

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 8

TO: Community Advisory Committee

FROM: Alisa Lembke, Board Clerk – Administrative Analyst

SUBJECT: Rate Structure / Possible Dividend Program

DATE: March 28, 2019

BACKGROUND

In January 2019, staff recommended that the Community Advisory Committee (CAC) create a task group to collaborate with staff to develop a new rate structure and dividend program for VCE's 2020 fiscal year. The CAC created a Rates and Services Task Group and have collaborated with staff in developing a draft Dividend program.

A preliminary draft Dividend program was provided to the CAC at your February 28, 2019 meeting. The Committee's comments and suggestions were incorporated into a draft Dividend program and guidelines, then presented to the Board of Directors at their March 14, 2019 meeting for their comments. Those comments were then communicated to the Rates and Services Task Group for consideration.

Attached is the Rates and Services Task Group's *draft* report for the Committee's review and comments. The Task Group would like input and direction from the CAC Members and Staff, prior to a final report and recommendation accompanying the Rate Structure/Dividend Program for the Board's adoption.

Attachment: Rates and Services Task Group draft report on New Rate Structure/Dividend Program

***New Rate Structure/Dividend Program Draft Report
Rates and Services Task Group
3/28/19 CAC Meeting***

Background:

At the February 28, 2019 CAC Meeting, Staff presented an overview of a proposed dividend program which would offer bill credits to VCE customers if certain financial thresholds are met. This program would be in lieu of any discounts to PG&E's rates. Staff presented a similar overview to the VCE Board on March 14, 2019. The Rates and Services Task Group met with Staff over the previous few weeks to assist in the development of the guidelines for the Dividend program.

Recommendation:

The task group is in support of the Dividend Guidelines presented by Staff with one addition – the task group recommends that dividends should not be paid out until all accounts in the VCE service area have been enrolled or are in the process of being enrolled.