

SILICON VALLEY CLEAN ENERGY AUTHORITY

RESOLUTION NO. 2024-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SILICON VALLEY CLEAN ENERGY AUTHORITY TO UPDATE THE NON-STANDARD PRICING AGREEMENT POLICY TO CLARIFY SUPPORTING PRODUCTS OR SERVICES

THE BOARD OF DIRECTORS OF THE SILICON VALLEY CLEAN ENERGY AUTHORITY HEREBY RESOLVES AS FOLLOWS:

WHEREAS, the Silicon Valley Clean Energy Authority (“SVCE”) was formed on March 31, 2016, pursuant to a Joint Powers Agreement to promote, develop, conduct, operate, and manage energy programs in Santa Clara County;

WHEREAS, Silicon Valley Clean Energy launched service under a community choice aggregation program on April 3, 2017;

WHEREAS, commercial and industrial customers make up a substantial majority of SVCE’s electric load;

WHEREAS, commercial and industrial customers are critical partners in helping SVCE and its member agencies reduce carbon emissions and meet climate action planning goals;

WHEREAS, current SVCE commercial and industrial customers may become eligible to opt out to receive DA service under more flexible or lower-cost tariff structures;

WHEREAS, SVCE seeks to provide clean, carbon-free electricity services that meet customer needs, at rates that are competitive and contribute positively to SVCE’s financial position;

WHEREAS, the Direct Access marketplace is highly competitive, requiring that SVCE structure non-standard pricing agreement terms in a highly responsive, time-sensitive fashion;

WHEREAS, in June of 2019, the SVCE BOD approved Resolution 2019-12, delegating authority to the Chief Executive Officer to negotiate and execute non-standard pricing agreements with eligible large commercial and industrial customers, provided that the pricing agreements meet the minimum requirements set forth in the Non-Standard Pricing Agreement Policy;


WHEREAS, SVCE seeks to clarify that ‘consideration and valuation of supporting products and services’, as referenced in the approved Non-Standard Pricing Agreement Policy, may include consideration of customer-provided supply contracts, or agreements to commit a portion of SVCE provided resources.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SILICON VALLEY CLEAN ENERGY AUTHORITY DOES HEREBY RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. The Board hereby updates the Non-Standard Pricing Agreement Policy to state: ‘A non-standard pricing agreement will apply to electric generation services and may include consideration and valuation of supporting products or services, such as a customer-provided supply contract, or an agreement to commit a portion of SVCE-provided resources’.


ADOPTED AND APPROVED this 10th day of January 2024, by the following vote:

JURISDICTION	NAME	AYE	NO	ABSTAIN	ABSENT
City of Campbell	Director Scozzola	✓			
City of Cupertino	Alternate Director Wei	✓			
City of Gilroy	Alternate Director Armendariz	✓			
City of Los Altos	Director Meadows	✓			
Town of Los Altos Hills	Director Tyson	✓			
Town of Los Gatos	Director Rennie	✓			
City of Milpitas	Director Chua	✓			
City of Monte Sereno	Director Mekechuk	✓			
City of Morgan Hill	Director Martinez Beltran	✓			
City of Mountain View	Director Showalter	✓			
County of Santa Clara	Director Lee				✓
City of Saratoga	Director Walia	✓			
City of Sunnyvale	Director Klein	✓			

DocuSigned by:

 5289D831B3DE450...

Chair

ATTEST:

DocuSigned by:

 8BC3564ACEA848D...

Secretary

**SILICON VALLEY CLEAN ENERGY AUTHORITY
NON-STANDARD PRICING AGREEMENT POLICY**

Updated 1/10/2024

When offering non-standard pricing agreements to eligible customers, SVCE adheres to a defined non-standard pricing agreement policy. A non-standard pricing agreement will apply to electric generation services, and may include consideration and valuation of supporting products or services, such as a customer-provided supply contract, or an agreement to commit a portion of SVCE-provided resources. Under this policy, the non-standard pricing agreement must:

- 1) apply exclusively to customers with annual load in SVCE's service territory greater than 10GWh
- 2) be marginal cost-based and account for any volume and/or price risk
- 3) be priced to allow SVCE to cover variable costs and achieve some level of contribution to fixed cost and reserve margin, in conformance with SVCE's financial objectives, Risk Management Policy and controls.
- 4) require a commitment level from the customer (e.g. volume, length of term) commensurate with the non-standard pricing agreement offered to the customer
- 5) meet SVCE's carbon-free requirements, and be consistent with SVCE's decarbonization strategy for power supply, transportation and the built environment