



**PENINSULA CLEAN ENERGY  
JPA Board Correspondence**

**DATE:** September 25, 2019  
**BOARD MEETING DATE:** September 27, 2019  
**SPECIAL NOTICE/HEARING:** None  
**VOTE REQUIRED:** None

**TO:** Honorable Peninsula Clean Energy Authority Board of Directors  
**FROM:** Jan Pepper, Chief Executive Officer  
**SUBJECT:** Review Status of PCE's Strategic Goals

**RECOMMENDATION:**

Review status of PCE's strategic goals.

**BACKGROUND:**

At the Peninsula Clean Energy Board Retreat held on November 12, 2016, the PCE board developed a set of eight strategic goals for the organization. These goals were reviewed and slightly revised at the board's September 2018 retreat. The following provides an status update on these goals.

1. Design a diverse power portfolio that is greenhouse gas free.
  - 100% GHG free by 2021
  - Sourced by 100% CA RPS eligible renewable energy by 2025 on a time coincident basis, provided it is economically viable
  - Create a minimum of 20 MWs of new local power by 2025

**Status:**

- PCE has been increasing our GHG free content by 5% per year to reach the 100% content by 2021: GHG-free in 2016: 75%; 2017: 80%; 2018: 85%; 2019: 90%; 2020: 95%; 2021: 100%. We are on-target to meet this goal.
- Thus far, PCE has signed long-term contracts for 300 MW of new solar resources and will be bringing an additional PPA for another long-term contract to the board in November. In accordance with PCE's strategic plan, we also contract for short and medium-term renewable resources to make up our current 50% renewable content for the ECOplus product.
- Last year, the 100% renewable goal was expanded to include meeting the 100% renewables on a time coincident basis. PCE staff is developing our strategy to meet the

100% renewable on an hour-by-hour time coincident basis, looking at both supply-side and demand-side tools

- Peter Levitt joined PCE in June 2019 as the Associate Manager of DER Strategy whose work is focused on meeting the goal of 20 MW of new local power by 2025.

2. Continually strive to offer ECOplus at rates that are at parity or lower than PG&E rates provided it is economically viable.

Status:

- PCE has continued to deliver ECOplus to our customers at 5% below PG&E rates since we started business. We expect to be able to continue this for the foreseeable future.

3. Stimulate development of new renewable energy generation and storage projects in San Mateo County and California through PCE's procurement activities.

Status:

- PCE has contracted for 300 MW of new solar. The 200 MW Wright Solar Project is celebrated its groundbreaking on October 11, 2018 and is expected to begin power deliveries before the end of 2019. The 100 MW Mustang Solar project is expected to begin power deliveries in by the end of 2020.
- PCE is negotiating additional long-term PPAs with a short-list of new renewable energy projects.
- PCE is working with member communities and the county to develop local renewable energy projects through our DER strategy.
- PCE is working with other partners to develop local renewable energy projects to provide local energy resilience.

4. Demonstrate quantifiable economic benefits to the County/region and environmental justice by placing a priority on local hiring and inclusionary workforce development practices with a goal of increasing diversity.

Status:

- The PCE board adopted an expanded Sustainable Workforce policy to an Inclusive and Sustainable Workforce policy in October 2018 which includes goals for PCE staff, supply chain, and other inclusive workforce provisions.

5. Implement programs to further reduce greenhouse gas emissions and support the county's community-wide efforts to be completely GHG-free by 2045 by investing in electric transportation, energy efficiency and demand response, and partnering effectively with municipalities, business, schools, and nonprofit/faith organizations.

Status:

- PCE launched its electric vehicle incentive program for new vehicles in the fall of 2018, with three local dealerships participating. This resulted in 120 people leasing or purchasing a new electric vehicle. The program is running again during the fall of 2019, with seven dealerships participating and a goal of 300 new electric vehicles to be sold or leased.

- PCE launched its DriveForward Electric program in June 2019 to incentivize ownership of used EVs in low-income communities through a partnership with Peninsula Family Services.
- PCE is sponsoring multiple “ride and drive” events at corporate and community events to allow residents to experience driving an electric vehicle. Six events were held in 2018 and 10 to 12 events will be held in each of the next three years.
- The PCE board approved an investment of \$16 million over the next four years with the goal for PCE to install 3500 electric vehicle chargers, with a focus on chargers at workplaces and multi-unit dwellings. PCE was awarded a grant of \$12 million from the CALeVIP program to supplement this investment, and will be pursuing additional grant funding from other agencies.
- PCE awarded six grants under its Community Energy Pilots program for six innovative local community energy pilot projects to reduce greenhouse gas emissions, support low-income customers, and advance electric transportation. These six projects include refrigerator recycling, low-income community electric vehicle car sharing, home electrification, clean energy backup power in neighborhood faith institutions, health home remediations for low-income residents, and a clean fuel fleet toolkit for local jurisdictions.
- PCE has developed New Building Reach Codes for municipalities to consider as they adopt the new state building codes this year. These reach codes promote electrification and EV charging in new buildings.
- PCE provides technical assistance for managers of multi-unit dwellings on installing EV chargers.
- PCE has instituted a new program to accelerate low power solutions for EV charging for condo and apartment buildings.
- PCE has instituted a second small grants program to work with local nonprofits organizations to expand PCE’s outreach to harder-to-reach communities.
- PCE is working with the County Office of Education in a number of areas, including funding a dashboard pilot on school energy use to educate students and teachers, sponsorship of Clean Energy Teacher Fellowships, development of a Student Activity Packet on the costs of electricity, and sponsorship of the Zero Carbon award for the One Planet Schools Challenge.

6. Maximize and maintain customer participation in PCE.

- Provide a superior customer experience.
- Develop PCE brand awareness and loyalty throughout the County.
- Actively encourage voluntary participation in its ECO100 renewable energy product.
- Actively encourage participation in other programs PCE develops.
- Achieve recognition as an EPA Green Power Community for all cities and towns in San Mateo County and EPA Green Power Partnership for all cities with municipal accounts enrolled in ECO100 by 2018.

Status:

- PCE continues to maintain a low opt-out rate of approximately 2.5%.
- PCE market research indicates that brand awareness is increasing although more remains to be done.
- Approximately 1.92% of customers have opted up to ECO100, or over 5,600 customers.
- Fifteen municipalities and the county have opted up to ECO100
- Other high profile customers have opted up to ECO100 including Facebook and VISA.
- The EPA recognized San Mateo County and all 20 of its cities as new members of its national Green Power Community program. The EPA also honored fifteen cities, plus the

county, as EPA Green Power Partners through their opt up to ECO100 for their municipal operations.

7. Build a financially stable organization.

- Build sufficient reserves in a rate stabilization fund.
- Achieve an investment grade credit rating by 2021.

Status:

- PCE received an investment grade credit rating of Baa2 from Moody's Investors Services in May 2019, two years ahead of PCE's goal.
- As of the end of the June 2019, PCE has a net position of over \$142 million.

8. Foster a work environment that espouses sustainable business practices and cultivates a culture of innovation, diversity, transparency, integrity, and commitment to the organization's mission and the communities it serves.

Status:

- PCE has received a Green Business Certification in San Mateo County.
- Within PCE's Inclusive and Sustainable Workforce Policy, we strive to have a workforce that is as inclusive as the communities we serve.

9. Leverage Peninsula Clean Energy / Silicon Valley expertise and relationships to support innovation across all of PCE's programs and activities.

Status:

- PCE is in the process of implementing this goal, and has included an "Innovation" track within PCE's Programs Roadmap.

10. Assist in setting up CCAs in other areas of the state, including where PCE has utility scale generation.

Status:

- PCE staff and board members have met with representatives from multiple cities in Merced County, where PCE is the sole off-taker of the 200 MW Wright Solar Project. Meetings have been held with elected officials and city staff members in Los Banos, Gustine, Dos Palos, Merced, and the County of Merced. PCE has made presentations at the Merced County Association of Governments, and at council meetings in Gustine and Los Banos.