

Summary and Responses to RFP Comments

	Comment	Incorporated into RFP?	Additional Comment
1	<p>The jobs analysis should estimate job creation relative to a PG&E and regulatory baseline. Many of CCA jobs could be attributed to the underlying policy environment, such as RPS. Only those jobs in addition to what would have been created under a business-as-usual regimen should be attributed to the CCA effort. The economic analysis should be "above the regulatory or business-as usual baseline and quality (wages, job access, location, etc. of the jobs created)."</p>	<p>On Page 6 of the RFP, in Section D.5.a, (as well as Section D.7 on Page 8) there is a new statement that says job calculations should assume only net benefits above and beyond the RPS.</p>	<p>--</p>
2	<p>The study should examine <i>"the projected financial impacts of increasing the procurement of renewable energy built with strong labor standards and family-supporting wages,... and the projected financial impacts of procuring local renewable generation from projects of various sizes ranging from residential solar PV to utility-scale solar."</i></p>	<p>Section D.5.c on Page 6 of the RFP asks the consultant to assess the different power scenarios in terms of: (1) the impact of incorporating substantial local built out in these scenarios; and (2) assessing the differences in price competitiveness, given different estimates for the costs of local DG and larger utility-scale renewables. The consultant could, for example, look at MCE and SCP, which have started to contract for new local and regional projects – and assess the possible impact on rates. Eg: utility-scale projects is usually cheaper per MW installed than smaller, distributed projects. In addition, RFP asks the consultant to examine difference in prevailing wages between large-scale and small-scale renewables.</p>	<p>In addition, the consultant could analyze if X% of the renewable power supplied in each power scenario were generated within the immediate region. Thus, if the consultant is looking at a 50% renewable scenario, how would the overall costs and benefits of the program look if (for example) a third of that 50% renewable power came from local sources within a certain number of years? That analysis could use best market estimates for the cost difference between (a) existing renewable power on the wholesale market and (b) new, local and more decentralized energy resources.</p>

3	<p>This analysis should also account for a change in job quality— wages, benefits, training, etc. The quality of renewable energy jobs is highly variable, with the utility-scale renewable jobs paying much higher wages and benefits packages than the distributed/rooftop jobs.</p> <p><i>In addition, the economic/jobs analysis is not as simple as plugging a megawatt (MW) goal into a jobs model. This analysis is important to understanding the cost of meeting the proposed jobs goals and should be completed by a firm, such as the UC Labor Center with construction and clean energy labor market expertise</i></p>	<p>See Comment 2 and Section D.5.c. Also note that in Comment 7 below, the RFP has added the requirement that, "<i>Bidder shall demonstrate experience studying and analyzing construction labor markets as they relate to the labor and clean energy goals of the CCA.</i>"</p>	<p>It should also be noted that UC Berkeley and UCLA may embark on a labor study for CCAs statewide, which could also yield some useful information even if not specific to Alameda County, especially with respect to the cumulative effect of multiple CCA programs coming to fruition in a short timeframe.</p>
4	<ul style="list-style-type: none"> • CCA should procure power from union generated sources • Employ unionized customer service • Sign PLAs on each Power Generation project • Sign PLAs on Energy Efficiency programs • Sign Community Benefits agreements to include local projects and local hiring • Identify funding for the construction of RE projects in advance of the launch of a CCA program 	<p>See Comment 2 and Section D.5.c.</p>	<p>Identifying funding for renewable energy projects before a CCA launches is outside the scope of the technical study.</p>
5	<p>Consider conducting an assessment of local renewable project development that doesn't trigger CEQA</p>	<p>--</p>	<p>The County will consider funding this type of study. Once the technical study is underway, Staff can be available to discuss the local build-out issue with interested parties to determine an appropriate scope for such a study, and to see what level of analysis could address the concerns</p>

			expressed (including an examination of ownership and financing models, as well as realistic timeframes for aggressive build-out programs).
6	When the rate structure is designed to be the same or lower than PG&E, the CCA runs a high risk of failing to meet any or many of the purported benefits of the CCA other than competitive rates. If the goal is to establish rates lower than PG&E, on average for residential and (separately) for commercial customers, what is the amount of funding available to the Alameda CCA for building local projects?	On Page 6 of the RFP, in Section D.5.b, there is a new statement that asks the consultant to examine this issue.	Consultant will be asked to what extent the rate structure is tied to the ability to finance projects or to secure low-GHG energy sources. For example, regardless of net revenues into the program, a stable CCA could sign contracts with third party power providers and be the sole off-taker.
7	Include a rigorous assessment of the GHG reduction potential from the voluntary use of unbundled, Category 3 RECs compared to actual California-based renewable energy projects	On Page 5 of the RFP, in Section D3., there is new language that asks the consultant to include in the scenarios different ranges for potential unbundled RECs in the portfolio. These different ranges should also assume (1) RECs are included in GHG reduction analysis and (2) RECs are excluded from GHG reduction calculations. This way, the study will show the difference in GHG reduction estimates if RECs are included in GHG accounting (as MCE does) or excluded (as SCP does).	--
8	<i>"Bidder shall demonstrate experience studying and analyzing construction labor markets as they relate to the labor and clean energy goals of the CCA."</i>	This has been added in Section C.3 on Page 3.	--
9	The GHG analysis should be <i>"calculated with exactly the same accounting methodology (following the ARB protocol for capped entities)"</i>	--	Staff will ask the consultants to use commonly accepted, industry-standard methods for calculating

			GHG emission reductions in line with how the other CCAs do it and how these GHG estimates are published on PG&E's website. If additional information or direction is provided by CARB, the study can use that method.
10	Study should address what happens if not all cities participate; what if not everyone participates, how will that affect rates?	On Page 7 in Section D.6.e, the Consultant is asked to what extent rates may change depending on varying levels of participation. If 25% of the eligible load joins a CCA, if 50%, 80%, etc., can we expect – based on previous experience – that rates and resource availability would materially change?	Note: MCE and SCP both have lower rates than PG&E and they are much smaller than the potential load in Alameda County. But could that mean Alameda could see even lower rates because of greater volume?
11	Make sure that risks associated with flat or falling PG&E prices are adequately assessed.	On Page 7 in Section D.6.c, language is inserted that asks the consultant to consider the possibility of PG&E rates going down, either in response to greater CCA penetration in its service territory, or because of other factors.	--
12	What if proposed direct access bill becomes law, which would increase the number of large customers that could have access to DA. Sensitivity analysis should include possibility that few if any DA customers join CCA	In Section D.6.i, on Page 7, language is added for consultants to evaluate how this policy and increasing the RPS to 50% will impact a CCA and its ability to be competitive and meet community goals. For direct access, most recent proposal is for 100% of new DA power comes from renewable resources, which should make DA (which has historically been cheaper than either CCA or IOU generation) more in line with other load-serving entities. However, if new DA load is 100% renewable and RPS is raised to 50%,	--

		demand for renewables would be expected to rise. Consultant will be asked to evaluate the potential risks and impacts.	
13	<p>The RFP does not adequately address three key bullets:</p> <ul style="list-style-type: none"> • Priority on local power development, local energy programs and minimal or no use of unbundled RECs • Program that integrates energy efficiency and demand reduction • Quantifiable and equitable economic development benefits to the region including local jobs and workforce devt, local business partnerships, increased local energy investments 	<ul style="list-style-type: none"> • See proposed changes to RFP considered in Comments 4 and 5 • On energy efficiency, see additional language added in Section D.4 on Page 5 • See Comments 1-4 	--
14	<p>33% scenario should look at GHGs because at that level, could be higher emissions than PG&E; also think about how SCP uses a lot of hydropower but that might not be available. Sensitivity analysis should include GHG impact if not large hydro is available</p>	<p>In Section D.6.j on Page 7, the consultants will be asked to consider the GHG impact of a CCA program's initial power portfolio, including the potential unavailability of hydropower (this is a key component of Sonoma's ability to have a low GHG content). Consultants will be asked to consider the initial GHG profile of an East Bay CCA if it cannot secure a large, carbon-free source like SCP's large-hydro contract. Thus, the consultant should consider a long-term GHG emissions profile compared to the PG&E. That PG&E baseline (a) could go down because of an increasing RPS or (b) could rise because of lack of hydropower and the long-term uncertainty associated with the Diablo</p>	--

		Canyon Nuclear Plant (a large source of emissions-free power).	
15	Examine the relationship between a CCA and the state’s cap and trade program.	In Footnote 3 on Page 9, the consultant is asked to describe the process of retiring GHG allowances through the state’s cap-and-trade voluntary retirement program. The consultants will assess the ease and feasibility of a CCA retiring GHG allowances through the Air Resources Board to correspond to the CCA’s investment in renewable energy – and consider the possible options if the ARB voluntary retirement account becomes exhausted.	--
16	<p>Can the program meet or exceed the local CAPs obligations?</p> <ul style="list-style-type: none"> • Why are existing CCA delivering less expensive electricity/why is PG&E higher • Under what conditions would CCA pricing be higher than PG&E • What are the likely power sources for the CCA? How will it change over time? • Will our size have implications for the program? If so, what might they be? • What happens if a number of CCAs launch at the same time? 	The study will address all of these issues, including the relationship between a CCA and meeting a city’s climate action goals. In addition, the question of the impacts of the CCA program the size of Alameda has arisen, as well as “what happens if CCAs start popping up all of the state.” The RFP will ask the consultant to examine the potential pricing for renewable energy if there is 100% renewable for new direct access, a 50% RPS and many more CCAs starting in the state. See previous comments.	--
17	<ul style="list-style-type: none"> • Incentives for commercial and residential customers • What are issues associated with a multi-jurisdictional program (beyond Alameda County)? • Will EBCE provide same incentives as PG&E and provide customer service through online service? 	--	<p>Much of the information on incentives that other CCAs offer (including access to PG&E programs) is publicly available.</p> <p>Certainly additional and innovative programs and incentives can be</p>

			<p>tailored to Alameda County, but given cost and timing, this analysis is outside the scope of the current technical study. It is an issue, however, that the Steering Committee would be in a good position to examine.</p> <p>Given that other CCAs have crossed county lines, there does not appear to be any multi-jurisdictional issues.</p>
18	<p>RFP should assess very specific criteria with regards to energy procurement, including clear, set GHG reduction goals and exact content of renewable energy content by year. For example:</p> <p>By Jan 1, 2018, have 10% of CCA's power needs met by new renewables;</p> <p>Jan 1, 2019: 30%</p> <p>Jan 1, 2020: 50%</p> <p>Jan 1, 2021: 80%</p> <p>Twenty percent of this power should come from local, distributed resources (less than 2 MW), with 40% of the rest coming from within the County and the remaining 40% coming from within the State.</p>	<p>Staff has adjusted Option 3 of the power scenarios (Section D.3.c, Page 5) to state that 80% of the CCA's power needs should be met with eligible renewable energy by Year 5 of the program.</p> <p>Staff does not want to be too prescriptive in the scenarios, but rather wants the Consultant to have some flexibility in how to meet the goals of each scenario in a manner that maintains competitiveness. That said, the consultant can still apply the guidance described in Comment 2, which does discuss incorporating large percentages of local renewables in the scenarios.</p>	--