



**REGULAR MEETING of the Executive Committee of the  
Peninsula Clean Energy Authority (PCEA)  
Monday, July 9, 2018**

Peninsula Clean Energy  
2075 Woodside Road, Redwood City, CA 94061  
8:00 a.m.

*Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to participate in this meeting, or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact Anne Bartoletti, Agenda Administrator, at least 12 hours before the meeting at (650) 350-9514 and/or [abartoletti@peninsulacleanenergy.com](mailto: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 Committee, please fill out a speaker's slip located on the tables as you enter the meeting room. If you have anything that you wish to be distributed to the Committee and included in the official record, please hand it to a member of PCEA staff who will distribute the information to the Committee members and other staff.*

**CALL TO ORDER / ROLL CALL**

**PUBLIC COMMENT**

This item is reserved for persons wishing to address the Committee on any PCEA-related matters that are as follows: 1) Not otherwise on this meeting agenda; 2) Listed on the Consent Agenda; 3) Chief Executive Officer's or Staff Report on the Regular Agenda; or 4) Committee Members' Reports on the Regular Agenda. Public comments on matters not listed above shall be heard at the time the matter is called.

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

**ACTION TO SET AGENDA AND TO APPROVE CONSENT AGENDA ITEMS**

This item is to set the final consent and regular agenda, and for 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. CPUC IRP Preview (Discussion)
4. Pros and Cons of ECO100 Parity with PG&E (Discussion)
5. Discuss NEM Payout Policy (Discussion)
6. Review Draft Retreat Agenda (Discussion)
7. Committee Members' Reports (Discussion)

## **CONSENT AGENDA**

8. Approval of the Minutes for the June 11, 2018 Meeting (Action)

Public records that relate to any item on the open session agenda for a regular board meeting are available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members of the Board. The Board has designated the 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  
JPA Board Correspondence**

**DATE:** July 5, 2018  
**BOARD MEETING DATE:** July 9, 2018  
**SPECIAL NOTICE/HEARING:** None  
**VOTE REQUIRED:** None

**TO:** Honorable Peninsula Clean Energy Authority Executive Committee  
**FROM:** Leslie Brown, Director of Customer Care, Peninsula Clean Energy  
**SUBJECT:** Informational Memo regarding ECO100 Pricing Parity with PG&E

**RECOMMENDATION:**

Discuss the pros and cons of ECO100 parity with PG&E.

**BACKGROUND:**

The idea of changing PCE's ECO100 premium from \$0.01 per kWh to price parity with PG&E's standard rate has been raised by the Board in previous Board meetings. The discussion below is a preliminary analysis on the operational and equity impacts of implementing such a change.

**DISCUSSION:**

Currently ECO100 is priced at a flat rate premium of \$0.01 per kWh for all customers. Having a single flat rate that applies to anyone in the ECO100 program allows for a simple consistent message, easily determined costs, and applies to all customers equitably with regard to supporting 100% renewable energy.

If PCE were to shift pricing of ECO100 to achieve pricing parity with PG&E standard rates it would necessitate the development of different ECO100 rates for each customer class and each separate rate period: peak, part-peak, off-peak as well as seasonal summer and winter rates. This would result in the creation of approximately 179 different ECO100 rates with premiums ranging from \$0.00261 to \$0.01887 per kWh depending on the customer class and rate period. While PCE promotes a simple message of a "5% Generation Discount" for our standard ECOplus product the execution of the General Discount requires complicated back-end rate calculations.

Further complicating the calculation of a parity rate is PCE's presentation of charges on a customer's monthly bill. Currently the ECO100 charges are calculated and presented as one line item on the bill for all kWh's in the billing cycle (regardless of peak, part-peak, and/or off-peak

consumption). It is clear what the standard ECOplus charges are and what the ECO100 premium is for every billing cycle. If ECO100 rates were instead equivalent to PG&E rates PCE would have to abandon showing the lower ECOplus rates on the bill and replace that line item with a flat ECO100 rate, or, alternatively, many customers would end up with multiple ECO100 charges on their statement (one for each rate premium).

Another potential impact of a rate change is on PCE's policy regarding NEM customer credits for excess generation. PCE currently credits excess generation at \$0.01 per kWh, in order to be equivalent to our ECO100 rate. If PCE were to have varying ECO100 rates it would then also need to implement varying NEM generation bonus rates to stay consistent with current policy, adding even more complexity to the already complicated NEM billing landscape.

Because of all of the above reasons, staff recommends keeping ECO100 at its current flat rate of \$0.01/kWh above ECOplus for all customers.

**FISCAL IMPACT:**

The exact fiscal impact of adjusting rates to match PG&E parity is currently unknown. A much more extensive analysis of ECO100 sales per rate class and rate period would need to be performed in order to determine whether the change would result in a net loss or gain for PCE and its customers.



**PENINSULA CLEAN ENERGY  
JPA Board Correspondence**

**DATE:** July 5, 2018  
**BOARD MEETING DATE:** July 9, 2018  
**SPECIAL NOTICE/HEARING:** None  
**VOTE REQUIRED:** None

**TO:** Honorable Peninsula Clean Energy Authority Executive Committee  
**FROM:** Leslie Brown, Director of Customer Care, Peninsula Clean Energy  
**SUBJECT:** Discuss Net Energy Metering (NEM) Payout Policy

**RECOMMENDATION:** Discuss NEM Payout Policy

**BACKGROUND:**

Peninsula Clean Energy currently credits net energy metering (NEM) customers \$0.01 per kWh for excess solar generation and annually issues checks to NEM customers who have accrued more than \$100 in credit after the April billing cycle.

**DISCUSSION:**

Review recent NEM cash-out payments and discuss whether to continue with the current policy.

**FISCAL IMPACT:**

There is no fiscal impact associated with receiving this memo.



**PENINSULA CLEAN ENERGY  
JPA Board Correspondence**

**DATE:** July 5, 2018  
**BOARD MEETING DATE:** July 9, 2018  
**SPECIAL NOTICE/HEARING:** None  
**VOTE REQUIRED:** None

**TO:** Honorable Peninsula Clean Energy Authority Executive Committee  
**FROM:** Jan Pepper, Chief Executive Officer, Peninsula Clean Energy  
**SUBJECT:** Review Draft Retreat Agenda

We are planning to have a strategic retreat with the board on Saturday, September 29. Attached is a draft agenda for discussion by the Executive Committee.

Preliminary Agenda for PCE Strategic Retreat  
Saturday, September 29, 2018  
Location: Peninsula Clean Energy  
2075 Woodside Road  
Redwood City, CA 94061

## July 11, 2018 DISCUSSION DRAFT

- 7:30 – 8:00 Breakfast
- 8:00 – 8:15 Call to Order / Roll Call  
Public Comment  
Action to Set Agenda and Approve Consent Agenda Items
- 8:15 – 8:45 Review of PCE's Strategic Goals
- Status of goals
  - Proposed updates or modifications
- 8:45 – 9:45 PCE Marketing Strategy
- Review of PCE's Product Mix
    - ECOplus
    - ECO100
    - Green-e Certification
    - Evolution of ECOplus into ECO100 in 2025
  - PCE Branding
    - Customer Awareness of PCE
    - Encouraging Opt-Up to ECO100?
- 9:45 – 10:00 Break
- 10:00 – 10:45 Possible Strategies to Employ PCE's Reserves
- Operating / Working Capital Reserves
  - Local Programs
  - Economic Development Incentives
  - PCE-owned Generation
- 10:45 – 11:30 Local Energy Programs
- Local Energy Programs Roadmap
  - Community Pilots Launch
    - Recommended Projects
- 11:30 – 12:00 PCE Organization and Staffing Plan



**REGULAR MEETING of the Executive Committee of the  
Peninsula Clean Energy Authority (PCEA)  
Monday, June 11, 2018  
MINUTES**

8:00 a.m.

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

**CALL TO ORDER**

Meeting was called to order at 8:10 a.m.

**ROLL CALL**

**Present:** Dave Pine, County of San Mateo  
Donna Colson, City of Burlingame  
Catherine Carlton, City of Menlo Park  
Rick Bonilla, City of San Mateo  
Pradeep Gupta, City of South San Francisco

**Absent:** Jeff Aalfs, Town of Portola Valley, *Chair*  
Rick DeGolia, Town of Atherton, *Vice Chair*  
Gary Pollard, City of Foster City  
Wayne Lee, City of Millbrae

**Staff:** Jan Pepper, CEO  
Jay Modi, Director of Finance and Administration  
Tina Caratan, Interim CFO  
Nirit Eriksson, Associate General Counsel  
Anne Bartoletti, Board Clerk/Executive Assistant to the CEO

**A quorum was established.**

Nirit Eriksson—Associate General Counsel—advised that, in the absence of the Committee Chair and Vice Chair, the Executive Committee needs to select a Chair for the meeting. Founding Chair Dave Pine was nominated, and accepted the nomination.



Motion Made / Seconded: Gupta / Colson

**Motion passed unanimously 5-0 (Absent: Aalfs, DeGolia, Pollard, Lee)**

**PUBLIC COMMENT**

No public comment.

**ACTION TO SET AGENDA AND TO APPROVE CONSENT AGENDA ITEMS**

Motion Made / Seconded: Bonilla / Gupta

**Motion passed unanimously 5-0 (Absent: Aalfs, DeGolia, Pollard, Lee)**

**REGULAR AGENDA**

**1. CHAIR REPORT**

Nothing to report.

**2. CEO REPORT**

Jan Pepper—Chief Executive Officer—announced that an Employee Handbook is being finalized, and Jan reported on current recruitments, including positions for Energy Programs Associate, Clean Energy Programs Manager, Regulatory Analyst, and Chief Financial Officer. Jan reported on workshops and discussions from the Business of Local Energy Symposium in Sacramento June 4<sup>th</sup> and 5<sup>th</sup>, and she announced that CalCCA (California Community Choice Association) will submit comments in response to the CPUC’s (California Public Utility Commission) Green Book white paper.

**3. RECOMMEND APPROVAL OF DATA MANAGEMENT CONTRACT**

Jan Pepper reported on responses PCE received to the RFP (Request for Proposals) for Data Management services, and she reported that PCE staff recommend renewing with Calpine for two more years.

Motion Made / Seconded: Gupta / Bonilla

**Motion passed unanimously 5-0 (Absent: Aalfs, DeGolia, Pollard, Lee)**

Jay Modi—Director of Finance and Administration—requested that item #5 be moved up for discussion. Dave Pine announced that item 5 would be moved up on the agenda.

**5. REVIEW FINAL DRAFT FISCAL YEAR 2018-2019 BUDGET AND 5-YEAR PROJECTIONS**

Jay Modi—Director of Finance and Administration—handed out a final draft of the fiscal year 2018-2019 budget with 5-year projections. He reported that this budget model load forecast is based on PCE's actual January 2017 to January 2018 data, so it should provide a more accurate prediction of load for the next fiscal year. The Committee discussed projected revenues, Days Cash on Hand, and the impact of different rate scenarios and industry stressors.

**4. REVIEW DRAFT FINANCIAL RESERVES POLICY**

Jan Pepper reported that the Financial Reserves Policy is being proposed based upon the evaluation criteria outlined by Moody's in order for PCE to position itself to receive an investment grade credit rating. The Committee discussed PCE's strategic objectives, rate stabilization, program reserves, and operating expenses.

**6. REVIEW PCE'S CONFLICT OF INTEREST CODE**

Nirit Eriksson reported that this an update to PCE's Conflict of Interest Code to reflect the growth of PCE's staff over the past year.

**7. COMMITTEE MEMBERS' REPORTS**

None.

**ADJOURNMENT**

Meeting was adjourned at 9:44 a.m.