

# CITY OF HAYWARD

Hayward City Hall 777 B Street Hayward, CA 94541 www.Hayward-CA.gov

File #: LB 18-023

**DATE:** May 22, 2018

**TO:** Mayor and City Council

FROM: Director of Utilities & Environmental Services

# **SUBJECT**

East Bay Community Energy - Resolution to Select Brilliant 100 as the Default Product for all Residential Customers in Hayward

## RECOMMENDATION

That Council reviews and comments on this report and considers adoption of the attached draft resolution.

# **SUMMARY**

East Bay Community Energy (EBCE) will begin serving non-residential customers in June 2018 and residential customers in November 2018. Starting in June, EBCE will offer two products to non-residential customers. The products will be Bright Choice, which will be a minimum of 85% carbon free electricity and Brilliant 100, which will be 100% carbon free, but not necessarily 100% renewable. On April 18, 2018, the EBCE Board decided to offer a third product, 100% renewable energy, which will be available starting in November 2018. EBCE made Bright Choice the default product for all customers, but on March 6, 2018 Council voted to select Brilliant 100 as the default product for Hayward's non-residential customers. Council now has the opportunity to select the default product for Hayward's residential customers.

<u>Council Sustainability Committee</u> - On May 14, 2018, the Council Sustainability Committee recommended that Council adopt a resolution selecting Brilliant 100 as the default product for most residential customers. While no customer will be paying any more than they currently pay to PG&E, the Committee recommended that certain income-qualified customers who currently receive rate discounts from PG&E be enrolled in Bright Choice so that they can benefit from slightly lower rates than they currently pay to PG&E.

### **ATTACHMENTS**

Attachment I Staff Report
Attachment II Draft Resolution

# File #: LB 18-023

Attachment III Letter Dated May 11, 2018 from East Bay Clean Power Alliance

Attachment IV City Letter to Phase 1 Customers

Attachment V Email Dated May 15, 2018 from Amanda Groziak



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### **BACKGROUND**

In December 2016, Hayward joined ten other cities in Alameda County and the County of Alameda to establish a joint powers authority to form EBCE. The cities of Newark and Pleasanton did not join, and the City of Alameda is served by its own electric utility. The EBCE

Board of Directors meets regularly and their meeting packets are available at <a href="http://ebce.org/archive/">http://ebce.org/archive/</a>.

On March 6, 2018, Council voted to designate Brilliant 100 as the default product for non-residential customers in Hayward. Council also chose to select Brilliant 100 for all municipal facilities. All previous Council and Sustainability Committee reports regarding EBCE are available at <a href="http://www.hayward-ca.gov/cce">http://www.hayward-ca.gov/cce</a>.

On March 21, 2018, the EBCE Board approved Hayward and Albany's requests to enroll all non-residential customers into Brilliant 100 and to make necessary changes to marketing materials and program terms and conditions. Most Board members did not like the idea of having certain cities choose their own default product, but they did want to respect and support the decisions made by the Hayward and Albany city councils. Several members of the audience spoke at the Board meeting, urging the Board to not allow cities to choose their own default product. Comments made at the March 21st meeting included:

- EBCE has been marketed as a program that will be cheaper than PG&E.
- Brilliant 100 as the default will cause complexity for the EBCE call center and will be confusing for customers.
- Brilliant 100 as the default will be a violation of public trust and will be discriminatory.
- Having customers enrolled in Brilliant 100 will create less demand for the 100 percent renewable option (when it is offered) because they may be confused by already having a 100% product.
- The San Francisco Business Times noted that customers should opt out if they want to avoid the higher cost. There are already arguments that CCAs are elite programs.
- Customers will see this as a bait and switch.
- All cities need to move together toward 100% renewable energy.
- Brilliant 100 as the default will cause more opt outs.

While some of these comments are unfounded and unfair, staff wanted the Council to be informed of the broad range of comments.

# DISCUSSION

EBCE will begin serving residential customers in November of this year. EBCE has set a deadline of June 6, 2018, for any cities to choose something other than Bright Choice as the default product for their residential customers. Beginning in November, EBCE will offer three products:

	Bright Choice	Brilliant 100	100% Renewable
Sources	38% renewable,	40% renewable,	100% renewable
	47% large hydro <sup>1</sup>	60% large hydro	100% Tellewable

<sup>&</sup>lt;sup>1</sup> Under California's renewable portfolio standard (RPS) requirements, solar, wind, geothermal and small hydroelectric facilities qualify as eligible renewable energy resources. Power from large hydroelectric facilities does not qualify as an eligible resource due to impacts to fisheries and watershed hydrology.

GHG Emissions	85% GHG free	100% GHG free	100% GHG free
Rate	1.5% less than PG&E <sup>2</sup>	Equal to PG&E	3 to 5% more than PG&E

The 100% renewable energy product has not yet been named. On May 16, 2018, the EBCE Board set the rate premium for the 100% renewable energy product at \$0.01 per kilowatt hour above PG&E's rates, which is approximately 3 to 5% more than PG&E rates.

Hayward's currently stated goal is to reduce GHG emissions by 20% below 2005 levels by 2020. As noted in the March 6 Council report and the 2015 greenhouse gas inventory report presented to the Council Sustainability Committee, Hayward, like almost all other Bay Area cities, is unlikely to meet its 2020 reduction target unless the entire community is enrolled in 100% carbon free energy. According to EBCE's Technical Study that was completed in July 2016, approximately 30% of Hayward's electrical load is residential. Therefore, making Brilliant 100 the default product for residential customers could make a significant difference in community-wide emissions.

In April 2018, EBCE began mailing opt-out notices for Phase 1, which includes all non-residential customers. Phase 2 customers, which are all residential accounts, will receive opt-out notices starting in September. If Brilliant 100 is the default for residential customers, the opt out notices would provide the following options: 1) do nothing to automatically enroll in Brilliant 100 and continue to pay rates equal to PG&E; 2) opt down to Bright Choice; 3) opt up to 100% renewable energy; or 4) opt out to continue receiving electricity from PG&E.

<u>Concerns Raised at the March 21 EBCE Board Meeting</u> – The rate discount relative to PG&E does not appear to be a significant factor in a program's opt out rate. For example, EBCE staff have noted that Peninsula Clean Energy (with a 5% discount compared to PG&E) and Silicon Valley Clean Energy (with a 1% discount) both have similar opt out rates. If Brilliant 100, which will have rates equal to PG&E, is chosen as the default for Hayward's residents, staff does not believe that the rate itself will be the determining factor for any opt outs that may occur.

In addition, staff makes the following points in response to the concerns raised at the March 21st meeting:

- For customers expecting EBCE to provide rates cheaper than PG&E, that alternative will still be available as an opt down option.
- Regarding potential for increased complexity, regardless of the default selected for Hayward, customers will still have the same number of choices.
- Regarding potential confusion between 100% carbon free and 100% renewable, EBCE's marketing materials will clearly distinguish between the two.

<sup>&</sup>lt;sup>2</sup> The 1.5% discount only applies to the "generation" line item on the PG&E bill. Depending on a customer's electricity usage, the generation charge may only be approximately half of the total electric charges, so the total savings will be less than 1.5%.

- Regarding the idea that customers should opt out of the program to avoid higher costs, no customers will pay higher rates unless they actively choose the 100% renewable product.
- Regarding the need to transition EBCE's entire portfolio toward 100% renewable energy, Hayward's choice of a different default product will not inhibit that effort. In fact, customers enrolled in the 100% carbon free product may be more likely to see 100% renewable as their sole option for improvement.

There are approximately 48,000 residential accounts in Hayward, including approximately 14,000 California Alternate Rates for Energy (CARE) customers and 500 Family Electric Rate Assistance (FERA) customers. The CARE and FERA programs offer discounts to incomequalified customers. Also, approximately 4% of customers in the EBCE territory are Medical Baseline customers. They pay special rates due to equipment or heating/cooling needs related to medical conditions. All customers in EBCE territory who are currently enrolled in these discount programs will continue to receive the same discounts. If Council adopts the attached resolution and as noted in the resolution, Hayward's residential customers currently enrolled in these discount programs will also continue to receive the same discounts.

<u>Council Sustainability Committee</u> – On May 14, 2018, the Council Sustainability Committee considered the products available for Phase 2 and recommended that Council adopt a resolution selecting Brilliant 100 as the default product for residential customers. Furthermore, the Committee also requested that certain income-qualified customers currently enrolled in CARE, FERA, or medical baseline programs be enrolled in Bright Choice. These customers not only will continue to receive their existing discounts, but by being enrolled in Bright Choice, they will also be paying slightly less than their current payment to PG&E. Public members attending the meeting made the following comments:

- Barbara Stebbins, representing the East Bay Clean Power Alliance, summarized their letter of May 11, 2018 (see Attachment III) and noted that Brilliant 100 would be discriminatory toward lower income households and that the large hydro associated with Brilliant 100 is not a sustainable source of electricity.
- Jillian Buckholz, Sustainability Director at CSU East Bay, asked for confirmation that Pioneer Heights would be automatically enrolled in EBCE in November. Staff responded that it will.

### The Committee commented that:

- It will be less confusing to have the same default product for all customers in Hayward.
- We'll need significant outreach to residential customers, including low income customers, leading up to the November launch.
- All customers will have the ability to opt out to return to PG&E, opt down to Bright Choice, or opt up to the 100% renewable product.
- Current opt out rates by jurisdiction should be presented at the May 22 Council meeting.

Other Cities – In addition to Hayward, the EBCE member jurisdictions of Albany and Piedmont are exploring the idea of selecting a product with less GHG emissions than Bright Choice for their residential default product. The City of Piedmont's recently updated climate action plan calls for selecting 100% renewable energy as the default for the entire community. On May 7th, the Piedmont City Council discussed the possibility of choosing either Brilliant 100 or the 100% renewable product as their default for Phase 2. Piedmont and Albany will consider their residential default product on May 21st. Other member jurisdictions have not made a decision yet.

### STRATEGIC INITIATIVES

This agenda item is a routine operational item and does not relate to any of the three Council Strategic Initiatives.

# ECONOMIC IMPACT

If Brilliant 100 is chosen as the default for Hayward, customers will see no change in their cost of electricity. If Bright Choice is chosen as the default for residential customers, they would see a very small amount of savings on their electric bills. As noted above, the 1.5% discount for Bright Choice only applies to the generation charge, which is only a portion of the electric charges on a utility bill. According to the California Public Utilities Commission, the average household electricity use is approximately 400 kilowatt hours (kWh) per month. As shown in the table below, Bright Choice would save the average household less than \$1 per month. The cost of Bright Choice would be 15% more GHG emissions.

Electricity Usage (kWh)	Bright Choice	PG&E	Brilliant 100	Monthly Difference
300	\$63.03	\$63.51	\$63.51	\$0.48
400	\$88.99	\$89.66	\$89.66	\$0.67
500	\$116.77	\$117.65	\$117.65	\$0.88

# FISCAL IMPACT

There is no fiscal impact on the General Fund associated with this action.

# SUSTAINABILITY FEATURES

Community choice energy was identified in the City's Climate Action Plan as a program with the greatest potential to reduce community-wide GHG emissions. As noted above, if the entire community is enrolled in Brilliant 100, and if opt outs are kept to a minimum,

then Hayward could come close to meeting its 2020 reduction target. If large accounts that currently have direct access to wholesale power switch over to EBCE using Brilliant 100, then Hayward could meet its 2020 reduction target. Actual GHG savings resulting from EBCE remain to be seen. Even if GHG reductions are modest at first, the program is expected to provide cleaner electricity over time and develop local renewable energy projects that benefit the local economy. If Hayward chooses Bright Choice as the default, then GHG emissions would be very similar to staying with PG&E and Hayward would miss its 2020 reduction target.

### PUBLIC CONTACT

Staff worked with EBCE staff and sent a letter (Attachment IV) to all non-residential customers in Hayward informing them of the Brilliant 100 default product and encouraging them to remain with Brilliant 100. In addition to the comments made at the Council Sustainability Committee meeting, staff received an email (Attachment V) in support of Council selecting Brilliant 100 as the default for residential customers.

As requested by the Council Sustainability Committee on May 14, 2018, staff will implement a public outreach campaign to ensure that Hayward customers are aware of their choices as well as the benefits of the program.

# **NEXT STEPS**

If Council adopts the attached resolution, staff will inform EBCE in writing. Regardless of Council's decision, staff will work with EBCE to perform outreach to Hayward customers to minimize opt-outs.

Prepared by: Erik Pearson, Environmental Services Manager

Recommended by: Alex Ameri, Director of Utilities & Environmental Services

Approved by:

Kelly McAdoo, City Manager

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### HAYWARD CITY COUNCIL

# **RESOLUTION NO. 18-**

Iı	ntrod	luced	by	Counci	l M	1em	ber	

RESOLUTION AUTHORIZING THE CITY MANAGER TO REQUEST THAT EAST BAY COMMUNITY ENERGY (EBCE) SET BRILLIANT 100 AS THE DEFAULT PRODUCT FOR ALL HAYWARD RESIDENTIAL CUSTOMERS SERVED BY EBCE

WHEREAS, on December 6, 2016, the City of Hayward City Council adopted Ordinance 16-21 authorizing Hayward's participation in Alameda County's Community Choice Energy program known as East Bay Community Energy (EBCE); and

WHEREAS, on February 7, 2018, the EBCE Board of Directors decided to offer customers a default product called Bright Choice that will be sourced from 38% renewable and 47% hydro for a total of 85% GHG free or carbon free electricity. Bright Choice will be offered at rates that are less than PG&E rates. The Board decided that the second product, called Brilliant 100, will be 40% renewable and 60% hydro for a total of 100% GHG free electricity and it will be offered at the same price as PG&E rates; and

WHEREAS, the energy mix offered by Pacific Gas and Electric (PG&E) in 2018 is not yet available and it is possible that EBCE's Bright Choice will have a higher GHG intensity than electricity from PG&E; and

WHEREAS, on March 6, 2018, Council voted to designate Brilliant 100 as the default product for all non-residential customers in Hayward and Brilliant 100 for all municipal facilities; and

WHEREAS, on March 21, 2018, the EBCE Board of Directors approved Hayward's request to enroll all non-residential customers into Brilliant 100; and

WHEREAS, on May 14, 2018, the Council Sustainability Committee voted to recommend that Council adopt a resolution selecting Brilliant 100 as the default product for residential customers and that all Hayward income-qualified customers enrolled in the California Alternate Rates for Energy (CARE), Family Electric Rate Assistance (FERA), and Medical Baseline programs will be enrolled in Bright Choice; and

WHEREAS, the City of Hayward General Plan includes policy NR-2.4 (Community Greenhouse Gas Reduction), which states, "The City shall work with the community to reduce community-based GHG emissions by 20% below 2005 baseline levels by 2020 and strive to reduce community emissions by 61.7% and 82.5% by 2040 and 2050, respectively."; and

WHEREAS, the enrollment of Hayward customers in Brilliant 100 electricity will be a significant step toward meeting Hayward's GHG reduction goal for 2020; and

WHEREAS, Hayward customers will have the choice to change their enrollment from Brilliant 100 to Bright Choice and they will also have the ability to opt out of the program completely; and

WHEREAS, all Hayward customers currently enrolled in the California Alternate Rates for Energy (CARE), Family Electric Rate Assistance (FERA), and Medical Baseline programs will continue to receive discounted rates.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward hereby approves Brilliant 100 as the default product for all residential customers in Hayward.

BE IT FURTHER RESOLVED that all Hayward income-qualified customers enrolled in the California Alternate Rates for Energy (CARE), Family Electric Rate Assistance (FERA), and Medical Baseline programs will be enrolled in Bright Choice.

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ADOPTED BY	THE FOLLOWING VOTE:
AYES:	COUNCIL MEMBERS: MAYOR:
NOES:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:
	ATTEST:City Clerk of the City of Hayward
APPROVED A	
City Attorney	of the City of Hayward

IN COLINCIL HAYWARD CALLEORNIA



# East Bay Clean Power Alliance Jessica Tovar 339 15th Street #208 Oakland, CA 94612 jessica@localcleanenergy.org 415-766-7766

Subject: Residential default to Brilliant 100

May 11, 2018

Dear City Councilmembers & EBCE board members,

**East Bay Clean Power Alliance** supports East Bay Community Energy's (EBCE) stated commitment to developing local clean energy resources as the path to a sustainable energy future, and pleased that your city is a member of this promising program.

However, we do not support enrolling all residential and commercial accounts into EBCE's higher-priced "Brilliant 100" product, which contains only 40% renewable energy, while the lower-priced default product is 38% renewable.

Here are the reasons why **East Bay Clean Power Alliance** thinks it is wrong for cities to decide on a more expensive option for everyone:

- It discriminates against low income customers, who would have to opt down to get the less expensive product.
- It is an abuse of the automatic enrollment mechanism of Community Choice, and leaves East Bay Community Energy vulnerable to reputational attacks.
- It puts the emphasis on carbon-free resources that give a false sense of a solution and have the potential to displace true local renewable energy.
- It takes away the, "choice" from the customer and leaves the EBCE program prone to customer opt-outs. Thereby, losing customers and business revenue.

All these issues put our very own EBCE at risk of losing public support. By contrast EBCE's work through the Local Development Business Plan to invest in local clean energy resources and provide community benefits will build public support.

Please refrain from enrolling all customer accounts into the "Brilliant 100" product and, instead, support the development of local renewable energy, not just carbon-free power.

Thank you,

Jessica Tovar, Coordinator of the East Bay Clean Power Alliance

# East Bay Clean Power Alliance on

# Getting to 100% Renewable



East Bay Clean Power Alliance supports an East Bay Community Energy (EBCE) program goal of 100% renewable energy, achieved through conserving energy and developing local renewable energy sources as quickly as possible. This approach stems from the necessity to address the looming climate disaster while providing multiple economic, health, and equity benefits to our communities.

However, some advocates want to accelerate the transition to 100% by enrolling all customers—not just municipal accounts—in a 100% renewables option at program launch, based on the purchase of remote renewable energy.

While the Alliance recognizes the good intentions of this proposal, enrolling all customers in a 100% option by default poses a serious threat to the success of the program, not only because of high opt-outs due to higher electricity rates, but also because it short-circuits the many community benefits that would come from developing renewable energy resources locally, as explained below.

# Many benefits of developing local renewable resources

When renewable resources are developed locally, there are many benefits to be gained other than the obvious reduction of greenhouse gases.

Local renewable resource development produces healthier, more sustainable communities, creating jobs and stimulating local economies. Local energy resources result in more secure and self-sufficient energy supplies. All the above benefits can be shared by low income communities and communities of color, historically those most devastated by the fossil fuel economy, and most impacted by economic inequality.

The robust and equitable economic development that can be realized in developing local energy resources can result in huge safety net savings for local governments, as well as increased tax revenues from new business activity. Local governments that invest in local renewable resources will create a stable revenue stream to boost available funds.

The benefits above will contribute to customer satisfaction, reducing the threat of opt-outs from the Community Choice program. A renewable energy portfolio that increasingly consists of local resources is also one that avoids the volatility of the energy market. Investments in local energy projects come with more stable and more manageable costs.

# Getting to 100% through local renewable development

EBCE has already committed to developing local renewable resources, and will soon have a Local Development Business Plan to guide that process. Planning is critical to successfully developing and integrating local energy resources and avoiding market-purchase contracts that lock out the development of local resources.

The plan should include aggressive goals for both local generation and demand reduction. It should use a significant share of EBCE's net revenues to accelerate the development of local resources through incentive programs, targeted subsidies, leveraged investments, and in-house expertise.

Based on this plan, EBCE would enroll customers in a competitively priced renewable portfolio option with higher renewable content and lower cost than PG&E. EBCE would then develop local renewable resources to replace fossil fuel energy, getting to 100% renewables as quickly as net revenues make possible.

Clearly, to get to 100% renewable energy by developing local resources in this fashion will take longer than buying 100% renewables on the market. But the result will be more sustainable, economically vibrant and equitable communities, local government with more revenue and less debt and a more stable Community Choice program.

# What's wrong with starting at 100% renewables?

EBCPA opposes enrolling all customers in a 100% renewable option by default. We find it would discriminate against lower income customers, substantially threaten the ability of EBCE to develop local renewable energy resources, and completely short-circuit EBCE's community benefits promises.

### It will worsen economic discrimination

The 100% renewable options found in existing Community Choice programs are more expensive than the enrollment options at a lower renewable portfolio. Automatically enrolling all customers in a pricey 100% renewable option (likely more expensive than PG&E rates) increases the economic burden of energy on those who can least afford it. It will aggravate already difficult economic pressures among communities of color and low-income people who already feel the pinch of electricity bills.

Enrolling such customers at the 100% option requires them to take explicit action to opt-down to a lower-priced, more affordable option. To impose a high-priced option by default—one that only 1-2% of customers in existing Community Choice programs have chosen—and then require the majority of customers to opt down if they don't like it, amounts to economic hostage-taking and an abuse of the automatic enrollment mechanism of the Community Choice program.

Automatic enrollment in a less-expensive renewable option does not prevent any customer from opting up to a 100% renewable option, including any city that wants to enroll all its municipal accounts at 100%.

# It will increase the opt-out rate and otherwise threaten the ability of EBCE to develop local renewable energy resources

Those who cannot afford the 100% renewable option, as well as those who resent being automatically enrolled in a premium-priced option (likely more expensive than PG&E) will simply opt-out of EBCE and revert to PG&E. This defection will undermine the revenues needed to develop local resources.

Equally significant is that the higher cost of 100% renewables means that, if it is to compete in electricity rates with PG&E, EBCE will have lower net revenues. That means too little resources to implement programs for developing local renewable resources.

# It will broadly undermine EBCE and community benefits

The opponents of Community Choice regularly attack it as consumer unfriendly because it is based on an opt-out model of enrollment rather than an opt-in model. Enrolling residential and commercial customers in a pricey option that requires them to opt-down or opt-out if they don't like it, will not only strengthen opposition, but leave the program vulnerable to accusations of elitism.

Rather than being perceived as a broad-based Community Choice program that will bring economic and other community benefits to a majority of residents and businesses, EBCE will be tagged as a boutique program that would only appeal to affluent customers.

# What if a city wants to enroll its customers at 100%?

Aside from all the down-sides discussed above, allowing any city to enroll all its residential and commercial customers at a non-standard default option (like 100%) will impose additional administrative costs on EBCE. It would require administrative support for an additional Community Choice configuration; different marketing materials, customer notices, web sites, call center operations, and other interactions with customers would have to be developed for the non-standard configuration.

The increased EBCE staffing and administrative costs associated with any city having 100% renewable enrollments would be borne by all EBCE customers, amounting to a subsidy of what is already a problematic enrollment approach.

<sup>&</sup>lt;sup>1</sup> Portola Valley, the wealthiest jurisdiction in San Mateo County's Peninsula Clean Energy, and the only city in any Community Choice program to enroll customers by default in a 100% renewable option, has the highest opt out rate in the County—5.1%, compared to the overall opt out rate of 1.88%.



Dear City of Hayward Commercial Electricity Customer,

The City of Hayward appreciates your business being part of the Hayward community. It is the City's mission to create and sustain a safe, clean, green, and fiscally sound business environment that benefits residents, businesses, and the region. To that end, the City is now part of a local effort to provide your business with clean energy at comparable cost to PG&E.

The City of Hayward is pleased to announce the launch of a new electricity provider, East Bay Community Energy (EBCE). EBCE was established through a cooperative effort of the City of Hayward, ten other cities in the County, and the County of Alameda. EBCE is a not-for profit public agency that will deliver a Community Choice Energy program which will procure your power, increase the use of renewable energy, and invest revenues back into the community. EBCE will begin providing your power in June of this year. You do not need to take any action to participate; your business will be automatically enrolled and you will see this information reflected on your PG&E bill. PG&E will continue to provide the same reliable service, and you can still contact them in the case of an outage.

In March 2018, the Hayward City Council passed a resolution requesting EBCE to provide its *Brilliant 100* energy service to all commercial and municipal customers within the City. *Brilliant 100* service is 100% carbon-free power offered at the same rate you currently pay to PG&E.

Increased use of both carbon-free and renewable energy can have a profound and positive environmental impact on the reduction of greenhouse gas (GHG) and other toxic emissions. A carbon-free electricity mix is a cost-effective way to reduce Hayward's greenhouse gas emissions footprint. And we can accomplish this without any additional cost, as the price of *Brilliant 100* electricity will remain the same as it is with your current PG&E service.

EBCE will offer a second product called *Bright Choice*, which is 85% carbon-free and offered at a 1.5% discount to the PG&E generation rate. In many cases, the generation rate is approximately half of the total electric charges on a bill, so the total discount on electric charges may be less than 1%. PG&E's service is approximately 80% carbon-free power. You have three choices:

- 1) Do nothing to receive *Brilliant 100* electricity, which has zero GHG emissions and is offered at the same rates as PG&E;
- 2) opt down to receive Bright Choice electricity, which is 85% carbon-free; or
- 3) opt out of all EBCE service and remain with PG&E for bundled generation service.

We hope that your business will stay with *Brilliant 100*. If, however, you decide to change your service to Bright Choice or opt out, please call EBCE at 1-833-699-EBCE (3223), or visit ebce.org. You will receive a letter in April and three follow-up postcards through July from EBCE. These notices contain information about EBCE rates and terms of service, as well as information on how to opt out if you choose to remain with PG&E. The City hopes you stay with EBCE for your electricity service and help to reduce the GHG emissions in our community. If you have any questions, please contact EBCE at 1-833-699-EBCE (3223).

Sincerely,

Al Mendall

Hayward City Council Member

**EBCE** Board Member

Elisa Márquez

Hayward City Council Member EBCE Board Member Alternate







# Frequently Asked Questions

### How does EBCE work?

East Bay Community Energy purchases power with higher renewable and lower greenhouse gas (GHG) content than is offered by PG&E. Other than receiving cleaner electricity at competitive prices, all other aspects of your electricity service remain the same. PG&E continues to deliver the electricity, maintain the power lines, handle billing, and respond to new service requests and emergencies.

### How do I enroll in EBCE?

EBCE will replace PG&E as the default electricity provider in eleven cities in Alameda County and the unincorporated areas of the county. Anyone with a PG&E electric account in these areas will automatically be enrolled in EBCE. The cities of Newark and Pleasanton are currently not members of EBCE. The City of Alameda is not eligible to participate since it is served by its own municipal utility. Business customers will be enrolled in June 2018. Residential customers will be enrolled in November 2018. Customers with on-site solar power will be enrolled in 2019 around the time of their annual true-up with PG&E.

### Why am I automatically enrolled in EBCE? Do I have a choice?

That's the way the law governing the formation of CCE programs like EBCE was written. When a city or county decides to participate, all their residents and businesses are automatically enrolled. Nevertheless, if you wish to remain with PG&E for bundled generation service, you may do so by opting out of EBCE.

### Does my business retain PG&E benefits like energy efficiency programs?

Yes, Businesses on EBCE service continue to receive the same reliable service from PG&E, the same quality of power, and the same access to energy efficiency programs. Large businesses retain their key account representative. All services from PG&E remain the same.

### Why is the City of Hayward doing this?

EBCE is a Community Choice Energy (CCE) program, and CCEs have a track record of providing cleaner energy at lower rates. EBCE is the tenth CCE to launch in California. The other CCEs such as MCE Clean Energy, Sonoma Clean Power, Peninsula Clean Energy, and Silicon Valley Clean Energy are all saving customers money while investing in renewables. Since CCEs are public agencies, excess revenue is reinvested in the community by lowering rates and/or offering energy programs that complement PG&E's programs. EBCE's service helps the City of Hayward to reach our Climate Action Plan goals by providing an option to eliminate emissions related to electricity usage without additional cost. In addition, while the City already generates close to 60% of the electricity used by municipal facilities, the City has decided to receive Brilliant 100 for all of the electricity purchased for municipal facilities.

For more information, please visit https://ebce.org/ or call 1-833-699-EBCE (3223).

From: Amanda Groziak [mailto:]

Sent: Tuesday, May 15, 2018 10:33 AM

To: Erik Pearson < Erik.Pearson@hayward-ca.gov>

Cc: Carol Lee < Carol.Lee@hayward-ca.gov>

Subject: Re: Public Comments for Hayward Sustainability Committee meeting

Dear Hayward City Councilmembers,

Please accept this public comment in support of switching the default energy product for East Bay Community Energy to Brilliant 100 for all resident customers. Combating climate change is extremely important as we are already seeing the beginning effects of a warming atmosphere in California with more fires and more frequent droughts. I urge the Council to choose Brilliant 100 as the default for resident customers of East Bay Community Energy so that more households run on 100% clean renewable energy and combat our warming climate.

Please submit these comments for consideration at today's meeting.

Thank you,

Amanda Groziak Hayward voting citizen