Agenda

• Call to order / Roll call

• Public Comment

• Action to set the agenda and approve consent items
Regular Agenda

1. Chair Report (Discussion)
Regular Agenda

2. CEO Report (Discussion)
Staffing Update

Welcome to Sapna Dixit and Jerry Gottheil!
- Sapna, Strategic Accounts Manager, started December 3
- Jerry, Marketing Communications Manager started December 12

Other hires:
- We have hired one of the Renewable Energy Analysts who will start on January 9.

Other open positions:
- Senior Renewable Energy Analyst/Renewable Energy and Compliance Analyst
- Digital Marketing Specialist
PCE Strategic Planning

- Strategic Planning Board Subcommittee
  - Conference call with consultant on December 16
  - Board members Donna Colson, Rick DeGolia, Giselle Hale, and Laura Parmer-Lohan
  - Reviewed Stakeholder Interview results
  - Discussed and finalized Strategic Planning retreat agenda (at your places)

- Strategic Planning Retreat:
  - Saturday, January 11, 2020
  - 8 am to 1 pm
  - Orrick, 1000 Marsh Road, Menlo Park
Resiliency Activities

- Board Resiliency Subcommittee met today
- Reviewed and provided input to proposed three-year resiliency plan for up to $10 million
- Plan to be presented to PCE board in January 2020
Resilient Solar for Critical Facilities

- **Q3 2018**: Peninsula Clean Energy, in partnership with EBCE, was awarded a $300k, 12-month BAAQMD grant to identify critical facilities in Alameda and San Mateo County and do preliminary assessments for backup power from solar + storage

- **Q2 2019**: PCE outreach to cities and county to identify potential facilities for assessment
  - May 2019: PCE presented this program at RICAPS meeting
  - June 2019 – August 2019: Outreach directly to city representatives to gather a list of prospective facilities throughout the County

- 11 cities responded to this request by identifying 118 prospective critical facility sites:
  - Belmont, Brisbane, Colma, Foster City, Half Moon Bay, Hillsborough, Millbrae, Pacifica, Redwood City, San Carlos, San Mateo

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5/2019 – 8/2019
- Outreach to cities to identify critical facilities

9/2019 – 11/2019
- Preliminary Assessment

12/2019 – 1/2020
- Review Preliminary Assessments by City

1/2020
- Evaluate financing and rate design options

2/2020
- Review financing & procurement options by City

Q2 2020
- Collective Procurement

**Current Step**
Preliminary Assessment

- Program technical consultant (ARUP) completed a facility screening process
- Each facility was scored according to 4 screening criteria
  - **Hazard Score**: Accounts for the range and severity of hazards faced by each site according to its location
  - **Service Score**: Ranks facilities based on number of people served in the immediate area
  - **Priority Zone Score**: Additional recognition for sites located within either Disadvantaged Communities (DAC) zones, Low Income zones, or both
  - **Solar Feasibility**: High-level analysis of solar photovoltaic (PV) feasibility based on roof area and shading using Google’s Project Sunroof tool
- Based on this preliminary assessment, staff recommend filtering the list of sites from 118 to 90; these sites will be further studied for financial viability
- For cities that did not participate in the initial request to identify sites, please contact us to express your interest. There may be opportunities to participate in a joint procurement or a future round of scoping and analysis.

**PCE Staff will be reaching out to city representatives at each of the 10 cities to schedule a meeting to review city-specific results of the initial assessment and staff recommendations for next steps.**

**Staff’s goal is to complete these meetings by end of January.**
Power Procurement Update

Existing Renewables RFP for 2-8 year terms
• Proposals received on December 16
• Received bids from 9 firms
• Evaluation underway; expected decisions in January

Long-Term PPA for Solar + Storage
• Expect to bring to board for approval in January
## Reach Codes Status Update

### PCE Service Territory

<table>
<thead>
<tr>
<th>PCE Service Territory</th>
<th>Overall Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atherton</td>
<td>Declined</td>
</tr>
<tr>
<td>Belmont</td>
<td>Exploring</td>
</tr>
<tr>
<td><strong>Brisbane</strong></td>
<td>ADOPTED - elec reqd + EV</td>
</tr>
<tr>
<td>Burlingame</td>
<td>LOI, Exploring</td>
</tr>
<tr>
<td>Colma</td>
<td>LOI, Exploring</td>
</tr>
<tr>
<td>County of San Mateo</td>
<td>Considering - elec reqd + EV</td>
</tr>
<tr>
<td>Daly City</td>
<td>LOI, Exploring</td>
</tr>
<tr>
<td>East Palo Alto</td>
<td>Considering - elec reqd + EV</td>
</tr>
<tr>
<td>Foster City</td>
<td>Exploring</td>
</tr>
<tr>
<td>Half Moon Bay</td>
<td>Exploring</td>
</tr>
<tr>
<td>Hillsborough</td>
<td>LOI, Exploring</td>
</tr>
<tr>
<td>Menlo Park</td>
<td>ADOPTED - elec reqd</td>
</tr>
<tr>
<td>Millbrae</td>
<td>LOI, Exploring</td>
</tr>
<tr>
<td>Pacifica</td>
<td>ADOPTED - elec reqd</td>
</tr>
<tr>
<td>Portola Valley</td>
<td>Considering - elec preferred</td>
</tr>
<tr>
<td>Redwood City</td>
<td>Considering - elec reqd + EV</td>
</tr>
<tr>
<td>San Bruno</td>
<td>LOI, Exploring</td>
</tr>
<tr>
<td>San Carlos</td>
<td>Adopted - prewiring</td>
</tr>
<tr>
<td><strong>San Mateo</strong></td>
<td>ADOPTED - elec preferred + EV</td>
</tr>
<tr>
<td>South San Francisco</td>
<td>Exploring</td>
</tr>
<tr>
<td>Woodside</td>
<td>Declined</td>
</tr>
</tbody>
</table>

### Santa Clara County

<table>
<thead>
<tr>
<th>Santa Clara County</th>
<th>Overall Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Campbell</td>
<td>Considering gas ban</td>
</tr>
<tr>
<td>County of Santa Clara</td>
<td>Considering elec preferred</td>
</tr>
<tr>
<td><strong>Cupertino</strong></td>
<td>ADOPTED - elec reqd + EV</td>
</tr>
<tr>
<td>Gilroy</td>
<td>Declined</td>
</tr>
<tr>
<td>Los Altos</td>
<td>Considering gas ban</td>
</tr>
<tr>
<td>Los Altos Hills</td>
<td>Considering elec reqd</td>
</tr>
<tr>
<td><strong>Los Gatos</strong></td>
<td>ADOPTED - elec reqd + EV</td>
</tr>
<tr>
<td>Milpitas</td>
<td>ADOPTED - elec preferred + EV</td>
</tr>
<tr>
<td>Monte Sereno</td>
<td>ADOPTED - elec prewire + EV</td>
</tr>
<tr>
<td>Morgan Hill</td>
<td>ADOPTED - NG ban</td>
</tr>
<tr>
<td>Mountain View</td>
<td>ADOPTED - elec reqd + EV</td>
</tr>
<tr>
<td>Palo Alto</td>
<td>ADOPTED - elec reqd</td>
</tr>
<tr>
<td>San Jose</td>
<td>ADOPTED - NG ban (low rise)</td>
</tr>
<tr>
<td>Santa Clara</td>
<td>Exploring</td>
</tr>
<tr>
<td>Saratoga</td>
<td>ADOPTED - elec reqd + EV</td>
</tr>
<tr>
<td>Sunnyvale</td>
<td>Exploring</td>
</tr>
</tbody>
</table>
EV Incentive Program Updates

New Dealer Incentive Program launched on October 1 and runs until December 31

• Results as of 12/9:
  o 66 verified sold, 48 pending
  o Expected total ~120
  o Issues: GM supply issues, phase out of GM Volt, GM loss of incentives, lower overall car sales

DriveForward Electric Used EV Program

• Results as of 12/10:
  o 27 vehicles sold
  o CO2 avoided over 10 years: 1400 Tons
  o Total client savings: $35,600+/year
Legislative/Regulatory Update

Meeting with State Senator Jerry Hill, December 3. Attended by board members Rick Bonilla, Donna Colson, John Keener, Marty Medina, and Pradeep Gupta, and staff members Shayna Barnes, Jan Pepper, and Joe Wiedman.

Meeting with State Assembly Member Marc Berman, December 18, with SVCE. Attended by PCE board member Jeff Aalfs, and staff members Shayna Barnes, Jan Pepper, and Joe Wiedman.

Meetings with State Senator Scott Wiener and State Assembly Member Phil Ting are being scheduled for early 2020.
Meetings with Board Members

- Woodside – December 10 with Daniel Yost, Ned Fluet (Mayor) Chris Shaw, and Town Manager Kevin Bryant (CM)

- Others will be scheduled in the New Year after city reorganizations
Gridshift Hackathon – Jan 31/Feb 1

• SVCE hosting and PCE sponsoring along with EBCE, SJCE, City of Palo Alto and Powerhouse

• [https://gridshift.splashthat.com/](https://gridshift.splashthat.com/)

• The challenges will focus on resiliency, equity, access to clean energy, and electric transportation

• Opportunity for one interested board member to judge

• Saturday, February 1 in San Francisco
  - 6:00-6:30pm Dinner
  - 6:30-8:45pm Pitches to Judges - 3 min per team and 30 sec Q&A
  - 8:45-9:15pm Happy Hour (Judges Deliberate)
  - 9:15-9:30pm Winners Announced
Upcoming Meetings

- Citizens Advisory Committee:
  - January 9 at 6:30 p.m.

- Executive Committee:
  - January 13 at 8:00 a.m.

- Board of Directors:
  - January 11 Special Meeting – Strategic Planning Retreat from 8:00 a.m. to 1:00 p.m.
  - January 23 at 6:30 p.m. (Regular Meeting)
Regular Agenda

3. Citizens Advisory Committee Report (Discussion)
Regular Agenda

4. Audit and Finance Committee Report (Discussion)
Regular Agenda

5. Approve Amendment to Extend Calpine Agreement (Action)
Calpine Contract Amendment
Calpine Energy Services Agreement

• Current Agreement - 2-year Agreement valid through June 30, 2020

• Options:
  1. Rolling Renewal
  2. Amend and Extend
  3. New RFP
     • Other Data Management providers still on a learning curve

• Pursued Joint Negotiation with SVCE
Current Agreement Highlights

• $1.05 per active meter per month
• AMI Based SQMD Settlement Services (Jan 2019)
• Dedicated team of PCE-only Call Center agents M-F, 7AM-7PM
• Unlimited rate changes per year
Amendment Highlights

• New pricing structure
  • $25K per month plus $0.85 per active meter
  • ~$0.93 per active meter per month (~10% savings)
  • Pricing fixed for contract term (5 years)
  • Option to ‘buy-out’ year three and four
## Average Cost per Active Meter

<table>
<thead>
<tr>
<th>Contract Length</th>
<th>3 years</th>
<th>4 years</th>
<th>5 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>End Date</td>
<td>December 31, 2022</td>
<td>December 31, 2023</td>
<td>December 31, 2024</td>
</tr>
<tr>
<td>Cost per Meter/Month</td>
<td>$0.85</td>
<td>$0.85</td>
<td>$0.85</td>
</tr>
<tr>
<td>Monthly Fee</td>
<td>$25,000</td>
<td>$25,000</td>
<td>$25,000</td>
</tr>
<tr>
<td>Termination Cost</td>
<td>$325,000</td>
<td>$162,500</td>
<td>$0</td>
</tr>
<tr>
<td>Est. Blended Costs per Meter/Month</td>
<td>$0.965</td>
<td>$0.946</td>
<td>$0.93</td>
</tr>
</tbody>
</table>
Amendment Highlights

• New pricing structure
  • $25K per month plus $0.85 per active meter
  • ~$0.93 per active meter per month (~10% savings)
  • Pricing fixed for contract term (5 years)
  • Option to ‘buy-out’ year three and four

• Move Call Center hours back to M-F, 8AM-5PM
  • Two dedicated PCE agents along with a shared pool of agents with SVCE and SJCE
  • Option to extend call center hours of increase dedicated agents for additional cost
Call Volume - Average per Hour of the Day

<table>
<thead>
<tr>
<th>Month</th>
<th>7am-8am</th>
<th>8am-9am</th>
<th>9am-5pm</th>
<th>5pm-6pm</th>
<th>6pm-7pm</th>
</tr>
</thead>
<tbody>
<tr>
<td>November</td>
<td>4</td>
<td>20</td>
<td>214</td>
<td>10</td>
<td>9</td>
</tr>
<tr>
<td>October</td>
<td>4</td>
<td>31</td>
<td>340</td>
<td>17</td>
<td>8</td>
</tr>
<tr>
<td>September</td>
<td>8</td>
<td>22</td>
<td>370</td>
<td>22</td>
<td>11</td>
</tr>
<tr>
<td>August</td>
<td>5</td>
<td>24</td>
<td>359</td>
<td>18</td>
<td>7</td>
</tr>
<tr>
<td>July</td>
<td>4</td>
<td>18</td>
<td>382</td>
<td>22</td>
<td>15</td>
</tr>
<tr>
<td>June</td>
<td>5</td>
<td>24</td>
<td>310</td>
<td>25</td>
<td>19</td>
</tr>
</tbody>
</table>
Amendment Highlights

• New pricing structure
  • $25K per month plus $0.85 per active meter
  • ~$0.93 per active meter per month (~10% savings)
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  • Option to ‘buy-out’ year three and four

• Move Call Center hours back to M-F, 8AM-5PM
  • Two dedicated PCE agents along with a shared pool of agents with SVCE and SJCE
  • Option to extend call center hours of increase dedicated agents for additional cost

• Include one ‘structural’ and three ‘value only’ rate changes annually
  • Additional rate changes billed on a sliding scale of complexity
## Amendment Highlights

<table>
<thead>
<tr>
<th>Rate Change Type</th>
<th>Number of Billing Determinants Affected</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Up to 50</td>
</tr>
<tr>
<td>Value Only Change</td>
<td>$1,000</td>
</tr>
<tr>
<td>Structural Rate Change</td>
<td>$1,000</td>
</tr>
<tr>
<td>Custom Rates (2 hours included of preliminary consultation)</td>
<td>$150/hr</td>
</tr>
</tbody>
</table>
Recommend Approving Amendment

• Increase contract NTE value by $15M
  Current NTE is $10 million – increase to $25 million

• 5-year extension beginning January 1, 2020
  • Option to buy-out contract early after year 3 or year 4 if desired by payment of termination fee equal to approx. $325K after year 3 or approx. $160K after year 4 (difference between 3 year vs. 5 year commitment price)
Regular Agenda

Proposed Policy Principles for PG&E Reorganization

- Executive Committee reviewed proposed principles for publicly owned option

- Comments from Dan Richard

- Action by board to adopt principles
Regular Agenda

7. CPUC Process for Setting PG&E’s 2020 PCIA (exit fee) Rates (Discussion)
IOU Rate Change Acronyms

Energy Resource Recovery Account (ERRA) Forecast
- Annual Application process forecasting next year’s rates

Energy Resource Recovery Account (ERRA) Compliance
- Annual Application process reviewing last year’s generation costs

Annual Electric True-Up (AET)
- Annual Advice Letter process summarizing authorized rate changes

General Rate Case (GRC)
- 3-Year Application process with two phases
- Phase 1 – Addresses overall IOU revenue requirements by lines of business (Elec. Gen, Elec. Dist., & Gas)
- Phase 2 – Addresses how IOU revenue requirements are allocated by customer classes
## PCIA Rulemaking – R.17-06-026

<table>
<thead>
<tr>
<th>Timing</th>
<th>Started in June 29, 2017 and remains active</th>
</tr>
</thead>
</table>
| Phase 1| Methodology changes – Concluded on October 11, 2018  
Resulted in Decision D.18-10-019 |
| Phase 2| Additional changes via Working Groups (WGs) – Ongoing |
| o WG 1 | Benchmark True-Up & Other Benchmarking Issues  
Partially resolved with Decision D.19-10-001 |
| o WG 2 | Prepayment  
Resolved by early 2020 |
| o WG 3 | Portfolio Optimization, Cost Reduction, Allocation & Auction  
Resolved by mid-2020 |
PCIA Rulemaking – R.17-06-026

Substance

D.18-10-019 – Wholesale Changes

- Adopts new valuation of brown, green, and capacity benchmarks
- Changes PCIA allocation by customer classes by using GRC allocators
- Establishes a true-up of forecasted valuation with actual market transactions
- Clarifies the duration of cost recovery for Utility Owned Generation
- Creates a ±0.5¢/kWh cap to annual PCIA rate changes
- Requires balancing accounts and triggers to contain over/under-collections

D.19-10-001 – Further Refinements

- Clarifies valuation for green and capacity benchmarks
- Changes PCIA allocation by vintage to account for historic load departures
- Expands upon the details of the true-up process
Present PG&E Rate Change Timeline

- **December 13, 2018**
  PG&E filed its GRC Phase 1 for 2020-22

- **October 15 – Initial AET**
  Delayed Initial glimpse into full bundled generation and PCIA rates by specific rate schedules for 2020

- **November 22, 2019**
  Final glimpse into full bundled generation and PCIA rates by specific rate schedules for 2020

- **January 1, 2020**
  Date Effective for GRC Phase 1 revenue requirement changes

- **June ERRA Forecast for 2020**
  Application/Testimony with initial glimpse into partial bundled generation rate and PCIA rates by vintage for 2020

- **July 1, 2019**
  2019 Rates made effective

- **March 1, 2020**
  2020 Rates to be effective

- **Proposed Decision Anticipated Regarding CAM misallocation**

- **D.19-10-001 Takes Effect**

- **November Update for 2020**
  Updated Testimony with revised glimpse into partial bundled generation and PCIA rates for 2020

- **Proposed Decision Anticipated**
  Judge allowed for extra time to comment on the update. Presently we are awaiting the Proposed Decision.
2020 PG&E Rate Change Timeline

- **January 1, 2020**: Date Effective for GRC Phase 1 revenue requirement changes.
- **March 1, 2020**: 2020 Rates to be effective.
- **April-June 2020**: 10% trigger to PCIA Undercollection Balancing Account (PUBA) reached.
- **July 1 or Sept 1, 2020**: Anticipated additional rate change made to reduce PUBA balance.
- **June ERRA Forecast for 2021**: Application/Testimony with initial glimpse into partial bundled generation rate and PCIA rates by vintage for 2021.
- **November Update for 2021**: Updated Testimony with revised glimpse into partial bundled generation and PCIA rates for 2021.

**Key Dates and Events**

- **December – Revised AET**: Final glimpse into full bundled generation and PCIA rates by specific rate schedules for 2020.
- **Proposed Decision Anticipated**: Released 30 days before CPUC can approve at a voting meeting.
- **Proposed Decision Anticipated Regarding CAM misallocation**: Anticipated proposal to adjust rates to reduce PUBA balance to be under 7% for the remainder of the year.
- **PUBA Expedited Application**: Anticipated additional rate change made to reduce PUBA balance.

**Timeline Details**

- **GRC Phase 1 & 2**: January 1, 2020 Date Effective for GRC Phase 1 revenue requirement changes.
- **AET Advice Letter**: ERRA Compliance.
- **ERRA Forecast**: Final glimpse into full bundled generation and PCIA rates by specific rate schedules for 2020.
- **November Update for 2021**: Revised AET Final glimpse into full bundled generation and PCIA rates by specific rate schedules for 2020.
### 2020 PG&E PCIA Rate Outlook

<table>
<thead>
<tr>
<th>2019 PCIA (¢/kWh)</th>
<th>&quot;Capped&quot; PCIA for 2020</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>2.70</td>
<td>3.34</td>
</tr>
<tr>
<td>Small Comm</td>
<td>2.69</td>
<td>3.20</td>
</tr>
<tr>
<td>Medium Comm</td>
<td>2.80</td>
<td>3.45</td>
</tr>
<tr>
<td>E19</td>
<td>2.65</td>
<td>3.16</td>
</tr>
<tr>
<td>Streetlights</td>
<td>2.32</td>
<td>2.66</td>
</tr>
<tr>
<td>Standby</td>
<td>2.05</td>
<td>2.41</td>
</tr>
<tr>
<td>Agriculture</td>
<td>2.39</td>
<td>2.99</td>
</tr>
<tr>
<td>E20 T</td>
<td>2.26</td>
<td>2.71</td>
</tr>
<tr>
<td>E20 P</td>
<td>2.40</td>
<td>2.92</td>
</tr>
<tr>
<td>E20 S</td>
<td>2.56</td>
<td>3.04</td>
</tr>
<tr>
<td>System Average</td>
<td>2.68</td>
<td>3.18</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Uncapped Rates for 2020 RRQ</th>
<th>PG&amp;E Proposed</th>
<th>Adjusted for CAM</th>
<th>JCCA Proposed</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>4.72</td>
<td>4.64</td>
<td>4.20</td>
<td>-0.52</td>
</tr>
<tr>
<td>Small Comm</td>
<td>4.52</td>
<td>4.44</td>
<td>4.02</td>
<td>-0.50</td>
</tr>
<tr>
<td>Medium Comm</td>
<td>4.87</td>
<td>4.79</td>
<td>4.33</td>
<td>-0.54</td>
</tr>
<tr>
<td>E19</td>
<td>4.46</td>
<td>4.39</td>
<td>3.97</td>
<td>-0.49</td>
</tr>
<tr>
<td>Streetlights</td>
<td>3.76</td>
<td>3.70</td>
<td>3.35</td>
<td>-0.41</td>
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<tr>
<td>Standby</td>
<td>3.41</td>
<td>3.35</td>
<td>3.04</td>
<td>-0.37</td>
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<tr>
<td>Agriculture</td>
<td>4.22</td>
<td>4.15</td>
<td>3.75</td>
<td>-0.47</td>
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<tr>
<td>E20 T</td>
<td>3.83</td>
<td>3.77</td>
<td>3.41</td>
<td>-0.42</td>
</tr>
<tr>
<td>E20 P</td>
<td>4.13</td>
<td>4.06</td>
<td>3.67</td>
<td>-0.46</td>
</tr>
<tr>
<td>E20 S</td>
<td>4.30</td>
<td>4.22</td>
<td>3.82</td>
<td>-0.48</td>
</tr>
<tr>
<td>System Average</td>
<td>4.52</td>
<td>4.44</td>
<td>4.02</td>
<td>-0.50</td>
</tr>
</tbody>
</table>

1. These are **NOT** the rates that the trigger would impose
2. The trigger will adjust for ±3% of the under/over-collection (i.e. 10% → 7% of the overall revenue requirement)
3. The uncapped rates will impact how soon the trigger occurs
Historic PG&E PCIA Rates

PCIA Rate (¢/kWh)

- Residential
- Small Comm
- Medium Comm
- Streetlights
- Standby
- Agriculture
- E19
- E20 T
- E20 P
- E20 S
Questions?

Jeremy Waen
Manager of Regulatory Affairs

jwaen@peninsulacleanenergy.com
650-257-8026
8. Board Members’ Reports (Discussion)
Regular Agenda

Adjourn