



**REGULAR MEETING of the Board of Directors of the
Peninsula Clean Energy Authority (PCEA)
Thursday, February 23, 2017
MINUTES**

San Mateo County Office of Education, Corte Madera Room
101 Twin Dolphin Drive, Redwood City, CA 94065
6:30pm

CALL TO ORDER

Meeting was called to order at 6:36 pm.

ROLL CALL

Present: Dave Pine, County of San Mateo, *Chair*
Bill Widmer, Town of Atherton
Charles Stone, City of Belmont
Lori Liu, City of Brisbane
Donna Colson, City of Burlingame
Rae P. Gonzalez, Town of Colma
Glenn Sylvester, City of Daly City
Carlos Romero, City of East Palo Alto
Catherine Mahanpour, City of Foster City
Harvey Rarback, City of Half Moon Bay
Wayne Lee, City of Millbrae
John Keener, City of Pacifica
Craig Hughes, Town of Portola Valley
Rico Medina, City of San Bruno
Rick Bonilla, City of San Mateo
Sailesh Mehra, City of South San Francisco
Daniel Yost, Town of Woodside

Absent: Carole Groom, County of San Mateo
Lawrence May, Town of Hillsborough
Ray Mueller, City of Menlo Park
Ian Bain, City of Redwood City
Cameron Johnson, City of San Carlos

Staff: Jan Pepper, Chief Executive Officer
George Wiltsee, Director of Power Resources and Energy Programs

Dan Lieberman, Director of Marketing and Public Affairs
Kirsten Andrews-Schwind, Communications and Outreach Manager
Anne Bartoletti, Board Clerk / Executive Assistant to the CEO
Nirit Eriksson, Associate General Counsel

A quorum was established.

PUBLIC COMMENT:

Mark Roest, SeaWave Battery, Inc.

ACTION TO SET THE AGENDA AND APPROVE CONSENT AGENDA ITEMS

Motion Made / Seconded: Lee / Medina

Motion passed 14-0 (Absent: Groom, May, Mueller, Bain, Johnson, Bonilla, Yost. Abstained: Romero, Abstained from Item No. 12: Widmer)

PUBLIC COMMENT

No public comment.

REGULAR AGENDA

1. CHAIR REPORT

Dave Pine—Chair—welcomed Board members, new Board member Carlos Romero, and attendees. He announced that the County of San Mateo is opting up to be an ECO100 customer.

SWEARING IN OF NEW BOARD MEMBERS:

The following new Board member was sworn in by Nirit Eriksson, Associate General Counsel:

Carlos Romero, City of East Palo Alto

2. CEO REPORT

Jan Pepper—Chief Executive Officer—reported that Peninsula Clean Energy (PCE) staff moved into temporary office space at 555 Marshall St in Redwood City, and will be moving into permanent space at 2055-2075 Woodside Rd in Redwood City in June or July. She announced that a new PCE employee, Leslie Brown, Customer Care Manager, started on January 30th. The posting for a Regulatory / Legislative Analyst closed today. The Contracts & Compliance Manager position is being rethought, and they'll soon be posting for a Financial Director.

Jan announced that PCE was the most well represented Community Choice Aggregator (CCA) at the California Public Utilities Commission (CPUC) En Banc hearing on CCA issues, on February 1.

She said that CalCCA filed comments today in response to the En Banc, and the comments will be sent to the Board in a new once-a-week newsletter on recent events.

Jan reported that she and several Board members met with CPUC Commissioner Carla Peterman on February 2, 2017, State Assemblymembers Berman and Mullin on January 27th, and that David Burruto represented PCA at CalCCA meetings on January 25th and 26th. She also reported that Joint Parties testimony on the Diablo Canyon Retirement proceeding was filed on January 27th with Jan as witness sponsoring in two sections. In addition, she reported that PCE filed a pre-hearing conference statement with Marin Clean Energy on CCA bond requirements; CalCCA is protesting Sempra's marketing activities against the San Diego CCA; and CCAs are protesting PG&E's advance filing for an amendment to the Ivanpah PPA; and "The Business of Local Energy Symposium" will take place on May 5th 2017 in Long Beach, California.

3. MARKETING AND OUTREACH REPORT

Kirsten Andrews-Schwind—Communications and Outreach Manager—announced city-specific outreach strategies that she is coordinating with each city's RICAPS (Regionally Integrated Climate Action Planning Suite) staff. She reported on recent presentations and workshops throughout the county, and said upcoming events and presentations are listed on the PCE website. Kirsten described events and activities to support Earth Day on April 22nd, and she outlined ways for the Board members and volunteers to become Social Media Champions for PCE.

Dan Lieberman—Director of Marketing and Public Affairs—reported that PCE would have social media, media and advertising strategic ad buys from mid-February through May, and that they are primarily maintaining the advertising formula used in Phase 1 because the results were so good. Dan reported that PCE is now using a union print shop with 100% recycled paper, and that notices are being sent to Phase 2 customers. He also reported that PCE had two press releases in February – to announce that PCE is enrolling 210,000 new customers while maintaining a 5% discount, and that PCE signed a 200 MW solar deal.

4. APPROVE A RESOLUTION DELEGATING AUTHORITY TO THE CHIEF EXECUTIVE OFFICER TO EXECUTE ONE OF MORE PHASE 2 CONFIRMATION AGREEMENTS WITH ENERGY AMERICA, LLC; SHELL ENERGY NORTH AMERICA (US), L.P.; AND/OR EXELON GENERATION COMPANY, LLC; AND ANCILLARY DOCUMENTS

George Wiltsee—Director of Power Resources and Energy Programs—presented information on the relationship and patterns between electricity prices and natural gas prices, and outlined short and medium-term natural gas forecasts for the next couple of years. Scheduling coordination and real-time prices were discussed, as well as the effect of efficiency projects and battery storage.

Jan Pepper reported that PCE's contracts for Phase 1 assumed a 15% opt out rate, but the current opt out rate is less than 2%. Going forward PCE is planning for an opt out rate of no more than 5%. She asked for volunteers to participate in requests for final pricing from ESPs next Tuesday, February 28th from 9:00 – 11:00 am. Rick Bonilla and John Keener volunteered. Jan also

reported that in June, 2016, PCE's Board executed master agreements with 3 Energy Service Providers (ESPs). Ancillary agreements were negotiated, as were updates to the confirmation agreements. Now she is requesting the Board to delegate authority to her as the CEO to execute Phase 2 confirmation agreements from these same ESPs.

Nirit Eriksson—Associate General Counsel—explained that the confirmation provides specifics on the energy being purchased and payment terms, and that she, Jan, and George are working with attorneys Joe Karp and Steve Hall.

PUBLIC COMMENT

Mark Roest, SeaWave Battery, Inc.

Motion Made / Seconded: Bonilla / Stone

Motion passed 16-0 (Absent: Groom, May, Mueller, Bain, Johnson. Abstained: Yost)

5. APPROVE A RESOLUTION ON FORMATION OF CITIZENS ADVISORY COMMITTEE

Dave Pine discussed the background relating to the formation of a new Citizens Advisory Committee (CAC), including that the Board and the former CAC had provided input, and that an ad hoc committee comprised of himself, Rick Bonilla, Cameron Johnson, and Charles Stone, had produced a proposal outlining the structure, membership, and focus of the CAC. San Mateo residency was discussed as a preference for CAC membership.

PUBLIC COMMENT

Michael Closson
Mark Roest, SeaWave Battery, Inc.

Motion Made / Seconded: Yost / Lee

Motion passed unanimously 17-0 (Absent: Groom, May, Mueller, Bain, Johnson.)

Dave Pine asked for volunteers to serve on an ad hoc committee to create the application process, solicit and distribute applications, and bring appointment recommendations to the Board. Rick Bonilla, Donna Colson, Bill Widmer, Wayne Lee, and Charles Stone volunteered.

6. POWER CHARGE INDIFFERENCE ADJUSTMENT (PCIA) VINTAGING AND PCIA WORKGROUP UPDATE

Dave Pine explained that Pradeep Gupta had wanted to make a report but couldn't attend tonight's meeting, so this report will go onto next month's agenda. John Keener provided a brief update on a PCIA Workgroup that is made up of CCAs and IOUs (Investment Owned Utilities)

appointed by the CPUC to develop ways to improve the PCIA. He said the workgroup hasn't reached a consensus, except on one item – to move to more transparency in PCIA calculation.

PUBLIC COMMENT

Ted Howard

7. BOARD MEMBERS' REPORTS

None.

ADJOURNMENT

Meeting was adjourned at 8:37 pm.