



DATE: November 14, 2022

TO: Council Sustainability Committee

FROM: Director of Public Works

SUBJECT East Bay Community Energy Update: Local Programs and Customer Bill Savings – Information and Discussion

RECOMMENDATION

That the Council Sustainability Committee (CSC) reviews and comments on this informational report.

SUMMARY

Staff from East Bay Community Energy (EBCE) will present an update on local programs, partnerships, and customer bill savings.

BACKGROUND

In December 2016, Hayward joined the County of Alameda and ten of its cities in launching East Bay Community Energy (EBCE) as a joint powers authority to provide cleaner, greener energy to their customers at lower rates. EBCE began providing electricity to commercial, municipal, and residential accounts in 2018. Since 2018, EBCE has continued to increase investments in local programs, leading to an expansion in the number of programs offered and an increase in customer savings throughout EBCE's service area. EBCE now includes all cities in Alameda County except for the City of Alameda, which has its own electric utility. EBCE also serves the City of Tracy and in 2024 will begin serving the City of Stockton.

On November 10, 2020¹, Council approved the use of EBCE's Renewable 100 product for all City facilities. Renewable 100 is sourced entirely from California solar and wind energy. On July 6, 2021², Council voted to transition most Hayward customers to Renewable 100, effective January 2022.

DISCUSSION

¹ <https://hayward.legistar.com/LegislationDetail.aspx?ID=4688323&GUID=F7AA3CB1-0D7A-48C3-A886-6C7CE8C13EB7&Options=&Search=>

² <https://hayward.legistar.com/LegislationDetail.aspx?ID=5018124&GUID=8CCC9164-4B0D-463C-AD16-709EFC1035D4&Options=&Search=>

EBCE offers energy-related programs aimed at advancing environmental justice and helping communities become more resilient and sustainable. This year, the EBCE Board of Directors dramatically increased investment in local programs by approximately 150 percent, totaling \$22.5 million. Following are some of the programs that will be included in EBCE's presentation:

- EBCE's partnership with the City to study the feasibility of developing solar and battery energy systems at Hayward's critical municipal facilities.
- Partnerships with member-jurisdictions and public agencies to offer options and incentives for customers looking to electrify their homes and businesses.
- EBCE's Resilient Home Program, which helps residential customers avoid losing power during outages by aiding customer efforts to install solar and battery storage at their homes.
- Programs aimed at advancing transportation electrification through the development of electric vehicle fast charging infrastructure in the East Bay and by providing technical assistance to municipalities looking to electrify their vehicle fleets.
- Electrification of both passenger vehicles and medium to heavy-duty goods movement which has been a historic cause of poor air quality along the transportation corridors of the East Bay.
- Induction Cooktop Lending Program that allows customers to borrow an induction cooktop for two weeks before making the switch to electric cooking, which is a safer and cleaner alternative to cooking with natural gas.

ECONOMIC IMPACT

While most Hayward customers are automatically enrolled in Renewable 100, customers on income or medical-related discounts are enrolled in in Bright Choice. In addition, some Hayward customers have opted for the Bright Choice product. Bright Choice rates have been set at 1% less than PG&E rates, resulting in total bill savings of more than \$100,000 for Hayward customers in 2021. Customers enrolled in Renewable 100 have been paying a premium of one penny per kWh or approximately 4 to 5% more than PG&E rates. In June of this year, EBCE's Board of Directors approved lowering customer rates, raising the discount for Bright Choice customers from 1% to 3% relative to PG&E rates. The Board also lowered rates for Renewable 100 customers, lowering the premium to $\frac{3}{4}$ of a penny per kWh more than PG&E rates.

In September, EBCE distributed a one-time \$50 bill credit to all customers enrolled in the CARE/FERA, income-qualifying discount programs. This amounted to roughly \$6.23 million in savings for nearly 125,000 East Bay homes.

FISCAL IMPACT

Hayward's participation in EBCE has no impact to the City's General Fund or other funds other than staff time from existing budgeted positions.

STRATEGIC ROADMAP

This agenda item relates to the Strategic Priority of *Confront Climate Crisis and Champion Environmental Justice*. Specifically, this agenda item relates to the implementation of the following projects:

Project C4: Transition electricity use in city operations to 100% renewable energy

Project C5: Adopt and implement 2030 GHG Goal and Roadmap

Project C9: Work with EBCE to transition citywide electricity use to 100% carbon-free

SUSTAINABILITY FEATURES

Community choice energy was identified in the City's Climate Action Plan as the program with the greatest potential to reduce community wide GHG emissions. In 2018, Hayward's participation in EBCE resulted in the 20% GHG reduction goal for 2020 being met two years early. In 2019, due in large part to EBCE, Hayward's emissions were 25.7% lower than the 2005 baseline. However, in 2021, the carbon content for Bright Choice increased significantly while PG&E increased their GHG free portion of their product to 93%. When staff completes the 2021 emissions inventory, the Bright Choice product is expected to negatively impact Hayward's overall progress on emissions reductions.

PUBLIC CONTACT

No public contact was made for this agenda item.

NEXT STEPS

Staff will continue to implement Roadmap projects and, in the spring of 2023, will seek Council direction on potential changes to the Roadmap.

Prepared by: Erik Pearson, Environmental Services Manager

Recommended by: Alex Ameri, Director of Public Works

Approved by:



Kelly McAdoo, City Manager