



# Peninsula Clean Energy Board of Directors Meeting

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August 27, 2020

# Agenda

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- Call to order / Roll Call
- Public Comment
- Action to set the agenda and approve consent items

# Regular Agenda

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## 1. Chair Report (Discussion)

# Regular Agenda

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## 2. CEO Report (Discussion)

# Today's Updates

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- Staffing Update
- COVID-19 Update
  - Load Impact Analysis
- Heatwave Impact
- Power On Peninsula Update
- Reach Codes Update
- Joint Rate Mailer Update
- IRP Update
- CalCCA Elected Officials Meeting
- Update on “Meet and Greet”
- Upcoming PCE Meetings

# Staffing Updates

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- We currently have one open position for a Data Manager.
- With continued uncertainty and changing conditions with COVID, PCE staff will continue to work-from-home through end of 2020
  - Providing up to \$500 per staff member for additional equipment needs at home
  - Providing \$50/month stipend to all staff to upgrade their internet connections

# COVID-19 Load Impact Analysis

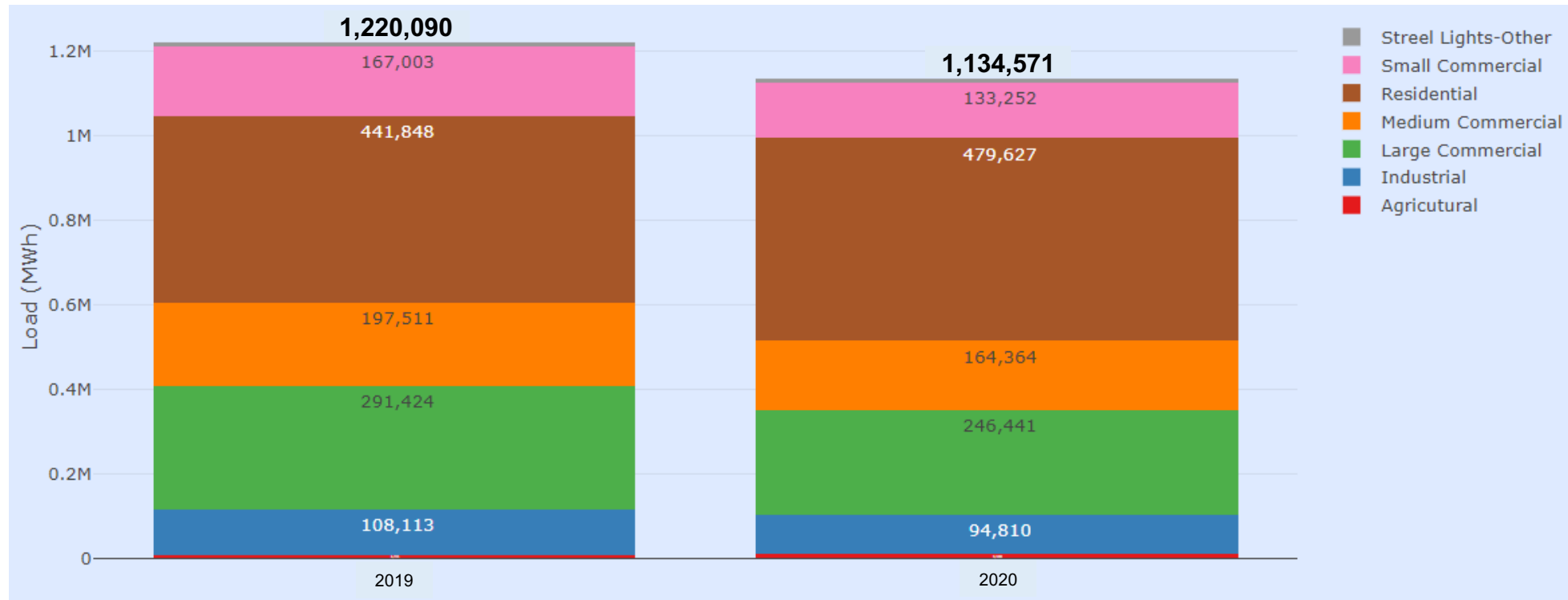
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- Overall PCE load
- Monthly Load Changes
- Load Changes and Shapes by Customer Type

Thank you to the power resources team for this analysis!

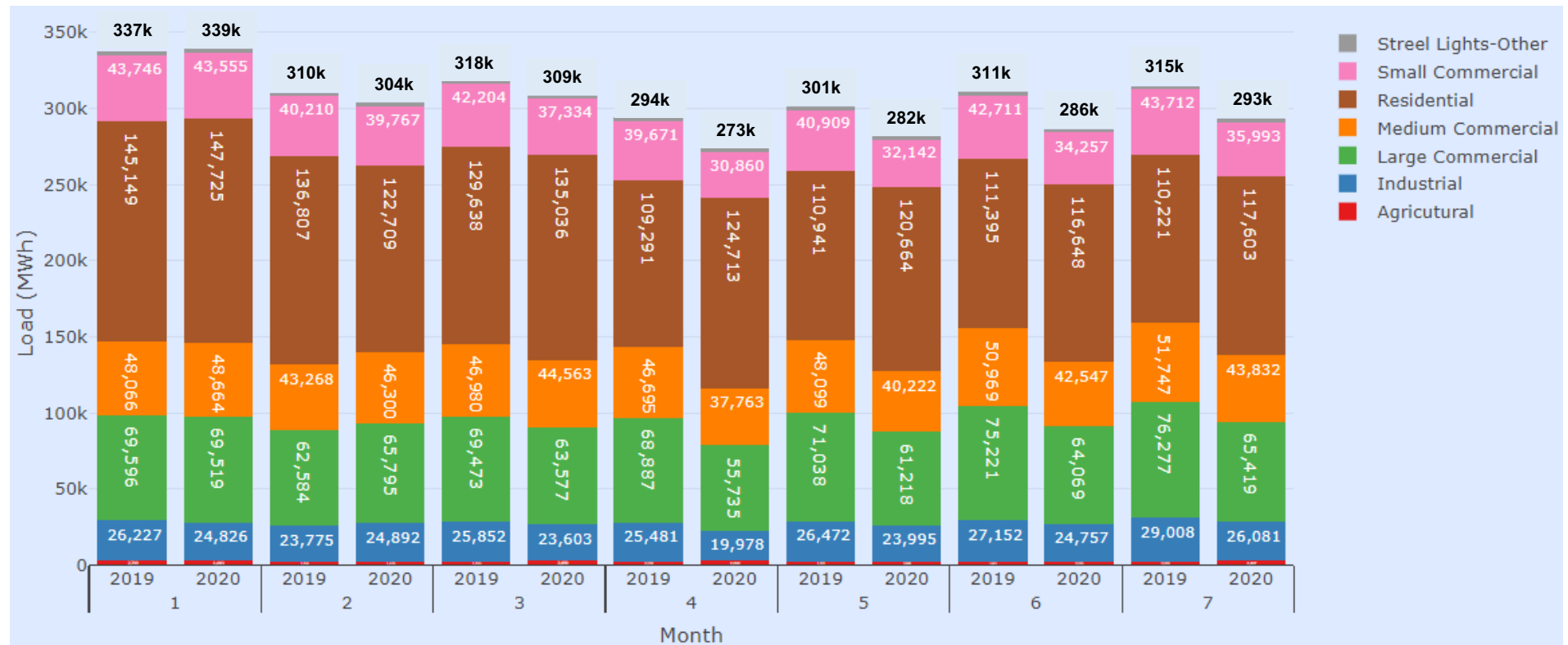
# PCE Load after Shelter-in-place order

- April-July 2020 compared to April-July 2019:
  - 7% decrease in Total PCE load compared to same period in 2019.
  - Around 16% decrease in medium/large commercial load, and 20% decrease in small commercial load
  - Around 9% increase in residential load



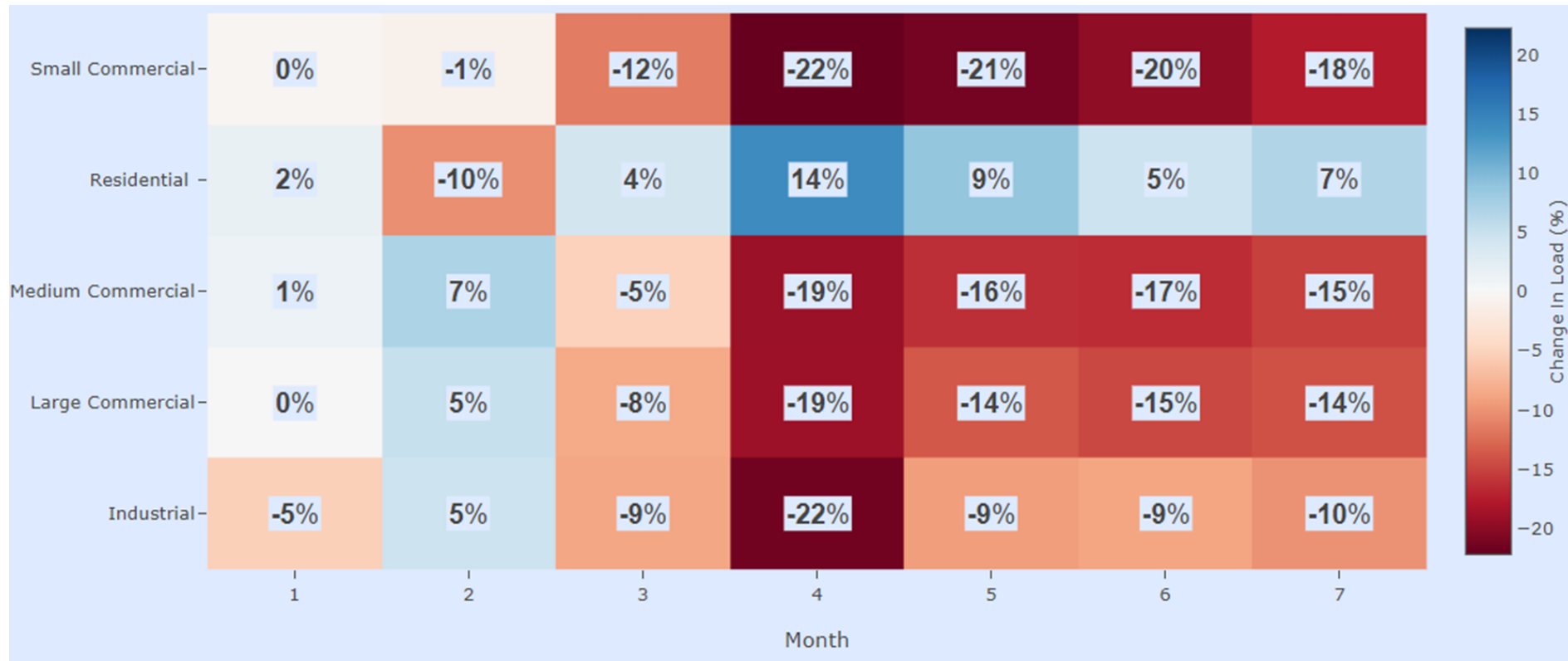
# Monthly Load

- Significant decrease in PCE's monthly load starting March 2020:
  - 4% decrease in March 2020 compared to March 2019
  - 7%, 6%, 8%, 7% decrease in April, May, June, and July of 2020 compared to same months in 2019



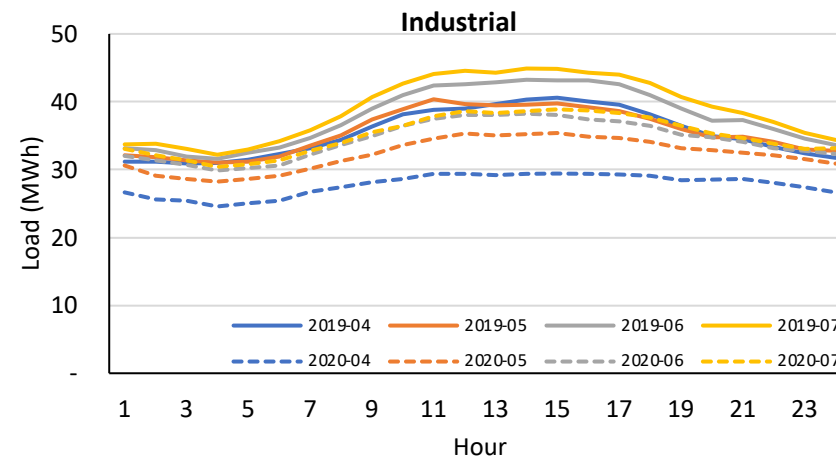
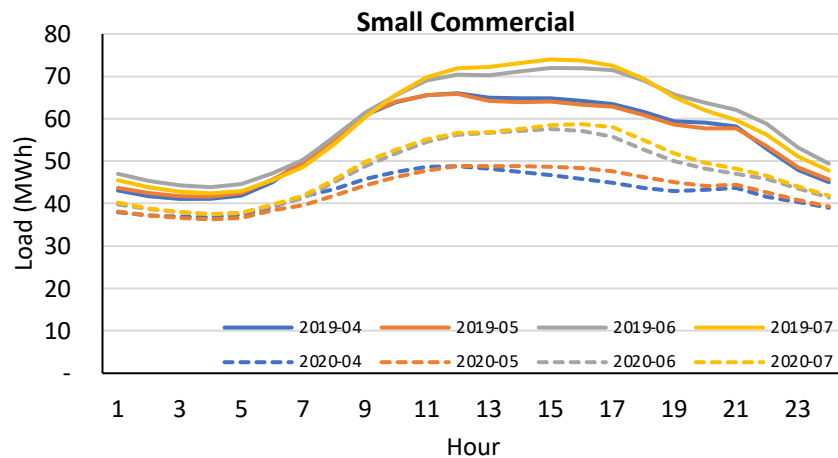
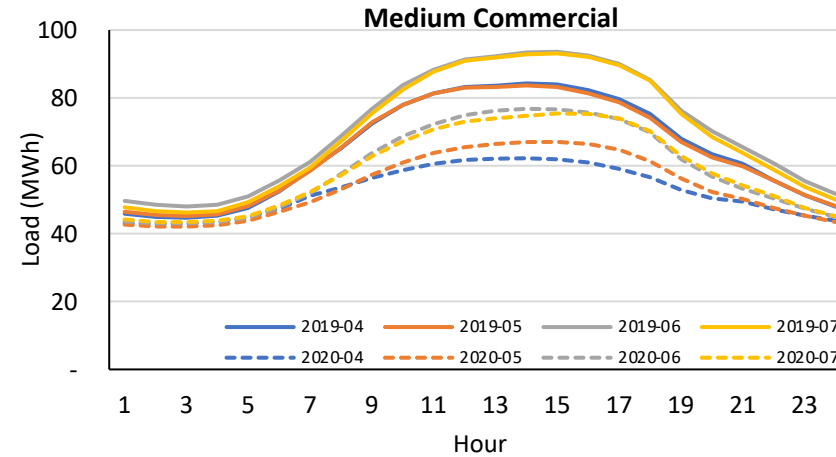
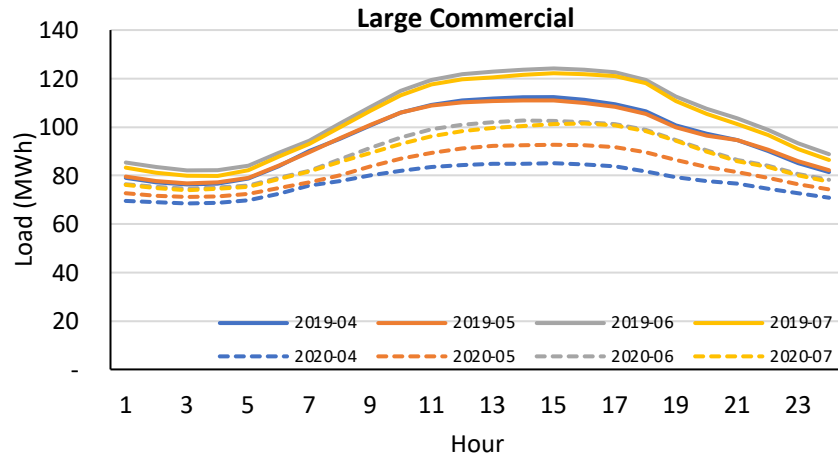
# Monthly Load Changes by Customer Class

- Significant decrease in C&I load, increases in residential load in each month compared to same month in 2019.



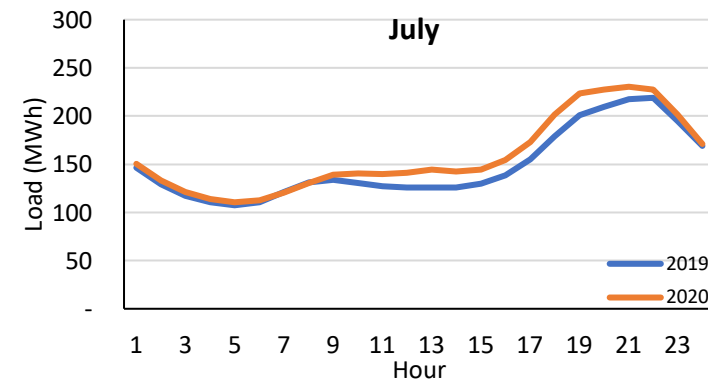
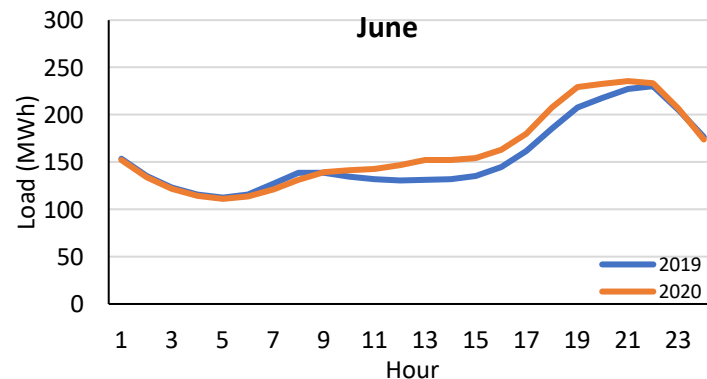
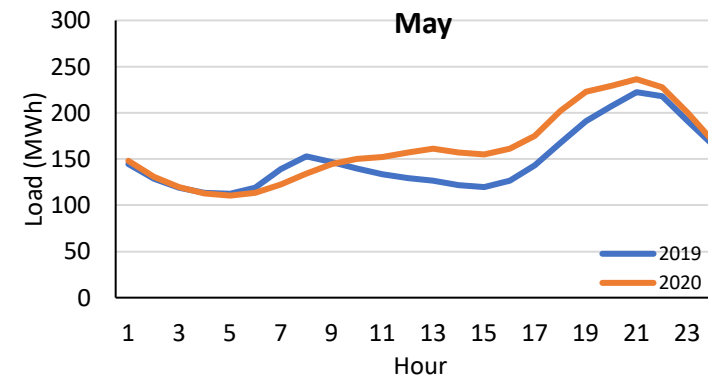
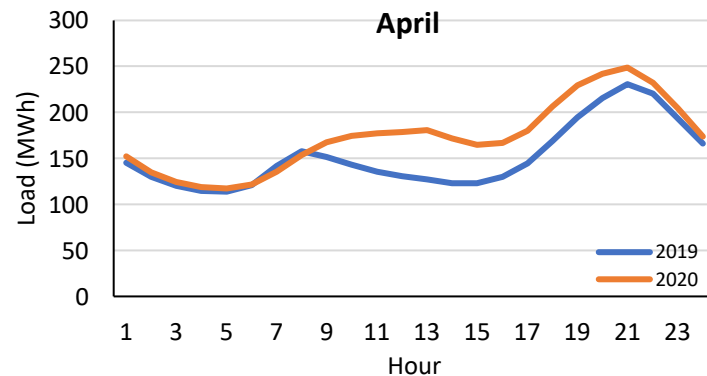
# Load Shapes (C&I)

- 2020 shapes (dashed lines) are scaled down compared to 2019.



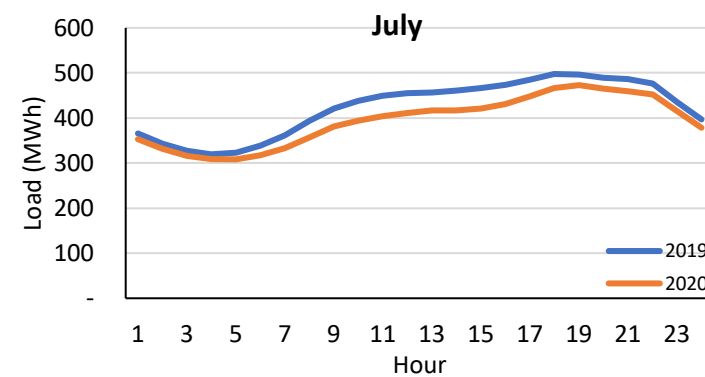
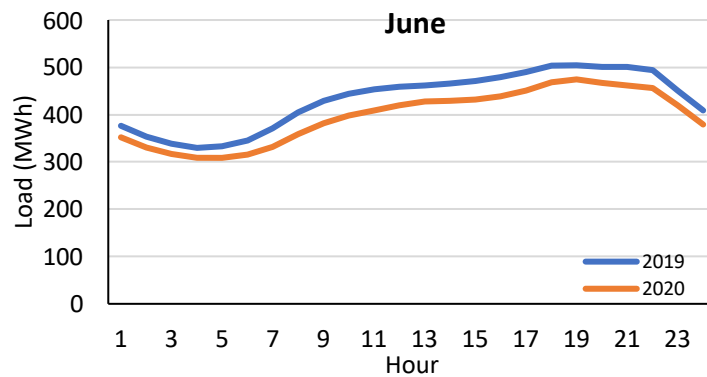
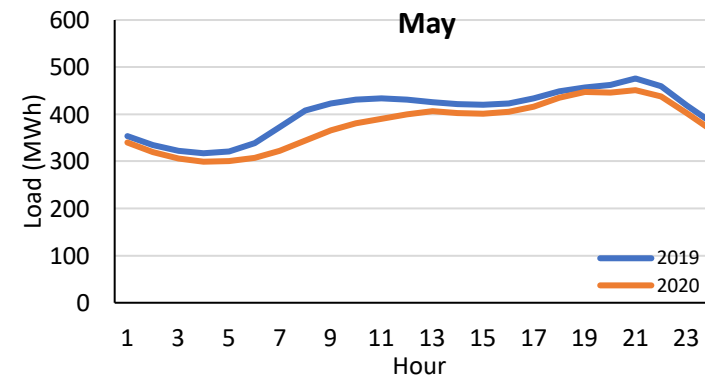
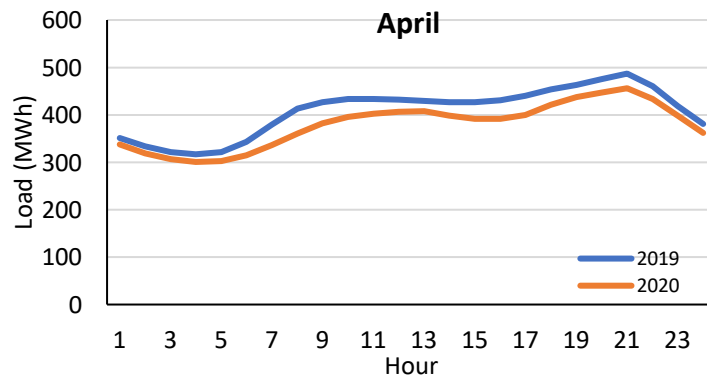
# Load Shapes (Residential)

- 2020 residential load shapes (orange lines) have changed compared to 2019 shapes (blue lines):
  - Smaller morning peak
  - No drop-off during mid-day



# PCE Load Shapes

- 2020 PCE load shapes (orange lines) have scaled down compared to 2019 shapes (blue lines)

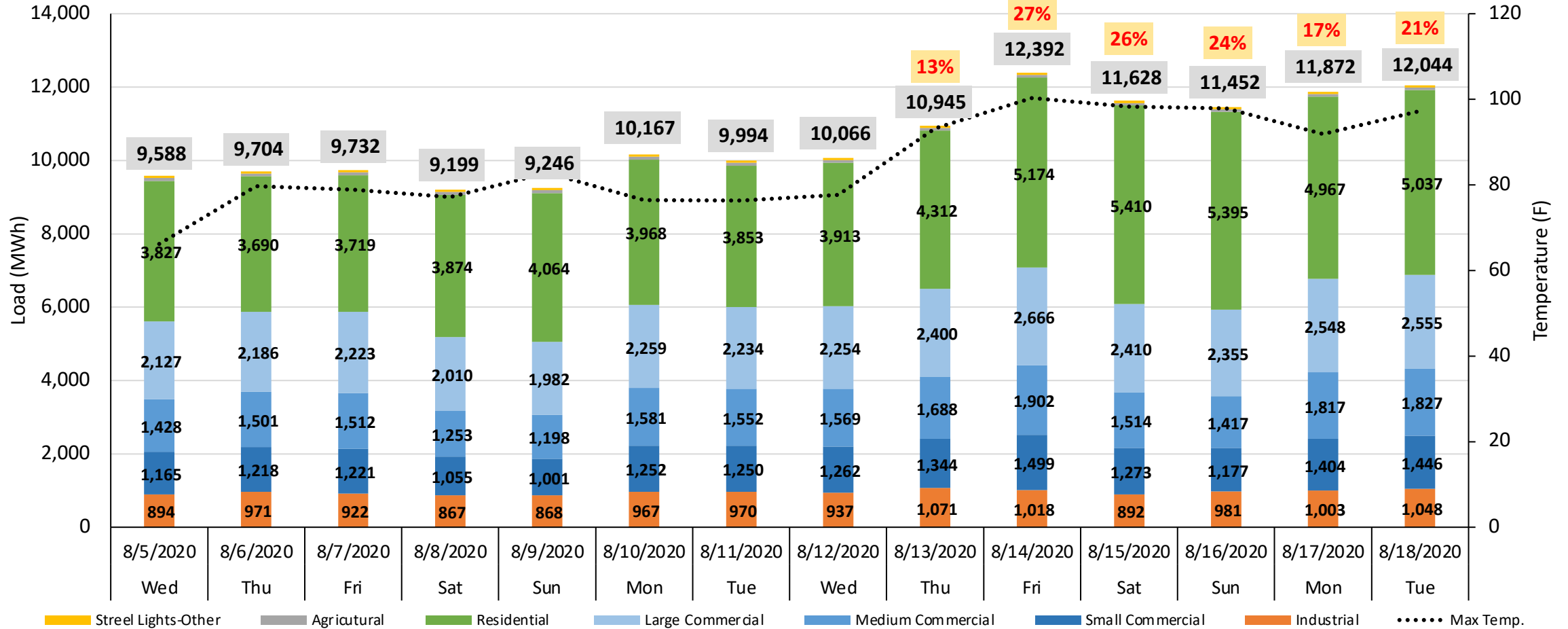


# Heatwave and Rolling Blackouts

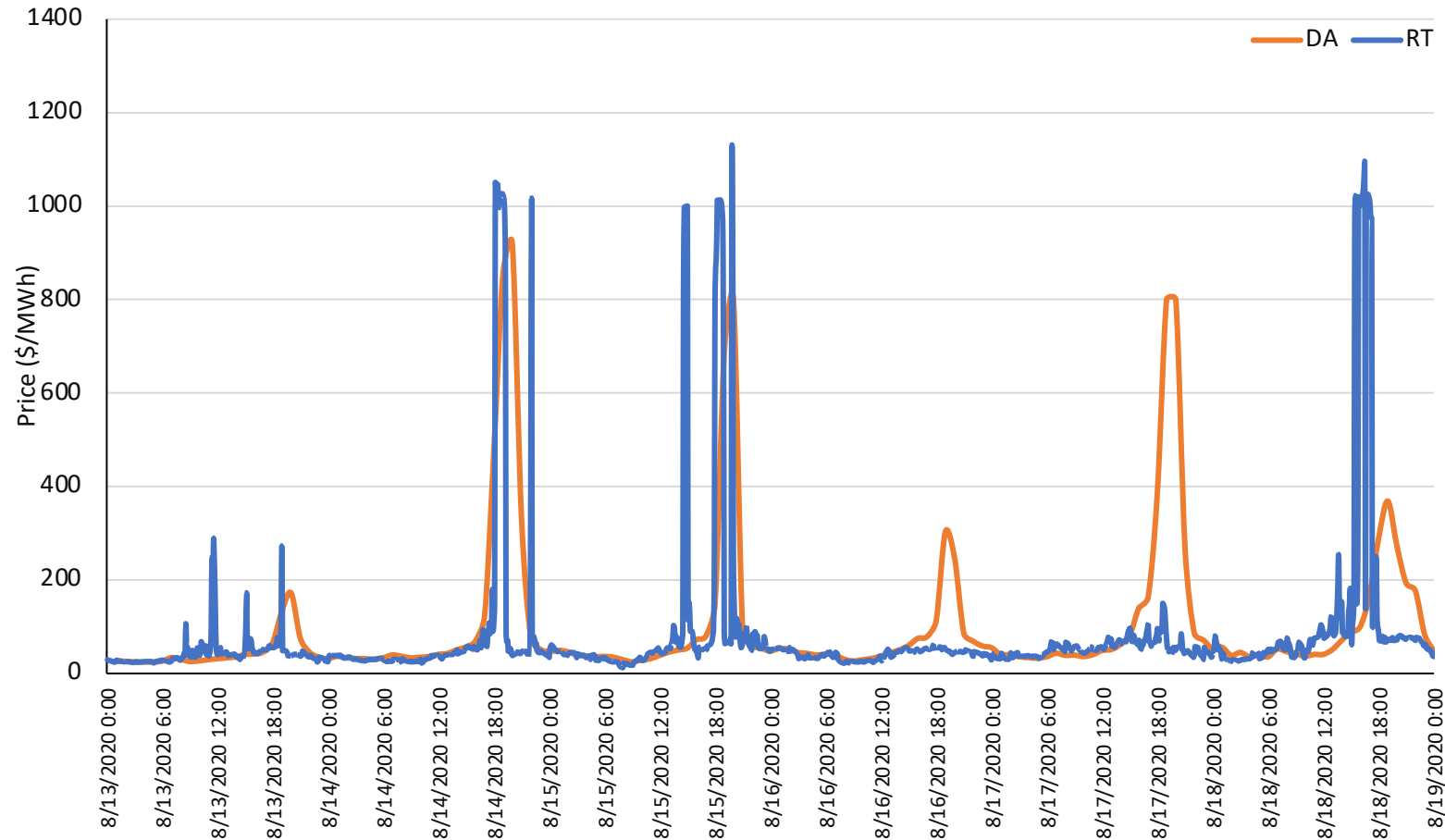
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- Thank you for getting the word out to your constituents to conserve energy during the heat wave
- Friday, August 14:
  - 6:36 pm - CAISO ordered IOUs to shed 500 MW of load;
  - 6:46 pm - CAISO ordered IOUs to shed additional 500 MW of load
  - 7:56 pm - CAISO ordered load to be restored
- SMC impact from rolling blackouts:
  - Affected 33,868 customers in San Mateo, west side of Hillsborough, Emerald Hills, Highlands neighborhood, Foster City and portions of Burlingame
  - Power out at 6:38 pm; power restored at 7:45 pm
  - Affected 60 customers in Belmont
  - Power out at 7:30 pm; power restored at 8:03 pm
- Saturday, August 15
  - 6:25 pm - CAISO ordered IOUs to shed 470 MW of load
  - 6:47 pm - CAISO ordered load to be restored
  - No SMC customers affected

# Daily Load in August



# Day-Ahead/Real Time DLAP Prices



Because we were over-hedged, the financial impact on PCE was \$700K for the week, rather \$4.9 million

# Power On Peninsula: Update

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- Offering **clean** backup power primarily through **solar+battery** or **battery storage only** at **low or no cost** for renters and homeowners
- **Priority customers:** High Fire Threat Districts, affected by previous PSPS events, low income/disadvantaged communities, CARE/FERA, Medical Baseline

## Update as of today:

- GoalZero delivered 75 batteries to Hassett last week
- PCE has qualified 41 customers to receive 43 batteries
- To date, 24 batteries delivered

PLUS \$5000 donated to Puente de la Costa Sur for hotel vouchers for those displaced by wildfire evacuations.

# San Mateo County Reach Codes Update

New

Member Agency	Reach Code Status	Building (proposed)	EV
Brisbane	Adopted	Electric w/ exceptions	MUD 1xL2/ unit
Burlingame	Adopted	Electric w/ exceptions	PCE model code (variant)
Menlo Park	Adopted	Electric w/ exceptions	(existing EV code)
Pacifica	Adopted	Electric w/ exceptions	(existing EV code)
County of San Mateo	Adopted	Electric w/ exceptions	PCE model code
San Mateo	Adopted	Electric preferred	Increase EV capable
San Carlos	Adopted	Pre-wiring on single-family homes	
Portola Valley	1 <sup>st</sup> reading TBD	(Electric w/ exceptions)	(existing EV code)
Redwood City	1 <sup>st</sup> reading Sept 14	(Electric w/ exceptions)	PCE model code
East Palo Alto	Study Session Sept 1	(Electric w/ exceptions)	PCE model code
Belmont, Colma, Daly City, Hillsborough	Letter of Intent, Council Briefing		
Millbrae, San Bruno	Letter of Intent		
Foster City, Half Moon Bay	Council Briefing		
South SF	No Action		
Atherton, Woodside	Declined		

Santa Clara County  
Adopted: 11  
In-Progress: 4

# Joint Rate Mailer Update

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- Electronic copies distributed on Monday
- Mail copies dropped on Monday and should be received today or tomorrow
- PG&E distributed the email version to 100,000+ Peninsula Clean Energy customers
- We reviewed all proofs and everything was correct.
- During PG&E's process to send the emails, they misspelled "Peninsula" as "Pennisula" in the email. However, our logo remains correctly spelled in the email.

# IRP Update

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- PCE submission to CPUC on Tuesday, Sept 1
- Submitting following scenarios:
  - 46 MMT Conforming Portfolio
    - *(within 1% of CPUC GHG emissions target)*
  - 38 MMT Conforming Portfolio A
    - *(within 1% of CPUC GHG emissions target)*
  - 38 MMT Conforming Portfolio B
    - *(>30% cleaner than CPUC's GHG emissions target)*

# IRP PORTFOLIOS (2030)

		46 MMT Conforming Portfolio	38 MMT Conforming Portfolio A	38 MMT Conforming Portfolio B
Existing	Li-Ion	147	147	147
	Solar	400	400	400
	Wind	0	0	0
	Small Hydro	12.5	12.5	12.5
New	Li-Ion	350	350	350
	Solar	450	650	750
	Wind	180	205	300
	GHG (MMT)	0.626	0.498	0.347
	<i>CPUC GHG MMT Target</i>	<i>0.630</i>	<i>0.503</i>	<i>0.503</i>

# CalCCA Updates

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## Local Elected Officials Subcommittee held on August 21

- Board members attended from PCE, CPA, RCEA, MCE, Clean Energy Alliance (Carlsbad-Solana Beach-Del Mar )
- Discussed PCIA trigger
  - Develop one-pager for August 27 PHC on San Diego PCIA Trigger Application
    - CalCCA follow-up
  - Longer-term strategy for next legislative session

# Meet and greets - CPUC

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“Meet and greets” with California Public Utilities Commission (CPUC) commissioners and attending board members:

- Commissioner Genevieve Shiroma, August 28, 9:00 am
  - Jeff Aalfs, Rick DeGolia, Daniel Yost
- Commissioner Martha Guzman-Aceves, Sept 3, 1:00 pm
  - Jeff Aalfs, Rick DeGolia
- Office of Commissioner Liane Randolph, Sept 4, 10:30 am
- Commissioner Cliff Rechtschaffen, Sept 4, 1:00 pm
  - Rick DeGolia
- President Marybel Batjer, Sept 16, 3:00 pm

# Meet and greets - CEC

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“Meet and greets” with California Energy Commission (CEC) commissioners and attending board members:

- Commissioner Janea Scott, Sept 10, 11:30 am
- Commissioner Karen Douglas, Sept 16, 4:00 pm
- Chair David Hochschild, Sept 17, 10:30 am
- Commissioner Andrew McAllister, Sept 17, 2:00 pm
- Commissioner Patty Monahan, TBD

# Upcoming Meetings

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These meetings will continue to be held by video/teleconference

- Citizens Advisory Committee:
  - September 10 at 6:30 p.m.
- Executive Committee:
  - September 14 at 8:00 a.m.
- Board of Directors Annual Retreat:
  - Saturday, September 26 at 8 or 9:00 a.m.



# Regular Agenda

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## 3. Citizens Advisory Committee Report (Discussion)

# Regular Agenda

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## 4. Audit and Finance Committee Report (Discussion)

# Regular Agenda

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5. Approve Small Business COVID-19 Bill Credit and San Mateo Community Fund Donation (Action)



# Small Business COVID Relief Proposal

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Board Meeting August 27, 2020

# Small Business Economic Impacts due to COVID

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- Many small businesses throughout San Mateo County still closed
- Businesses that are open have decreased revenues and increased costs
- Energy costs remain an ongoing monthly obligation



# Bill Relief Proposal

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- Propose \$250 bill credits for up to 6,000 qualifying small businesses who respond to PCE offer (**maximum \$1.5 million**)
- Letters to be sent out to A1/B1 and A6/B6 customers with 1 or 2 accounts (~12,500 customers)
- Businesses would need to respond via a web form and answer a few questions as well as provide contact information
- Credits would be issued within 1-2 billing cycles

# Results of SVCE Small Business Credit

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- SVCE ran a similar program from May 20<sup>th</sup> - July 31<sup>st</sup> for up to 4,000 customers
- ~10,000 customers were sent 2 letters approx. 30 days apart
- So far, just under 3,000 customers have responded
- One final communication is going out via email to remaining qualified customers

# SMCU Community Fund Donation

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- Staff is also proposing a donation to the San Mateo Credit Union (SMCU) Community Fund in the amount of **\$50,000**
- Earmarked specifically for small business support via Renaissance Entrepreneurship Center (REC)
- REC recently received the final \$200K in small business grant funds from San Mateo Strong to disburse to their clients in San Mateo County

# Renaissance Entrepreneurship Center (REC)

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- Since 2007, Renaissance's East Palo Alto provided
  - comprehensive small business training and support services
  - lower-income English and Spanish speaking women and men, the overwhelming majority of whom have overcome significant obstacles to launch and grow their own businesses.
- Over the past two years REC has served 195 small business through San Mateo County
- Expanding on the funds received from San Mateo Strong will allow REC to increase their outreach and assistance to these vulnerable businesses.
- REC grants would be targeted in the areas of:
  - Training and guidance to build resiliency, pivot operations, reestablish revenues and/or re-open
  - Providing funding for purchasing/upgrading technology (noting that lack of technology is often the reason that these businesses are not able to access available resources)
  - Acquiring COVID-19 precaution supplies (PPE) and safety remodeling, building operational capacities and pivoting business models to meet new customer preferences

# Financial Impact

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- Maximum total of \$1.55 million
- Cash reserves will remain well above required policy level

# Questions?

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# Regular Agenda

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6. Consideration of New Member Opportunity and Proposed JPA Amendments (Discussion/Direction/Action)

# RECOMMENDED BOARD ACTIONS

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- 1) Consider new community inclusion subcommittee's recommendation to offer fully integrated membership as the preferred governance/management option for new member agencies.
- 2) Pending results of technical study, direct staff at the subcommittee's authorization to offer membership to the City of Los Banos for potential 2022 enrollment.
- 3) Consider proposed amendments to PCE's JPA Agreement and direct staff to send to member agencies for required 30-day notice period.

# Activities to Date

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- 1) Wright Solar Groundbreaking – October 2018
- 2) Presentation to Los Banos City Council – September 2019
- 3) Wright Solar Project started delivering power – January 2020
- 4) Los Banos City Council votes to conduct technical study – June 2020

# Governance/Management Options

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- A) Fully Integrated Membership**
- B) Modified Membership with Separate Accounting and Programs**
- C) Outsourced/Contract Service Model**

Analyzed approaches, benefits, challenges and risks within 14 different operational considerations (see options matrix in packet).

*Option A is recommended by the subcommittee as the lowest risk, least administrative impact option while conferring considerable benefits to PCE and its potential new members.*

# Los Banos Technical Study

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- 1) Study Author: MRW & Associates, Oakland, CA
- 2) Los Banos' load would represent 4.7% of PCE's overall load with the addition of ~15,000 new customers.
- 3) Scope of study considers Los Banos' impact on PCE's load/finances and also considers Los Banos as its own CCA (should they pursue CCA on their own)
- 4) Weekly calls with MRW to define and validate study assumptions, test financial modeling and receive updates on analysis.
- 5) Study to be complete by early September
- 6) So far, analysis shows that Los Banos will have little impact on PCE load projections or finances; thus, their inclusion could be considered "net neutral" from a revenue/expense perspective.
- 7) Results of study will be presented to Los Banos City Council on 9/16 and to PCE Board on 9/26

# Proposed JPA Amendments

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Administrative language amendments plus 3 substantive amendments to provide additional process detail for new members and risk reduction for PCE.

Researched several CCA JPA Agreements and practices pertaining to the addition of new members

PCE's proposed amendments are based on language found in MCE Clean Energy's JPA Agreement which has expanded its membership multiple times

## **Proposed Amended Sections:**

- **Section 4.3 Addition of Parties;**
- **Section 4.3.1 Continuing Participation;**
- **Section 4.3.2 Termination By Additional Parties**

# Next Steps/Timing

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Please refer to detailed timeline in Board packet.

## Highlights Include

- 8/27** Board Action - provisional approvals to proceed with new membership and post JPA amendments
- 9/16** Los Banos City Council – Study Presentation; move toward membership?
- 9/26** PCE Board – Study Presentation; move toward offering membership?
- Oct.** Los Banos and PCE Final Actions/Approvals
- 11/19** Los Banos Board Member Sworn In
- 12/17** Amended Implementation Plan Adopted; Submitted to CPUC

# Regular Agenda

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7. Approve Updated EV (Electric Vehicle) Incentives Budget (Action)

# Regular Agenda

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## 8. Approve Local Government Fleets Program (Action)

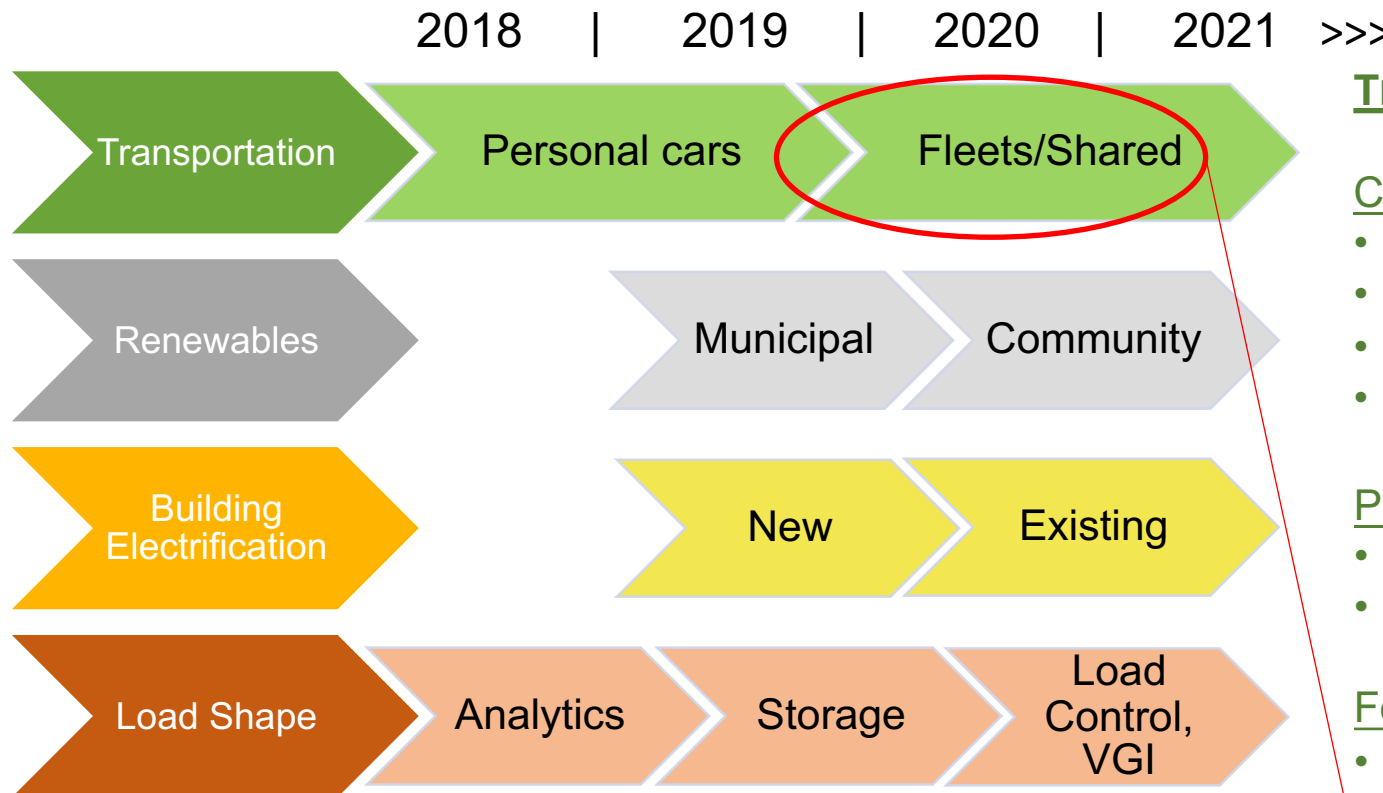


# Fleets Programs Proposal

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August 27, 2020

# High-Level Roadmap: Transportation



## TRANSPORTATION ELECTRIFICATION

### Current

- EV Ride & Drive Campaign (hiatus)
- New EV Incentive Program
- Low Income Used EV Program
- EV Ready (EV Charging Infrastructure Program)

### Pilots

- Smart Charging
- Low Power Charging

### Forthcoming

- Ride-Hailing Electrification
- Curbside Charging Pilot
- Local Gov Fleets

# Fleets Program: Request

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**Program:** Fleet program, including Technical Assistance, Funding, and Vehicle to Building Resiliency Demonstration

**Request:** Approval of the proposed Fleets Program

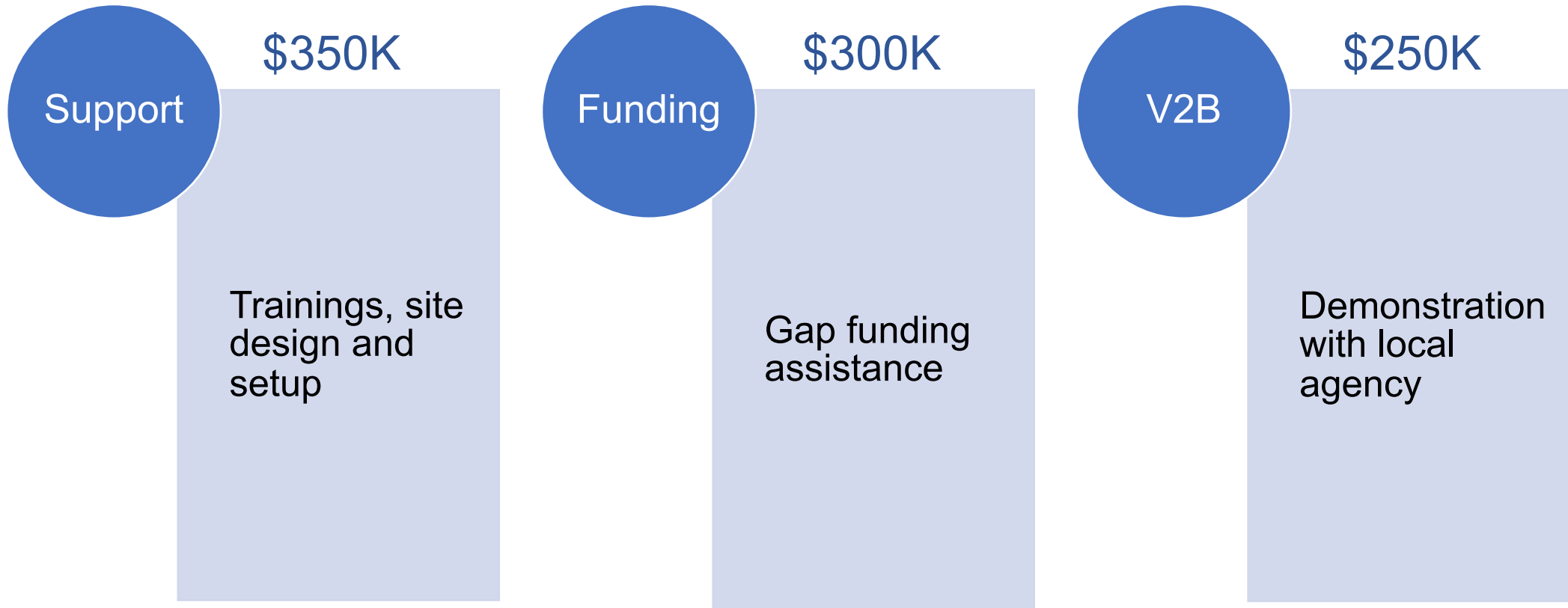
**Amount & Term:**

Up to \$900,000 over 3 years, consisting of:

- \$350,000 – technical assistance
- \$300,000 – gap funding for fleet replacement projects
- \$250,000 – Vehicle to Building Resiliency Demonstration Project

# Proposed PCE Fleets Program

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# Eligibility Requirements

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- Open to public agencies and public-school districts
- All on-road vehicle classes eligible
- Partners must commit to replacing 5 vehicles minimum per project site (schools exempted)
- Low Carbon Fuel Standard (LCFS) credits must be delegated to PCE

# Fleet Support Structure

Support

General: Total cost of ownership calculator (with PCE rates), workshops, events, grant education, contract resources, advising

Custom assistance

# Custom Fleet Support Structure

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## Support

1. Project planning, cost estimates, design
2. Grant application assistance
3. Bid development or piggybacking assistance
4. Construction management and closeout (if necessary)
5. EV charging station setup and energy management

~2 projects per year, \$40K - \$80K per project

# Fleet Funding (\$300K)

## Funding

- Targeted gap-funding assistance
- Additional incentive to schools
- Can be used for EV chargers, EV incremental cost, installation, energy management subscriptions, etc.
- Light-duty vehicle demonstrations (e.g. electric class 1 truck)

Incentive structure, based on scale of unfunded project component\*:

Unfunded Project Scope	Local Agencies	Schools
<\$100K	Up to 25% or \$25K per project (whichever is less)	Up to 50% or \$50K per project (whichever is less)
>\$100K		Up to 50% or \$100K per project (whichever is less)

\* Net all other incentives and replacement depreciation

# Fleet Funding Example

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Waste Agency. 5 refuse trucks and 5 DCFC

- Installation: \$100,000
- EV chargers: \$300,000
- Trucks: \$1,750,000

Total project cost = \$2,150,000

Pre-PCE Incentives and Depreciation

- PG&E: \$95,000
- HVIP: \$750,000
- Depreciation: \$1,250,000

Unfunded project cost = \$55,000

PCE Incentive (25% up to \$25,000): \$13,750

Remaining agency cost: \$41,250



**A Public Agency**

# Fleet Funding Example

Example – Waste Agency: 5 refuse trucks and 5 DC Fast Chargers

## Funding

	PG&E Incentive	PCE Incentive	Other Funds	Waste Agency Funds	Total Costs
To the meter installation	\$50K (est.) 100% covered				\$50K
Behind the meter installation				\$50K	\$50K
EV charging stations (\$60K each)		\$14K		\$286K	\$300K
Trucks (\$350K each)	\$45K		\$750K (HVIP)	\$955K	\$1.75M
Depreciation				(\$1.25M)	
<b>Total</b>	<b>\$95K</b>	<b>\$14K</b>	<b>\$750K</b>	<b>\$41K</b>	<b>\$2.15M</b>

### PCE Costs:

Incentives: \$14K

Planning: \$40K

# Vehicle to Building Resiliency Pilot (\$250K)

Demo at 1 local agency critical facility

**Goal:** Understand cost/benefit of fleet vehicle to building (V2B) as a resiliency measure

**Scope:**

- Design and install support
- Trial demonstrations
- Evaluation

**Components:**

- Vehicles (1-2 Leafs)
- 1-2 EV charging stations
- Installation



# Vehicle to Building Resiliency Pilot (\$250K)

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## Estimated Budget

Vehicles (2 used Leafs)	\$40,000
EV charging stations	\$15,000
Design and Engineering	\$60,000
Installation	\$35,000
Project support and evaluation	\$100,000
<b>Total</b>	<b>\$250,000</b>

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# Fleets Budget

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	FY21	FY22	FY23	Total
Technical Assistance	\$50K	\$150K	\$150K	\$350K
Fleet Fund		\$150K	\$150K	\$300K
V2B Demo	\$25K	\$225K		\$250K
Total	\$75K	\$625K	\$300K	\$900K

# Fleets Program: Request

---

**Program:** Fleet program, including Technical Assistance, Funding, and Vehicle to Building Resiliency Demonstration

**Request:** Approval of the proposed Fleets Program

**Amount & Term:**

Up to \$900,000 over 3 years, consisting of:

- \$350,000 – technical assistance
- \$300,000 – gap funding for fleet replacement projects
- \$250,000 – Vehicle to Building Resiliency Demonstration Project

# Backup Slides

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# Fleet Funding Example: School

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School District: 5 school buses and 5 DC Fast Chargers

- Installation: \$100,000
- EV chargers: \$300,000
- Buses: \$2,000,000

Total project cost = \$2,400,000

Pre-PCE Incentives and Depreciation

- PG&E: \$215,000
- CA Air Resources Board\*: \$1,100,000
- Depreciation: \$800,000

Unfunded project cost = \$285,000

PCE Incentive (50% up to \$100,000): \$100,000

Remaining school district cost: \$185,000

\* Through the Hybrid and Zero-Emissions Truck and Bus Voucher Incentive Project (HVIP)

# Proposed PCE Program

Example – school project with 5 electric buses and 5 DCFC:

Funding

	PG&E Incentive	PCE Incentive	Other Funds	School District Funds	Total Costs
To the meter installation	\$50K (est.) 100% covered				\$50K
Behind the meter installation	\$20K			\$30K	\$50K
EV charging stations (\$60K each)	\$125K	\$100K		\$75K	\$300K
Buses (\$400K each)	\$20K		\$1.1M (HVIP)	\$880K	\$2M
Depreciation				(\$800K)	
<b>Total</b>	<b>\$215K</b>	<b>\$100K</b>	<b>\$1.1M</b>	<b>185K</b>	<b>\$2.4M</b>

**PCE Costs**

Incentives: \$100K  
Planning: \$80K

# Regular Agenda

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## 9. Review Market Research Results (Discussion)

# Regular Agenda

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10. Approve Appointment of Citizen Advisory Committee (CAC) Liaison and Alternate (Action)

# Regular Agenda

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## 11. Board Members' Reports (Discussion)

# Closed Session

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## 1. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Title: Chief Executive Officer

# Closed Session

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## 2. CONFERENCE WITH LABOR NEGOTIATORS

# Closed Session

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3. RECONVENE OPEN SESSION AND REPORT ANY ACTION(S) TAKEN DURING CLOSED SESSION

# Regular Agenda

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Adjourn