



# Creating the Path Forward

## Board of Director's Strategic Planning Retreat

January 11, 2020



Prepared by:  
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# Trends and Environment

- The CCA Environment
- Stakeholder Interview Results
- Status of the Organization



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# National Snapshot

## 8 States Approved CCA Legislation

|               |      |
|---------------|------|
| Massachusetts | 1996 |
| Massachusetts | 1997 |
| Virginia*     | 1999 |
| Ohio          | 2001 |
| California    | 2002 |
| Illinois      | 2002 |
| New Jersey    | 2003 |
| New York      | 2016 |

*\*No plans available*



CCA model being legislatively considered in:  
CT, MD, NH, NM, MN, OR

# National Snapshot

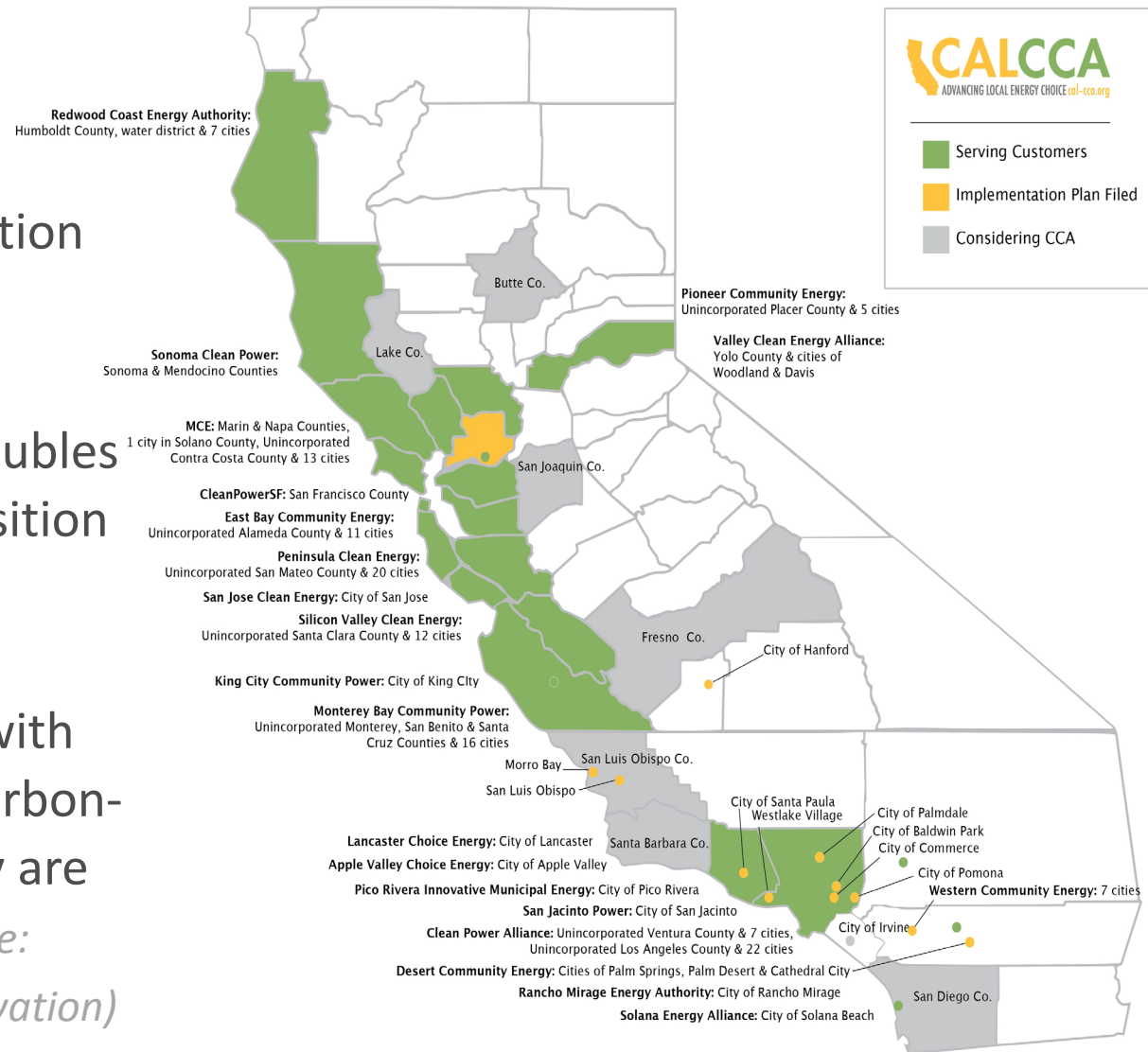
- 750 CCAs procured 42 million megawatt-hours on behalf of 5 million customers in 2017
- All CCAs required to procure enough renewable energy to comply with state renewable mandates, same as other load-serving entities and utilities
- About 100 CCAs procure more renewable energy than required (voluntary)
  - 2017 estimate that CCAs procured about 8.9 million MWh of voluntary green power
  - CCA-driven demand for voluntary green power can affect grid-wide electricity portfolios

Source:



# California

- California leads the clean energy revolution
- 19 CCAs and numbers continue to grow
- De-energization and troubles with PG&E uniquely position the future role of CCAs
- More than 50 CA communities supplied with 100% renewable and carbon-free electricity, majority are members of CCAs *(Source: UCLA Luskin Center for Innovation)*



# Challenges facing CCAs

- Maintaining cost savings
- Customer awareness
- Customer opt out
- Balancing local autonomy and regional cooperation
- Local renewable energy procurement
- Challenges specific to currently regulated markets
- Policies regarding CCA suspension or dissolution



Source:



# Strategic Planning: Stakeholder Interview Results

January 11, 2020



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# Personal Interview Findings



# Methodology

- 56 personal interviews completed
- 17 via in-person (45+ min.) 38 via telephone (30+ min.)
  - ♦ Board members – 23 participants
  - ♦ Staff– 19 participants
  - ♦ Community Advisory Committee – 14 participants
- Field work: November 13 – December 13, 2019
- Respondent list provided by Peninsula Clean Energy (“Peninsula”)
- Findings are consistent among respondent groups unless otherwise noted.

# Strengths

- Mission-driven organization
  - Reducing GHG/leveraging renewable energy
  - Lower utility rates for customers
- Financial strength and stability / credit rating
- Innovative / proactive
- Board of directors - community-based
- Staff - knowledge, passion, experience
- Early success for a new organization/ making progress toward goals
- Collaborative
- Programs
- Market timing

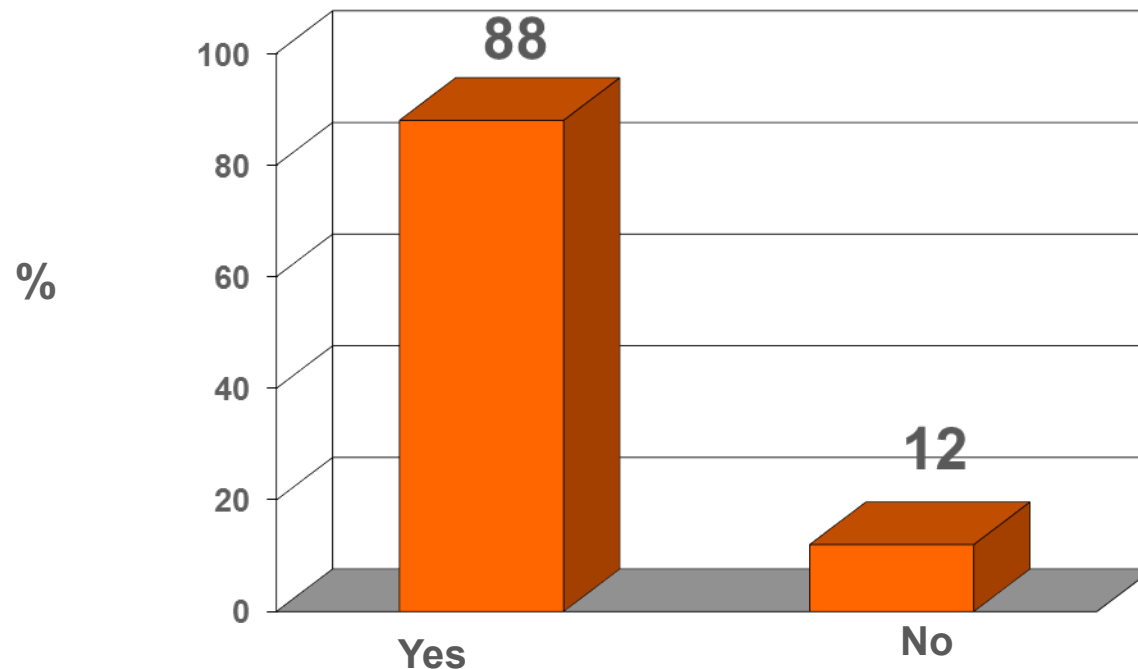
# Challenges

- Marketing / organizational awareness and understanding
  - Market confusion with PG&E
- Regulatory environment
- Supply of clean energy – availability (storage), cost, long-term contracting
- Lack of metrics and understanding how goals will be met
- Organizational growing pains
  - Development of policies and procedures /clarity re: decision-making authority
  - Need more training, management and leadership development
  - Staffing/some staff feel overstretched
- Governance-related challenges
  - Steep learning curve for new Board members
  - Size of board
  - Board/staff communication

# Mission

*“Peninsula Clean Energy is San Mateo county’s locally-controlled electricity provider. We are reducing greenhouse gas emissions and offering customer choice at competitive rates.”*

Do you agree that this is the appropriate mission for the organization?

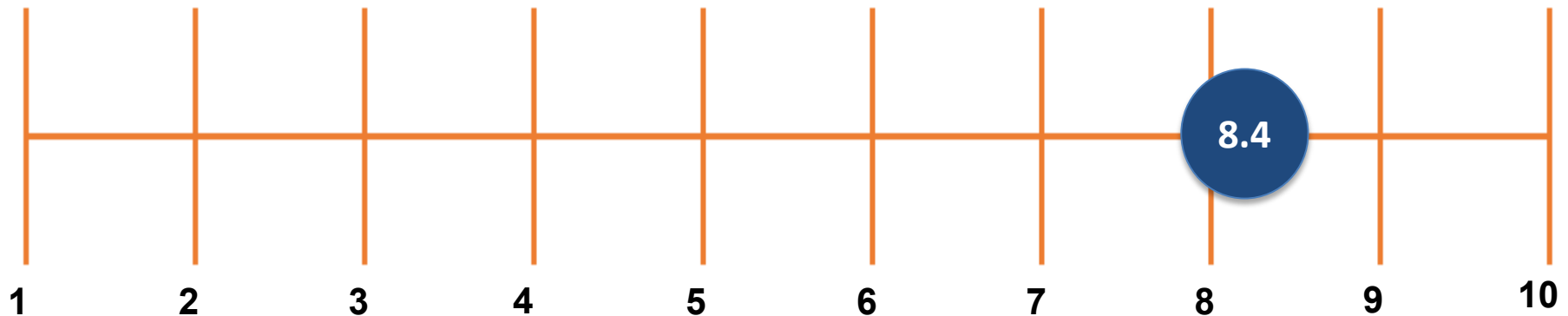


# Mission

- Majority (88%) of respondents believe this is still the right mission statement for Peninsula conceptually
- Several suggested that it could be better defined and highlight community and economic benefits
- A few would like Peninsula to have an aspirational mission statement or tagline to communicate about the organization

# Success Advancing Mission

*How successful has Peninsula Clean Energy been in advancing its mission since its inception in 2016?*



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*How successful has Peninsula Clean Energy been in advancing its mission since its inception in 2016?*

## Results by respondent group

| Audience                     | Rating |
|------------------------------|--------|
| Board of Directors           | 8.3    |
| Community Advisory Committee | 9.2    |
| Staff                        | 8.0    |
| Combined                     | 8.4    |

# Vision

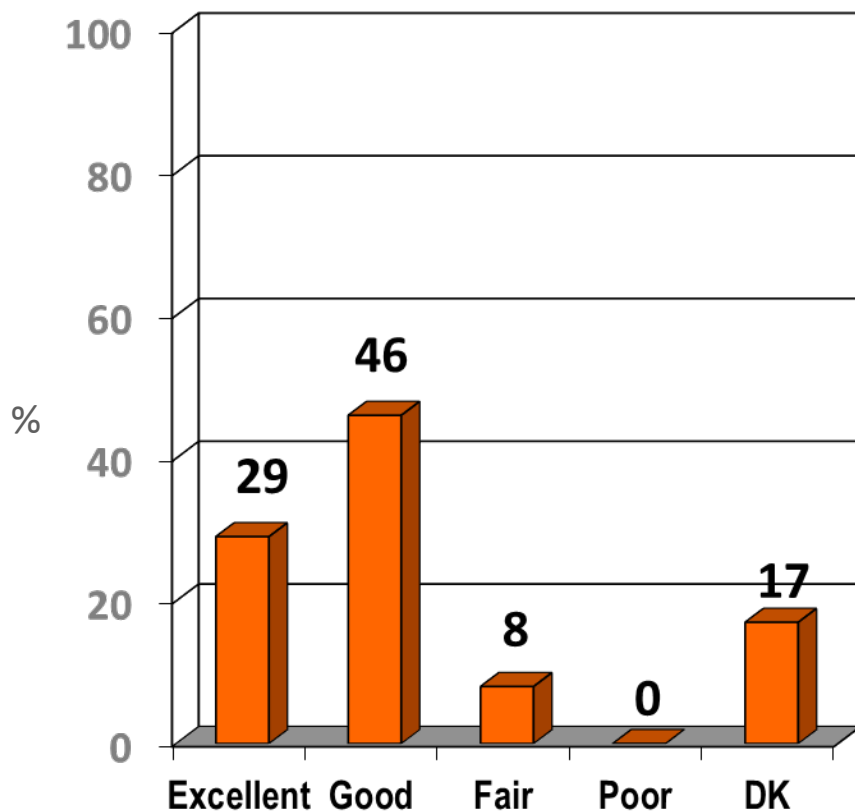
*Peninsula does not currently have a vision statement.  
What words resonate with you around the vision for  
Peninsula Clean Energy as we look to the future?*

- 100% Clean Energy by 2025  
(on time-coincident basis)
- Innovation
- Program focus
- Shift paradigm of how we use energy
- Advocacy
- Industry leader
- Cleaner, safer Peninsula
- Catalyst for transformative change
- Social Justice / equity
- Resiliency / reliability
- Quality of life
- Climate change /neutrality
- Carbon-free future for San Mateo
- Sustainability

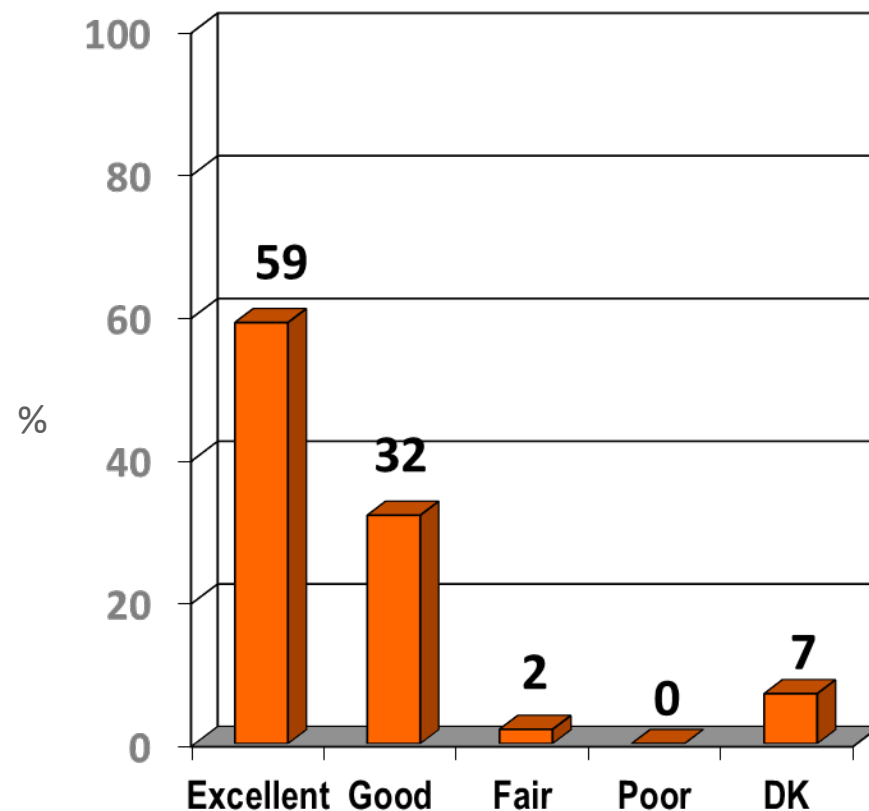


# Rating Performance

a. Designing a diverse electricity portfolio that is greenhouse gas free

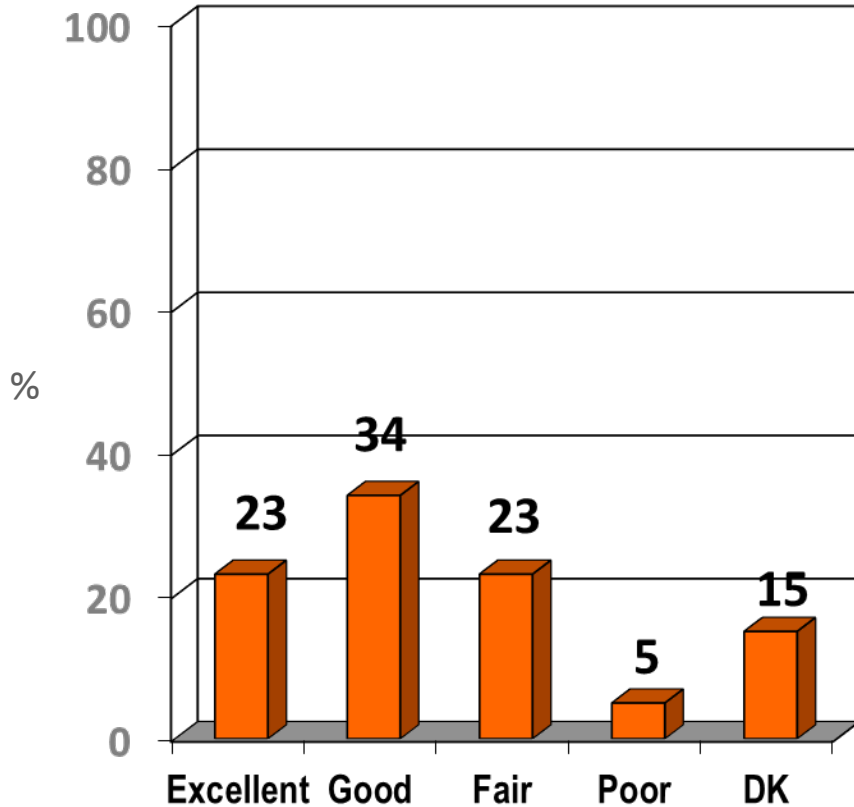


b. Offering competitive rates (ECOPlus = or less than PG&E)

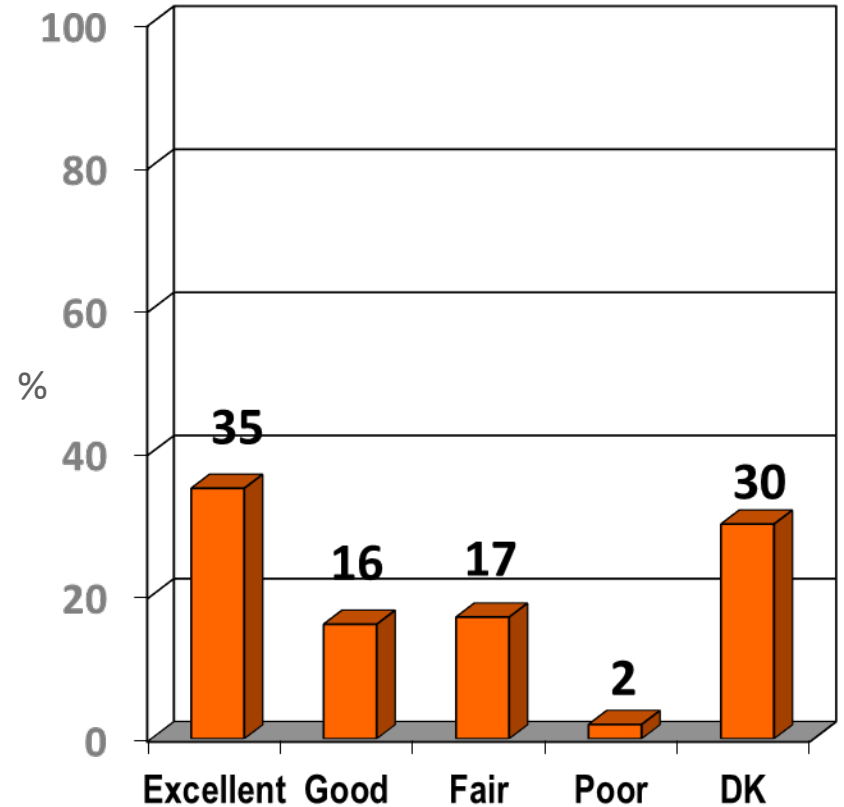


# Rating Performance

c. Stimulating development of new renewable energy generation projects in San Mateo County and the state *via* procurement activities.

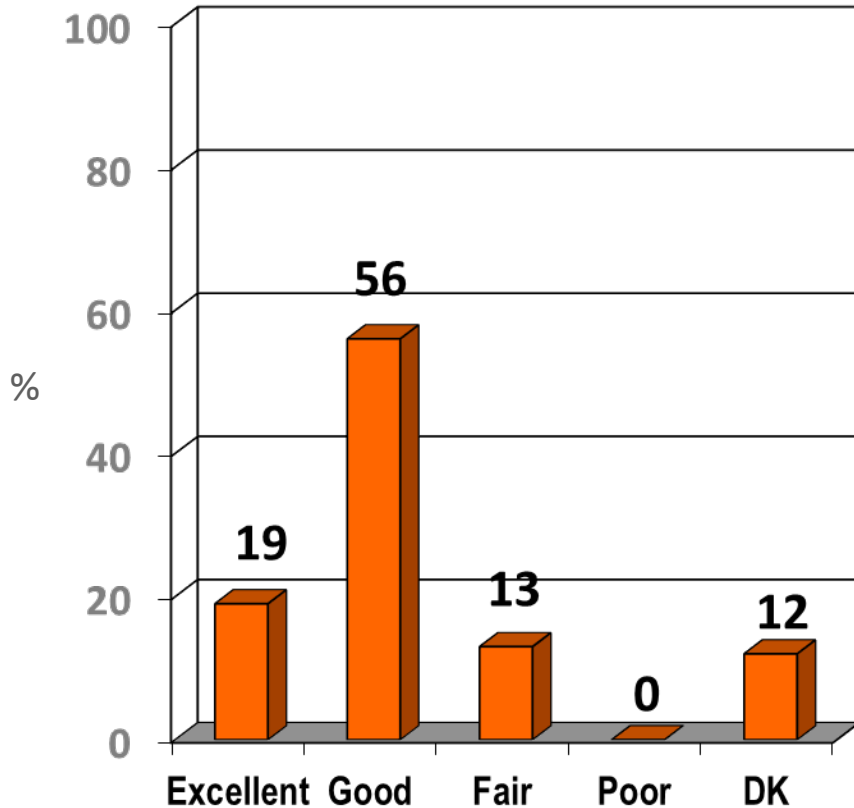


d. Demonstrating economic benefit to County/region by placing a priority on local hiring and inclusionary workforce practices

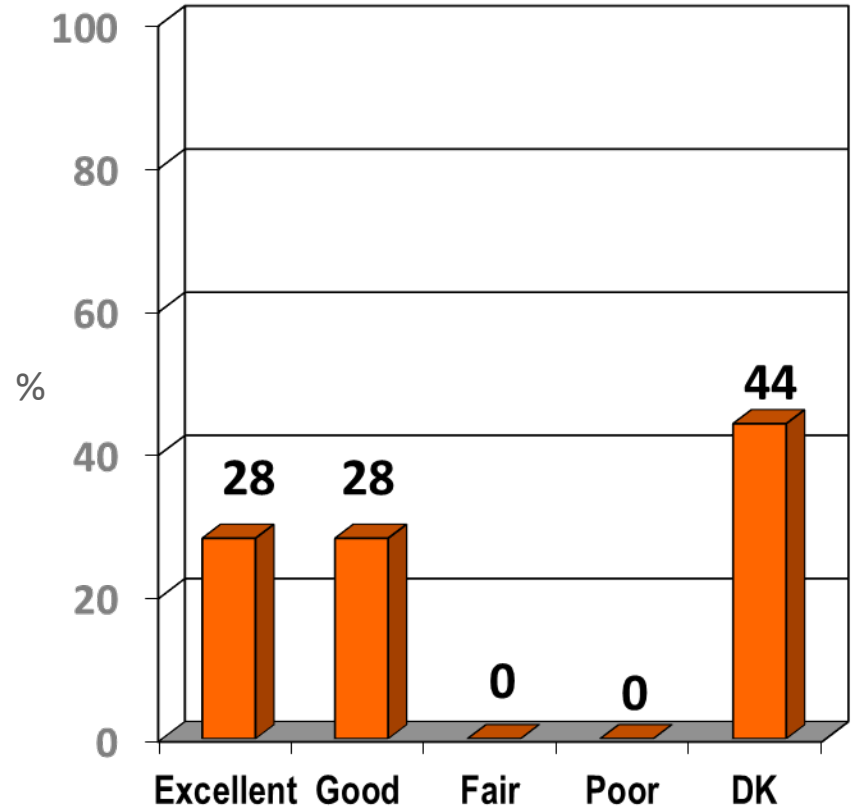


# Rating Performance

e. Implementing programs in electric transportation and energy efficiency, and partnering with municipalities, business, schools, and nonprofit organizations

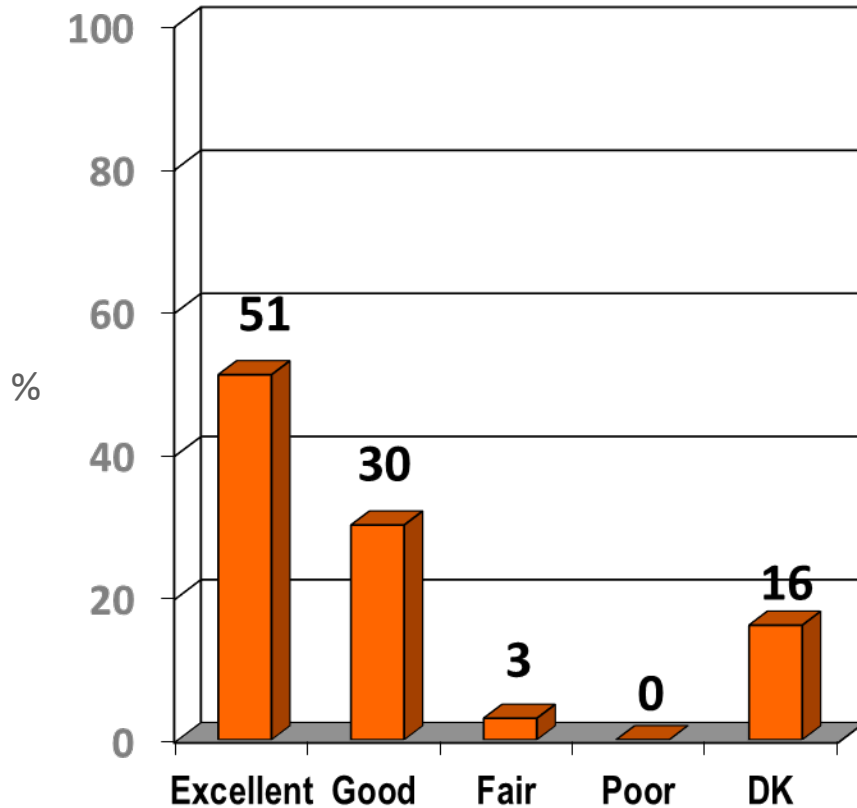


f. Providing exemplary customer service to maximize participation

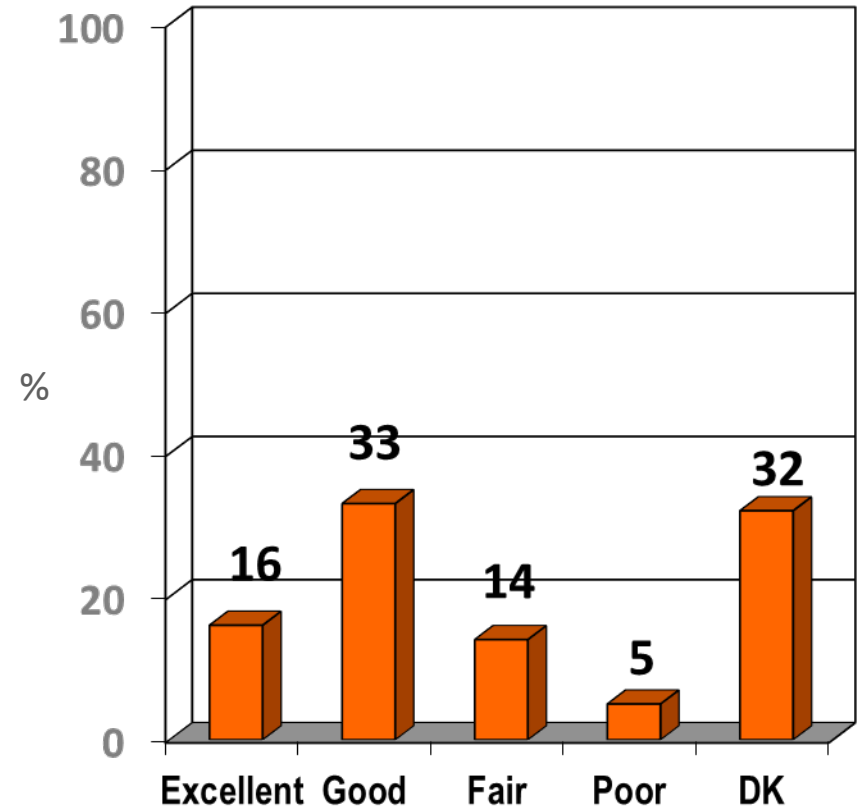


# Rating Performance

g. Building a financially sustainable organization

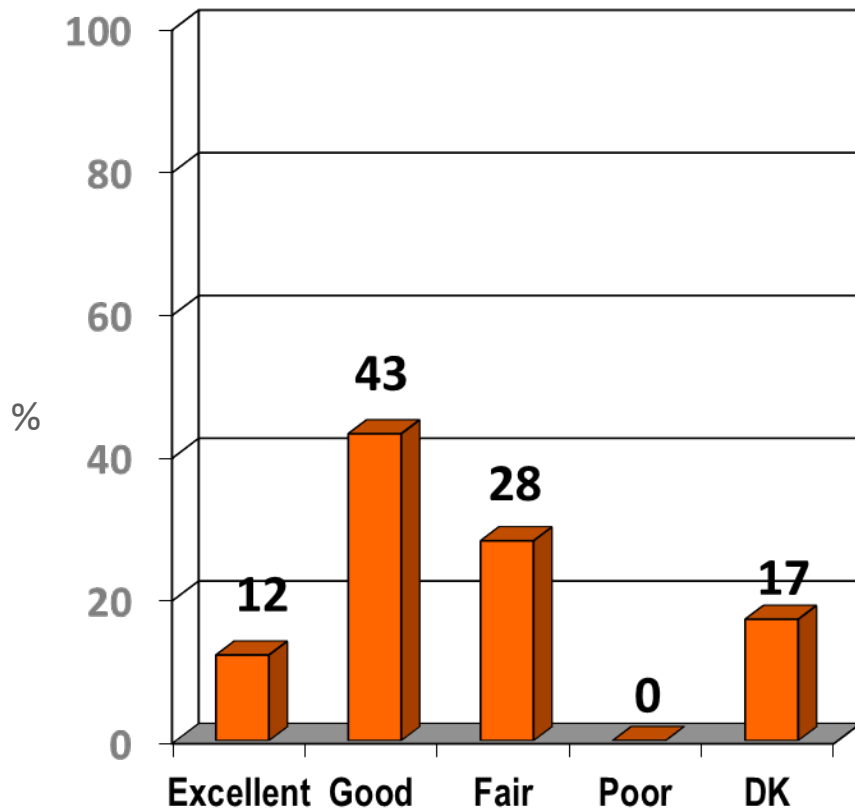


h. Fostering a dynamic workplace culture that embraces excellence, integrity, innovation, transparency and diversity

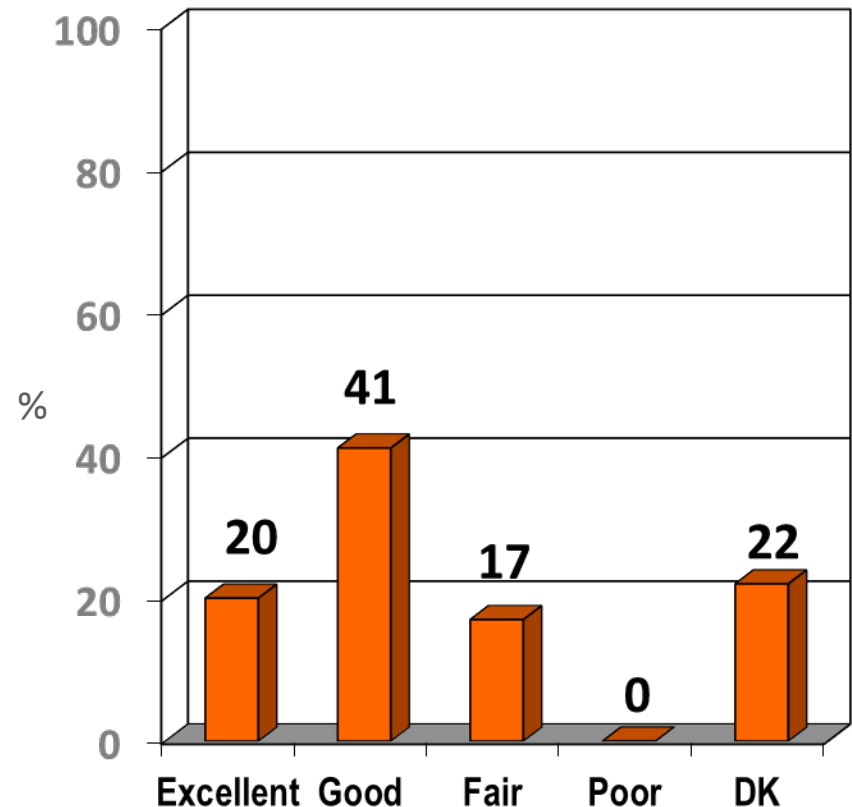


# Rating Performance

i. Leveraging regional expertise of Peninsula Clean Energy/Silicon Valley to support innovation



j. Assisting in setting up CCAs in other areas of the state where Peninsula has utility scale generation projects



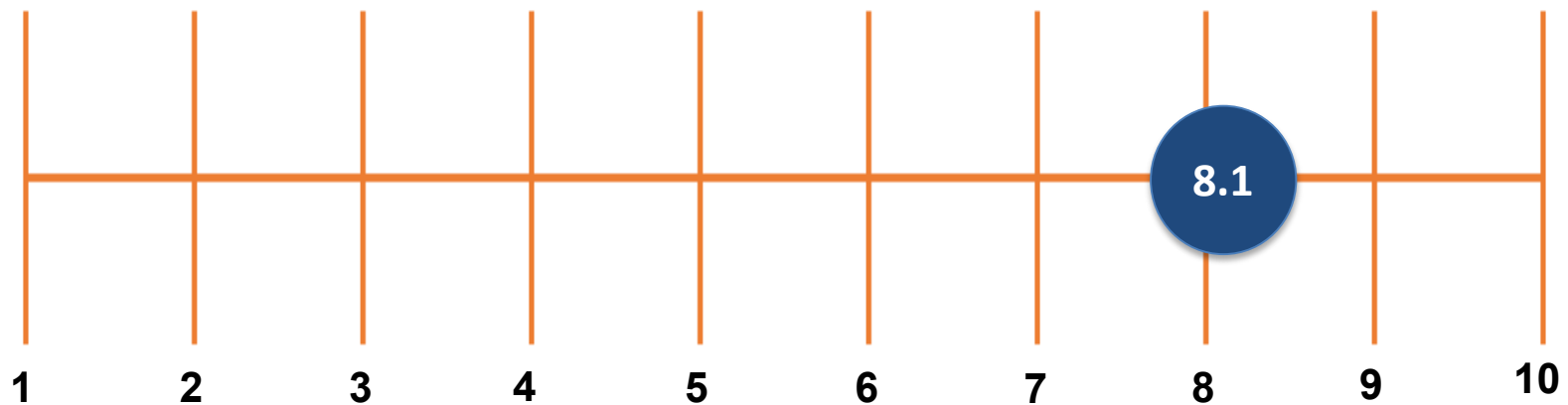
# Notes on Performance Areas

## *Future efforts needed during the next five years*

- Develop renewable energy sources in San Mateo County
- Need better understanding of how we are going to become GGF/consider wording of goal
- Leverage Board member's to help with advocacy, outreach, and education
- Be more proactive in innovation and tapping into experts in Silicon Valley
- Continue to help set up other CCAs
- Use Community Advisory Committee more to help advance goals

# Advocacy / Partnerships

*How successful has Peninsula Clean Energy been since 2016 in its regulatory and legislative advocacy efforts?*



# Advocacy / Partnerships

*How successful has Peninsula Clean Energy been since 2016 in its regulatory and legislative advocacy efforts?*

## Results by respondent group

| Audience                     | Result |
|------------------------------|--------|
| Board of Directors           | 8.6    |
| Community Advisory Committee | 7.8    |
| Staff                        | 8.0    |
| Combined                     | 8.1    |



# Advocacy / Partnerships

*Do you think Peninsula Clean Energy has the proper clout and credibility among key audiences and influencers?*

- Majority of respondents believe Peninsula has a decent amount of clout and credibility to influence key officials and that it continues to grow
- Several suggested Peninsula is well-known regionally and among CCA, but needs to expand outreach to increase visibility on a statewide basis
- A few suggest continuing to leverage CalCCA to enhance influence on a state level
- Several noted that Peninsula is collaborative among peer and other choice agencies

# Strategic Partnerships

*What strategic partnerships, alliances, and/or collaborative relationships do you think are necessary to advance Peninsula Clean Energy's mission in the regulatory and legislative areas?*

- Majority feel building strategic partnerships with other environmental groups is necessary to advance the mission
- Many said partnering or building alliances with schools, universities and other community-based organizations is beneficial
- Several recommend working more with labor unions and business customers

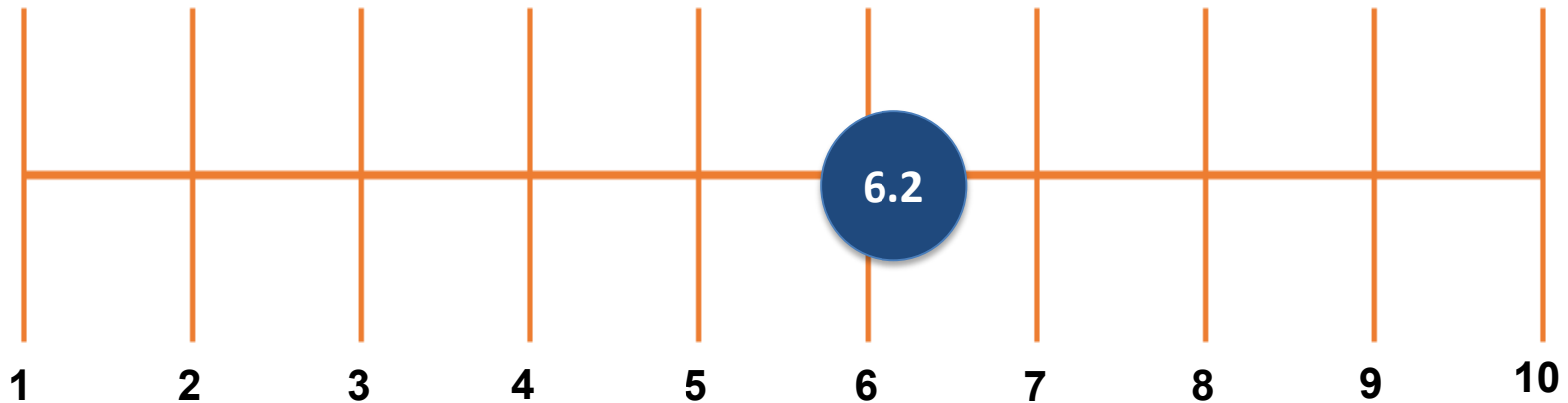
# Recommendations

*What recommendations do you have for Peninsula Clean Energy to improve its regulatory and legislative advocacy?*

- Increase community engagement and outreach
- Demonstrate Peninsula's value proposition to the State
- Continue to support other CCAs
- Elevate role as an industry thought leader
- Allocate additional resources to effort

# Marketing

*How successful has Peninsula Clean Energy been since 2016 in marketing its offerings?*



# Marketing

*How successful has Peninsula Clean Energy been since 2016 in marketing its offerings?*

## Results by respondent group

| Audience                     | Result |
|------------------------------|--------|
| Board of Directors           | 6.3    |
| Community Advisory Committee | 7.2    |
| Staff                        | 5.7    |
| Combined                     | 6.2    |

# Brand Reputation

*How would you describe Peninsula Clean Energy's brand reputation among top stakeholder groups?*

- Most feel Peninsula is well-respected among those who are familiar with the organization
- Majority feel public-at-large does not know the organization
- Several noted that the opt-out rate is positive for the brand
- Most said brand reputation is good with local/state elected leaders, but some do not understand the value of the organization
- Many said that there is low awareness among commercial customers, except for a few large businesses
- Concern that there is market confusion among residents and businesses about Peninsula in relation to PG&E (names sound alike and similar colors)

# Strategic Partnerships

*What strategic partnerships, alliances, and/or collaborative relationships do you think are necessary to advance Peninsula Clean Energy's mission in marketing and communication areas?*

- Community groups
- Government and social service providers
- Schools and universities
- Real estate developers
- Environmental groups
- Labor unions
- CalCCA
- Business groups / chambers of commerce

# Recommendations

*What recommendations do you have for Peninsula Clean Energy to improve its marketing and communication efforts?*

- Increase community outreach and efforts / sponsorships
- Separate branding from PG&E
- Better promote programs / increase awareness of pilot programs
- Enhanced use of digital and social media
- Conduct research to find out what customers want/need
- Clarify marketing and communication goals / purpose



# Management/Operations

## *What are your perceptions of the overall management and operations of Peninsula Clean Energy?*

- Majority have a favorable impression of management and operations
- Several external respondents noted that they do not know details about internal operations
- Several said staff leadership is knowledgeable and innovative
- Many noted that organization is going through growing pains, e.g. staffing, building infrastructure, developing policies, procedures
- Newer employees feel most positive about management
- Some employees with more tenure identified improvements;
  - ✓ Lack of policies, procedures, delegation, approval processes
  - ✓ Need increased communication and transparency
  - ✓ Staffing /Training and leadership development and HR expertise
  - ✓ Clarity re: goal setting, expectations and accountability

# Management/Talent

*Do you think Peninsula Clean Energy has the talent it needs for future success?*

- Many feel Peninsula has the talent it needs for future success
- However, some gaps were identified:
  - ✓ Training and leadership development
  - ✓ Data analytics
  - ✓ Procurement support/addition staffing
  - ✓ COO/operations role to support the CEO
- A few said the team is somewhat understaffed

# Thought Leadership

*What do you think are the best opportunities for Peninsula Clean Energy to be an innovative thought leader and catalyst to optimize its positive impact on the planet via clean energy?*

- Keep pushing on technology to find renewable sources of energy
- Leverage Silicon Valley
- Conduct pilot programs
- Consumer/community focus (providing incentives; programs; education)
- Make clean energy more accessible to people who are at a disadvantage financially
- Increase advocacy efforts
- Be a leader in the CCA movement/regional, state and national leader
- Focus on transportation
- Figure out how to bring resiliency to the county
- Engage youth
- Storage/work with CCAs and PG&E on solar storage
- Climate leadership
- Load management issues

# Future Success

*What top 2-3 things do you think that Peninsula Clean Energy must do to be successful in the next 5 years (2020-2025)?*

- Reach goal of 100% clean energy by 2025
- Articulate value proposition / community benefits
- Programs (Resiliency; EVs)
- Demonstrate sound fiscal stewardship /remain fiscally solvent
- Increase brand awareness
- Procure renewable energy / Long term contracting
- Provide visionary climate leadership to help cities take action together
- Continue to offer low(er) rates
- Continue advocacy efforts

# Future Success

*What top 2-3 things do you think that Peninsula Clean Energy must do to be successful in the next 5 years (2020-2025)?*

CONTINUED

- Storage solutions
- Establish clear criteria and goals and align them to the strategic plan – connect the strategy to the day by day work
- Improve communication and transparency at all levels
- Identify what the community needs and be the first to identify and rollout solutions
- Staffing- hire additional staff as needed, secure additional expertise to fill current gaps

# Potential Topics for Retreat

- Mission and vision
- How Peninsula can achieve global impact
- Programs
- Marketing and outreach
- Value proposition of Peninsula
- Peninsula's role in the CCA movement
- Clean energy market / availability
- Relationship with IOUs
- Financial visibility
- Board operations and effectiveness
- Organizational priorities



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**Thank you.**

