



**REGULAR MEETING of the Citizens Advisory Committee of the
Peninsula Clean Energy Authority (PCEA)
Thursday, July 7, 2016**

Belize Room, Building B
400 Harbor Blvd, Belmont, CA 94002
7:00 p.m.

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to participate in this meeting, or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact Carolyn Raider, Agenda Administrator, at least 2 working days before the meeting at (650) 363-4739 and/or craider@smcgov.org. Notification in advance of the meeting will enable the PCEA to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it. Attendees to this meeting are reminded that other attendees may be sensitive to various chemical based products.

If you wish to speak to the Committee, please fill out a speaker's slip located on the tables as you enter the Committee meeting room. If you have anything that you wish to be distributed to the Committee and included in the official record, please hand it to a member of PCEA staff who will distribute the information to the Committee members and other staff.

CALL TO ORDER / ROLL CALL

PUBLIC COMMENT

This item is reserved for persons wishing to address the Committee on any PCEA-related matters that are as follows: 1) Not otherwise on this meeting agenda or 2) Chief Executive Officer's or Staff Report on the Regular Agenda. Public comments on matters not listed above shall be heard at the time the matter is called.

As with all public comment, members of the public who wish to address the Committee are requested to complete a speaker's slip and provide it to PCEA staff. Speakers are customarily limited to two minutes, but an extension can be provided to you at the discretion of the Committee staff.

ACTION TO SET AGENDA

This item is to set the regular agenda.

REGULAR AGENDA

1. Updates from County Staff (Discussion)
2. Presentation on Renewable Energy vs Greenhouse Free Energy White Paper (Discussion)

3. Discussion on Commercial Outreach Strategies and Partnerships for Marketing
(Discussion)

Public records that relate to any item on the open session agenda for a regular board meeting are available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members of the Board. The Board has designated the Office of Sustainability, located at 455 County Center, 4th Floor, Redwood City, CA 94063, for the purpose of making those public records available for inspection. The documents are also available on the PCEA's Internet Web site. The website is located at: <http://www.peninsulacleanenergy.com>.



PENINSULA CLEAN ENERGY
Citizens Advisory Committee Correspondence

DATE: July 5, 2016
BOARD MEETING DATE: July 7, 2016
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Peninsula Clean Energy Citizens Advisory Committee
FROM: Jan Pepper, Chief Executive Officer, Peninsula Clean Energy Authority
SUBJECT: Presentation on Renewable Energy vs Greenhouse Free Energy White Paper

RECOMMENDATION:

Receive presentation and provide feedback on a white paper exploring the differences between renewable energy and greenhouse free energy and how to market Peninsula Clean Energy's energy content.

BACKGROUND:

On May 26, 2016, the Peninsula Clean Energy (PCE) Board of Directors (Board) approved the targeted energy content of the default product to be offered at PCE's launch. Pacific Energy Advisors—PCE's technical consultants—presented a recommendation to the Board as to the energy content of the default products based on such factors as the energy service providers' negotiations and current market conditions. After public comment and discussion, the Board voted to approve the default product option to be at a *minimum* of 50% renewable energy content and 75% greenhouse gas-free energy content. The Board also voted to offer a 100% renewable energy option for a small price premium.

During discussion of the default product offering, the Board explored the possibility of marketing PCE's energy options based on their greenhouse gas-free content, as opposed to their renewable energy content. To date, PCE's marketing has focused on its renewable energy content. The Board directed staff to further research the topic and return with a recommendation on how to best market PCE.

DISCUSSION:

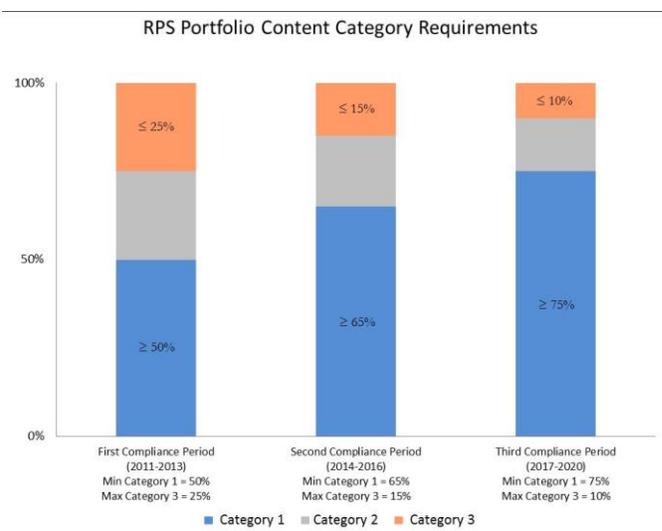
Per direction by the PCE Board, County Office of Sustainability (OOS) staff have begun drafting a white paper on the renewable vs. greenhouse gas-free energy. The white paper explores the differences between renewable and greenhouse gas-free energy; the legislative and regulatory framework around clean energy; and the pros and cons of marketing PCE based on its renewable energy content vs. its greenhouse-free energy content. The white paper has not been finalized yet; however, the content of the paper has been summarized below for discussion by your Committee.

Renewable vs. Greenhouse Gas-Free Energy

Renewable electricity is derived from sources that do not emit carbon or other greenhouse gases and replenish on a human timescale. Under California State law, renewable energy sources include, but are not limited to, small hydropower, solar, wind, geothermal, and biomass and waste. Large hydropower and nuclear power sources are not considered renewable due to the significant and lasting environmental impacts associated with each but are classified as greenhouse gas free.

California's Renewable Portfolio Standards (RPS) require that all electricity retailers source: a) 33% of their energy from renewable sources by 2020; and b) 50% of their energy from renewable sources by 2030. In California, a renewable energy tracking system, called WREGIS (Western Renewable Energy Generation Information System) tracks each unit of renewable electricity by creating a renewable energy certificate (REC). Energy retailers purchase RECs to certify that its energy is derived from or directly supports a renewable source. A retailer may purchase renewable energy "bundled" with its REC or may purchase a REC "unbundled" from the power itself. These RECs fall into three categories: a) Category 1: energy and RECs, typically from a renewable project located in California, and delivered to a California balancing authority (CBA) without substituting electricity from another source; b) Category 2: energy and RECs, typically from an out-of-state renewable energy project, that cannot be delivered to a CBA without substituting energy from another source (i.e. intermittent wind energy needs to substitute in another energy source to meet demand during times when the wind facility is not generating electricity); and c) Category 3: unbundled RECs, or RECs that do not meet Category 1 and 2 conditions (see Figure 1).

Figure 1: RPS Portfolio Content Requirements (CPUC, 2016).



Greenhouse gas-free electricity generation does not emit carbon into the atmosphere. Whereas all renewable sources are greenhouse gas free by definition (or contribute negligible amounts of carbon to the atmosphere in comparison to conventional sources), sources termed “greenhouse gas free” are not necessarily renewable. For example, large hydropower and nuclear power sources are not considered renewable under California’s definition under the RPS.

Peninsula Clean Energy & Marketing

PCE can market its clean energy product as either a “renewable” or “greenhouse gas-free” product. There are advantages and drawbacks to both.

Marketing Peninsula Clean Energy as Greenhouse Gas-Free

- A higher percentage of PCE’s default energy product is greenhouse gas-free (75%) in comparison to renewable energy (50%)
- PCE’s energy portfolio contains 15% more greenhouse gas-free energy than PG&E’s default choice (PCE is 75% GHG free while PG&E is 60% GHG-free energy)
- Future State legislation may standardize greenhouse gas emission accounting (this is currently not standardized) and potentially change the percentage of greenhouse gas-free energy that PCE can claim in its energy portfolio
- Local Climate Action Plans are based on reducing greenhouse gas emissions
- It remains unclear whether local residents more positively perceive the term “greenhouse gas-free”

Marketing Peninsula Clean Energy as Renewable

- Focusing on renewable content is consistent with existing State legislation and RPS reporting requirements, possibly leading to less consumer confusion and more stable marketing
- PCE’s energy portfolio contains 20% more renewable energy than PG&E’s default choice (PCE 50% renewable while PG&E is 30% renewable)

- It remains unclear whether local residents more positively perceive the term “renewable” versus “GHG-free” energy

FISCAL IMPACT:

There is no fiscal impact associated with receiving this presentation.



PENINSULA CLEAN ENERGY
Citizens Advisory Committee Correspondence

DATE: July 5, 2016
BOARD MEETING DATE: July 7, 2016
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Peninsula Clean Energy Citizens Advisory Committee
FROM: Jan Pepper, Chief Executive Officer
SUBJECT: Discussion on commercial outreach strategies and partnerships for marketing

RECOMMENDATION:

Receive information and provide direction to staff regarding commercial outreach strategies and partnership for marketing.

Discuss opportunities for CAC members to participate in PCE outreach activities.

BACKGROUND:

The County of San Mateo's Office of Sustainability (OOS) has been conducting outreach on behalf of Peninsula Clean Energy (PCE) since early 2015. In March 2016, after a competitive proposal process, the firm Circlepoint was selected to assist OOS and PCE staff in marketing and communications for PCE's launch.

On May 5, 2016, OOS staff gave a presentation on PCE's Strategic Marketing and Communications Plan to your Committee. Direction from the PCE Board of Directors (Board) and your Committee was used to revise the Marketing Plan. On May 31, 2016, OOS staff gave an update on the marketing campaign. Topics discussed included: results of focus group testing, the new PCE website, customer enrollment notices, media plan and partner toolkit. Direction from your Committee has been used to inform marketing strategies as well as included in the CAC report-out to the Board.

PCE will launch with a sub-set of its customers in October 2016. Phase 1 of customer enrollment will include all municipal accounts, all small and medium commercial accounts and a portion of residential accounts. A key element to PCE's success is

ensuring that residents, businesses, elected officials and stakeholders in San Mateo County are well informed about the program and their electricity options.

Concurrent with its outreach to residential customers, OOS and PCE staff have created a marketing plan targeted at its small and medium commercial accounts. This plan includes 'traditional' businesses, such as restaurants, retail stores, office spaces, etc. In addition, it includes commercial accounts not typically classified as 'businesses,' including, but not limited to: schools, special districts, wastewater districts and water agencies. An effective marketing and outreach campaign can build brand recognition, increase positive customer sentiment towards PCE and ultimately retain customers in the program (decrease PCE's "opt-out" rate).

DISCUSSION:

Commercial and industrial customers consume the majority of electricity in San Mateo County. Consequently they have the opportunity to reduce the largest portions of energy-related greenhouse gas emissions.

PCE's commercial marketing strategies are currently focused on small and medium customer accounts who will be automatically enrolled this October. PCE plans to form and leverage existing partnerships with local organizations to execute these strategies in the most effective and efficient manner possible. The marketing strategies are as described:

Collateral: PCE and Circlepoint will provide informational collateral specific for commercial customers, including a pamphlet and FAQ sheet. PCE will also provide a 'toolkit' to commercial customers and business organizations who wish to help promote PCE. This may include: an informational postcard for customers, poster, window cling and web button.

Informational workshops: PCE will partner with local Chambers of Commerce and other business organizations to hold four in-person, informational workshops on PCE for local business owners. PCE will hold additional webinars, for those unavailable to attend the workshop.

Merchant walks: PCE staff and trained volunteers will walk key business corridors throughout the County to talk to business owners and provide information on PCE.

Website: PCE will have dedicated section on website for commercial customers. Commercial customers who opt-out to 100% renewable energy will be included in PCE's virtual "Green Business Directory" and provided with additional collateral.

Presentations/tabling: PCE staff and trained volunteers will continue to table at key community events. In addition, PCE staff will continue to present to commercial and community organizations.

Partnerships: PCE will partner with commercial and community organizations to inform their audiences about PCE's coming service. PCE will provide partners with campaign collateral, draft newsletter blasts and other materials to assist to program outreach.

PCE staff has identified schools as a customer type that requires specialized outreach strategies. This is based on data from other Community Choice Energy programs as well as unique circumstances that schools face, such as limited budgets and special rate classifications. School accounts include public and private institutions as well as K-12 schools, community colleges and universities. PCE staff plan on engaging local educational organizations/associations as well as meeting individually with school superintendents, chancellors and chief business officers.

FISCAL IMPACT:

There is no fiscal impact associated with receiving this presentation.



**REGULAR MEETING of the Citizens Advisory Committee
of the Peninsula Clean Energy Authority (PCEA)
Thursday, May 5, 2016
MINUTES**

400 Harbor Blvd, Belize Room, Belmont CA 94002
7:00pm

CALL TO ORDER

Meeting was called to order at 7:04 pm.

ROLL CALL

- Present:** Landis Martilla, IBEW Local 1245
Michael Closson, MenloSpark
Carlos Davidson, Pacifica Climate Committee (arrived late)
Janet Creech, San Mateo Community Choice
Susie Raye, San Mateo County League of Women Voters
Hector Camacho, San Mateo County School Boards Association
Harvey Rarback, San Mateo County Special Districts Association
Sue Chow, Sierra Club Loma Prieta Chapter
- Absent:** Mike McCord, Burlingame Citizens Environmental Council
San Mateo County Association of Realtors
Amanda Borsum, San Mateo County Economic Development Association
- Staff:** Jim Eggemeyer, Director, Office of Sustainability
David Silberman, General Counsel
Gordon Tong, Office of Sustainability
Kirsten Pringle, Office of Sustainability

A quorum was established.

ADMINISTERING THE OATH OF OFFICE

David Silberman administered the oath of office to all members of the Citizens Advisory Committee in attendance.

WELCOME

Kirsten Pringle, County Office of Sustainability, gave an overview of the role of the Citizens Advisory Committee (CAC). The CAC will provide recommendations to the Peninsula Clean Energy (PCE) Board of Directors on issues that will later come before the Board.

PUBLIC COMMENT

Tom Kabat, resident, Menlo Park

Jan Butts, resident, Menlo Park

REGULAR AGENDA

1. ACTION TO ADOPT REGULAR MEETING SCHEDULE OF THE CITIZEN'S ADVISORY COMMITTEE

Motion to approve a regular meeting schedule and set the agenda – Made / Seconded:
Martilla/Closson

Motion passed 7-0 (Absent: McCord, Davidson, Borsum, representative for San Mateo County Association of Realtors).

2. PRESENTATION ON THE BROWN ACT

Mr. Silberman gave a presentation on the Brown Act. The CAC will be subject to all the Brown Act requirements. Silberman discussed the purpose of the Brown Act, who the law applies to, how the Brown Act can be violated, agenda requirements, rights of the public and consequences of Brown Act violations.

3. UPDATES FROM COUNTY STAFF

Ms. Pringle gave the CAC an update on the status of PCE's implementation and actions taken by the Board of Directors. Ms. Pringle informed the CAC about: the formation of the Executive Committee, approval of the Implementation Plan, approval of the data management and call center contract, CEO hiring process, the request for proposal process for an energy service provider, the option for cities to vote for a 100% renewable energy default product, and expansion of Marin Clean Energy.

There were questions regarding the location of the call center, status of the CEO selection process, and 100% renewable energy default option. There was a comment regarding communities in Westchester County, New York choosing the 100% renewable energy default. There was a comment regarding putting floating solar panels on Crystal Springs Reservoir.

Public comment: Vicki Sherman, Tom Kabat

4. DISCUSSION OF MARKETING AND COMMUNICATIONS

Ms. Pringle gave a presentation on the marketing and communications plan for PCE. The County Office of Sustainability has hired the firm Circlepoint to design and implement a marketing campaign for PCE. Ms. Pringle gave an overview of the goals of the marketing program, target audiences, messaging framework, focus groups, sub-branding options, website update, advertising campaign creative, and media plan.

There were comments on the sub-branding options, website re-design, adding more tabling and workshop locations in the coastal communities, including schools in PCE outreach, identifying community advocates for the program, increasing the opt-up rate goal from 5% to 10%, and targeting renters. There was a question about the early adopter program and legalities of advertising at schools.

Public comment: Rick Bonilla, Vicki Sherman, Jan Butts, Tom Kabat, Mark V.

ADJOURNMENT

CAC members suggested future meeting topics including: the customer call center, staffing plan for PCE, and discussion around the electricity not being derived from renewable or greenhouse gas free sources.

Meeting was adjourned at 8:53 pm.



**REGULAR MEETING of the Citizens Advisory Committee
of the Peninsula Clean Energy Authority (PCEA)
Thursday, June 6 2016
MINUTES**

400 Harbor Blvd, Belize Room, Belmont CA 94002
7:00pm

CALL TO ORDER

Meeting was called to order at 7:15 pm.

WELCOME

Kirsten Pringle, County Office of Sustainability, introduced Peninsula Clean Energy's new Chief Executive Officer, Jan Pepper.

ROLL CALL

Present: Landis Martilla, IBEW Local 1245
Diane Bailey (alternate), MenloSpark
Kirsten Schwind, Pacifica Climate Committee
Janet Creech, San Mateo Community Choice
Judy Taylor, San Mateo County Association of Realtors
Sue Chow, Sierra Club Loma Prieta Chapter
Michelle Senatore, San Mateo County Transit District
Sue Chow, Sierra Club Loma Prieta Chapter

Absent: Mike McCord, Burlingame Citizens Environmental Council
March Leach, San Mateo County Central Labor Council
Amanda Borsum, San Mateo County Economic Development Association
Susie Raye, San Mateo County League of Women Voters
Hector Camacho, San Mateo County School Boards Association
Harvey Rarback, San Mateo County Special Districts Association

Staff: Jan Pepper, Chief Executive Officer
David Silberman, General Counsel
Gordon Tong, Office of Sustainability
Kirsten Pringle, Office of Sustainability

A quorum was established.

ADMINISTERING THE OATH OF OFFICE

David Silberman administered the oath of office to some members of the Citizens Advisory Committee.

PUBLIC COMMENT

There was no public comment on items not on the regular agenda.

REGULAR AGENDA

1. ACTION TO ADOPT REGULAR MEETING SCHEDULE OF THE CITIZEN'S ADVISORY COMMITTEE

Motion to approve a regular meeting schedule and set the agenda – Made / Seconded:
Martilla/Chow

Motion passed 8-0. (Absent: McCord, Leach, Borsum, Raye, Camacho, Rarback).

2. ACTION TO APPROVE THE CONSENT AGENDA

Bailey, Schwind and Taylor abstained. Motion failed 5-0 due to lack of quorum (Absent: McCord, Leach, Borsum, Raye, Camacho, Rarback).

3. UPDATES FROM COUNTY STAFF

Ms. Pringle gave the Citizens Advisory Committee (CAC) an update on the status of PCE's implementation and actions taken by the Board of Directors (Board). Ms. Pringle informed the CAC about: the status on the energy service provider contracting process, communications and outreach, banking and financing and upcoming action items to be taken by the PCE Board.

There were questions regarding the energy services provider request for proposals and selection criteria; role and potential agenda topics for the CAC; status of the Implementation Plan; pay and benefits for call center employees; and process for addressing legislative matters that may affect Peninsula Clean Energy.

4. PRESENTATION ON RATESETTING PROCESS

Jan Pepper—Chief Executive Officer of Peninsula Clean Energy—gave a presentation on the electricity ratesetting process. The presentation covered topics such as the rate design process, key performance impacts, key policy considerations, type of electricity charges, electric rate cost categories, proposed approach to ratesetting and tariff options and programs.

There were questions regarding how the Power Charge Indifference Adjustment affects customer rates; the franchise fee surcharge; matching rate structures with PG&E; rates for electric vehicle owners; rate comparison tools between Peninsula Clean Energy and PG&E and potential uses for the public goods charge.

Public comment: Ted Howard, James Tuleya

5. MARKETING AND COMMUNICATIONS UPDATES

Ms. Pringle gave an update on marketing and communications for Peninsula Clean Energy. Ms. Pringle discussed the results of the focus group testing, the design the customer enrollment notices, the revised media plan and the partner toolkit.

There were comments and questions on the color scheme in the advertising collateral, marketing strategies for seniors and potential partnership opportunities to market Peninsula Clean Energy.

ADJOURNMENT

Meeting was adjourned at 9:10 pm.