



**REGULAR MEETING of the Executive Committee of the
Peninsula Clean Energy Authority (PCEA)
Monday, July 11, 2016**

Room 405
455 County Center, 4th Floor
Redwood City, CA 94063
8:00 a.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 Gordon Tong, Agenda Administrator, at least 12 hours before the meeting at (650) 363-4159 and/or gtong@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 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 Board on any PCEA-related matters that are as follows: 1) Not otherwise on this meeting agenda; 2) Listed on the Consent Agenda; 3) Chief Executive Officer's or Staff Report on the Regular Agenda; or 4) Committee Members' Reports 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 Board 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 Chair.

ACTION TO SET AGENDA

This item is to set the final consent and regular agenda.

CLOSED SESSION

(The Board will adjourn to closed session to consider the following items at the beginning of the agenda, or at any time during the meeting as time permits. At the conclusion of closed session, the Board will reconvene in open session to report on any actions taken for which a

report is required by law.)

1. CONFERENCE WITH LABOR NEGOTIATORS

Agency Designated Representatives: Dave Pine and David Silberman

Represented Employee: Chief Executive Officer

REGULAR AGENDA

1. Approve Recommendation on Board Policy Regarding Bad Debt (Action)
2. Approve Recommendation on Board Policy Regarding Terms and Conditions of Service (Action)
3. Review Proposed Human Resource Benefits (Discussion)
4. Discussion on Alternative Rollout Schedule for Customer Phases (Discussion)
5. Regulatory Update (Discussion)
6. Executive Committee Member Comments (Discussion)

CONSENT AGENDA

7. Approval of the Minutes for the June 28, 2016 Meeting (Action)

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>.



Policy Number: 3

Adoption Date:

Subject: Bad debt

Policy: Peninsula Clean Energy Authority (PCEA) shall include an annual budgetary reserve for bad debt. The reserve shall initially be established at 0.35% of revenues. Thereafter, on an annual basis, if actual collections experience so indicates, the bad debt reserve shall be modified appropriately.



**PENINSULA CLEAN ENERGY
JPA Board Correspondence**

DATE: July 8, 2016
BOARD MEETING DATE: July 11, 2016
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Executive Committee
FROM: Jan Pepper, Chief Executive Officer, Peninsula Clean Energy
SUBJECT: Approve Recommendation on Board Policy Regarding Terms and Conditions of Service.

RECOMMENDATION: Review board policy and approve recommendation on adoption of policy regarding terms and conditions of service.

BACKGROUND:

Marin Clean Energy (MCE) and Sonoma Clean Power (SCP), two California operational Community Choice Energy (CCE) programs, have adopted policies to help govern their boards of directors. The terms and conditions of service are one of such policies. In addition, California State Assembly Bill 117, passed and signed into law in 2002, requires community choice aggregators to include the terms and conditions of the service offered in notifications to their electricity customers.

Peninsula Clean Energy (PCE) staff have drafted terms and conditions based on the terms and conditions from MCE and SCP. The terms and conditions will be included in the enrollment notifications sent to each customer, provided to PCE customer call center representatives and added to the PCE website.

DISCUSSION:

PCE's terms and conditions of service are based on standard language from other CCEs and adapted to reflect PCE's unique product offerings. The terms and conditions include information on rates, billing, enrollment, opting-out and customer failure to pay. PCE customers are subject Pacific, Gas & Electric's (PG&E's) terms and conditions if they opt-out; this includes a provision requiring those customers to stay with PG&E for at least one year.

All customer enrollment notifications will include PCE's standard terms and conditions. However, the terms of the conditions for the early adopter program, which allows customers to begin receiving PCE service earlier than their assigned enrollment period, include language waiving the customer's right to receive enrollment notifications. Early adopter customers will be notified

of their terms and conditions when they enroll as an early adopter on the PCE website or call the customer call center.

FISCAL IMPACT:

There is not fiscal impact associated with receiving this memo.

ATTACHMENTS

PCE Policy 5: Terms and Conditions of Service

PCE Policy 6: Terms and Conditions of Service for Early Adopters



Policy Number: 5

Adoption Date:

Subject: Terms and Conditions of Service

Policy:

From time-to-time, Peninsula Clean Energy must provide “Terms and Conditions” of service to customers and potential customers. When necessary or appropriate, it is the policy of Peninsula Clean Energy to include the following terms in conditions language for that purpose:

RATES: Peninsula Clean Energy (PCE) electric generation rates are proposed to be stable and cost-competitive. Any changes to rates will be adopted at duly noticed public meetings of the Peninsula Clean Energy JPA Board. Changes to PG&E or PCE rates will impact cost comparisons between PCE and PG&E. PG&E charges PCE customers a monthly Power Charge Indifference Adjustment (PCIA) and Franchise Fee Surcharge. These fees are always included in our cost comparisons. View PCE rates and PG&E cost comparisons online or call (866) 966-0110 for more information. These rates and cost comparisons may change over time. Financial assistance programs like CARE (California Alternative Rates for Energy), FERA (Federal Electric Rate Assistance) and Medical Baseline Allowance remain the same with PCE. If you are enrolled in any of these programs with PG&E, you will continue to be enrolled if you choose PCE.

BILLING: You will receive a single monthly bill from PG&E that includes PCE’s power generation charges. PCE’s electric generation charge replaces PG&E’s electric generation charge. PCE’s charge is not a duplicate charge or extra fee. PG&E will continue to charge you for electric delivery services. If you opt out of PCE, PG&E will resume charging you for electric generation.

ENROLLMENT: California State Assembly Bill 117, passed and signed into law in 2002, requires that Community Choice Aggregation programs like PCE operate as the primary electric generation service provider through an automatic enrollment process. Accounts within PCE’s service area are automatically enrolled with PCE’s ECOplus renewable energy service unless the account holder chooses to opt out or sign up for ECO100 100% renewable energy. Account holders may request to opt out at any time. Account holders may also choose ECO100 100% renewable energy. To opt out, or to sign up for ECO100, call (866) 966-0110 or visit PeninsulaCleanEnergy.com. Please have your PG&E account information on hand to process your request.

OPT OUT: You may request to opt out of PCE at any time by calling (866) 966-0110. Please have your PG&E account information on hand to process your request. There is no fee to opt out before your PCE service starts or within 60 days after your PCE service starts. After that time, there is a one-time administrative fee (\$5 residential and \$25 commercial); however PCE is waiving this fee for the first year of a customer’s enrollment with PCE. Please be advised that if

you do opt out and return to PG&E, you will not have the option to return to PCE for a full year, subject to PG&E's terms and conditions of service. Accounts will be transferred on the day the electric meter is read and cannot be transferred during the middle of a billing cycle. In order for your request to be processed on your next meter read date, your request must be received at least 5 business days prior to the date on which the meter is read. To opt out, please call PCE or visit PeninsulaCleanEnergy.com. Have your electric bill handy so that we can help you.

FAILURE TO PAY: Peninsula Clean Energy may transfer your account to PG&E upon 14 calendar days' written notice if you fail to pay your bill. If your service is transferred, you will be required to pay the termination fee described above.





Policy Number: 6

Adoption Date:

Subject: Terms and Conditions of Service for Early Adopters

Policy:

From time-to-time, Peninsula Clean Energy must provide “Terms and Conditions” of service to customers and potential customers who have opted to become “early adopters” of PCE service by enrolling prior to their originally schedule phase-in date. When necessary or appropriate, it is the policy of Peninsula Clean Energy to include the following terms in conditions language for that purpose:

You have selected one or more Service Account(s) to enroll early in Peninsula Clean Energy (“positive enrollment”). These terms and conditions apply to your Service Account(s) not already enrolled or not yet scheduled for automatic enrollment in Peninsula Clean Energy.

RATES: Peninsula Clean Energy (PCE) electric generation rates are proposed to be stable and cost-competitive. Any changes to rates will be adopted at duly noticed public meetings of the Peninsula Clean Energy JPA Board. Changes to PG&E or PCE rates will impact cost comparisons between PCE and PG&E. PG&E charges PCE customers a monthly Power Charge Indifference Adjustment (PCIA) and Franchise Fee Surcharge. These fees are always included in our cost comparisons. View PCE rates and PG&E cost comparisons online or call (866) 966-0110 for more information. These rates and cost comparisons may change over time. Financial assistance programs like CARE (California Alternative Rates for Energy), FERA (Federal Electric Rate Assistance) and Medical Baseline Allowance remain the same with PCE. If you are enrolled in any of these programs with PG&E, you will continue to be enrolled if you choose PCE.

BILLING: You will receive a single monthly bill from PG&E that includes PCE’s power generation charges. PCE’s electric generation charge replaces PG&E’s electric generation charge. PCE’s charge is not a duplicate charge or extra fee. PG&E will continue to charge you for electric delivery services. If you opt out of PCE, PG&E will resume charging you for electric generation.

ENROLLMENT: California State Assembly Bill 117, passed and signed into law in 2002, requires that Community Choice Aggregation programs like PCE operate as the primary electric generation service provider through an automatic enrollment process. You hereby acknowledge and agree that you are positively enrolling your electricity account(s) in Peninsula Clean Energy and, in doing so, affirmatively waive your right to the four (4) enrollment notices prescribed by law. You further acknowledge and agree that if you opt out of Peninsula Clean Energy and return to PG&E electric generation service any time after you are positively enrolled, your electricity account(s) will be subject to PG&E’s transitional rates based on energy market prices and other terms and conditions of service. Accounts within PCE’s service area are automatically

enrolled with PCE's ECOplus renewable energy service unless the account holder chooses to opt out or sign up for ECO100 100% renewable energy. Account holders may request to opt out at any time. Account holders may also choose ECO100 100% renewable energy. To opt out, or to sign up for ECO100, call (866) 966-0110 or visit PeninsulaCleanEnergy.com. Please have your PG&E account information on hand to process your request.

OPT OUT: You may request to opt out of PCE at any time by calling (866) 966-0110. Please have your PG&E account information on hand to process your request. There is no fee to opt out before your PCE service starts or within 60 days after your PCE service starts. After that time, there is a one-time administrative fee (\$5 residential and \$25 commercial); however PCE is waiving this fee for the first year of a customer's enrollment with PCE. Please be advised that if you do opt out and return to PG&E, you will not have the option to return to PCE for a full year, subject to PG&E's terms and conditions of service. Accounts will be transferred on the day the electric meter is read and cannot be transferred during the middle of a billing cycle. In order for your request to be processed on your next meter read date, your request must be received at least 5 business days prior to the date on which the meter is read. To opt out, please call PCE or visit PeninsulaCleanEnergy.com. Have your electric bill handy so that we can help you.

FAILURE TO PAY: Peninsula Clean Energy may transfer your account to PG&E upon 14 calendar days' written notice if you fail to pay your bill. If your service is transferred, you will be required to pay the termination fee described above.





PENINSULA CLEAN ENERGY
JPA Board Correspondence

DATE: July 8, 2016
BOARD MEETING DATE: July 11, 2016
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Executive Committee
FROM: Jan Pepper, Chief Executive Officer, Peninsula Clean Energy
SUBJECT: Proposed Human Resource Benefits

RECOMMENDATION:

Receive information from staff and provide input on human resource benefits for current and future PCE employees.

BACKGROUND:

Peninsula Clean Energy is actively moving forward to recruit staff for the organization. As part of the recruitment process, PCE needs to adopt an employee benefits package for its future employees that is competitive with benefits packages offered by similar organizations. As an interim step, the County HR department has enrolled the PCE CEO in various County benefit plans. However, the intention is that the CEO will transition to the benefit package adopted for PCEA as a whole.

In partnership with County Human Resources, we are exploring the possibility of outsourcing employee benefits, including health, retirement and statutory benefits (workers compensation, state disability, etc.). There may be efficiencies, cost savings and additional flexibility associated with this approach. County benefits are limited to what is negotiated by its bargaining units, which may or may not be competitive with our market for employees. As an example, County health plan rates are based on a combined pool of retirees and active employees, which may be more costly than a plan that PCE could acquire separately in the health insurance marketplace. We are soliciting quotes for comparable coverage to help us determine the optimal approach for PCE going forward.

DISCUSSION:

The purpose of this discussion is to review the categories of benefits that PCE will likely offer its employees, compare the benefits offered by similar organizations, and provide input on how PCE should move forward.

FISCAL IMPACT:

There is no fiscal impact associated with discussion of this item.



**PENINSULA CLEAN ENERGY
JPA Board Correspondence**

DATE: July 8, 2016
BOARD MEETING DATE: July 11, 2016
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Executive Committee
FROM: Jan Pepper, Chief Executive Officer, Peninsula Clean Energy
SUBJECT: Alternative Rollout Schedule for Customer Phases

RECOMMENDATION:

Receive information from staff and provide input on an alternative rollout schedule for phases 2 and 3 for PCE customer enrollment.

BACKGROUND:

Peninsula Clean Energy is preparing for the enrollment of its first phase of customers during the month of October 2016. The first phase consists of municipal accounts, small and medium commercial accounts, and 20% of the residential accounts. PCE's technical study proposed that the rollout of the second phase, consisting of large commercial and an additional 35% of residential accounts, would occur in April 2017. The technical study proposed the rollout of the third phase, consisting of the remaining 45% of residential accounts and agricultural, pumping, and streetlight accounts, would occur in October 2017.

PCE's Implementation Plan, certified by the California Public Utilities Commission on June 8, 2016, described a similar schedule, but also noted that "The Board may also evaluate other phase-in options based on then-current market conditions, statutory requirement and regulatory considerations as well as other factors potentially affecting the integration of additional customer accounts."

DISCUSSION:

PCE staff would like to discuss accelerating the second and third phases to March 2017 and June 2017. The multiple reasons for considering this schedule change as well as the financial impacts to PCE will be discussed.

FISCAL IMPACT:

There is no fiscal impact associated with discussion of this item.



**SPECIAL MEETING of the Executive Committee of the
Peninsula Clean Energy Authority (PCEA)
Wednesday June 29, 2016
MINUTES**

County Government Center, Daly Library
400 County Center, 6th Floor
Redwood City, CA 94063
3:30 p.m.

CALL TO ORDER

Meeting was called to order at 3:30 pm.

ROLL CALL

Present: Dave Pine, County of San Mateo, *Chair*
Jeff Aalfs, Town of Portola Valley, *Vice Chair*
Carole Groom, County of San Mateo
Gary Pollard, City of Foster City
Wayne Lee, City of Millbrae
Cameron Johnson, City of San Carlos
Pradeep Gupta, City of South San Francisco

Absent: Rick DeGolia, Town of Atherton

Staff: Jan Pepper, CEO, Peninsula Clean Energy
Jim Eggemeyer, Director, Office of Sustainability
Justin Mates, Deputy County Counsel
Gordon Tong, Office of Sustainability

A quorum was established.

PUBLIC COMMENT

No public comment.

ACTION TO SET THE AGENDA

Motion Made / Seconded: Aalfs / Johnson

Motion passed 7-0 (Absent: DeGolia).

REGULAR AGENDA

1. REVIEW PURPOSE AND SCOPE OF THE EXECUTIVE COMMITTEE (DISCUSSION)

The Executive Committee (EC) discussed the purpose and scope of the EC including the possibility of developing bylaws for the Board of Directors, having a standing agenda item for comments by EC members, and reviewing policies for public review, structure, etc.

2. APPROVE RECOMMENDATION ON PENINSULA CLEAN ENERGY STAFFING PLAN (ACTION)

Ms. Pepper gave a presentation on the proposed PCE staffing plan and described the various positions that will be filled in the near term including an operations coordinator, finance manager, marketing director, key accounts manager, power resources manager, and a solar program coordinator.

The Committee discussed the roles of the various positions and other details.

Public Comment

James Tuleya
Alex Cannara

3. APPROVE RECOMMENDATION ON AMENDMENT TO CEO CONTRACT (ACTION)

This item was pulled from the agenda.

4. REVIEW BOARD POLICY MATRIX AND APPROVE RECOMMENDATION ON ADOPTION OF BOARD POLICIES (ACTION)

Ms. Pepper gave a presentation on three different types of policies for consideration: customer confidentiality, bad debt, and untrue or misleading information. The Committee discussed various aspects of the different policies.

Public Comment

Bill Nack

Motion to approve recommendation to Board of Directors approving the three policies made / seconded: Pollard / Lee

Motion passed 7-0 (Absent: DeGolia).

5. DISCUSS PERFORMANCE OBJECTIVES FOR THE CHIEF EXECUTIVE OFFICER (DISCUSSION)

The Committee discussed various potential performance objectives for the CEO including opt-out rates and customer satisfaction. Chair Pine, Vice Chair Aalfs, and Director Lee were appointed to a temporary ad-hoc committee to discuss CEO performance objectives.

6. UPDATE ON OFFICE SPACE AND OTHER ADMINISTRATIVE MATTERS (DISCUSSION)

Ms. Pepper gave a brief presentation on her efforts to secure office space for PCE. The Committee offered various suggestions regarding location.

7. APPROVE REGULAR MEETING SCHEDULE OF THE EXECUTIVE COMMITTEE (ACTION)

The Committee decided to meet regularly on the 2nd Monday of every month at 8:00am at County Center, Redwood City.

Motion to approve the regular meeting schedule made / seconded: Lee / Pollard

Motion passed 7-0 (absent: DeGolia).

Chair

Attest:

Secretary