



**REGULAR MEETING of the Board of Directors of the
Peninsula Clean Energy Authority (PCEA)
Thursday, August 23, 2018
6:30 pm**

Peninsula Clean Energy, 2075 Woodside Road,
Redwood City, CA 94061

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 Anne Bartoletti, Board Clerk, at least 2 working days before the meeting at abartoletti@peninsulacleanenergy.com. 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 Board, please fill out a speaker's slip located on the tables as you enter the Board meeting room. If you have anything that you wish to be distributed to the Board and included in the official record, please hand it to a member of PCEA staff who will distribute the information to the Board 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 and/or Closed Session Agenda; 3) Chief Executive Officer's or Staff Report on the Regular Agenda; or 4) Board 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 Board Chair.

ACTION TO SET AGENDA and TO APPROVE CONSENT AGENDA ITEMS

This item is to set the final consent and regular agenda, and for the approval of the items listed on the consent agenda. All items on the consent agenda are approved by one action.

REGULAR AGENDA

1. Chair Report (Discussion)
2. CEO Report (Discussion)
3. Citizens Advisory Committee Report (Discussion)
4. Approve Resolution delegating authority to the Chief Executive Officer to Attest to the Accuracy of the Information Provided in PCE's 2017 Power Content Label (Action)
5. PCIA Update (Discussion)
6. Board Members' Reports (Discussion)

CONSENT AGENDA

7. Approval of the Minutes for the July 26, 2018 Meeting (Action)
8. Approve changes to the Appointments to the Executive Committee and Audit and Finance Committee (Action)
9. Authorize the Chief Executive Officer to execute contracts for the Purchase and Installation of Office Furniture for the CFO and PCE's growing staff and to increase the Board's previous allocation by \$100,000 resulting in an amount not to exceed \$350,000 (Action)
10. Marketing and Outreach Report (Information Only)
11. Regulatory and Legislative Report (Information Only)
12. Local Programs Report (Information Only)
13. Procurement Report (Information Only)

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 Peninsula Clean Energy office, located at 2075 Woodside Road, Redwood City, CA 94061, 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 AUTHORITY
Board Correspondence**

DATE: August 16, 2018
BOARD MEETING DATE: August 23, 2018
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority (PCE) Board of Directors
FROM: Jan Pepper, Chief Executive Officer
SUBJECT: CEO Report

REPORT:

Based on feedback from some board members and the fact that we are more than one-year beyond our enrollment period, we are changing the board agenda to make the meetings more efficient and (hopefully) shorter. The departmental update reports (Marketing/Outreach, Legislative/Regulatory, Local Programs) will be provided in written form as "information only" reports for board members and distributed in the agenda packet ahead of the meeting. I will provide highlights in my CEO report at the meeting. If there is something new that is being launched or that the Board would like to discuss, those items will be moved to the regular agenda as separate agenda items to include a verbal presentation. We hope the Board members will like this change in format and welcome any feedback.

PCE Staffing Update

Sven Thesen will be joining PCE in September as the new Energy Programs Manager. We are in the process of interviewing candidates for the Community Outreach Associate/Coordinator. Current job postings include the Manager of Distributed Energy Resources and the Chief Financial Officer. More info on those positions can be found on the PCE website.

Meetings with PCE's Assembly Members and Senators

Thank you to the PCE board members and staff who attended the meetings with our local Assembly Members and State Senators to discuss key legislation that affects CCAs:

July 19: Meeting with Assembly Member Phil Ting
Board Members: Rick Bonilla
PCE Staff: Charlsie Chang, Jan Pepper, Joe Wiedman

July 24: Meeting with State Senator Jerry Hill's Staff

Board Members: Rick Bonilla, Rick DeGolia, Carole Groom
PCE Staff: Charlsie Chang, Jan Pepper, Joe Wiedman

July 26: Meeting with State Senator Scott Wiener

Board Members: Rick Bonilla
PCE Staff: Charlsie Chang, Jan Pepper, Joe Wiedman

July 30: Meeting with Assembly Member Marc Berman

Board Members: Rick Bonilla, Pradeep Gupta
PCE Staff: Charlsie Chang, Jan Pepper, Joe Wiedman

August 2: Meeting with Assembly Member Kevin Mullin

Board Members: Jeff Aalfs, Rick Bonilla, Rick DeGolia, Pradeep Gupta, Wayne Lee, Catherine Mahanpour
PCE Staff: Charlsie Chang, Jan Pepper

Wright Solar Groundbreaking on October 11 starting at 11:00 am

Invitations will be sent out the week of August 20 for this exciting event. PCE will be organizing transportation from Redwood City for board members and others who will be attending.

Energy Program Highlights

PCE's first two Ride & Drive events were held on August 9 at Genentech for employees, and August 11 at Facebook for the public. These first two events produced a total of 594 EV experiences.

PCE received thirty-seven (37) proposals for Community Pilot projects. A summary of the projects is included in the Local Programs Update report for the Board's information (agenda item 12). The Citizens Advisory Committee has reviewed the projects and the proposed finalists will be reviewed by the Executive Committee and the CAC in September, then brought to the board for award at the September retreat.

PCE's Website has a fresh new look!

The PCE website has been refreshed and redesigned by Charlsie Chang. New menu options include our Go Electric Programs tab and a Blogs/Op-Eds page under the News & Media tab. You can check it out at www.peninsulacleanenergy.com

Next Board Meeting: PCE Board Retreat on Saturday, September 29 at PCE Offices

Breakfast will be served from 7:30 to 8:00 am, and the meeting will run from 8:00 am to 1:00 pm. We are excited to have Shawn Marshall joining us as the meeting facilitator.



PENINSULA CLEAN ENERGY
JPA Board Correspondence

DATE: August 13, 2018
BOARD MEETING DATE: August 23, 2018
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors
FROM: Siobhan Doherty, Director of Power Resources
SUBJECT: 2017 Power Content Label

RECOMMENDATION:

Approve Resolution delegating authority to the Chief Executive Officer to Attest to the Accuracy of the Information Provided in PCE's 2017 Power Content Label. (Action)

BACKGROUND:

California Public Utilities Code requires all retail sellers of electric energy, including Peninsula Clean Energy, to disclose "accurate, reliable, and simple-to-understand information on the sources of energy" that are delivered to their respective customers. Applicable regulations direct retail sellers to provide such communications no later than October 1 for the previous calendar year. The format for the required communications is highly prescriptive, offering little flexibility to retail sellers when presenting such information to customers. This format has been termed the "Power Content Label" by the California Energy Commission (CEC). Information presented in the Power Content Label includes the proportionate share of total energy supply attributable to various resource types, including both renewable and conventional fuel sources.

In the event that a retail seller meets a certain percentage of its supply obligation from unspecified resources, the report must identify such purchases as "unspecified sources of power." As the Board is aware, certain of PCE's supply agreements allow for the use of such unspecified purchases to satisfy a portion of PCE's energy requirements. These purchases have been appropriately identified as "unspecified sources of power" in the Power Content Label.

DISCUSSION:

During the 2017 calendar year, PCE successfully delivered a substantial portion of its electric energy supply from various renewable energy sources, including solar, wind and small hydroelectricity. For our ECOplus customers, the percentage of supply attributable to renewable energy sources approximated fifty three percent (53%). This is above and beyond our target of fifty percent (50%). For our ECO100 customers, the percentage of supply attributable to renewable energy sources comprised one hundred percent (100%).

Consistent with applicable regulations, PCE will complete requisite customer communications in accordance with the October 1 deadline.

While developing PCE's 2017 Power Content Label, staff performed a detailed review of all power purchases completed for the 2017 calendar year. This review included an inventory of all renewable energy transfers within PCE's Western Renewable Energy Generation Information System (WREGIS) accounts and pertinent transaction records. Based on staff's review of available data, the information presented in the Power Content Label was determined to be accurate.

To fulfill its Power Content Label reporting obligation, PCE must also provide the CEC with an attestation regarding the accuracy of information included in the Power Content Label. In consideration of the aforementioned internal review and applicable regulations, staff requests that the Board accept this determination and authorize the CEO to attest to the accuracy of information included in PCE's 2017 Power Content Label, which will soon be distributed to PCE customers.

A copy of PCE's 2017 Power Content Label is reproduced below:

Version: July 2018

| 2017 POWER CONTENT LABEL | | | |
|---|-------------|---|---------------------|
| Peninsula Clean Energy | | | |
| ENERGY RESOURCES | ECOplus | ECO100 | 2017 CA Power Mix** |
| Eligible Renewable | 53% | 100% | 29% |
| Biomass & biowaste | 7% | 0% | 2% |
| Geothermal | 6% | 0% | 4% |
| Eligible hydroelectric | 9% | 0% | 3% |
| Solar | 7% | 50% | 10% |
| Wind | 24% | 50% | 10% |
| Coal | 0% | 0% | 4% |
| Large Hydroelectric | 33% | 0% | 15% |
| Natural Gas | 0% | 0% | 34% |
| Nuclear | 0% | 0% | 9% |
| Other | 0% | 0% | <1% |
| Unspecified sources of power* | 15% | 0% | 9% |
| TOTAL | 100% | 100% | 100% |
| <p>* "Unspecified sources of power" means electricity from transactions that are not traceable to specific generation sources.</p> <p>** Percentages are estimated annually by the California Energy Commission based on the electricity sold to California consumers during the identified year.</p> | | | |
| For specific information about this electricity product, contact: | | Peninsula Clean Energy 1-866-966-0110 | |
| For general information about the Power Content Label, please visit: | | http://www.energy.ca.gov/pcl/ | |
| For additional questions, please contact the California Energy Commission at: | | 844-454-2906 | |

RESOLUTION NO. _____

**PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO, STATE OF
CALIFORNIA**

* * * * *

**RESOLUTION DELEGATING AUTHORITY TO THE CHIEF EXECUTIVE OFFICER
TO ATTEST TO THE ACCURACY OF THE INFORMATION PRESENTED IN THE
2017 POWER CONTENT LABEL**

RESOLVED, by the Peninsula Clean Energy Authority of the County of San Mateo, State of California, that

WHEREAS, the Peninsula Clean Energy Authority (“Peninsula Clean Energy” or “PCEA”) was formed on February 29, 2016; and

WHEREAS, launch of service for Phase I occurred in October 2016, and launch of service for Phase II occurred in April 2017; and

WHEREAS, the California Public Utilities Code requires all retail sellers of electric energy, including Peninsula Clean Energy, to disclose “accurate, reliable, and simple-to-understand information on the sources of energy” that are delivered to their respective customers; and

WHEREAS, staff completed a detailed review of all power purchases for the 2017 calendar year; and

WHEREAS, staff is presenting to the Board for its review the 2017 Power Content Label; and

WHEREAS, the Board wishes to delegate to the Chief Executive Officer authority to attest to the accuracy of information presented in the 2017 Power Content Label.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board delegates authority to the Chief Executive Officer to attest to the accuracy of information presented in the 2017 Power Content Label.

* * * * *

[CCO-113499]



**PENINSULA CLEAN ENERGY AUTHORITY
Board Correspondence**

DATE: August 16, 2018
BOARD MEETING DATE: August 23, 2018
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority (PCE) Board of Directors

FROM: Joseph Wiedman, Director of Regulatory and Legislative Affairs
Jeremy Waen, Senior Regulatory Analyst

SUBJECT: Power Charge Indifference Adjustment (PCIA) Order Instituting Rulemaking (OIR) Update

Discussion:

On Wednesday, August 1, the Assigned Administrative Law Judge for the docket issued a proposed decision (PD)¹ (Rulemaking (R.) No. 17-06-026) addressing all issues addressed in the docket. On Tuesday, August 14, Commissioner Carla Peterman, the assigned Commissioner for the docket, issued an alternate proposed decision (APD).² This memorandum provides an overview of the PD and APD.

Overview of the PD – “The Good News”

Treatment of Proposal by the Investor-Owned Utilities (IOUs): The proposed decision rejects the IOUs’ proposed Green Allocation Mechanism/Portfolio Monetization Mechanism.

Treatment of Current PCIA Methodology: The PD keeps the main framework for the PCIA calculation methodology intact for the nearer term while subsequent phases proceed as discussed below. Under that older framework, the PCIA is calculated as:

Total Portfolio Costs - Market Value of Portfolio = Indifference Amount (i.e. PCIA)

Total Portfolio Costs = [Base Generation Capital Revenue Requirement] + [Utility-owned Generation (UOG) Fuel and Direct Greenhouse Gas (GHG) Costs] + [Costs of Qualifying Facilities and CHP Contract Contracts] + [Bilateral and Request for Offers Contract Costs] + [Refunds and Adjustments]

¹ Available at: <http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M219/K474/219474629.PDF>

² Available at: <http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M222/K198/222198352.PDF>

Market Value of Portfolio = [Value of "brown power" = Brown Energy X Brown Power Market Price Benchmark] + [Value of Renewable Energy = Green Energy X Green Market Price Benchmark] + [Value of Capacity = Net Qualifying Capacity X Capacity Market Price Benchmark]

The PD proposes to update the current PCIA methodology in two important respects: (1) moving from administratively determined prices for determining "Value of Capacity" (complex way of saying Resource Adequacy (RA) value) and "Value of Renewable Energy" (complex way of saying Renewable Portfolio Standard (RPS) value) when calculating the "Market Value of Portfolio" and (2) removing UOG Fuel and GHG costs from "Total Portfolio Costs". The methodology to calculate the Value of 'brown power'" will not change.

More specifically, for Value of Renewable energy, the PD scraps the current methodology which relied on outdated data from the US Department of Energy. The new methodology will utilize a weighted average of RPS procurement costs (excluding RA value) from all Load Serving Entities (LSEs)³ for purchase and sales transactions in year n-2, reported in year n-1 and trued-up in year n+1. In simpler terms, the RPS adder will be a two year look back of the costs of signed-RPS contracts to develop a "value" number for inclusion in the PCIA calculation that will be trued-up later based on actual sales revenues from utility sales of excess RPS volumes.

For the Value of Capacity, the PD scraps the current methodology which utilized administrative values for RA capacity costs. Going forward, the PD determines that a weighted average of system, local and flexible RA prices from contracts actually signed by all Load Serving Entities (LSEs) for purchases and sales transactions in year n-2 as published in the annual RA report by the Commission's Energy Division will be utilized. This methodology will therefore utilize short-term values for capacity and, therefore, implicitly rejects CalCCA's advocacy that long term costs should be considered, not the revenue being received in short term RA transactions or contract costs from short-term RA transactions.

The PD proposes to remove the costs of UOG from the PCIA. The PD finds that inclusion of those costs should not have occurred in the past based on the direct language of Public Utilities Code Sec. 366.2. That code section allows cost recovery of Department of Water Resources Bond costs, net unavoidable costs of DWR electricity purchase contract costs, unrecovered past under-collections for electricity purchases by the IOUs, and a CCA customer's share of the IOUs' net unavoidable electricity purchase contract costs attributable to the customer. Notably absent from that list is UOG. The PD embraces this view generally and rejects numerous arguments raised by the IOUs, TURN, and CLECA.

10-year Limitation on UOG Cost Recovery: The PD rejects the IOUs' request that the 10-year limit on cost recovery of UOG should be done away with. The PD finds that the 10-year limitation on UOG cost recovery is good policy, but also continues to allow utilities to request extension of cost recovery on a case-by-case basis which is the current requirement.

³ LSEs are the IOUs, energy service providers (ESPs) and community choice aggregators (CCAs).

Prepayment of PCIA: The PD allows for prepayment of future PCIA amounts if an LSE and the IOU mutually agree upon terms.

PCIA Sunset: The PD rejects sunseting of the PCIA on an arbitrary date because statute requires that certain costs must be recovered and those costs have no fixed end-date depending on when a CCA launches.

PCIA Collar/Floor/True-Up: The PD agreed with the idea that the PCIA charge should be bounded by a floor and a cap and the PCIA should be trued-up each year. The floor of the PCIA collar is zero and the initial cap is 2.2 cents/kWh. The annual change in the PCIA is limited to 0.5 cents/kWh for any PCIA charge above 1.5 cents/kWh. Amounts over the 2.2 cent cap will roll forward with interest until they can be recovered in future years. The annual true-up of the PCIA is based on actual revenues received by the IOUs from RA and RPS sales. The discussion of the true-up is vague in the decision so it is hard to assess exactly what is meant at this time.

Rate Design for PCIA cost allocation: The PD proposes to allocate the PCIA based on rate design allocation factors that are set in each IOU's general rate case rather than a specific method used for the PCIA at present. This change will move all IOUs to a cost allocation factor that slightly shifts PCIA costs from residential customers to non-residential customers for CCAs in coastal areas.

Tariffs and Bill Presentation: The PD embraces the idea that there should be greater customer clarity around above market costs along with harmonizing the IOUs' PCIA tariffs so they are all similar. However, these issues are pushed to workshops on an unknown timeframe.

Phase 2: All other issues in the docket are moved to Phase 2. In Phase 2, the Commission will consider a broad range of issues, including development of an auction mechanism to reallocate resources from IOUs to other load serving entities, securitization of IOUs' UOG, buydown/buyout of contracts, IOU forecasting of the PCIA, and ways in which the IOUs' can better optimize their portfolio management.

Overview of the ADP – “The Not-So-Good News”

The alternate proposed decision (APD) is generally the same as the PD, but differs from the PD in four important respects. First, the APD finds that legacy UOG is PCIA eligible and should be recovered from CCA customers. The APD rejects CalCCA's arguments concerning Public Utilities Code Sec. 366.2 finding that the overriding state policy is to avoid cost shifting between customers. The APD implicitly embraces the idea that exclusion of UOG would result in cost shifting and thus must be included to comply with statute. Second, the APD terminates the 10-year limit on PCIA cost recovery for post-2002 UOG and certain storage costs. The APD takes a similar view that exclusion of post-2002 UOG and certain storage assets from cost recovery would result in cost shifting which is not allowed under statute. Cumulatively, both of these outcomes raise the potential PCIA substantially from what it would be under the PD and from where it is today. Third, the APD establishes a PCIA collar starting in 2020, with the cap limiting upward or downward changes in the PCIA to 25% in either direction from the prior year to suppress volatility in the PCIA. Fourth, the APD, for 2019 ERRA forecasts only, adopts the Platt's Portfolio Content Category 1 REC index value for the Market Price Benchmark's RPS Adder.

Opening Comments on the PD are due August 21. Reply comments on the PD are due August 27. Opening Comments on the APD are due September 4. Reply comments on the APD are due September 10. PCE staff anticipates the decision will be voted on at the Commission's September 13 voting meeting.

FISCAL IMPACT:

Not applicable.



**REGULAR MEETING of the Board of Directors of the
Peninsula Clean Energy Authority (PCEA)
Thursday, July 26, 2018
MINUTES**

Peninsula Clean Energy
2075 Woodside Road, Redwood City, CA 94061
6:30 p.m.

CALL TO ORDER

Meeting was called to order at 6:36 p.m.

ROLL CALL

Present: Dave Pine, County of San Mateo
Carole Groom, County of San Mateo
Rick DeGolia, Town of Atherton, *Vice Chair*
Madison Davis, City of Brisbane
Donna Colson, City of Burlingame
Rae P. Gozalez, Town of Colma
Raymond Buenaventura, City of Daly City
Carlos Romero, City of East Palo Alto
Catherine Mahanpour, City of Foster City
Harvey Rarback, City of Half Moon Bay
Laurence May, Town of Hillsborough
Catherine Carlton, City of Menlo Park
Wayne Lee, City of Millbrae
John Keener, City of Pacifica
Ian Bain, City of Redwood City
Marty Medina, City of San Bruno
Cameron Johnson, City of San Carlos
Rick Bonilla, City of San Mateo

Absent: City of Belmont
Town of Portola Valley
City of South San Francisco
Town of Woodside

Staff: Jan Pepper, Chief Executive Officer
Siobhan Doherty, Director of Power Resources

Rafael Reyes, Director of Energy Programs
Joseph Wiedman, Director of Legislative and Regulatory Affairs
Leslie Brown, Director of Customer Care
Jay Modi, Director of Finance and Administration
Kirsten Andrews-Schwind, Communications and Outreach Manager
TJ Carter, Marketing Associate
David Silberman, General Counsel
Jennifer Stalzer Kraske, Deputy Counsel
Matthew Sanders, Deputy Counsel
Eric Hall, Interim CFO
Anne Bartoletti, Board Clerk/Executive Assistant to the CEO

A quorum was established.

PUBLIC COMMENT:

Gladwyn D'Souza, Sierra Club

ACTION TO SET THE AGENDA AND APPROVE CONSENT AGENDA ITEMS

Motion Made / Seconded: Bonilla / Lee

Motion passed unanimously 18-0 (Absent: Belmont, Portola Valley, South San Francisco, Woodside)

REGULAR AGENDA

1. CHAIR REPORT

Rick DeGolia—Vice Chair—reported on a meeting he attended in support of San Diego's goal to increase the use of renewable energy to reach 100 percent citywide in 2035.

2. CEO REPORT

Jan Pepper—CEO—reported on personnel changes, and introduced Eric Hall as PCE's new Interim CFO. She reported that the recruitment for a permanent CFO is well underway with the search firm Carlson Beck. She reported that an offer has been extended for the Clean Energy Programs Manager, and PCE has posted a position for a bilingual Community Outreach Coordinator. David Silberman—General Counsel—introduced Jennifer Stalzer Kraske and Matthew Sanders, two members of his legal team who will be supporting PCE.

Jan reported on recent meetings that PCE staff and Board members attended, including meetings with Assembly Member Phil Ting, State Senator Jerry Hill's staff member Marc Hershman, State Senator Scott Wiener, and upcoming meetings with Assembly Member Marc Berman, and Assembly Member Kevin Mullin. Jan reported that the Wright Solar groundbreaking event on October 11, 2018, is in the planning stages. Shawn Marshall of LEAN Energy will facilitate the Board Retreat on September 29, 2018.

3. CITIZENS ADVISORY COMMITTEE REPORT

Michael Closson—Chair of the Citizens Advisor Committee (CAC)—reported on activities and discussion that took place at the last meeting. Michael reported that he and Ted Howard were re-elected as Chair and Vice Chair respectively, and Jan Pepper presented information on PCE's strategic goals.

4. MARKETING AND OUTREACH REPORT

Kirsten Andrews-Schwind—Communications and Outreach Manager—reported on recent community outreach efforts and activities, including a series of Solar Net Metering Bill workshops. She showed PCE's Spanish video ad campaign called "You Have Great Energy" (<https://www.youtube.com/watch?v=Pg5BCpaZU1w>), and announced "Go Electric", a new sub-brand for PCE's fuel-switching programs.

5. REGULATORY AND LEGISLATIVE REPORT

Joe Wiedman—Director of Legislative and Regulatory Affairs—reported on June and July regulatory filings and provided updates on several bills in the California legislature.

6. LOCAL PROGRAMS REPORT

Rafael Reyes—Director of Energy Programs—reported on the status of several programs, including Community Pilots, Ride & Drive events, Apartment Technical Assistance, New Vehicle EV (Electronic Vehicle) Promotion, Low-Income EV Incentive, Curbside & Multi-Unit Dwelling pilots, Resilient Solar on Critical Facilities, and EV Busses for DAC (Disadvantaged Community) Schools.

7. APPROVE REDWOOD CITY RESILIENCE PROJECT

Rafael Reyes—Director of Energy Programs—presented a proposal requesting the Board authorize the commitment of \$300,000 in funding over 6 years for phase 2 of the Peninsula Advance Energy Communities (PAEC) project for critical facilities solar plus storage microgrids in Redwood City disadvantaged community areas. Rafael reported on the project goals and objectives, and the submission deadline of August 10, 2018. Board Members discussed how PCE's funds would be applied.

Motion Made / Seconded: Colson / Bonilla

Motion passed 15-2 (Opposed: Groom, Lee. Absent: Belmont, Menlo Park, Portola Valley, South San Francisco, Woodside)

8. APPROVE CPUC IRP

Siobhan Doherty—Director of Power Resources—reported that the CPUC (California Public

Utilities Commission) has created IRP (Integrated Resource Plan) requirements that differ from the strategic IRP that PCE produced in December 2017. She reported that the main purpose of the CPUC IRP is to provide CPUC staff with inputs from each LSE (Load Serving Entity) to forecast industry-wide procurement and determine whether LSEs in California are meeting the state's GHG (greenhouse gas) and reliability needs for 2030.

Siobhan reported on the submission requirements and modeling requirements for the CPUC IRP, and outlined what PCE will submit. She reported that IRPs are due to be submitted to the CPUC on August 1, 2018, and recommended the Board approve the IRP.

PUBLIC COMMENT:

Ted Howard, PCE Citizens Advisory Committee

Motion Made / Seconded: May / Groom

Motion passed unanimously 17-0 (Absent: Belmont, Menlo Park, Portola Valley, South San Francisco, Woodside)

9. APPROVAL OF EMPLOYMENT CONTRACT AMENDMENT AND COMPENSATION ADJUSTMENT FOR CHIEF EXECUTIVE OFFICER

—Vice-Chair Rick DeGolia introduced the item and provided the following summary of changes to the CEO's contract in compliance with the Brown Act: (1) an increase in salary by \$10,000 to \$285,000; (2) an extension of the contract by one year to June 2020; and (3) a mid-year evaluation that provides an opportunity to earn an additional salary increase of at least \$10,000 and an additional one year extension of the contract if specific milestones identified by the Board during its June 2018 Performance Review are met—successful integration of a CFO being a critical milestone.

Motion Made / Seconded: Bonilla / Lee

Motion passed unanimously 17-0 (Absent: Belmont, Menlo Park, Portola Valley, South San Francisco, Woodside)

10. BOARD MEMBERS' REPORTS

Dave Pine thanked Jan for her leadership in bringing PCE to where it is now, and congratulated Siobhan and PCE staff for developing such an impressive IRP. Rick DeGolia supported Dave's comments, and said the IRP demonstrates the excellent quality of work at every level of the organization. Jan Pepper thanked the Board and the staff for their commitment and support.

ADJOURNMENT

Meeting was adjourned at 8:02 p.m.



PENINSULA CLEAN ENERGY
JPA Board Correspondence

DATE: August 13, 2018
BOARD MEETING DATE: August 23, 2018
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jeff Aalfs, Chair, Peninsula Clean Energy Authority

SUBJECT: Approve Changes to the Appointments to the Executive Committee and Audit and Finance Committee

BACKGROUND:

In March 2018, the Board approved a slate of Board Members to serve on the Executive Committee, and a slate of Board Members to serve on the Audit and Finance Committee. The Chair and Vice Chair recommend the following changes to those appointments.

DISCUSSION:

It was brought to my attention that Gary Pollard, Board Member from Foster City, is not seeking re-election to the City Council and thus will not be able to serve on the Executive Committee. Supervisor Groom has volunteered to return to the Executive Committee as a replacement. At the March 2018 Board meeting the expansion of the Audit and Finance Committee to five (5) members was discussed. However, there was not sufficient interest to do so. Supervisor Groom has volunteered to serve on the Audit and Finance Committee, and I have also volunteered. Thus, we seek the Board's approval of the following Committee rosters:

| <u>Executive Committee:</u> | <u>Audit and Finance Committee:</u> |
|-----------------------------|-------------------------------------|
| Jeff Aalfs, Chair | Donna Colson, Chair |
| Rick DeGolia, Vice-Chair | Carole Groom |
| Dave Pine | Carlos Romero |
| Carole Groom | Laurence May |
| Donna Colson | Jeff Aalfs |
| Catherine Carlton | |
| Wayne Lee | |
| Rick Bonilla | |
| Pradeep Gupta | |

The makeup of both committees could change going forward, subject to the agreement of Committee members, but we will continue to seek Board approval of the membership annually, and if changes are made between annual appointments.

Respectfully submitted,

Jeff Aalfs, Chair, Board of Directors



**PENINSULA CLEAN ENERGY
JPA Board Correspondence**

DATE: August 13, 2018

BOARD MEETING DATE: August 23, 2018

SPECIAL NOTICE/HEARING: None

VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer, Peninsula Clean Energy

SUBJECT: Authorize the Chief Executive Officer to execute contracts for the Purchase and Installation of Office Furniture for the CFO and PCE's growing staff and to increase the Board's previous allocation by \$100,000 resulting in an amount not to exceed \$350,000.

RECOMMENDATION: Authorize the Chief Executive Officer to execute contracts for the purchase and installation of office furniture for the CFO's office and PCE's growing staff, and to increase the Board's previous allocation by \$100,000 resulting in an amount not to exceed \$350,000.

BACKGROUND:

In 2016, Peninsula Clean Energy (PCE) was housed within San Mateo County's Office of Sustainability (OOS), using their existing office furniture, including desks, tables, chairs, filing cabinets and storage areas. PCE did not have to commit funds to purchase office furniture at the start of doing business. While in the OOS space, PCE started with 1 employee and grew to 6 employees, outgrowing the space that OOS had allowed PCE to use.

PCE's 6 employees moved to temporary office space at the beginning of February 2017, and at that location were able to use surplus furniture that was being stored in that facility, including cubicle walls, desks, tables, chairs, filing cabinets, and credenzas. Again, PCE did not have to commit funds to purchase office furniture.

As PCE prepared to move to its permanent headquarters at 2075 Woodside Road, the building architect and contractors directed PCE to decide on office furniture as soon as possible so that all electrical and cabling needs and locations could be identified, to ensure PCE's electrical and cabling needs were built into the final architectural drawings without requiring added change orders, avoiding costly corrective construction, and to ensure the build-out of PCE's office space is not delayed by PCE.

PCE staff met with three corporate furniture suppliers and office design companies, weighing functionality and ease of use, a clean modern look, low environmental impact, and cost considerations. PCE staff wanted visitors to PCE's permanent office to feel that the office reflects PCE's forward-thinking clean energy focus, while balancing fiscal responsibility. One vendor provided PCE access to the county's discount for office furniture, which allowed PCE to procure furniture similar to that used in the Office of Sustainability at a discounted price.

Cost estimates included the purchase price of the furniture; shipping, storage, and installation of the furniture and cubicles; rental chairs to use until PCE's permanent chairs were ready; design fees; project management; consultation with PCE staff; coordination with the building architect/contractor; and sales tax. Because this location is also used for PCE board and committee meetings, the furniture also included flexible use tables and chairs that have been used for board meetings, then reconfigured for use in the conference rooms and entry lobby. PCE moved into the new office August 1, 2018, and the total cost for all of PCE's office furniture was \$222,209.27. It is of note that PCE benefitted financially from keeping its staff lean and postponing the purchase of office furniture until April through August of 2017.

DISCUSSION:

PCE is in a phase of rapid growth, with 15 current employees and an expected staff of 20 by the end of 2018. In addition, PCE is in the process of searching for a Chief Financial Officer (CFO). An additional office needs to be built for the future CFO, with office furniture that mirrors the look and feel of the existing offices. At the same time, the need for meeting space required the conversion of a room that could house 4 employees into a conference room accommodating 10 to 12 participants. Several recent events with high volume attendance identified the need for some additional tables and chairs. We are also looking ahead to the potential need to reconfigure existing cubicle walls and desks to accommodate additional staff in 2019. The CFO office furniture, additional tables and chairs, and potential reconfiguring of existing cubicles, will likely exceed the previously approved not to exceed amount of \$250,000 for office furniture.

The CEO is requesting authorization to purchase and install additional office furniture, and to increase the Board's previous allocation for \$100,000 resulting in an amount not to exceed \$350,000.

RESOLUTION NO. _____

PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO,

STATE OF CALIFORNIA

* * * * *

**RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE
CONTRACTS FOR THE PURCHASE AND INSTALLATION OF OFFICE FURNITURE
FOR THE CFO AND PCE’S GROWING STAFF AND TO INCREASE THE BOARD’S
PREVIOUS ALLOCATION BY \$100,000 RESULTING IN AN AMOUNT NOT TO
EXCEED \$350,000.**

RESOLVED, by the Peninsula Clean Energy Authority of the County of San Mateo, State of California (“Peninsula Clean Energy” or “PCE”), that

WHEREAS, PCE was formed on February 29, 2016; and

WHEREAS, in 2016, Peninsula Clean Energy (PCE) was housed within San Mateo County’s Office of Sustainability (OOS), using their existing office furniture, including desks, tables, chairs, filing cabinets and storage areas, and therefore did not have to commit funds to purchase office furniture; and

WHEREAS, PCE’s six employees moved to temporary office space at the beginning of February 2017, and at that location has been able to use surplus furniture that was being stored in that facility, including cubicle walls, desks, tables, chairs, filing cabinets, and credenzas, and therefore PCE did not have to commit funds to purchase office furniture; and

WHEREAS, the building architect and contractors at 2075 Woodside Road directed PCE to decide on office furniture as soon as possible so that all electrical and cabling needs and locations could be identified; and

WHEREAS, in order for construction on PCE's new office to proceed, PCE needed to sign-off on the final architectural plans, which were dependent upon the size, type, and location of office furniture and cubicles; and

WHEREAS, as soon as PCE decided on a furniture vendor, it immediately began consultations with the building architect and contractors to ensure PCE's electrical and cabling needs were built into the final architectural drawings without requiring added change orders, avoiding costly corrective construction, and to ensure the build-out of PCE's office space was not delayed by PCE; and

WHEREAS, on August 1, 2017, PCE moved nine employees into its permanent headquarters located at 2075 Woodside Rd; and

WHEREAS, PCE currently has fifteen employees with plans to hire five more before the end of 2018; and

WHEREAS, seeks to hire a Chief Financial Officer and will need an appropriate office for this executive once hired; and

WHEREAS, PCE needs additional furniture for its growing base of employees, meeting space configurations, and expanding events hosted at its office headquarters;

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board authorize the Chief Executive Officer to execute contracts for the purchase and installation of office furniture for the CFO and PCE's growing staff and to increase the Board's previous allocation by \$100,000 resulting in an amount not to exceed \$350,000 in a form approved by counsel.

* * * * *



**PENINSULA CLEAN ENERGY AUTHORITY
Board Correspondence**

DATE: August 13, 2018

BOARD MEETING DATE: August 16, 2018

SPECIAL NOTICE/HEARING: None

VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority (PCE) Board of Directors

FROM: Kirsten Andrews-Schwind, Communications and Outreach Manager
and Leslie Brown, Director of Customer Care

SUBJECT: Update on PCE's Marketing and Outreach Activities

BACKGROUND:

The marketing team has been busy doing outreach, managing our online presence, responding to customer requests, updating the website, launching the PCE blog, and preparing future campaigns.

DISCUSSION:

Outreach and Workshops

Please find the list of recent and upcoming PCE outreach events below. A recent highlight was an introductory PCE workshop in Mandarin Chinese for fifty participants at the San Mateo Library on July 28. This event was organized by outreach grantee Sound of Hope Radio and presented by PCE Public Affairs Associate Charlsie Chang.

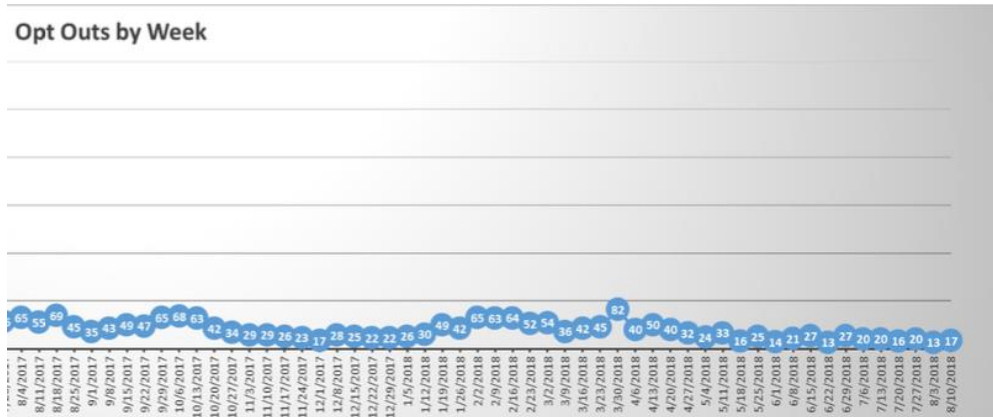
Another recent outreach highlight was the public EV test drive (ride and drive) event at the Facebook Summer Jam Festival, where we estimate we spoke with 250 people about PCE both at our booth and in the test drive area.

PCE continues to partner with local Chambers of Commerce on mixers to reach local business audiences, with upcoming events with the Redwood City Chamber on October 17 and the South San Francisco Chamber on October 18th.

| | |
|--------|---|
| 28-Jul | Chinese PCE workshop at San Mateo Library |
| 1-Aug | Solar Net Energy Metering (NEM) Workshop |
| 2-Aug | EPA Senior Center with Acterra |
| 2-Aug | Presentation Bayshore Seniors Club w CPUC rep |
| 4-Aug | Daly City Fun, Safety Fair |
| 5-Aug | East Palo Blues Festival |
| 7-Aug | National Night Out in South San Francisco |
| 9-Aug | Table at Genentech Corporate Ride & Drive |
| 9-Aug | Multichamber Business Expo (SSF, San Bruno, Pacifica, Brisbane, Millbrae) |
| 11-Aug | Facebook Festival: SummerJam and Ride and Drive |
| 16-Aug | Menlo Park Block Party |
| 18-Aug | Burlingame on the Avenue |
| 19-Aug | Burlingame on the Avenue |
| 8-Sep | Daly City Business Expo |
| 8-Sep | Tanforan Health and Safety Fair |
| 8-Sep | National Drive Electric Week Event in San Mateo |
| 26-Sep | SunShares Workshop in Millbrae |
| 29-Sep | Pacifica Fog Fest, with Pacifica Resource Center |
| 30-Sep | Pacifica Fog Fest, with Pacifica Resource Center |
| 13-Oct | Belmont Water Dog Run |
| 17-Oct | PCE/RWC Chamber Mixer at Cyclismo |
| 18-Oct | PCE Breakfast & Learn with SSF Chamber |

Enrollment Statistics

Seven cities maintained their participation rate in July with “0” opt-outs: Atherton, Brisbane, Colma, Half Moon Bay, Woodside, and Portola Valley. Our overall participation rate is approximately 97.57% of eligible accounts.



| CITY | Eligible Accts | Total | TOTAL OPT OUT % |
|----------------------|----------------|-------|-----------------|
| PORTOLA VALLEY INC | 1,677 | 100 | 5.96% |
| SAN BRUNO INC | 16,450 | 606 | 3.68% |
| PACIFICA INC | 15,442 | 519 | 3.36% |
| SO SAN FRANCISCO INC | 24,838 | 829 | 3.34% |
| DALY CITY INC | 33,944 | 1017 | 3.00% |
| EAST PALO ALTO INC | 7,892 | 217 | 2.75% |
| HALF MOON BAY INC | 4,963 | 136 | 2.74% |
| MILLBRAE INC | 9,371 | 253 | 2.70% |
| UNINC SAN MATEO CO | 24,580 | 646 | 2.63% |
| SAN MATEO INC | 43,992 | 1049 | 2.38% |
| SAN CARLOS INC | 14,504 | 343 | 2.36% |
| BELMONT INC | 11,878 | 277 | 2.33% |
| HILLSBOROUGH INC | 4,051 | 85 | 2.10% |
| BRISBANE INC | 2,482 | 50 | 2.01% |
| REDWOOD CITY INC | 34,881 | 697 | 2.00% |
| BURLINGAME INC | 15,490 | 306 | 1.98% |
| FOSTER CITY INC | 14,655 | 286 | 1.95% |
| WOODSIDE INC | 2,292 | 38 | 1.66% |
| COLMA INC | 689 | 11 | 1.60% |
| ATHERTON INC | 2,693 | 42 | 1.56% |
| MENLO PARK INC | 15,747 | 219 | 1.39% |
| Grand Total | 302,511 | 7,726 | 2.55% |

There are now over 5,000 accounts in ECO100. In addition to the County, there are a total of 15 ECO100 cities. The ECO100 towns and cities as of August 13, 2018, include Atherton, Belmont, Brisbane, Burlingame, Colma, Foster City, Half Moon Bay, Hillsborough, Menlo Park, Millbrae, Portola Valley, Redwood City, San Carlos, San Mateo, Woodside, and the County of San Mateo.

| City | Active | ECO100 | Opt-Up % |
|-------------------------|----------------|-------------|----------|
| Atherton | 2,603 | 55 | 2.11% |
| Belmont | 11,470 | 151 | 1.32% |
| Brisbane | 2,419 | 79 | 3.27% |
| Burlingame | 14,972 | 318 | 2.12% |
| Colma | 768 | 30 | 3.91% |
| Daly City | 32,770 | 61 | 0.19% |
| East Palo Alto | 7,610 | 17 | 0.22% |
| Foster City | 14,141 | 262 | 1.85% |
| Half Moon Bay | 4,752 | 87 | 1.83% |
| Hillsborough | 3,925 | 61 | 1.55% |
| Menlo Park | 15,324 | 430 | 2.81% |
| Millbrae | 9,064 | 90 | 0.99% |
| Pacifica | 14,838 | 123 | 0.83% |
| Portola Valley | 1,576 | 1,470 | 93.27% |
| Redwood City | 33,650 | 621 | 1.85% |
| San Bruno | 15,699 | 83 | 0.53% |
| San Carlos | 14,000 | 256 | 1.83% |
| San Mateo | 42,590 | 583 | 1.37% |
| So San Francisco | 23,909 | 78 | 0.33% |
| Uninc San Mateo Co | 23,447 | 462 | 1.97% |
| Woodside | 2,217 | 48 | 2.17% |
| Unallocated | | | |
| Unallocated (cust type) | 243 | | |
| Grand Total | 291,987 | 5365 | |

Launch of Updated Peninsula Clean Energy Website

PCE launched an updated design of its website on August 6 to accommodate the need for an expanded set of menu options to present local program and other key information. Charlsie Chang completed the design and implementation of the new website inhouse. The new website features a cleaner and more modern look and increased functionality on mobile platforms.

With a press release on PCE's public EV test drive event at Facebook and a newsletter edition featuring the launch of new blog (see below), as well as interest in current job postings, PCE increased our web traffic by 28% in the new website's first five days.

The website is still located at the same URL, www.peninsulacleanenergy.com.

Kids and Schools Resources Now on PCE Website

This summer Peninsula Clean Energy hosted Redwood City high school math teacher Andre Tan as a summer intern through the *Ignited* program. Andre created PCE resources for kids and educators to teach about climate change and clean energy. The first set of these resources are already posted on a dedicated section of PCE's new website. These include simple explanations of climate change, its local impacts in San Mateo County, and how we can address it. The teacher section features a curated list of curriculum resources as well as a new clean energy infographic designed by PCE. Kids can make their own PCE clean energy pinwheels from an online template and instructions.

Andre also created a complete set of lessons on clean energy for high school math and science classrooms that will be launched in September. These lessons were created specifically to support California's new science curriculum standards. PCE would like to thank our Citizens Advisory Committee member and retired science teacher Janet Creech for mentoring Andre on these projects.

PCE will work with the County Office of Education, the County Office of Sustainability, *Ignited*, and other partners on getting these resources into classrooms throughout San Mateo County. We welcome your participation in that effort.

Initial resources are available under the Kids and Schools tab of www.peninsulacleanenergy.com.

Launch of PCE Blog

PCE also launched a blog on our new website. The first post announces PCE's initial *GO ELECTRIC* set of programs focusing on electric cars, and profiles CEO Jan Pepper's experiences with her all-electric Chevy Bolt. PCE outreach partner Sound of Hope Radio translated the post into Chinese and shared it on their website, and several local blogs reposted the content as well. PCE's blog will continue to share customer stories and program updates and news, as well as editorial pieces from our board members.

We welcome board member participation in the PCE blog. Contact Kirsten Andrews-Schwind if you are interested in contributing. Read PCE's inaugural blog post at <https://www.peninsulacleanenergy.com/peninsula-clean-energy-launching-go-electric-programs/>.



**PENINSULA CLEAN ENERGY AUTHORITY
Board Correspondence**

DATE: August 16, 2018
BOARD MEETING DATE: August 23, 2018
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority (PCE) Board of Directors

FROM: Joseph Wiedman, Director of Regulatory and Legislative Affairs
Jeremy Waen, Senior Regulatory Analyst

SUBJECT: Update on PCE's July and August Regulatory and Legislative Activities

SUMMARY:

The end of July and early August saw a marked pick-up in regulatory and legislative activity compared to the prior month. As discussed in more detail below, PCE, as part of CalCCA (California Community Choice Association), a coalition of CCAs (Community Choice Aggregators) or on its own behalf, submitted six pleadings at the California Public Utilities Commission (CPUC). PCE's regulatory and legislative team attended six other stakeholder meetings, detailed under Regulatory Outreach and Legislative Advocacy.

DEEPER DIVE:

Regulatory Outreach

On Thursday, July 19, CPUC Energy Division convened a workshop to discuss parties' proposals concerning reform of the resource adequacy program based upon their testimony submitted on Tuesday, July 10. CalCCA technical expert Lorenzo Kristov led presenting CalCCA's testimony and much of the day's discussion related back to CalCCA's proposals in support of multi-year resource adequacy obligations and limited central procurement. Joseph Wiedman attended the workshop.

On Tuesday, August 7, Siobhan Doherty and Joseph Wiedman attended a CPUC workshop where a sampling of integrated resource plans (IRPs) submitted by various load serving entities were discussed. Among the interesting highlights from the discussion is the fact that a fair number of load serving entities selected out of state hydro resources to serve their loads. Cumulatively, the total amount of hydro resources selected is far in excess of the amount of megawatts available and that can be brought in to the state using existing transmission lines. Informal feedback on PCE's IRP was very positive and many stakeholders are interested in

PCE's selection of a large amount of storage resources to assist in matching generation with load on an hourly basis and our lack of significant hydro resources after 2025.

On Wednesday, August 8, Joe Wiedman attended the Advanced Energy Economy's Pathway to 2050 conference in Sacramento. At the conference, Beth Vaughan participated in a CCA-focused panel that was standing room only. The conversation was very positive with Michael Florio, a former CPUC commissioner. Kip Lipper, chief policy adviser on energy and environment for the Senate President Pro Tem, had many positive things to say about the impact that CCAs are having on decarbonization and California policy. Jerry Meeks from Genetech also had positive things to say about his relationship with PCE, particularly our responsiveness to addressing their energy resource needs.

Regulatory Advocacy

PG&E Advice Letter 5322-E (no docket) – On Thursday, July 19, CalCCA protested PG&E's Advice Letter 5322-E which seeks approval of various storage resources which are designed to obviate the need for Reliability Must Run (RMR) contracts in certain local capacity areas. CalCCA generally argued that the resources are no longer needed due to certain transmission upgrades that will come online prior to the storage resources, which make the contracts unreasonable, and that PG&E did not follow the guidance provided by the Commission concerning analysis by the CAISO that the resources would indeed obviate the need for future RMR contracts for the facilities in question.

R.16-02-007 – IRP Order Instituting Rulemaking (OIR) – On Wednesday, August 1, PCE filed our CPUC Compliance IRP¹ at the CPUC. A staff workshop to discuss a sampling of IRPs filed by various load serving entities was held on Tuesday, August 7.

R.17-06-026 – Power Charge Indifference Adjustment (PCIA) OIR – On Wednesday August 1, the Commission issued a proposed decision (PD)² in the PCIA docket. The proposed decision rejects the IOUs' proposed Green Allocation Mechanism/Portfolio Monetization Mechanism. Instead, the Commission updated the current PCIA methodology and establishes a Phase 2 to address a broad range of issues. The PD proposes to update the current PCIA methodology to move from administratively determined prices to utilizing prices for Resource Adequacy (RA) resources and renewable portfolio standard (RPS) costs that are based on contracted resources. Both RA and RPS costs will be developed using data submitted by the IOUs, ESPs and CCAs. The PD also removes the costs of utility owned generation (UOG) from the PCIA and rejects the IOUs' request that the 10-year limit on cost recover of should be done away with. The PD finds that inclusion of UOG costs violates state law determining what costs CCAs must pay within the PCIA and finds that the 10-year limitation on UOG cost recovery is good policy, but that utilities can request extension of cost recovery on a case-by-case basis which is current PUC requirements. The PD also allows for prepayment of future PCIA amounts if an LSE and the IOU mutually agree upon terms, sets a cap on the PCIA of 2.2 cents/kWh, and allows for an annual true-up of the PCIA based on actual revenues received by the IOUs from RA and RPS sales. Amounts over the 2.2 cent cap will roll forward with interest until they can be recovered in future years. Finally, the PD rejects sunseting of the PCIA on an arbitrary date and allocates the PCIA based on rate design allocation factors that are set in each IOU's general rate case rather than a specific method used for the PCIA at present. In Phase 2, the

¹ Available at: <https://www.peninsulacleanenergy.com/regulatoryfilings/>

² Available at: <http://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M219/K474/219474629.PDF>

Commission will consider a broad range of issues, including development of an auction mechanism to reallocate resources from IOUs to other load serving entities, securitization of IOUs' UOG, buydown/buyout of contracts, IOU forecasting of the PCIA, and ways in which the IOUs' can better optimize their portfolio management. On Tuesday, August 14th, the Assigned Commissioner in the docket issued an Alternate Proposed Decision. The alternate proposed decision (APD) differs from the PD in four main substantive respects. First, the APD finds that legacy UOG is PCIA eligible and should be recovered from CCA customers. Second, the APD terminates the 10-year limit on PCIA cost recovery for post-2002 UOG and certain storage costs. Third, the APD establishes a PCIA collar starting in 2020, with the cap limiting upward or downward changes in the PCIA to 25% in either direction from the prior year. Fourth, the APD, for 2019 ERRA forecasts only, adopts the Platt's Portfolio Content Category 1 REC index value for the Market Price Benchmark's RPS Adder.

R.17-09-020 – Resource Adequacy OIR – As discussed in last month's regulatory and legislative memo, CalCCA filed intervenor testimony on July 10 putting forward CalCCA's ideas in support of multi-year resource adequacy requirements and also central procurement that would focus on resources that were specifically needed to support the grid (rather than broad scale central procurement of all resource adequacy resources). On Wednesday, August 8, CalCCA submitted comments responding to parties' testimony and proposing topics for discussion within additional workshops that may be added to the proceeding schedule in response to a ruling by the assigned administrative law judge which suspended the schedule in the docket and requested comments on how to proceed issued on August 1. CalCCA supported two or three additional workshops to allow parties to gain a greater understanding of the issues in play in the docket. It is unclear how the docket will proceed at this time – either workshops, comments, or a settlement.

CA Customer Choice (Green Book) – On Tuesday, August 7, the CPUC Energy Division released a final version of the customer choice white paper: *California Customer Choice: An Evaluation of Regulatory Framework Options for an Evolving Electric Market* (Staff White Paper).³ The White Paper is updated with comments from the stakeholder advisory group, updated facts/figures/charts on policies, procurement including resource adequacy, and information on customer data and the idea of a central buyer. During Fall 2019, the Commission envisions ongoing work on customer choice including gap analysis on concerns raised in the White Paper including analysis of current proceedings at the CPUC and other state agencies that can address concerns in the paper, areas of future analysis, and continued solicitation of public comment. The Commission anticipates these efforts will culminate in a Draft Action Plan followed by workshops on the draft action plan.

R.18-07-006 – Affordability OIR – On Monday, August 13, CalCCA filed comments in the Commission's new affordability OIR which will set definitions of affordability and develop metrics for use in discussing the topic. The goal is to have a uniform set of definitions and metrics that can be used across the water and electric industries by the PUC to discuss affordability issues instead of the random assortment there is now. CalCCA's comments advised the Commission to focus on the following issues: 1) developing metrics that can provide a more granular picture of rate impacts between regions but also within regions in supplement to utilization of system average rates; 2) considering median household income and median household utility costs in

³ Available at:

http://www.cpuc.ca.gov/uploadedFiles/CPUC_Public_Website/Content/Utilities_and_Industries/Energy_-_Electricity_and_Natural_Gas/Cal_Customer_Choice_Report_8-7-18_rm.pdf

addition to focusing on the varying costs of different utility services; 3) a cumulative rate impact measure should be created so that stakeholders can understand how each request for a rate increase is impacting rates across time; 4) the Commission must focus on avoiding duplication of third party services by the IOUs as a means to keep rates lower over time; and 5) analysis of regional disparities in rate impacts should also focus more deeply on the what particular utility bill may be most impactful to ensure programs for that particular region can target the most impactful utility costs.

R.18-07-005 – Disconnection OIR – On Friday, August 10, CalCCA filed opening comments in the Commission’s new interconnection OIR which will be focused on implementation of recent state law changes that require the Commission to seek ways to lower the number of disconnections that take place each year. CalCCA’s comments expressed general support for engaging on the topic, noted that the OIR was properly scoped based on our initial review, and that CalCCA would participate in the OIR to assist the Commission and stakeholders to address the topics in the OIR.

R.18-07-003 – Renewable Portfolio Standard (RPS) OIR – On July 23, the Commission issued a new OIR to handle ongoing issues related to the RPS. A coalition of CCA parties, including PCE, filed comments on Monday, August 13, addressing coordination with other dockets, reduction of administrative compliance burden, greenhouse gas goals and metrics, prioritizing development of cost containment mechanism, and the overall schedule of the proceeding.

R.12-06-013 – Residential Rates OIR – On August 10, a coalition of CCAs, including PCE, filed a protest to PG&E’s *Proposal to Recover 2015-2016 Costs Recorded in the Residential Rate Reform Memorandum Account*. CCAs argued that PG&E’s proposal to recover all costs for residential rate reform initiatives is unfair and unreasonable by running afoul of CPUC cost allocation rulings.

Legislative Advocacy

As discussed during last Board Meeting’s CEO Report, PCE staff and various board members have been meeting with PCE’s local state elected officials to provide them with an update on PCE’s activities to date in serving our communities and to discuss the remainder of the legislative session. On July 19, Jan Pepper, Joseph Wiedman, Charlsie Chang, and Rick Bonilla met with Assembly Member Phil Ting. On July 24, Jan Pepper, Joseph Wiedman, Charlsie Chang, Rick Bonilla, Rick DeGolia, and Carole Groom met with Senator Hill’s staff. On July 26th, Jan Pepper, Joseph Wiedman, Charlsie Chang and Rick Bonilla met with Senator Scott Wiener. Subsequent to the July Board meeting, two additional meetings were held. On July 30th, Jan Pepper, Joseph Wiedman, Charlsie Chang, Rick Bonilla, and Pradeep Gupta, met with Assembly Member Marc Berman. On August 2, Jan Pepper, Charlsie Chang, Rick Bonilla, Wayne Lee, Rick DeGolia, Catherine Mahanpour, Jeff Aalfs, and Pradeep Gupta met with Assembly Member Kevin Mullin. PCE Staff identified SB 237 as current legislation that we are extremely concerned with as reopening direct access would allow for backsliding on PCE’s carbon progress. Questions from state elected officials generally focused on understanding how far along PCE is in meeting state standards (PCE is currently over a decade ahead of state mandates) and how SB 100 would impact that progress (PCE plans meet SB 100 mandates within the next three years which would be over 20 years ahead of schedule).

On Thursday, August 9, CalCCA held a two-hour briefing for legislative staff on a broad range of CCA issues including the issues raised in the CPUC’s white paper concerning decarbonization,

reliability, affordability, and social equity. The briefing was attended by approximately two dozen staffers which was a fantastic turnout due to the fact that SB 901 hearings were occurring at the same time. Moreover, only a few staffers were at the January briefing so there were many new faces.

As the legislative session gets underway following the July recess, CalCCA legislative committee has been active on the following bills:

[SB 1088](#)⁴ (Dodd) – Would impact third-party ownership of distributed energy resources under the guise of safety and reliability planning efforts. CalCCA voted to oppose unless amended.

[SB 237](#)⁵ (Hertzberg) – Would allow the unlimited reopening of direct access over a three-year period starting in July 2019 for all nonresidential customers (except for those customers in the service territories of publicly-owned utilities). CalCCA voted to oppose the bill and is part of a broad coalition of environmental stakeholders opposing the bill including TURN, Sierra Club, Natural Resources Defense Council, and many others.

[SB 901](#)⁶ (Dodd) – Would address better development and adherence to wildfire mitigation plans for the state’s utilities and alter prospective liability for wildfires cause by electrical infrastructure by moving from a strict liability standard to a reasonableness standard that takes account of a number of factors. CalCCA continues to monitor the bill for anti-CCA provisions and has not taken a position on the bill.

[SB 100](#)⁷ (DeLeon) – Would increase California’s Renewable Portfolio Standard to 60% by 2030 and require the remaining 40% of energy to be greenhouse gas free by 2045. CalCCA has supported the bill over multiple sessions.

[SB 1347](#)⁸ (Stern) – Would require load serving entities, including CCAs, to procure up to 2,000 megawatts of energy storage depending on findings made by the CPUC. CalCCA has taken an oppose unless amended position and is working with the author’s office to address our concerns.

[AB 2787](#)⁹ (Quirk) – Would require load serving entities to procure up to 2,000 megawatts of pumped hydro resources. CalCCA has not taken a position on the bill yet.

[AB 893](#)¹⁰ (Garcia) – Would require load serving entities to procure up to 3,000 megawatts of geothermal resources. CalCCA has taken an oppose position on the bill.

[AB 2345](#)¹¹ (Reyes) – Would authorize virtual net metering for the customers of investor-owned utilities if certain conditions are met. This bill is a recent “gut and amend” and has language nearly identical to SB 1399 (Wiener). CalCCA has not taken a position on the bill yet.

⁴ Available at: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB1088

⁵ Available at: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB237

⁶ Available at: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB901

⁷ Available at: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB100

⁸ Available at: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB1347

⁹ Available at: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB2787

¹⁰ Available at: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB893

¹¹ Available at: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB2345

[SB 700](#)¹² (Wiener) – Would reauthorize the Self-Generation Incentive Program which currently supports the deployment of behind-the-meter energy storage systems. CalCCA has not taken a position on the bill.

FISCAL IMPACT:

Not applicable.

¹² Available at: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB700



**PENINSULA CLEAN ENERGY
JPA Board Correspondence**

DATE: August 15, 2018
BOARD MEETING DATE: August 23, 2018
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer, Peninsula Clean Energy
Rafael Reyes, Director of Energy Programs

SUBJECT: Local Programs Report

SUMMARY

Four of the five programs approved by the Board in April are currently being executed:

- Community Pilots
- EV Ride and Drives
- EV Apartments Technical Assistance, and
- New Vehicle Dealer Promotion.

The Low-Income Vehicle Incentive is under development with a possible Q4 start.

This memo provides an update on the EV Ride and Drive events to date and includes summary information and abstracts on the Community Pilots proposals.

DETAIL

The board approved five programs at the April 26, 2018 meeting with funding totaling just under \$1.2 million. Below is the status of each program element:

| Program | Status |
|--|--|
| Community Pilots: Up to \$75,000 for innovative near-term projects | Proposals were due 8/3. Total of 37 proposals received. Proposals evaluation ongoing and scheduled for final review and approval at the Board retreat 9/29. (See below for detail on submissions.) |
| EV “Ride & Drive” events: Special emphasis on corporate campuses. 6 events reaching ~1,000 participants. | Events completed: Genentech (8/9), Facebook Festival (8/11). Events confirmed: San Mateo County Center (TBD Sept/Oct), Visa (TBD Oct). Others forthcoming. |
| New Vehicle Promotion: Competitive solicitation to dealers to deliver aggressive cost discount. | Dealer RFP deadline extended to 8/14. Three dealerships have expressed interest in participating. Program administrator RFP released 8/8. |
| Easy Charge Apartments: Technical assistance program for apartment building owners for EV infrastructure. | 12 site visits complete. 3 have load studies scheduled. Others still in discussion with PCE about load assessments or receiving other assistance. Developed detailed analysis of building stock. Program recommendations also under development. |
| Low-Income Used EV Incentive: Incentive program for used EV adoption by low-income residents. Estimated incentive level: \$4,000/vehicle. | Under development. Work has focused on aligning the program with the State’s new low-income Clean Vehicle Assistance Program and local partners. Work is on-going and PCE aims to launch in Q4. |

EV Ride & Drives

PCE has completed 2 of 6 EV Ride & Drive events, one corporate one and one public-facing one:

Genentech Ride & Drive

Genentech is a PCE customer with 12,000+ employees located in South San Francisco. This corporate employee-facing event was PCE’s first Ride & Drive event. The event took place on Thursday, August 9th from 10am to 3pm.

The event produced a total of 184 test drives and 108 passenger rides for a total of 292 EV experiences. Chevrolet, Nissan, Tesla, BMW, and Volvo models were represented. There were a total of 11 test drive vehicles and an additional 3 display vehicles, including an electric motorcycle.

Event Photos:

Facebook's Summer Jam Festival Ride & Drive

Facebook is a PCE ECO100 customer located in Menlo Park. Facebook hosts weekend community events at their campus throughout the summer. PCE partnered with Facebook to host this public-facing Ride & Drive event at their August 11 Summer Jam Festival. This Facebook event was sustainability-themed.

The event produced a total of 158 test drives and 144 passenger rides for a total of 302 EV experiences. Chevrolet, Nissan, Tesla, Audi and BMW models were represented. There were a total of nine test drive vehicles and an additional three display vehicles.



Additional program activities:

Program Roadmap

Staff is making progress on developing the first version of a PCE program roadmap. A draft roadmap was presented at the July 19, 2018 Citizens Advisory Committee and an updated roadmap is scheduled to be presented to the Board at the September 29, 2018 Board retreat.

Community Pilots

In September 2017, the Board approved opening a public process to execute PCE local programs. PCE issued a Request for Proposals for Community Pilots on June 21, 2018. Any individual, organization, and municipality were eligible to submit a proposal for consideration. Funding up to \$75,000 has been offered to pilot projects up to 18 months of duration. It is anticipated that up to 6 projects may be selected.

PCE is evaluating these proposals on the basis of the following criteria:

1. Accelerates GHG reductions and renewables
Delivers clear quantifiable GHG reductions and/or renewables in a cost-effective manner.
2. Delivers community benefits
The project provides community benefits including delivering tangible benefits to low income communities, develops workforce (including aligning with PCE workforce policy), and/or serves customers across PCE's geography.
3. Supports PCE's load serving needs
Supports PCE's objective to reach 100% renewables by 2025 by matching supply and load.
4. Can be executed within PCE capacity and builds PCE capabilities
Can be managed by PCE staff without undue burden and/or creates valuable expertise or data for ongoing use.
5. Additional benefits
Supports community resilience; is innovative, scalable and replicable; and/or addresses program gaps in the region.
6. Credentials and Approach
The applicant and its partners have the demonstrated capacity to execute the proposed project, the budget is realistic and appropriate, objectives and approach are feasible, and evaluation approach is credible.

RESULTS

The application deadline closed August 3, 2018 at 5:00pm PDT. PCE received a total of thirty-seven proposals. Two were disqualified as late or incomplete. Please find attached a list of all proposal abstracts as submitted in alphabetical order by organization name.

Schedule for awards is as follows:

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| Aug 3: | Applications due |
| Aug 8: | Preliminary screening |

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| Aug 16: | CAC feedback on summary |
| Aug 23: | Board briefed on summary |
| Sept 11: | Board Executive Committee reviews proposed finalists |
| Sept 20: | CAC review of proposed awardees |
| Sept 29: | Board selection of awardees |
| Q4: | Contracting and Projects Start |

Proposals vary widely across technology area and approach.

Figure 1 (at right) shows the breakdown of primary technology areas across proposals. Please note that for the applicants that selected a combination of two or more of these areas in the submission form, PCE selected a main technology area for each of these.

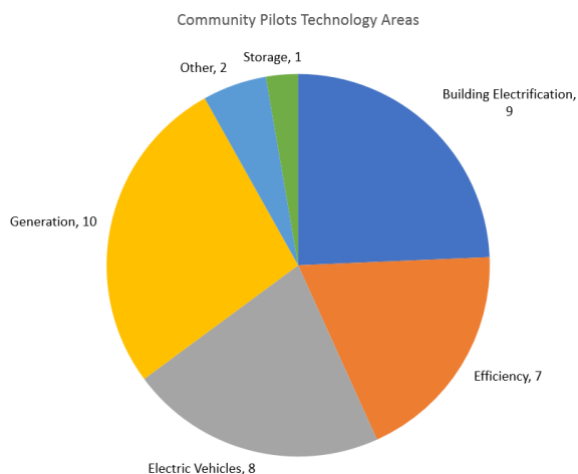
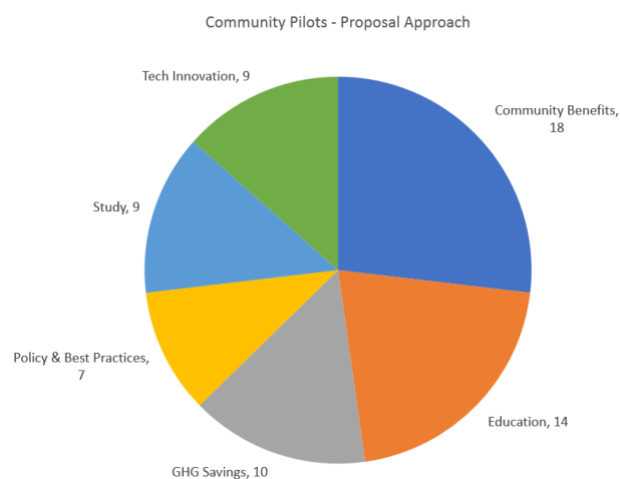


Figure 2 (at right) shows the approach the proposals propose. Approach refers to what kind of activity and emphasis the project proposes. Because some proposals may have a strong emphasis on two or three of these approaches, the number reflected in the pie chart is greater than the sample size of thirty-seven applications.



Community Pilots Abstracts

| # | Submitter | Proposal Name | Proposal Abstract |
|---|---|---|--|
| 1 | Acterra | Electrify! Paving the Way for Heat Pump Water Heaters in San Mateo County | <p>Acterra, in partnership with SunWork, seeks a \$75,000 grant to launch the “Electrify!” Pilot Program in San Mateo County. Acterra is expanding its existing Green@Home program, which is focused on home energy waste mitigation, to encompass the next phase of education and awareness around the importance of shifting away from gas-fired home appliances such as cooktops, water heaters, dryers, and heating systems. This pilot project will seed the first phase of this expansion with a focus on advocacy for residential heat pump water heaters. The pilot program will consist of two main components:</p> <ul style="list-style-type: none"> • Workforce development: Hands-on training for plumbers and contractors who serve San Mateo County to do the electrical work associated with installing heat pump water heaters in residences. • Demand development: Education and awareness for San Mateo County community members about the benefits of moving away from gas-fired water heaters, including the cultivation of a team of “Electric Ambassadors.” |
| 2 | Anamatangi Polynesian Voices * DISQUALIFIED - Late * | “Matae Ulua” (Top Level Quality) | <p>Anamatangi is pleased to apply for a \$75,000 grant, with Youth Community Service as our fiscal agent. Having partnered with Acterra and One East Palo Alto, we are the ones who translated your PCE flyer into Tongan. The goal of this grant is to “develop capacity and agency” within Pacific Islander communities in San Mateo County to educate ourselves in how to achieve greater participation in conservation and clean energy. We are filing under “Developing Local Community Benefits.” In terms of metrics, it is our goal to reach 8,000 Pacific Islanders (out of 11,200 total) in San Mateo County and convert them to the 100% Equal Plus plan. Our strategy has three components: (1) “reaching out to Pacific Islanders in their churches;” (2) “following up with direct messaging to homes via radio” in Tongan, Samoan and Fijian; and (3) “empowering Pacific Islander youth and their parents” where the community studies its own needs, seeks grants, and (here) transitions to non-carbon energy</p> |
| 3 | ARCA Recycling, Inc. | ARCA Recycling, Inc. Appliance Recycling Program Proposal | <p>ARCA Recycling, Inc. (ARCA) proposes the implementation and management of a turnkey appliance recycling program (ARP) for Peninsula Clean Energy (PCE).</p> <p>ARCA's ARP for PCE provides customers with a convenient and satisfying solution for disposal of their old appliances. PCE benefits from increased customer satisfaction and energy savings. Additionally, the ARP helps protect the environment through decreased greenhouse gas (GHG) emissions and reduced contamination of water and soil.</p> <p>ARCA's forty-year history in energy efficiency and the company's commitment to responsible appliance disposal provide the foundation for energy efficiency programs with seamless program operations. Comprehensive turnkey services ensure all aspects of program operations are handled professionally, with minimal work required by PCE.</p> |
| 4 | Ardenna Energy, LLC | Peninsula Climate Comfort Pilot Project | <p>Project will demonstrate a scalable program model for delivering residential electrification retrofits. A key focus will be to minimize installation and operating costs to support the feasibility of a Managed Energy Services Agreement.</p> <p>Project will conduct in-depth assessments for 5 home owners who wish to electrify space heating and/or water heating. Assessments will evaluate the technical, financial, and performance opportunities and challenges, including opportunities to bundle electrification with energy efficiency, PV, electric vehicle, and energy storage. Project will offer participants up to \$2,000 to offset installation costs. Completed projects will be documented and published as case studies. Financial analysis will consider how added electric demand and load shape changes may reduce PCE's cost of service to its customers. One result will be a recommendations for a residential electrification tariff that rewards customer actions that support PCE's load serving needs.</p> |
| 5 | Blue Strike Environmental | Low-Income Smart Thermostat Pilot | <p>The Low-income Smart Thermostat Pilot aims equip disadvantaged community members within the PCE service area with a free smart thermostat. Once in place, these devices will create increased awareness of energy use and be supported by educational and community engagements that will catalyze energy savings, subsequent electric bill reductions, and the mitigation of greenhouse gas (GHG) emissions.</p> <p>Immediate energy and gas savings of 8% are immediately available and supplemented by partnership with non-profit San Francisco - Peninsula Energy Services SFPEs, a local installer and administrator of the Low Income Home Energy Efficiency Assistance Program (LIHEAP) program, enables match funding able to cover a portion of installation and assessment costs while providing sanctimonious LIHEAP Energy Efficiency measure installation for qualified low-income PCE customers.</p> |

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| 6 | Bright Energy 101 | Deep De-Carbonization for San Mateo County Schools | The Bright Energy 101 (BE101) grant proposal will fund implementation of its Program at a pilot high school in San Mateo County, expecting the success of that to support PCE in expanding the Program to schools throughout the County. The BE101 Program helps schools meet these critical goals: bettering the Environment, improving STEM Education and achieving Operational Cost Savings. The BE101 Program is a 10-year program. Through the grant funding, the Program will be implemented at a single high school in San Mateo County, and includes the following integrated elements: (1) BE101 Energy Intelligence Software, (2) a high school internship program and (3) implementation of energy efficiency, renewable energy and clean electrification measures. A key outcome of the BE101 Program is reducing the school's GHG emissions, from electricity and natural gas, by 80% by 2030. |
| 7 | Build It Green | Healthy Home Connect | The Healthy Home Connect pilot program, developed and administered by Build It Green and its partners, will deliver upgrades to up to 16 low-income homes in East Palo Alto and Daly City that would otherwise be disqualified from housing assistance programs. Thanks to \$75,000 in PCE gap funding, homes will receive healthy home remediations and roof repairs/replacements, allowing these formerly disqualified homes to then receive energy efficiency improvements and demand response ready technologies via complementary public programs which have historically been disconnected. The Program will smartly leverage PCE funds with existing corporate philanthropy, utility weatherization and solar programs, plus Hayward Score, a breakthrough technology to assess and improve the health of any home. |
| 8 | CA Interfaith Power & Light | Community Resiliency - Solar to Storage at Faith Institutions | <p>This project will improve the Peninsula's resilience to climate change, energy outages and other emergencies by recruiting and equipping 3-5 faith institutions to be community hubs with clean energy back up power and cooling spaces open to all in need in the community.</p> <p>Because faith institutions generally offer much more than worship services, providing space for everything from Girl Scout meetings to polling places to soup kitchens, they are uniquely visible, familiar and welcoming places for community members. In addition, the architectural style of houses of worship tend to make them naturally cooler on high heat days, which are occurring with increasing frequency as climate change intensifies.</p> <p>These 3-5 faith institutions will be equipped with solar power, back up battery, at least two electric vehicle charging stations, space for at least 300 people to gather, a back-up water supply and first aid supplies.</p> |
| 9 | CAST Energy Solutions Inc. | CAST Energy Solutions' Proposal | <p>CAST Energy Solutions has a highly qualified team of energy experts capable of developing distributed energy resource solutions in Peninsula Clean Energy's (PCE) service territory. The proposal has five components: solar PV, wind, energy storage, EV charging infrastructure, and an energy management system. These five components can be adopted all at once, or incrementally. PCE could also choose just one or two components.</p> <p>The projects, initially proposed for the south San Francisco area, are scalable and replicable to cover PCE's entire service territory. The PCE strategic objectives for community pilots will all be achieved by this proposal, namely:</p> <ul style="list-style-type: none"> ·Reducing GHG emissions ·Delivering local community benefits ·Advancing innovation ·Aligning energy supply and load |
| 10 | Center for Sustainable Energy | Water Heater Electrification Program | The Center for Sustainable Energy (CSE) proposes a water heater electrification pilot for consideration by Peninsula Clean Energy (PCE), designed to test the ability of heat pump water heaters (HPWH) to offer both greenhouse gas reductions and load shaping benefits. CSE proposes a streamlined pilot focused on replacing natural gas water heaters with heat pump water heaters in PCE territory. The initial pilot would target a small number of customers and identify key metrics to evaluate the overall performance and load shaping capability of these devices. The pilot is designed to work with a single contractor to ensure quality installation of devices and to potentially capture water heater replacements in addition to retrofits. |
| 11 | Design-Manage-Sustain LLC | Bridging the Gap: Energy Project Financing | Design-Manage-Sustain proposes to create a one-stop shop resource for PCE's residential, business and multifamily customers to discover and explore available financing options for energy-related projects, products and vehicles– the Financing Finder. It is an innovative tool that leverages private financing to provide a community benefit by producing more renewable energy, achieving greater energy efficiency and reducing carbon emissions. It will coordinate with, complement and enhance many of the region's existing energy programs. Energy financing influences energy savings and GHG reductions by enabling customers to overcome the "first-cost" barrier to completing projects driving energy efficiency, renewable energy and energy storage – allowing additional and more comprehensive projects to be completed. PCE's Financing Finder can be executed quickly with low risk by leveraging an existing financing database and incorporating lessons learned from previous implementation under the CPUC. |

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| 12 | DNV GL | RICAPS Measures for Electrification and Distributed Energy Resources | <p>PCE has the unprecedented opportunity to amplify existing work funded through the County's Office of Sustainability's RICAPS program that provides climate action technical assistance that will impact all communities across the County. Our local cities need support in meeting the state's 2030 targets, and the RICAPS assistance provides the vehicle to do so, but needs (currently) unavailable funding to incorporate new strategies related to electrification, load-shifting and equitable access to reliable, clean energy.</p> <p>The proposed project will focus on updating the RICAPS Menu of Measures, which is used by cities to engage with stakeholders on key actions for local governments to reduce GHG emissions and provides standardized methodologies for estimating emissions savings, energy savings, cost savings and other benefits. The current tool focuses on energy efficiency and resource conservation, and does not include any measures related to electrification, zero net energy or other DERs.</p> |
| 13 | Electric Auto Association | Electric Vehicle 101 | Electric Vehicle 101 will present a series of classes to educate the EV curious about the feasibility of becoming electric vehicle owners in an open environment with no sales pressure. Experienced and passionate presenters will cover all the topics involved in choosing the right EV and having a successful ownership experience. Topics to be covered include the models of available vehicles including all-electric and plug-in hybrid vehicles, their respective ranges, prices, available rebates and incentives, the options available to charge vehicles, what's needed to set up personal charging infrastructure and the complications of multi-unit dwellings, along with public charging, as well as the individual, environmental and social benefits of ownership. All of this will be discussed in the context of communicating that switching from a gas or diesel to an electric car is likely the most significant action an individual or business can take to reduce their own GHG footprint. |
| 14 | Energy Solutions | City of San Mateo Decarbonization Framework-Phase 1 | The City of San Mateo Decarbonization Framework-Phase 1 project seeks to demonstrate a scalable framework for PCE to: engage cities in collaborative planning, support local policy development, and introduce programs that support city efforts. This Phase 1 project will seek to: (1) increase Electric Vehicle (EV) readiness in San Mateo by facilitating adoption of an EV reach code and (2) develop a roadmap of high-impact policy initiatives and program opportunities that can be undertaken by PCE and its member communities. The engagement process, tools and templates used for the project can be leveraged to support similar initiatives throughout PCE territory. At the end of the project, Energy Solutions will facilitate a workshop for all PCE's member cities to review the project and learn about and discuss opportunities to undertake similar initiatives in their territory. |
| 15 | Envoy Technologies Inc. | Disadvantaged Community Car Sharing Pilot Proposal | Envoy Technologies Inc. ("Envoy") is pleased to submit this Disadvantaged Community Car Sharing Pilot Proposal ("Proposal") under PCE's 2018 Community Pilots Call for Proposals. Under this pilot, Envoy will deploy 3 pure electric vehicles (EVs) to be used for car sharing within a disadvantaged community in San Mateo County. Envoy will focus on deployment in support of designated low-to-moderate income areas, affordable housing communities, other areas defined as disadvantaged (based on further input and consensus from PCE stakeholders). Envoy will leverage the "Community Vulnerability Index," and work with stakeholders, to identify ideal locations for deployment, and will deploy the car sharing service for no less than 18 months. Envoy is also prepared to extend or expand this Pilot, depending on the program's success. |
| 16 | EVmatch, Inc. | EVmatch Community Charging Network | Electric vehicles (EVs) serve as a critical clean energy solution with zero tailpipe emissions and lower life-cycle emissions compared to gasoline vehicles. Yet inadequate public charging infrastructure limits the range of current EV owners and causes them stress. This is especially problematic for EV drivers without home charging access. EVmatch directly addresses this infrastructure challenge through an innovative peer-to-peer network for EV charging. EVmatch harnesses the power of sharing to immediately create more reliable charging options. Drivers access the network through the company's application and can quickly find, reserve, and pay for use of a private charger. EVmatch will expand its service to San Mateo County through this project, recruiting a minimum of 50 charging hosts and 150 EV drivers over the course of twelve months. EVmatch will increase access to reliable charging options through this innovative pilot and directly reduce 55 metric tons of CO ₂ e. |
| 17 | FIRM Clean energy * DISQUALIFIED - Incomplete* | FIRM utility-scale community DER | Community utility-scale renewable generation co-located to leverage existing land use amongst a portfolio of local disturbed & industrial land parcels and interconnected directly to PG&E's distribution system at pre-determined locations (POI's) with potential to deliver maximum value to the rate-payer. |
| 18 | Home Energy Analytics | Accelerating Residential Beneficial Electrification | HEA proposes to enhance 2 existing HEA products, Smart Audit and AskDrPower.com to: promote and educate the community about BE; analyze home energy usage to better target BE candidates; and then measure the GHG savings by tracking the energy savings using AMI data. At the completion of this proposal PCE will have the technology to promote and manage an scalable community BE program. The proposal takes advantage of ongoing projects with both PG&E and the CEC to achieve greater customer outreach than could otherwise be achieved. |

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| 19 | Intermountain Electric Company | Devil's Canyon Solar | Carport Solar and parking lot rehabilitation |
| 20 | Intertie Incorporated | Versailles Smart Grid Project | Versailles is an independent senior living community consisting of 61 condominium residences located in downtown San Mateo. Its residents recently asked Ash Street Green Partners, the manager of the services at Versailles, to provide EV charging and to reduce their GHG emissions. Ash Street Green Partners is working with Intertie Incorporated to build an innovative pilot project that meets the emerging EV needs of the Versailles community while advancing the grid of the future for PCE. The project will deploy Intertie's modular, smart-grid technology, the EV ChargePod, that draws power from available grid capacity and local solar resources, efficiently stores electricity; then optimally routes power to fast-charge EVs and supply the host or grid. The system provides fast-charging to EVs without stressing the grid, integrates local solar PV, provides backup power to the senior community, supplies demand response, peak shaving and other grid services while improving grid reliability. |
| 21 | npc Solar | Solar4Cars: Selling solar electricity as vehicle "fuel" | <p>An urgent need exists to reduce Greenhouse Gas emissions. Transportation is a large source of these in the Peninsula Clean Energy territory.</p> <p>Switching transportation from gasoline-powered vehicles to plug-in vehicles enables the move to zero emissions, alongside the transition to renewable energy generation.</p> <p>Solar systems are typically sold on their economic benefits versus buying grid electricity, however there is a more compelling case for solar electricity when it is used to offset vehicle "fuel", potentially resulting in 80+% financial savings.</p> <p>The Solar4Cars center will be a for-profit educational facility for customers to learn about plug-in vehicles, whilst also selling PV systems, Electric Vehicle Supply Equipment and Energy Storage Systems.</p> <p>Center staff will be impartial regarding vehicle choice and can recommend a plug-in vehicle tailored to customer needs, whilst providing a commercial transaction on the solar + EVSE + energy stationary storage side.</p> |
| 22 | Open Energy Efficiency | OpenEE Platform - Efficiency and Electrification | Open Energy Efficiency (OpenEE) offers Peninsula Clean Energy (PCE) a unique opportunity to manage its demand-side management portfolio, including energy efficiency and electrification efforts. OpenEE provides an advanced M&V platform to track and normalize metered consumption data from individual buildings so that portfolios of assets can be aggregated to provide a flexible, demand-side load balancing platform. The OpenEE platform enables near real-time performance analytics and supports performance-based procurements and programs. |
| 23 | Powerley | PCE Live Home Energy Management Platform | <p>PCE LIVE. A PCE-branded Home Energy Management solution for 50 residential customers comprised of a gateway that connects to the PG&E AMI meter, a mobile app, a thermostat and Alexa (optional).</p> <p>PCE Live will deliver real-time energy consumption for the whole house, disaggregation of key loads, including HVAC, ability to conduct DR events and personalized coaching. Expected results include 5%-10% reduction in energy waste, 1.2kW in demand savings and a deeper relationship with customers.</p> <p>PCE will have access to customer consumption and engagement data through the Powerley Portal which can be leveraged to increase awareness for 100% clean energy, drive up customer loyalty and unlock new services and revenue streams.</p> |
| 24 | Presidio Graduate School | Renewable Energy Policies: Pilot Programs for San Mateo Businesses & Communities | Together with three San Mateo County cities -- starting with the City of Pacifica -- we will pilot requirements for commercial buildings to generate and purchase renewable energy. The City of Pacifica has identified prospective businesses for the pilot. Reducing building energy consumption and GHG emissions through renewable energy generation will accelerate the city's progress toward achieving its goal of reducing emissions by 35% below 2005 levels by 2020, and 80% below 1990 levels by 2050. The community will benefit from improved health and safety, reduced pollution; green jobs; and enjoyment of living in a clean and responsible city. We have contacts also at the Cities of South San Francisco and San Bruno. Together, three cities' exemplary action will inspire San Mateo County and all of California to achieve clean-energy and zero-carbon goals |
| 25 | San Mateo County Event Center | Proposal Narrative - San Mateo County Event Center | The San Mateo Event Center with the support of San Mateo County is seeking installation of a Solar PV rooftop and potential ground installation system to offset SMCEC's retail energy usage and potentially generate excess supply that could be provided back to Peninsula Clean Energy (PCE). Project components include a system electrically interconnected to SMCEC's onsite electrical facilities, providing energy savings that would accrue toward SMCEC's annual operating budget. This project would underscore PCE's, the Event Center, and the County's commitment toward environmental sustainability. Additional consideration is being given to Solar PV rooftop and/or ground installation for wholesale energy supply to PCE due to available space by way of adding a Tier 1 stationary battery system. If realized, this would be the largest solar-microgrid site in San Mateo County. The proposal seeks grant funding for a feasibility study and preparation of Request for Proposal for Solar installation. |

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| 26 | Sewer Authority Mid-Coastside | Cogeneration System Feasibility Study | Sewer Authority Mid-Coastside (SAM) requests a grant from Peninsula Clean Energy (PCE) to perform a detailed feasibility study of a cogeneration system to produce clean electricity and heat from renewable, digester gas (biogas) already produced at SAM's wastewater treatment plant. If awarded the grant, SAM would partner with kW Engineering, an energy efficiency and renewables engineering firm in Oakland, CA, to investigate current potential cogeneration (electric energy generation plus heat generation) capacity of the plant's anaerobic digester's biogas production, avoided utility energy costs from onsite generation, associated GHG reduction, secondary environmental benefits, project costs, and project financing options. When completed, the feasibility study will be presented to SAM's board of directors to decide whether to pursue construction of a cogeneration system to produce clean electricity and heat from renewable biogas. |
| 27 | Sewer Authority Mid-Coastside | Methane Fueled Microturbine Project | Sewer Authority Mid-Coastside (SAM) owns and operates the Regional Wastewater Treatment Plant. SAM processes and stabilizes its wastewater sludge in anaerobic digesters prior to dewatering and ultimately landfill disposal. Sludge digestion produces carbon dioxide and methane gas. Part of the methane is combusted and the methane gas that is not used in the digester heating process is wasted and combusted in a flare system on site. SAM is requesting a grant from PCE to install a combined heat and power (CHP) generation system that could make beneficial use of all of the plant's methane production by running it through a microturbine. The microturbine will generate electricity and heat. The heat will be captured and used to maintain optimal digester temperatures. The proposed SAM WWTP digester-gas-fueled CHP system will provide both a reduction in greenhouse gas (GHG) emissions and a reduction in PG&E/PCE purchased power costs for the plant. |
| 28 | Sewer Authority Mid-Coastside | Aeration System blower Efficiency Pilot Study | Sewer Authority Mid-Coastside (SAM) owns and operates the Regional Wastewater Treatment Plant and currently operates three 125 horsepower centrifugal multistage blowers that deliver air to the aeration tanks as part of the wastewater treatment processes. These blowers continuously operate at a higher speed than desired. This causes SAM to spend more electricity than what is necessary to supply sufficient amount of air to sustain the biological processes in the secondary aeration tanks. SAM is requesting a grant from PCE to conduct pilot study to evaluate the energy efficiency of various turbo blower units. Replacing these blowers with modern high efficiency units will reduce greenhouse gas (GHG) emission by 35%, and save SAM over \$40,000 on energy costs every year. The avoided GHG over 10 years is expected to be over 400 tons. In addition, this will allow SAM to optimize their operation and improve the infrastructure resilience at the plant. |
| 29 | SMC Office of Sustainability | Wind and PV in Pescadero | The County has set a goal of reducing emissions for unincorporated areas and for the County's operations. The County completed a feasibility study to construct a solar PV and wind installation at the Pescadero landfill site. This project has the capacity to generate 4MW of innovative, local renewable energy, which is 1/5 of PCE's goal of 20MW by 2025 and the revenue generated has a long-term benefit of continuing to provide recycling options for South Coast residents. Considering Pescadero's location for wind and solar viability, staff estimates the site to generate around 7.5 kWh each year, equivalent to 5.6 MTCO _{2e} . This equals 1,200 cars driven each year, and 840 homes' electricity for one year. For sequestration, it is around 6,600 acres of U.S. forests in one year and 145,000 tree seedlings grown for 10 years. If awarded the grant, the County plans to complete the site assessment and prepare a Report to the Board and an RFP for construction of this renewable energy project. |
| 30 | SMC Office of Sustainability | A Roadmap for Municipal Green Fleets | Local governments own and operate fleets of vehicles that serve a variety of critical functions from heavy duty vehicles including fire trucks and road maintenance to sedans for staff to use for government business. The function of these vehicles is to serve, protect and advance our communities. Often overlooked is how fleets can be managed and upgraded to align with organizational and local climate action goals. The Office of Sustainability is proposing to develop a clean fuel fleet toolkit for local governments to support the planning and scoping phases of a municipal fleet overhaul. In addition, the creation of a toolkit, the Office of Sustainability is poised to provide technical assistance to jurisdictions interested in strategic planning of their fleets to identify a custom roadmap based on vehicle use cases, budget, and climate goals. With commitment from the County of San Mateo's fleet, budget would be used for direct implementation of electric transportation solutions. |
| 31 | SPIN Storage Systems | SPIN Flywheel Energy Storage | SPIN is developing an advanced 30kWh/10kW flywheel for grid energy Storage. First units will be available in early 2019. We propose to install one or more of these in San Mateo County in conjunction with a new or existing solar generation facility. The project will consist of three phases. 1) Site Selection. In conjunction with PCE and other local partners SPIN will conduct a survey of potential sites and identify one that would benefit from the addition of up to five SPIN storage units. Criteria for selection will be GHG Benefit and total site installation cost. 2) Deployment. SPIN will engage suitable contractors for the deployment of the storage units, electrical integration, and connection to our remote monitoring systems. 3) Evaluation. SPIN will operate the units for a minimum of three years and provide annual reports on GHG benefit, usage, and any service anomalies. At the end of the Monitoring Period SPIN will continue to support the system use under a ten year warranty. |

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| 32 | Sustainable Silicon Valley | Solar Pump Up Pilot | The Solar Pump Up Pilot will implement the new technology of Heat Pump Water Heaters (HPWHs) in select homes that have solar in East Palo Alto, then develop a guide establishing best practices. This pilot will bring attention to the low-income community of EPA as an innovation leader by being a testbed for the new technology of HPWHs. HPWHs are the most efficient way to turn electricity into heat. SSV has already received a \$20K grant from the Bay Area Air Quality Management District (BAAQMD) to gather data in preparation for the installation of HPWHs in homes with solar. HPWHs and solar pair well together for several reasons. Solar improves the ROI of moving to HPWHs by lowering the cost of electricity. HPWHs also enable load shifting as they can be used for thermal storage and demonstrate a way for households to reduce greenhouse gas (GHG) emissions to comply with AB 32 and SB 350. This pilot will lay the groundwork for market transformation of the fuel we use to provide heat. |
| 33 | The HEAL Project | Solar Powered Learning | Solar Powered Learning is a partnership to install solar power at two sites to provide renewable energy and community education from The HEAL Project (THP) and Elkus Ranch, 501(c)3 nonprofits offering farm-based outdoor education in San Mateo County. THP operates the SMC School Farm and Elkus Ranch is operated by UC Cooperative Extension. Under the California Healthy Soils Initiative, Elkus Ranch and THP have initiated Carbon Farm Plans designed to reduce GHG and sequester carbon using a suite of sustainable farm practices. Solar Powered Learning provides each farm with solar arrays, and in turn, each farm will provide lessons about renewable energy to the combined 11,000 visitors from SMC and the greater Bay Area who visit the two sites annually. Elkus Ranch, where solar production will supply energy back to PCE's load, will receive the bulk of the funding. As the SMC School Farm is not on the grid, InterMountain Electric will build a small solar array to replace a gas generator. |
| 34 | TRC Energy Services | TRC Community Pilot Grant Proposal | Gas wall furnaces are a common heating system type in multifamily buildings. These systems are inefficient and contribute indoor air pollutants into residents' living spaces. Like-for-like (in-kind) replacement options for older wall furnaces are limited and not significantly more efficient than the old equipment they replace. We propose to use Peninsula Clean Energy grant funding to explore energy efficient and clean space heating alternatives to wall furnaces. Our proposal leverages PCE grant funding, building owner contributions, and PG&E funding to replace wall furnaces with efficient heat pump solutions that will deliver energy savings, GHG reduction and improved indoor air quality. There are also many challenges and cost uncertainties related to the heat pump replacement options and this funding will also support a detailed case study to document challenges and key considerations to scale this retrofit option in the multifamily market. |
| 35 | University of California, San Francisco | Oyster Point Heat Pump Replacement | University of California has pledged to become carbon neutral by 2025, becoming the first major university to accomplish this achievement. At UCSF, nearly 75% of our carbon emissions is due to on site burning of natural gas for heating and electrical generation. UCSF Oyster Point building is currently in the process of installing solar panels on the roof. The panels are expected to generate enough electricity to serve the entire building. UCSF is exploring the possibility of increasing the solar generating capacity and replacing natural gas burning equipment to all electric equipment. Replacing the natural gas burning carbon emitting heat pumps with solar electric heat pumps will contribute to UCSF overall pledge of reducing carbon emissions. |
| 36 | Weave Grid | Smart Charging Management for Connected Electric Vehicles | Weave Grid uses connected vehicle data from electric vehicles to remotely optimize EV charging management. By utilizing machine learning to predict consumer driving patterns and create "virtual fleets", we aggregate the EVs into a powerful grid asset that can reduce the strain on the grid. The EVs can then be used as a flexible demand-side resource, both at the macro grid level and also at the nodal, neighborhood-level distribution grid. This enables us to better predict EV demand and then manage the charging of electric vehicles, hence reducing the cost of real time supply-demand imbalances for Community Choice Aggregators (CCAs) and utilities. Additionally this reduces the need for costly grid upgrades, can help better integrate renewable energy (esp. excess solar), and save EV owners money on their energy bills. Our use of vehicle telematics data enables us to be agnostic to charger or car type, and given driving behaviors can optimize EV charging both across time and location. |
| 37 | YellowTin Inc | Accelerating Clean Electrification | Objective for PCE residential customers: The project targets residential customer base but can be conceivably scaled to the C&I customer base longer term. 1. Provide education on building and automotive solutions to help them electrify their homes. 2. Empower homeowners with a personalized set of unbiased recommendations based on an analysis of their preferences, their energy-usage data (obtained from PG&E), current technology costs, available incentives, etc. 3. Enable homeowners to easily understand and evaluate quotes from vendors so they can make informed decisions confidently. 4. Accelerate the adoption of electric technologies, including PV, EVs, battery storage, and heat pumps that can help customers save money and reduce the need for fossil fuels. 5. Improve the overall economics of technology adoption by reducing the soft costs (especially customer acquisition costs) of implementation. |



PENINSULA CLEAN ENERGY
JPA Board Correspondence

DATE: August 13, 2018
BOARD MEETING DATE: August 23, 2018
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer

SUBJECT: Energy Supply Procurement Report – August 2018

BACKGROUND:

This memo summarizes agreements entered into by the Chief Executive Officer since the last regular Board meeting in July 2018. This summary is provided to the Board for information purposes only.

DISCUSSION:

The table below summarizes the contracts that have been entered into by the CEO in accordance with the following policy since the last board meeting.

| Execution Month | Purpose | Counterparty | Term |
|-----------------|---------------------------|---------------------------------------|----------|
| July 2018 | Sale of Resource Adequacy | Marin Clean Energy | 2 months |
| July 2018 | Sale of Resource Adequacy | Silicon Valley Clean Energy Authority | 2 months |

In December 2017, the Board approved the following Policy Number 15 – Energy Supply Procurement Authority.

Policy regarding PCE “Energy Procurement”: “Energy Procurement” shall mean all contracting for energy and energy-related products for PCE, including but not limited to products related to electricity, capacity, energy efficiency, distributed energy resources, demand response, and storage. In Energy Procurement, Peninsula Clean Energy Authority will procure according to the following guidelines:

- 1) **Short-Term Agreements:** Chief Executive Officer has authority to approve energy procurement contracts with terms of twelve (12) months or less. The CEO shall report all such agreements to the PCE board monthly.
- 2) **Medium-Term Agreements:** Chief Executive Officer, in consultation with the General Counsel, has the authority to approve energy procurement contracts with terms greater than twelve (12) months but not more than five (5) years. The CEO shall report all such agreements to the PCE board monthly.
- 3) **Intermediate and Long-Term Agreements:** Approval by the PCE Board is required before the CEO enters into energy procurement contracts with terms greater than five (5) years.