



**REGULAR MEETING of the Board of Directors of the  
Peninsula Clean Energy Authority (PCEA)  
Thursday, July 14, 2016  
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 6:40 pm.

**ROLL CALL**

**Present:** Jim Eggemeyer (alternate), County of San Mateo  
Rick DeGolia, Town of Atherton  
Greg Scoles (alternate), City of Belmont  
Ann Keighran (alternate), City of Burlingame  
Joseph Silva, Town of Colma  
Michael Guingona, City of Daly City  
Larry Moody, City of East Palo Alto  
Catherine Mahanpour (alternate), City of Foster City  
Elizabeth Cullinan (alternate), Town of Hillsborough  
Wayne Lee, City of Millbrae  
John Keener, City of Pacifica  
Marty Medina, City of San Bruno  
Ron Collins (alternate), City of San Carlos  
Rick Bonilla (alternate), City of San Mateo  
Pradeep Gupta, City of South San Francisco  
Daniel Yost, Town of Woodside

**Absent:** Carole Groom, County of San Mateo  
Lori Liu, City of Brisbane  
Deborah Penrose, City of Half Moon Bay  
Catherine Carlton, City of Menlo Park  
Jeff Aalfs, Town of Portola Valley, *Vice Chair*  
Ian Bain, City of Redwood City

**Staff:** Jan Pepper, Chief Executive Officer  
David Silberman, General Counsel  
Jim Eggemeyer, Director, Office of Sustainability

Michael Bolander, Office of Sustainability  
Gordon Tong, Office of Sustainability  
Carolyn Raider, Office of Sustainability  
Kirsten Pringle, Office of Sustainability  
Avana Andrade, Office of Sustainability

**A quorum was established.**

**PUBLIC COMMENT**

None

**ACTION TO SET THE AGENDA AND APPROVE CONSENT AGENDA ITEMS**

Motion to approve the consent agenda and set the agenda – Made / Seconded: Yost/ Bonilla

**Motion passed 14-0 (Absent: Groom, Liu, Carlton, Aalfs, Bain, Guingona, Moody, Penrose).**

**REGULAR AGENDA**

**1. CEO REPORT**

Jan Pepper—Chief Executive Officer—reported that PCE is hiring for three positions: Board Clerk, Director of Marketing and Public Affairs, and Director of Power Resources. Ms. Pepper announced that Direct Energy was chosen as the power supplier and scheduling coordinator for PCE. Enrollment notices for the first phase customers will start on July 18<sup>th</sup>. Also beginning on July 18<sup>th</sup>, residents of San Mateo County who are not in Phase I can sign up to be early adopters and choose either ECOplus or ECO100. Ms. Pepper also reported that the bank loans have been finalized. On the regulatory front, she reported that PCE sent a letter to the CPUC requesting that they initiate a proceeding to analyze the PCIA.

**PUBLIC COMMENT**

Ann Schneider, Millbrae

**6. REPORT ON RENEWABLE VS GREENHOUSE GAS FREE ENERGY (DISCUSSION)**

Avana Andrade – Office of Sustainability—presented on marketing PCE using renewable energy versus greenhouse gas (GHG) free content. Ms. Andrade explained the different types of Renewable Energy Certificates, California’s Renewable Portfolio Standards, and the marketing drawbacks associated with each strategy. These challenges include consistency with the power content label, future state legislation standardizing greenhouse gas emission accounting, the percentage difference between GHG-free and renewable energy, and public perception.

**PUBLIC COMMENT**

Ann Schneider, Millbrae

**2. CONSIDERATION OF ALTERNATIVE ROLLOUT SCHEDULE FOR PHASES 2 AND 3 (DISCUSSION)**

Jan Pepper discussed combining phases 2 and 3 enrollments or moving phase 3 to June 2017. The potential benefits for either option include that PCE can receive higher summer revenues from phase 3 enrollees and that by combining power procurements while power prices are low and before other CCAs enter the market could benefit PCE customers. A drawback is that it may be cause additional administrative burden on staff.

### **3. ADOPT BUDGET FOR 2016-17 FISCAL YEAR (ACTION)**

Jan Pepper presented three budget scenarios and outlined the associated expenditures and revenues. The assumptions behind the budget include a 15% opt-out rate and a 10% rate decrease in January in the event that PG&E decreases rates. Each scenario corresponds with a different launch of the phase 3 customers: Scenario A – keep the Phase 3 rollout in October 2017; Scenario B – accelerate Phase 3 to June 2017; Scenario C – accelerate Phase 3 to April 2017.

Motion to approve budget Scenario C– Made / Seconded: Yost/Bonilla

**Motion passed 16-0 (Absent: Groom, Liu, Carlton, Aalfs, Bain, Penrose).**

### **4. ADOPT A RESOLUTION DELEGATING AUTHORITY TO THE CHIEF EXECUTIVE OFFICER TO EXECUTE THREE PHASE 1 CONFIRMATION AGREEMENTS WITH DIRECT ENERGY FOR RESOURCE ADEQUACY WITH TERMS CONSISTENT WITH THOSE PRESENTED, IN A FORM APPROVED BY THE GENERAL COUNSEL AND FOR TERMS ENDING DECEMBER 31, 2017 (ACTION)**

David Silberman—Office of County Counsel—recommended that we select Direct Energy to provide resource adequacy services until December 31, 2017. Mr. Silberman explained that this Resource Adequacy is a regulatory requirement.

Motion to approve– Made / Seconded: Guingona/Moody

**Motion passed 13-0 (Abstained: Yost Absent: Groom, Liu, Carlton, Aalfs, Bain, Penrose).**

### **5. MARKETING AND COMMUNICATIONS: MARKETING STRATEGIES FOR COMMERCIAL CUSTOMERS (DISCUSSION)**

Kirsten Pringle – Office of Sustainability – presented on the challenges for business outreach and asked for each city’s support in the commercial outreach process by filling out an information packet. Some of the challenges include difficulty in reaching the decision maker, lack of awareness of a new program, skepticism of government programs, ‘green’ benefit may have less appeal, and confusion caused by different rate schedules.

#### **PUBLIC COMMENT**

Mark Belhousa  
 Alex Canner, Menlo Park  
 Ann Schneider, Millbrae  
 James Tuleya, Sunnyvale

### **7. CITIZEN ADVISORY COMMITTEE REPORT (DISCUSSION)**

Gordon Tong – Office of Sustainability – presented on the recommendations discussed by the Citizen’s Advisory Committee. Regarding the GHG-free versus renewable energy white paper, it was suggested to use renewable energy since that is a more familiar term, but GHG-free should appear somewhere in the materials. Some members felt having both figures may cause confusion. The CAC was supportive of the business outreach action plan and generally satisfied with the collateral. Window clings were brought up as a good material to distribute to businesses.

**8. BOARD MEMBERS’ REPORTS**

None

**ADJOURNMENT**

Meeting was adjourned.

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Chair

Attest:

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Secretary