

Response
to the
City of Chicago
Electricity Delivery RFI

JVJ Pacific Consulting LLC

1990 North California Boulevard

8th Floor

Walnut Creek, California 94596

jvjpc11c@aol.com (925)310-5070

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1. EXECUTIVE SUMMARY

JVJ Pacific Consulting LLC offers a unique combination of skills to assist the City of Chicago in achieving its energy, climate, sustainability, equity and economic development goals. We only work as advisors to cities and our commitment and loyalty is to our clients.

As evidenced by the City's experience, utility franchises rarely come up for renewal, and expertise outside the utilities is quite limited. Moreover, the needs of communities, such as the City, have significantly evolved over the years, as has technology.

JVJ Pacific Consulting LLC (JVJ) has the knowledge and experience vitally needed for the successful achievement of the City's goals. Most recently, it has played a major role in the City of San Diego's development of new electric and natural gas franchises to replace the 50-year franchises issued in 1970. Among other achievements, JVJ played a leading role in San Diego's ability to:

- obtain payments of at least \$ 80 million (which could increase to \$ 100 million), none of which will be charged to utility customers, in addition to the regular annual franchise payments, plus an additional \$10 million for a climate equity fund
- radically reducing the duration of the franchises, thus maintaining San Diego's future flexibility
- require the incumbent utility to cooperate with the local community aggregation entity
- create a framework for ongoing cooperation in achieving San Diego's climate, social equity and sustainability goals

The JVJ team has advised clients on approximately 40 franchise agreements. In addition, the JVJ team has advised a number of cities and Native American tribes on possible electric delivery system formation and even more on formation of community aggregators.

We would be honored to be of service to the City of Chicago, and, through the City, its residents and businesses.

The expiration of the City's electric franchise agreement with Commonwealth Edison Company provides important opportunities for the City, for its residents and businesses, and for future economic development. The terms of the new franchise agreement will be pivotal in supporting the City of Chicago in achieving its climate goals while simultaneously supporting the City's continued development as an economically vibrant leader in the clean economy.

We understand that the City is interested in learning about innovative energy engineering, financial, governance and community partnership models and policies that can inform City decision-making even if the respondent proving such information does not seek or is not capable of holding a City electricity delivery franchise.

Our team is pleased to respond to the City's RFI for this project. Our team is uniquely qualified to support the City of Chicago in structuring and negotiating the new franchise. A brief summary of our team is provided below.

JVJ proposes that **Mr. Howard V. Golub** (former General Counsel of Pacific Gas & Electric Company, the nation's largest public utility) serve the City as JVJ's lead in assisting the City in developing its future.

Mr. Golub can provide the City with a blend of qualifications to assist the City in achieving its objectives:

---decades of experience with electric and gas utilities, including publicly-owned utilities, investor-owned utilities, community choice aggregators, and other energy and demand response providers

---strategic understanding of utility objectives and vulnerabilities, allowing him to maximize the City's ability to achieve its energy objectives

---knowledge of energy law, including franchise agreements, which is probably unsurpassed

---extensive experience with public agencies involved in energy matters

---ability to integrate the myriad applicable utility and municipal laws and regulations based on in-depth knowledge of these requirements and of their interaction

---in-depth experience as a project manager for complex projects

--ability to fashion creative solutions, built on a bedrock of knowledge, to achieve results

---a proven track record of success in achieving clients' objectives

JVJ Pacific Consulting LLC also proposes to make available, the following team:

-- **Mr. James Kelly** (former Senior Vice President of Transmission & Distribution for Southern California Edison Company) provides over 40 years of electricity experience, especially with the design, engineering, construction, operation and maintenance of electric utility distribution, substation, subtransmission and transmission systems. He is a member of the Board of Directors of S&C Electric Company and widely acknowledged as an industry expert in Smart Grid technologies.

-- **Mr. Erik Caldwell** (formerly Chief Sustainability Officer, Deputy Chief Operating Officer and Director of Economic Development for the City of San Diego, California) has a commitment to community development, in all of its phases, including sustainability, economic development and social equity. He is intimately knowledgeable about municipal decision-making. Among his achievements, he spearheaded the analysis and adoption of a community aggregation program (known as San Diego Community Power) and led San Diego's initial efforts to develop new electric and natural gas franchises to replace the 1970 versions.

--**Ms. Michele Chait** is an electricity sector professional with over 25 years of experience. Ms. Chait's broad electricity sector expertise overlaps with topics important to the City of Chicago's franchise agreement and clean energy goals. These include utility rates and tariffs; economic analysis of utility business models under high penetrations of renewable and distributed energy resources; GHG reduction strategies for retail electricity supply; vehicle electrification ; distributed energy resource economics ; electric rate design ; community choice aggregation ; procurement ; matters related to supply of power to large users of electricity ; asset valuation ; regulatory frameworks and policy recommendations, power project development, project finance, Power Purchase Agreements structuring and negotiations. She is a graduate of the University of Chicago.

2. TEAM INFORMATION AND PAST EXPERIENCE

a. Name of Responding Company

JVJ Pacific Consulting LLC, a limited liability company, in good standing with the Secretary of State of the State of California. Howard V. Golub is the registered Managing Member.

b. Key Principal and Contact Information

JVJ Pacific Consulting LLC (JVJ) is located at 1990 North California Boulevard, 8th Floor, Walnut Creek, California 94596.

Telephone number: (925) 310-5070

Email address: jvipcllc@aol.com

c. Previous Experience in Electricity Distribution Utilities and/or other Aspects of the Energy Sector

The JVJ team has well over a century of experience with electricity distribution utilities and/or other aspects of the energy sector. Their experience is summarized above, and discussed in more detail below, but Mr. Golub was responsible for the legal, regulatory, worker safety and corporate compliance affairs of the nation's largest combination utility. In addition, as the company's Chief Environmental Officer, he innovated a corporate-wide program which embraced environmental improvement--not just compliance-- which was later adopted by many other utilities. Mr. Kelly supervised over 8,000 employees responsible for the safe and reliable operation of the second-largest electric Transmission and Distribution system in the nation. Mr. Caldwell successfully led the effort to form the second largest community aggregation system in the nation. Ms. Chait has advised scores of entities involved the electric industry including utilities, independent power producers, municipalities, public transit agencies and the California Public Utilities Commission.

d. Summary Description from Recent Experiences or Projects

The JVJ team has been intimately involved (often as the lead for their respective clients), in well over a hundred complex projects.

The entire JVJ team participated in the most recent example, which is highly pertinent to the City's RFI: the City of San Diego new franchise agreements.

The City of San Diego Franchise Agreements

The City of San Diego, the nation's 8th largest city, in 1970, entered into two franchise agreements for electricity and for natural gas which were scheduled to expire in 2021.

In 2019, San Diego commenced the process of developing new franchises. As part of that effort, San Diego retained New Gen Energy Strategies to analyze the economic feasibility of a city-owned owned electricity and natural gas utilities and JVJ Pacific Consulting LLC to assist in the development of the new franchises.

Development of the new franchises involved a broad spectrum of issues similar to those identified by the City of Chicago.

As part of its duties to San Diego, JVJ conferred with a wide variety of San Diego elected officials and employees, both to obtain their input on policy and on operational issues and to provide practical advice to achieve San Diego's objectives. In addition, JVJ received input from the public and incorporated that input into JVJ's recommendations to San Diego.

The incumbent utility, San Diego Gas & Electric Company (SDG&E), has provided electric and gas service to San Diego for over 100 years, and has extensive political and community ties within that city. Initially, SDG&E sought to retain the terms of the 50-year long 1970 franchises. SDG&E was particularly opposed to a multi-million dollar payment in addition to the annual franchise fee and to significantly reducing the term of the franchises. SDG&E also strongly rebuffed efforts to create a framework to support San Diego's climate and other sustainability goals.

JVJ has worked effectively for San Diego, through two administrations, with two Mayors, two substantially different City Councils and two sets of senior management, all the time focused on achieving San Diego's goals, as they evolved over time.

By 2021, San Diego had developed new franchises which were immeasurably better for San Diego than the previous franchises and the various positions taken by SDG&E.

In essence, the new franchises, agreed to by SDG&E and approved by the City Council at its first reading on May 25th, will provide for:

- a continuation of the annual franchise fees, to be paid to the General Fund, of 3% of SDG&E's gross receipts within San Diego, the highest in California

- a fee, in addition to the annual franchise fees of \$80 million to be paid to the General Fund, and none of it to be charged to utility ratepayers
- a fee of \$10 million paid by SDG&E into San Diego's climate equity fund
- a term of 10 years, to be extended for an additional 10 years unless the City Council votes in its sole discretion, to not extend the franchises
- a fee, in addition to the annual franchise fees, of \$20 million to be paid to the General Fund, and none of it to be charged to utility ratepayers, if the franchise is extended for the additional 10 years
- expenditure of \$10 million by SDG&E to subsidize rooftop solar installations within San Diego
- a requirement that SDG&E cooperate with the community aggregator created by San Diego
- a framework, reflected in a Cooperation Agreement, for specific, on-going efforts to achieve San Diego's climate, sustainability and social equity goals
- biennial compliance audits of SDG&E's performance under the franchises
- a provision for liquidated damages for breach of the franchises by SDG&E
- a dispute resolution provision, to resolve issues without having to resort to litigation

Mr. Golub:

(i) City of Long Beach Agreement

The City of Long Beach had an agreement with Southern California Edison Company (SCE), similar to a franchise, concerning the Port of Long Beach (POLB), a department of that city. That agreement, which granted SCE use of the public ways on the thousands of acres which comprise the POLB was expiring. At the same time, POLB was rapidly increasing the use of electricity for port operations such as cranes and yard vehicles as well as vessels at berth (displacing diesel). This made a reliable source of electricity critical to POLB but was facing multi-million dollar infrastructure upgrade charges from SCE. Moreover, because POLB was under competitive pressures from other ports including the Port of Los Angeles which had a low cost electricity supply from the Los Angeles Department of Water and Power (the largest municipal electric utility in the U.S.) it was also deeply concerned about the cost of electricity. Mr. Golub, Mr. Kelly and Ms. Chait, working with Long Beach, developed and implemented a plan to obtain a satisfactory new agreement and to obtain a major reduction in its electricity costs.

Implementing the plan required several years and included extended negotiations with SCE, which strenuously sought to maintain the status quo.

Eventually, SCE acquiesced to a new agreement on the terms long sought by the City of Long Beach.

The agreement required California Public Utilities Commission (CPUC) approval and CPUC staff first opposed the rate discount, but after extensive discussions, supported the arrangement. The full CPUC Commission approved the agreements.

These agreements provided POLB with (i) new electric distribution facilities for 25 years at no charge to POLB and (ii) discounted rates for 25 years for electric service at POLB which POLB has computed as worth \$350 million, in addition to the value of the new facilities.

Moreover, the relocation provision of the arrangement later saved POLB an additional \$133 million on the relocation of certain SCE electric lines.

(ii) Transportation Electrification Funding

California's Senate Bill 350 (the Clean Energy and Pollution Act of 2015) includes a mandate to promote widespread transportation electrification. The California Public Utilities Commission has instituted a complex, multi-party proceeding to implement this mandate. Mr. Golub represented the City of Long and obtained approximately \$55 million in actual and earmarked funding over the next five years from electricity rates for vehicle electrification with that city service territory, a major portion of that \$ 50 million will probably be assigned to POLB.

(iii) Port of Stockton Electric Distribution System

The Port of Stockton (POS) was concerned that high Pacific Gas & Electric (PG&E) rates for electricity threatened its competitiveness and its ability to fulfill its mission of enhancing the economy of San Joaquin County. At that time, the entire POS was a captive customer of PG&E. Mr. Golub developed and implemented a strategic plan which eliminated PG&E as power supplier on a major portion of its properties.

Mr. Golub implemented that plan over PG&E opposition, in part by enlisting the Federal Energy Regulatory Commission to support POS. Within three months of the commencement of the implementation stage, the pertinent portion of POS was independent of PG&E retail service, had an executed Interconnection Agreement with PG&E, an executed Power Purchase Agreement with a third-party power supplier and was receiving lower-cost power for resale to electricity end-users located at POS.

Mr. Kelly:

(i) City of Long Beach Agreement

As previously mentioned in Mr. Golub's relevant examples, Mr. Kelly, Mr. Golub and Ms. Chait were a team in the development and execution of a strategy that will ultimately save the Port of Long Beach nearly 1/2 billion dollars over the life of the arrangements. Mr. Kelly's deep experience with utility operational practices, tariffs and rate design and thorough understanding of the design and constraints of an electric grid provided a critical advantage in the process.

(ii) SCE Renewable Transmission Initiative

Southern California Edison could not meet California's meritorious goals for renewable power generation without a plan to design and build high voltage electric transmission facilities across Southern and Central California that would enable a massive amount of new solar and wind facilities to connect to the grid. Mr. Kelly was the senior executive responsible for the development and approval (by the California Public Utilities Commission and the Federal Energy Regulatory Commission) of an unprecedented plan to deploy over \$25 billion of new facilities in a decade. This visionary plan, which is now nearing completion, has enabled SCE and other utilities to meet and significantly exceed each increased Renewables Portfolio Standard set in California.

(iii) Morongo Transmission

Mr. Kelly and his partner developed a unique model to solve a very real problem – the need to build significant new electric transmission facilities that had to cross tribal lands. The Morongo Band of Mission Indians and the utility had a difficult relationship, and progress was stalled. Mr. Kelly created a new model in which the tribe would allow use of its land in exchange for the right to procure 49% of the capacity of the transmission line over its life. Mr. Kelly also applied the "Citizens Energy Corporation" precedent to obtain FERC approval of a ratemaking methodology that generated significant, enduring income for the tribe without increasing utility customer rates. This approach, which was ultimately approved by the Department of the Interior, CPUC and FERC, has been hailed by environmental, labor and Native American groups as an important step forward which allows Native American tribes to maintain their sovereign rights while also receiving fair value for their lands and becoming partners in the nation's critical electrical infrastructure.

Mr. Caldwell:

(i) Community Choice Aggregation Program

Mr. Caldwell led the City of San Diego team charged with conducting the initial feasibility study and business planning which led to the establishment of San Diego Community Power (SDCP) as the first Community Choice Aggregation program within the San Diego region. SDCP will provide renewable electricity service to about 770,000 customer accounts in the cities of Chula Vista, Encinitas, Imperial Beach, La Mesa and San Diego once fully launched in early 2022.

(ii) CONNECT ALL @ Jacobs Center

As Economic Development Director for the City of San Diego, Mr. Caldwell established a strategic partnership between the City of San Diego, Jacobs Center for Neighborhood Innovation

and CONNECT with the goal of stimulating technology focused entrepreneurship and wealth creation in underserved San Diego communities. CONNECT ALL's 4,300 square foot technology accelerator has jump started more than 40 companies. This program is funded in whole or in part with Community Development Block Grant program funds provided by the U.S. Department of Housing and Urban Development to the City of San Diego. Private funding is also provided by partners MUFG Union Bank N.A. and bkm OfficeWorks.

Ms. Chait:

(i) City of Long Beach Agreement

As previously mentioned, Ms. Chait was part of the team which developed and executed the successful strategy for the Port of Long Beach. Ms. Chait played a key role in the negotiation of tariffs with SEC and in subsequent negotiations with the staff of the California Public Utilities Commission which initially objected to the massive rate discounts but were later persuaded by Ms. Chait to support the agreement.

(ii) City of Frankfort Municipal Utility

Advised the Frankfort Plant Board (FPB), a Kentucky Municipal utility, as to the economic and contractual risks and benefits of participating in the newly formed Kentucky Municipal Energy Agency (KyMEA). Analyzed the All Requirements power supply contract, the Interlocal Cooperation Agreement creating the Kentucky Municipal Energy Agency, several KyMEA power purchase agreements, Kentucky Utilities historical rate case data, and created an economic model projecting the costs of KyMEA versus Kentucky Utilities (KU) service for the coming decade. Recommendations to FPB were grounded in this commercial and economic analysis. They included contract modifications that should be pursued to ensure that FPB will retain the ability to provide its customers with the most economic mix of resources best meeting customer needs, and recommendations to establish appropriate controls and accountability to KyMEA Members.

(iii) Community Aggregation

Engaged by Confidential Community Choice Aggregation clients to conduct integrated resource planning (IRPs), screen renewable energy and paired solar + battery storage procurement bids and recommend shortlisted offers. Estimated CO2 emissions under various quantification methodologies (Clean Net Short, The Climate Registry, Power Content Label). Projected supply costs versus bundled utility service. Evaluated distributed resource program economics versus avoided costs.

(iv) University of California

Advised the University of California to develop strategies achieving carbon neutrality by 2025, Evaluated mechanisms to facilitate carbon reductions for campuses with bundles retain service. Recommended composition of renewable generation portfolio. Advised individual UC campuses on the economics and qualitative aspects of individual on- and off-campus solar PV and paired

storage projects. Evaluated economics and deliverability aspects of long-term renewable energy bids received in response to University RFO.

(v) Los Angeles Metropolitan Transportation Authority

Developed strategies for Los Angeles Metropolitan Transportation Authority (LA Metro), the second largest public transit system in the country, to reduce electricity costs. Conceived of several innovative electricity bill reduction strategies worth several million dollars annually and recommended regulatory tactics. Advised on feasibility of implementing resiliency measures within current utility regulatory framework. Analyzed and developed recommendations for LA Metro to achieve its carbon reduction goals associated with retail electricity supply.

e. Approach to Corporate Compliance and Ethics, Including Accountability to Stakeholders Such as Ratepayers, Regulators, and the General Public

This item appears to be directed at utilities and aggregators. However, the JVJ team has, over the many years of their collective experience, advocated and implemented rigorous standards of compliance and ethics in their respective fields of endeavor.

The JVJ team can assist the City in developing effective provisions in the new franchises which require the highest degree of both transparency and accountability from the utility grantee.

f. Approach to Development of a Diverse Workforce and Diverse Supply Chain

This item also appears to be directed at utilities and aggregators.

Here, too, the JVJ team can advise the City on techniques used in the utility industry and by other public agencies to have the utility grantee implement a diverse workforce and supply chain.

3. NARRATIVE

JVJ Pacific Consulting LLC can address the RFI's objectives and goals by identifying strategic pathways and tools for the City to achieve those objectives and goals.

The City of Chicago has already committed to important steps, including renewable energy supply to City buildings by 2025 and to all buildings by 2035 and full electrification of its public bus fleet by 2040. With a heavy reliance on electrification of end uses, it's critical that the electricity distribution system be capable of delivering a safe, adequate, reliable, and resilient electricity supply. Moreover, the City has laid out its expectations regarding franchise cost savings, social equity community investment and growth of the local clean energy economy.

These are ambitious and challenging goals and will not be easy to achieve. Utilities, particularly incumbent utilities with entrenched interests and strong ties to the community may articulate support for at least some of those goals but the reality may be quite different.

JVJ's understanding of the inner-workings of utilities, of cities' operational needs for successful franchises and of the dynamics of large cities allows JVJ to create innovative but practical solutions which work well for cities and which utilities can—perhaps grudgingly—accept.

At the same time, JVJ's understanding of the alternatives, including successful community aggregation and municipal utility strategies, can provide the City with a comprehensive set of alternatives, further enhancing the City to achieve its goals and objectives.

4. PUBLIC BENEFITS

This item appears directed at a potential utility grantee of the franchise. However, the San Diego franchises, described above, particularly the Cooperation Agreement, provides an example of the potential non-financial benefits to a city of a well-designed franchise

5. LESSONS LEARNED / NEXT STEPS

The City of San Diego, discussed above, is by far the best example of another City with goals similar to the City of Chicago. The City of Long Beach, in the example described above, was focused on financial matters, but that experience also provides useful lessons for the City.

The lessons learned include the importance of:

- fully understanding the needs, goals and objectives of the grantor city and investing the time and effort to obtain input not only from senior management but also line personnel who interact with the utility on a daily basis and from the public
- fully understanding the utility's tactics, goals and objectives because in the vast majority of cases, despite bland assurances to the contrary, the utility considers the grantor city to be an adversary to be controlled rather than a partner to be accommodated
- a communication plan which includes all stakeholders including elected officials, the public, employees of the utility, organized labor, the business community, regulatory agencies and the utility's management throughout the process
- being steadfast in pursuing the City's fundamental goals and objectives, but flexible in how best to achieve those goals and objectives
- being firm but fair with the utility

6. RESUMES

Resumes of the JVJ team appear on the following pages.

JVJ Pacific Consulting LLC

Response to:

City of Chicago Franchise for Electricity Delivery RFI

Resume of Howard V. Golub



Howard Golub has over forty years of experience in the energy industry. He provides services to a wide range of clients in the energy industry including utilities, large consumers, public agencies, independent power producers, and developers of technologies for the production of energy.

Mr. Golub's work includes strategic planning, merger and acquisition, utility system creation, energy project development, contract negotiation and formulation, contract restructuring and alternative dispute resolution. He makes appearances before variety of federal and state agencies including the Federal Energy Regulatory Commission and the California Public Utilities Commission.

Past assignments include:

- creation of new utility systems and counseling developing systems
- community choice aggregation
- feasibility studies involving legal, regulatory, operational and financial issues
- rulemaking proceedings
- rate-setting and rate design proceedings
- discounted power rates
- utility exit fees
- utility tariff interpretation and modification
- power sales agreements, both for sellers and buyers

- interconnection agreements and transmission access agreements
- natural gas supply agreements
- development of renewable resource power projects
- hydroelectric licensing
- certificates of public convenience and necessity
- franchise agreements
- utility rights-of-way
- environmental compliance

From 1986 to 1994 he was Vice President and General Counsel of the Pacific Gas and Electric Company, one of the largest energy utility companies in the United States. He reported directly to the Board of Directors and to the Chief Executive Officer and served on the company's Management Committee consisting of the CEO and 10 other senior officers. As chief legal officer of the company, he had extensive experience with all aspects of energy law – regulation, legislation, commercial transactional, and litigation. He was also PG&E's lead environmental officer, responsible for environmental policy and for auditing environmental compliance. He formulated and implemented a proactive environmental program which increased competitiveness and earnings, was strongly endorsed by national environmental leaders, and personally awarded the nation's highest environmental medal by the President of the United States.

Prior to entering private practice, Mr. Golub was an Assistant District Attorney for New York County (1968-1969) and an officer in the Judge Advocate General's Corps of the U.S. Navy (1969-1973) where he tried numerous courts-martial and later served as a U.S. Military Judge. After leaving active duty, Mr. Golub remained in the Naval Reserves, rising to the rank of Captain.

Admissions

Mr. Golub is admitted to practice in California and New York and numerous federal courts, including the United States Supreme Court.

Education

Harvard Law School, J.D.
Hunter College, B.A. *cum laude* and Phi Beta Kappa
Naval War College: Senior Reserve Officer Course
MIT Sloan School of Management: Executive Management Program for General Counsel

Affiliations

American Law Institute, Life Member
American Bar Association
American Bar Foundation

Instructional Experience and Publications

- ENERGY IN CALIFORNIA ANNUAL CONFERENCE: Conference Co-Chair for eight years
- 2008 – NATURAL GAS & ELECTRICITY JOURNAL (February 2008): Co-Author, *Community Choice Aggregation Is a New Solution for Energy Markets*
- 2007 - ENERGY IN CALIFORNIA 2007 CONFERENCE: *Community Choice Aggregation*
- 2007 – BUYING AND SELLING POWER IN THE WEST CONFERENCE: Renewable Energy Development
- 2006 – ENERGY STRATEGIES FOR CITIES AND OTHER PUBLIC AGENCIES CONFERENCE: Conference Co-Chairman
- 2006 – WESTERN POWER SUPPLY FORUM: Conference Chairman
- 2005 - TRIBAL ENERGY CONFERENCE: Financing Tribal Energy Projects
- 2005 - NATURAL GAS & ELECTRICITY JOURNAL (April 2005): New Markets Tax Credits for Energy Projects
- 2004 - CALIFORNIA ENERGY MARKET DIRECTIONS CONFERENCE: Municipalization and Community Choice Aggregation
- 2004 - ENERGY IN THE SOUTHWEST CONFERENCE: New Opportunities for Power Development
- 2004 - MILKEN INSTITUTE ANNUAL GLOBAL POLICY: Energy Panel
- 2004 - UNIVERSITY OF SOUTHERN CALIFORNIA SCHOOL OF ECONOMICS /SAN FRANCISCO PUBLIC UTILITIES COMMISSION ROUNDTABLE: California Electricity Policy
- 2003 - BUYING AND SELLING POWER IN THE WEST CONFERENCE: Energy Contract Strategies
- 1997 - EDISON ELECTRIC INSTITUTE Electric Utility Restructuring and Antitrust Compliance.
- 1997 - AMERICAN GAS ASSOCIATION: Utility Industry Restructuring
- 1996 - STANFORD LAW SCHOOL: Corporate Directors' College: Corporate Governance
- 1996 - EUROPEAN COMMISSION ANNUAL ENERGY CONFERENCE: Implications of U.S. Developments for European Utility Industry Restructuring and Privatization.

- 1995 - STANFORD LAW SCHOOL: Corporate Directors' College: Corporate Governance
- 1994 - EDISON ELECTRIC INSTITUTE Conference on Corporate Compliance Programs: Beyond Compliance: Achieving Environmental Excellence.
- 1993 - STANFORD BUSINESS SCHOOL MAGAZINE (September 1993): co-author Reaching Accord at the Boardroom Table
- 1993 - CORPORATE GOVERNANCE ADVISOR (August/September 1993) co-author A New Perspective on Corporate Governance; Second Compact for Owners and Directors
- 1992 - AMERICAN ARBITRATION ASSOCIATION: ADR as a Tool for Achieving Pareto Optimal Results and Increasing Client Competitiveness (a.k.a. Making Legal Lemons into Marketable Lemonade).
- 1992 - CALIFORNIA SENATE NATURAL RESOURCES COMMITTEE (Fourth Annual Natural Diversity Forum); Biodiversity and Environmental Quality Management.
- 1992 - UNIVERSITY OF OREGON SCHOOL OF LAW: Public Interest Environmental Law Conference.
- 1991 - AMERICAN BAR ASSOCIATION (First Annual Conference on North American Energy Trade and Environmental Policy): Towards a North American Energy and Environmental Policy.
- 1991 - NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS CONFERENCE Legal and Regulatory Issues for Natural Gas Vehicles.
- 1991 - INTERNATIONAL BAR ASSOCIATION: The Role of U.S. and Canadian Regulatory Tribunals in Integrating International Energy Markets.
- 1991 - STANFORD LAW SCHOOL BOARD OF VISITORS: The Roles of Lawyers on the Domestic Scene: Environmental Initiatives.
- 1991 - AMERICAN GAS ASSOCIATION LEGAL FORUM: Regulatory Restructuring of the California Gas Utility Industry.
- 1990 - AMERICAN BAR ASSOCIATION: (Conference on Electricity, Law and Regulation): Developing Competition in Bulk Power Markets.
- 1988 - EXECUTIVE ENTERPRISES: Wholesale Power Market Competitive Issues.
- 1987 - CANADIAN ENERGY RESEARCH INSTITUTE: Structuring Utility-Independent Energy Producer Contracts.
- 1987 - EDISON ELECTRIC INSTITUTE: Competitive independent Energy Bidding Proposals
- 1987 - FEDERAL ENERGY BAR ASSOCIATION Competitive Bidding for Electric Capacity: Prospects, Problems, and Proposals.

- 1987 - JOINT ARMED SERVICES — PACIFIC TAX PROGRAM: Income Tax Issues for Military Personnel.
- 1986 - JOINT ARMED SERVICES - PACIFIC TAX PROGRAM: Income Tax Issues for Military Personnel
- 1985 - AMERICAN BAR ASSOCIATION - CANADIAN BAR ASSOCIATION (Joint Symposium on International Energy Trade): International Trade in Electric Power

JVJ Pacific Consulting LLC

Response to:

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Resume of James A. Kelly



Jim Kelly retired from Edison International (EIX) on July 1, 2011, after almost 38 years of service with the Company. EIX is the parent company of Southern California Edison, a regulated electric utility, and Edison Mission Group, an independent power company.

Prior to his retirement, Mr. Kelly was the senior vice president of Transmission & Distribution for Southern California Edison, responsible for the operation and maintenance of an electrical grid comprised of over 12,000 miles of transmission and 100,000 miles of distribution lines spread across a 50,000-square-mile service area. Mr. Kelly led an organization of over 8,000 employees in the utility's T&D business unit, which also maintains and operates more than 900 substations. SCE's T&D organization serves over 14 million people through about 5 million customer accounts. As head of T&D, Mr. Kelly was responsible for an annual capital budget of about \$2.5 billion and O&M of over \$500 million.

Mr. Kelly was also president of Edison ESI, a subsidiary company that operates one of the largest electrical and mechanical repair facilities in the U.S., with over 400,000 square feet of shop space under one roof. Edison ESI provides overhaul, maintenance, testing, repair, and calibration of equipment for other utilities, cogenerators, independent power producers, major industries and public agencies.

Mr. Kelly was previously the vice president of Engineering & Technical Services, responsible for planning, engineering, and designing SCE's electrical grid, as well as research and development, safety and training. In this role, he formed the company's Advanced Technology organization, which has gained national prominence for its leadership role in electric vehicle and Smart Grid technology. Mr. Kelly was one of the early pioneers of the Smart Grid, developing a roadmap for a smarter, safer, more reliable and more environmentally responsible electric grid. He pioneered the deployment of synchronous phasor measurement, the Distribution Circuit of the Future, and many other advances in grid sensing, monitoring and control. Among many other awards and honors, Mr. Kelly was selected as the IEEE's "Leader in Power" in 2009.

Mr. Kelly also previously served as the vice president of Regulatory Compliance and Environmental Affairs, and has in-depth experience with environmental regulation, permitting and licensing. Mr. Kelly has served as an expert witness for over 20 years in countless regulatory and legislative proceedings.

Since his retirement, Mr. Kelly has advised or directed a number of firms in the energy space. Mr. Kelly:

- is a Director of S&C Electric Company, a global provider of equipment and services for electric power systems. Founded in 1911, the Chicago-based company designs and manufactures switching and protection products for electric power transmission and distribution. He chairs the governance committee and serves on the audit committee.
- is a Director of Ice Energy, the leading provider of smart grid-enabled, distributed energy storage to the utility industry. Ice Energy delivers cost-effective solutions at grid-scale to reduce peak demand, improve energy system efficiency and reliability, and transform the way the utility system operates.
- is a Director of Dynamic Engineers, a firm that has developed the complex analytics required to perform true Dynamic Line Rating for transmission lines.
- is the co-founder of and Partner in Coachella Partners, a venture that provides specialized advisory services to Native American tribes on matters related to energy.
- advises local cities and agencies on energy issues.
- serves as a trusted advisor to MWH (a Stantec company), a global consulting, engineering and construction company.
- is Chairman of the California Infrastructure Institute, a non-profit corporation dedicated to finding innovative and environmentally responsible solutions to the problems of the built urban infrastructure.

- is a member of the Advisory Board of Eos Energy Storage, developers of the novel, proprietary Znyth™ technology—the first low-cost, long-life, inherently safe, energy dense, and highly efficient aqueous battery.
- served as the CEO and a Director of ARES, a firm pioneering the use of electric locomotive technology for large-scale energy storage.
- has served as a senior advisor and consultant for selected governmental and private clients, including SpaceX, the Port of Long Beach and the Los Angeles County Metropolitan Transportation Authority and state-owned enterprises in Singapore and Abu Dhabi.

An accomplished and sought-after speaker, Mr. Kelly has given hundreds of talks on technology topics, regulatory policy and leadership to gatherings ranging from 20 to 5,000 attendees.

Mr. Kelly earned a bachelor's degree from California State University, Long Beach, and a master's degree from California State Polytechnic University. He holds teaching credentials in several subjects and has taught at a number of colleges and universities throughout his career.

Among his many philanthropic interests, Mr. Kelly has served on the Engineering Advisory Boards for the University of Southern California and California State University, Los Angeles. Mr. Kelly is also a member of the Industry Advisory Forum at the California Institute of Technology and past vice-chairman of the board at Don Bosco Technical Institute.

JVJ Pacific Consulting LLC

Response to:

City of Chicago Franchise for Electricity Delivery RFI

Resume of Erik Caldwell



April 2021- Present Director of Data Strategy, The Atlas of Cities

As Director of Data Strategy, Erik leads the development and launch of buyer intent and market intelligence products for The Atlas. The Atlas is a free online community for state and local government officials who join The Atlas to browse case studies, follow trending topics and post questions to crowdsource ideas and advice. The Atlas has engaged more than 25,000 local government leaders from 3,400 cities.

December 2020 – April 2021 Chief Sustainability Officer, City of San Diego

As Chief Sustainability Officer, Erik leads implementation of the City of San Diego's ambitious efforts to reduce its greenhouse gas emissions. Under Erik's leadership, the city's implementation efforts are focused on increasing the energy and water efficiency of facilities, furthering the use of renewable energy, expanding transit and alternative mobility choices, diverting waste away from our landfill, and preparing the city for the impacts of climate change. The sustainability team is recognized nationally and internationally as an innovator in exploring how technology, renewable energy, mobility,

climate resilience, and creative financing can accelerate San Diego's transition into a post carbon future.

December 2018 – December 2020 Deputy Chief Operating Officer (DCOO), City of San Diego

As DCOO, I served as a member of the city's executive management team and responsible for the daily operations of the Smart and Sustainable Communities Branch. The branch included more than 1,000 employees within the Planning, Development Services, Sustainability, Economic Development, and Real Estate Assets departments. Through these departments, the branch coordinated implementation of the city's Climate Action Plan and Economic Development Strategy, processed 50,000 building permits annually, and managed the city's real estate portfolio comprised of more than 1,600 properties totaling approximately 123,000 acres. Notable accomplishments included launching a Community Choice Aggregation program to procure electricity for San Diego and four neighboring cities; completing several municipal code updates which streamline the permitting of new homes; leading several reorganization and data-driven business process improvement efforts impacting a wide array of City operations.

March 2015 – December 2018 Director of Economic Development, City of San Diego

As Director, I managed a team of 66 professionals focused on strengthening communities by establishing strategic partnerships which cultivated a sustainable, dynamic economy and create community development opportunities. My team supported the continued growth of San Diego's established innovation clusters, leveraged Smart Cities technologies to improve service delivery, and launched an effort to invest \$214 million federal funds to make San Diego more economically inclusive. From July 2018 until assuming the DCOO role, I also took on additional responsibilities as Interim Director of the newly created Sustainability Department. In this capacity, I was charged with establishing a new department tasked with leading the city's efforts to reduce its carbon footprint by 50% and power the city's buildings and homes with 100% clean energy by 2035.

February 2014 – March 2015 VP of Government Partnerships, Figtree Financing

Figtree Financing, now Dividend Finance, is a clean energy specialty finance company providing innovative financing solutions for environmentally friendly products and services. As Vice-President of Government Partnerships, I managed Figtree's relationships with local and state government entities. My team's day-to-day efforts were focused on assisting cities and counties with the process of adopting Figtree's PACE (Property

Assessed Clean Energy) program. I also led the company's state and federal legislative advocacy.

December 2012 – February 2014 Principal, Caldwell Advocates

Caldwell Advocates, originally founded as Icon Strategies, was a full-service public affairs and public policy consulting firm which helped its clients turn ideas into action. As Principal, I started the firm and brought over a decade of experience developing solutions to public policy and public affairs issues to the firm. I was responsible for managing the firm's day-to-day operations in addition to servicing the firms existing clients and building new client relationships. Caldwell Advocates clients included a variety of private and non-profit firms.

**April 2011 - December 2012 Chief of Staff, California State
Assemblyman Nathan Fletcher**

As Chief of Staff, I was responsible for leading a team of nine and directing all activities in the Assemblyman's Sacramento and San Diego offices. My responsibilities included overseeing the development and implementation of the assemblyman's legislative and political agenda. Our team successfully supported the Assemblyman's efforts to pass 14 pieces of legislation and launched a new Assembly Select Committee on Jobs and the Innovative Economy.

**July 2008 - April 2011 Deputy Director of Policy, City of
San Diego Mayor's Office**

As Deputy Director of Policy for Mayor Jerry Sanders, I supervised the Office of Economic Growth Services (EGS). The office was comprised of an eight-member team responsible for implementing the City's economic development strategy and coordinating the City's business retention and business attraction activities. I also supervised staff responsible for implementing the Mayor's renewable energy and energy efficiency strategy.

Additional responsibilities included providing public policy guidance to the Mayor. Areas of focus included government streamlining, environmental issues, and budget stabilization. I served as both policy advisor and project manager on a variety of projects including allocating \$12.5 million of stimulus funding for energy efficiency projects, developing a citywide PACE financing program, organizational efficiency and streamlining efforts, and outsourcing of the City's information technology services.

January 2007 – July 2008 **Chief Deputy, California State Board of Equalization**

As Chief Deputy, I led a team of ten responsible for providing advice and counsel to a member of the California State Board of Equalization on more than 30 different tax and fee programs administered by the Board. Our team created and implemented a community outreach program which included workshops, advisory groups, and public speeches designed to educate taxpayers and support our district-wide communications strategy. The office also assisted taxpayers with Franchise Tax Board and Board of Equalization audit, collections, and appeals issues.

January 2003 – December 2006 **Legislative Assistant, San Diego County Supervisor Greg Cox**

It was an honor to begin my professional career as Legislative Assistant to Supervisor Greg Cox. I provided public policy guidance to the Supervisor in areas of focus including the County budget, environmental issues, emergency services and public safety. Other job responsibilities included administering the Supervisor's Community Projects Grant Funding, attending public events on behalf of the Supervisor.

CURRENT CIVIC LEADERSHIP

Board Secretary, CDC Small Business Finance (2016 – Present)

CDC Small Business Finance is a non-profit lender providing capital to small businesses so they can expand, grow, and create jobs in California, Arizona and Nevada. For over 40 years, CDC has helped create over 209,000 jobs by leveraging more than \$18 billion in loans to over 11,000 small businesses.

Executive Committee, Connect San Diego (2019 – Present)

Connect is a non-profit focused on helping innovators and entrepreneurs in Southern California by providing access to investors, mentors, and education. Since its establishment in 1985, Connect has served as a driving force in the development of our region's innovation economy.

Board of Trustees, Fleet Science Center (2017 – Present)

The Fleet Science Center, located in Balboa Park, is a non-profit which connects people of all ages to the possibilities and power of science to create a better future. The Fleet's mission is to realize a San Diego where everyone is connected to the power of science.

Board Member, Mohuman (2020 – Present)

Mohuman is a technology driven nonprofit that helps underserved individuals and families access digital services to improve their lives. I am currently supporting Mohuman's efforts to deploy a free broadband internet network in southeastern San Diego in partnership with UC San Diego.

EDUCATION

San Diego State University, Master of Business Administration (MBA)

California State University, San Marcos - B.A. Political Science

JVJ Pacific Consulting LLC

Response to:

City of Chicago Franchise for Electricity Delivery RFI

Resume of Michelle Chait



PROFESSIONAL SUMMARY

Electricity sector professional with 25 years of experience. Distributed energy resource economics. Electric rate design (energy conservation, net energy metering, electric vehicles, flexible loads/renewable energy integration). Utility business models under high penetrations of distributed energy resources. Advisor to large users of electricity. Generation asset valuation. Vehicle electrification. Regulatory frameworks and policy recommendations. GHG reduction strategies for retail electricity supply. Power project development, project finance, PPA structuring and negotiations. Expert witness.

MICHELE CHAIT LLC
Managing Member

2020-Present
San Francisco, CA

- Evaluating island utility business models under high levels of distributed resources (energy efficiency, solar PV, demand response, electric vehicles) for Lawrence Berkeley National Laboratory. Co-developer of SUPRA model (<https://emp.lbl.gov/projects/supra-tool>).

Developed & delivered knowledge transfer workshops to US DOE / OAS Advancing Caribbean Energy Resilience, USVI Energy TCT Fiscal & Policy Working Group, and US federal partners (i.e., DHS, HUD, Treasury, DOI).

- Advising Los Angeles County Metropolitan Transportation Authority (LA Metro) on strategies to achieve sustainability goals, electricity supply cost reductions, electrification of 2000 bus fleet, and monetization of LCFS credits/RINs.
- Providing on-call energy services to the Port of Long Beach.
- Evaluating economics of a new behind-the-meter solar array for UC Irvine Health.
- Consultant to The Utility Reform Network (TURN) to provide case strategy and related support regarding development of a successor tariff to California's NEM 2.0 net energy metering tariff (CPUC R. 20-08-020).
- Consultant to The Utility Reform Network (TURN) regarding energy efficiency potential, policy goals and evaluation of the proposed total system benefit metric (CPUC R. 13-11-005).
- Sponsored affidavit in support of Starwood Energy Group's Greenleaf Energy Unit 2 CAISO 2020 RMR contract FERC filing. Participated in RMR contract negotiations among FERC, PG&E, CPUC, & CAISO.
- Expert witness on the economic feasibility of developing solar photovoltaic facilities on relevant properties pursuant to an eminent domain action (jury trial).
- Developing DR/DSM programs recommendations for The World Bank. Delivered one-day international best practices workshop. Developing potential DR/DSM pilot programs.
- Supported legal report to the City of San Diego regarding proposed terms and conditions of future natural gas and electric franchise agreements to replace SDG&E franchises expiring in 2021.

**ENERGY AND ENVIRONMENTAL 2006-2019
ECONOMICS, INC. (E3)**

Director

San Francisco, CA

Select Projects: Large Energy Users

- Engaged by the University of California to develop strategies achieving carbon neutrality by 2025. Evaluated mechanisms to facilitate carbon reductions for campuses with bundled retail service. Recommended composition of renewable generation portfolio. Advised individual UC campuses on the economics and qualitative aspects of individual on- and off-campus solar PV and paired storage projects. Evaluated economics and

deliverability aspects of long-term renewable energy bids received in response to UCOP RFO.

- Developed strategies for Los Angeles Metropolitan Transportation Authority (LA Metro), the second largest public transit system in the country, to reduce electricity costs. Conceived of several innovative electricity bill reduction strategies worth several million dollars annually and recommended regulatory tactics. Advised on feasibility of implementing resiliency measures within current utility regulatory framework. Analyzed and developed recommendations for LA Metro to achieve its carbon reduction goals associated with retail electricity supply.
- Led the Port of Long Beach, the second-busiest port in the U.S., in rate discount negotiations with Southern California Edison (SCE). In 2014, The CPUC approved new SCE Rate Schedule ME providing electric rate reductions and installation of major electric infrastructure at no cost to the Port or its tenants. Rate discounts are expected to yield over \$300 million in savings and support critical electrification projects at the Port, improving air quality in the region.
- Engaged by CCA clients to conduct integrated resource planning (IRPs), screen renewable energy and paired solar + battery storage procurement bids and recommend shortlisted offers. Estimated CO₂ emissions under various quantification methodologies (Clean Net Short, The Climate Registry, Power Content Label).
- Engaged by a Kentucky municipal utility to analyze the economic and contractual risks and benefits of participating in the Kentucky Municipal Energy Agency. Presented findings to Board.
- Advised large electricity users negotiating electricity cost reductions with Potomac Edison. Reviewed proposals, developed counter-proposals, and provided regulatory guidance.

Select Projects: Distributed Energy Resources

- Advised private equity firm in potential acquisition of a behind-the-meter solar developer. Estimated growth in commercial customer behind-the-meter solar PV penetration in 12 U.S. states. Projected solar cost and SREC price trajectories by state. Quantified impact of state regulations.
- Developed excel calculator tool for the U.S. Environmental Protection Agency's National Action Plan for Energy Efficiency (NAPEE).
- Supported development of Lawrence Berkeley National Laboratory's (LBNL) Financial Impacts of Distributed Energy Resources (FINDER) model analyzing the impacts of energy efficiency, demand response (DR) and distributed energy resource penetration on participating and non-participating ratepayers and utility shareholders.
- Developed regulatory and business models achieving zero net energy (ZNE) for the single-family home portion of UC Davis's West Village

community. Analysis examined incentives, financing mechanisms, biogas procurement, electric vehicles, energy efficiency, and metering configuration. Successful models achieved ZNE at no higher cost to home owners and the real estate developer.

- Advised the Authority for Electricity Regulation in Oman on regulatory changes necessary to enable penetration of light-duty electric vehicles in Oman. Report encompassed international best practices in regulation, EV rate design, communication standards enabling V1G charging, technical standards, licensing, safety, and EVSP operations.
- Structured business models for a USTDA-funded project examining development of solar PV microgrids in India to serve India's rural population without electricity access.

Select Projects: Utility Rate Design, Cost of Service Studies, Cost of Capital Determination

- Provided in-depth training on retail ratemaking to a delegation of senior officials from China's National Development and Reform Commission (NDRC) and other agencies. Training included revenue requirements, cost of capital, cost allocation, decoupling, and rate design to promote policy objectives (DER, electric vehicles).
- Prepared Direct and Rebuttal Testimony and delivered oral testimony in Phase IIB of California Public Utilities Commission (CPUC) rate design window ("RDW") proceedings A. 17-12-011 et al regarding implementation of statewide default residential TOU rates.
- Developed CPUC Public Tool utilized by CPUC to revise NEM compensation for California's IOUs (NEM 2.0 Rulemaking 14-07-002). Tool projected DER adoptions, revenue requirements and electric rates through 2050, enabling users to analyze potential NEM alternative rate designs for residential and commercial customers.
- Led analysis for California Transit Association to design revenue neutral electricity rate structures, including real-time pricing structures, that can promote the widespread electrification of transit buses under both managed and un-managed charging scenarios.
- Led development of default residential time-of-use (TOU) rate structure recommendations for California CCA Clean Power Alliance in context of statewide rollout of default residential TOU rate structures. First analysis of CCA energy rate structures differing from the IOU's.

Select Projects: Finance and Asset Valuation

- Developed and delivered four-day capacity building training program in Mongolia, funded by World Bank. Recommended changes to Mongolia's renewable generation procurement processes including a transition to competitive procurement from a feed-in tariff structure, and renegotiation

of certain clauses in existing PPAs. Created renewable energy power purchase agreement template and excel-based PPA pricing model.

- Provided advisory services to support power plant development, acquisition and divestiture activities, including valuation, market price projections, REC value, due diligence, PPA structuring, and quantification of regulatory/policy impacts on asset value. Technologies evaluated include natural gas, biomass, hydro, landfill gas, battery storage, pumped storage, solar PV, solar thermal, onshore and offshore wind, CCS.
- Led valuation of wind generation in 11 Western states for the State of Wyoming Governor's Office to evaluate the impact of a potential \$1 per MWh excise tax. Analysis quantified key drivers of PPA price differences in each state.
- Advisor to private equity firm in the successful acquisition of nearly 1 GW of wind generation.
- Supported a developer in financial modeling and development strategy for a 2 GW wind generation asset located in Wyoming.
- Subcontractor to Parsons on USTDA-funded study to identify and evaluate clean energy projects in South and sub-Saharan Africa for potential IDC/USTDA involvement. Provided advisory services to facilitate IDC/USTDA review of projects. Developed and delivered knowledge transfer workshop.

CALPINE CORPORATION **2003-2006**

Led, structured and closed \$100 million non-recourse financing for 600 MW power plant. Financing was first single-asset, merchant project financing in California post-energy crisis.

INTERGEN **1998-2002**

Power project development –Middle East and Europe.

ENRON INTERNATIONAL **Summer 1997**

Summer Associate in Middle East region power asset development.

Education

University of Chicago Graduate School of Business (Booth)
Chicago, IL

M.B.A., concentrations in finance and economics
LEAD IX Facilitator

University of California at Berkeley
Berkeley, CA

B.A., Mathematics and Middle Eastern Studies
Foreign Language and Area Studies (FLAS) Fellowship (Arabic Language)