Joining Monterey Bay Community Power (MBCP) is the most cost-effective solution to empower communities in San Luis Obispo County with choice and electricity savings.

Community Choice Aggregation (CCA) delivers more local control, cost savings, innovative energy options, and impactful energy programs than the alternative. The cities of San Luis Obispo and Morro Bay elected to join MBCP in 2018 in order to take control of their ratepayer dollars to expand consumer choice, reduce utility costs, and invest in California’s renewable energy projects. Those same benefits have inspired cities and counties throughout California to follow suit and pursue community choice energy through approximately 20 CCA agencies, serving over three million customers.

1 Local Control & Economic Benefits

The cities of San Luis Obispo, Morro Bay and 19 Monterey Bay area communities have already joined MBCP. As a result, these cities and counties exercise more local control over energy-related decisions through MBCP’s publicly appointed Community Advisory Council, Operations Board and Policy Board. By joining MBCP, communities in San Luis Obispo County would have more discretion over how their ratepayer dollars are invested, including lower rates and/or local energy programs. The cities of Arroyo Grande, Atascadero, Grover Beach, Paso Robles, Pismo Beach and the County of San Luis Obispo can unite with the cities of San Luis Obispo and Morro Bay to create a united central coast where everyone has a choice.

### Preliminary Total Customer Savings for San Luis Obispo County with MBCP

<table>
<thead>
<tr>
<th>SECTOR</th>
<th>San Luis Obispo County (Uninc.)</th>
<th>San Luis Obispo (City)</th>
<th>Pismo Beach</th>
<th>Paso Robles</th>
<th>Morro Bay</th>
<th>Grover Beach</th>
<th>Atascadero</th>
<th>Arroyo Grande</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Customers*</td>
<td>$510,981</td>
<td>$154,995</td>
<td>$46,638</td>
<td>$160,213</td>
<td>$45,510</td>
<td>$28,030</td>
<td>$101,077</td>
<td>$60,532</td>
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<tr>
<td>Commercial Customers**</td>
<td>$887,054</td>
<td>$404,628</td>
<td>$80,962</td>
<td>$278,128</td>
<td>$60,166</td>
<td>$48,660</td>
<td>$175,468</td>
<td>$105,083</td>
</tr>
<tr>
<td>Total***</td>
<td>$1,398,035</td>
<td>$559,622</td>
<td>$127,600</td>
<td>$438,342</td>
<td>$105,676</td>
<td>$76,689</td>
<td>$276,544</td>
<td>$165,616</td>
</tr>
</tbody>
</table>

**Estimation is based on 2018 SLO RFP for electricity consumption and MBCP’s 3% rebate applied to a weighted residential electric generation rate as of February 2019. **Estimation is based on 2018 SLO RFP for electricity consumption and MBCP’s 3% rebate applied to a weighted commercial electric generation rate as of February 2019. Commercial customers include public, municipal, commercial, agricultural and any other non-residential customers. ***Estimation is based on 95% enrollment in MBCP electric service and this figure originated from City of San Luis Obispo RFP for CCE services.

SAVE

In 2018, customers saved over $4.4 million with MBCP. MBCP rates are lower than PG&E’s, thanks to MBCP’s 3% customer rebate.

RE-INVEST

MBCP sets aside an estimated $4.5 million for customer programs to invest in the region and that amount will grow with new communities enrolled in MBCP.
Minimize Financial Risk & Maximize Efficiencies

| $4.4 MM | Savings delivered to 270,000 customers in Monterey, Santa Cruz and San Benito Counties |
| $4.5 MM | Dedicated to local energy programs each year and this continues to grow |
| 215 MWs | New renewable energy projects powering more than 20% of MBCP’s customer base |
| $450k | In local contracts awarded by MBCP to support the local economy |
| $6MM | Funding for EV charging stations via the CA Electric Vehicle Infrastructure Project (CAleVIP) |

Economies of scale create efficiency and cost-effective administration. Communities can minimize redundancy and capitalize on collective investments in local energy projects, long-term power contracts, human resources, and community outreach.

Minimize start-up costs. Currently, there is minimal cost to join MBCP. Creating a new local program would require significant capital for start-up financing and could take years to begin providing service at comparable rates. As more communities collectively join at the same time, start-up costs can be shared or reduced.

MBCP’s long-term renewable and carbon-free energy contracts at low wholesale prices. MBCP’s energy procurement practices provide communities with protection against future market fluctuations.

MBCP has significant operating reserves over $56 million as of December 31, 2018, which can help with future energy market fluctuations, rate competitiveness and financing. MBCP will be able to fund local investments faster and and estimates reaching its reserve target of 50% of operating expenses in less than two years.

Energy Programs

MBCP launched its Electric Vehicle incentive program, an approximately $725,000 investment, to support income-qualifying customers and public agencies.

MBCP partnered with Grid Alternatives, a nonprofit organization that brings solar technology to communities that would not otherwise have access, to support income-qualified homeowners via its “Project Sunshine” program.

MBCP will create an innovative electrification strategic plan to unlock the economic and environmental benefits of an electrified Central Coast through transportation electrification, building electrification and distributed energy resources.

MBCP is developing a cutting-edge micro-grid program to provide greater access to electricity due to grid constraints while supporting economic opportunities.

Process to Join MBCP

#1 Study session. An opportunity for a city or county jurisdiction to convene a council meeting or workshop for the community to learn more about MBCP.

#2 Introduce resolution and first reading of ordinance. An opportunity for the jurisdiction to formally adopt a resolution to join MBCP and introduce an ordinance to approve MBCP’s Joint Powers Authority agreement.

#3 Second reading of ordinance. A second reading of the ordinance is necessary to formalize the jurisdiction’s approval of joining MBCP.

#4 Agreement on board representation. An opportunity for the jurisdiction to decide whether their board representation is consistent with MBCP’s board structure for the Community Advisory Council, Operations Board and Policy Board.

#5 Request of load data. MBCP requests PG&E load data for the jurisdiction to analyze the associated cost of including that jurisdiction’s PG&E customers.

#6 Approval of new communities by MBCP Policy Board. MBCP introduces the inclusion of the jurisdiction to the MBCP Community Advisory Council, followed by the MBCP Operations Board for recommendation to the MBCP Policy Board to final approval.

#7 Amended implementation plan and Joint Powers Authority agreement. With the approval of the MBCP Policy Board, MBCP submits an amended implementation plan and Joint Powers Authority agreement to the California Public Utilities Commission for certification. Certification normally takes 90 days.

#8 Customer enrollment. If all steps are completed by December 2019, MBCP will be able to serve the remaining communities in San Luis Obispo County by early 2021.