



A Tradition of Stewardship  
A Commitment to Service

Agenda Date: 3/8/2016  
Agenda Placement: 11A

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** Lawrance Florin - Director  
Housing and Intergovernmental Affairs  
**REPORT BY:** Michael Karath, STAFF ASSISTANT - BOS - 299-1477  
**SUBJECT:** Marin Clean Energy - Power Change Indifference Adjustment (PCIA)

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### **RECOMMENDATION**

Director of Housing and Intergovernmental Affairs requests approval of and authorization for the Chairman to communicate to Marin Clean Energy (MCE) support for its effort to ensure a fair and open process for Pacific Gas & Electric (PG&E) to calculate and bill its former ratepayers (who are now MCE ratepayers) for the cost of power contracts that PG&E had already purchased for projected future energy needs.

### **EXECUTIVE SUMMARY**

Marin Clean Energy (MCE) is asking for a letter of support for their continuing effort to lower the power change indifference adjustment (PCIA) for MCE ratepayers. The PCIA is the amount of "dead" energy contracts purchased by Pacific Gas & Electric (PG&E) that they seek reimbursement for, since many of their clients have switched to MCE.

The current process relies on PG&E to internally determine the PCIA amount. An initial understanding between the two agencies was that MCE ratepayers would pay 75 percent of the PCIA costs. But last month, the California Public Utilities Commission agreed with PG&E's assessment that MCE ratepayers should pay 95 percent of the PCIA cost.

This has spurred MCE to call for a more open process in which the PCIA can be fairly calculated. This is why MCE is seeking support from local jurisdictions.

### PROCEDURAL REQUIREMENTS

1. Staff reports.

2. Public comments.
3. Motion, second, discussion and vote on the item.

**FISCAL IMPACT**

Is there a Fiscal Impact?                      No

**ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

**BACKGROUND AND DISCUSSION**

Marin Clean Energy (MCE) is asking for a letter of support for their continuing effort to lower the power change indifference adjustment (PCIA) for MCE ratepayers. The PCIA is the amount of "dead" energy contracts purchased by Pacific Gas & Electric (PG&E) that they seek reimbursement for, since many of their clients have switched to MCE.

The current process relies on PG&E to internally determine the PCIA amount. An initial understanding between the two agencies was that MCE ratepayers would pay 75 percent of the PCIA costs. But last month, the California Public Utilities Commission (CPUC) agreed with PG&E's assessment that MCE ratepayers should pay 95 percent of the PCIA cost.

This CPUC ruling has spurred MCE to call for a more open process in which the PCIA can be fairly calculated. This is why MCE is seeking support from local jurisdictions.

Attached to this board letter is a one-page MCE memo that outlines its call to reform PG&E's PCIA process to include transparency, accountability, and proper valuation.

**SUPPORTING DOCUMENTS**

A . MCE Memo - PCIA Process

CEO Recommendation: Approve

Reviewed By: Molly Rattigan