SPECIAL MEETING of the Board of Directors of the Clean Power Alliance of Southern California
Friday, June 22, 2018
8:30 a.m.

Wallis Annenberg Building at Exposition Park
700 Exposition Park Drive
Los Angeles, CA 90037

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 Jacquelyn Betha, at least two (2) working days before the meeting at jbetha@cleanpoweralliance.org or (213) 269-5870, ext.1001. Notification in advance of the meeting will enable us to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it.

I. WELCOME & ROLL CALL

II. PUBLIC COMMENT

This item is reserved for persons wishing to address the Board on any Clean Power Alliance-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 Clean Power
Alliance staff. 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 the staff who will distribute the information to the Board members and staff. Speakers are customarily limited to two minutes, but an extension can be provided at the discretion of the Board Chair.

III. AGENDA

1. Approve Fiscal Year 2018-2019 (FY18-19) Budget

2. Clean Power Alliance Board Retreat

IV. ADJOURN

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 making those public records available for inspection. The documents are also available on our internet website at www.cleanpoweralliance.org.
Clean Power Alliance of Southern California
Board of Directors Retreat

Friday, June 22, 2018
8:30 a.m. to 2:30 p.m.

Wallis Annenberg Building @ Exposition Park
700 Exposition Park Drive, Los Angeles, CA 90037

I. Welcome & Opening Remarks

II. CCA Leadership Panel

   Dawn Weisz, CEO, Marin Clean Energy
   Nick Chaset, CEO, East Bay Community Energy
   Tom Habashi, CEO, Monterey Bay Community Power

III. Breakout Discussions

   1. Rate Design and Options
   2. Financial Reserves: CCA Best Practices
   3. Planning for Local Programs

IV. Breakout Discussion Report Outs

V. Wrap Up & Next Steps
Dawn Weisz, Chief Executive Officer, Marin Clean Energy

Dawn Weisz is the CEO for Marin Clean Energy (MCE) and coordinated efforts to explore, develop and launch MCE as the first Community Choice Aggregation program in California. Under her watch MCE has launched service to over 450,000 customers in 33 communities, entered into power supply agreements that have doubled the amount of renewable energy purchased in the region, initiated numerous local renewable generation projects, and achieved greenhouse gas reductions though energy efficiency and by exceeding state requirements for renewable and carbon-free energy supply.

Ms. Weisz has more than 25 years of experience developing and managing renewable energy and energy efficiency programs while working for leading public agencies in the field. Before joining MCE, Ms. Weisz managed energy and sustainability initiatives for the County of Marin, served as the Executive Director for Sustainable North Bay, and was a labor and environmental justice organizer in Los Angeles.

Ms. Weisz has been a guest lecturer at UC Berkeley, UC Davis, and for the National American Planning Association. She currently serves as President of the California Community Choice Association (CalCCA).
Nick Chaset, Chief Executive Officer, East Bay Community Energy

Nick Chaset is CEO of Alameda County’s new community choice energy agency, East Bay Community Energy (EBCE). Set to begin providing service in June to businesses and municipalities in the county and 11 of its cities, Mr. Chaset has been instrumental in all aspects of its formation, bringing with him over a decade of energy policy and legislative experience. Mr. Chaset is also very active working on CCA issues across California as a member of the Board of the California Community Choice Association (CalCCA).

Prior to EBCE, Mr. Chaset served as Chief of Staff to Michael Picker, President of the California Public Utilities Commission (CPUC), and as a special advisor to Governor Jerry Brown focused on distributed energy resources. He began his career working in clean energy for Q-Cells, RenewFinancial, the California Public Utilities Commission and KEMA Consulting.

Mr. Chaset holds an MBA from Georgetown University and a BA in international relations from Tufts University.
Tom Habashi, Chief Executive Officer, Monterey Bay Community Power

Appointed in September 2017, Tom Habashi is serving as Monterey Bay Community Power’s (MBCP) CEO, a regional Community Choice Energy program which will provide electricity to residents and businesses in 19 jurisdictions throughout Monterey, San Benito and Santa Cruz Counties. Launched in March 2018, Mr. Habashi oversees and directs MBCP’s energy acquisition, strategic plan, program implementation, operations, regulatory affairs, communications and outreach.

Prior to joining MBCP, Mr. Habashi served as the CEO at Silicon Valley Clean Energy (SVCE), launching that program into operation in April 2016. Prior to SVCE, Tom spent eleven years in the City of Roseville as a Utility Director for Roseville Electric, overseeing power production and distribution to electricity to the city customers and 14 years with the City of Palo Alto, advancing from Electrical Engineer to Assistant Director in charge of electric, natural gas and water resource management.

Mr. Habashi brings a wealth of experience with over 30 years serving community-owned utilities in California, including managing a wide range of energy sector activities such as energy acquisition, rate development, finance, supply distribution and customer programs.

Born in Cairo, Egypt, Mr. Habashi graduated from Ain Sham University with a BS in Electrical Engineering and received his MBA at The College of Notre Dame in Belmont, CA.
Clean Power Alliance of Southern California
Board of Directors Retreat

Friday, June 22, 2018

BACKGROUND MATERIALS FOR BREAKOUT SESSION #1

Rate Design & Options
Rate Design and Options Overview
Rate Design Principles

- **Revenue Sufficiency**: rates must recover costs including adequate reserves
- **Competitiveness**: rates should be set so that CPA can attract and retain customers
- **Stability**: rate changes should be minimized to reduce the impact to customers
- **Simplicity**: rates should be transparent and easily understood
- **Customer Equity**: customer classes and rates should be based on usage characteristics and cost of service
- **Efficiency**: rates should encourage energy conservation and availability of renewable resources
Setting CPA Rates

**Products Offered**

**Level of Discount**

**Rate Design**

Rate design determines how to collect the revenue and ensures customers are treated equitably on cost causation principles.

Determine how much revenue needs to be collected based on products offered and the level of discount.

Determine how much revenue needs to be collected based on products offered and the level of discount.
CCA Product Offerings Overview

- Products being offered by existing CCAs fall into 3 general categories
  - **Base offering** – this is the base product and for most CCAs it is provided at a discount relative to the comparable IOU base rate. These products usually have a higher renewable and/or carbon free make up than the base IOU product.
  - **Premium Offering** – CCAs offer a premium product, 100% renewable. This product is offered at a premium price over the base offering
  - **Additional Premium Offerings** – Some CCAs offer more than one premium product. For Example, Marin Clean Energy offers the Local Sol product, power is provided from a local solar generator.
## Existing CCA Base Product Offerings

<table>
<thead>
<tr>
<th>CCA</th>
<th>Product Name</th>
<th>Product Characteristics</th>
<th>Discount from IOU rate*</th>
<th>Discount mechanism</th>
</tr>
</thead>
<tbody>
<tr>
<td>MCE</td>
<td>Light Green</td>
<td>Minimum of 50% renewable content</td>
<td>2.51%</td>
<td>Built into rate</td>
</tr>
<tr>
<td>MBCP</td>
<td>MBChoice</td>
<td>Carbon free, no nuclear or fossil</td>
<td>3%</td>
<td>Discount paid at end of year</td>
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<tr>
<td>SVCE</td>
<td>Green Start</td>
<td>50% renewable and 85% carbon free</td>
<td>2.79%</td>
<td>Built into rate</td>
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<tr>
<td>PCE</td>
<td>EcoPlus</td>
<td>50% renewable and 50% carbon free</td>
<td>2.37%</td>
<td>Built into rate</td>
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<tr>
<td>LCE</td>
<td>CLEARChoice</td>
<td>35% renewable and 85% carbon free</td>
<td>0.83%</td>
<td>Built into rate</td>
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<tr>
<td>AVCE</td>
<td>Core Choice</td>
<td>35% renewable</td>
<td>1.22%</td>
<td>Built into rate</td>
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<tr>
<td>PRIME</td>
<td>Prime Power</td>
<td>50% Renewable</td>
<td>1.30%</td>
<td>Built into rate</td>
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<tr>
<td>SCP</td>
<td>CleanStart</td>
<td>42% renewable</td>
<td>0.88%</td>
<td>Built into rate</td>
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<tr>
<td>EBCE</td>
<td>Bright Choice</td>
<td>38% renewable with additional 47% carbon free</td>
<td>1.5%</td>
<td>Built into rate</td>
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*Some CCAs show their discount compared to overall IOU rates and others compare against only the generation rate.*
## Existing CCA Premium Product Offerings

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<thead>
<tr>
<th>CCA</th>
<th>Product Name</th>
<th>Product Characteristics</th>
<th>Cost Above Base Product*</th>
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<tbody>
<tr>
<td>MCE</td>
<td>Deep Green</td>
<td>100% renewable content</td>
<td>Base rate plus $ 0.01 $/kWh</td>
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<tr>
<td>MBCP</td>
<td>Mbgreen+</td>
<td>Rebate is invested in developing local renewables</td>
<td>Discount is reinvested in local renewables</td>
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<tr>
<td>SVCE</td>
<td>Green Prime</td>
<td>100% renewable content</td>
<td>Base rate plus $ 0.008 $/kWh</td>
</tr>
<tr>
<td>PCE</td>
<td>Eco100</td>
<td>100% renewable content</td>
<td>Base rate plus $ 0.01 $/kWh</td>
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<tr>
<td>LCE</td>
<td>SMARTChoice</td>
<td>100% renewable content</td>
<td>$10 Monthly Surcharge</td>
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<tr>
<td>AVCE</td>
<td>More Choice</td>
<td>50% Renewable</td>
<td>$2 Monthly Surcharge</td>
</tr>
<tr>
<td>PRIME</td>
<td>Prime Future</td>
<td>50% Renewable</td>
<td>$11 Monthly Surcharge</td>
</tr>
<tr>
<td>SCP</td>
<td>EverGreen</td>
<td>100% renewable</td>
<td>Base rate plus $ 0.025 $/kWh</td>
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<tr>
<td>EBCE</td>
<td>Brilliant 100</td>
<td>40% renewable with additional 60% carbon free</td>
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Setting Rates

- A customer’s bill will reflect three basic components:
  - Delivery Charges: Set by Southern California Edison, they are the same whether a customer stays with CPA or opts-out.
  - PCIA and Franchise Fees (FF): Charges set by SCE to recover the costs associated with customers leaving bundled service.
  - Generation Costs: The costs to provide the power customers are consuming set by CPA, includes the costs of the power as well as the administrative costs to operate. Setting this rate addresses Revenue Sufficiency and Competitiveness objectives.
CLEAN POWER ALLIANCE BOARD RETREAT

Agenda Item 2 - Attachment 1

Setting Rates (cont.)

CPA’s Rate $\text{SCE’s generation rate components} - \text{Discount} - (\text{PCIA} + \text{Franchise Fees})$

CPA’s Rate Revenue should be sufficient to meet:

○ Cost of operations
  ■ Power Supply
  ■ Data Management
  ■ Staffing
  ■ Marketing
  ■ Administrative & General

○ Cost of Capital

○ Reserves

○ Programs
Summary

- Offer products that are competitive:
  - Cost competitive
  - Cleaner/More Renewable
  - Meet Local Policy Objectives

- Set rates and revenue requirements
  - Calculate rates relative to SCE’s rates
  - Make sure that revenue covers all operating costs including reserves

- Design stable and equitable rates
  - Strive to keep rates simple
  - Minimize rate changes to customers
Clean Power Alliance of Southern California
Board of Directors Retreat

Friday, June 22, 2018

BACKGROUND MATERIALS FOR BREAKOUT SESSION #2

Financial Reserves: CCA Best Practices
Financial Reserves: CCA Best Practices

2018 Board Retreat
Financial Best Practices – Reserve Policies

“Reserve account” definition: Specific financial account set aside on agency’s balance sheet, separate from operating accounts, dedicated for certain uses with defined parameters for accumulating and spending

Purpose of Reserve Policy

● Prudently manage operations
● Satisfy working capital requirements
● Cover unanticipated expenditures
● Provide collateral for energy and related purchases
● Procure energy at competitive rates
● Maintain rate parity with IOU
● Support long-term financial independence/stability and maintain sufficient capacity for short-term obligations
● Secure favorable commercial terms from lenders
● Support pursuit of agency credit rating
● Provides clear guidelines to inform decisions by staff and Board
Financial Best Practices – Reserve Policies

Staff reviewed reserve policies that have been implemented at five existing CCAs:

- East Bay Community Energy (EBCE)
- Marin Clean Energy (MCE)
- Sonoma Clean Power (SCP)
- Silicon Valley Community Energy (SCVE)
- Monterey Bay Community Power (MBCP)

EBCE’s policy is outlined in detail in the following slides as a case study on reserves.
East Bay Community Energy – Reserve Policy

**General Operating / Credit Reserve:** Long-term reserve for general operating and building credit strength

**Rate Stabilization Reserve:** Used only to equalize rates as much as possible if EBCE rates surpass IOU rates

**Collateral Reserve:** Used as collateral in procurement

**Local Development Reserve:** Support for future local programs
## East Bay Community Energy - Reserve Policy

### Summary of Targets and Contributions

<table>
<thead>
<tr>
<th>Target</th>
<th>Max Annual Cont.</th>
<th>Min Annual Cont.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating / Credit Reserve</td>
<td>6 months of operating expenses</td>
<td>10% of revenues</td>
</tr>
<tr>
<td>Rate Stabilization</td>
<td>1.5% of revenues</td>
<td>1.5% of revenues</td>
</tr>
<tr>
<td>Collateral</td>
<td>10% of energy expenses</td>
<td>2.5% of revenues</td>
</tr>
<tr>
<td>Local Development</td>
<td>10% of revenues</td>
<td>2.5% of revenues</td>
</tr>
<tr>
<td>TOTAL</td>
<td>19% of revenues</td>
<td>6.5% of revenues</td>
</tr>
</tbody>
</table>
Marin Clean Energy – Credit Rating

Summary

- May 2018: Moody's assigns Baa2 Issuer Rating to MCE
- Moody's cited strength of JPA and CCA state statutes, self-regulated rate-setting authority, consistently improving financial / operational performance (days of cash on hand grew from 38 in 2014 to 86 in 2017) as factors that support MCE's creditworthiness.
- Recognizes economic strength of service territory, adequate liquidity profile, strong regulatory / legislative support for renewables, and business model that recognizes energy procurement risks in an evolving industry
- The rating outlook is stable, and MCE's credit rating could upgrade with continuous financial performance (e.g. 140 days cash on hand) and mitigated risk
- Moody's could downgrade MCE credit rating if liquidity profile doesn't keep pace with customer growth, spikes in opt outs, IOUs offer lower rates, or if power procurement strategy changes to focus on ownership and is aggressively financed
Marin Clean Energy – Credit Rating (cont.)

Credit Strengths
- Statutory benefits of business model
- Continuous financial improvements
- JPA requires departing municipalities satisfy pro-rata share of power obligations
- Customer and legislative support for CCA as way to address mandates
- Self-regulated rate-setting authority
- Low opt out rate
- Diversification of procurement (90 contracts from 29 suppliers)
- MCE retail rates competitive w/ IOU

Credit Challenges
- Surplus risk with sizeable long-term energy purchase commitments relative to size of balance sheet
- Board’s target liquidity levels will take years to reach
- No experience implementing “cost recovery charge”
- MCE rates + PCIA have occasionally been higher than IOU generation rates
- Potential regulatory/legislative threats
- Ability to manage competitive rate design including PCIA
## SUMMARY OF RESERVE POLICIES FOR SELECTED CCAs

<table>
<thead>
<tr>
<th>Category</th>
<th>EBCE</th>
<th>MCE</th>
<th>SCP</th>
<th>SVCE</th>
<th>MBCP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating / Credit Reserve</td>
<td>Target: 6 months of Operating Expenses</td>
<td>Target: 40% of projected energy and operating expenses for upcoming FY by March 2020.</td>
<td>Target: $50 million cash reserves.</td>
<td>Target: “Cash Reserve Policy” calls for a min. balance of 25% (90 days) of following FY’s operating budget expenditures, target goal of 50% (180 days), and max. of 75% (270 days).</td>
<td>Target: 50% of year 2020 total expenditures, including cost of energy and operations &amp; administrative expenses; and Retire all debt and lines of credit.</td>
</tr>
<tr>
<td></td>
<td>Annual contribution: up to 10% of revenues, no less than 5% of revenues</td>
<td>Annual contribution: 4% of total annual forecasted revenues; no less than 1.5% of total annual forecasted revenues.</td>
<td>Any remaining surplus shall be divided 50/50 between early principal payment of outstanding debt or rate reductions, and contribution to a “Project Fund” to support local renewable energy projects, energy efficiency and other projects consistent with SCP’s mission.</td>
<td>Primarily reserved for: providing revenues to make up for temporarily decreased revenues or increased power supply costs; temporary resources during economic downturns while expenditure reductions and/or rate adjustments are implemented; and providing resources to meet emergency expenditures.</td>
<td>Fund a Rate Stabilization/Contingency Reserve to mitigate rate increases due to volatility in the power markets, Power Charge Indifference Adjustments (PCIA), and economic downturns.</td>
</tr>
<tr>
<td>Rate Stabilization</td>
<td>Annual contribution: 1.5% of Revenues; no contribution if rate parity not achieved</td>
<td></td>
<td>Any remaining surplus shall be divided 50/50 between early principal payment of outstanding debt or rate reductions, and contribution to a “Project Fund” to support local renewable energy projects, energy efficiency and other projects consistent with SCP’s mission.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collateral</td>
<td>Target 10% of Energy Expense;</td>
<td></td>
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<tr>
<td></td>
<td>Annual contribution of up to 2.5% of revenues, no less than 0.5% of revenues</td>
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</tr>
<tr>
<td>Local Programs</td>
<td>10% of Revenues; annual contribution of up to 2.5% of revenues, no less than 1% of revenues</td>
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</tr>
<tr>
<td>Policies around reserve spending</td>
<td>Use of reserves must be approved by Board.</td>
<td></td>
<td>Project Fund usage will be subject to review by the Business Operations Committee and the Board. Spending must be approved by Board.</td>
<td>Use of reserves must be approved by Board and accompanied by a reserve replenishment proposal.</td>
<td>Authority to spend from reserves must be approved by board</td>
</tr>
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</table>

Note: this table is not exhaustive and the policies are changed from time to time.
BACKGROUND MATERIALS FOR BREAKOUT SESSION #3

Planning for Local Programs
INTRODUCTION & BACKGROUND
While CPA's first fully operational fiscal year will be dominated by start-up priorities, it's not too early to begin planning for local program development and implementation. There is a broad range of programs to consider, and there are opportunities to customize programs in new and unique ways that will serve the diverse customer base in CPA's territory.

This report provides an overview of the types of programs that currently exist, and what other CCAs have done in developing local programs. Marin Clean Energy (MCE) and Sonoma Clean Power (SCP) have led the way for California CCAs, and their programs provide a partial roadmap of where CPA can go. This report also touches on future considerations for the Board as it prepares to make program decisions.

CONSIDERING CUSTOMER SEGMENTS
It's first important to note that CPA will have many customer segments to serve beyond simply residential and non-residential. Residential segments to consider include multi- and single-family, affordable housing, and low-income customers. Similarly, there is a wide range of non-residential customer type, including small commercial, agricultural, large industrial, public agencies and institutions, and street and traffic lighting. These customers all have very different energy and financial needs and will not all benefit from the same programs. CPA staff is working with Calpine to develop and implement new load data analytics tools that will help target specific customer energy usage patterns for development of customized programs.

MAJOR PROGRAM TYPES
Incentives and Rebates can be used for a multitude of technology adoption and take a variety of forms. For example, EV incentives and rebates, and energy efficient home upgrades are all types of financial incentive programs offered by CCAs.

Special Rates are designed to make it cost effective for customers to adopt or invest in distributed generation or other behind-the-meter technologies. These special rates can reward customers for benefits they bring to the grid, while helping to ensure they will not be penalized...
for demand patterns associated with these technologies. They’re often used in conjunction with other distributed generation incentive programs.

**Demand Response (DR)** programs are designed to create positive behavior change in energy consumers to reduce strain on the grid and create additional capacity. By incentivizing customers to reduce their usage during periods of high electricity demand through price signals, these programs seek to adjust demand, rather than supply. Conversely, demand response may be utilized to incentivize customers to use power when there is excess generation. Two broad categories of demand response are dynamic pricing programs, which provide hourly price signals, and incentive- or event-based programs that provide financial rewards for reducing energy demand when requested by the utility. Some demand response programs even give the utility direct control over equipment to reduce load as needed.

SCE administers many demand response programs CPA customers retain access to, however, CCA customers are not able to access the programs that are considered to benefit the transmission and distribution system. CPA customers can also work with third party Demand Response Aggregators. Just this month, CCAs have begun offer demand response rates and programs similar to those of the IOUs.

**Feed-In Tariff (FIT)** programs incentivize development of small-scale renewable energy projects like solar, wind, or biomass. These are wholesale energy supply programs that provide competitive, predictable energy prices for local, small-scale energy project owners or developers. CCA FIT programs generally function by CCAs signing Power Purchase Agreements with private developers, providing guaranteed revenue for developers and consistent energy prices for CCAs, while also supporting local projects and renewable energy.

**Energy Efficiency (EE)** refers to a variety of programs that reduce overall energy consumption and therefore reduce costs for energy consumers and suppliers. Energy efficiency strategies can be simple, such as installing more efficient appliances or lightbulbs, or more complex upgrades to HVAC systems or industrial equipment and processes. Energy efficiency is one of the easiest and most cost-effective ways for homes and businesses to reduce their energy use. Energy efficiency upgrades often begin with energy audits, which many CCAs have chosen to
provide to customers for free or with generous subsidies, through partnerships with companies that perform those services.

The CPUC provides funds to the IOUs specifically for energy efficiency programs. CCA customers can access those programs, while CCAs themselves are able to apply for a portion of the funds to implement their own programs. MCE is the only CCA in the state to have become an implementer. Lancaster will begin administering these funds later this year.

**WHAT ARE OTHERS DOING?**

**Southern California Edison:** Southern California Edison offers many of the types of programs described above, which CPA customers are largely still able to access. So far, impact to customers losing access to SCE programs has been minimal, with the main impact being access to SCE’s Critical Peak Pricing (CPP) demand response program. CPA has the opportunity to create similar programs in the future if its determined there is demand and they are providing significant benefits to customers.

**CCAs:** CCAs can create targeted programs to address needs in their communities and fill gaps that IOUs may not be as equipped to address. In their program development, MCE has largely focused on developing feed-in tariff and energy efficiency, prioritizing hard-to-reach customer segments such as low-income, multi-family, and small commercial. SCP, on the other hand, has largely focused on EV incentives and programs, since they know access to transit is an issue in their communities. They’ve also contracted with battery storage developers to offer discounted services to help their commercial customers struggling to reduce their demand charges. Lancaster is home to BYD, an EV bus manufacturer, and has implemented creative rates to support EV bus adoption.

CCAs have also developed diverse partnerships. MCE has partnered with the non-profit Grid Alternatives to offset the cost of solar systems for low-income customers. SCP has partnered with Uber and Lyft to offer incentives on “fare miles” driven in an EV. MCE even partnered with PG&E on an EV charger program for small commercial, since they found that most small commercial customers didn’t meet the EV charging program minimums. CCAs also have the opportunity to leverage their governmental ties to support program objectives in the areas of building codes, transportation and land use.
Customer Program Summaries

**Net Energy Metering:** NEM is a program by which both residential and non-residential owners of right-sized renewable generation systems, normally rooftop solar, are able to offset their energy bill by generating their own energy onsite and are compensated for their unused generation. Virtual NEM, or VNEM, allows the benefits of NEM to be distributed to residents of multi-unit dwellings.

**Electric Vehicle Rate:** Separately metered rate options which can help to lower electricity bills for non-residential customers, especially if charging takes place off-peak.

**EV Bus Rate:** Lancaster designed a special EV bus rate to accommodate Antelope Valley Transit Authority’s large scale EV bus transition.

**Battery Storage Rate:** For MCE, this rate schedule applies to residential customers who install a battery storage unit and allow MCE remote capability to discharge the battery in exchange for bill credits.

**Demand Response:** Demand Response (DR) programs are event- or price- based programs designed to incentivize customers to reduce consumption at peak times.

**Customer Load Shifting:** Sonoma and Marin reduce load during peak periods with smart control technology like thermostats, water heaters, and EV chargers.

**EV Load Shifting:** Price-based mechanism that reward customers for charging at off-peak times

**EV Incentives:** Sonoma has implemented an array of EV incentive programs, including rebates for purchase, as well as free or subsidized EV charger installation

**Fuel Switching:** Incentives for customers to swap natural gas appliances for electric.

**Low-income Solar Incentives:** MCE partners with Grid Alternatives to offset their costs of providing no-cost solar installation for low-income customers.

**On-Bill Repayment:** This is a financing mechanism by which customers can repay the cost of energy efficiency improvements through their regular utility bill.

**Energy Efficiency:** Energy efficiency programs can range from light-touch upgrades like LED lightbulbs, to more extensive home or business improvements to reduce overall energy use.

**Low Income and Multi-family Energy Efficiency:** Low-income and multi-family EE programs focus on customer segments that are often harder to reach with traditional energy efficiency programs.

**Home Upgrades:** Rebates / technical assistance for advanced and basic efficiency upgrades

**Feed-in Tariff:** Feed-in tariff programs incentivize the development of small scale renewable energy projects by providing competitive, predictable energy prices for local, small-scale energy project owners or developers.
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<td>Net Energy Metering</td>
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<td>Electric Vehicle (EV) Rate</td>
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Note: this list is not exhaustive and is constantly evolving.