff recommends that the Board consider the attached proposal to establish a Community Advisory Committee and direct staff to open the application period for the LACCE Community Advisory Committee.

BACKGROUND AND DISCUSSION:

Pursuant to Section 5.9.1(c) of the LACCE JPA: “The Board shall establish a Community Advisory Committee comprised of members of the public representing key stakeholder communities. The primary purpose of the Community Advisory Committee shall be to provide a venue for ongoing citizen support and engagement in the operations of the Authority.”

LACCE has waited until the full initial complement of the Board was seated before taking action to create the Community Advisory Committee. This was done so that each member city’s preferences and geographies could be taken into account when deciding the composition, formation, and function of the Committee.

The attached proposal was produced after staff conducted best practices research of existing CCA Community Advisory Committees, held interviews with the staff of those CCAs, and gathered community input from three interactive public workshops.

The recommended timeline in the attached proposal is for Committee appointments to be made at the March 2018 Board meeting.

COMMUNITY FEEDBACK ON PROPOSAL:

LACCE staff held a community workshop in Duarte on Wednesday, January 10, to gather feedback on the attached draft proposal. Some of the input received voiced preference for an alternative approach to the issue of the committee size. The specific feedback was that a much larger committee that includes a representative from each of the LACCE member cities would emphasize and prioritize openness and broader community involvement. The suggestion was that the larger committee itself would decide its ultimate size and refine its function and bylaws. With current LACCE membership, this approach would translate to a committee of at least 24 members, rather than the proposed size of 9-11 members.

Other ideas raised at the workshop included:

- LACCE should encourage cities to form their own community advisory committees that would interface with the Community Advisory Committee;
- The Community Advisory Committee should consider forming subcommittees to address specific topic areas rather than have all issues considered by the full CAC; and
- LACCE should leave the size undetermined and instead base the committee size on the number and quality of applications received.

Attachments:

1. Community Advisory Committee Draft Proposal
2. Community Advisory Committee Draft Application Form

LACCE Community Advisory Committee – Draft Proposal for Public Review and Comment

Background:

Pursuant to Section 5.9.1(c) of the LACCE JPA: “The Board shall establish a Community Advisory Committee comprised of members of the public representing key stakeholder communities. The primary purpose of the Community Advisory Committee shall be to provide a venue for ongoing citizen support and engagement in the operations of the Authority.”

Of the nine operational CCAs in California, three have similar Community Advisory Committees (Sonoma Clean Power, East Bay Community Energy, and Peninsula Clean Energy). In the case of those CCAs, the Committees were involved in the formation and launch of the CCA. LACCE, following a different process, has waited until the full initial complement of the Board was seated before taking action to appoint the committee. This was done so that each member city’s preferences and geographies could be taken into account when deciding the composition and function of the committee. This proposal was produced after staff conducted best practices research of existing CCA Advisory Committees, held interviews with the staff of those CCAs, and gathered community input from interactive public workshops.

Purpose:

The purpose of the Community Advisory Committee is to:

- Act as a liaison to the community and represent ratepayer concerns
- Provide feedback on LACCE policies, operational objectives, and programs
- To the extent possible, provide expert knowledge of relevant subject matter to support Board and staff
- Assist with outreach to the community
- Assist with legislative advocacy in conjunction with staff and Board
- Provide a forum for community discussions on a wide variety of strategies to reduce carbon emissions and maximize LACCE programs

Guiding Principles:

At our community workshops, staff asked participants what guiding principles they thought the Community Advisory Committee should exemplify. Among those emphasized were:

- Transparency
- Diversity
- Community focus

Committee Size, Terms, and Commitment:

A Community Advisory Committee must be adequately representative, yet remain small enough to be efficient. Additionally, an odd numbered committee is advantageous for voting purposes. A committee of 9-11 people would best meet these requirements and is in line with existing CCAs.

Terms should be long enough for committee members to accumulate knowledge of complex subjects, and staggered to ensure there will always be experienced committee members to

LACCE Community Advisory Committee – Draft Proposal for Public Review and Comment

support new ones. However, terms should not be so long so as to make it difficult for new members to come in and share different perspectives.

This proposal suggests staggered three-year terms, with initial committee members randomly assigned to terms of 1, 2, or 3 years, and subsequent members serving three years terms. Members may serve a total of three terms.

The Community Advisory Committee is subject to the Brown Act. All meetings will be open to the public, and the committee will work with staff to ensure meeting agendas are posted 72 hours in advance. The committee will meet on a regular basis, either monthly, bi-monthly, or quarterly as determined by the Committee itself. Additionally, the Committee will have the opportunity to decide whether a member may select an alternate to represent him or her.

Committee Member Criteria:

It is important that the Committee represents a balance of subject matter expertise and community representation. Strong preference will be given to those who live or work in LACCE territory, and to those with proven community leadership and/or capacity to build strong community networks. Additionally, the Committee should have at least one member specifically representing disadvantaged communities.

Members with expertise in any one or more of the following areas will be highly desirable:

- Environmental justice
- Ratepayer advocacy
- Labor relations
- Neighborhood/Community relations
- Youth/Student liaison
- Distributed Energy Resources (DER)
- Energy Efficiency
- Demand Response
- Renewable Energy
- California Grid Operation (CAISO)
- Power generation
- Energy markets
- Utility finance
- Communications
- Economic Development
- Legislative Advocacy

Information requested in the application will include:

- How the applicant meets the desired criteria
- Why the applicant desires to serve
- Ability to meet the necessary commitment
- Potential conflicts of interest

LACCE Community Advisory Committee – Draft Proposal for Public Review and Comment

- How the applicant is connected to the community LACCE serves
- Any additional languages applicant can speak or other abilities they might have to support non-English speaking communities

Selection Method:

The application process for Committee members shall be open and public. However, as described above, criteria should be highly specific to ensure the applications received meet the requirements. Recruitment efforts should be robust, and include announcements at Board meetings, across LACCE social media channels and website, via LACCE stakeholder email blasts, and personal recruiting methods by Board or Staff.

The application process should be opened as soon as possible, as it is the intention of the staff to recommend that the Board appoint the Committee at the March 2018 meeting of the LACCE Board.

LACCE staff will collect and conduct an initial screening of applications. Screening will involve efforts to ensure the diversity of cities and areas represented. The Board may choose to establish an ad hoc subcommittee to conduct the selection process. In that event, the recommended finalists will then be presented to the full Board for appointment. Committee members will serve at the pleasure of the Board for the duration of their term.

Committee Function:

While the Committee is advisory in nature, it will have responsibilities that include:

- Reviewing and providing input on the LACCE Strategic Plan, Implementation Plans, Communication Plan, and other matters as the Board may request.
- Public outreach and community engagement regarding LACCE programs and goals
- Working closely with staff to stay abreast of issues and set Committee agendas
- Special projects identified by the Committee itself that may include studying DER project development, new programs, or community partnership opportunities

Every effort will be made to ensure the Committee will be able to review and provide input on key LACCE documents and plans in a timely manner. It is possible however, that there may not be sufficient time to do so in certain circumstances. If urgency is a factor, the Chair of the Board, at his or her discretion, may elect to place an item on the Board's agenda that would ordinarily receive Committee input, in the absence of such input.

Resources and Abilities:

The Committee will be able to:

- Select its own Chair and Vice Chair
- Submit reports to the LACCE Board for consideration
- Request financial resources from the LACCE Board to support specific studies and/or projects
- Form working groups and subcommittees to address specific issues as may be necessary

LACCE Community Advisory Committee – Draft Proposal for Public Review and Comment

- Monitor the LACCE program to ensure it is meeting the needs of the communities it serves

Additionally, the Committee shall receive onboarding training and educational presentations from LACCE staff and consultants to become more familiar with the subject matter. The committee will have access to the staff reports and materials the Board receives, and be included in communications regarding legislative, regulatory, or other major updates.

Additional Considerations:

These are additional items for consideration:

- Financial resources
 - Staff time required to support the committee
 - Funding for supplies and meeting space
- Community Liaisons
 - Inclusion of a youth or student liaison
 - Inclusion of liaisons from other stakeholder groups

Proposed Timeline:

Date	Milestone
January 10 th	Community Workshop to receive input on proposal
January 17 th	Board to consider proposal, establish CAC subcommittee, and direct staff to open the application period
January 22 nd – February 9 th	Application period open (3 weeks)
February 12 th – February 23 rd	Board subcommittee to meet and select finalists. Interviews may be conducted.
Early March	Committee appointed at March Board meeting

Item 7 – Community Advisory Committee – Attachment 2

DRAFT APPLICATION

LACCE is seeking qualified applicants for its volunteer Community Advisory Committee. Please see background information and other details at lacee.org.

LACCE asks that anyone wishing to apply submit the following form no later than February 9th, 2017. LACCE staff will screen applications and a LACCE Board subcommittee may be formed to review and make final recommendations. Finalists will be appointed by the LACCE Board of Directors.

LACCE may contact you with questions or to clarify an aspect of your application. This application is a public document and will be available for review upon request.

Please note:

- Resumes and letters of recommendation may be submitted as optional supplemental materials
- Community Advisory Committee members will represent only themselves personally and will not represent any organization while serving on the committee
- Preference will be given to applicants that live or work in LACCE service territory. To see a list of areas in LACCE territory, visit lacee.org.

Personal Information

Name:

Email Address:

Primary Phone:

Home Street Address:

City, State, Zip:

Occupation:

Employer:

Work Street Address:

City, State, Zip:

Qualifications

LACCE seeks applicants with experience in at least one of the following areas. If you have no experience in one of these areas, please respond N/A in that section.

Please briefly describe your experience with communications and outreach or community leadership in the LACCE service area. This may include experience in local neighborhood, business, labor, environmental, social justice, faith, education, economic development, or other community organizations. Please also note if you have had experience working specifically with disadvantaged communities.

Item 7 – Community Advisory Committee – Attachment 2

Please briefly describe your experience in legislative or ratepayer advocacy.

Please briefly describe your experience or expertise in the energy field. This may include experience with electrical utilities, distributed energy resources (DER), energy efficiency, demand reduction, energy markets, renewable energy, California Grid Operation (CAISO), utility finance, technology, policy, or environmental impacts.

Commitment

Los Angeles Community Choice Energy requests members of the Community Advisory Committee make a personal commitment of time and energy to attending meetings of this committee, and to helping the organization meet its mission and goals to attain its potential. The committee will meet on a regular basis, either monthly, bi-monthly, or quarterly as determined by the Committee itself.

Members are encouraged to attend all meetings to ensure the committee regularly maintains a quorum and functions with consistency.

Please describe your ability to make the commitment described above.

Additional Information

Please note any languages you can speak other than English, or other abilities you might have to support non-English speaking communities in LACCE territories.

Please describe why you are interested in serving on the LACCE Community Advisory Committee, and what you would like to achieve while serving on it.

Please note any potential conflicts of interest you may have with serving on this committee.

Please note anything else you would like LACCE to know about your ability to contribute to this committee.

Staff Report – Item 8

To: Los Angeles Community Choice Energy Board of Directors

From: LACCE Staff

Subject: **Legislative and Regulatory Update**

Date: January 17, 2018

Regulatory Issues

1. PCIA Review – R.17-06-026

The Power Charge Indifference Adjustment (PCIA) Review proceeding will revise the methodology for calculating the fees that IOUs charge CCAs for power contracts stranded by CCA departure from bundled IOU service. The first phase of the proceeding focused on determining what data the IOUs would be required to share with the CCAs and what restrictions would be placed on the personnel reviewing that data. That phase has now concluded and data sharing has begun. On January 16th, the first workshop in the second phase will begin. The workshop is intended to provide “a forum for data-based discussion of (1) cost responsibilities and (2) going-forward solutions.”

2. Integrated Resources Planning (R.16-02-007)

On 12/28/2017, the Commission released its Proposed Decision regarding the requirements for Integrated Resources Plans (IRPs) and setting June 1, 2018 as the due date for the 2018 IRP submission. IRPs are long-term power supply planning documents submitted to the CPUC for review to ensure compliance with state reliability, greenhouse-gas mitigation, and cost-minimization targets. CCAs had previously argued that the CPUC should not have the same degree of authority over CCA power supply planning as it does over IOU procurement planning. However, in this most recent decision, the CPUC fully rebutted this argument and asserted full authority to review and demand changes to CCA IRPs. The final decision on this proceeding will be voted on at the February 8th, 2018 Commission voting meeting.

3. CCA Bond Requirements – R.03-10-003

This proceeding will review and potentially reset the surety bond amount required from CCAs to their incumbent IOU prior to launching service. The surety bond is meant to

insure the IOU and bundled customers against costs that would be incurred in the event a CCA fails or involuntarily terminates. The key issue of debate in this proceeding has been whether the surety bond should cover any level of “emergency procurement”, which refers to the power contract procurement IOUs would have to pursue in the event a CCA failed. CCAs contend the surety bond should cover only the administrative fees associated with customer reentry to IOU service in the event the CCA fails. In contrast, the IOUs have asked for extensive emergency procurement insurance. The precedent in this case works slightly against the CCAs because other Energy Service Providers (ESPs), such as those that serve Direct Access (DA) customers, do pay a surety bond that covers some emergency management. However, the CCAs have made a strong case that they are more financial stable than the ESPs. The proceeding has concluded the period for opening and reply briefs, and we are now awaiting a final decision. We currently estimate that a revised surety bond methodology could take effect as early as the 3rd quarter of 2018.

4. PCIA Vintage and Binding Notice of Intent

PCIA Vintage refers to the year a group of CCA or Direct Access customers departed the IOU’s “bundled” service. It is relevant because it determines which of the IOUs stranded power contracts were procured on behalf of those customers. Customers with an earlier PCIA vintage should be responsible for fewer stranded power contracts and therefore usually have a lower PCIA burden.

PCIA Vintage is determined in increments that are six months later than the calendar year to match up with the IOU procurement schedule. For example, loads that depart or commit to depart between July 1st 2017 and June 30th 2018 are assigned a 2017 vintage, while loads that depart between July 1st 2018 and June 30th 2019 will get a 2018 vintage.

Each phase of CCA’s service roll-out is treated differently and can be assigned a different PCIA vintage. Thus, a CCA phase launched in June 2018 would have a different PCIA vintage than a subsequent phase for the same CCA launched in December 2018. This can be problematic in that customers may then have different effective rates within the same service territory and can also be administratively burdensome.

The CPUC, however, allows a way to secure PCIA Vintage independent of the actual date of service: the Binding Notice of Intent (BNI). A BNI is a legal commitment by a CCA to its incumbent IOU and the CPUC to serve a defined set of customers starting on a certain date. The advantage of making that commitment is that it relieves the incumbent IOU from the regulatory obligation to procure energy for the defined load starting from the time the BNI is filed. As a result, CCAs can use a BNI to reduce the amount of stranded assets for which they will have to pay exit fees (such as the PCIA) after they depart.

Los Angeles Community Choice Energy

The downside of the BNI is that the CCA is then financially responsible for supplying that load. Consequently, a CCA that has completed a BNI, but then changes its scheduled service date, will have burdensome financial obligations to pay for emergency power procurement by the IOU. The IOUs are required to honor BNIs submitted during their “open season” from January 1st to February 15th of each year.

Legislative Issues

With the California State Legislature out of session, there are no updates on legislative issues.

Staff Update

To: Los Angeles Community Choice Energy Board of Directors
From: LACCE Staff
Subject: **Staff Update**
Date: January 17, 2018

LACCE Membership Update

LACCE staff made more than 100 presentations to city councils over the course of 2017 and the current official LACCE membership is 25. Staff has more presentations planned for January and February, and expects membership to continue to grow in the coming months.

Agoura Hills	Manhattan Beach
Alhambra	Ojai
Arcadia	Paramount
Beverly Hills	Rolling Hills Estates
Calabasas	Santa Monica
Carson	Sierra Madre
Claremont	South Pasadena
Culver City	Temple City
Downey	Thousand Oaks
Hawaiian Gardens	Ventura County
Hawthorne	West Hollywood
LA County	Whittier
Malibu	

Additionally, the cities of Oxnard and Camarillo have voted to join but have yet to adopt the ordinance and JPA agreement. The City of Redondo Beach is scheduled to consider an override of a Mayoral veto on January 16, 2018.

Reminder for those Board Members, Alternates and Member Staff who have not yet had an orientation, please let us know so we can get one scheduled. We think you will find it educational and helpful, and we will come to you at your convenience.

January 17, 2018

Schedule Update

Phase 1

LACCE remains on track for a successful launch of Phase 1 on February 1, 2018. Los Angeles County-owned facilities will soon be consuming power that is coal and nuclear free and 60% renewable and 85% carbon free, which is more than double than what they are currently consuming.

Phases 2 and 3

LACCE still expects the successful launch of Phases 2 and 3 in June and December of this year. Staff is currently working on several tasks for implementation, including:

Procurement of power resources

This is discussed in Item 6 in the current Agenda

Procurement of data management and call center services

Staff intends to return to the Board at its February meeting with a recommendation for data management and call center services for Phases 2 & 3.

Acquisition of credit facility

On January 12, 2018, LACCE staff released a Request for Proposals (Attachment 1) for the credit facility and banking services it needs for phases 2 and 3 power procurement. Along with a reminder we will be looking for volunteers to serve on the LACCE Finance Committee whose first duties will be to help us analyze the responses to the RFP and make recommendation to the Board who we should engage to be our “banking team”.

Staff anticipates returning to the Board at its March meeting with a recommended approach and final loan package

Development of New Name and Logo

The LACCE Board formed a subcommittee to consider renaming Los Angeles Community Choice Energy to reflect the broad geographic diversity represented by its members. The subcommittee members include Culver City, West Hollywood, Claremont, and have recently been joined by Ventura County. The committee has held two meetings with LACCE staff to develop a recommendation to the Board by the February LACCE Board meeting.

Procurement of Communication and Outreach Services

Los Angeles Community Choice Energy

On January 5, 2018, LACCE staff released a request for proposals (Attachment 2) for communication and outreach services, in anticipation of the launch of phases 2 and 3 in 2018. Staff intends to return to the Board at its March meeting with a recommended communication and outreach approach and vendor.

Santa Monica Recommendations

On December 7, 2017, the City of Santa Monica submitted written recommendations to the LACCE staff for response which are included as Attachment 3 to this report.

Attachments

1. RFP for Banking and Credit Services
2. RFP for Communication and Outreach Services
3. Staff Response to City of Santa Monica Recommendations

REQUEST FOR PROPOSALS

For

**Los Angeles Community Choice Energy
Credit and Banking Services**

RESPONSE DUE

by

3:00 p.m.

on

February 2, 2018

BACKGROUND

Prior to the formation of the Los Angeles Community Choice Energy (“LACCE”), the County of Los Angeles (“County”) completed a technical study which demonstrated that Community Choice Aggregation can meet the County’s environmental and economic goals including competitive electric rates, greenhouse gas reductions, higher renewable content than the incumbent utility, and local economic benefits. In the summer of 2017, the County and several cities within Los Angeles County entered into a Joint Powers Agreement, forming the LACCE Authority.

LACCE is governed by a Board of directors consisting of representatives from each County Board of Supervisors and their alternates. LACCE also hired its Interim Chief Executive Officer, Bill Carnahan, who will administer the day-to-day affairs of the Agency.

At full implementation, LACCE could serve the electric needs of nearly all residential, municipal and business accounts in the County in partnership with SoCal Edison (“SCE”). Energy consumption for the entire County area served by SCE is equal to more than 30 percent of SCE’s total retail load. Although it is anticipated that the LACCE program will enroll customers in a phased approach:

- Phase 1: Spring 2018 implementation and would include service to County municipal facilities located in County unincorporated areas;
- Phase 2: Fall 2018 implementation and would expand service to all County unincorporated non-residential ratepayers; and
- Phase 3: Winter 2018 implementation would expand service to residential ratepayers.

Because of the number of potential city participants and the size of their respective load, LACCE is pursuing a phased implementation approach and has developed two pro-forma models, the 3-Region Model and the 24-Region Model incorporating different numbers of participants as shown in the table below. The two scenarios were developed to reflect the uncertainty surrounding Resolution E-4907, which may delay LACCE’s ability to serve load to the full 24-Region list to 2019. Should the the Resolution E-4907 be approved as written, LACCE will only be able to serve the 3-Region list in 2018. LACCE would not be able to provide service to the full 24-Region list until 2019.

3-Region Model Includes:

24-Region Model also includes:

<ul style="list-style-type: none"> • LA County (unincorporated area) • Rolling Hills Estates • South Pasadena 	<ul style="list-style-type: none"> • Agoura Hills • Alhambra • Arcadia • Beverly Hills • Calabasas • Carson • Claremont • Culver City • Downey • Hawaiian Gardens • Hawthorne 	<ul style="list-style-type: none"> • Malibu • Manhattan Beach • Ojai • Paramount • Santa Monica • Sierra Madre • Temple City • Thousand Oaks • Ventura County • West Hollywood
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The number of accounts and load profiles for each model and phase are shown in the following tables.

Phasing – 3 Region				
Phase	Commencement Date	Participants	Approx # of Accounts	Approx Cumulative Monthly GWh
1	February 2018	Municipal	2,000	17
2	June 2018	Non-residential	25,000	155
3	December 2018	Residential	285,000	300

Phasing – 24 Region				
Phase	Commencement Date	Participants	Approx # of Accounts	Approx Cumulative Monthly GWh
1	February 2018	Municipal	2,000	17
2	June 2018	Non-residential	75,000	545
3	December 2018	Residential	585,000	890

Recent historic load and number of accounts data was used for all regions except for Ojai and Thousand Oaks, which are estimated based on total city load. Participation rates were assumed to be 85% for non-residential accounts and 95% for residential accounts.

Please see Appendix B for an operating proforma which includes projections from the 3-Region Model and Appendix C for an operating proforma which includes projections from the 24-Region Model.

LACCE forecasts that an LACCE offered rate for 50% renewables content would result in bills 3% lower than SCE’s total bill.

Additional information, including a detailed technical analysis and Implementation Plan, is available on the LACCE website at <http://green.lacounty.gov/wps/portal/green/lacce>.

SCOPE

LACCE is seeking proposals from qualified lenders and/or financial institutions to provide:

1. Credit services as follows:
 - a. Line(s) of Credit – between [\$20 million to \$31 million] with unsecured credit rate required to secure initial power contracts and support longer-term operations; and
 - b. Medium-term fixed loans.
2. Comprehensive banking services for LACCE’s bank accounts, lockbox(es), and related depository and cash management operations.

LACCE encourages bidders to provide stand-alone offers if they can’t provide joint bids for both the Credit and Banking requests.

PLEASE NOTE:

- The [\$20M to \$31M] request range is influenced by ramp-up timing and power provider options which are still being evaluated by LACCE. The range also includes two scenarios: One which includes three regions and one which includes 24 regions. The scenario that materializes will depend upon the outcome of the E-4907 Resolution and the pending Implementation Plan Addendum approval.
- LACCE will consider credit offers of all sizes within a lending institution’s maximum capitalization rate.
- All volume and activity numbers are estimated based on anticipated program participation and previous CCA Agency experience as LACCE ramps up operations. The projections are for the mid-term of three to five years.

QUESTIONS

All respondents are requested to answer the following Questions in their response:

Key Personnel

Bid responses shall identify the lead contact and include a complete list of all key personnel associated with the RFP. This list must include all key personnel who will provide services/training to LACCE staff and all key personnel who will provide maintenance and support services. For each person on the list, the following information shall be included:

- (a) The person’s relationship with Bidder, including job title and years of employment with Bidder;
- (b) The role that the person will play in connection with the RFP;
- (c) Address, telephone, fax numbers, and e-mail address;
- (d) Person’s educational background; and
- (e) Person’s relevant experience, certifications, and/or merits.

Overview of the Firm

- (a) Provide a brief description of your firm.
- (b) Provide your firm’s total capital and total net assets for 2017, 2016 and 2015 Year-ending.
- (c) Provide your firm’s current Long-term and Short-term credit ratings as well as Outlooks, if available.

Qualifications

- (a) Provide a description of your firms experience in the government sector. What, if any, experience does your firm have with the members of LACCE?
- (b) Provide a description of your firms experience in the CCE sector.
- (c) For firm’s without direct experience in the CCE sector please provide your experience in related sectors or with other unrated entities. What assurances can you provide LACCE on your firm’s ability to transact organizationally?
- (d) Provide any other qualifications you believe are relevant to LACCE related to the Scope.

References

Bidders are to provide a list of three references. References must be satisfactory as deemed solely by responsible LACCE staff. References should have similar scope, volume and requirements to those outlined in these specifications, terms and conditions.

CREDIT PROPOSAL

Provide a term sheet proposal which includes the following information:

- (a) Type of Facility
- (b) Commitment Size
- (c) Term
- (d) Pricing
 - a. Commitment fee
 - b. Interest rates on loans
 - c. Legal expenses (please also provide law firm and lead attorney)
 - d. Any other fees or expenses
- (e) Security package requested (including but not limited to any guaranty or collateral requirements. Bidders should understand that LACCE’s preference is not to have guaranty/collateral requirements.)
- (f) LACCE related covenants
- (g) Renewal and termination provisions
- (h) Term-out provisions
- (i) Other relevant terms

Bidders are encouraged to provide multiple term sheets or detail the different scenarios of terms/conditions they might be able to offer. (e.g multiple terms and pricing adjustment for those different terms)

Bidders should detail their credit approval process as it relates to the proposed facility.

BANKING SERVICES PROPOSAL

Provide a proposal which details your cost, terms and conditions for providing the Banking Services detailed in this RFP and Appendix [A].

General Requirements

Banking pertains to day-to-day banking operations, excluding transactions of investment activities. Banking activities include deposits, disbursements, and related reconciliation. Please see Attachment B for a list of banking and deposit services for which LACCE seeks pricing. Responsive proposals will specifically address the following topics:

- Deposit process and related structures (e.g., sweep accounts, lockbox, targeted balance);
- Lockbox/secured account(s) for deposits held as collateral, that is a blocked control account, payments from the account are to be disbursed as instructed;
- Policies on receiving same-day credit for deposit;
- Disbursement process;
- Daily cash reconciliation;
- Identification of transactions and fees (e.g., deposits, withdrawals, chargebacks);
- Reporting needs relating to Operational Banking; and
- The security measures for ACH initiation and reception (i.e., ACH blocks and filters).

Requirements include:

- a. The bank must be a Federal or State chartered commercial banking institution and a member of the Federal Reserve System or the Federal Deposit Insurance Corp;
- b. The bank must be a qualified depository for public funds pursuant to the applicable State codes. All balances must be fully collateralized through the pool collateral system required by the State;
- c. The bank will provide full account reconciliation, payee positive pay, electronic fraud protection, electronic deposits and disbursements, online wire entry, and online stop payment placement;
- d. The bank must provide cleared accounts payable/payroll check files that can be imported into an MS Excel file;
- e. The bank must provide online reporting that includes a detailed report of prior day transactions;
- f. Potential to provide blocked control account (BCA) and secure account/lockbox services;
 - i. Although provision of BCA and multi-party lockbox services is not required, it is preferred. LACCE will provide monthly disbursement instructions to the bank, per a yet to be developed Security Agreement. The bank will act as the collateral agent on behalf of the secured power suppliers with a yet to be developed Intercreditor and Collateral Agency agreement. The secured account(s) or “lockbox” are for daily deposits from SCE of cash collected from LACCE customers and monthly payment to the power suppliers under contract. LACCE will provide sample agreements used by other CCE programs, but these are for illustrative purposes only.
- g. The bank must provide the bank’s current level of public funds deposited and related collateral market value.
- h. LACCE prefers, if possible, to work with a local bank that has operations located in Los Angeles County; or if not, that has the ability to process transactions electronically. If the

bank does not have a physical branch in close proximity, specify how services that might normally be handled in-branch would otherwise be accommodated; and

- i. LACCE prefers, if possible, to work with a bank that has engaged in significant clean energy and related investments and has not engaged in significant fossil-fuel investments.

Deposit Services

Most, if not all, deposits will come through ACH deposits/wire transfer and EDI files from SCE on a daily basis. It is not anticipated that there will be a large volume of check deposits. LACCE will have a qualified contractor manage billing administration and data exchange with SCE. Customer payments will not be processed by LACCE. Deposits by SCE and payments to power suppliers will be by wire transfer.

Disbursement Services

LACCE will issue approximately 75-100 checks per month through the main operating account. Positive pay services and check reconciliation services will be used. Accounts Payable positive pay data will be transmitted to the bank weekly. Payroll positive pay may be transmitted biweekly.

It is yet to be determined how frequently Payroll will be processed; for response purposes, assume biweekly. Number of employees at full implementation is estimated at 25-50 employees who will receive primary direct deposit of their pay.

Required services include:

- a. Provision for payee positive pay services with online transmission of check details;
- b. Provision for payee positive pay exception item review and correction online;
- c. Provision for online stop payment services;
- d. Provision for an electronic file of paid/cleared images (front and back), in addition to any alternative electronic archival stem used by the bank;
- e. Provision for online access to cashed check images;
- f. Cash payroll checks at no charge to the employee;
- g. Specific payroll transmission deadlines; and
- h. Specific method allowing reversal of automatic direct deposit errors.

Electronic Transfer of Funds

It is not yet determined how LACCE will process checks but anticipate that LACCE will process approximately 50 ACH Credits and 50 ACH Debits each month. Most CCE programs use on-line bill payment with minimal need for paper checks. A bill payment system is used for payroll, vendor payments and occasional contract payments. A small number of wire transfers are also received or executed annually.

Required services include:

- a. Ability to accept and send ACH Transactions;
- b. Ability to accept ACH payments from third parties;

- c. Provision of ACH debit blocking services;
- d. Provision of a secure electronic method with dual authorization for wiring funds; and
- e. Ability to set up templates for repetitive wires.

Reporting

LACCE will require access to daily balances and transactions reporting information. LACCE will require access to prior day reporting, including ledger balance, available balance, and summary and detailed reports of credits and debits posted. Current day reporting requirements will include, but are not limited to, details of electronic debits and credits, wire transfer activity, controlled disbursements, and ACH activity.

Required services include:

- a. Provision of online balance reporting services;
- b. Allowing access to the bank's online reporting system to approximately six employees with different levels of authorization;
- c. Provision of account reconciliation services for disbursements (full, partial, or positive pay, depending on account);
- d. Provision of monthly activity statements and reports for all accounts by the 10th day of the following month;
- e. Provision of a detailed monthly account analysis statement for each individual account and a consolidated statement showing charges for all account services; and
- f. Specific method of check image availability.

Bank Balances

Balances will be used to offset service fees and bank charges. LACCE shall not be required to maintain a minimum balance.

Required services include:

- a. Detailed account of all types of items and services that can be applied against account analysis;
- b. Total account will be interest bearing and must be 110 percent collateralized at all times pursuant to all applicable sections of the California Government Code; and
- c. Current and thorough disclosure of overnight sweep account options offered by the bank.

CALENDAR OF EVENTS

Action	Date
1. Issuance of RFP	January 12, 2018
2. Deadline To Submit Written Questions	January 19, 2018
3. Response to Written Questions/RFP Addendum if applicable	January 26, 2018
5. Deadline to submit proposals	February 2, 2018
6. Proposal Evaluation	Week of February 5 th
7. Finalist Bank Follow-up Questions/Phone Calls	Week of February 12 th
8. Final Negotiations and/or Best and Final Offer	Week of February 19 th
9. Award by Board of Directors	February 1, 2018

RFP INSTRUCTIONS

Questions

All questions regarding this RFP are to be submitted in writing, via e-mail, by 3:00 p.m. PST on January 19, 2018 to:

Michael Berwanger and Tyler Old
 PFM Financial Advisors LLC
 E-Mail: berwangerm@pfm.com and oldt@pfm.com

With Copies to:
 Bill Carnahan and Matthew Skolnick
 Email: carnahanconsulting@gmail.com and MSkolnik@ceo.lacounty.gov

Submittal

All bids must be received by 3:00 p.m. on February 2, 2018. Please email responses to:

Michael Berwanger and Tyler Old
 PFM Financial Advisors LLC
 E-Mail: berwangerm@pfm.com and oldt@pfm.com

With Copies to:
 Bill Carnahan and Matthew Skolnick
 Email: carnahanconsulting@gmail.com and MSkolnik@ceo.lacounty.gov

Terms and Conditions

- Proposers are to refrain from contacting any member of LACCE’s Board and Participating City CCA Representatives with respect to this RFP, in any manner, prior to final award.
- LACCE reserves the right to cancel this RFP, reject any or all of the submittals and to waive irregularities.
- LACCE is under no obligation to execute a transaction as a result of this process.
- LACCE reserves the right to request clarification of information submitted and to request additional information.
- All responses provided will remain firm for a period of ninety (90) days from the RFP’s due date.
- LACCE will not be liable for any costs associated with a firm’s preparation of its response to this RFP.
- Responses to the RFP become the exclusive property of LACCE. At such time when a firm is selected and its name made public, the responses submitted shall be regarded as public records. Exceptions will be those elements in each response, which are defined by the firm as business or trade secrets and marked “TRADE SECRET”, “CONFIDENTIAL”, OR “PROPRIETARY”. Any element that a firm desires not to be considered a public record must be clearly marked as set forth above and any blanket statement (e.g., regarding entire pages, documents or other non-specific designations) shall not be sufficient and shall not bind LACCE in any way whatsoever. LACCE shall not be in any way be liable or responsible for the disclosure of any such records including, but not limited to, those so marked if disclosure is deemed to be required by law or court order.

APPENDIX A

Los Angeles Community Choice Energy
Example Pricing Sheet

SERVICE DESCRIPTION

BALANCE & COMPENSATION INFORMATION

Dep. Insurance-Bank Assessment

GENERAL ACCOUNT SERVICES

Account Maintenance

ZBA-Depository + Master Maintenance

ZBA Subsidiary Account Maintenance

Debits Posted-Other

Credits Posted-Other

GCS Transaction History

Photocopies

DEPOSITORY SERVICES

Banking Center Deposits

QBD/Night Drop Deposit

Currency/Coin Dep/\$100-QBD/ND

Currency/Coin Dep/\$100-Banking Center

Checks Deposits Un-Encoded Items

Returns-Chargebacks

Returns-Re-clear

Deposit Correction-Cash

Deposit Correction-Non-Cash

PAPER DISBURSEMENT SERVICES

General Checks Paid Truncated

Positive Pay Exception

Supplies-Checks

Stop Pay Automated<=12 Months

Stop Pay Automated>=12 Months

Image Retrieval CPO

Image Maintenance CPO

CPO ARP Positive Pay Notifications
ARP PPAY Input File-Trans

SERVICE DESCRIPTION

GENERAL ACH SERVICES

ACH Monthly Maintenance
ACH Consumer On Us Credits
ACH Consumer Off Us Credits
ACH Debit Received Item
ACH Credit Received Item
ACH Return Item
ACH Input-File
ACH Optional Reports-Fax
ACH Standard Report-Fax

WIRE & OTHER FUNDS TRANSFER SERVICES

CPO GP Monthly Maintenance Basic
Elec Wire Out-Domestic
Incoming Domestic Wire
Book Credit
CPO GP Customer Maintenance Temp Storage

INFORMATION SERVICES

CPO Prem PDR Account
CPO Prem CDR Account
CPO Prem PDR Item Stored
CPO Prem CDR Item
CPO Online Subscription
CPO Prem IR Maintenance

Appendix B: Base Case Financial Proforma – 3 Region

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Revenues from Operations (\$)											
Electric Sales Revenues	\$10,444,957	\$156,345,416	\$214,565,373	\$220,507,723	\$228,402,697	\$236,592,200	\$269,535,774	\$302,931,022	\$309,302,704	\$325,165,066	\$2,273,792,932
Less Uncollected Accounts	\$52,225	\$781,727	\$1,072,827	\$1,102,539	\$1,142,013	\$1,182,961	\$1,347,679	\$1,514,655	\$1,546,514	\$1,625,825	\$11,368,965
Total Revenues	\$10,392,733	\$155,563,689	\$213,492,547	\$219,405,184	\$227,260,683	\$235,409,239	\$268,188,095	\$301,416,367	\$307,756,190	\$323,539,241	\$2,262,423,968
Cost of Operations (\$)											
Cost of Energy	\$10,134,627	\$129,116,263	\$173,723,468	\$176,684,272	\$179,730,405	\$183,202,532	\$186,638,450	\$190,086,670	\$193,659,437	\$197,312,348	\$1,620,288,473
<i>Operating & Administrative</i>											
Billing & Data Management	\$36,081	\$2,862,278	\$4,664,834	\$4,674,164	\$4,683,512	\$4,692,879	\$4,702,265	\$4,711,669	\$4,721,093	\$4,730,535	\$40,479,309
SCE Fees	\$156,772	\$2,713,137	\$1,773,424	\$1,533,222	\$1,536,288	\$1,539,360	\$1,542,439	\$1,545,524	\$1,548,614	\$1,551,711	\$15,440,492
Consulting Services	\$623,000	\$841,500	\$890,000	\$830,000	\$830,000	\$830,000	\$830,000	\$830,000	\$830,000	\$830,000	\$8,164,500
Staffing	\$200,000	\$2,302,700	\$2,853,654	\$2,910,727	\$2,968,942	\$3,028,320	\$3,088,887	\$3,150,665	\$3,213,678	\$3,277,951	\$26,995,524
General & Administrative expenses	\$225,000	\$405,100	\$367,852	\$348,209	\$353,673	\$409,247	\$439,932	\$395,730	\$376,645	\$382,678	\$3,704,065
Debt Service	\$0	\$2,604,631	\$2,604,631	\$2,604,631	\$2,604,631	\$0	\$0	\$0	\$0	\$0	\$10,418,523
Total O&A Costs	\$1,240,853	\$11,729,346	\$13,154,395	\$12,900,952	\$12,977,045	\$10,499,806	\$10,603,522	\$10,633,588	\$10,690,030	\$10,772,875	\$105,202,413
Operating Reserves	\$113,755	\$8,450,737	\$11,212,672	\$11,375,113	\$11,562,447	\$11,622,140	\$13,806,938	\$14,050,418	\$14,304,463	\$14,565,966	\$111,064,648
New Programs Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost & Reserves	\$11,489,236	\$149,296,346	\$198,090,535	\$200,960,337	\$204,269,897	\$205,324,479	\$211,048,910	\$214,770,675	\$218,653,930	\$222,651,190	\$1,836,555,534
CCA Program Surplus/(Deficit)	-\$1,096,503	\$6,267,343	\$15,402,012	\$18,444,847	\$22,990,786	\$30,084,760	\$57,139,185	\$86,645,692	\$89,102,261	\$100,888,051	\$425,868,434
CCA Cumulative Reserves	-\$982,748	\$13,735,332	\$40,350,015	\$70,169,976	\$104,723,209	\$146,430,109	\$217,376,232	\$318,072,342	\$421,479,065	\$536,933,082	
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Reserve Additions											
Operating Reserve Contributions	-\$982,748	\$14,718,080	\$26,614,683	\$29,819,960	\$34,553,233	\$41,706,900	\$70,946,123	\$100,696,110	\$103,406,723	\$115,454,017	\$536,933,082
Cash from Financing	\$20,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,000,000
Total Additions	\$19,017,252	\$14,718,080	\$26,614,683	\$29,819,960	\$34,553,233	\$41,706,900	\$70,946,123	\$100,696,110	\$103,406,723	\$115,454,017	\$556,933,082
Reserve Outlays											
Start-up Funding Payments + Bonds + Collateral	\$9,380,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,380,000
Working Capital Repayment (Remainder)	\$0	\$0	\$0	\$0	\$13,285,228	\$0	\$0	\$0	\$0	\$0	\$13,285,228
New Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserve Outlays	\$9,380,000	\$0	\$0	\$0	\$13,285,228	\$0	\$0	\$0	\$0	\$0	\$22,665,228
Rate Stabilization Reserve Balance	\$9,637,252	\$24,355,332	\$50,970,015	\$80,789,976	\$102,057,981	\$143,764,881	\$214,711,004	\$315,407,114	\$418,813,837	\$534,267,854	

Appendix C: Base Case Financial Proforma – 24 Region

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Total
Revenues from Operations (\$)											
Electric Sales Revenues	\$30,706,856	\$498,765,748	\$632,838,943	\$650,365,303	\$673,650,732	\$697,804,847	\$794,968,600	\$893,464,517	\$912,257,150	\$959,041,588	\$6,743,864,283
Less Uncollected Accounts	\$153,534	\$2,493,829	\$3,164,195	\$3,251,827	\$3,368,254	\$3,489,024	\$3,974,843	\$4,467,323	\$4,561,286	\$4,795,208	\$33,719,321
Total Revenues	\$30,553,322	\$496,271,919	\$629,674,748	\$647,113,476	\$670,282,479	\$694,315,822	\$790,993,757	\$888,997,194	\$907,695,864	\$954,246,380	\$6,710,144,962
Cost of Operations (\$)											
Cost of Energy	\$25,438,907	\$392,251,619	\$499,173,015	\$512,685,260	\$523,906,678	\$535,954,212	\$548,819,730	\$561,353,330	\$573,397,752	\$584,077,853	\$4,757,058,357
<i>Operating & Administrative</i>											
Billing & Data Management	\$113,366	\$7,307,300	\$11,635,156	\$11,658,426	\$11,681,743	\$11,705,107	\$11,728,517	\$11,751,974	\$11,775,478	\$11,799,029	\$101,156,095
SCE Fees	\$505,262	\$6,704,961	\$4,401,648	\$3,824,060	\$3,831,708	\$3,839,371	\$3,847,050	\$3,854,743	\$3,862,453	\$3,870,177	\$38,541,432
Consulting Services	\$623,000	\$841,500	\$890,000	\$830,000	\$830,000	\$830,000	\$830,000	\$830,000	\$830,000	\$830,000	\$8,164,500
Staffing	\$200,000	\$2,302,700	\$2,853,654	\$2,910,727	\$2,968,942	\$3,028,320	\$3,088,887	\$3,150,665	\$3,213,678	\$3,277,951	\$26,995,524
General & Administrative expenses	\$225,000	\$405,100	\$367,852	\$348,209	\$353,673	\$409,247	\$439,932	\$395,730	\$376,645	\$382,678	\$3,704,065
Debt Service	\$0	\$4,037,178	\$4,037,178	\$4,037,178	\$4,037,178	\$0	\$0	\$0	\$0	\$0	\$16,148,710
Total O&A Costs	\$1,666,628	\$21,598,738	\$24,185,487	\$23,608,600	\$23,703,243	\$19,812,045	\$19,934,385	\$19,983,112	\$20,058,253	\$20,159,835	\$194,710,327
Operating Reserves	\$271,055	\$24,831,021	\$31,401,510	\$32,177,632	\$32,856,595	\$33,345,975	\$39,812,788	\$40,693,551	\$41,541,920	\$42,296,638	\$319,228,687
New Programs Funding	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Cost & Reserves	\$27,376,590	\$438,681,379	\$554,760,013	\$568,471,491	\$580,466,516	\$589,112,233	\$608,566,903	\$622,029,993	\$634,997,926	\$646,534,327	\$5,270,997,370
CCA Program Surplus/(Deficit)	\$3,176,732	\$57,590,541	\$74,914,735	\$78,641,985	\$89,815,962	\$105,203,590	\$182,426,854	\$266,967,201	\$272,697,938	\$307,712,053	\$1,439,147,591
CCA Cumulative Reserves	\$3,447,787	\$85,869,349	\$192,185,595	\$303,005,211	\$425,677,769	\$564,227,334	\$786,466,976	\$1,094,127,728	\$1,408,367,586	\$1,758,376,278	
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Reserve Additions											
Operating Reserve Contributions	\$3,447,787	\$82,421,562	\$106,316,245	\$110,819,617	\$122,672,558	\$138,549,565	\$222,239,642	\$307,660,752	\$314,239,859	\$350,008,692	\$1,758,376,278
Cash from Financing	\$31,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$31,000,000
Total Additions	\$34,447,787	\$82,421,562	\$106,316,245	\$110,819,617	\$122,672,558	\$138,549,565	\$222,239,642	\$307,660,752	\$314,239,859	\$350,008,692	\$1,789,376,278
Reserve Outlays											
Start-up Funding Payments + Bonds + Collateral	\$9,380,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,380,000
Working Capital Repayment (Remainder)	\$0	\$0	\$0	\$0	\$20,592,103	\$0	\$0	\$0	\$0	\$0	\$20,592,103
New Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserve Outlays	\$9,380,000	\$0	\$0	\$0	\$20,592,103	\$0	\$0	\$0	\$0	\$0	\$29,972,103
Rate Stabilization Reserve Balance	\$25,067,787	\$107,489,349	\$213,805,595	\$324,625,211	\$426,705,665	\$565,255,230	\$787,494,872	\$1,095,155,624	\$1,409,395,483	\$1,759,404,174	

**REQUEST FOR PROPOSAL 18 - 01
MARKETING AND OUTREACH SERVICES**

The Los Angeles Community Choice Energy (LACCE) Authority is issuing this Request for Proposal (RFP) to solicit proposals for a contract for marketing and outreach services. These services will support the LACCE Authority's Board of Directors, Executive Director, and staff in outreach efforts to existing and potential customers of the LACCE Community Choice Aggregation (CCA) program. LACCE will conduct evaluations of firms or individuals through this RFP, and plans to negotiate and execute an agreement with the selected proposer.

Up to \$200,000 is available for the contract resulting from this RFP. The contract is expected to begin March 2018 and run for one year, with the possibility to extend for one year. NOTE: key deliverables are due as early as April 2018.

The contractor must have skills and experience in creating effective multimedia communications tools to share information with stakeholders and the public. The contractor, working in collaboration and consultation with the LACCE team, will complete tasks including but not limited to: program branding, logo development, web/social design + build, customer segmentation, media relations, and a full marketing campaign including customer notification and engagement. Successful proposers will tailor marketing materials to LACCE’s diverse audience. See Anticipated SOW (Exhibit B, Section III) for more information.

What Is LACCE?

Los Angeles Community Choice Energy (LACCE) is the temporary name for a regional Community Choice Aggregation program in Los Angeles County. Community Choice Aggregation (CCA) allows local governments to purchase electricity in the wholesale power market and sell it to their residents and businesses at competitive rates as an alternative to electricity provided by Southern California Edison. CCA benefits can include local control over energy mix - meet or exceed Renewable Portfolio Standard (RPS) and Climate Action Plan goals; consumer choice - competition for lower rates and options for cleaner energy; and create local jobs and renewable generation assets and programs. <http://lacce.org/> for more information.

1. Timetable

The timetable for this RFP is as follows:

Release of RFP	01/05/2018
Written Questions Due.....	01/19/2018
Answers Released	01/26/2018
Proposals Due (5:00 pm Pacific Standard Time)	02/01/2018

2. Proposer Questions

Proposers may submit questions regarding this RFP by email to Ellen Dux at edux@lacce.org. All questions must be received by 5:00pm Pacific Time on January 19, 2018. When submitting questions, please specify which section of the RFP you are referencing and quote the language

that prompted the question. LACCE reserves the right to group similar questions when providing answers. Questions may address issues and concerns that the evaluation criteria and/or business requirements could unfairly disadvantage proposers or, due to unclear instructions, may result in LACCE not receiving the best possible responses from proposer.

3. Proposal Submission

The final proposal should be submitted by email to Ellen Dux at edux@lacce.org by 5:00 pm Pacific Time on February 1, 2018. Please include the subject line "PROPOSAL FOR MARKETING AND OUTREACH SERVICES."

It is the sole responsibility of the submitting proposer to ensure that its proposal is received before the submission deadline. Submitting proposers shall bear all risks associated with delays in delivery. Any submissions received after the scheduled closing date and time for receipt of submissions will not be accepted.

The submitted proposal shall be no greater than 30 pages, 8 ½ x 11" size (references provided via the forms in Attachments C-E, as well as work samples, will not be counted against this page limit).

4. Proposal Evaluation and Criteria

False, misleading, incomplete, or deceptively unresponsive statements in connection with a proposal shall be sufficient cause for rejection of the proposal. The evaluation and determination in this area shall be at LACCE's sole judgment and this judgment shall be final. Proposals will be evaluated using the following criteria:

- *Proposer's Qualifications*

Proposer will be evaluated on their experience and capacity as a corporation or other entity to perform the required services based on information provided in the proposal. Criteria include operational experience of the proposer's organization and of key personnel, number of times the firm has provided similar services, years of experience, and experience providing these services in California.

- *References*

Proposer will be evaluated on the verification of references in the proposal. This review may result in point deductions up to one hundred percent (100%) of the total points awarded in this evaluation category. Additionally, a review of terminated contracts will be conducted which may result in point deductions.

- *Proposers Approach to Providing Required Services and References*

The proposer will be evaluated on its description of the methodology to be used to meet LACCE's requirements based on information provided in the proposal.

- *Cost Proposal*

The maximum number of points will be awarded to the proposal whose cost best meets the needs of LACCE.

- *Exceptions to the Requirements of the Statement of Work*

Proposer will be evaluated on their willingness to accept the Statement of Work (SOW) (Attachment B). LACCE may deduct rating points or disqualify the proposal in its entirety if the exceptions are material enough to deem the proposal non-responsive. Proposers are further notified that LACCE may disqualify any proposer with whom LACCE cannot satisfactorily negotiate a contract.

5. Selection Process

LACCE reserves the sole right to judge the contents of the proposals submitted pursuant to this RFP and to review, evaluate and select the successful proposal. The selection process will begin immediately following the submission deadline.

Evaluation of the proposals will be conducted by LACCE staff. Staff will evaluate the proposals and select a prospective contractor. All proposals will be evaluated based on the criteria listed in this RFP.

After a prospective firm has been selected, LACCE staff and the prospective firm will negotiate a contract for execution by LACCE. If a satisfactory contract cannot be negotiated, LACCE may, at its sole discretion, begin contract negotiations with the next qualified firm who submitted a proposal, as determined by LACCE.

LACCE retains the right to select a proposal other than the proposal receiving the highest number of points if LACCE determines, in its sole discretion, another proposal is the most overall qualified, cost-effective, responsive, responsible and/or in the best interests of LACCE. After the contract has been executed with the selected proposer, all other proposers will be notified.

6. Additional Information

This RFP is a solicitation for proposals only, and is not intended as an offer to enter into a contract. LACCE may, at its sole discretion, reject any or all proposals submitted in response to this RFP or may, in its sole discretion, reject all responses and cancel this RFP in its entirety. LACCE shall not be liable for any costs incurred by the proposer in connection with the preparation and submission of any proposal. LACCE reserves the right to waive inconsequential disparities in a submitted proposal. LACCE has the right to amend the RFP by written addendum. LACCE is responsible only for that which is expressly stated in the solicitation document and any authorized written addenda. Such addendum shall be made available to each person or organization which LACCE records indicate has received this RFP. Should such

addendum require additional information not previously requested, failure to address the requirements of such addendum may result in the proposal being found non-responsive and not being considered, as determined in the sole discretion of LACCE. LACCE is not responsible for and shall not be bound by any representations otherwise made by any individual acting or purporting to act on its behalf.

Responses to this solicitation shall become the exclusive property of LACCE. The recommended proposer's proposal will become a matter of public record when contract negotiations are complete and LACCE receives a letter from the recommended proposer's authorized officer that the negotiated contract is a firm offer of the recommended proposer. All proposals will become a matter of public record when an agreement is executed by LACCE. Exceptions to disclosure are those parts or portions of all proposals that are justifiably defined as business or trade secrets, and plainly marked by the proposer as "Trade Secret", "Confidential", or "Proprietary". LACCE shall not, in any way, be liable or responsible for the disclosure of any such record or any parts thereof, if disclosure is required or permitted under the California Public Records Act or otherwise by law. In the event LACCE is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of a proposal marked "Confidential", "Trade Secrets", or "Proprietary", proposer agrees to defend and indemnify LACCE from all costs and expenses, including reasonable attorneys' fees, incurred in connection with any action, proceedings, or liability arising in connection with the Public Records Act request.

All contact regarding this RFP or any matter relating thereto must be in writing and may be emailed to:

Ellen Dux
edux@lacce.org

If it is discovered that a submitter contacted and received information from any LACCE personnel, other than the person specified above, regarding this solicitation, LACCE, in its sole determination, may disqualify their proposal from further consideration.

Thank you for your interest in doing business with LACCE.

Sincerely,
LACCE Staff

ATTACHMENTS

- Attachment A – Format of the Proposal
- Attachment B – Statement of Work
- Attachment C – References
- Attachment D – List of Contracts
- Attachment E – List of Terminated Contracts

**ATTACHMENT A
PROPOSAL FORMAT**

Proposals must include all of the sections and subsections listed below:

I. Introduction and Executive Summary

Briefly describe the proposer's firm, its organization, key personnel, and operations. Identify and provide similar information for any third parties that would be relied upon to provide the proposed services.

II. Financial, Technical, and Operational Qualifications

Demonstrate that the proposer's organization has the experience and capability to perform the required services. The following sections must be included:

1. Proposer's Background and Operational Experience

Demonstrate the proposer's qualifications and experience in providing the proposed services. Provide a summary of relevant background information to demonstrate that the proposer has the capability to perform the required services as a corporation or other entity. Provide specific information about projects of similar scope and scale to the LACCE program.

Provide background information including a resume or curriculum vitae for each key staff member that would be assigned to the project. Describe their roles on the project and the previous education and experience they have that would prepare them for these roles.

Proposals may include samples of marketing materials developed for similar campaigns including collateral and links to videos aimed at multiple audiences.

2. Proposer's References

It is the proposer's sole responsibility to ensure that the firm's name, and point of contact's name, title and phone number for each reference is accurate. The same references may be listed on both *Attachment C - References* and *Attachment D - List of Contracts*.

LACCE may disqualify a proposer as non-responsive and/or non-responsible if:

- a) References fail to substantiate proposer's description of the services provided; or

b) References fail to support that proposer has a continuing pattern of providing capable, productive and skilled personnel; or

c) LACCE is unable to reach the point of contact with reasonable effort. It is the proposer's responsibility to inform the point of contact of normal working hours.

The proposer must complete and include the following Required Forms:

a) *Attachment C* - Prospective Contractor References. Proposer must provide three (3) references where the same or similar scope of services was provided.

b) *Attachment D* - Prospective Contractor List of Contracts. The listing must include all Public Entities contracts for the last three (3) years. Use additional sheets if necessary.

c) *Attachment E* - Prospective Contractor List of Terminated Contracts. Listing must include contracts terminated within the past three (3) years with a reason for termination.

III. Proposer's Approach to Provide Required Services

Present a description of proposer's approach to providing the services to LACCE. Describe in detail how the services will be performed to meet the requirements in the following Statement of Work (*Attachment B*).

IV. Acceptance of/or Exceptions to Requirements of the Statement of Work (SOW)

It is the duty of every proposer to thoroughly review the Statement of Work to ensure compliance with all terms, conditions and requirements. It is LACCE's expectation that in submitting a proposal the proposers will accept, as stated, LACCE's requirements in the Statement of Work. However, the proposers are provided the opportunity to take exceptions to LACCE's requirements.

This section of proposer's response must include:

1. A statement offering the proposer's acceptance of or exceptions to all requirements listed in Attachment B - Statement of Work.

For each exception, the proposer shall provide:

- a) An explanation of the reason(s) for the exception;
- b) The proposed alternative language; and

- c) A description of the impact, if any, to the proposer's price.
2. A proposed sample contract for the consideration of LACCE.

Indicate all exceptions to the Statement of Work by providing a 'red-lined' version of the language in question. LACCE relies on this procedure and any proposer who fails to make timely exceptions as required herein, may be barred, at LACCE's sole discretion, from later making such exceptions.

LACCE reserves the right to determine if proposers' exceptions are material enough to deem the proposal non-responsive and not subject to further evaluation.

LACCE reserves the right to make changes to the Statement of Work during negotiations with the selected proposer.

V. Cost Proposal

Proposers shall submit a cost proposal for the completion of the services in the Statement of Work. A detail of the hours by task plus billing rates is required. In addition, proposers are free to propose alternative pricing structures for the consideration of LACCE.

ATTACHMENT B STATEMENT OF WORK

I. Background:

Los Angeles Community Choice Energy (LACCE) Authority is the Community Choice Aggregation program formed between the County of Los Angeles and various cities within the County. Community Choice Aggregation (CCA) is a program that allows cities and counties to buy and/or generate electricity for residents and businesses within their areas. In addition to adding choice to the electricity market, lowering costs and increasing local control over energy, CCAs in California have been able to offer more renewable energy than currently offered by the incumbent utilities.

LACCE is planning to begin servicing customers in three phases throughout 2018-19. Phase 1 will include only Los Angeles County municipal buildings in the unincorporated areas. Phase 2 will serve all commercial and industrial customers of LACCE, and is expected to include an estimated 25,000 accounts. Phase 3 will serve all residential customers and will include an estimated 280,000 customers.

LACCE is governed by a Board of Directors made up of elected officials from member cities and counties. It should be noted that the LACCE Board will likely select a new name for the Authority in the first quarter of 2018 to be more reflective of its growing territory.

More information about LACCE can be found at lacce.org.

II. Purpose and Objectives:

The LACCE Authority is seeking proposers to provide a variety of marketing and outreach services to business and residential customers who will participate in LACCE's Community Choice Aggregation program. LACCE's service territory is large and diverse, both geographically and culturally. At the time of this RFP, 24 cities throughout Los Angeles and Ventura counties have elected to join LACCE, in addition to the unincorporated areas of both counties. More cities are expected to join throughout 2018.

A full marketing campaign will be conducted including customer notification and engagement. The campaign will seek to inform and educate customers about LACCE, and to prevent customers from opting out of the program. Successful proposers will tailor effective marketing and outreach to LACCE's diverse audience.

III. Anticipated Scope of Work

Scope of work may include any or all of the following:

1. Communications and Outreach Plan
 - a. Develop and implement a comprehensive Communications and Outreach Plan (Plan) for Phases 2 & 3 of LACCE customer service rollout. This Plan will guide the work of the selected consultant as well as LACCE staff and will be adjusted as needed throughout the duration of the project.
 - b. Plan should outline robust yet cost effective media, marketing, outreach, and community engagement strategies to promote LACCE, and educate and build awareness of the benefits of CCAs among LA County's diverse residents and businesses. This Plan will include a timeline for implementation and key milestones.
 - c. Plan should be developed with the knowledge that the LACCE Board of Directors will likely select a new name for the Authority in the first quarter of 2018
 - d. Plan should include strategies for reaching out to linguistically and culturally diverse communities in LACCE service areas
 - e. Plan should be developed with the knowledge that LACCE is unique in its geographic composition, and that service territories are not geographically contiguous
 - f. Plan may include strategies for marketing to customers or eligible cities to encourage those cities to join LACCE
 - g. Phase 2 communications plan to be completed within 2-3 weeks of contract execution. Plan should be developed with the expectation that pre-notification outreach to Phase 2 customers will begin in February 2018.
2. Branding Guidelines & Communications Policy
 - a. Utilizing any existing logos and branding, assist LAACE in developing Branding Guidelines as a reference tool to maintain consistency of communications
 - b. Assist LACCE in developing a Communications Policy in accordance with LACCE values that will ensure effective communication for all targeted audiences, including translation requirements.
3. Understanding audience
 - a. Conduct research and activities, which may include but is not limited to focus groups, to understand audience and test out messaging
 - b. Identify key languages necessary for outreach
 - c. Understand segmentation of target audience
4. Messaging and Content
 - a. Develop content and messaging for LACCE to be used in the marketing campaign as well as routine communications, including information on LACCE's electricity options, programs, and rates. Content may be developed for, but is not limited to: press releases, website, radio, e-

- news, social media posts, print collateral, monthly e-newsletters, mandatory customer enrollment notices, and email campaigns
 - b. Target audiences include residential and business customers within LACCE service areas
 - c. Content will be delivered in English and Spanish, and potentially other identified languages
5. Customer Enrollment Process
- a. Develop and send four pieces of statutorily mandated customer direct mail to LACCE Phase 2 customers within the legally required timeframe.
6. Collateral and other Marketing materials
- a. Create marketing materials utilizing existing LACCE logo and branding and developed messaging. These materials may include but are not limited to: brochures, videos, print and digital advertising, e-newsletters, customer notices, posters, banners, flyers, and promotional items.
 - b. All collateral and marketing materials should be culturally appropriate and translated in accordance with the Communications Policy once it's developed.
 - c. Consultant may assist with integrating these materials to the LACCE website as needed by staff.
7. Community and Stakeholder Engagement
- a. Plan and assist staff with conducting direct outreach to large load business customers, community groups, labor organizations, environmental groups and other key stakeholder groups as part of coalition building strategy
 - b. Identify, plan, and execute opportunities to increase LACCE visibility and build community support such as community presentations, tabling at events, or event sponsorships
 - c. Plan and assist with facilitating any other events as directed by LACCE staff including community workshops, committee meetings, or other stakeholder gatherings
8. Media Relations
- a. In collaboration and with approval of LACCE staff, respond to media inquiries, write and distribute press releases, and pitch stories to all media outlets
 - b. Develop and maintain media list
 - c. Coordinate and negotiate media buys in accordance with Communications Plan and develop system to bill LACCE
9. Social Media
- a. Develop social media accounts for LACCE on relevant platforms, including but not limited to, Twitter, Facebook, and YouTube
 - b. Develop messages and maintain a strategic schedule for posting
 - c. Respond to user engagement across platforms
10. Digital Advertising

- a. Develop and implement a targeted digital advertising campaign to increase public awareness and drive traffic to LACCE website
11. Print Advertising
 - a. Develop and implement print advertising and content campaign including content for local government newsletters, regional and local newspapers, trade publications, and other press outlets
12. Performance Evaluation/Reporting/Data Collection
 - a. Work with LACCE staff to develop measurable goals and objectives for Communications and Outreach Plan
 - b. Develop a format for performance evaluation that will be generated by consultant and shared with LACCE staff and Board of Directors on a determined periodic basis
 - c. Develop a method of data collection to measure effectiveness of campaign strategies and messaging
13. Additional Services
 - a. Any marketing or outreach services related to LACCE that are identified as necessary during the course of the project, but are not including in the scope of work listed here, may be considered additional services. These services will be negotiated and consultant will not begin work on additional services until receipt of written notice of work order from LACCE staff.

IV. Term Length:

The anticipated term of the agreement would be one year from the date of execution. There may be an option to extend for one additional year.

V. Additional Expectations:

1. Selected consultant may be asked to work with the LACCE Community Advisory Committee as well as key community stakeholders to integrate stakeholder input in Communications Plan.
2. Selected consultant would be expected to research and integrate data and best practices from resources such as LACCE call center vendor and existing CCAs.
3. Available for occasional attendance at monthly LACCE Board of Directors meetings.
4. If subcontractors are required in order for the selected consultant to fulfill certain requirements of the Scope of Work, the selected consultant will manage all subcontractor relationships.

VI. Desirable Qualifications:

1. Experience and knowledge in the energy or environmental sector, including previous experience working with CCAs or similar public entities, is preferred but not required.

2. Experience developing and executing large scale, long term strategic plans of a similar nature to that described in the Scope of Work.
3. Experience in developing multi-cultural outreach strategies and campaigns directed at English and non-English speaking ***business and individual*** audiences.
4. Media relations experience including preparation of press releases, media advisories, press kits, media messaging, identifying media opportunities, developing media relationships and contact lists, and pitching news stories.
5. Capabilities for creative development of print materials such as brochures, newsletters, posters, signage, event displays, and advertisements.
6. Capabilities for creative development of digital media including videos, advertising, email and social media.
7. Knowledge and familiarity with Los Angeles County market.

VII. Tentative Timeline of Events for Phase 2 Only (Phase 3 TBD):

Date	Milestone
2/01/18 – 2/28/18	LACCE staff to conduct interviews and finalize contract with selected vendor
3/01/18	Begin Phase 2 work
4/01/18	Initial Phase 2 deliverable(s) due

ATTACHMENT C PROSPECTIVE CONTRACTOR REFERENCES

Contractor's Name: _____

List five (5) references where the same or similar scope of services were provided in order to meet the Minimum Requirements stated in this solicitation.

1. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.	# of Years / Term of Contract		Type of Service	Dollar Amt.
2. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.	# of Years / Term of Contract		Type of Service	Dollar Amt.
3. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.	# of Years / Term of Contract		Type of Service	Dollar Amt.

**ATTACHMENT D
PROSPECTIVE CONTRACTOR
LIST OF CONTRACTS**

Contractor's Name: _____

List of all public entities for which the Contractor has provided service within the last three (3) years. Use additional sheets if necessary.

1. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.	# of Years / Term of Contract		Type of Service	Dollar Amt.
2. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.	# of Years / Term of Contract		Type of Service	Dollar Amt.
3. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.	# of Years / Term of Contract		Type of Service	Dollar Amt.
4. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.	# of Years / Term of Contract		Type of Service	Dollar Amt.
5. Name of Firm	Address of Firm	Contact Person	Telephone # ()	Fax # ()
Name or Contract No.	# of Years / Term of Contract		Type of Service	Dollar Amt.

ATTACHMENT E
PROSPECTIVE CONTRACTOR
LIST OF TERMINATED CONTRACTS

Contractor's Name: _____

List of all contracts that have been terminated within the past three (3) years.

1. Name of Firm	Address of Firm	Contact Person	Telephone # () ()	Fax # () ()
Name or Contract No.	Reason for Termination:			
2. Name of Firm	Address of Firm	Contact Person	Telephone # () ()	Fax # () ()
Name or Contract No.	Reason for Termination:			
3. Name of Firm	Address of Firm	Contact Person	Telephone # () ()	Fax # () ()
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4. Name of Firm	Address of Firm	Contact Person	Telephone # () ()	Fax # () ()
Name or Contract No.	Reason for Termination:			

Los Angeles Community Choice Energy Authority
STAFF RESPONSE TO REQUESTS MADE BY CITY OF SANTA MONICA
DURING THE DECEMBER 7, 2017
LACCE BOARD OF DIRECTORS MEETING

BACKGROUND

On December 5, 2017, LACCE Board Director Kevin McKeown from Santa Monica presented staff with a list of recommendations on behalf the City of Santa Monica. Staff has prepared the responses to each of the recommendations.

HISTORY

In March 2015, the LA County Board of Supervisors asked staff to investigate the feasibility of the County becoming a Community Choice Aggregator (CCA). The report, completed in June 2016, indicated that a County CCA would be financially feasible, provide cheaper and greener power than Southern California Edison (SCE), would provide considerable environmental and economic benefits and the risks were manageable. In addition, the report indicated that the CCA-concept, when delivered through a Joint Action Agency would provide even greater benefits through economies of scale. The County then invited eligible cities within the County to join a new CCA/JPA named the Los Angeles Community Choice Energy (LACCE) Authority. Staff worked throughout 2017 to help and educate the staff and City Councils about the LACCE program, its benefits and risks, and the timing and process for joining the joint powers authority. The County Board of Supervisors also provided a \$10 million interest-free loan to support the program's launch.

During the initial start-up phase as cities were considering joining the LACCE program, several critical decisions were made by the LACCE Board to ensure timely launch of the program in 2018, including staggered phasing of electric services. Other critical decisions included approving filing of an Implementation Plan in August 2017 that, once certified by the CPUC in November 2017, gave the LACCE Authority the legal foundation for other CCA services in its member communities.

Additionally, contracts for Phase 1 energy services were solicited and approved by the LACCE Board with full flexibility to modify or cancel as needed. The purpose of this was to allow the future LACCE Board the discretion to terminate the existing Phase 1 contracts and rebid these services or to modify any or all of them to provide services to Phase 2 and 3.

LACCE is on schedule to launch Phase 1 electric service to LA County facilities on February 1, 2018, is close to hiring a permanent Executive Director to build out the LACCE program and services, and has a full initial Board of Directors from 24 Southern California communities, to provide strategic guidance and oversight to the program.

At the December 7, 2017 meeting of the LACCE Board of Directors, the City of Santa Monica presented the Board and staff with 9 recommendations for staff consideration and response to the Board. These are below.

Request #1 – Provide Board Members with renewable energy procurement options with estimated rate impacts by the January meeting.

Response: As early as its January meeting, the Board will begin to consider approaches for procuring for LACCE’s Phase 2 load. LACCE staff intends to recommend to the Board that in collaboration with TEA, it consider a procurement strategy that acquires a portfolio that enables LACCE to launch on schedule and to provide its customers with the renewable options contained in the LACCE presentations given to cities and the public over the course of the last year (e.g., a base rate of about 33% renewable, a 50% renewable option, and 100% renewable option) while preserving the LACCE Board’s ability to shape future procurement policy. We expect that staff will seek Board authority to work with TEA to release a Request for Proposals for power supply for Phase 2. Once this process is completed, staff will return to the Board at its April meeting for final contract consideration and approval, including options for the renewable energy portfolio and associated rates.

Request #2 – Renegotiate contracts to increase role of The Energy Authority (TEA) to function as the Portfolio Manager for Phase 2 and Phase 3 service launch, with a scope to include: energy risk management strategy, load and market price forecasting, resource evaluations, power procurement, rate setting, regulatory compliance, reporting, budgeting, financial forecasts, financing options and develop distributed energy resources programs
OR rebid services for a Portfolio Manager to cover this scope (not EES Consulting)

Response: LACCE staff agrees that more robust portfolio management services are important for Phases 2 and 3 and these include:

- Load Forecasting: preparing and updating long term forecasts as well as preparing monthly sales forecasts;
- Portfolio Risk Management: developing and maintaining a financial model, as well developing and maintaining risk management policies, and making recommendations on the need for a Risk Management Committee;
- Market Analysis and Procurement: monitoring market conditions and recommending proactive responses to those conditions, maintaining and managing relationships with qualified suppliers of requisite energy products, executing energy procurement contracts, and preparing and updating ten-year load and resource projections
- Regulatory Compliance: managing RPS compliance, managing LACCE’s Western Renewable Energy Generation System (WREGIS) account, managing Resource Portfolio, and preparing reports such as the Annual Power Content Label and other CPUC and CEC reporting; and
- Other Advisory Services: assisting with preparation of the annual budget, assist with retail rate design and rate setting, providing technical training on wholesale energy market issues to LACCE staff and Board of Directors, and participating in LACCE Board meetings should issues on procurement or portfolio management issues arise.

Staff also agree that TEA is well-suited to providing these services as it already provides them to Redwood Coast Energy Authority, City of Solana Beach, Desert Community Energy (CVAG), Western Riverside Council of Governments, and the University of California.

However, to remain on our critical path of launching Phase 2 prior to the summer load, LACCE staff and TEA both believe that LACCE should focus on power procurement in the near term while working toward acquiring these additional services. Once Phase 2 power procurement is secured, LACCE could obtain these expanded portfolio management services either through a renegotiated contract with TEA or other mechanism.

Request #3 – Bid for services to provide Data Billing and Call Center operations that support distributed energy resources (provide interval data and not monthly averages for Phase 2 and Phase 3 service launch

Response: Calpine Energy Solutions is currently under contract with LACCE to provide these services for Phase 1 while no contract yet exists for these services for Phases 2 and 3. As the LACCE Board considers its options for Phases 2 and 3, it can either extend the current contract to cover those phases, bid new services for Phases 2 and 3 while maintaining Calpine for Phase 1, or rebid all phases together in a new contract. The Board may terminate the existing Calpine contract for any reason, including if it determines that Calpine is not or cannot provide the necessary functions to support distributed energy resources.

However, the assumption that Calpine cannot provide the interval data necessary to support DER is incorrect. Calpine already receives, stores and processes interval data for all CCA customers in Southern California Edison's (SCE) territory, down to 5-minute granularity and not in monthly averages (though it is different in PG&E territory because of the PG&E billing system). Managing meter data at this level of precision, which is necessary to support dynamic resources like energy efficiency, demand response, energy storage and other DERs, is a critical requirement.

Request # 4 – Bid for services to provide Distributed Energy Resource (DER) Aggregation for Phase 2 and Phase 3 service launch

Response: Staff agrees that obtaining expert technical consulting services to support the incorporation of DER into the LACCE program is critical, though it is not necessarily critical for the initial launch of Phases 2 and 3 which begin this year. Instead staff recommends that the LACCE Board, with its new Executive Director, undertake a strategic planning exercise to determine key priorities for the LACCE program as it builds out in the future. While staff are firmly committed to DER, we recommend this approach for two reasons; 1) it is important to launch services this June for financial reasons (increased summer sales will generate more reserves to mitigate future PCIA increases), 2) it is not realistic to develop a full set of program services by then, and 3) the LACCE Board should be strategic in how it pursues DER and all other program services. This step-wise approach, where the program initially launches as simply as possible while the Executive Director, Board and Community Advisory Committee have time to fully vet and consider program service offerings after the initial launch is a more manageable and considered process. As part of that process, the Board may consider a “cafeteria” style program where individual member cities pursue specific programs, such as DER or electric transportation, within the structure of LACCE.

Request #5 – Bid for Services to provide Regulatory Engagement with SCE and CPUC

Response: As with all the consultants and advisors engaged by LACCE, attorneys and technical services are currently under contract by LACCE but these services can be rebid if the Board feels it is necessary.

At the November 2017 meeting of the LACCE Board, the Board authorized the entry into a cost-sharing agreement with Western Riverside Council of Governments and the Coachella Valley Association of Governments for legal and technical regulatory support. Through this, we have been working with the law firm of Best, Best and Krieger and with EES, Inc. This agreement covers issues of joint interest with regard to the CPUC and SCE such as the CPUC PCIA Proceeding and the recent CPUC Draft Resolution E-4097. If the Board would like LACCE to have its own legal counsel and technical regulatory support services separate from the cost-sharing arrangement, an RFP can be developed.

It is noted that the LACCE Board has already authorized staff to release an RFP for General Counsel services that includes both general and legal support and some regulatory support. The RFP will be issued in early January. Additionally, LACCE staff works closely with other CCAs through the California Community Choice Association (CalCCA).

Request #6 – Focus on hiring staff with experience with Energy Risk Management and Distributed Energy

Response: The initial hiring plan is for the Board to first hire an Executive Director (ED) and that process is already under way with interviews in January and depending on the individual's strengths and weaknesses, have the ED develop a staffing plan in collaboration with the Board to ensure all key areas of knowledge and experience for LACCE launch of Phases 2 and 3 and subsequent operation are in house. The Board Strategic Planning effort will also inform this hiring plan, as well as review of best practices at other CCAs.

There will be several key areas that will need to be available to LACCE either as direct staffers or through consultants supervised by staffers. The key areas could include:

- Finance and Administration – financial planning, debt management, budgeting and risk management, plus contract support in the areas of accounting and IT
- Marketing and Public Affairs – community outreach, account management, consumer education plus contract support for graphics and web design and data management and call center.
- Power Resources – power contracts and compliance, resource planning, distributed energy resource development and deployment, risk management with contract support from schedule coordination, contract support, and specialized legal services.
- Governmental Affairs – regulatory and legislative with contract support for CalCCA and regulatory attorney.

The Board will need to approve organizational structure, job classifications, salary schedules and benefit package and authorize the ED to develop and update job classification descriptions as needed and authorize, at the appropriate time, for the ED to initiate recruitments.

Request #7 – Form a Community Advisory Committee as soon as possible

Response: Preliminary work has been underway for several months to be in a position to form the Community Advisory Committee as soon as the “full” Board was constituted following the initial open enrollment period. Two community meetings have been held and one is upcoming to gather input from stakeholders on issues related to the CAC. At the January LACCE Board meeting, staff will be proposing policy options for:

- Establishing the purpose of the CAC – such as serving as community liaisons providing feedback on policy and operational objectives, engaging in community outreach, assisting in legislative advocacy and providing advice on strategies to reduce carbon emissions and maximize LACCE Programs;
- Adopting Guiding Principles – such as transparency, diversity and community focus
- Determining the appropriate size of the Committee;
- Determining criteria for desirable member areas of expertise – such as DER, Energy Efficiency, Labor Relations, Utility Finance, Legislative Advocacy, Economic Development and Environmental Justice, among others; and
- Establishing a Member Selection Process.

Staff will also report on what current practices are for CCAs that have Community Advisory Committees.

Request #8 – Develop a process to set Board meeting agenda

Response: Among the items that staff are working on is a set of Operating Policies and Procedures for LACCE and an important issue in that document will be how agenda items are set. Currently, it is informal with the draft agendas prepared by staff based on critical decisions that

need to be made, direction provided by the Board during the Board Meeting or items suggested by individual Board members. The draft agenda is then reviewed with the Board Chair for final approval. Given the heavy agenda for the January Board meeting, and limits on available staff resources, we do not expect these Operating Policies and Procedures to be completed and ready for Board consideration until the February meeting at the earliest.

Request #9 – Develop an introductory training session on power procurement and energy markets and DER for Board members, member staff and Community Advisory Committee

Response: The Interim Executive Director has been providing a Board member orientation session at which an overview of the California energy system operation is included. Future training with more detail on power procurement, energy markets and DER are an excellent idea and will be developed.