Overview

- Background
- Purpose
- Requested Action
Background

• Procurements will begin in January contingent on:
  – CPUC certification of Implementation Plan (expected January 16)
  – Submission by VCEA of its CPUC CCA Registration Certification request (planned for January 19)

• Procurement Timing:
  – Late January/February – Pre-Launch Solicit for 100% of expected Renewables for 2018
  – Throughout 2018 conduct procurements for 2019

• Procurement Objectives:
  – Procure the Energy Products necessary to form VCEA’s power portfolio:
    • PCC-1 and PCC-2 renewable energy volumes to achieve 42% renewable content
    • 33% non-RPS clean energy (large hydro)
    • Resource Adequacy
    • CAISO Market Power
    • Fixed price market power for fixing VCEA’s power cost (hedging)
  – Procure needed Energy Products at lowest cost
Purpose

- Procurement Guide lays out the criteria for the products purchased.
- Guide also includes a section on specific procurement strategy (which has been redacted because of the commercially sensitive nature of the information).
- Staff will be requesting Board to adopt a resolution that:
  - Approves the Procurement Guide and
  - Approves a specific delegation to procure forward products for 2018 and 2019 within certain dollar limits:
    - 2018 - $29.87 million ($28.45 million plus 5% contingency)
    - 2019 - $43.93 million ($41.84 million plus 5% contingency)
Requested Action

• Advisory Committee recommend to the Board adoption of the Procurement Guide.