

REGULAR MEETING of the Board of Directors of the Peninsula Clean Energy Authority (PCEA) Thursday, July 23, 2020 6:30 pm

PLEASE NOTE: for Video conference: <u>https://meetings.ringcentral.com/i/1482635270</u> for Audio conference: dial 1-623-404-9000, or 1-773-231-9226, then enter the Meeting ID: 148 263 5270 followed by # You will be instructed to enter your participant ID followed by #. NOTE: Please see attached document for additional detailed teleconference instructions.

PCEA shall make every effort to ensure that its video conferenced meetings are accessible to people with disabilities as required by Governor Newsom's March 17, 2020 Executive Order N-29-20. 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

<u>abartoletti@peninsulacleanenergy.com</u>. Notification in advance of the meeting will enable PCEA to make best efforts to reasonably accommodate accessibility to this meeting and the materials related to it.

If you wish to speak to the Board, please use the "Raise Your Hand" function on the Ring Central platform. If you have anything that you wish to be distributed to the Board and included in the official record, please send to <u>abartoletti@peninsulacleanenergy.com</u>. 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 shall be given an opportunity to do so by the Board Chair during the videoconference meeting. 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 Integrated Resource Plan (IRP) for Submission to California Public Utilities Commission (CPUC) (Action)
- 5. Approve an Additional Expenditure of up to \$250,000 for Portable Battery Program for Medically Vulnerable Customers (Action)
- 6. Approve Building Electrification Awareness Program (Action)
- 7. Approve E-Bike Program (Action)
- 8. Create a Board Procedure for Appointing a Citizens Advisory Committee (CAC) Liaison and Alternate, followed by Appointment of new CAC Liaisons (Action)
- 9. Review Peninsula Clean Energy Citizen Advisory Committee Work Plan (Discussion)
- 10. Board Members' Reports (Discussion)

CONSENT AGENDA

11. Approval of the Minutes for the June 25, 2020 Meeting (Action)

INFORMATION ONLY REPORTS

- 12. Marketing and Outreach Report
- 13. Regulatory and Legislative Report
- 14. Community Energy Programs Report
- 15. Procurement Report
- 16. Resiliency Strategy Report
- 17. Adoption of ESG (Environmental, Social, and Governance) Investment Principles
- 18. Joint Rate Mailer Update

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 located at: http://www.peninsulacleanenergy.com.

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Options for Joining

- A. Videoconference with Phone Call Audio (Recommended) see Option 1 below
- B. Videoconference with Computer Audio see Option 2 below
- C. Calling in from iPhone using one-tap see Option 3 below
- D. Calling in via Telephone/Landline see Option 4 below

Videoconference Options:

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If you want full capabilities for videoconferencing (audio, video, screensharing) you must download the RingCentral application.

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2					
`	Dial:	+1 (469) 445 010	00		
		+1 (773) 231 922	6		
ι		+1 (720) 902 770	00		
		+1 (623) 404 90	00		
		+1 (470) 869 220	00		
	Meeting ID:	148 313 0207			
	Participant ID:	22			

IMPORTANT: Please do not use the Participant ID that is in the picture to the left. Enter the Participant ID that appears on your own personal pop-up.

- 4. Please dial one of the phone numbers for the meeting (it does not matter which one):
 - +1 (623) 404 9000 +1 (469) 445 0100 +1 (773) 231 9226 +1 (720) 902 7700
 - +1 (470) 869 2200
- 5. You will be instructed to enter the meeting ID: 148 263 5270 followed by #
- 6. You will be instructed to enter in your **Participant ID followed by #.** Your Participant ID is unique to you and is what connects your phone number to your RingCentral account.
- 7. After a few seconds, your phone audio should be connected to the RingCentral application on your computer.
- 8. In order to enable video, click on "Start Video" in the bottom left hand corner of the screen. This menu bar is also where you can mute/unmute your audio.

Option 2 Videoconference with Computer Audio:

- 1. From your computer, click on the following link:
- 2. <u>https://meetings.ringcentral.com/j/1482635270</u>
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- 5. Click the green Join With Computer Audio button
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+1(623)4049000,,1482635270# (US West)

+1(720)9027700,,1482635270# (US Central) +1(773)2319226,,1482635270# (US North) +1(469)4450100,,1482635270# (US South) +1(470)8692200,,1482635270# (US East)

This is the call-in number followed by the meeting ID. Your iPhone will dial both numbers for you.

You will be instructed to enter your participant ID followed by #

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Option 4: Calling in via Telephone/Landline:

Dial a following number based off of your location:

+1(623)4049000 (US West)

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+1(720)9027700 (US Central)
+1(773)2319226 (US North)
+1(469)4450100 (US South)
+1(470)8692200 (US East)
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You will be instructed to enter the meeting ID: 148 263 5270 followed by #

You will be instructed to enter your participant ID followed by #.

If you do not have a participant ID or do not know it, you can stay on the line and you will automatically join the meeting.



PENINSULA CLEAN ENERGY AUTHORITY Board Correspondence

DATE: July 9, 2020 BOARD MEETING DATE: July 23, 2020 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:

PCE Staffing Update

We currently have one open position for a Data Manager.

We have also determined that we will continue to work-from-home at least through the end of 2020 due to the continued changes in the COVID-19 situation. Although we miss seeing each other in person, PCE staff are continuing to work productively from home.

Impact of COVID-19 Crisis on PCE and what we are doing

A verbal report will be provided at the Board of Directors meeting, including changes in Peninsula Clean Energy load.

Merced County Update

Peninsula Clean Energy has contracted with MRW to perform the technical study to evaluate the impact of becoming a CCA for the City of Los Banos and the impact on PCE of Los Banos joining Peninsula Clean Energy. Los Banos requested the load data from PG&E in June, and we are still awaiting the fulfillment of that request.

Other Meetings and Events Attended by CEO

Presented, via video, at the Sustainable San Mateo County awards presentation on July 10, recognizing the accomplishments of Brisbane, Menlo Park, Pacifica, San Mateo, and the County on their adoption of Reach Codes.

Participate in weekly and monthly CalCCA board meetings

Participate in MAG5 meetings

Call in to regular COVID-19 update calls with County health officials



PENINSULA CLEAN ENERGY AUTHORITY Board Correspondence

DATE: July 17, 2020 BOARD MEETING DATE: July 23, 2020 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:** Approve Integrated Resource Plan (IRP) for Submission to California Public Utilities Commission (CPUC) (Action)

RECOMMENDATION: Approve results of IRP analysis as presented by staff or in a form substantially similar to that presented by staff for the two required submissions – (1) 46 MMT Conforming Portfolio and (2) 38 MMT Conforming Portfolio. Authorize the CEO to determine whether to submit any alternative portfolios. Authorize staff to use the results of the IRP analysis to populate the CPUC-required document templates and delegate authority to the CEO to approve the final IRP report on behalf of the Board for submittal to the CPUC by September 1, 2020.

BACKGROUND:

Senate Bill (SB) 350 (de León, Chapter 547, 2015) required the CPUC to focus energy procurement decisions on reducing greenhouse gas (GHG) emissions by 40 percent by 2030. One component is to engage in statewide integrated resource planning.

Integrated Resource Planning is a long-term planning proceeding intending to evaluate the reliability and cost-effectiveness of the CPUC-jurisdictional entities'¹ electric supply with the goal of reducing the cost of achieving GHG reductions and other CPUC policy goals. The IRP proceeding looks 10 years forward to determine the least-cost resource mix required to meet these goals while maintaining system reliability.

¹ This includes investor-owned utilities (IOUs), community choice aggregators (CCAs), and electricity service providers (ESPs).

All Load Serving Entities (LSEs) in California are required to produce and submit to the CPUC an integrated resource plan (IRP) by September 1, 2020. The CPUC engages in two-year planning cycle for IRPs. The main steps of the IRP process are:

- 1. The CPUC conducts statewide modeling at the CPUC to determine the aggregate transitions needed for the electricity sector to meet its 2030 GHG reduction goals under SB 350. This process takes place in odd numbered years.
- 2. Individual LSEs' develop IRPs based on the statewide planning process and submit them to the CPUC in even numbered years.
- 3. The CPUC aggregates individual IRPs into a Preferred System Plan, which represents the aggregate behavior of the electricity sector if all LSEs procure according to their IRPs. This is done by inputting data from the IRPs into the same statewide model used to produce the Reference System Plan.
- 4. The CPUC compares between the Reference System Plan and the Preferred System Plan to determine whether sector-wide GHG mitigation targets will be met and whether corrective action is needed.

The first cycle occurred in 2017-2018. We are now preparing to submit our second IRP in the 2019-2020 cycle.

The CPUC requires each LSE to submit portfolios that achieve their proportional share of two alternative statewide electric sector GHG targets: (1) 46 million metric tons (MMT) of GHG emissions by 2030; and (2) 38 MMT of GHG emissions by 2030. The inputs and assumptions used in each scenario must be consistent with CPUC-assumptions; the required assumptions are discussed below. The resulting portfolios must also meet the assigned GHG benchmark within 1% of the target. Entities are also permitted to submit an alternative portfolio that uses different assumptions or targets a lower GHG benchmark, provided those assumptions are identified and justification for the discrepancies are described.

Staff are recommending that the Board:

- Approve results of IRP analysis as presented by staff or in a form substantially similar to that presented by staff for the two required submissions – (1) 46 MMT Conforming Portfolio and (2) 38 MMT Conforming Portfolio.
- 2. Authorize the CEO to determine whether to submit any alternative portfolios.
- 3. Authorize staff to use the results of the IRP analysis to populate the CPUCrequired document templates and delegate authority to the CEO to approve the final IRP reports on behalf of the Board for submittal to the CPUC by September 1, 2020.

DISCUSSION:

To comply with the IRP, the CPUC requires LSEs to complete and submit three documents by September 1, 2020²: the IRP Narrative Template, the Resource Data

² CPUC Decisions 18-02-018, 19-11-016, and 20-03-028 define these filing requirements.

Template, and the Clean System Power Calculator³. Each document is described below, followed by a discussion of the CPUC's modeling inputs and assumptions, an overview of Peninsula Clean Energy's approach to IRP analysis and a discussion of the results of our analysis.

Required Templates

Narrative Template

This document will provide a written description of the approach to completing the IRP, including a description of the analytical work, results of the analysis, and plan of action.

Resource Data Template

This document is an Excel workbook to report existing energy and capacity contracts and identify the volumes of planned energy and capacity contracts that are indicated from the analysis as necessary to contribute to the 46 MMT and 38 MMT portfolios. The portfolios of resources must be described in terms of total annual contracted volumes and expected monthly volumes. The CPUC uses this document to analyze and aggregate individual entities' IRP portfolios

Clean System Power Calculator

The document also takes the form of an Excel workbook. It is used to calculate the estimated GHG and criteria air pollutant emissions associated with the 46 MMT and 38 MMT resource portfolios detailed in the Resource Data Template. This workbook calculates the CPUC-determined implied emissions values associated with each type of generating resource. The CPUC uses this document to check that each entity meets the required GHG targets.

Required Assumptions

The CPUC is requiring its jurisdictional entities to use certain standardized inputs and assumptions. The required assumptions include:

 Load forecast: Each LSE is required to use the CPUC-approved, California Energy Commission (CEC)-developed 2019 Integrated Energy Policy Report (IEPR) demand forecast update, as modified by CPUC Rulemaking 16-02-007. The 2019 IEPR forecast identified annual retail sales for entities out to 2030; then added and subtracted load to reflect the CEC's forecast for the expansion of Additional Achievable Energy Efficiency (AAEE), behind-the-meter solar PV generation, behind-the-meter combined heat & power generation, other selfgeneration, time of use rate effects, electric vehicle expansion, and other transport electrification. Since this forecast was developed in 2019, it does not

³ The Narrative Template, Resource Data Template and CSP Calculators for 46MMT and 38MMT portfolios were finalized by the CPUC and made available on June 15, 2020. Staff is currently in the process of populating the templates.

consider any of the more recent load forecasting staff have completed due to COVID-19, the economic downturn and sheltering in place.

- <u>Baseline resources:</u> These represent generating resources that are currently online or are contracted to come online during the IRP's planning timeframe. This list includes generating resources inside and outside California, but within the Western Electricity Coordinating Council (WECC).
- <u>Candidate resources:</u> These represent resources that have not yet been built or contracted. The CPUC provides the types of future generating resources that may be included in entities' portfolios and when those resources may be available. Table 1 below identifies when certain resources may be available. The eligible resource types are natural gas generation (of various turbine and engine technologies), renewables (biomass, geothermal, solar PV, onshore wind, offshore wind), energy storage and demand response. The CPUC identified certain geographic assumptions related to the placement of these potential resources; the resources could be in California or out of state with eligible regions tied to existence or planned expansion of transmission lines.

Table 1: Availability of Candidate Resources

Resource Type	First Available Year		
Solar PV	2020		
Wind (CA onshore)	2022-2023		
Wind (OOS onshore)	2026		
Wind (offshore)	2030		
Geothermal	2024-2026		
Biomass	2020		
Pumped Storage	2026		
Battery Storage	2020		

- <u>Costs:</u> The CPUC used its own pro forma financial model to create levelized fixed costs for each candidate resource type. These costs are then used as inputs to modeling to establish the least-cost portfolio.
- <u>Operating Assumptions</u>: The CPUC inputs resource-specific operating costs. Components of the operational costs are aggregated costs for classes of generation resources, unit commitment costs, costs associated with dispatching resources for energy or ancillary services, and transmission costs based on zones (i.e. costs to move electricity over the transmission system in WECC).
- <u>Resource Adequacy Requirements:</u> The CPUC assumptions require a 15% planning reserve margin, based on and consistent with the rules in place for System Resource Adequacy for CPUC-jurisdictional entities. The CPUC also

provides assumptions around how much RA value certain resources will provide. These assumptions are provided for solar, wind and lithium-ion batteries.

<u>GHG Emissions and Renewable Portfolio Standard:</u> The 46 MMT and 38 MMT scenarios represent two different 2030 statewide electric sector GHG constraints under which least-cost resource portfolios are developed. The CPUC evaluated other potential GHG scenarios (including a 30 MMT scenario) before finalizing their selections. The emissions accounting is consistent with the California Air Resource Board's regulation of the electric sector under California's cap and trade program.

Peninsula Clean Energy's 2030 load assumption is 3,560 GWh and our assigned emissions factors are 0.630 MMT for the 46 MMT scenario and 0.503 MMT for the 38 MMT scenario. The CPUC is requiring LSEs to submit portfolios that result in GHG emissions within 1% of these targets. LSEs have the option to submit an additional 38 MMT portfolio with lower emissions results.

Reference System Plan

As part of the IRP process, the CPUC developed a Reference System Plan (RSP) which represents the total mix of resources at the system-level that the CPUC modeling shows is the most cost-effective way to achieve the 46 MMT scenarios. The RSP becomes formally adopted by the CPUC; following that, it is sent to the CAISO for inclusion in the CAISO's annual Transmission Planning Process.

The RSP includes four important elements. First, it identifies the 2030 statewide electric sector GHG planning target (in this case, 46 MMT). Second, it recommends a portfolio of resources that the CPUC believes represents the least-cost, least risk way to achieve the GHG target (these resources are identified based on the CPUC's required inputs and assumptions, described above). Third, a GHG planning price is reported that represents the marginal cost of GHG abatement associated with the RSP; this is intended to provide a consistent way to demonstrate the value of demand and supply resources. Fourth, near-term CPUC policy actions are incorporated with the stated intention of ensuring results from the IRP modeling inform other CPUC proceedings.

While the 46 MMT scenario was adopted as the RSP this cycle, the CPUC also developed a 38 MMT scenario and, in April of 2020, modified the filing requirements for entities to include both targets. Figures 1 and 2 below provide the state's reference system portfolios for the 46 and 38 MMT cases.

Modeling Approach

Peninsula Clean Energy partnered with two other CCAs – Clean Power Alliance, which serves the Los Angeles region and San Jose Clean Energy – to complete a joint modeling exercise. The three CCAs hired Siemens Energy Business Advisory to assist in the modeling for the IRP scenarios.

Siemens' tools integrate risk assessment into long-term energy and resource planning. The core component of their power market analysis system is the AURORA® power dispatch and market price model, developed by EPIS and used extensively in the western U.S. This model evaluates the least cost selection of generation to meet load based on a set of assumptions and operating restraints.

Some key features of AURORA®, as modified by Siemens, are:

- A chronological hourly dispatch simulation algorithm (similar to other production cost models).
- An ability to characterize market uncertainty in stochastic distribution representations for all fuels and the price movement correlations among these inputs.
- An ability to conduct Monte Carlo simulations generated from these distributions to generate power dispatch and market price simulations.
- Accurate modeling of SO2, NOX, and carbon emission rate and emissions costs.
- Easy downloads to graphics packages for representing inputs and results in easy to follow and understandable graphics.

Siemens simulates the generation market prices and plant dispatch for a relevant market area over the range of inputs using its power dispatch model (AURORAxmp®). This model is a sophisticated market dispatch model that has every generating station (including its characteristics, regulatory requirements and transmission links) in the United States. Inputs to the model include operating cost and performance parameters, fuel options and costs and environmental costs and parameters.

Siemens deploys AURORAxmp® to simulate the economic dispatch of power plants within a competitive framework. Representations of hourly regional demand profiles and plant-level supply characteristics are included, as well as detailed assessments on the fundamental drivers of power plant dispatch within each relevant market area. A summary of the methodology with key inputs, algorithms, and outputs is shown in Figure 3 below.

Staff provided Siemens with details of our historical load profile, information about existing contracts and internal goals. Siemens incorporated this information along with the required CPUC assumptions into its modeling software. Siemens is providing the results of five modeling scenarios to Peninsula Clean Energy for our evaluation. The summary of these modeling scenarios is described in Figure 4 below.

Modeling Results

Staff are providing and requesting Board approval of the results of the 46 MMT Conforming portfolio and the 38 MMT Conforming portfolio. As the conforming portfolios are required to demonstrate expected GHG emissions within 1% of the assigned target, neither of these portfolios meet Peninsula Clean Energy's 100% renewable goal. However, this is what we are directed to provide to the CPUC for this exercise. Siemens is continuing to refine the results of the other portfolios, one of which does meet this goal. Once we receive these results, staff will determine whether to file an alternative portfolio with the CPUC. This portfolio is being modeled using the required CPUC assumptions which may not align with internal assumptions.

Using the approach described above, the 46 MMT Conforming case shows a portfolio of approximately 1,061 MW capacity from solar, wind and lithium ion battery resources. This will meet 78% of our load in 2030. The remainder would be met through market purchases. Figure 5 below shows the buildout by year.

The 38 MMT Conforming case shows a portfolio of approximately 1,285 MW capacity from solar, wind and lithium ion battery resources. This will meet 93% of our load in 2030. The remainder would be met through market purchases. Figure 6 below shows the buildout by year.

For both portfolios, all resources are added by 2025 to meet Peninsula Clean Energy's 100% by 2025 target. However, due to the CPUC requirements that stay within 1% of the GHG benchmark target, neither portfolio can also meet the 100% goal. Additionally, because we tried to meet our 2025 goal, the model was not able to select certain resources that the CPUC assumes will not be available until 2026 such as pumped storage.

Peninsula Clean Energy was able to achieve compliance with its share of the CPUC GHG emissions limits in both the 46 MMT Portfolio and the 38 MMT Portfolio. Specifically, by 2030 the 46 MMT Portfolio will achieve expected GHG emissions of 0.629 MMT (compared to a target of 0.630 MMT) and the 38 MMT Portfolio will achieve expected GHG emissions of 0.499 MMT (compared to a target of 0.503 MMT) both as calculated by the CPUC's Clean System Power Calculator.

Expected costs of both portfolios are within a similar range as we have currently budgeted. The costs values are calculated using the CPUC's resource cost assumptions which in many cases are higher than current values or internal projections.

Next Steps

Staff will continue to work with Siemens to refine the analysis for the portfolios. Staff will populate the three CPUC required documents with the results of the analysis and findings, have the CEO review and approve the final reports and file with the CPUC by September 1, 2020. Staff will provide an update to the Board at the August Board meeting and will share the final documents that are filed with the CPUC.

Figures

Figure 1: Reference System Portfolio for 46 MMT Case for State of California





Figure 2: Reference System Portfolio for 38 MMT Case for State of California

Figure 3: Siemens Energy Business Advisory Market Analysis Methodology



Figure 4: Portfolios Modeled by Siemens

	46 MMT Preferred Portfolio	46 MMT Compliant Portfolio	38 MMT Hourly	38 MMT Preferred Portfolio	38 MMT Compliant Portfolio
	Net open position is filled with contracts to meet 100% renewable on annual accounting	46 MMT Preferred Portfolio adjusted to meet 46 MMT GHG benchmark	Net open position is filled with contracts from to meet 100% renewable on 24/7 accounting	Net open position is filled with contracts to meet 100% renewable on annual accounting	38 MMT Preferred Portfolio adjusted to meet 38 MMT GHG benchmark
File with CPUC?	No	Yes	TBD	TBD	Yes
GHG Benchmark?	×	\checkmark	×	×	\checkmark
100% RE Goal?	\checkmark	×	\checkmark	\checkmark	×
100% RE Time Coincident?	×	×	~	×	×

Figure 5: 46 MMT Conforming Portfolio Cumulative New Resource Buildout for Peninsula Clean Energy





Figure 6: 38 MMT Conforming Portfolio Cumulative New Resource Buildout for Peninsula Clean Energy

RESOLUTION NO.

PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO,

STATE OF CALIFORNIA

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RESOLUTION APPROVING RESULTS OF IRP ANALYSIS AND SUBMISSION OF RESULTS AS PRESENTED BY STAFF, OR IN A FORM SUBSTANTIALLY SIMILAR TO THAT PRESENTED, BY STAFF FOR THE TWO REQUIRED IRP SUBMISSIONS, AUTHORIZING THE CEO TO DETERMINE WHETHER TO SUBMIT ANY ALTERNATIVE PORTFOLIOS, AND DELEGATING AUTHORITY TO THE CEO TO APPROVE THE FINAL IRP REPORT ON BEHALF OF THE BOARD FOR SUBMITTAL TO THE CPUC BY SEPTEMBER 1, 2020.

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, all Load Serving Entities (LSEs) in California are required to produce and submit to the California Public Utilities Commission (CPUC) an Integrated Resources Plan (IRP) by September 1, 2020; and

WHEREAS, PCE is a Load Serving Entity (LSE) in California and therefore is required to submit an IRP to the CPUC; and

WHEREAS, the CPUC has directed CCAs to seek Board approval for the IRP prior to submission.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the

Board approves the results of IRP analysis and submission of results as presented by staff or in a form substantially similar to that presented by staff for the two required submissions; authorize the CEO to determine whether to submit any alternative portfolios; and delegate authority to the CEO to approve the final IRP report on behalf of the Board for submittal to the CPUC by September 1, 2020.

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PENINSULA CLEAN ENERGY AUTHORITY Board Correspondence

DATE: July 17, 2020 BOARD MEETING DATE: July 23, 2020 SPECIAL NOTICE/HEARING: None VOTE REQUIRED: Majority Present

- **TO:** Honorable Peninsula Clean Energy Authority Board of Directors
- FROM: Jan Pepper, Chief Executive Office Siobhan Doherty, Director of Power Resources Peter Levitt, Associate Manager of DER Strategy KJ Janowski, Director of Marketing and Community Affairs Kirsten Andrews-Schwind, Senior Manager of Community Relations
- **SUBJECT:** Approve an Additional Expenditure of up to \$250,000 for the Portable Battery Program for Medically Vulnerable Customers for a total expenditure of \$750,000

<u>RECOMMENDATION</u>: Approve an Additional Expenditure of up to \$250,000 for the Portable Battery Program for Medically Vulnerable Customers for a total expenditure of \$750,000

BACKGROUND:

In the Energy Resiliency Strategy approved by the Peninsula Clean Energy Board in January 2020, staff prioritized resiliency work to provide backup power options to Peninsula Clean Energy customers who depend on electricity to power medical devices. In 2019, PG&E expanded its public safety power shutoff (PSPS) program and Peninsula Clean Energy's customers experienced three separate PSPS events. To combat this loss of power some of these customers are purchasing diesel generators in order to meet their power needs. Peninsula Clean Energy aims to reduce greenhouse gas and other emissions through the deployment of portable, all-electric batteries that may replace or partially replace the need for diesel generators for our medically vulnerable customers.

In May 2020, the Board approved the expenditure of up to \$500,000 for the acquisition of portable batteries in support of a Portable Battery Program for Medically Vulnerable

Customers. These portable batteries will be provided to customers that qualify for the Medical Baseline electricity rate and live in an area that has experienced two or more PSPS events in the past or are likely to experience them in the future, with prioritization for low-income customers. The initial \$500,000 budget was for the cost of purchasing the batteries only. Additional line items for community outreach and program marketing, customer enrollment support, and distribution of batteries are now being added to the overall budget for this program.

DISCUSSION:

In 2019, PG&E expanded its PSPS program in order to prevent wildfires across the state. A PSPS event occurs when PG&E decides it is necessary to turn off electricity in certain areas because dry conditions and gusty winds have created a heightened fire risk. The expansion of this program can put lives at risk, cause significant economic impacts, disrupt operations as well as increase greenhouse gas emissions and worsen local air quality when diesel generators are operated for backup power.

In January 2020, staff presented a recommendation and strategy to the Board to approve a budget of \$10 million to support resiliency efforts over 3 years. When staff prepared the strategy, our hypothesis and expectation was that the best way to serve the medically vulnerable population was to provide clean energy solutions for single-family homeowners through the installation of solar energy+battery storage systems.

From January through April 2020, staff had extensive conversations with community partners that support these most threatened customers including those that depend on power for medical needs and live in an area that has experienced or is likely to experience a PSPS event. Through this work, we concluded that many of the customers most in need of backup power options are renters, live in an apartment, or are otherwise not a good fit for standard solar and battery storage installation. Instead, the clean energy backup power solution that best fits them is a portable electric battery. Additionally, the COVID 19 shelter-in-place orders have severely limited PCE's ability to deploy solar+storage systems quickly for a meaningful number of customers.

In mid-May, Peninsula Clean Energy sent an informal RFI to eight portable battery companies to evaluate for a potential bulk purchase. Five responded to our questionnaire, and staff has decided to purchase Goal Zero products. The two products we will purchase are the Yeti 3000x Portable Power Station, and the Boulder 200 Briefcase foldable solar panel.

As staff have refined the program and budget over the past two months, the cost for the acquisition of batteries slightly exceeded the original budget of \$500,000. In addition, there are several additional program costs that we included in the contract for battery acquisition as well as program outreach costs. The full program budget is provided in Table 1 below.

Item	Budgeted Amount
Hassett Hardware Contract	\$605,000
Yeti 3000x Portable Power Station	\$500,000
Portable Battery	
Boulder 200 Briefcase Solar Panel	\$50,000
Storage, Delivery, Training	\$55,000
Senior Coastsiders Outreach and	\$65,000
Enrollment Support Contract	
Other Marketing and Outreach	\$80,000
Total Budget	\$750,000

When staff requested the approval of \$500,000 towards the purchase of portable batteries in May, we had not yet determined the battery manufacturer, purchase channel or appropriate quantity of batteries. Since May, our chosen battery vendor, Goal Zero has indicated that they are unable to deliver batteries to Peninsula Clean Energy until September or October. Additionally, and fortunately, staff has formed a partnership with a local hardware store, Hassett Hardware, with stores in Half Moon Bay, Belmont, Redwood City, and San Mateo. Hassett has a direct relationship with Goal Zero, our preferred vendor for this program, and has secured batteries that can be delivered in August and September. Hassett Hardware will also provide logistical services including product storage, direct delivery to customers, and training in English and Spanish on how to use the products.

Staff recommends purchasing 150 Yeti 3000x Portable Power Stations and 100 Boulder 200 Briefcase foldable solar panels. The foldable solar panels allow a battery user to recharge the battery with a portable solar power device during a continued power outage. Staff recommends these quantities based on data related to the number of low-income medically vulnerable customers in eligible areas, the volume of similar products procured by other LSEs, and the level of demand indicated by our non-profit outreach partners. Last year's three PSPS events that impacted Peninsula Clean Energy's customers caused, per PSP event, 23, 270, and 590 Medical Baseline customers to lose power. Additionally, the Medical Baseline rate is highly under-subscribed, so the total number of customers who lost power and rely on medical devices likely exceeds these figures.

Program marketing costs include both outreach and enrollment support for a range of programs offered by both Peninsula Clean Energy and other partners. Peninsula Clean Energy has contracted with Senior Coastsiders, a non-profit organization located in Half Moon Bay which provides services for older adults and adults with disabilities. More than two-thirds of our target audience is located in its service area along the coast from Montara to Pescadero. Senior Coastsiders is providing the following services:

 Intensive community outreach for both of PCE's Power On Peninsula resilience programs: portable backup battery donations for renters, as well as installation of solar and backup batteries for homeowners. Outreach plans include providing fliers through meals on wheels deliveries, emails to clients, calling eligible customers, leveraging local media and organizational partners, and many other channels.

- One-stop shop with phone support to help eligible residents from all parts of San Mateo County navigate eligibility and enrollment for both Peninsula Clean Energy resilience programs as well as for utility discounts and other emergency resources to prepare for PSPS-events (see <u>Disability Disaster Access</u>).
- 3) Support for residents from all parts of San Mateo County who need help navigating Sunrun's solar and battery storage installation process (for example those with cognitive disabilities or early stage dementia)

We are also working with Puente de la Costa Sur to offer outreach and enrollment support to Spanish-speaking residents.

Peninsula Clean Energy staff will conduct additional marketing and outreach to ensure we reach eligible customers beyond the coast including through direct mail, NextDoor posts in key neighborhoods, and collaboration with cities and community partners.

Staff is requesting approval to expand our budget for the purchase of portable batteries, including the additional solar briefcase, product storage, product delivery, and product training of \$105,000, and related marketing, outreach, and enrollment support of \$145,000. This brings the total to \$750,000 to fully implement the program.

FISCAL IMPACT:

In January 2020, the Board approved a 3-year, \$10 million budget for energy resiliency efforts. The initial \$500,000 budget, and this additional \$250,000 we are asking you to approve, will come out of this overall budget.

RESOLUTION NO.

PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO,

STATE OF CALIFORNIA

* * * * * *

RESOLUTION AUTHORIZING AN ADDITIONAL EXPENDITURE OF UP TO \$250,000, FOR A TOTAL OF \$750,000, FOR THE PORTABLE BATTERY PROGRAM FOR MEDICALLY VULNERABLE CUSTOMERS IN ORDER TO FUND THE PURCHASE OF PORTABLE BATTERIES, FOLDABLE SOLAR PANELS, LOGISTICAL SERVICES, AND OUTREACH SERVICES, AND OTHER MARKETING EXPENSES.

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 October 2019, Peninsula Clean Energy customers experienced three Public Safety Power Shutoff events, wherein over 55,000 Peninsula Clean Energy customers lost electricity; and

WHEREAS, in January 2020, Peninsula Clean Energy's Board of Directors approved a Resiliency Strategy that budgets \$10 million for resiliency programs over three years; and WHEREAS, within that Resiliency Strategy, Peninsula Clean Energy prioritized programs to meet the needs of medically vulnerable customers and budgeted up to \$2,550,000 for such programs; and

WHEREAS, Peninsula Clean Energy would like to reduce future greenhouse gas emissions by reducing the number of diesel generators providing backup power to our customers; and

WHEREAS, many of Peninsula Clean Energy's customers require power for a medical need; and

WHEREAS, a portable battery can help to provide power in the event of a power outage related to PSPS or other events thereby reducing the need for diesel generators; and

WHEREAS, in May 2020, the Board of Directors approved the expenditure of up to \$500,000 for the acquisition of portable batteries in support of a Portable Battery Program for Medically Vulnerable Customers; and

WHEREAS, partnerships with outside agencies will provide timely procurement of backup power to our customers, logistical services, and outreach services; and

WHEREAS, staff is presenting to the Board for its review an action to approve additional expenditures for this Program, to procure portable batteries and foldable solar panels to power these batteries; in addition, funding will support marketing, battery storage delivery, and training for Medically Vulnerable Customers.

-2-

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the

Board approves the additional expenditure of up to \$250,000, for a total of \$750,000, for the Portable Battery Program for Medically Vulnerable Customers in order to fund the purchase of portable batteries, foldable solar panels, logistical services, and outreach services, and other marketing expenses.

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PENINSULA CLEAN ENERGY AUTHORITY Board Correspondence

DATE: July 10, 2020 BOARD MEETING DATE: July 23, 2020 SPECIAL NOTICE/HEARING: None VOTE REQUIRED: Majority Present

- **TO:** Honorable Peninsula Clean Energy Authority Board of Directors
- **FROM:** KJ Janowski, Director of Marketing and Community Affairs, Peninsula Clean Energy Authority
- **SUBJECT:** Building Electrification Awareness Program

RECOMMENDATION:

Authorize the PCEA CEO to enter into a 3-year agreement for an amount not to exceed \$300,000 with Gelfand Partners Architects (GPA) for the purpose of implementing a Building Electrification Awareness Program.

BACKGROUND:

Peninsula Clean Energy's mission is to reduce greenhouse gas (GHG) emissions by expanding access to sustainable and affordable energy solutions. The three main contributors to GHG emissions are electricity use, transportation, and natural gas use in buildings.

In September 2018, the Board approved the Peninsula Clean Energy Program Roadmap, which identified programs for 2019 and beyond to include Building Electrification measures intended to reduce or eliminate natural gas use in buildings.

In January 2019, the Board approved a contract with TRC Advanced Energy to facilitate a Peninsula Reach Codes program operated jointly by Silicon Valley Clean Energy and Peninsula Clean Energy. The Reach Codes program focuses on assisting Peninsula Clean Energy member cities in updating local building codes for residential and commercial construction in order to incentivize electrification. The program has yielded several important learnings including: 1) the need for continued developer and contractor education and training and 2) consumer preference for gas stoves reflects a lack of awareness of modern electrical alternatives and this preference is an impediment to the adoption of Reach Codes.

In order to address these two significant obstacles to the adoption of building electrification, in January 2020, the Board approved the Building Electrification Consumer Awareness Program and budget of \$400,000 over three years. (Note that some of this approved budget will be applied to a separate "Switch is On" advertising campaign under development with the Building Decarbonization Coalition with the goal of raising awareness of the benefits of building electrification. This campaign is not part of this particular memo of recommendation.)

A Request for Proposal (RFP) was released March 20, 2020 and closed May 8, 2020 for a consultant to support the Consumer Awareness Program. Peninsula Clean Energy received proposals from four companies and their corresponding partners. Gelfand Partners Architects and its partners New Buildings Institute and Frontier Energy were selected due to their expertise in designing zero net energy buildings, building electrification, and induction cooking.

DISCUSSION:

The Building Electrification Awareness Program consists of the following elements: a publicly available database of building electrification projects in San Mateo County, a program of virtual and onsite tours of electrified buildings, a recognition program for building electrification projects, induction cooking demonstrations and hands-on experiences, and information resources for building owners.

- 1. **Building Electrification Database.** This database, to be publicly accessible and searchable from the Peninsula Clean Energy website, is envisioned to include allelectric buildings as well as buildings that have switched fuels to electrified solutions. The goal is to collect a data set that can serve as a resource for building owners and their designers and contractors.
- 2. Virtual and Onsite Tours. Drawing upon the submissions to the Building Electrification Database, GPA will coordinate, facilitate and promote 1-2 tours annually of selected buildings in or near San Mateo County. Tours are intended to provide the opportunity for participants/viewers to experience the electrified buildings and to get questions answered. In the early stages of this program, given pandemic restrictions, tours are likely to be virtual rather than in-person.
- 3. **Recognition Program.** GPA will propose annual Building Electrification awards in several categories, call for submissions, develop a scoring rubric and convene a jury to make these annual awards starting in 2021. Awards will be made in collaboration with an existing awards platform and event.
- 4. Induction Cooking Demonstrations and Hands-On Experiences. GPA will work with its partner Frontier Energy to utilize its Food Service Technology Center (FSTC) full-size residential and commercial equipment and staff to deliver induction cooking demonstrations and training (virtual and in-person, when that again becomes possible). In-person demonstrations at community events and locations as well as at appliance showrooms in San Mateo County will be held

once in-person events become possible again. Induction cooktop loaner program is under consideration as part of this project component.

5. **Information Resources.** GPA will provide educational content and consumer information on building electrification solutions in the form of collateral materials and video assets that will be made available on the Peninsula Clean Energy website, through owned media and via events (virtual and in-person).

FISCAL IMPACT:

The total fiscal impact for Peninsula Clean Energy is estimated at \$300,000 over three years through the end of fiscal year 2023. The actual spending for this program will be based upon deliverables, some of which are subject to constraints currently in place due to the pandemic.

RESOLUTION NO.

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

CALIFORNIA

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AUTHORIZATION OF CHIEF EXECUTIVE OFFICER TO EXECUTE AGREEMENT WITH GELFAND PARTNERS ARCHITECTS FOR BUILDING ELECTRIFCATION CONSUMER AWARENESS PROGRAM IN AN AMOUNT NOT TO EXCEED \$300,000 AND FOR A TERM THROUGH JUNE 30, 2023

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

WHEREAS, Peninsula Clean Energy was formed on February 20, 2016; and

WHEREAS, electrifying buildings to reduce greenhouse gasses is part of Peninsula Clean Energy's program roadmap as approved by this Board; and

WHEREAS, the reach code initiative surfaced the need for education of consumers and building stakeholders (developers, contractors, designers, residents) about the benefits of all-electric buildings and related technologies, including induction cooking; and

WHEREAS, in January 2020, Peninsula Clean Energy's Board of Directors approved a Consumer Awareness Program Budget in the amount of \$400,000 over three years; and

WHEREAS, in March 2020, Peninsula Clean Energy released a Request for Proposals for Building Electrification Awareness on March 20, 2020, and received four proposals to provide these services; and

WHEREAS, Gelfand Partners Architects was selected for its expertise in designing zero net energy buildings and for the expertise of its implementation partners in the fields of building electrification and induction cooking; and

WHEREAS, Peninsula Clean Energy staff and Gelfand Partners Architects intend to negotiate terms for an agreement to administer an awareness program consisting of virtual and onsite tours and demonstrations, collateral materials and case studies, a database of electrified buildings in San Mateo County, and a recognition program for electrified buildings, with a term of approximately July 24, 2020 through June 30, 2023 in an amount not to exceed \$300,000; and

WHEREAS, the Board wishes to delegate to the Chief Executive Officer authority to finalize and execute the aforementioned Agreement.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the

Board delegates authority to the Chief Executive Officer to finalize and execute an Agreement with the Contractor with terms consistent with those presented, in a form approved by the General Counsel.

* * * * * *

- a. The kick-off meeting shall include the Consultant Team, represented by appropriate team members, and Peninsula Clean Energy staff. Each team member will be introduced and their roles and responsibilities relative to the Project shall be defined.
- b. Consultant shall take meeting minutes of the Project kick-off meeting.
- c. Peninsula Clean Energy and/or Consultant will present the overall Project goals, general project approach, timeline for the Project, and PCE Responsibilities (e.g. programming website page for the Building Electrification Awareness Program) and discuss details of the collaborative approach. Consultant Team will discuss the content to be provided for PCE's website page such as a link to NBI's online Tableau database for the Building Electrification Awareness Program and what this will look like.
- d. Consultant will review and explain the Project work plan, including the scheduled milestones, tasks, and deliverables.
- e. Consultant Team will review and explain the scope of work and Project work plan for all parties present and determine any adjustments or fine tuning that needs to be made to the work plan.

1.2 Deliverables:

- a. Meeting Minutes
- b. Revised Schedule/Work Plan as needed
- c. Rebranding of existing Collateral PDFs and links for Peninsula Clean Energy's use in adding to the Building Electrification Awareness Program website and for Consultant Team to start the promotion of PCE's Building Electrification Awareness Program. Examples of the collateral that Consultant will share for discussion of rebranding in the kick-off meeting and then subsequent rebranding for PCE deliverables include:
 - i. Existing educational video content
 - ii. PDF Residential Zero Net Energy Guide
 - iii. PDF All Electrification Case Studies
 - iv. Existing Induction Cooking PDF
 - v. Initial Survey for website visitors to understand their needs

2. Part A: Database, Tours and Recognition:

2.1 Call for Entries:

- a. Consultant Team will prepare a draft of the Call for Entries template for PCE input prior to finalizing. Template fields are to be mutually determined but may include fields outlined below:
 - i. End Use Type (single family, multi-family affordable, multi-family market rate, commercial, office, etc.)
 - ii. Project Size
 - iii. Year of Construction
 - iv. Construction Costs
 - v. Operating Costs
 - vi. All-Electric Design Considerations and Strategies
 - vii. Images
 - viii. Drawings
 - ix. Specifications
 - x. Viability for onsite tour?
 - xi. Viability for virtual tour?
 - xii. Would submitter's Team be willing and able to participate an onsite or virtual tour?
 - xiii. Project Contact (name, email)

- xiv. Energy Consumption (EUI)
- xv. Energy production (if available)
- xvi. Energy target
- xvii. Project Location
- xviii. CCA and/or Utility Provider
- xix. Project Team (Owner, Architect, Engineers, Contractor, Commissioning Agent)
- xx. Site description
- xxi. Building Occupancy
- xxii. Building Strategies
- xxiii. Passive/Active Features
- xxiv. Planning process (Integrated Design)
- xxv. Design Lessons Learned
- xxvi. Building Awards and Certifications (ILFI, CHPS, LEED, etc.)
- b. Once the Call for Entries Template is finalized, Consultant Team will facilitate and coordinate one big media push per year in the 'calls for submissions' for projects, with the call for submissions open year around until a to-be-determined deadline, which will be aligned with the Awards platform and schedule. Call for Entries effort includes:
 - i. Link to online Call for Entries template on PCE's Building Electrification Awareness page with request for upload of images, drawings and specifications, case studies if available
 - ii. Coordinate deadline for entries aligned with the selected recognition program, e.g. Deadline 6 months prior to the awards program to allow time for vetting submissions, updating Database and jury of submissions.
 - iii. Coordination with AIA San Mateo to voice call for entries
 - iv. Coordination with Sustainable San Mateo and other industry partners to voice call for entries
 - v. Consultant Team social media and email blasts annually with specific outreach to recruit projects.

2.2 Database Update:

- a. Consultant will prepare a draft of the PCE Building Electrification Awareness Database for PCE input prior to finalizing.
- b. Projects submitted under item 2.1 above will be vetted for data quality assurance and then entered into the database, as appropriate, with vetting of projects and database update continuously over the duration of the project.

2.3 Tours:

- a. As projects are submitted per item 2.1, above, Consultant will coordinate and identify the virtual and onsite tour opportunities within submitted projects, focusing on featuring San Mateo County projects and local proximity access.
- b. Virtual Tours: emphasis at this time will be on creating virtual tour content
- c. Onsite Tours: over the 3-year duration, when this becomes feasible, Consultant will coordinate and facilitate onsite tours.
- d. Develop a promotional plan for the Tours, coordinating with Peninsula Clean Energy marketing team. Outreach and tour messaging to include methods and benefits (health, safety, etc.) of electrification.

2.4 Recognition:

a. Consultant will work with PCE to identify an existing annual awards event and collaborate with this entity as a platform to recognize projects from the Building Electrification Awareness Program database that exhibit outstanding characteristics. Strong candidates for awards platform include Sustainable San Mateo and AIA San Mateo.

- b. On an annual basis, Consultant will coordinate with PCE and a committee of building electrification experts to jury the awards based on an established rubric aligned with recognizing all-electric design goals and strategies.
- c. Consultant will coordinate with existing awards program per item 2.4a above to facilitate and administer the awards and work with PCE to define the award categories, e.g. Building Electrification Leader (firm or person), All Electric Building (operating), Emerging Electric Building (designed but not operating) and award certificates or plaques to be provided in awards ceremony.

2.5 Success Measurement

Success measurement, including specific metrics for each of items 2.1 through 2.4, above:

- a. Success will be measured annually based on:
 - i. Quantity of projects submitted annually
 - ii. Quality of projects submitted annually, e.g. performance, how many submitted were accepted into database
 - iii. Participation (number of people) submitting projects, participating in awards, participating in tours, viewing recorded/virtual tours
 - iv. The quantity of downloaded data from the PCE website page (see item 2.6.a. below) will need to be tracked by PCE.
 - v. Number of impressions and engagement metrics based on outreach (including email, social media)
 - vi. Survey feedback from participants, suggested improvements
- b. The metrics from item 2.5a above will be compiled into a report that will be provided to PCE annually and will inform the Consultant team as to areas of iterative improvements and refinements required to propel momentum over the 3-year duration.
- c. Suggested refinements from item 2.5b above will be discussed with PCE prior to incorporating.

2.6 Deliverables:

- a. The following links and collateral will be provided to be shared on PCE's Building Electrification Awareness Program (BEAP) website page:
 - i. Finalized Call for Entries Template and Call for Entries
 - ii. Integration of data from Call for Entries submission form and the NBI PCE Building Electrification program.
 - iii. PCE's BEAP database
 - iv. Collateral and Case Studies on all electric buildings and decarbonization
 - a) PDF Documentation: Case Studies, Getting to Zero lists and Guides, Indoor Air Quality
 - b) Links to other resources
 - v. New Virtual Tour, potentially featuring the award-winning project per year: 3 new virtual tours, minimum
- b. Onsite Tours: 1 to 2 onsite tours per year, if possible based on viability of submissions for tours as well as the status of COVID-related pandemic health directives.
- c. Results of online survey to solicit feedback and address needs annually. Survey types (digital and handout) to be identified and tailored specific to the platform, e.g. PCE website link vs handout at a demonstration or tour to be created and coordinated by Consultant Team for PCE input prior to finalizing.
- d. Awards Recognition: Three years, 2021, 2022 and 2023
- e. Call for Entries promotional plan, including messaging and media kit to be shared with PCE and Consultant Team's promotional partners
- f. Social media broadcasts by Consultant Team to propel all items above
- g. Success Metrics collection: Continuously as events occur
h. Success Metrics Executive Summary Report: delivered annually at end of calendar year adding cumulative years to the yearly reporting: 2020, 2021 and 2022 and at end of contract term

3. Part B: Induction Cooking Consumer Engagement:

3.1 Demonstrations:

Consultant will partner with other relevant organizations to coordinate and facilitate the following live demonstrations, when such opportunities become available again:

- a. Local San Mateo Farmer's Markets, Electrification Fairs and Community Centers, locations to be coordinated with PCE: 1 per quarter
- b. Demonstrations with Partners in local high-end appliance showrooms, as influencers for higher-end consumers, architects and designers, such as the Riggs Showroom in Burlingame and other San Mateo County appliance showrooms (AA Kitchen Appliance, Atherton Appliance and Kitchens, Davies Appliance, CG Appliance and Castle Kitchen and Bath) for a total of 3, one per year

3.2 Hands-On Induction Cooking:

- a. Frontier Energy's Food Service Technology Center (FSTC), part of the Consultant Team, will work with Consultant, PCE, the County of San Mateo, San Mateo County Energy Watch, PG&E and other applicable organizations to facilitate and deliver Hands-On demonstrations of full-size residential and commercial induction equipment at the Frontier Energy Food Service Technology Center: 1 per quarter
- Hands-On Induction training at Community Centers, Schools and other locations to be coordinated with PCE with 4-5 portable, low-wattage, induction cooking units to provide live, chef-led, cooking classes: 2 per year
- c. Induction Loaner Program: Referring in our Part B engagement to an existing loan program to connect the appropriate customers with relevant hardware and resources to take advantage of existing and operating Induction Loaner Programs.

3.3 Consumer Information about Induction Cooking:

- a. To augment and promote the induction demonstrations and outreach, Frontier Energy will create one, two-page, graphic-rich, consumer facing handout and, when in-person events become possible, will print 1,000 copies for distribution.
- b. Consultant will create an original Virtual Tour featuring the Food Service Technology Center
- c. Consultant will provide additional Video Collateral: e.g., Recorded presentations previously delivered

3.4 Success measurement, including specific metrics for each of items 3.1 through 3.3 above:

- a. Success will be measured annually based on:
 - i. Participation (number of people) in demonstrations, training and events with a target of 325 participants annually
 - ii. Number of people borrowing cooking equipment as a result of third party programs, if possible, and, if possible, the number of people borrowing cooking equipment as a result of learning about it through PCE's Building Electrification Awareness Program.
 - iii. The quantity of downloaded or viewed collateral from the PCE website page (see item 3.5a. below) will need to be tracked by PCE.

- iv. Survey feedback from participants, including whether they learned something new, plan to take action, information that would help them and suggested improvements
- b. The metrics from item 3.4a above will be compiled into a report that will be provided to PCE annually and will inform the Consultant team as to areas of iterative improvements and refinements required to propel momentum over the 3-year duration.
- c. Suggested refinements from item 3.4b above will be discussed with PCE prior to incorporating.

3.5 Deliverables:

- a. The following links and collateral will be provided to be shared on PCE's Building Electrification Awareness Program (BEAP) website page:
 - i. Virtual Induction Training videos and Virtual Food Service Technology Center Tour video within the first 3 months of Effective Date
 - ii. Promotional and training collateral material in PDF form
 - iii. Links to additional Video Collateral such as recorded presentations previously delivered and links to Frontier Energy's training demonstration videos, live and recorded.
 - iv. Online survey to solicit feedback and address needs annually. Survey to be created and coordinated by Consultant Team for PCE input prior to finalizing.
- b. Printing and distribution of 1,000 copies of promotional and training collateral (3.3a above) will occur at a time when in-person tours, trainings and demonstrations are possible.
- c. Social media broadcasts by Consultant Team to propel all items above
- d. Success Metrics collection: Continuously as events occur
- e. Success Metrics Executive Summary Report: delivered annually at end of calendar year adding cumulative years to the yearly reporting: 2020, 2021 and 2022 and at end of contract term

Task/Deliverable	Due Date
1.1 Parts A & B: Kickoff	Within 1 month of Effective Date
1.2 Parts A & B: Kickoff Deliverables	Within 1 month of Kickoff Meeting
2.1 Part A: Call for Entries	Within 1 month of Kickoff Deliverables to
	allow time to coordinate awards platform (and
	Call for Entries Deadline Date), finalizing the
	Call for Entries Template and time for PCE to
	create and populate website with Kickoff
	Collateral and Call for Entries link; then
	ongoing with deadline updated annually
	relative to Awards Platform
2.2 Part A: Database Update	Ongoing, as appropriate
2.3 Part A: Tours	Starting 2-3 months prior to Awards Platform
2.4a Part A: Jury of Submissions	2 months prior to Awards Platform
2.4b Part A: Awards	Annually based on selected Awards Platform
	and Awards dates during Contract Duration
2.5 Part A: Success Measurement	Annually at year's end: Delivered by
	December 31st of each year within Contract
	Duration and at end of contract term

4. 2.0 PROJECT SCHEDULE: Please refer to 'For Reference' Attachment A

3.1 Part B: Demonstrations	Ongoing, as appropriate
3.2 Part B: Hands-On Induction Cooking	Ongoing, as appropriate
3.3 Part B: Consumer Information about	Handout/PDF within 2 months of Effective
Induction Cooking	Date; Virtual Tour within 3 months of
	Effective Date; Recorded and Live
	demonstration training ongoing, as
	appropriate
3.4 Part B: Success Measurement	Annually at year's end: Delivered by
	December 31st of each year within Contract
	Duration
4.0 Parts A & B: Messaging and Media	At completion of PCE's website page there
	will be a focused blast, then at milestones to
	align with tours, demonstrations and training

Exhibit B – Fee Schedule and Terms

In consideration of the services provided by Contractor described in Exhibit A and subject to the terms of the Agreement, PCEA shall pay Contractor based on the following fee schedule and terms:

- 1. Contractor shall bill PCE no more than monthly, except for the first payment following contract execution.
- 2. Administrative, project management and report tasks, except as defined below shall be billed on time and materials basis.
- Event tasks including virtual and in-person tours and demonstrations as well as new video production shall be billed on a per item fixed cost as detailed in the schedule below.
- 4. Total payments under this agreement shall not exceed \$300,000.

Event	Billing Basis				
Contract Execution	C20,000 advance against monthly invoises				
Contract Execution	\$30,000 advance against monthly invoices				
Monthly Invoice	Task 1.1: not billable				
	Tasks 1 2 2 1 2 2 2 3 2 4 2 5 2 6 (except				
	for Task 2.6 a v) $3.2c_{1}3.4$; time and materials				
	Task 2.6av: fixed cost of \$6,000 per virtual				
	tour				
	Task 3.1: fixed cost of \$2,500 per event				
	Tasks 3 2a and 3 2b; fixed cost of \$3 000 per				
	ovent				
	Table 2.2a + 2.2a, and time fixed each of				
	Tasks 3.3a + 3.3c: one-time fixed cost of				
	\$15,000				
	Task 3.3b: \$5,000 fixed cost per original video				

Payment Schedule

Exclusions:

- 1. Maintenance or setup of the PCE Building Electrification Awareness Website Page
- 2. Printed collateral aside from that detailed in Section 3.5b above.
- 3. Cost of plaques or awards certificates.
- 4. Induction cooking equipment disclaimer or waiver including liability clause.

Rate Schedule

Group	Staff Role	Rate (\$/hour)	
Gelfand Partners Architects	Managing and Design	\$210	
	Principal		
	Principal Architect	\$210	
Bright Green Strategies	Director of Sustainability	\$200	
New Buildings Institute	Project Manager 1	\$150	

Program Director	\$240
Comms Manager	\$125
Project Manger 2	\$150
Comms Director	\$240
Senior Project Manager	\$175



PENINSULA CLEAN ENERGY JPA Board Correspondence

DATE: July 2, 2020 BOARD MEETING DATE: July 23, 2020 SPECIAL NOTICE/HEARING: None VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Executive Committee

- **FROM:** Jan Pepper, Chief Executive Officer, Peninsula Clean Energy Rafael Reyes, Director of Energy Programs
- SUBJECT: E-Bike Three Year Program

RECOMMENDATION

Approval of the proposed E-Bike Rebate Program for a total of \$300,000 over three years.

BACKGROUND

Peninsula Clean Energy's mission is to reduce greenhouse gas (GHG) emissions in San Mateo County. California's goal is to be carbon neutral by 2045, which PCE aims to support through investment in local community programs. In September 2018, the Board approved the PCE Program Roadmap, which identifies programs for 2019 and beyond including transportation electrification measures, such as new and used vehicle purchase incentives, a multi-year electric vehicle (EV) infrastructure program, fleets, and shared mobility such as ride-hailing and other alternatives.

Transportation emissions are the most significant challenge to deep decarbonization in San Mateo County. These on-road emissions account for 61% of direct emissions within the County and are still increasing. Half (54%) of transportation emissions are from personally owned vehicles such as sedans, light-duty trucks, and SUVs.

E-bikes are a growing transportation mode and often replace trips that would otherwise be taken by cars¹. E-bikes utilize a battery powered motor to assist riders, making it

¹ A study by CalBike showed that e-bikes replaced cars between 33-50% of the time. <u>https://www.calbike.org/wp-content/uploads/2019/02/A-North-American-Survey-of-Electric-Bicycle-Owners.pdf</u>

easier to travel farther and less strenuous to navigate hills and transport children or heavier items thus improving accessibility to daily commuters, parents, and seniors.

The proposed three-year program provides a rebate to reduce the upfront cost of ebikes to customers with lower incomes and partners with Commute.org to encourage ongoing use of e-bikes as a clean commute alternative.

DISCUSSION

The PCE Program Roadmap outlines transportation electrification measures to contribute to community benefits and reduce GHG emissions. This proposed program expands the personal vehicle electrification track to also include e-bikes, in addition to PCE's other electric vehicles programs.

The proposed E-bikes Rebate Program spans three years for a total budget of \$300,000 and is designed to focus on customers with low to moderate incomes. The cost range of a modern more-affordable e-bike is typically between \$700 to \$2,000 with higher end models costing considerably more, providing a significant upfront barrier to more widespread adoption. The proposed program includes a rebate of up to 80% of the cost of an e-bike with a cap at \$800 per bike, which provides for an estimated 300 bikes over the three-year program term. This rebate amount is higher than a similar program recently launched by Redwood Coast Energy Alliance (a \$500 rebate²). However, given that PCE's proposed program is targeted to customers with lower incomes instead of a broadly available program, there is an increased need for a higher incentive. The incentive may be adjusted over the course of the program based on response.

These rebates would be redeemable in person at bike shops in San Mateo County and neighboring jurisdictions and online bike sellers. PCE plans to encourage sales via local bike shops and to negotiate additional discounts by stores. In addition, PCE will encourage stores to offer the PCE rebate as a point of sale discount to pre-qualified customers (additional details on qualification outlined below). PCE would then reimburse the bike shops for the rebate amount passed on to the customer by the shops. By facilitating a point of sale discount, buyers are provided with the convenience of paying a lower amount right away instead of waiting to receive a mail in rebate and the bike shops benefit through increased sales. For some customers, an online purchase may be preferable. In general, online sales provide significantly better pricing (typically \$700-1000 per bike vs. \$1400 - \$1800 for store bought) and some bikes are only sold online. Also, residents may prefer online sales due to the pandemic. In these instances, PCE plans to provide a pre-qualification voucher to the customer and then mail a rebate after the customer purchases their bike.

Eligibility is limited to customers with low to moderate incomes and PCE plans to prequalify customers so that they can redeem a rebate at an in-person bike shop or to receive a post-purchase rebate after an online sale. The proposed income-eligibility cutoff is

² <u>https://redwoodenergy.org/services/transportation/electric-bikes-rebate/</u>

400% of the Federal Poverty Level, consistent with other rebate programs such as the Clean Vehicle Assistance Program. PCE will seek to streamline the pre-qualification application as much as possible, including utilizing other programs such as participation in California Alternate Rates for Energy Program (CARE) or Family Electric Rate Assistance Program (FERA), the CalFresh nutrition assistance program, or residency in an Affordable Housing program (such as MidPen Housing residents) as an automatic qualification. Applicants will be required to submit evidence of participation in these programs, proof of income, or other verification such as proof of unemployment claims. In addition, rebates will be limited to a maximum of one per residential address.

A solicitation and enrollment process will be utilized by PCE to qualify bike shops for participation and to select which bikes would be eligible for the program. Staff intends to include models that are the most affordable and utilitarian in nature in order to serve transportation and commuting needs rather than recreational needs. To be eligible, bikes need to be new and have a retail price less than \$1,800. Local bike shops will be encouraged to expand their offering to include more-affordable bikes for this program, when possible. Bike shops and online retailers will be encouraged to provide an additional discount to further reduce the price. Further, PCE staff are exploring other financing and discount mechanisms to alleviate the upfront cost burden to customers. Based on preliminary discussions with bike shops, PCE staff anticipates securing discounts of 5-10%. Current high demand for e-bikes and the low volume of this program make larger discounts through "bulk purchase" mechanisms less feasible at this time. However, it may be possible to explore "bulk purchase" alternatives in the future if the program is expanded.

The proposed E-bike Rebate Program would also seek to partner with Commute.org, San Mateo County's public agency whose mission is to reduce drive-alone commuting throughout the County. Commute.org is proposing a follow-on incentive (typically gift cards) to encourage recipients to regularly utilize their bikes. These rewards are provided after bike trips are logged on an online platform run by Commute.org and specific milestones are met. This partnership provides further encouragement and motivation for customers to keep biking after the initial purchase.

PCE staff envisions that outreach partnerships will play a key role in promoting the program to customers. The budget for this program includes \$60,000 over three years designated for the Silicon Valley Bicycle Coalition (SVBC) to provide community outreach and promotion, education, and bicycle safety training courses to customers in connection with this program. The scope of the marketing budget allows for up to eight events per year, including online or in-person safety classes and group bike rides, as well as general outreach and promotional campaigns such as an e-bike giveaway contest. SVBC also has extensive connections with the Affordable Housing community, shown in their recent work promoting the Bike Share for All program to income-qualifying residents, which will be vital in rolling out the program. Additional community partnerships through service organizations such as Peninsula Family Service and Puente De Costa Sur will also be explored.

To evaluate program success, PCE staff intends to capture several key metrics. These will include the overall amount of rebates (both for online and in-person retailers) and utilization rate, customer satisfaction (collected via surveys), performance and utilization (collected via trailing surveys and the partnership with Commute.org), and other supporting indicators to be determined by PCE staff.

Following Board approval in July 2020, PCE staff aims to have the program launched by fall.

FISCAL IMPACT: Up to \$300,000 over three years.

RESOLUTION NO.

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

CALIFORNIA

* * * * * *

RESOLUTION APPROVING E-BIKES PROGRAM IN THE AMOUNT OF \$300,000 OVER THREE YEARS

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

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

WHEREAS, electric powered bicycles ("e-bikes") have the potential to reduce

greenhouse gas emissions by replacing car trips and provide low cost mobility; and

WHEREAS, the high upfront cost of e-bikes provides a disproportionate burden on customers with low to moderate incomes; and

WHEREAS, the combination of a Peninsula Clean Energy funded purchase rebate, outreach and education, and other trailing incentives can help further facilitate the adoption and utilization of e-bikes in the community; and

WHEREAS, Commute.org, San Mateo County's congestion mitigation agency, is offering additional incentives for residents who utilize and record trips taken by e-bike; and WHEREAS, Peninsula Clean Energy has identified partners to support outreach and education for bicycle programs to residents with low to moderate incomes; and

WHEREAS, electrifying all powered modes of transportation to reduce greenhouse gasses is part of PCE's program roadmap as approved by this Board.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the

Board approves the allocation of \$300,000 for the funding of purchase rebates, outreach, and education over three years for an e-bikes program.

* * * * * *

Staff report, CAC Liaison 2020.07.23

To: Board of Directors, Peninsula Clean Energy From: Jeff Aalfs, Chair, Board of Directors: Subject: appointment of Board Liaison(s) to the Citizens Advisory Committee Request: that the Board delegate appointment of a CAC Liaison and Alternate Liaison, drawn from Board members, on a quarterly or annual basis.

Discussion:

As you know, at our last meeting, we accepted a change to the CAC charter, calling for the Board to formally appoint one or more members as liaisons to the CAC. For the past two years, I have been attending CAC meetings as the informal Board liaison. I think my presence has been helpful to the CAC, and that they would benefit from having regular Board representation.

The next step is to appoint a Board member (or members) as liaison(s). My suggestion is that the Board delegate the Liaison appointments to the Board Chair, following a schedule. There are a few options for this appointment:

- 1. The Board Chair serves as liaison with the Vice-Chair as alternate
- 2. Chair appoints a single liaison from the Board (not necessarily the Chair) and a single alternate liaison on an annual basis
- 3. Chair appoints liaison and alternate, rotating quarterly.

There are pros and cons of each arrangement:

Option 1: Board Chair as Liaison, Vice-Chair as liaison

Pros: the liaison is an active, connected Board member who will be informative to the CAC and in a position to advance their concerns as needed.

Cons: acting as liaison is an extra time commitment to a position that already involves a fair amount of work beyond typical Board Member work.

Option 2: Single Liaison and Single Alternate, annual appointment

Pros: provides continuity for CAC interaction. A non-chair Board member may be more available to the CAC.

Cons: The liaison and alternate could be less active with the Board and not as effective in advocating for the CAC

Option 3: Single Liaison and Alternate, appointed quarterly

Pros: involves more board members, divides up work among them Cons: loss of continuity in CAC-Board interactions. All things considered, I would lean toward Option 2. The Board Chair will need to maintain oversight of the liaison, and can always appoint someone new as needed. Whatever arrangement the Board agrees on, I encourage more Board members to sit in on CAC meetings when they can; the discussions are useful and I think with more input, we can continue to find more and better ways for the CAC to contribute to Peninsula Clean Energy.



PENINSULA CLEAN ENERGY AUTHORITY Board Correspondence

DATE: July 10, 2020 BOARD MEETING DATE: July 23, 2020 SPECIAL NOTICE/HEARING: None VOTE REQUIRED: None

- **TO:** Honorable Peninsula Clean Energy Authority (PCE) Board of Directors
- **FROM:** Citizens Advisory Committee and Kirsten Andrews-Schwind, Senior Manager of Community Relations
- **SUBJECT:** Review Peninsula Clean Energy Citizens Advisory Committee (CAC) Work Plan

BACKGROUND:

At the PCE Board of Directors' Strategic Planning Retreat on January 11, 2020, several Board members suggested that the CAC create an annual work plan as a way to further engage Committee members. The CAC discussed their priorities and work planning process at their meetings on February 13 and April 9, 2020, and formed a Work Planning Working Group on April 9 consisting of Allen Brown, Michael Closson, Janet Creech, Scott Harmon, and Jason Mendelson. Committee member Morgan Chaknova joined the Work Planning Working Group in May. The Working Group met on April 22 and April 29, 2020 and created two draft documents: Recommendations for CAC Operational Improvements (the "Recommendations") and Peninsula Clean Energy Citizens Advisory Committee (CAC) 2020 Work Plan (the "Work Plan"). The Recommendations were brought to the Board and approved at their meeting on June 25, 2020. The Work Plan was discussed by the CAC at their meetings on May 14, June 11, and July 9. The Work Plan was edited and approved by the CAC at their meeting on July 9 and is included as Attachment 1 to this memo. The CAC intends for this document to be provided to new members during the onboarding process and moved to bring the Work Plan to the Board for discussion and feedback.

Discussion:

At their meeting on June 25, 2020, the Board approved three recommendations that were brought to them by the CAC. The recommendation below is particularly relevant to the attached Work Plan:

A.1. Add a sixth item to CAC's objectives: "Form working groups, as determined by the CAC membership, to assist PCE's staff and Board with projects of importance to the organization."

Although forming working groups was not a formal CAC objective until recently, CAC members have formed working groups in the past to assist staff on projects. One example of this includes the Reach Codes Working Group. A list of CAC working groups starts on page four of the attached Work Plan. This list builds off of and reorganizes existing working groups, and also includes specific tasks for working groups to work on. All tasks and staff liaisons within this list were suggested by PCE staff.

Attachments:

1. Peninsula Clean Energy Citizens Advisory Committee Work Plan

Peninsula Clean Energy Citizens Advisory Committee Work Plan

Approved by the Citizens Advisory Committee July 2020

Goal: Make it easy for CAC members to align with PCE staff priorities and get involved in driving PCE strategic initiatives

How to use this document (for CAC): Review list, let Chair and staff liaisons know which area you're interested in

How to use this document (for PCE staff): See list of CAC members interested in active engagement OR with expertise to leverage for each area

Brown Act reminder: Communication with fellow CAC members pursuant to this Work Plan should be done in compliance with the Brown Act; please direct questions to staff/County Counsel

Guiding Principles

- Minimize CAC impact on using staff resources
- Ensure CAC members feel fully engaged and utilized if they have interest and bandwidth
- Ensure PCE Staff and Board understand how to leverage CAC in a way that is useful and drives PCE strategic priorities

CAC Role & Responsibilities

Current Objectives

- Act as liaison to community
- Provide feedback on PCE policy and operational objectives
- Engage in outreach to community, including encouraging ratepayers to opt up to Eco100 and implement other carbon reducing practices
- Assist w/ legislative advocacy in conjunction w/ staff and board
- Provide forum for community discussions on wide variety of strategies to reduce carbon emissions in conjunction w/ staff and board
- Form working groups, as determined by the CAC membership, to assist PCE's staff and Board with projects of importance to the organization.

PCE Strategic Goals as of 2020

The CAC will support and align its work with these goals.

MISSION: To reduce greenhouse gas emissions by expanding access to sustainable and affordable energy solutions

VISION: A sustainable world with clean energy for everyone

Organizational priorities:

- By 2025, deliver 100% renewable* energy each and every hour of the day
- Contribute to San Mateo County reaching the state's goal to be 100% greenhouse gasfree by 2045

More information on PCE's strategic plan can be found on PCE's website: <u>https://www.peninsulacleanenergy.com/strategy/</u>

*Renewable energy is defined as resources that meet California's renewable portfolio standard, excluding biomass.

Process for CAC to Engage with PCE Staff

- 1. CAC members identify areas of expertise, interest, and available bandwidth
 - a. For example:
 - i. I am an architect
 - ii. I am interested in building electrification
 - iii. I want to get involved with the established sub-committee working group (formerly reach codes focus)
 - b. Figure out what else is happening across PCE (and maybe even broader CCA/environmental world)
 - c. Perhaps propose a new idea myself
 - d. All depending on bandwidth + interest from staff
- 2. CAC members interested in further engagement evaluate PCE staff/CAC proposed 2020 work plan

Categories of work across PCE (need CAC leads for each):

- a. Transportation
 - i. EV program
- b. Buildings
 - i. Outreach
 - ii. Low-income
 - iii. Tech pilot
- c. Education
 - i. Science fair awards
 - ii. Internships
 - iii. Curricula for teachers (Janet)
 - iv. Dashboards
- d. Workforce

- i. Workforce development in electrification
- e. Resiliency and DER
 - i. Outreach
- f. Legislative & Regulatory
 - i. Promote policies
- 3. Communicate to Chair or staff liaisons area of interest
 - a. If existing group, Chair or staff liaisons connect CAC member to CAC member lead
 - b. If new area, identify appropriate next steps (new working group? Get sign off with staff lead for working area, and staff support required)
- 4. CAC working group lead and staff lead connect and establish the way to work together productively
 - a. Reach code group w/ Rafael available as proven working model, monthly meetings + individual action
- 5. Refine/improve as needed

CAC Working Groups formed/updated July 2020

Focus	Task	PCE Dept	Staff Liaison	CAC members	
Transpor- tation	Help promote EV engagement strategies, leverage networks and relationships with community groups	Marketing	KJ, Jerry	Lead: Janelle London Other Members: Tim Bussiek, Ray	
	Help generate ideas for promoting participation in e-bike programs	Marketing	Phillip, KJ, Jerry	Larios	
Building Electrification	Reach code advocacy	Programs	Rafael	Lead: Diane Bailey	
	Heat pump water heater and electrification outreach to assist with promotion and buy-in with other enviro groups	Marketing	KJ, Jerry	Other Members: Steven Booker, Jason Mendelson, Ray Larios, Janet	
	Support development of programs for low-income residents	Programs	Alejandra	Creech	
	Participate in tech pilot "assessment team"	Programs	Alejandra		
Education	Continue & build upon existing education programs (science fair awards, internship programs, dashboards, curricula)	Outreach	TJ	Lead: Janet Creech Other Members: Katie Green, Joe Fullerton, Steven Booker, Allen Brown, Desiree Thayer	
Work Force	Assist with programs for work force development in electrification	Programs	Rafael	Lead: Joe Fullerton	
	Advise on grant program	Programs	Rafael	Other Members: Diane Bailey, Steven Booker, Ray Larios	
Resiliency & Distributed Energy	Promote participation in resilience programs	Marketing	Kirsten, Jerry	Lead: Michael Closson Other Members:	

Resources (DER)	Research life cycle of existing renewable technologies including solar, wind, and lithium-based energy storage.	Energy Resources	Peter L.	Allen Brown, Joe Fullerton, Jason Mendelson	
	Explore trends in long-duration batteries, alternative forms of energy storage, distributed geothermal resources, and distributed biogas/ anaerobic digestors; provide summary of technologies, qualitative costs and benefits, and potential barriers to adoption	Energy Resources	Siobhan or Peter L.		
	Support local sourcing of generation and distributed energy resources	Energy Resources	Siobhan or Peter L.		
Legislative & Regulatory	Assist in timely advocacy and participate in promoting policies to support CCAs	Leg/Reg	Joe or Jeremy	Lead: Desiree Thayer Other Members:	
	Support reach code advocacy as needed (Building Electrification group has primary responsibility)	pport reach code advocacy as Programs eded (Building Electrification oup has primary responsibility)		Steven Booker, Jason Mendelson, Katie Green, Ray Larios	
PCE Strategic Priorities	Continue to respond to issues raised by the organization. For example: Diablo Canyon, Central Valley, Resiliency, Storage	All	Kirsten, Jan	Lead: Tim Bussiek Other Members: Michael Closson Janet Creech	
	Explore options for future of ECOplus and ECO100	Marketing	KJ	Desiree Thayer	
General Marketing/ Outreach	Explore potential op-ed pieces (which Peninsula Clean Energy can help ghostwrite and pitch) to support building electrification and other programs	Marketing	KJ	Lead: Desiree Thayer Other Members: Tim Bussiek	
	Promote PCE messages, e.g. via social media	Marketing	Kirsten		
	Write blog posts on specific topics to support engagement in programs and initiatives	Marketing	КJ		

Equity	Equity working group to ensure	All	Kirsten	Lead: Ray Larios
	equity is a priority across all			Other Members:
	working groups and built into PCE			Diane Bailey,
	strategic priorities			Jason Mendelson,
				Katie Green



REGULAR MEETING of the Board of Directors of the Peninsula Clean Energy Authority (PCEA) Thursday, June 25, 2020 MINUTES

Peninsula Clean Energy Video conference and teleconference 6:30 p.m.

CALL TO ORDER

Meeting was called to order at 6:32 p.m.

ROLL CALL

Present: Carole Groom, County of San Mateo Carolyn Bloede, County of San Mateo Jeff Aalfs, Town of Portola Valley, Chair Rick DeGolia, Town of Atherton, Vice Chair Julia Mates, City of Belmont Clay Holstine, City of Brisbane Donna Colson, City of Burlingame John Goodwin, Town of Colma Roderick Daus-Magbual, City of Daly City Carlos Romero, City of East Palo Alto Catherine Mahanpour, City of Foster City Laurence May, Town of Hillsborough Catherine Carlton, City of Menlo Park Ann Schneider, City of Millbrae Deirdre Martin, City of Pacifica Ian Bain, City of Redwood City Michael Salazar, City of San Bruno Laura Parmer-Lohan, City of San Carlos Rick Bonilla, City of San Mateo Flor Nicolas, City of South San Francisco Daniel Yost, Town of Woodside Pradeep Gupta, Director Emeritus John Keener, Director Emeritus

Absent: City of Half Moon Bay

Staff:Jan Pepper, Chief Executive OfficerAndy Stern, Chief Financial OfficerRafael Reyes, Director of Energy ProgramsPhillip Kobernick, Programs ManagerJoseph Wiedman, Director of Legislative and Regulatory AffairsKJ Janowski, Director of Marketing and Community AffairsKirsten Andrews-Schwind, Senior Manager of Community RelationsMichael Arnaldo, Digital Marketing SpecialistSiobhan Doherty, Director of Power ResourcesDavid Silberman, General CounselShayna Barnes, Administrative AssistantAnne Bartoletti, Board Clerk/Office Manager/Executive Assistant to the CEO

A quorum was established.

SWEARING IN OF NEW BOARD MEMBERS

David Silberman—General Counsel—presided over the official swearing-in of Carolyn Bloede, Director of the Office of Sustainability, and the new Alternate for the County of San Mateo.

PUBLIC COMMENT:

Drew, Mid-Peninsula Resident

ACTION TO SET THE AGENDA AND APPROVE CONSENT AGENDA ITEMS

Motion Made / Seconded: May / Martin

Motion passed 18-0 (Absent: Half Moon Bay, San Bruno, San Mateo. Abstain: County of San Mateo)

REGULAR AGENDA

1. CHAIR REPORT

Jeff Aalfs—Chair—reported that he is preparing the performance review of the Chief Executive Officer, and he announced there will be a closed session at the July meeting.

2. CEO REPORT

Jan Pepper—Chief Executive Officer—introduced Carolyn Bloede, the new Director of the County of San Mateo Office of Sustainability. Jan provided an update on staffing, the impact of COVID-19 on Peninsula Clean Energy's (PCE) load, and the implementation of the strategic plan. Jan reported that PCE presented to the Los Banos City Council on June 3, 2020, and the City Council voted unanimously to move forward with a technical study to evaluate the benefits of community choice energy for their community and possibly joining Peninsula Clean Energy.

3. CITIZENS ADVISORY COMMITTEE REPORT

Desiree Thayer—Chair—reported that the Citizens Advisory Committee (CAC) swore-in three new members and recognized three outgoing members. She reported the Committee reviewed the new CAC attendance policy and spent the majority of their meeting on operational improvements and setting priorities.

4. AUDIT AND FINANCE COMMITTEE REPORT

Donna Colson—Chair—reported that the Committee reviewed ESG (Environmental, Social, and Governance) data relating to PCE's investment portfolio, and reviewed the Fiscal Year 2020-2021 budget.

5. APPROVE FISCAL YEAR 2020-2021 BUDGET

Andy Stern—Chief Financial Officer—reported that the budget was reviewed in detail with the Audit and Finance Committee, and that the Committee approved a resolution recommending that the Board approve the Fiscal Year 2020-2021 budget with total operating expenses not to exceed \$225,642,453.

Andy reviewed key assumptions including projected rates, PCIA, energy prices, PPA (Power Purchase Agreement) contracts, and programs, and he reviewed the impact of COVID-19 on projected load, revenues, cost of energy, net position, and unrestricted days cash on hand. Andy also presented a revised 5-year plan. Board members discussed projections, PCE's reserves, and ways that PCE could mitigate the impacts and unpredictability of COVID-19.

Motion Made / Seconded: Bonilla / Groom

Motion passed unanimously 21-0 (Absent: Half Moon Bay)

6. APPROVE CITIZENS ADVISORY COMMITTEE RECOMMENDATIONS FOR OPERATIONAL IMPROVEMENTS

Desiree Thayer reported that the CAC Work Planning Working Group developed recommendations for operational improvements, and she reviewed three recommendations that require Board approval, including forming CAC working groups to work with staff and the Board, appointing a Board liaison to the CAC, and involving CAC members in the process of filling open CAC positions.

Board members discussed the expertise of CAC members, staff workload, previous projects where CAC members assisted staff, and staff-identified topics around which the CAC could form working groups.

Motion Made / Seconded: Mates / Bonilla

Motion passed unanimously 21-0 (Absent: Half Moon Bay)

AUTHORIZE CHIEF EXECUTIVE OFFICER TO EXECUTE A DISTRIBUTED ENERGY STORAGE 7. AGREEMENT FOR RESILIENCE WITH SUNRUN, INC. AND ANY NECESSARY ANCIALLARY DOCUMENTS IN AN AMOUNT NOT TO EXCEED \$5,500,000 AND FOR A TERM FROM JANUARY 1, 2022 THROUGH DECEMBER 31, 2032

Siobhan Doherty—Director of Power Resources—reviewed results of a joint RFP (Request for Proposals) issued November 2019 by East Bay Community Energy, PCE, Silicon Valley Clean Energy, and Silicon Valley Power, for Resource Adequacy (RA) sourced from distributed solar+storage systems. Siobhan provided an overview of Sunrun, Inc., and reviewed contract terms, workforce development, and the marketing plan. Committee members discussed PCE's Workforce Policy, prevailing wage requirements, labor laws, and having PCE hire an auditor.

David Silberman reported that the contract provides for a right to audit in the Covenants, and the Records and Audit Rights section. He read the following contract sections into the minutes:

14.4 Covenants of Seller. Seller covenants to and for the benefit of Buyer that throughout the Delivery Term (unless another time period is specified):

(b) Seller will use reasonable efforts to ensure that all employees hired by Seller, and its Contractors, that will perform construction work or provide services at the Site related to construction of the Project are paid wages at rates not less than those prevailing for workers performing similar work in the locality as provided by applicable California Law, if any. Nothing herein shall require Seller or its Contractors to comply with, or assume liability created by other inapplicable provisions of any California labor Laws. Buyer agrees that Seller's obligations under this Section 14.4(b) will be satisfied upon the execution of a project labor agreement with the principal trade unions related to construction of the Project.

Article 17: RECORDS AND AUDIT RIGHTS

17.3 General Audit Right. Buyer has the right during normal working hours, and after reasonable Notice, to examine Seller's records to the extent reasonably necessary to verify (a) Seller's compliance with this Agreement (including Section 14.4), (b) the accuracy of any statement including the Portfolio Safety Plan or other documents that supplement this Agreement, and (c) any charge, or computation made pursuant to this Agreement. If such examination reveals any material inaccuracy, necessary adjustments shall be made promptly.

Jan Pepper read the following Appendix of the contract into the minutes:

APPENDIX XII

WORKFORCE DEVELOPMENT AND COMMUNITY INVESTMENT OBLIGATIONS

For Multifamily Projects, 90% of all workers employed on in support of the Projects by Seller or through Contractors shall be paid not less than the prevailing rate of wages for the appropriate craft, classification, type of worker and locality as determined by the Director of the State Department of Industrial Relations in accordance with Division 2, Part 7, Chapter 1 of the California Labor Code, or as set out in the wage determination of the U.S. Secretary of Labor, whichever is higher.

Seller shall make commercially reasonable effort to: Cause San Mateo County residents to provide at least 50% of the work hours associated with the construction, operation, and maintenance of the Projects; hire graduates of state-certified apprenticeship training programs,

such as Cypress Mandela and Rising Sun Energy Center, in support of the construction, operation, and maintenance of the Projects.

For Single-family Projects, Seller will use reasonable efforts to ensure that employees hired by Seller, and its Contractors, that will perform construction work or provide services at the Site related to construction of the Project are paid wages at rates not less than those prevailing for workers performing similar work in the locality as provided by applicable California Law, if any. Nothing herein shall require Seller or its Contractors to comply with, or assume liability created by other inapplicable provisions of any California labor Laws.

PUBLIC COMMENT:

Drew, Mid-Peninsula Resident

Motion Made / Seconded: Groom / Carlton

Rick Bonilla proposed an amendment to the motion, accepted by Carole Groom: Peninsula Clean Energy will hire a consultant to audit pursuant to Paragraph 17 Sunrun's compliance with the prevailing wage provision of paragraph 14 and ensure compliance with all labor laws.

Motion passed unanimously as amended 21-0 (Absent: Half Moon Bay)

8. AUTHORIZE CHIEF EXECUTIVE OFFICER TO EXECUTE A CONTRACT AMENDMENT TO AGREEMENT WITH TERRAVERDE ENERGY, LLC FOR DISTRIBUTED RESOURCE ADEQUACY CAPACITY REQUEST FOR PROPOSALS IN AN AMOUNT NOT TO EXCEED \$220,000 AND FOR A TERM THROUGH DECEMBER 31, 2021

Siobhan Doherty reported that this agenda item is related to the program that was just approved in Item 7, and she requested a contract amendment with TerraVerde Energy to support staff in evaluating RFP responses and administering the Distributed RA program. Siobhan reviewed the expansion of the scope of work included in the amendment.

Motion Made / Seconded: Bonilla / Mates

Motion passed unanimously 21-0 (Absent: Half Moon Bay)

9. APPROVE CONTRACT WITH CLEARESULT FOR BUILDING ELECTRIFICATION PROGRAM IN AN AMOUNT NOT TO EXCEED \$3 MILLION

Rafael Reyes—Director of Energy Programs—reviewed the Existing Building Electrification plan that was approved by the Board in May 2020, and reviewed the Heat Pump Water Heater (HPWH) program that is part of that plan. Rafael presented an overview of the objectives, scope of work, and budget of a contract to have CLEAResult administer the HPWH program.

PUBLIC COMMENT:

Kim Springer, Office of Sustainability

Motion Made / Seconded: Yost / Schneider

Motion passed unanimously 21-0 (Absent: Half Moon Bay)

10. REVIEW PRELIMINARY INTEGRATED RESOURCE PLAN (IRP) RESULTS

Siobhan Doherty presented background information on the Integrated Resource Plan (IRP) and reviewed the IRP submission process. Siobhan reviewed California's GHG (greenhouse gas) reduction goals and reported on the Reference System Portfolio (RSP) resources being used to meet those GHG reduction goals.

Siobhan reported that PCE is coordinating with three CCAs (Community Choice Aggregators) on modeling for the IRP, and she reviewed modeling requirements, IRP submission requirements, and next steps in the IRP process.

11. BOARD MEMBERS' REPORTS

Jeff Aalfs reported that he did not yet appoint a liaison to the CAC as he would like to present options at the next meeting. Ann Schneider announced that she was appointed to the California Statewide Commission on Recycling Markets and Curbside Recycling.

ADJOURNMENT

Meeting was adjourned at 9:11 p.m.



PENINSULA CLEAN ENERGY AUTHORITY Board Correspondence

DATE: July 8, 2020 BOARD MEETING DATE: July 23, 2020 SPECIAL NOTICE/HEARING: None VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

- **FROM:** Karen Janowski, Director of Marketing and Community Affairs & Leslie Brown, Director of Customer Care
- SUBJECT: Update on Marketing, Outreach Activities, and Customer Care

BACKGROUND:

The Marketing, Community Affairs, and Customer Care Teams are responsible for enhancing Peninsula Clean Energy's brand reputation, educating and engaging customers, driving participation in programs, and ensuring customer satisfaction. Tactics include community outreach, content creation and storytelling through owned (e.g. online, social media), earned (e.g. public relations), and paid media (advertising), schools engagement programs, and customer care.

DISCUSSION:

Power On Peninsula Resilience Program – Medically Vulnerable Residents

Outreach contract executed with Senior Coastsiders. Scope of work includes reaching out to residents with medical devices who live in high fire threat districts or areas that have been affected by 2 or more Public Safety Power Shutoff events. Senior Coastsiders will help residents to enroll in a variety of programs to assist them in gaining access to reliable and clean backup power during utility power outages. Eligible residents may apply to receive a donation of a portable backup battery from Peninsula Clean Energy, apply for assistance from other programs including disability disaster preparedness services, medical baseline program, and solar + battery rebate program.

Power On Pensinsula Resilience Program – Residential

Marketing kicked off planning for co-marketing with Sunrun of the Power On Peninsula residential resilience program that will offer solar + battery solutions to single family homeowners and multi-unit residential property owners.

Burlingame Water Bill Inserts

A letter from Jan Pepper is being inserted in all water bills to Burlingame residents for the current billing cycle (July through September 2020). The insert provides general information about Peninsula Clean Energy and invites residents to visit the Peninsula Clean Energy website to view our Community Impact Report. This is an experiment testing an alternative method of reaching our residents.

Nextdoor Contract Executed

Following a successful 6-month pilot period, Marketing has entered into a one-year agreement with Nextdoor, the social media platform for neighborhoods. This enables us to reach over 270,000 Nextdoor individual members (representing over half the households) in San Mateo County. We are in the process of adding geographic information system (GIS) shapefiles to our account. This will allow for more granular message targeting by smaller geographic areas such as cities and zip code areas.

Strategic Plan Published

The <u>strategic plan</u> was published on the Peninsula Clean Energy website on 6/30/20. A print version will be available when the time is right.

News & Media

Peninsula Clean Energy released two joint press announcements in the past month. One press announcement was a joint release with EBCE, SJCE, and SVCE and spoke out against the California Public Utilities' decision regarding resource adequacy. The other press release announced that our reach code initiative was named <u>as a finalist for</u> the Smart Electric Power Alliance's (SEPA) Power Players Award. Full coverage of Peninsula Clean Energy in the news can be found on our <u>News & Media</u> webpage.

ECO100 Statistics

Total ECO100 accounts at end of June:	5999
ECO100 accounts added in the month:	43
ECO 100 accounts dropped in the month:	34
Total ECO100 accounts at the end of May:	5990

Enrollment Statistics

Opt-outs slightly increased from May 2020 (30) to June 2020 (34). As of the end of June, the opt-out rate adjusted for move-in/move-outs is 2.64% and our overall participation rate is 97.18% of eligible accounts.

сітү 🝷	Eligible Ac 🔻	Total	Ŧ	TOTAL OPT OUT
ATHERTON INC	2,708	45		1.66%
BELMONT INC	11,957	318		2.66%
BRISBANE INC	2,544	53		2.08%
BURLINGAME INC	15,353	345		2.25%
COLMA INC	764	11		1.44%
DALY CITY INC	34,119	1209		3.54%
EAST PALO ALTO INC	7,925	316		3.99%
FOSTER CITY INC	14,826	309		2.08%
HALF MOON BAY INC	4,970	152		3.06%
HILLSBOROUGH INC	4,044	93		2.30%
MENLO PARK INC	15,825	250		1.58%
MILLBRAE INC	9,362	297		3.17%
PACIFICA INC	15,462	596		3.85%
PORTOLA VALLEY INC	1,683	112		6.65%
REDWOOD CITY INC	35,193	822		2.34%
SAN BRUNO INC	16,480	685		4.16%
SAN CARLOS INC	14,685	380		2.59%
SAN MATEO INC	44,467	1211		2.72%
SO SAN FRANCISCO INC	25,238	966		3.83%
UNINC SAN MATEO CO	24,561	731		2.98%
WOODSIDE INC	2,290	44		1.92%
Grand Total	304,456	8,945		2.94%
Adjusted Total	304,016	8,040		2.64%

Opt-Outs by City

Table reflects data as of 7/03/2020

In addition to the County of San Mateo, there are a total of 15 ECO100 cities. The ECO100 towns and cities as of July 8, 2020, include: Atherton, Belmont, Brisbane, Burlingame, Colma, Foster City, Half Moon Bay, Hillsborough, Menlo Park, Millbrae, Portola Valley, Redwood City, San Carlos, San Mateo, and Woodside.

The opt-up rates below include municipal accounts, which may noticeably increase the rate in smaller jurisdictions.

City	Active Accounts	ECO100 Opt-Up %
Atherton	2,657	2.11%
Belmont	11,624	1.57%
Brisbane	2,483	3.38%
Burlingame	14,991	2.25%
Colma	753	3.98%
Daly City	32,996	0.27%

Active Accounts by City and ECO100 Opt-Up Rate

East Palo Alto	7,597	0.29%
Foster City	14,475	2.22%
Half Moon Bay	4,795	2.27%
Hillsborough	3,953	1.64%
Menlo Park	15,506	3.11%
Millbrae	9,065	1.19%
Pacifica	14,883	1.09%
Portola Valley	1,576	92.77%
Redwood City	34,310	2.09%
San Bruno	15,800	0.55%
San Carlos	14,300	2.13%
San Mateo	43,250	1.56%
So. San Francisco	24,296	0.44%
Uninc. San Mateo Co	23,662	2.34%
Woodside	2,240	2.54%
Grand Total	295,212	2.03%

Table reflects data as of 7/03/2020



PENINSULA CLEAN ENERGY AUTHORITY Board Correspondence

DATE: July 10, 2020 BOARD MEETING DATE: July 23, 2020 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, Manager of Regulatory Affairs Doug Karpa, Senior Regulatory Analyst Matthew Rutherford, Regulatory Analyst
- SUBJECT: Update on PCE's June and July Regulatory and Legislative Activities

SUMMARY:

Late June and early July were busy on the regulatory front as the latest rulemaking on integrated resource adequacy gets underway and we gear up to submit our second integrated resource plan to the PUC on September 1, 2020. Legislative activity has become more uncertain due to the impacts of the COVID-19 directly on the Legislature and the state. As reported last month, the Legislature was set to resume activity on July 13, 2020. Unfortunately, several Assembly members and dozens of staff have tested positive for the coronavirus. In response to this development, the Legislature remains in recess until July 27, 2020. While this development has disrupted the work of the legislature, we remain engaged so we can navigate any opportunities that emerge. As discussed in more detail below, PCE, as part of California Community Choice Association (CalCCA), a coalition of Community Choice Aggregators (CCA) or on its own behalf, submitted six pleadings at the California Public Utilities Commission (CPUC or Commission) or before other regulatory bodies in the state. PCE's regulatory and legislative team attended three stakeholder meetings over the last month.

DEEPER DIVE:

Regulatory Advocacy and Outreach

R. 17-06-026 – Power Charge Indifference Adjustment (PCIA) Rulemaking – On July 6, 2020, CalCCA filed an amicus brief with the California Court of Appeal regarding Commission Decision 18-10-019 which established the current methodology for calculating the PCIA. CalCCA's brief argued that the Commission overstepped statutory bounds by including the costs of utility-owned generation for cost recovery within the PCIA. CalCCA's basic argument

was that utility-owned generation was not included in the list of costs that are recoverable in the PCIA. Accordingly, the brief argues that the Commission did not interpret statutes correctly which lead to the erroneous inclusion of costs for utility resources. The brief also rejected the assertion made by certain parties before the court during their briefing that CCAs have acquiesced to the Commission's inclusion of these costs within the PCIA pointing out that CCAs did not exist at the time certain determinations about PCIA were originally made, that CCAs opposed the inclusion of utility-owned generation during the PCIA docket, and that the current case is the first opportunity stakeholders have had to seek review of the Commission's decision in the PCIA docket.

R.18-07-006 – **Affordability Rulemaking** – On June 4, 2020 the Commission issued a Proposed Decision adopting three metrics of affordability: The hours at minimum wage needed to pay utility bills, a census tract-based socioeconomic vulnerability index, and an affordability ratio, capturing what fraction of discretionary income is spend on utilities. In addition, the decision scopes Phase 2 to develop ways for the commission to use these measures in assessing the customer impacts of particular Commission decisions. On June 9, 2020 the Assigned Commissioner issued a scoping memo laying out in further detail the scope and schedule for the docket. Overall, the scope of the next phase will focus on implementation of the metrics established in the first phase. Further refinement and development of metrics and publication of an Affordability Report are also teed up. On June 24, 2020, CalCCA filed comments supporting implementation of the measures and supporting expanding scope for the use of metrics. Doug Karpa took a primary lead on drafting CalCCA's comments. On June 25, 2020, the PUC held the Proposed Decision (PD) until the July 16, 2020 voting meeting.

R.18-12-006 - Transportation Electrification Framework OIR - In February 2020, the CPUC Energy Division Staff released a draft Transportation Electrification Framework (TEF) designed to help create a framework for utility roles and priorities in how they should support California's clean transportation and climate goals. The Commission also issued a ruling setting a series of comment periods on the substance of the draft TEF. The final TEF is due in December of this year. PCE and other CCAs have been advocating actively throughout this process for the final TEF to recognize the role that CCAs should play in advancing these goals and that in fact their participation is crucial for success. On July 14, 2020, PCE filed comments on TEF sections related to Safety, Technology, and Standards that highlighted several items. First is a need for the TEF to recognize the value of low-cost charging solutions in achieving transportation and climate goals as well as equitable access to clean transportation. PCE also emphasized that CCAs are uniquely suited to direct effective workforce training in the electric transportation space, such as PCE's plans to implement training programs targeted at low-income communities. PCE also emphasized that the TEF should limit unnecessary costs associated with charging equipment installation by encouraging a more cost-effective and transparent utility interconnection process and by not prescribing safety standards that would not be appropriate for all types of transportation electrification programs.

R.19-09-009 – *Microgrids Rulemaking* – Matthew Rutherford attended two days of workshops at the Energy Commission concerning the continued development of programs to support commercialization of microgrids on July 7, 2020 and July 9, 2020. Joseph Wiedman, Leslie Brown and Dave Fribish participated a workshop hosted by Pacific Gas & Electric Co. to provide feedback related to the development of PG&E's Community Microgrids Enablement Program (CMEP). The CMEP was approved by the Commission last month to provide technical and financial support to communities developing microgrids. PG&E asked extensive questions about program design to tease out preferences for the program from the group.

R.19-11-009 - Resource Adequacy (RA) Rulemaking - On May 22, 2020, the assigned administrative law judge issued a Proposed Decision adopting local capacity obligations for 2021-2023, flexible capacity obligations for 2021 and making other refinements to the resource adequacy program. On June 11, 2020, CalCCA filed opening comments on the Proposed Decision. CalCCA noted many areas of agreement in the Proposed Decision. Specifically, CalCCA supported the proposed local and flexible capacity requirements and supported the formation of a working group to address local capacity issues among other issues. CalCCA recommended that the Commission adopt a waiver process for load serving entities who take commercially reasonable actions to procure system and flexible resource adequacy but fail to obtain these resources. This outcome would allow for waivers of system and flexible capacity requirements similar to the current waiver for local resource adequacy. CalCCA also advocated for changes to proposed penalties for shaped system resources and other compliance changes. On June 16, 2020, CalCCA filed reply comments. CalCCA continued to advocate for a waiver program for system and flexible RA. CalCCA also supported proposals to use project-specific profiles to determine the qualifying capacity of a hybrid resource (solar plus storage). CalCCA also advocated for changes regarding maximum cumulative capacity (MCC) buckets and testing requirements for demand response programs. The Commission voted out the decision on June 25, 2020 after extensive changes including on topics requested by CalCCA.

R.20-05-003 – Integrated Resource Planning (IRP) Rulemaking – On June 5, 2020, the assigned administrative law judge issued a ruling requesting comment on two items. The first is a proposed backstop mechanism that addresses when and how to determine that the procurement efforts of CCAs and electric service providers ("ESPs") who elected to self-procure have failed, and how investor-owned utilities ("IOUs") may be directed to conduct backstop procurement. The Ruling sets forth "trigger points" which are dates based on estimates of typical project development and contracting timelines for resource types relevant to Decision 19-11-016, which required all load-serving entities ("LSEs") subject to the Commission's IRP authority to procure their proportional share of 3,300 MW of resource adequacy capacity over a 3-year period beginning in 2021, and asks questions to parties based on those proposed trigger points. Second, the Ruling invited parties to make proposals for cost allocation mechanisms for backstop procurement. The ruling listed a detailed set of questions for parties to respond to in considering how to address cost allocation. The comments and proposals are due July 22, 2020. Doug Karpa is leading PCE's engagement on the effort in coordination with CalCCA. In addition, the ruling announcing the Prehearing Conference offered a proposal to switch to a three-year schedule for IRP with a potential timeline. In comments submitted July 6[,] 2020, CalCCA offered support for considering the proposal but raised concerns that the schedule incorporates several decision points for ordering procurement, which would not leave the CPUC adequate time to develop the record. The comments of parties will inform the development of the scope of the docket.

R.20-05-012 – Self Generation Incentive Program (SGIP) Rulemaking – On June 8, 2020, the Commission opened a new rulemaking to continue the Commission's management of the SGIP. On June 29, 2020, PCE joined Marin Clean Energy and East Bay Community Energy to submit comments on the new rulemaking. The three CCAs supported the identification of heat pump water heaters as an early area of focus. The CCAs noted that heat pump water heaters are an emerging technology that are underutilized and would benefit from coordinated support and incentives to mature the market. The CCAs also supported exploring how SGIP incentives could support market transformation in the renewable hydrogen sector. The CCAs also recommended that the Commission focus on three items: (1) review, evaluation, and further refinement of the newly created rules and requirements for the resiliency programs the SGIP funds; (2) development of a standard methodology for quantifying the true GHG reduction

benefits of SGIP and related programs; and (3) development of incentives for EV charging coupled with storage as a means to catalyze the market for these two technologies coupled together. The comments of all parties will be used to inform the scope of the docket.

Legislative Advocacy and Outreach

Legislative Calendar

The legislative calendar has once again been upended by the Coronavirus as two Assemblymembers tested positive, which has delayed the Legislature's return from its summer recess. Both the Senate and Assembly were scheduled to return to session on July 13 and commence policy committee hearings on bills from the other house, but the positive tests of Assemblymembers Autumn Burke (Marina Del Rey) and Tom Lackey (Palmdale) caused the Senate Pro Tem and Assembly Speaker to extend the recess until July 27. The July 27 return date creates a serious scheduling challenge for bills to move forward this session as the deadline for bills to pass out of policy committee is July 31. One week is an insufficient amount of time for all of the Legislature's various committees to meet and consider bills, and a reduction of bills is anticipated to reduce the number of required hearings. In addition, the policy committee deadline may also be extended but the legislative session concludes at midnight on August 31 meaning the deadline cannot be extended much.

Prior to each house recessing, the month of June was largely focused on the passage of the fiscal year 2020-21 state budget. Negotiations between the Legislature and the Governor continued past the June 15 deadline for the Legislature to pass a budget, but the two sides reached a final resolution. In addition, both houses voted on legislation that was presented on the respective floors of the Senate and Assembly to meet house of origin deadlines. Each house passed the majority of bills presented, including many of the energy bills PCE has taken a position on or is tracking.

Legislation

The Legislature's focus over the last month was largely concentrated on passing several constitutional amendments for consideration at the November ballot. These constitutional amendments covered topics from allowing voters who are 17 at the primary but turn 18 later in the year to vote in the primary election (ACA 4 (Mullin)), to allowing parolees to vote (ACA 6 (McCarty)), to allowing certain Californians to maintain their lower property tax rates after moving to a new home (ACA 11 (Mullin)). The most prominent proposed constitutional amendment is ACA 5 (Weber) which presents Californians with the option of restoring affirmative action by repealing Proposition 209 from 1996 that banned the practice. CalCCA is moving to a support position on the measure with a basis that it will provide more flexibility to CCAs to invest in communities of color and support diverse local businesses among other benefits.

Other notable actions over the last few weeks include:

 AB 1720 (Carrillo) - This measure is a "gut and amend" in which Assemblymember Carrillo completely removed the existing contents of the bill and amended in a new policy, which is another attempt to mandate long duration pumped storage (AB 2255 this year, AB 2787 in 2018 and SB 772 in 2019 were the others). The bill is already in the Senate from last year and has been referred to the Senate Energy committee, but it is unknown if and when a hearing on the bill will occur given the legislative calendar's uncertainty detailed above.

- AB 841 (Ting) Another gut and amend bill that seeks to legislate economic stimulus opportunities by authorizing the three IOUs to move forward with EV charging infrastructure development and school retrofit projects that are installed by the IOUs' labor unions. The measure would require the PUC to approve pending transportation electrification infrastructure applications from the IOUs as well as require the PUC to direct the IOUs to reallocate their EE budgets for school retrofit projects that would include HVAC and air filtration upgrades as well as replace noncompliant plumbing fixtures. This bill is coming from several labor unions.
- AB 1001 (Ting) A second gut and amend bill by Assemblymember Ting that seeks to make energy upgrades in schools. The bill would require the Energy Commission to administer a program to provide loans to school districts, county offices of education, and charter schools for school resiliency projects including installation of solar plus storage. This bill is being sponsored by the California Solar & Storage Association.
- AB 3256 (E.Garcia) The Assembly's version of the climate resiliency bond proposal, this bill would place a nearly seven-billion-dollars in general obligation bonds on the November 3, 2020 statewide ballot. Initially described as a climate resiliency proposal, the bill was recently amended and is now being labeled as an economic stimulus bond. The Senate has also proposed a similar measure, SB 45, which proposes \$5.5 billion. CalCCA supported the Senate version as it includes project and planning money specifically for local energy resiliency. PCE recently took a support position on AB 3256 after working with several CCA partners to put language in the measure to provide funds for microgrids and other clean energy backup projects. Both measures face a drop dead deadline of July 26 to be passed by the Legislature in order to be placed on supplemental voter information guides; the Legislature's extended summer recess until July 27 makes it impossible for either measure to succeed.
- SB 350 (Hill) The bill to create a contingency plan for PG&E passed both houses of the Legislature and was signed by Governor Newsom on June 30.
- SB 801 (Glazer) Along with SB 862 and SB 1312 (listed below), SB 801 is part of a
 package of bills introduced by the Senate to address some of the issues that surfaced
 during a Senate oversight hearing in November of 2019 on last year's PSPS events. The
 bill would require IOUs to provide backup power for certain customers receiving medical
 baseline allowance. The bill passed the Senate and is awaiting a hearing in the
 Assembly Utilities & Energy Committee.
- SB 862 (Dodd) This bill will allow PSPS events to be considered state of emergencies or local emergencies and therefore eligible for many of the programs and services that are available during and after such events. This bill also requires IOUs to include individuals with access and functional needs in their wildfire mitigation plans. The bill passed the Senate and is awaiting a hearing in the Assembly Utilities & Energy Committee.
- SB 1215 (Stern) Initially a comprehensive bill aimed at eliminating obstacles to deploying microgrids, many of the provisions in the bill were deleted during the Senate Committee on Energy, Utilities and Communications hearing on June 2nd. The most
significant amendment was the deletion of the section that would have allowed the owner of a microgrid to provide power to adjacent properties without being regulated by the CPUC. While the section was stripped from the bill, the committee encourage the author to continue working on this concept and hopefully come back to the committee with a new proposal at the end of the session. The bill still contains a provision requiring the CPUC to develop a database of critical facilities. CalCCA is currently working on suggested language that would require the IOUs to give CCAs access to necessary grid data to identify and facilitate the development of backup power to critical facilities. The bill passed the Senate and is awaiting a hearing in the Assembly Utilities & Energy Committee.

SB 1312 (McGuire) - The last of the Senate PSPS bill trifecta, this bill directs the CPUC to establish protocols that the IOUs must follow to trigger a PSPS event, creates a timeline for grid hardening by IOUs, and imposes fines for compliance failures. CalCCA supports this bill. The bill passed the Senate and is awaiting a hearing in the Assembly Utilities & Energy Committee.

Measure	Author	Summary	Status	Position
AB 56	Garcia	Allows the CPUC to authorize the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) to undertake procurement of electricity to meet the state's climate, clean energy, and reliability goals if the PUC makes specified findings. The newly formed authority would be permitted to procure electricity for customers of electrical corporations, community choice aggregators, and electric service providers to attain certain energy, environmental, economic, public health and public safety objectives.	Sen Energy	CalCCA: Oppose
SB 45	Allen	\$5.5 billion natural resources bond proposal for the Nov 2020 Statewide Ballot. The proposal contains \$570 million in resiliency funds that could be tapped by CCAs or member agencies for resiliency projects.	Asm Rules	CalCCA: Support
SB 350	Hill	PG&E contingency plan.	Chaptered	CalCCA: Watch
SB 378	Wiener	Proposes various consumer and local government protections from PSPS events triggered by IOUs. The bill requires certain IOU equipment reporting requirements, procedures for consumer and local government reimbursements, improved local agency notification requirements, and hefty fines for PSPS events that are deemed unreasonable by the PUC.	Asm Desk	CalCCA: Support

Bill Positions

SB 774	Stern	This bill would state the intent of the Legislature to enact later legislation to require the commission to develop and implement a program to deploy local clean energy generation and storage systems throughout California.	Asm Energy	CalCCA: Watch
SB 862	Dodd	Clarifies that the provisions of the Emergency Services Act apply to deenergization events as defined. The bill would also expand wildfire mitigation plan protocols for deenergization to address the needs of Access & Functional Needs (AFN) individuals, in addition to utility customers who receive a medical baseline allowance.	Asm Energy	CalCCA: Support
SB 1117	Monning	Eliminates a statutory conflict that results in residents of mobile home parks being charged the electrical corporation rate rather than the CCA rate.	Asm Energy	CalCCA: Support PCE: Support
SB 1215	Stern	Creates the Local Government Deenergization Resiliency Grant Program. Grants are for planning and deployment.	Asm Energy	CalCCA: Support, if Amended
SB 1312	McGuire	Directs CPUC to establish protocols that must be followed for an IOU to trigger a PSPS event. Establishes a timeline for grid hardening by IOUs. Establishes fines for compliance failures.	Asm Energy	CalCCA: Support

<u>State Budget</u>

Heading into final negotiations to resolve a \$54 billion shortfall (\$13 billion in the current fiscal year, \$51 billion in the out year), the Legislature and Governor were on different pages on cutting programs. The resulting budget delays most of the proposed cuts and increases borrowing with the hope that another stimulus package from the federal government will provide California with the needed revenue to avoid the cuts permanently. One of the more prominent provisions of the budget was a 10% pay cut to all state workers. With the revenue picture clearing up now that the July 15 tax filing deadline has come and gone and negotiations taking place in Congress on additional stimulus there is sure to be further budget negotiations when the Legislature returns.

The PCE team has been monitoring some energy resiliency funding that is under consideration. One item that remained in the budget is proposed back funding in the amount of \$50 million in grants for local governments to provide backup power to critical services vulnerable to power outages such as schools, election offices, and food storage reserves. PCE is investigating whether a CCA qualifies as an eligible applicant for this funding.

FISCAL IMPACT:

Not applicable.



PENINSULA CLEAN ENERGY JPA Board Correspondence

DATE: July 17, 2020 BOARD MEETING DATE: July 23, 2020 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:** Community Programs Report

<u>SUMMARY</u>

The following programs are in progress, and detailed information is provided below:

- 1. "EV Ready" Charging Incentive Program
- 2. Building and EV Reach Codes
- 3. New EV Dealer Incentive Program
- 4. DriveForward Electric Low-Income EV Incentive Program
- 5. Ride-Hail Electrification Pilot
- 6. Existing Building Electrification
- 7. MUD Low-Power EV Charging Pilot

The following programs are in hiatus during the reduced events and vehicle usage (last updates included for reference):

- 8. EV Managed Charging Pilot
- 9. EV Ride and Drives

DETAIL

1. "EV Ready" Charging Incentive Program

Background: In December 2018 the Board approved \$16 million over four years for EV charging infrastructure incentives (\$12 million), technical assistance (\$2 million), workforce development (\$1 million), and administrative costs (\$1 million). Subsequent to authorization of funding, PCE successfully applied to the California Energy Commission

(CEC) for the CEC to invest an additional \$12 million in San Mateo County for EV charging infrastructure. That application was in conjunction with agencies in Santa Clara County.

Of PCE's \$12 million in incentives, \$8 million will be administered under the CEC's California Electric Vehicle Incentive Project (CALeVIP) and \$4 million under a dedicated, complementary PCE incentive fund. The dedicated PCE incentives will address critical market segments not addressed by CALeVIP including Level 1 charging, assigned parking in multi-family dwellings, affordable housing new construction, public agency new construction, and charging for resiliency purposes. PCE staff is working on operational readiness for the dedicated program.

Status: PCE's technical assistance service opened on June 23 and outreach has begun to workplace properties. PCE's dedicated incentives are intended to launch in August. The contract for CALeVIP is nearing execution, and CALeVIP is expected to launch in October. Significant work remains underway on marketing and operational readiness for incentive processing.

2. Building and EV Reach Codes

Background: In 2018 the Board approved a building "reach code" initiative to support local governments in adopting enhancements to the building code for low-carbon and EV ready buildings. The initiative is a joint project with Silicon Valley Clean Energy (SVCE), The program includes small grants to municipalities, technical assistance, and tools, including model codes developed with significant community input. The tools and model code language are available on the project website

(<u>www.PeninsulaReachCodes.org</u>). In PCE territory, Brisbane, Menlo Park, Pacifica, San Mateo and San Mateo County have adopted reach codes. Across San Mateo and Santa Clara Counties, 17 agencies have adopted some kind of reach code. Below is a sampling of agencies across PCE and SVCE territories:

	Buildings			
City	Choice All-Electric or High Efficiency Mixed-Fuel	All-Electric with Limited Gas Usage	Natural Gas Ban	Electric Vehicles
County of San Mateo		ADOPTED		EV Ready code (PCE model)
Brisbane		ADOPTED		Aggressive EV Ready code
Menlo Park		ADOPTED		Increase chargers & EV Capable (2018)
Milpitas	ADOPTED			Increase chargers & EV Capable
Morgan Hill			ADOPTED	
Mountain View		ADOPTED		Aggressive EV Ready code
Pacifica		ADOPTED		Increase chargers (2017)
Palo Alto		ADOPTED		Aggressive EV Ready code
San Mateo	ADOPTED			Increase chargers & EV Capable
San Jose		ADOPTED	ADOPTED (low rise)	Increase chargers & EV Capable

In addition, the Board approved in January 2020 an extension of the reach code technical assistance plus additional elements:

• Education and training for developers and contractors

• Consumer education program on the benefits of all-electric buildings These new elements are under development and anticipated to launch in Q2/Q3 2020.

Status: Following a hiatus during Q2 due to the shelter-in-place order, a number of cities have begun reengaging to advance reach codes. Updates are as follows:

- **Belmont**: PCE staff is working with city staff which is aiming for a Council study session in September.
- **Burlingame**: Jan Pepper and Rafael Reyes met with Director Colson in June and subsequently Council supported its first reading of reach codes on July 6th. Code includes all-electric required with limited exceptions and strong EV code.
- **Daly City:** Jan Pepper and Rafael Reyes met with Director Daus-Magbual and city staff in June. City staff are working with PCE staff and consultants on next steps.
- **E. Palo Alto**: Multiple meetings have been held between PCE staff and consultants with city staff. A Council study session is planned for July 21.
- **Foster City**: Jan Pepper and Rafael Reyes met with Director Mahanpour and Deputy City Manager Hall in June and PCE staff and consultants subsequently met with Foster City staff on July 2nd to address questions. City staff are aiming for Aug for initial Council discussion.
- **Hillsborough:** Jan Pepper and Rafael Reyes met with Director May and city staff in June. City staff are working with PCE staff and consultants on next steps.
- **Millbrae**: Council approved moving forward with developing reach code on June 23rd. PCE staff and consultants are supporting city staff and targeting a study session in September.
- **Portola Valley**: The reach code is drafted and pending first hearing to be scheduled shortly.
- **Redwood City**: PCE staff and consultants are supporting city staff. City staff aim to bring the reach codes to Council on August 24.
- **San Bruno**: Jan Pepper met with Director Medina and City Manager Grogan in July. City staff are planning an initial presentation for the Council.
- **San Mateo**: City staff are advancing a high-rise multi-unit reach code to add to the existing low-rise reach code adopted last year.

3. New EV Dealer Incentive Program

Background: This program is one of PCE's two core elements for new EV marketing (the other is the Ride & Drive Program) and is intended to provide time-limited discounts and incentives on EVs to address the up-front cost which is one of the key barriers to EV adoption. In addition, the program provides a "hook" for broad based marketing across the county intended to not only motivate immediate purchases but also increase awareness and interest in EVs to foster future purchases. The program includes participating dealerships which are selected annually through a competitive process in which dealers were eligible to apply by offering discounts below the Manufacturer's Suggested Retail Price (MSRP) on their EVs. In addition to the discounts offered, PCE provides an added incentive (\$1,000 for battery electric vehicles and \$700 for plug-in

hybrids) and a \$250 incentive to participating dealerships per vehicle sold/leased. In April 2019, the Board approved the continuation of the New EV Dealer Incentive Program over three years (2019-2021) following a 2018 pilot.

Vehicles sold through the program were 120 in 2018 and 167 in 2019. Multiple factors affected low uptake including adverse market conditions (decrease in overall vehicle sales and latent demand for the Model 3) but the biggest factor was that online sales and Tesla in particular dominated EV purchases making the potential of in-county dealer-based sales highly constrained. The marketing for the incentive did appear to increase awareness and interest. PCE's 2020 market survey indicates high awareness (88%) and favorability (78%) but low familiarity (39%) suggesting that market education remains very important. Also, buyers reported high significance in the PCE incentive: 46% stated the program was crucial in decision and 38% very important. Research by the Massachusetts Institute of Technology (MIT) and National Renewable Energy Lab (NREL) indicates that every \$1,000 in incentives yields an 8% increase in adoption of EVs¹.

Status: The incentive program likely remains important to continue to encourage EV adoption. The State budget is severely impacted by the downturn and state incentives are expected to decline or be eliminated. Following consultation with the Executive Committee, staff is restructuring the program to address the need to drive greater adoption while applying the incentive to purchase more likely to be "additive" (i.e., purchases that occur because of the incentive). The program will still be run as a 4th quarter promotion to provide marketing motivation but with the following modifications:

- Incentives will be applied to in-county and out-of-county purchases
- In-county dealers may still gain an advantage by applying the incentive at the time of sale, in exchange for additive discounts
- Incentives will only be available to vehicles with a Manufacturers Suggested Retail Price of under \$45,000
- Incentives and marketing messaging will be targeted to "first time" EV buyers

It is anticipated that this approach will increase uptake while still ensuring strong additionality.

4. DriveForward Electric Low-Income EV Incentive Program

Background: Launched in March 2019, the DriveForward Electric program provides an incentive up to \$4,000 for the purchase of used plug-in hybrid electric vehicles (PHEVs) and full battery electric vehicles (BEVs) to low- and moderate- income San Mateo County residents with access to a standard outlet at home or at work. The incentives may be combined with other programs such as Clean Cars for All from the Bay Area Air Quality Management District or the state-wide Clean Vehicle Assistance Program from Beneficial State Foundation. When combined with another program, PCE offers \$2,000

¹ <u>https://www.sciencedirect.com/science/article/abs/pii/S0095069618303115</u>

as a follow-on rebate. The program operates in partnership with Peninsula Family Service's (PFS) DriveForward program, a robust program that provides financial coaching and access to financing to help participants purchase reliable used vehicles.

Status: The program is under continuous operation even during the shelter-in-place order.

Key metrics:

- Vehicles sold to-date: 58
- Estimated CO2 emissions avoided over 10 years: 2,300+ tons
- Estimated annual total participant savings: \$58,000+
- The pipeline includes 3 additional clients that have been approved but have not purchased vehicles

5. Ride-Hail Electrification Pilot

Background: This pilot, approved by the Board in March 2020, is PCE's first program for the electrification of new mobility options. The project partners with Lyft and FlexDrive, its rental-car partner, to test strategies that encourage the adoption of all-electric vehicles in ride-hailing applications.

Status: PCEA staff are engaged in contract negotiations with Lyft and FlexDrive and the contract is expected to be executed in the summer with vehicle procurement to follow. Vehicles are anticipated to become available by January 2021.

6. Existing Building Electrification

Background: In May, the Board approved a 4-year, \$6.1 million program for electrifying existing buildings. This program includes a number of elements including incentives for appliance replacements, a low-income home upgrade program, technology pilots and research. In June, the Board approved the draft contract with CLEAResult for the appliance incentive program which is to be integrated with the existing BayREN Home+ program for a streamlined customer experience.

Status: Significant progress has been made on refining the contract with CLEAResult which is beginning final review. It is anticipated that the appliance incentive program could go live in the fourth quarter. The RFP for the administrator of the low-income home upgrade program has been drafted. Target launch is anticipated by the first quarter of 2021. Finally, contracting is in progress for the technology pilot with Harvest Thermal, the startup with the integrated electric space and water heating system.

7. MUD Low-Power EV Charging Pilot (no change since February)

Background: This project was initially approved by the Board in 2018. This pilot program will conduct a needs assessment among various apartment ownership types, foster new low-power charging technology solutions, pilot them in multi-unit dwellings (MUDs), assess the technologies for possible inclusion in PCE's Charging Incentive Program, and document the results. Energy Solutions was selected as the consultant partner as part of a competitive bid process. The project was kicked off in August 2019.

Status: Business requirements and technology scouting has been completed with a number of innovative technologies identified and assessed. The project team selected Plugzio, an internet-connected 120V outlet, as the pilot technology for the first round of testing. Four apartment properties in Foster City, Millbrae, and San Mateo have been identified as candidates and have tentatively agreed to participation in the pilot. Initial site visits are in progress.

8. EV Managed Charging Pilot (no change since February)

Background: PCE has entered into a contract with FlexCharging to test manage charging through vehicle-based telematics. The system utilizes existing Connected Car Apps and allows PCE to manage EV charging via algorithms with a goal of shifting more charging to occur during off-peak hours.

Status: Phase 1 of the project, which is testing basic functionality of the App and connectivity with Tesla and Nissan vehicles, was kicked off in January 2020 and is estimated to last about 4-6 months. Approximately 15 volunteers are assisting in this phase. PCE is now able to analyze incoming data from this pilot and is gathering lessons learned from a vehicle-based approach to managed charging. Initial results are favorable, and staff is developing the approach for Phase 2.

9. EV Ride & Drives (no change since May)

Background: This program is one of PCE's two core elements for new EV marketing (the other is the New EV Dealer Incentive Program). It provides for community and corporate events in which community members can test drive a range of EVs. The program generated 14 events and 1,879 experiences in 2019 and a total of 19 events and 3,033 experiences since inception in 2018. Events have included pre-test drive, post-test drive, and six-month trailing surveys to document changes in customer perception towards EVs and actions taken after the EV experience. Event surveys indicate that the ride and drive was the first EV experience for 64% of participants and 87% report an improved opinion of EVs. Trailing surveys 6 months or more after events have yielded a 26% response rate and 18% of respondents indicate they acquired an EV after the event.

Status: Due to the COVID-19 pandemic all previously confirmed events beginning in March were cancelled. Two events are tentatively scheduled in September and October. It is likely that even after the shelter-in-place order is lifted large gatherings will continue to have limitations and/or the public may avoid such events. Staff is exploring other EV engagement strategies that may be able to complement the EV ride & drive objectives, such as hosting virtual EV forums with corporate hosts and potentially working with dealers to offer delivered 'at-home' test drives.

Item No.15



PENINSULA CLEAN ENERGY JPA Board Correspondence

DATE: July 10, 2020 BOARD MEETING DATE: July 23, 2020 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 July 2020

BACKGROUND:

This memo summarizes energy procurement agreements entered into by the Chief Executive Officer since the last regular Board meeting in June. 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	Purchase of System	East Bay Community	2 months
	Resource Adequacy	Energy	
July	Sale of Local	East Bay Community	2 months
	Resource Adequacy	Energy	
July	Purchase of System	Silicon Valley Clean	1 month
	Resource Adequacy	Energy Authority	
July	Sale of System	Silicon Valley Clean	1 month
	Resource Adequacy	Energy Authority	

In January 2020, the Board approved the following Policy Number 15 – Energy Supply Procurement Authority.

Policy: "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:

- a. Chief Executive Officer has authority to approve Energy Procurement contracts with terms of twelve (12) months or less, in addition to contracts for Resource Adequacy that meet the specifications in section (b) and in Table 1 below.
- b. Chief Executive Officer has authority to approve Energy Procurement contracts for Resource Adequacy that meet PCE's three (3) year forward capacity obligations measured in MW, which are set annually by the California Public Utilities Commission and the California Independent System Operator for compliance requirements.

Product	Year-Ahead Compliance Obligation	Term Limit
Local Resource Adequacy	In years 1 & 2, must demonstrate capacity to meet 100% of monthly local obligation for years 1 and 2 and 50% of monthly local obligation for year 3 by October 31 st of the prior year	Up to 36 months
System Resource Adequacy	In year 1, must demonstrate capacity to meet 90% of system obligation for summer months (May – September) by October 31 st of the prior year	Up to 12 months
Flexible Resource Adequacy	In year 1, must demonstrate capacity to meet 90% of monthly flexible obligation by October 31 st of the prior year	Up to 12 months

Table 1:

- c. Chief Financial Officer has authority to approve any contract for Resource Adequacy with a term of twelve (12) months or less if the CEO is unavailable and with prior written approval from the CEO.
- d. 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, the Board Chair, and other members of the Board as CEO deems necessary, has the authority to approve Energy Procurement contracts with terms greater than twelve (12) months but not more than five (5) years, in addition to Resource Adequacy contracts as specified in Table 1 above. 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.

4) **Amendments to Agreements**: Chief Executive Officer, in consultation with the General Counsel and the Board Chair, or Board Vice Chair in the event that the Board Chair is unavailable, has authority to execute amendments to Energy Procurement contracts that were previously approved by the Board.



PENINSULA CLEAN ENERGY JPA Board Correspondence

DATE: July 10, 2020 BOARD MEETING DATE: July 23, 2020 SPECIAL NOTICE/HEARING: None VOTE REQUIRED: None

- **TO:** Honorable Peninsula Clean Energy Authority Board of Directors
- FROM:Jan Pepper, Chief Executive Officer
Siobhan Doherty, Director of Power Resources
Peter Levitt, Associate Manager, Distributed Energy Resources (DER)
Strategy
- **SUBJECT:** Update on Energy Resiliency Strategy

SUMMARY

On January 23, 2020, the Peninsula Clean Energy Board of Directors approved staff's three-year, \$10 million strategy to deploy local electricity resiliency programs in San Mateo County. Each month, staff will provide an update report to the Board on the status of the programs deployed under this strategy. Any actual budget commitments would need to be approved by Peninsula Clean Energy's Board in accordance with our policies. The full Energy Resiliency Strategy is available on Peninsula Clean Energy's website: https://www.peninsulacleanenergy.com/wp-content/uploads/2020/02/Resiliency-Strategy_January.pdf

The following programs are in progress, and detailed information is provided below:

- 1. Public Facility Resilience
- 2. Power on Peninsula Distributed Energy Storage
- 3. Power on Peninsula Medically Vulnerable Program
- 4. Community Resiliency at Faith Institutions Interfaith Power & Light
- 5. Future Programs EVs for Backup Power

DETAIL

1. Public Facility Resilience (Formerly "Municipal Community Resiliency Centers")

Background

In Q3 2018, East Bay Community Energy (EBCE), in partnership with Peninsula Clean Energy, was awarded a Bay Area Air Quality Management District grant for a scoping study to identify critical facilities that can provide emergency services during natural disasters including for community shelter in the counties of Alameda and San Mateo. These facilities have been studied to evaluate the viability of deploying solar+storage to provide back-up power. Solar+storage at critical facilities can provide a cleaner and more reliable power source than diesel generators and reduce operating costs for the facilities.

This \$300,000, 12-month scoping project has achieved the following two objectives 1) identified a subset of critical facilities in San Mateo and Alameda counties that can serve as community shelters and/or emergency response hubs during power outages related to Public Safety Power Shutoff events or natural disasters (e.g. police and fire depts, recreation centers, libraries, etc); and 2) narrowed that list to select priority sites based on site hazards, proximity to population, and location in a disadvantaged community or low income zone. The project will deliver the following two objectives next: 3) develop a financial model (e.g. rate design or financial incentive) that results in affordable and widespread deployment of resilient solar systems; and 4) design and assist in the collective procurement for solar+storage installations at priority critical facilities to reduce costs for interested agencies.

This project was initiated in Q3 2019, and Peninsula Clean Energy conducted outreach to cities to identify sites and form a preliminary list of prospective facilities. Eleven cities responded by the required deadline and identified 118 facilities for initial study: Belmont, Brisbane, Colma, Foster City, Half Moon Bay, Hillsborough, Millbrae, Pacifica, Redwood City, San Carlos, and San Mateo. These cities' facilities were studied for their solar potential, to understand their risk of fault as a result of natural disasters, and to evaluate the population within a 30-minute walk. This is the first phase of the project, and we intend to include additional cities and facilities in the future.

In January, February, and March, staff met with personnel from each of these 11 cities to review initial evaluations studies, discuss city priorities with respect to backup power needs, and consider potential procurement pathways. Based on the initial study and conversations with the cities, we have narrowed the list of facilities for further evaluation to 49 out of the initial 118 facilities that cities identified.

On May 4, Peninsula Clean Energy released a <u>Request for Information</u> in partnership with EBCE, seeking guidance from the solar+storage industry on recommendations for a joint procurement. The RFI posited that CCAs have the knowledge and capability to

alleviate some of the pre-development work that goes into solar+storage projects, and that we have a strong financial position that we can leverage for creative procurement practices. It asked industry how to best make use of these unique CCA attributes to drive down project cost and increase deployment scale.

Responses to the RFI were due on May 22 and we received 18 responses from solar and storage vendors. Staff at Peninsula Clean Energy, EBCE and our consultant, Arup evaluated responses and had an initial workshop to discuss on June 11. The RFI revealed a strong preference by DER vendors to have one PPA contract with a CCA concerning multiple counterparties, rather than having to negotiate with each public agency individually. The next step in the process is for Peninsula Clean Energy and EBCE to determine in more detail how this might work.

Current Status

Peninsula Clean Energy staff have begun a "deep dive" into a few representative sites to better inform our understanding of the viability of possible financial and deployment mechanisms . The RFI indicated that a single PPA is something vendors would prefer. One focus of our current analysis is determining how such a PPA might work (along with considering other funding and contractual approaches). The other focus is ensuring that any high-level programmatic approaches are validated at the site level. The Arup analysis relied on some assumptions that were appropriate to the scale and budget of the project but require further investigation as a next step. The development and financial viability of DER projects is highly site specific, with viability significantly influenced by an individual site's specific load characteristics, rate tariff, and critical load need.

2. Power on Peninsula – Distributed Energy Storage

Background

Power on Peninsula – Distributed Energy Storage (formerly referred to as Distributed Resource Adequacy) is an energy resiliency program run by Peninsula Clean Energy stemming from the energy resiliency strategy published by staff in January 2020, and the joint solicitation for Resource Adequacy Capacity with three other Load-Serving Entities (LSEs) in November 2019. Under this solicitation, Peninsula Clean Energy, East Bay Community Energy, Silicon Valley Clean Energy, and Silicon Valley Power are utilizing LSEs' connections to our customers and RA purchasing obligations to motivate new solar+storage systems to provide energy resiliency throughout the Bay Area.

The request for proposals for this solicitation was published in November 2019 with a due date in December. Peninsula Clean Energy received 20 proposals. Since January 2020, Peninsula Clean Energy has reviewed the 20 proposals and interviewed a shortlist of eight respondents. Based on the interviews with shortlisted candidates, we narrowed the list to five candidates. Peninsula Clean Energy has selected two vendors for this program – one to provide RA from systems located on single-family and multi-family homes, and one to provide RA from systems located on commercial sites. Peninsula Clean Energy Storage Agreement with

Sunrun, Inc. and the Board approved the contract at the June Board meeting. Under the agreement, Sunrun will install 1 - 5 MW (4 - 20 MWh) of battery energy storage systems on single family and multi-family residences in San Mateo County with a minimum of 10% installed for low income customers, customers on CARE, FERA or Medical Baseline rates, or located in a disadvantaged community. Peninsula Clean Energy will help connect Sunrun to customers and purchase grid services to help meet RA compliance requirements from these systems during times of regular grid operation. This will help decrease the system cost for the end customer who can use the battery storage systems to manage time of use charges and during grid outages, such as PSPS events.

Current Status

Both parties executed the Distributed Energy Storage Agreement following Board approval. In addition, Peninsula Clean Energy and Sunrun executed a Customer Data Sharing Non-Disclosure Agreement and Co-Marketing Agreement. These agreements ensure customer data security while defining the rules of engagement with respect to marketing campaigns. Under the co-marketing agreement, Peninsula Clean Energy will identify and connect Sunrun to customers that are best positioned to participate in this program. This should allow for faster deployment of the program and help defray the cost of customer acquisition.

Peninsula Clean Energy and Sunrun have developed a co-marketing approach that we expect will lead to increased customer participation. As part of this co-marketing approach, Sunrun will provide customers that sign up for participation in this program an upfront monetary incentive of \$1,000. While the details of this incentive are not yet finalized, we think this will motivate many Peninsula Clean Energy customers to participate.

Sunrun and Peninsula Clean Energy are collaborating on marketing and deployment of this program. We expect to have a website available for interested customers by the end of July.

Staff are also in the process of establishing a program structure for the selected vendor for systems on commercial facilities. We aim to finalize this by the fall.

Staff also executed an agreement with TerraVerde Energy to provide programmatic support for contract management and data analysis.

3. Power on Peninsula - Medically Vulnerable Program

Background

Grid outages can be life threatening for people that depend on electricity to power medical equipment. Clean backup power can help customers that depend on medical equipment to remain in their homes during a power outage and have access to electricity. This could also reduce power outage-related calls to emergency services from these customers.

While eligible homeowners will be referred to Sunrun to install solar and battery backup system in their homes, for eligible renters, staff are planning and implementing a program to provide portable backup batteries via donation to medically vulnerable residents in areas likely to be impacted by future Public Safety Power Shutoff (PSPS) events. The eligibility criteria are aligned with state rebate programs. The geographic focus is areas in high fire-threat zones or areas that were impacted by two or more PSPS events last year (mostly the coast from Montara south to the County border and unincorporated rural mountainous areas). Medical eligibility is aligned with the Medical Baseline program, which serves residents with a life-supporting medical device or medical need that requires electricity. This program provides a long-term solutions to increase safety, resilience, and independence for medically vulnerable residents.

In mid-May 2020, Peninsula Clean Energy sent an informational questionnaire to eight portable electric battery storage vendors. Five organizations responded, and from those responses, staff was able to shortlist several vendors for additional consideration. From the responses to the questionnaires and follow-up discussions with shortlisted vendors, staff has identified the following criteria as critical to finalizing vendor selection: capacity price, unit capacity, unit availability, shipping time, and weight.

In the coming months, residents will also be referred to the Center for Independence for Individuals with Disabilities in San Mateo, which operates a portable battery loan program and vouchers for hotel stays for medically vulnerable residents impacted by PSPS events in coordination with CalFire and Coastside CERT.

Peninsula Clean Energy staff also began hosting weekly coordination calls among organizations in San Mateo County actively working on backup battery solutions for medically vulnerable residents in areas most likely to be impacted by future Public Safety Power Shutoff (PSPS) events. This group includes:

- City of Half Moon Bay (Public Works and Emergency Services)
- CalFire
- County Office of Emergency Services
- County Department of Public Health
- Senior Coastsiders
- Center for Independence for Individuals with Disabilities
- Coastside CERT

Current Status

Based on the informational questionnaire and additional due diligence staff have decided to procure the Goal Zero Yeti 3000x, a 70-lb, 3,000Wh battery and the Goal Zero Boulder 200 Briefcase, a foldable solar panel that can plug into the Yeti 3000x. After discharging the battery to power a small electrical appliance, the battery can be recharged by plugging into a standard wall socket or into the solar panel.

Goalzero is currently experiencing heavy demand as a result of several other large California procurements. To accelerate the battery delivery timeframe, Peninsula Clean Energy has partnered with Hassett Ace Hardware, a local hardware store in San Mateo County. Hassett has an established partnership with Goal Zero and is capable of procuring Yeti 3000x and Boulder 200 Briefcases in mid-August through early September. They will also store these products, deliver them to customers' homes, offer in-person pickup, and provide a thorough training to each customer receiving a battery and solar panel.

4. Community Resiliency at Faith Institutions – Interfaith Power & Light

Background

This pilot project seeks to recruit and equip 3-5 faith institutions to be community resilience hubs with clean energy backup power and emergency preparedness plans to respond to community needs during a natural disaster or emergency. Through this pilot, Peninsula Clean Energy will capture practical knowledge to inform and design future resilience programs.

The project engaged four congregations across San Mateo County - (1) Hope United Methodist Church, (2) Congregational Church of San Mateo, (3) Peninsula Sinai Congregation, and (4) Unitarian Universalists of San Mateo. All projects were anticipated to start mid-2020, however, installations are delayed due to impacts of COVID-19.

This program is being transitioned to the Power Resources team.

Current Status

Of the four sites, one site, Hope United, has installed 26.84kW of solar energy capacity that is currently operational. Two congregations are currently reviewing bids that range between 20-25 kW PV arrays and ~10-40 kWh storage. In conjunction with the bid review, two congregations are engaging in more detailed emergency preparedness planning to help both inform their operational plans and the required system sizes based on those plans. Three sites are investigating additional options to finance the battery purchase or solicit a donation due to the high cost of the storage system. The fourth congregation, which has not solicited a bid, has plans to construct a new building on their site and is discussing whether to align the solar plus storage project with that new construction project.

The pilot project highlighted two key learnings: (1) what are the best practices for designing an emergency preparedness plan for off-grid operation, and (2) what standards exist for developers to properly size storage for resiliency needs. The seemingly larger storage requirement to support longer duration off-grid operation increases the cost of the storage system reducing financial feasibility of the project.

5. Future Programs

EVs for Backup Power

EVs require powerful batteries and therefore represent an energy asset that can act as a virtual power plant, charging their batteries with renewable energy during the daytime, and discharging their batteries to the grid when there is high demand during evening hours. Additionally, these fleets can provide backup power by reserving a portion of their overall capacity in the event of a power outage. In the U.S., there are some limits around using EVs in this way due to limitations in warranties. However, we expect this to change over time as "V2Home" (Vehicle to Home) programs become implemented by car companies and/or other third-party suppliers.

Staff is tracking several Vehicle to Grid (V2G) companies and pilot projects for possible development with Peninsula Clean Energy. These range from light-duty vehicles (vehicles equipped with Chademo ports, mostly the Nissan Leaf) to heavy-duty school buses. We are developing a V2G program track, which will be incorporated into a larger fleet strategy. This will include day-to-day customer bill management for EV fleets and could potentially include bi-directional grid support and backup emergency power demonstrations.

This program is managed by the PCE Community Energy Programs team.



PENINSULA CLEAN ENERGY JPA Board Correspondence

DATE: July 9, 2020 COMMITTEE MEETING DATE: June 23, 2020 SPECIAL NOTICE/HEARING: None VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Andy Stern, Chief Financial Officer

SUBJECT: Adoption of ESG Investment Portfolio Management

At its meeting on March 9, 2020, the Audit & Finance Committee requested that Staff investigate adoption of an ESG (Environmental, Social, Governance) portfolio management strategy. ESG investment management is commonly known as Sustainable Investing that systematically considers environmental, social and governance screening to narrow the list of investable companies. Adoption of the policy would, among other criteria, generally require avoidance of industries including fossil fuels, tobacco, and alcohol while being more inclusive of companies that have a direct impact on positive social change.

Per that request, Staff conducted detailed discussions about ESG Portfolio management with its two investment management partners, PFM and First Republic Bank. The two managers use very different approaches to accomplish an ESG strategy (described below). Based on a summary of the discussions and the strategies, the Audit & Finance Committee was presented with the findings and has directed Staff to adopt the strategy with both managers. This memo is to provide a summary to the Board of the approaches and the steps, some of which have already been taken. Staff will propose a revised Investment Policy to the Board that will incorporate these steps and actions at a subsequent meeting.

<u>PFM</u>

PFM's capabilities and structure in this area include a robust infrastructure around ESG. They use an independent 3rd party (Sustainalytics) to evaluate all Fixed Income issuers and apply PCE's objectives to the set of investments that meet the minimum ESG criteria threshold. They will apply a "hybrid" approach to PCE's portfolio management that would combine limits on Environmental Risk (including exclusion of Energy

Services, Oil and Gas Producers, Refineries) and Overall S&G Risks (Social, Data Privacy, Human Rights, Corporate Governance). Until the instructions were provided to PFM 2 weeks ago that PCE would adopt the strategy, PFM had not yet fully invested the funds that PCE had provided while awaiting final direction from PCE. PFM was aware that PCE was considering the adoption of ESG and was waiting to make investment selections so that there wouldn't be the need to unwind investments depending on PCE's final decision.

PFM will charge an additional fee of 0.015% for adding this layer (above the approximate 0.08% fee currently charged). At the current size of PCE's portfolio, the fees would increase approximately \$13,000 per year - from approximately \$65,000 to \$78,000. PCE's assumption is that the extra fees are mostly a pass-through of the additional costs of licensing Sustainalytics for PCE's portfolio. The overall fee, based on PCE's current portfolio size, will increase to approximately 0.095% of assets.

First Republic Bank

FRB does not have a formalized approach on the Fixed Income side of their investment management, although they do have one on the Equity side (they use MSCI, another large vendor in the ESG space). While FRB is planning to formalize its approach, it is some months away at least. However, FRB has agreed to provide a special accommodation by applying their Equity-side determination of eligible companies to establish the universe of eligible fixed income investments for PCE, and then apply the threshold for credit quality that already governs our investment policy.

FRB has agreed to do this at no additional fees above the current 0.09% of assets that are currently charged.

Actions and Next Steps

- 1. Per direction from members of the Audit & Finance Committee, Staff has notified both managers to adopt the proposed strategies.
- 2. Staff will propose changes to the investment policy at a future Board meeting to incorporate the language around ESG portfolio management.



PENINSULA CLEAN ENERGY AUTHORITY JPA Board Correspondence

DATE: July 15th, 2020 BOARD MEETING DATE: July 23rd, 2020 SPECIAL NOTICE/HEARING: None VOTE REQUIRED: None

- **TO:** Honorable Peninsula Clean Energy Authority Board of Directors
- FROM: Leslie Brown, Director of Customer Care
- SUBJECT: Joint Rate Mailer Update

BACKGROUND:

Each year Peninsula Clean Energy and PG&E are required to jointly create, submit to approval to the CPUC, and subsequently send an informational mailer to customers with information regarding comparative energy costs for both entities. The mailer has historically included an average energy use and cost comparison of PG&E's bundled rates, PG&E's Solar Choice rate, and both ECOplus and ECO100 rates for Peninsula Clean Energy for a typical customer across four different rate classes. The mailer, otherwise referred to as the "Joint Rate Mailer" (JRM), is typically required to be produced and sent by July 1 of each year, however for the second year in a row this mailer has been delayed due to the late adoption and implementation of PG&E's annual ERRA rate updates. Peninsula Clean Energy submitted a joint request with PG&E and several CCA's to the CPUC for an extension in the deadline and an extension was granted until 9/1/2020.

UPDATE:

There are two items in particular with regards to the JRM this year that we wanted to bring to the Board's attention.

One is with respect to the significant reduction in cost of PG&E's Solar Choice rate for 2020. The Solar Choice program is PG&E's voluntary 100% renewable energy product that PG&E bundled customers can opt-in to. The Solar Choice program is supplied with 100% solar energy from PPA's with newly constructed large solar throughout CA. Historically Solar Choice has been more expensive than other rate options with rates fluctuating annually with regards to market conditions. However, the current published rates for 2020 following the May 1, ERRA update are actually lower than PG&E bundled rates, lower than Peninsula Clean Energy's ECO100 rate, and competitive with Peninsula Clean Energy's ECOplus rate. Solar Choice is a limited capacity program subject to subscription caps. Enrollment in Solar Choice has historically been very low, but with the current rates lower than PG&E's bundled costs and competitive with PCE's ECOplus rate there is a concern that there may be increased interest in the program that could exceed its limited capacity to serve new customers. PG&E has been working with the various CCA's and the CPUC's Public Advocates Office (PAO), who ultimately approves the JRM notices that are sent to customers, on including additional information on the mailer to explain the limited capacity of Solar Choice to accept new customers. PCE staff is still working with PG&E on the exact language and layout, but we expect that the additional information will help to mitigate confusion around the Solar Choice information. PCE staff is also working with Calpine to develop some talking points in case customers contact us with additional questions.

The other item we wanted to highlight is a change that the California Energy Commission instituted this year regarding the Power Content Label reporting, which is also included on the JRM. We have procured some GHG-free resources from suppliers who are classified as Asset Controlling Suppliers. Bonneville Power Administration is an example of such a supplier. When these suppliers provide us with GHG-free power, they are unable to sell directly from a particular GHG-free resource, but rather provide us with a slice of their portfolio. Their resource mix is primarily hydro, but they also have a small amount of nuclear power. In previous years, the specific makeup of their portfolio was categorized under the "Large Hydroelectric" label and included on our Power Content Label as such. This year, the CEC requires that the labeling of this power reflect the exact percentage of hydroelectric and nuclear in their overall portfolio. Thus for 2019, our power content label shows 0.8% (rounded to 1%) nuclear as part of our portfolio.