



**SPECIAL MEETING of the Board of Directors of the
Peninsula Clean Energy Authority (PCEA)
Saturday, November 12, 2016
MINUTES**

Portola Valley Community Hall
765 Portola Rd, Portola Valley, CA 94028
9:00 am – 3:00 pm

CALL TO ORDER

Meeting was called to order at 9:13 a.m.

ROLL CALL

Present: Dave Pine, County of San Mateo, *Chair*
Carole Groom, County of San Mateo
Rick DeGolia, Town of Atherton
Charles Stone, City of Belmont
Lori Liu, City of Brisbane
Donna Colson, City of Burlingame
Larry Moody, City of East Palo Alto
Elizabeth Cullinan, Town of Hillsborough
Wayne Lee, City of Millbrae
John Keener, City of Pacifica
Jeff Aalfs, Town of Portola Valley, *Vice Chair*
Ian Bain, City of Redwood City
Marty Medina, City of San Bruno
Cameron Johnson, City of San Carlos
Pradeep Gupta, City of South San Francisco
Daniel Yost, Town of Woodside

Absent: Joseph Silva, Town of Colma
Michael Guingona, City of Daly City
Gary Pollard, City of Foster City
Deborah Penrose, City of Half Moon Bay
Catherine Carlton, City of Menlo Park
Joe Goethals, City of San Mateo

Staff: Jan Pepper, Chief Executive Officer
David Silberman, General Counsel
Nirit Eriksson, Associate General Counsel

George Wiltsee, Director of Power Resources and Energy Programs
Dan Lieberman, Director of Marketing and Public Affairs
Anne Bartoletti, Board Clerk / Executive Assistant to the CEO
Carolyn Raider, Office of Sustainability

A quorum was established.

ACTION TO SET THE AGENDA

Motion Made / Seconded: Moody / Yost

Motion passed unanimously 16-0 (Absent: Silva, Guingona, Pollard, Penrose, Carlton, Goethals)

PUBLIC COMMENT

No public comment

REGULAR AGENDA

1. ADOPT PCEA MISSION STATEMENT AND LONG-TERM STRATEGIC GOALS

Jan Pepper—Chief Executive Officer—introduced the agenda for the day, and introduced Shawn Marshall from Lean Energy, who would facilitate the discussion.

a. Mission Statement

Shawn Marshall explained that the mission statement for the Peninsula Clean Energy Authority (PCEA) should describe who we are and what our purpose is. It should be clear, concise, accurate, and memorable, which means it should also be short. She said the documents in the agenda packet came from several meetings, as well as research on other CCAs and nonprofits.

Jan distributed some comments and feedback from the Citizens Advisory Committee (CAC) meeting that took place on Thursday night, November 10th.

Board members reviewed three draft Mission Statement options that were presented for consideration. After discussion, the Board arrived at the following version of the PCEA Mission Statement: Peninsula Clean Energy is San Mateo County's locally controlled electricity provider. We are reducing greenhouse gas emissions and offering customer choice at competitive rates.

PUBLIC COMMENT on the Mission Statement

Sue Chow
Michael Closson
James Tuleya

Motion Made / Seconded: Stone / Gupta

Motion passed unanimously 16-0 (Absent: Silva, Guingona, Pollard, Penrose, Carlton, Goethals)

b. Strategic Goals

Shawn Marshall introduced the strategic goals by saying they usually have a shelf life of 5-7 years, they should cover different aspects of what you do, they should be limited to no more than 10, and they should be accurate, aspirational, and achievable. Shawn explained that the draft goals were based on some of the other CCAs, but not every CCA has strategic goals.

The Board reviewed a recap the CAC's feedback, and a handout of the CCA / CCE Policy Goals for the Loma Prieta Chapter of the Sierra Club. Initial discussion focused on economic and workforce benefits, prevailing wage vs living wage, whether or not affordability should be a goal, and that PCE should have a policy statement to not purchase Class 3 RECs.

There was extensive discussion on when to reach 100% greenhouse gas (GHG) free. The Board expressed a desire for goal dates to be as soon as possible, but also realistic. Dave Pine suggested having PCEA staff look at the dates and come back to the Board with a recommendation.

Other draft goals were discussed, revised, combined, or eliminated. Chair Pine and Supervisor Groom suggested giving the Board time to review these goals in their final form at the next Board meeting. No formal action was taken on the strategic goals.

PUBLIC COMMENT on Strategic Goals

Ted Howard
Sue Chow
Kirsten Schwind
James Tuleya

The meeting was paused at 12:05 p.m. so the Board could break for lunch.
The meeting restarted at 12:41 p.m.

2. DISCUSS AND POSSIBLY ADOPT POLICIES ON QUALITATIVE EVALUATION CRITERIA FOR PCE SUPPLIERS

Shawn Marshall explained that the draft "Statement on Ethical Vendor Standards" came out of Board meeting discussions on energy providers and the vendors with which PCEA conducts business. The CAC reviewed this draft and provided feedback that the statement doesn't address dishonest or deceptive business practices.

There was general consensus by the Board that the draft statement does refer to dishonest or deceptive business practices. Discussion focused on environmental justice, environmental health problems, and environmental impacts on people. After some minor adjustments, there was consensus that the Policy Statement on Ethical Vendor Standards should be: Peninsula Clean Energy (PCE) is committed to the highest standards of responsible behavior and integrity in all of its business relationships. PCE will consider a company's business practices, environmental track record, and commitment to sustainability in its procurement decisions.

No formal vote was taken on this item.

PUBLIC COMMENT

Ann Schneider
Michael Closson

3. OVERVIEW OF PCE’S PROCUREMENT REQUIREMENTS

Jan Pepper introduced the presentation on power procurement requirements, and discussed load forecasts, energy products, matching supply to load, and renewable generation profiles. George Wiltsee discussed how the grid is managed in California, the region, and nationally. He also explained solar PV (photovoltaic) basics, and solar technology and price trends.

Direct Energy provided proprietary slides for this part of the presentation that cannot be published. Those slides were removed from the final presentation slide deck.

4. PCIA – ITS HISTORY AND CURRENT REGULATORY ISSUES

Pradeep Gupta explained that the Power Charge Indifference Adjustment (PCIA) charge is the cost of contracts bought by PG&E on behalf of PCE customers before they left PG&E. He outlined the CPUC decisions that created the PCIA methodology, and the impact of PCIA on PCE rates. Pradeep also discussed the PCIA Working Group within the CPUC, and their plans to address PCIA charges in the future.

PUBLIC COMMENT:

Michael Closson

5. PROVIDE INPUT ON FUTURE OF CITIZENS ADVISORY COMMITTEE

Due to the time, this discussion item was postponed to the next Board meeting.

6. WRAP-UP

Dave Pine thanked everyone for their attendance and participation. He said educational programs like these are very important, and asked the Board members to communicate any future questions or topics they’d like to have addressed.

ADJOURNMENT

Meeting was adjourned.