



BOARD MEETING AGENDA SUBMITTAL

TO: GCSB Board of Directors

FROM: Peter Kampa, General Manager

DATE: April 9, 2024

SUBJECT: Agenda Item 6C: Discussion and Update Regarding the Potential Application to the PG&E Microgrid Incentive Program and Other Potential Funding Sources for the Development of Electric Power Generation Facilities to Provide Locally Reliable Electric Service

RECOMMENDED ACTION:

This is an update report on prior direction given by the Board, regarding participation in the PG&E Microgrid Incentive Program.

BACKGROUND:

After significant research and time spent with collaborators, IT Manager Steve Rogers recommended to management that GCSB not move forward with the PG&E Microgrid Incentive Program (MIPS) project due to a number of factors.

First, the contract from PG&E is too vague about who will be responsible for the ongoing maintenance of the system, and where the monies will come from for the maintenance. The contract is for 10 years and will automatically be renewed every year ongoing. The contract cannot be cancelled after the 10-year agreement unless both parties agree that it should be dissolved. Also, the cost and effort of developing the MIPS grant application far exceeds the \$25,000 allowance they provide. We would have to seek additional grant funding just to complete the technical and financial evaluations of the project.

If we decided to lease GCSB properties to another nonprofit or government entity for the installation of the MIPS program, that might be agreeable as we would not be responsible for the project. We are continuing to evaluate potential opportunities to participate in this program through a partnership or collaborator.