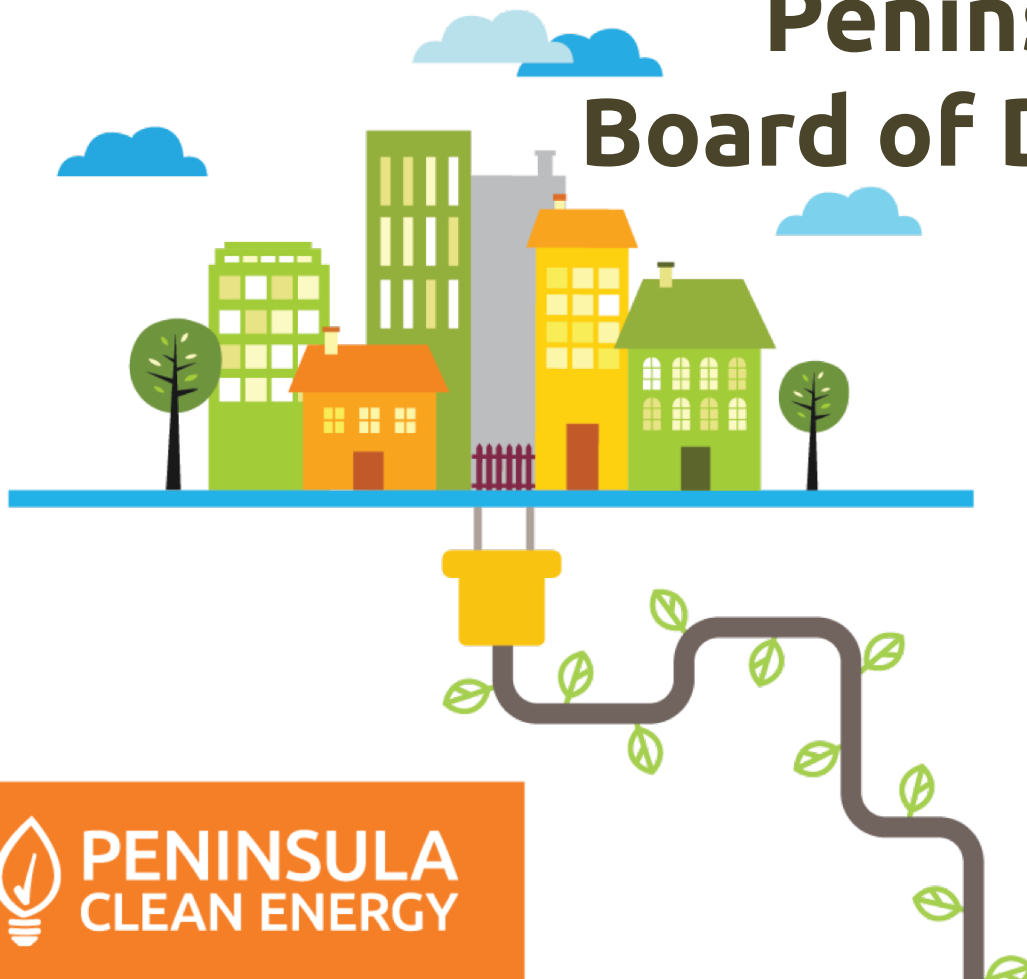


Peninsula Clean Energy Board of Directors Meeting

February 22, 2018



**PENINSULA
CLEAN ENERGY**

Agenda

Call to order / Roll call

Public Comment

**Action to set the agenda and approve
consent items**

Closed Session

1. PUBLIC EMPLOYEE PERFORMANCE REVIEW

Title: Chief Executive Officer

Closed Session

2. RECONVENE OPEN SESSION AND REPORT OUT OF CLOSED SESSION

Regular Agenda

3. Chair Report (Discussion)

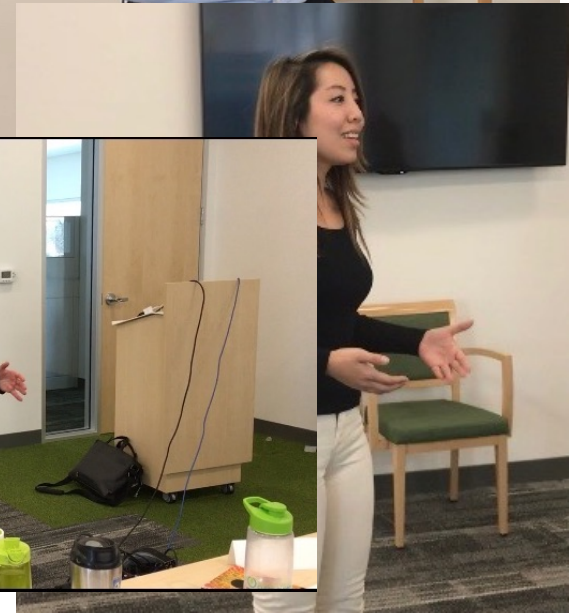
Regular Agenda

4. CEO Report (Discussion)

Personnel Update

- Interviewing candidates for:
 - Power Resources Manager
 - Energy Programs Manager/Director
- Expect to make offers by end of month

Staff Training



Sustainable San Mateo County Awards

- PCE to receive 2018 Sustainability Award
- Awards Dinner Thursday March 29, 5:30 pm at College of San Mateo
- PCE sponsoring at “Community Sponsor” Level
- PCE will purchase tickets for board members
 - Who can attend???

Reg/Leg Highlights (1)

Regulatory:

- Met with CPUC Commissioner Rechtschaffen on January 16, 2018
- Met with CPUC Commissioner Peterman on January 24, 2018
- Dave Pine and Jan Pepper spoke at rally at CPUC before CPUC meeting regarding Resolution E-4907 (RA procurement)

Reg/Leg Highlights (2)

- Joint Utilities “Petition for Modification” requesting CPUC to relax the utility code of conduct to allow utilities to lobby cities and counties, and state their positions in the press.
- Joint Utilities using First Amendment arguments including those of Citizens United.
- PCE taking lead on behalf of CalCCA to draft response, which will be filed next week.

Regular Agenda

5. Citizens Advisory Committee Report (Discussion)

Regular Agenda

6. Audit and Finance Committee Report (Discussion)

Regular Agenda

7. Marketing and Outreach Report (Discussion)

Municipal ECO100 Update

Thank you Town of Colma for opting up!

Current ECO100 Municipal Accounts

County of San Mateo	Town of Atherton
City of Belmont	Town of Colma
City of Brisbane	Town of Hillsborough
City of Burlingame	Town of Portola Valley
City of Foster City	Town of Woodside
City of Menlo Park	
City of Millbrae	
City of Redwood City	
City of San Carlos	
City of San Mateo	

Outreach Small Grants Pilot

- Application launched on PCE website Feb 15th
- Link sent to 20 local nonprofits and listservs
- Eligibility: nonprofits reaching residents in San Mateo County, especially:
 - Low income residents
 - Seniors
 - Medical Baseline discount
 - Low English proficiency
 - Focus on North County



Please Spread the Word



- Up to \$10K/grant
- Funds six-month outreach collaboration
- PCE provides training, speakers, support

**Applications due by
March 9th**

Chamber of Commerce Progress

Chambers	Joined
Burlingame	Yes
Daly City/Colma	Yes
Millbrae	Yes
Pacifica	Yes
San Bruno	Yes
San Mateo	Yes
South San Francisco	Yes
Foster City	Yes
Half Moon Bay	Yes
San Carlos	Yes
East Palo Alto	In Progress
Redwood City	In Progress
Belmont	Not Yet
Brisbane	Not Yet
Menlo Park	Not Yet

Outreach Through Schools and Youth

PCE is reaching families through youth and schools:

- County STEM Fair
- School career day
- Boy Scouts
- AP Environmental Science classes
- SMC Office of Education STEM Center



How Cities Can Help

1. Place PCE ads in Spring Parks and Rec mailers
2. Connect us with senior centers for outreach
3. PCE updates in city newsletters, website
4. Invite PCE to update your Council
5. Check your Nextdoor

Thank You!



Regular Agenda

8. Regulatory and Legislative Report (Discussion)

Regulatory and Legislative Report

February 22, 2018

Jan Pepper
CEO



January/February Regulatory Activities

– Filings

- PCE, as part of CalCCA, filed a **Motion** requesting an extension in the schedule of the PCIA docket to accommodate delays in receiving necessary data from the investor-owned utilities. CalCCA also filed a **Response** to the IOU's Response on CalCCA's motion. (PCIA, R.17-06-026).
- PCE, as part of a coalition of CCAs, filed **Comments** on the Scoping Memo issued in the Commission's new Resource Adequacy docket (R.17-09-020). PCE, as part of the coalition, also filed **Comments** presenting proposals on a number of resource adequacy related topics within the docket's Track 1.

January/February Regulatory Meetings

Meetings with CPUC Commissioners and staff regarding the Commission's Integrated Resource Planning docket:

- January 24 – Jan Pepper, Jeremy Waen, Michael Brownrigg, Mayor of Burlingame, and Vidhya Prabhakaran, outside counsel to PCE, met with Commissioner Carla Peterman
- February 1 - Jan Pepper, Joseph Wiedman, and Jeremy Waen met with Commissioner Liane Randolph and her staff
- February 1 - Jan Pepper, Joseph Wiedman, and Jeremy Waen met with David Peck, Energy Advisor to CPUC President Michael Picker
- February 6 - Joseph Wiedman met with Commissioner Martha Guzman-Aceves and her staff

January/February Legislative Activities

- On Wednesday, January 24th and Thursday, January 25th, CalCCA held lobby days in Sacramento. Joseph Wiedman attended on behalf of PCE:
 - Meetings with **Assemblymembers Eduardo Garcia, Al Muratsuchi, and Chris Holden; Gabrielle Zeps**, Policy Consultant for Speaker of the Assembly Anthony Rendon, **Kip Lipper**, Energy Advisor to the Senate President Pro Tem, and **Edson Perez**, staff to incoming Senate President Pro Tem Toni Atkins.
 - **Legislator Briefing** hosted by Senator Mike McGuire. **Assemblymember Mark Berman, Senator Scott Wiener, and Senator Jerry Hill** attended the briefing from PCE's service territory.
 - **Legislative Staff Briefing** on CalCCA.

Regular Agenda

9. Selection of the Chair and Vice Chair (Action)

Regular Agenda

10. Update JPA Voting Shares (Action)

JPA Weighted Voting Shares 2018

February 22, 2018

Leslie Brown
Director of Customer Care



JPA Weighted Voting Shares 2018

- Section 3.7 of the Peninsula Clean Energy Authority (PCEA) Joint Powers Agreement (JPA) allows for a 'weighted' voting option
- Voting weight is determined by each jurisdiction's annual kWh consumption

JPA Weighted Voting Shares 2018

ANNUAL ENERGY USE WITHIN PCE JURISDICTIONS AND VOTING SHARES		
Twelve Months Ended December 2017		
<u>Party</u>	<u>Total kWh</u>	<u>Voting Share</u>
ATHERTON	62,664,288	1.80%
BELMONT	88,333,458	2.54%
BRISBANE	57,469,444	1.65%
BURLINGAME	202,761,927	5.83%
COLMA	20,071,085	0.58%
DALY CITY	240,149,652	6.90%
EAST PALO ALTO	67,751,822	1.95%
FOSTER CITY	177,259,733	5.10%
HALF MOON BAY	55,749,795	1.60%
HILLSBOROUGH	55,357,571	1.59%
MENLO PARK	266,754,006	7.67%
MILLBRAE	75,810,842	2.18%
PACIFICA	97,630,827	2.81%
PORTOLA VALLEY	22,162,037	0.64%
REDWOOD CITY	464,545,460	13.35%
SAN BRUNO	133,176,510	3.83%
SAN CARLOS	152,028,851	4.37%
SAN MATEO	457,510,644	13.15%
SOUTH SAN FRANCISCO	516,696,376	14.85%
UNINCORPORATED	224,953,843	6.47%
Total		100%

Regular Agenda

**11. Approve Endorsement of the
Citizen's Climate Lobby's Carbon Fee and
Dividend Proposal (Action)**

Regular Agenda

12. Review Insurance Coverage (Discussion)

Regular Agenda

**13. Create a New Residential
Time-of-Use, TOU-C, Electric Rate
(Action)**

New Time of Use Rate TOU-C

February 22, 2018

Leslie Brown
Director of Customer Care



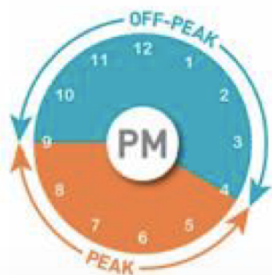
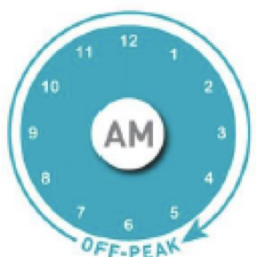
New Time of Use Rate TOU-C

- PG&E is launching a new residential Time of Use Rate, TOU-C, April 1st, 2018
- Will be offered to 150,000 PG&E bundled customers via opt-out enrollment process
- Part of a multi-year plan by the CPUC to transition all residential customers to a Time of Use rate

New Time of Use Rate TOU-C

- *Why does this matter for PCE?*
 - Rate will be available to all residential customers
 - New time bands do not match existing Time of Use rates

New Time of Use Rate TOU-C



Check the hour before using power

The **Time-of-Use (Peak Pricing 4–9 p.m. Every Day)** rate plan has two time periods:

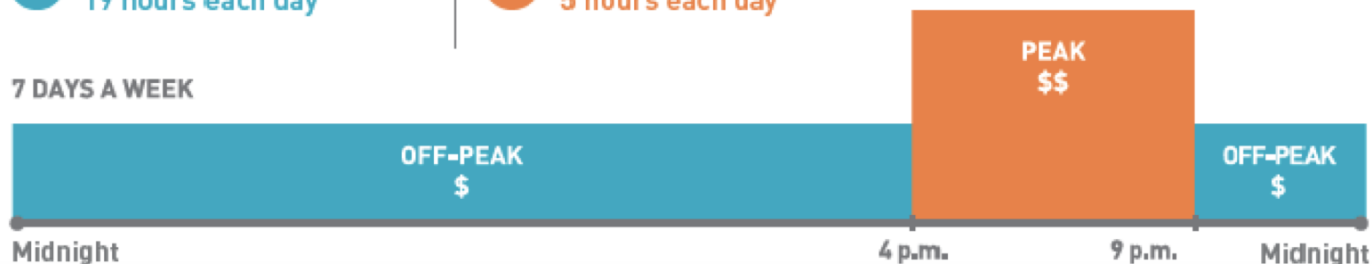


Lowest price (OFF-PEAK)
19 hours each day



Highest price (PEAK)
5 hours each day

7 DAYS A WEEK



New Time of Use Rate TOU-C

- Maintain consistency and PCE value proposition
- Minimize potential confusion and billing errors
- Support customer choice

New Time of Use Rate TOU-C

PCE staff is recommending that the Board authorize the creation and implementation of a new residential Time of Use rate, TOU-C, to mirror PG&E with a net 5% generation discount

Regular Agenda

14. PCE Rate Change Update (Discussion)

PCE 2018 Rate Adjustment

February 22, 2018

Leslie Brown
Director of Customer Care



PCE 2018 Rate Adjustment

- PG&E Advice letter released February 16th with latest rate information for March 1, 2018 rate increase
- PCE rate adjustments are being calculated and will be implemented shortly after PG&E rates go into effect
- PCE maintaining 5% discount across the board
- New PCE rates and effective date will be published online as soon as they are available

PCIA 2018 Increases

PCIA	2017	2018	% Change
Residential	\$0.02919	\$0.03346	14.63%
A1	\$0.02199	\$0.02466	12.14%
A10	\$0.02253	\$0.02502	11.05%
E19	\$0.01889	\$0.02104	11.38%
Streetlights	\$0.00424	\$0.00589	38.92%
Standby	\$0.01022	\$0.01196	17.03%
Agriculture	\$0.02134	\$0.02463	15.42%
E20T	\$0.01532	\$0.01735	13.25%
E20P	\$0.01680	\$0.01888	12.38%
E20S	\$0.01813	\$0.02025	11.69%

2018 Rate Adjustments

250,000+ PCE Customers are served on the E1 Tariff

Rate Schedule	PG&E Proposed Rate	PG&E Current Rate	% Change
E-1	\$0.10780	\$0.09838	9.58%

Rate Schedule	PCE Proposed Rate	PCE Current Rate	% Change
E-1	\$0.06840	\$0.06369	7.40%

**PCE is able to maintain a 5% discount
across all rate schedules for 2018**

Regular Agenda

**15. Update on 2018 RFO for
Renewable and Storage Resources
(Discussion)**

2018 Renewables & Storage Request for Offers

February 22, 2018



Agenda

- Integrated Resource Plan (IRP) Background
- Request for Offers (RFO) Overview
- RFO Results Summary
- Next Steps

IRP Background

Integrated Resource Plan

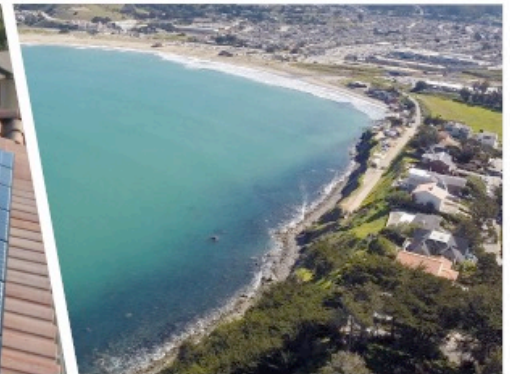
- In December 2017, PCE's Board approved PCE's first Integrated Resource Plan (IRP):
 - Documents PCE's current procurement status; and
 - Outlines PCE's resource planning policies and objectives over a ten-year planning timeframe.
- <https://www.peninsulacleanenergy.com/our-power/energy-sources/>.



2018 Integrated Resource Plan

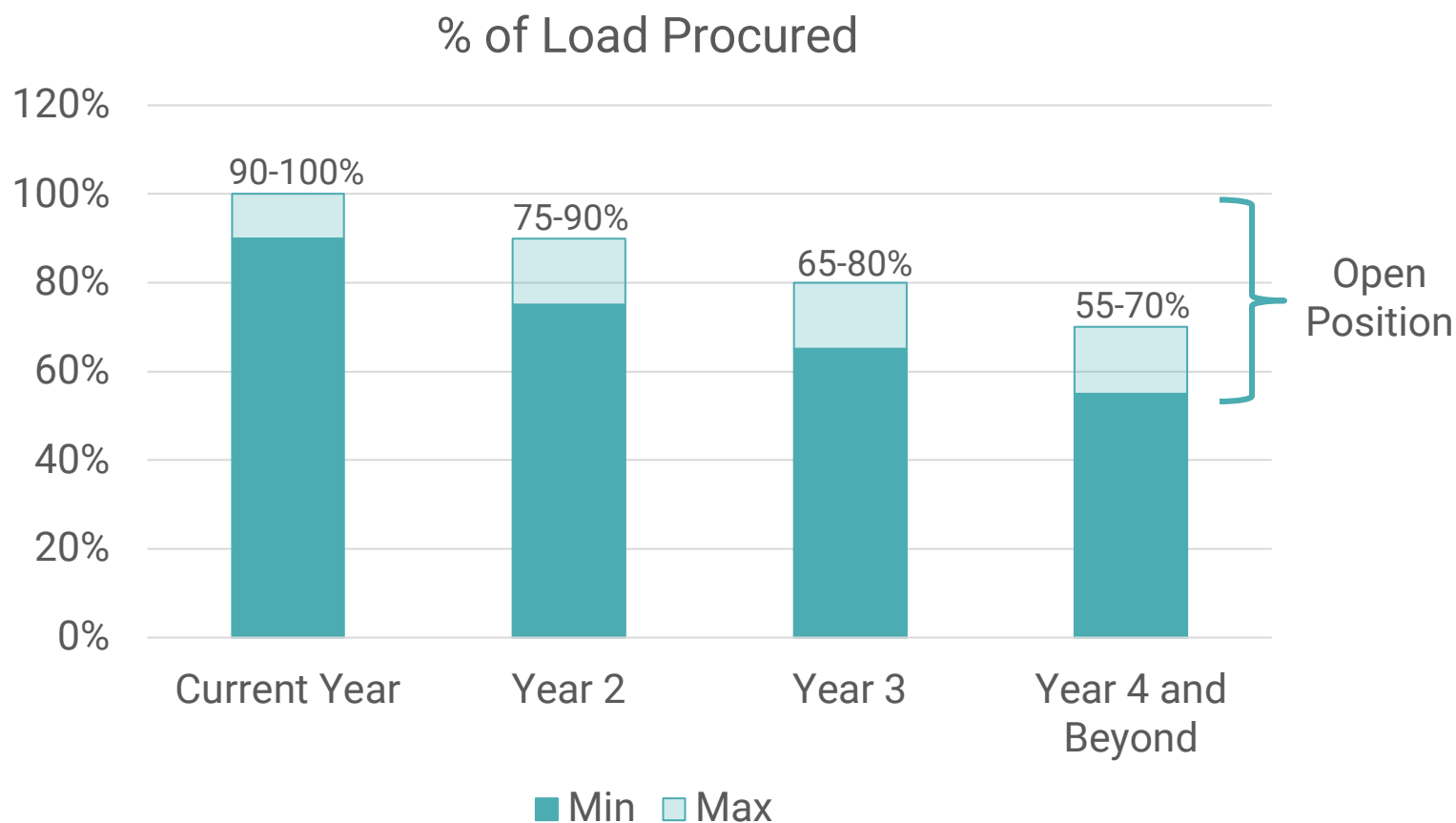
Approved by Board
December 14, 2017

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.

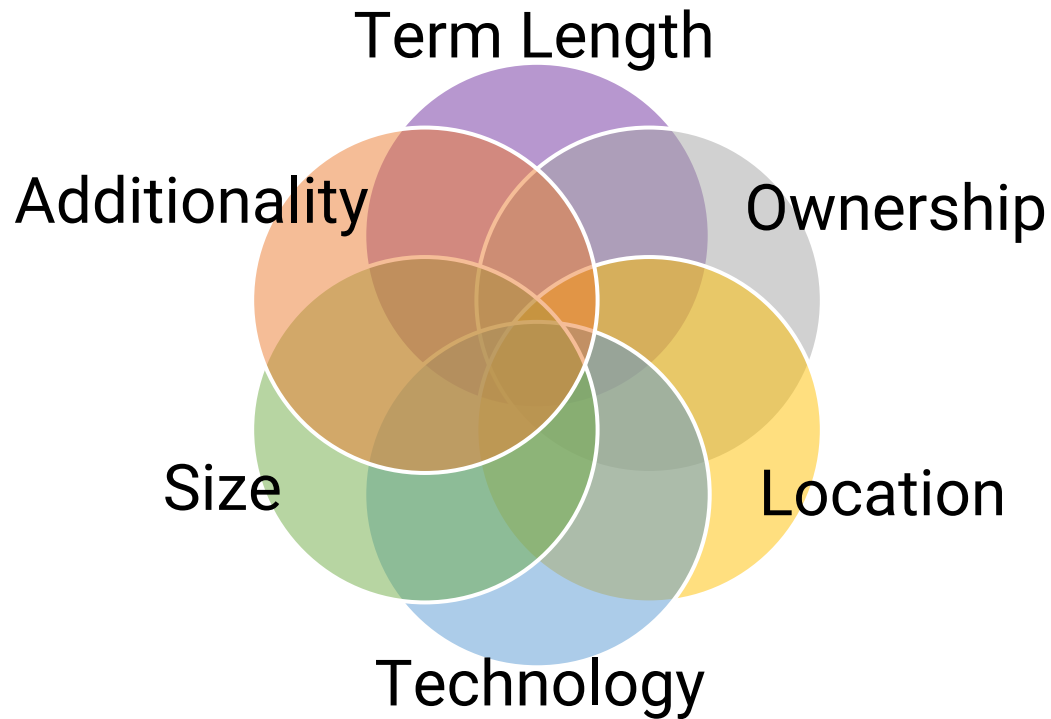


Open Position

- Increasing open position as we go out in time
- Annual procurements to meet 15-25% of load (550 – 950 GWh)

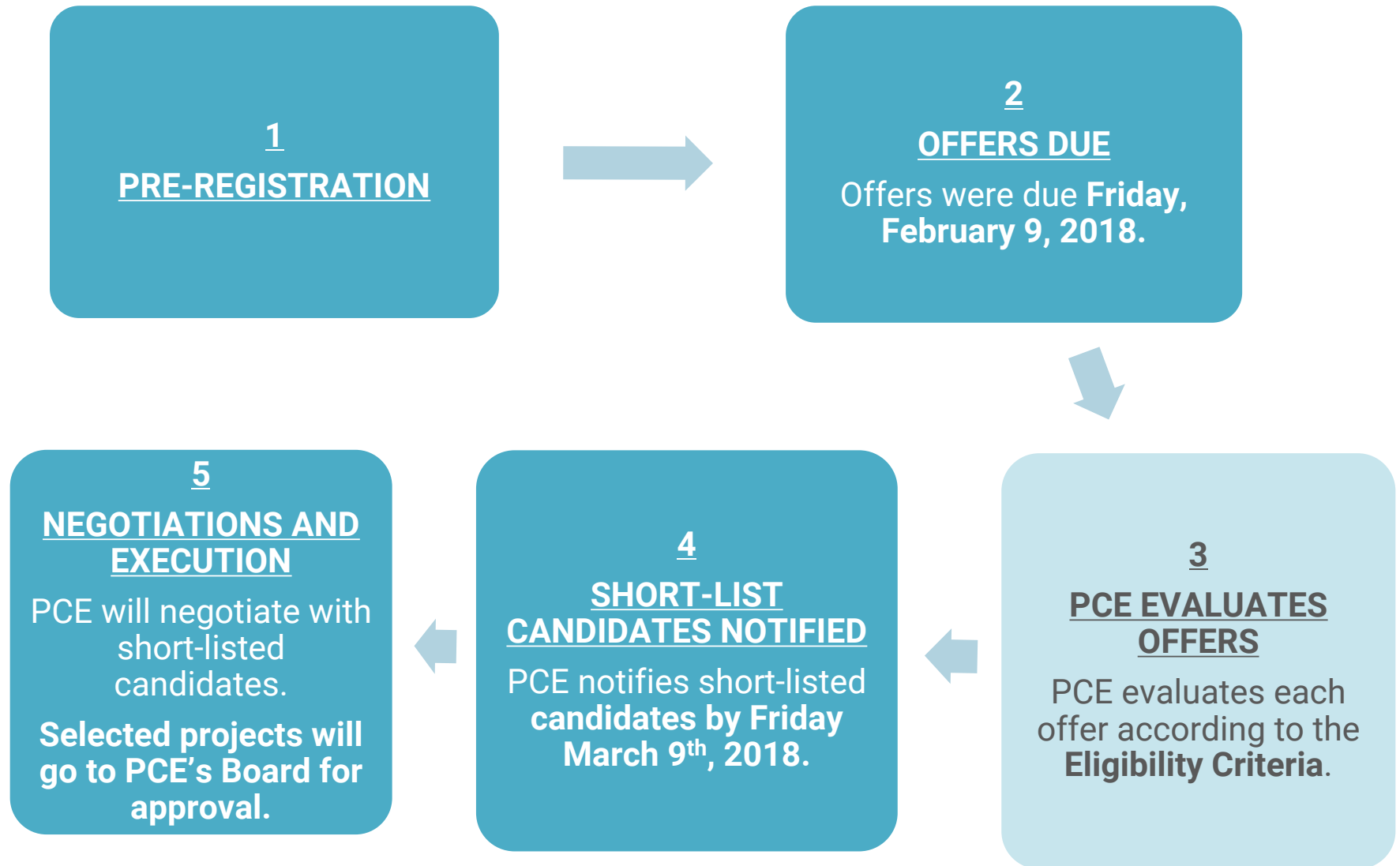


Designing A Diverse Portfolio



RFO Overview

RFO Process



Evaluation Criteria

Quantitative

Market forward prices

Value of capacity

Value of energy storage, if applicable

Proposed contract price

Qualitative

Project viability

Consistency with PCE mission & IRP

Consistency with Workforce policy

Consistency with Sustainable Vendor policy

Environmental impacts and required mitigation

Workforce Policy

- Bidders were required to submit information related to PCE's Sustainable Workforce Policy
- Information submitted by bidders will be used to evaluate potential workforce impacts of proposed projects with the goal of promoting:
 - Fair compensation;
 - Fair worker treatment;
 - Multi-trade collaboration; and
 - Support of the existing wage base in local communities where contracted projects will be located.

Ethical Vendor Policy

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.

- Bidders were asked to describe their company's:
 - Business practices,
 - Environmental track record, and
 - Commitment to sustainability.

Environmental Criteria

- Received input from Defenders of Wildlife, Sierra Club, and The Nature Conservancy
- Ensure that the projects are built and operated in a way that protects lands for people and nature
- Improve the assessment of project and portfolio viability
- We asked bidders to provide information on the following:
 - Known environmental issues on the project site
 - Permit status including:
 - Application with land use authority;
 - Whether the project is located on land with potential resource conflicts;
 - Status biological and archaeological surveys;
 - Wildlife permits; and
 - CEQA/NEPA

RFO Results Summary

Summary Stats

Solar Projects

- 113 Unique Offers¹
- Average Annual MWh: 287K = 7.6% of PCE load²

Wind Projects

- 23 Unique Offers³
- Average Annual MWh: 276K = 7.3% of PCE load²

Other Projects

- 5 Unique Offers
- Average Annual MWh: 101K = 2.7% of PCE load²

1. Includes solar + storage
2. PCE's Annual load is 3,800,000 MWh
3. Includes wind + storage

Location of Offers



SOLAR



WIND



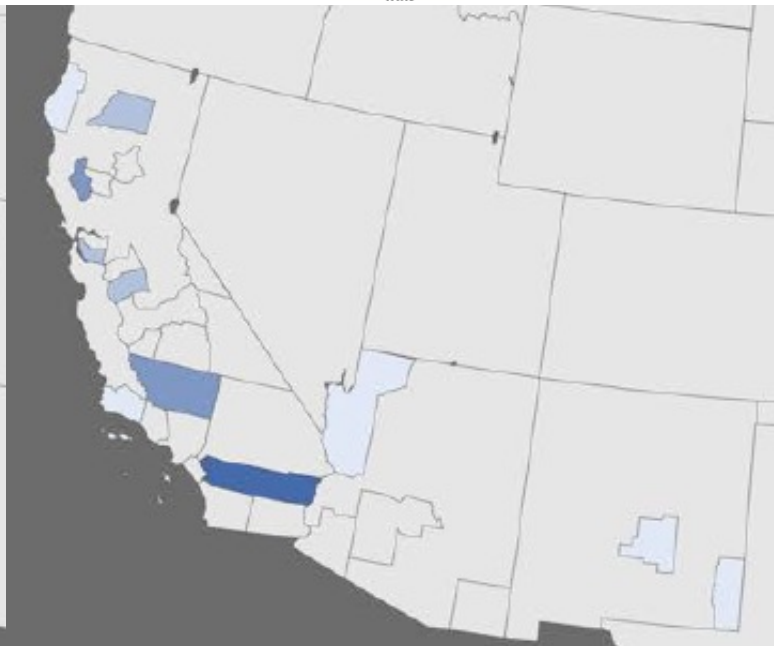
BIOMASS



GEO THERMAL



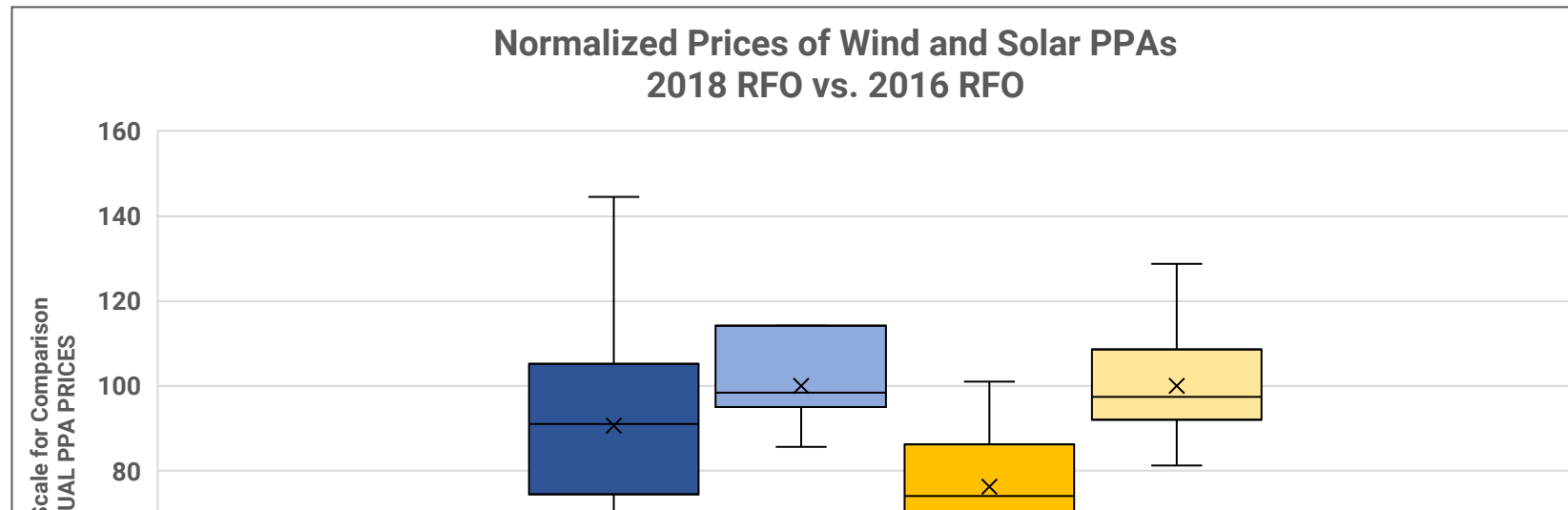
HYDROPOWER



**A darker color indicates a higher number of offers in that county.*

**We combined biomass, geothermal and hydro because we didn't receive enough offers in those categories for separate maps.*

Price Comparison to PCE's Previous RFO



Next Steps

Evaluation

- PCE Staff are currently evaluating proposals against the evaluation criteria identified above.
- Will meet with Board ad hoc committee to present recommendations on short-list.
- Once we have completed our evaluation, we will notify Participants of the status of their proposal.
- We expect to complete the evaluation and notifications by March 9, 2018.

Regular Agenda

16. Board Members' Reports (Discussion)

Regular Agenda

Adjourn