



Peninsula Clean Energy Board of Directors Meeting

January 28, 2021

Agenda

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

Regular Agenda

1. Chair Report (Discussion)

PCE Procedures for Board/EC (Policy 16)

- Board Chair and Vice Chair
 - January: form Nominating Committee (Dave Pine, Rick Bonilla, Larry May, others?)
 - February: nominate/approve Chair and Vice Chair
- Executive Committee:
 - February: Chair and Vice Chair nominate 7 other Executive Committee Members
 - March: Board votes on full Executive Committee
 - If you are interested in joining the Executive Committee, contact Dave Pine (nominating committee)

Regular Agenda

2. CEO Report (Discussion)

Today's Updates

- Staffing Changes
- Welcome to new Board Members
- Welcome to new Alternate Board Members
- COVID-19 Load Impact Analysis
- Reach Codes Update
- Upcoming PCE Meetings

Staffing Changes

Joe Wiedman is leaving PCE to return to running his own law practice – last day is January 29

Thank you, Joe, for your great work in building PCE's stellar leg/reg team during the last 4 years!



Welcome to New Board Members!

- Brisbane – Coleen Mackin
- Los Banos – Mayor Tom Faria
- Woodside – Jennifer Wall



Welcome to New Alternate Board Members!

- East Palo Alto – Regina Wallace-Jones
- Foster City – Richa Awasthi
- Half Moon Bay – Joaquin Jimenez
- Menlo Park – Jen Wolosin
- Millbrae – Reuben Holober
- Pacifica – Tygarjas Bigstyck
- Redwood City – Michael Smith
- San Carlos – John Dugan
- South San Francisco – James Coleman
- Woodside – John Carvell

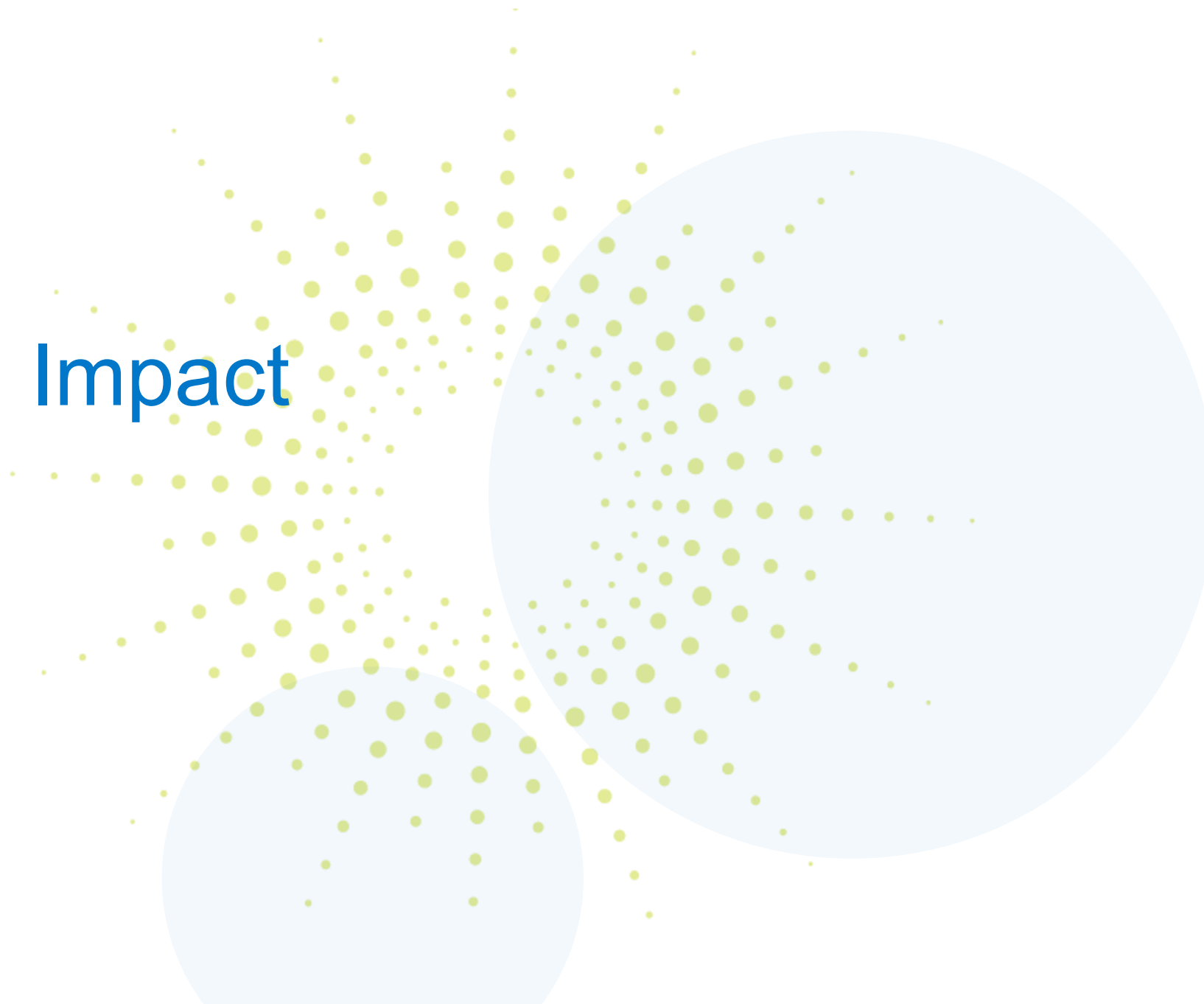


Board Members and Alternate Training

- Anne will be setting up video meetings between Jan and each city's board member, alternate board member and city manager
- Training session will be scheduled for new Board members and alternates in the early spring

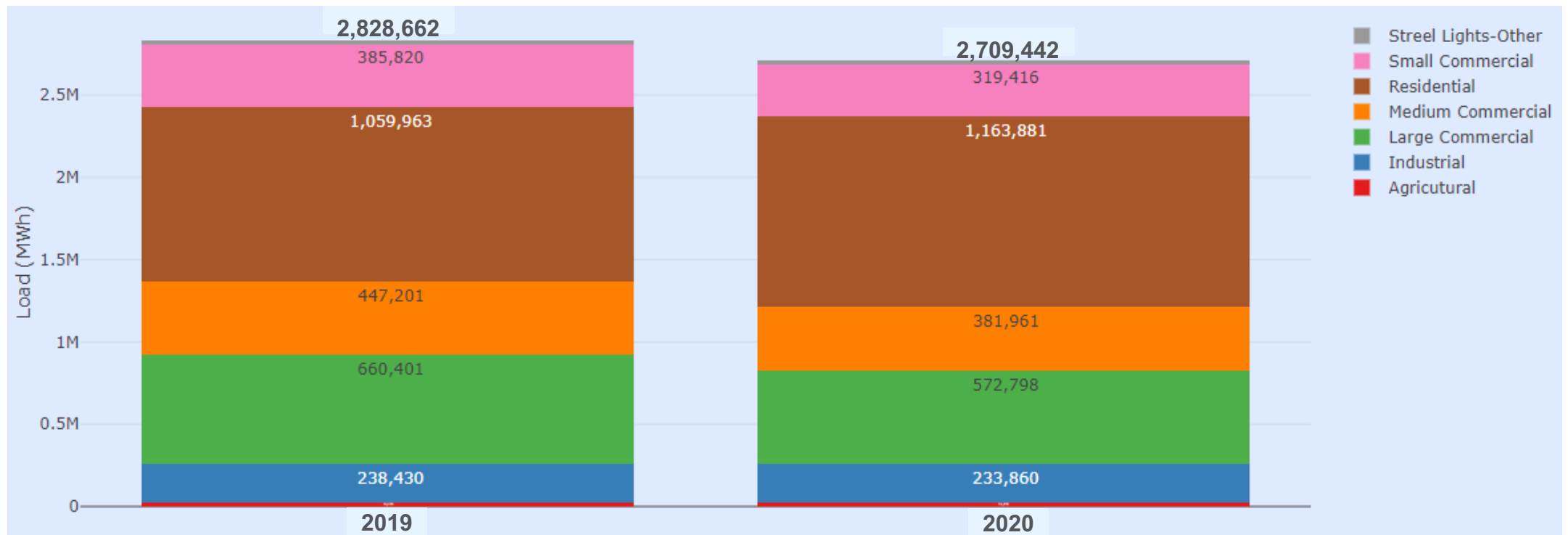
COVID-19 Load Impact Analysis

01/28/2021



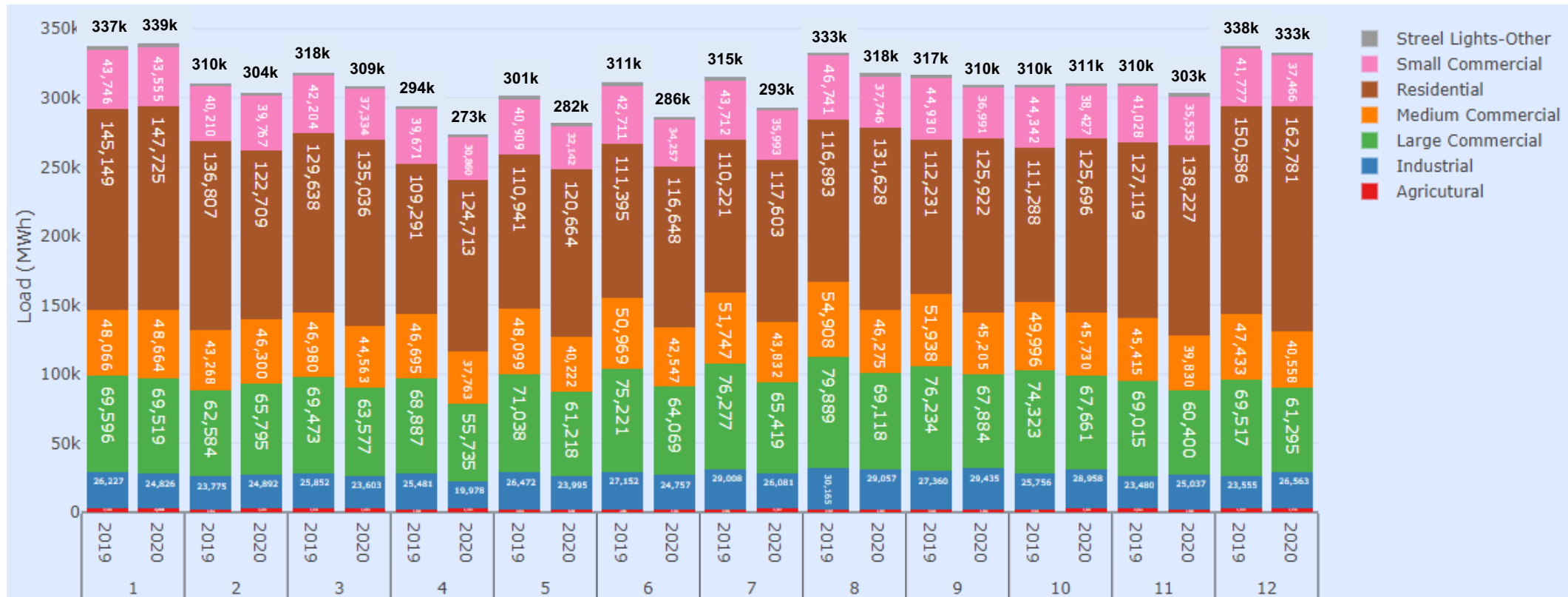
PCE Load after Shelter-in-place order

- April-December 2020 compared to April-December 2019:
 - 4% decrease in Total PCE load compared to same period in 2019.
 - Around 13% decrease in C&I load
 - Around 10% increase in residential load



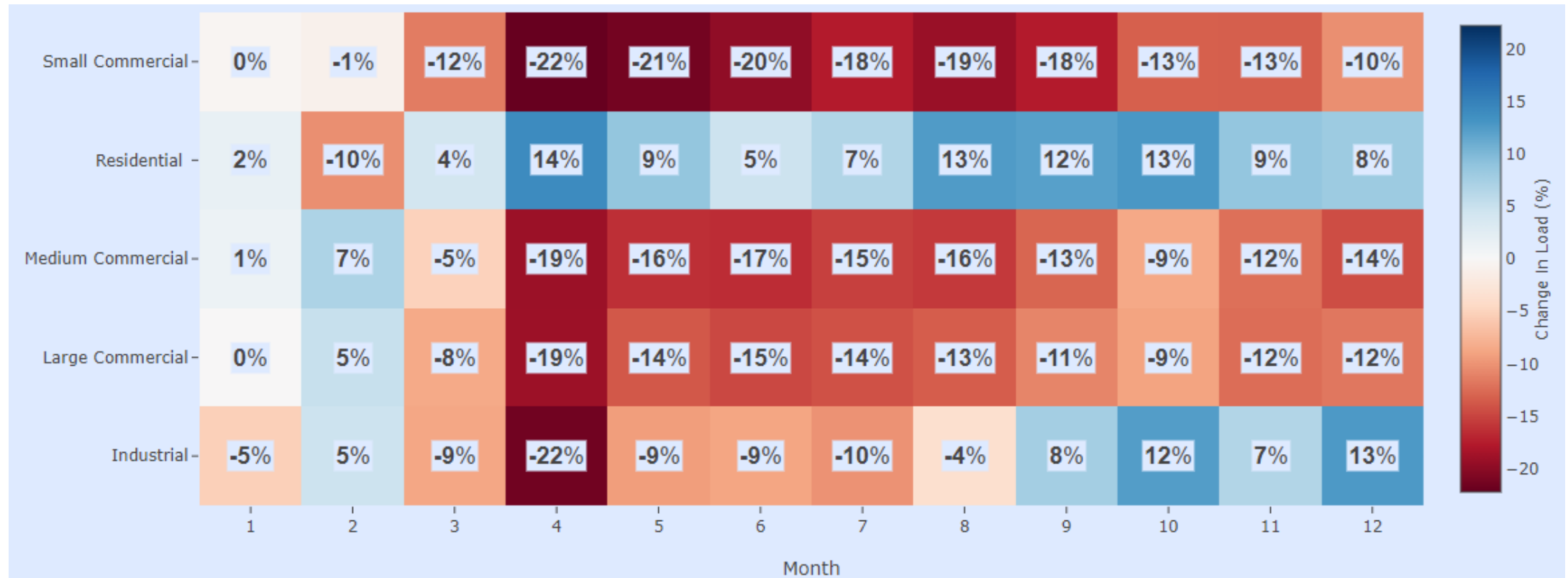
Monthly Load

- 7% decrease in PCE's monthly load in first few months after COVID (March through July of 2020 compared to same months in 2019)
- Only 2% decrease in August-December of 2020 (compared to same months in 2019)



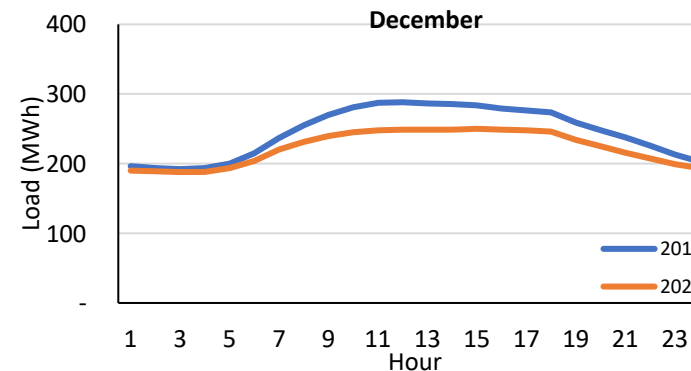
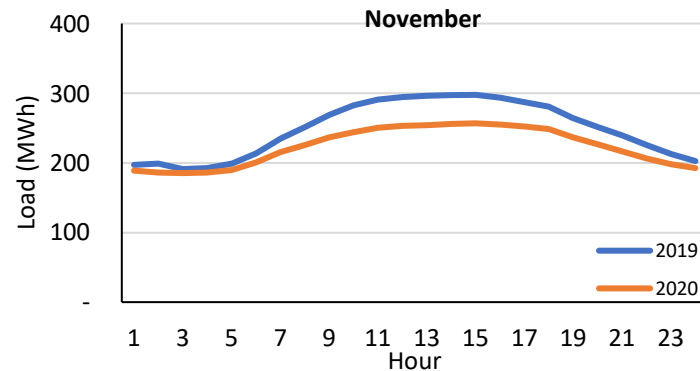
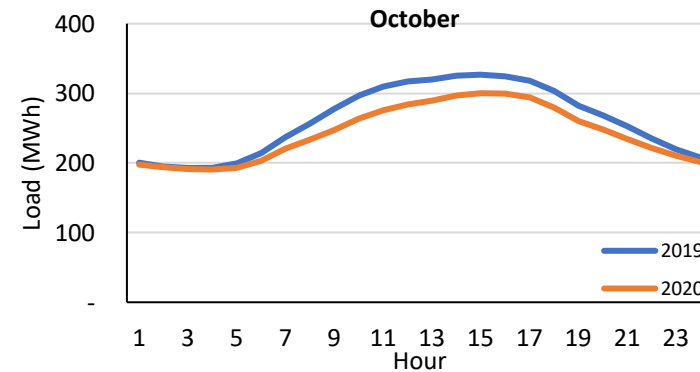
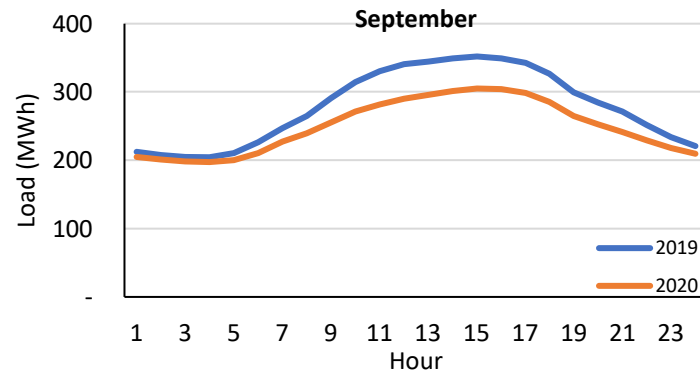
Monthly Load Changes by Customer Class

- Decrease in C&I load, increase in residential load in each month compared to same month in 2019.



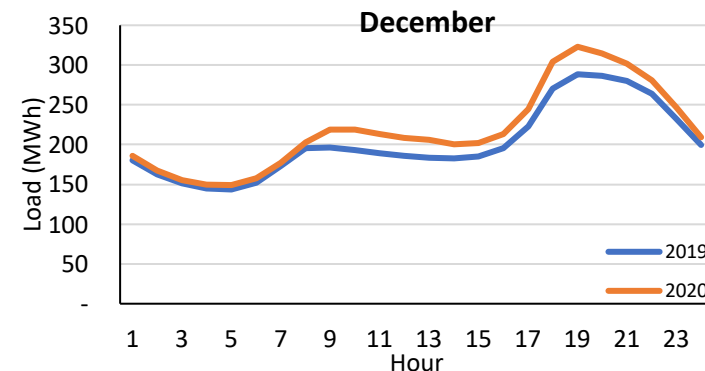
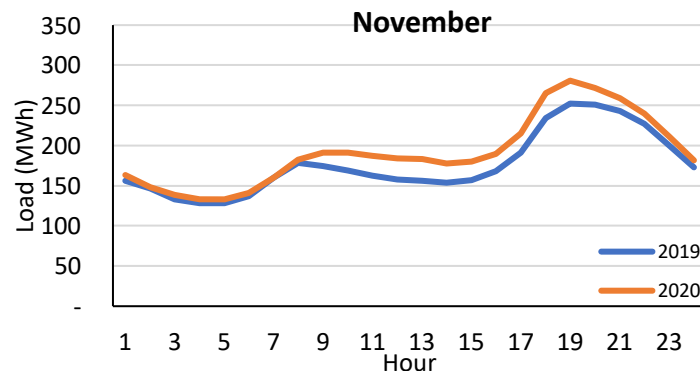
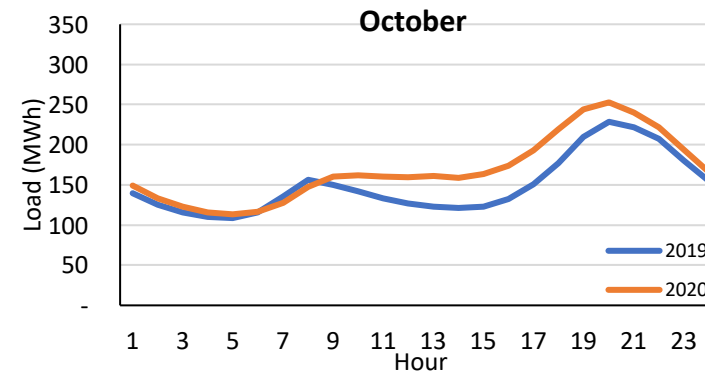
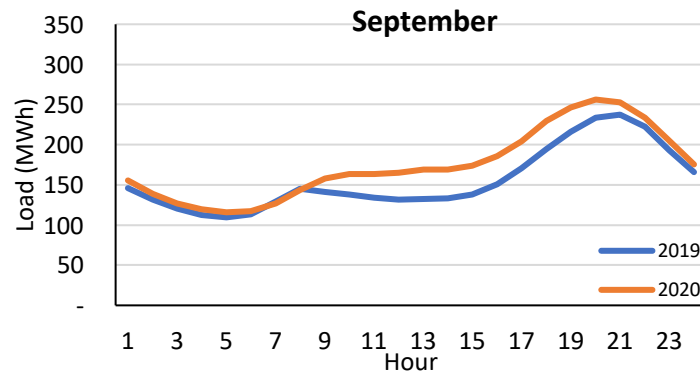
Load Shapes (C&I)

- 2020 commercial load shapes (orange lines) are scaled down compared to 2019 (blue lines)



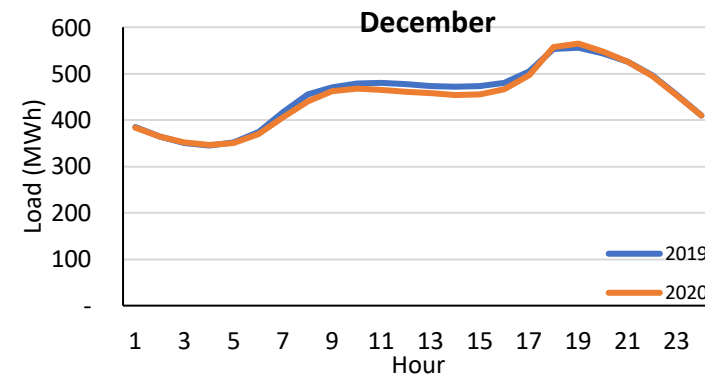
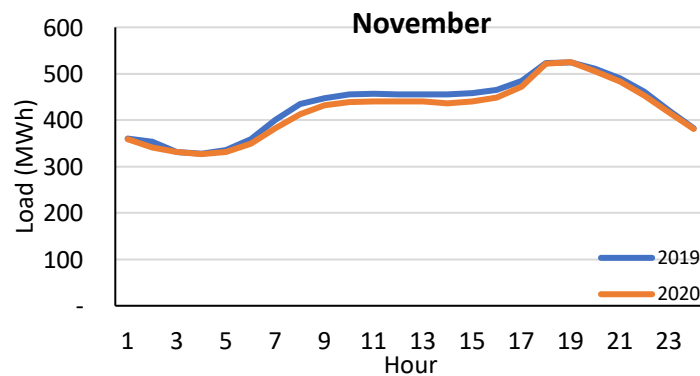
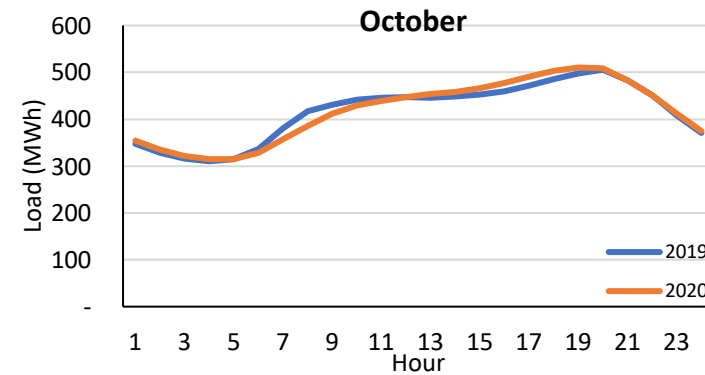
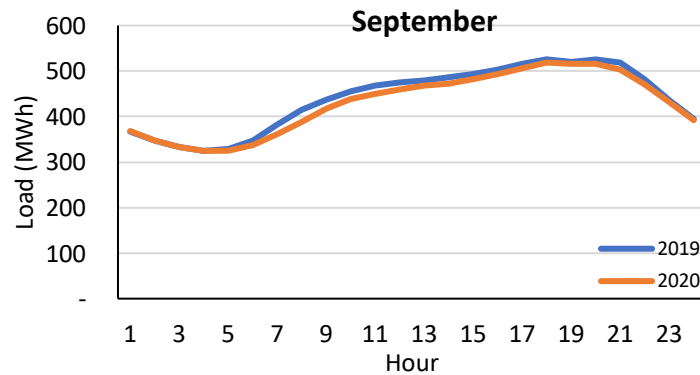
Load Shapes (Residential)

- 2020 residential load shapes (orange lines) have changed compared to 2019 shapes (blue lines):
 - Smaller drop-offs during mid-day
 - Bigger increase in September-October due to heatwaves and smoke



Load Shapes (PCE)

- September, November, December: 2020 PCE load shapes (orange lines) have scaled down compared to 2019 shapes (blue lines)
- October: 2020 load marginally higher than 2019 load



San Mateo County Status – Reach Codes

Member Agency	Reach Code Status	Building (proposed)	EV
Brisbane	Adopted	All-electric w/ exceptions	MUD 1xL2/ unit
Burlingame	Adopted	All-electric w/ exceptions	PCE model code (variant)
East Palo Alto	Adopted	All-electric w/ exceptions	PCE model code (variant)
Millbrae	Adopted	All-electric w/ exceptions	PCE model code (variant)
Menlo Park	Adopted	All-electric w/ exceptions	(existing EV code)
Pacifica	Adopted	All-electric w/ exceptions	(existing EV code)
County of San Mateo	Adopted	All-electric w/ exceptions	PCE model code
Redwood City	Adopted	All-electric w/ exceptions	PCE model code
San Mateo	Adopted	All-electric w/ exceptions (updated)	Increase EV capable
San Carlos	Adopted	Pre-wiring on single-family homes (considering all-electric)	
New San Carlos	1 st reading PASSED	All-electric w/ exceptions	PCE model code
Portola Valley	1 st reading TBD	(All-electric w/ exceptions)	(existing EV code)
New South SF	Study Session 1/27		
Belmont, Daly City	Scheduling study session		
Colma, Foster City, Half Moon Bay, Hillsborough, San Bruno	Letter of Intent, Staff discussions or Council briefing done		
Peninsula Atherton, Woodside	Declined		

Santa Clara County
Adopted: 12
In-Progress: 3

Upcoming Meetings

- These meetings will continue to be held by video/teleconference
- Executive Committee:
 - February 8 at 8:00 a.m.
- Audit & Finance Committee:
 - February 8 at 10:00 a.m.
- Citizens Advisory Committee:
 - February 11 at 6:30 p.m.
- Board of Directors:
 - February 25 at 6:30 p.m.



Regular Agenda

3. Citizens Advisory Committee Report (Discussion)

Regular Agenda

4. Approve Peninsula Clean Energy Generation Rate Changes (Action)



Proposed Rate Change

Board of Directors Meeting January 28, 2021

January 1, 2021 PG&E Rate Change

- PG&E adjusted rates across the board effective January 1, 2021
- Detailed tariff sheets were not available until December 30th. Staff has since completed a comparison of rate impacts and PCE customers are currently paying more than PG&E bundled customers.
- PCIA fees are increasing significantly across all rate classes as part of a settlement with PG&E and the CPUC for under collection during 2020
- In addition, PG&E Generation rates are going down for most rate classes causing even more downward pressure on PCE rates

Current PCE Rate Making Methodology

(PG&E Generation Rate * 0.95) – PCIA –FFS

= PCE ECOplus Rate

PG&E System Average Generation Rates

System Average Generation Rates (\$/kWh)			
Customer Class	5.1.20	1.1.21	% Change
Residential	\$ 0.11752	\$ 0.11209	-5%
Small Commercial	\$ 0.11507	\$ 0.10780	-6%
Medium Commercial	\$ 0.12116	\$ 0.11540	-5%
E19T	\$ 0.09671	\$ 0.09980	3%
E19P	\$ 0.10094	\$ 0.09576	-5%
E19S	\$ 0.11304	\$ 0.10817	-4%
Streetlights	\$ 0.09364	\$ 0.08931	-5%
Standby	\$ 0.08613	\$ 0.08074	-6%
Agriculture	\$ 0.10856	\$ 0.10114	-7%
E-20 T	\$ 0.09576	\$ 0.09140	-5%
E-20 P	\$ 0.10210	\$ 0.09793	-4%
E-20 S	\$ 0.10721	\$ 0.10215	-5%
SYSTEM	\$ 0.11224	\$ 0.10703	-5%

PCIA Increase

PCIA (\$/kWh)			
Customer Class	5.1.20	1.1.21	% Change
Residential	\$ 0.03340	\$ 0.04402	32%
Small Commercial	\$ 0.03199	\$ 0.04271	34%
Medium Commercial	\$ 0.03447	\$ 0.04580	33%
Large Commercial	\$ 0.03158	\$ 0.04197	33%
Streetlights	\$ 0.02662	\$ 0.03506	32%
Standby	\$ 0.02413	\$ 0.03186	32%
Agriculture	\$ 0.02985	\$ 0.03974	33%
E-20 T	\$ 0.02711	\$ 0.03592	32%
E-20 P	\$ 0.02921	\$ 0.03850	32%
E-20 S	\$ 0.03039	\$ 0.04023	32%
BEV1	\$ 0.02695	\$ 0.03569	32%
BEV2	\$ 0.03220	\$ 0.04212	31%

PG&E System Average Bundled Rates

System Average Bundled Rates (\$/kWh)			
Customer Class	5.1.20	1.1.21	% Change
Residential	\$ 0.22913	\$ 0.23063	1%
Small Commercial	\$ 0.26618	\$ 0.26460	-1%
Medium Commercial	\$ 0.23721	\$ 0.23699	0%
E19T	\$ 0.16455	\$ 0.17111	4%
E19P	\$ 0.18789	\$ 0.18507	-2%
E19S	\$ 0.20961	\$ 0.20839	-1%
Streetlights	\$ 0.30458	\$ 0.29719	-2%
Standby	\$ 0.18482	\$ 0.17786	-4%
Agriculture	\$ 0.25109	\$ 0.24187	-4%
E-20 T	\$ 0.14240	\$ 0.13688	-4%
E-20 P	\$ 0.17774	\$ 0.17611	-1%
E-20 S	\$ 0.19804	\$ 0.19688	-1%
SYSTEM	\$ 0.22169	\$ 0.22301	1%

More Changes Expected in March 2021

- PG&E has indicated that more changes are expected in March 2021
- PG&E Generation rates are expected to increase but by how much is not clear
- Further adjustments in the PCIA rate are also expected

Staff Recommendation

- Staff recommends that the Board authorize rate adjustments now to PCE ECOplus rates to reinstate the net 5% discount to all customers
- If approved, new rates are expected to go into effect Feb 1, 2021
- When details of the March rate adjustments are released staff will review impacts and return to the board with additional recommendations.

Regular Agenda

5. Approve Peninsula Clean Energy Participation in California Community Power (CC Power) Joint Powers Authority and Delegate Authority to the Chief Executive Office to Execute the CC Power Joint Powers Authority Agreement (Action)



California Community Power JPA

Board of Directors
January 28, 2021



Action Requested

- Approve Peninsula Clean Energy participation in California Community Power (“CC Power”) Joint Powers Authority and Delegate authority to CEO to Execute CC Power JPA Agreement

Agenda

- Participating CCAs and Load of Participating CCAs
- PCE Study Session on January 12
- CEO Meeting on January 20
- CC Power JPA Approval Status
- Benefits of Joining CC Power
- CC Power JPA Agreement
- First Project: Long-Duration Storage Request for Offers
- Timeline of Activities

Participating CCAs



9 CCAs by the Numbers

CCA considering Super JPA	Annual Load 2019 (GWh)	Est Peak Load (MW)	Customer Accounts
Central Coast Community Energy	3,094	679	275,750
Clean Power SF	2,706	460	380,000
East Bay Community Energy	5,819	990	533,000
Marin Clean Energy	5,275	505	470,000
Peninsula Clean Energy	3,600	733	293,000
Redwood Coast Energy	699	125	62,000
San Jose Clean Energy	3,286	1,081	332,500
Silicon Valley Clean Energy	3,898	800	270,000
Sonoma Clean Power	2,360	417	227,000
Total	30,737	5,790	2,843,250

PCE Study Session on January 12

- PCE staff provided FAQ on 39 topics
 - 1 additional topic was added to the FAQ that's in tonight's packet
- Study session focus:
 - Labor Questions
 - Environmental safeguards
 - Risk to PCE as a project participant
 - Risk to PCE when not a project participant

CEO Meeting on January 20

- Discussed developing labor policies for CC Power (as well as environmental and diversity)
- CC Power will survey CC Power members regarding their policies
- Set of "Principles" to be considered by CC Power members at first board meeting in February
- Specific policies will be developed on a project-by-project basis based on the type of project and member participation in the given project

CC Power JPA Approval Status

CCA	Forecast Approval	Status
MCE	Board: 11/19/20	APPROVED
RCEA	Board: 12/17/20	APPROVED
SVCE	Board: 12/9/20	APPROVED
SJCE	Council: 1/5/21	APPROVED
SCP	Board: 1/7/21	APPROVED
3CE	Board: 1/13/21	APPROVED
EBCE	Board: 1/20/21	APPROVED
PCE	Board: 1/28/21	
Clean Power SF	Board: mid-Feb; Final: mid-March	

Benefits of Joint Action through CC Power

- Economies of Scale
- Enhanced Negotiating Power
- Shared Risk – execution, development and performance
- Potential for Shared Financing
- Strategic value demonstrating CCA self-procurement & reliability contributions
 - Large and growing need for reliability resources with gas plants and Diablo Canyon going offline
 - Utility-centric state-ordered procurement mandates or allocations can result in cost allocation to CCAs
- Legislators and regulators favor large scale procurement

JPA Agreement: General Overview

- JPA given broad powers that match its Members' powers
- Purpose is “to develop, acquire, construct, own, manage, contract for, engage in, finance and/or provide energy related programs for the use of and by its Members”
- Members may exit the JPA, but must pay pro-rata share of previously-incurred debts
- Modeled after NCPA and SCPPA (municipal utilities)

JPA Agreement: Governance Overview

- JPA Board composed of Members' CEOs (or designee)
 - Equal voting shares
 - Majority of attending directors for simple changes
 - 2/3 of entire Board for significant changes
-
- Any decision to participate in a project or approve PCE expenditures for CC Power of more than \$100k would come to PCE board for approval first

JPA Agreement: Key Features

- JPA administrative costs shared equally among Members
- Part-time contract General Manager, General Counsel
- Expected costs of \$10k-\$30k annually for G&A
- Majority of costs assigned to projects

Project Development

CC Power Projects - 3 Phase process



Long Duration Storage RFO

- Joint CCAs issued a Request for Offers (RFO) for long-duration storage resources
 - Grid-charged long duration storage technology with a minimum of 8 hours of discharge duration
 - In front of the meter
 - Commercial operation by 2026
 - Minimum delivery term of 10 years

Timeline

- CCA approval by governing boards – Dec 2020 and Jan 2021
 - JPA agreement signed – January 29, 2021
 - Press release issued – February 2, 2021
 - First CC Power board meeting – mid-Feb 2021
-
- LDS Storage bid evaluation – Dec 2020 to March 2021
 - Short-list – March 2021
 - Finalize PPA, Project Participation and Operating Agreements – Oct 2021

Recommendation - Action

- Approve Peninsula Clean Energy participation in California Community Power (“CC Power”) Joint Powers Authority and Delegate authority to CEO to Execute CC Power JPA Agreement

Regular Agenda

6. Presentation on SMC (San Mateo County) Climate Alliance (Discussion)

San Mateo County Climate Alliance

*Presented By: Supervisor Dave Pine,
Council Member Ray Mueller, SMC Office of
Sustainability Director Carolyn Bloede*

Peninsula Clean Energy Board Meeting

January 28, 2021



SMC Climate Alliance Mission

*The SMC Climate Alliance is a proposed collaborative of the **Office of Sustainability (OoS)**, **Peninsula Clean Energy (PCE)**, and willing cities committed to advancing and fast-tracking the transition to a zero carbon economy.*

These members will champion high-impact climate initiatives that require strong political leadership to drive coordinated regional action, overcome significant barriers, or demonstrate feasibility for broad adoption.

The Climate Alliance will build on the work of OoS and PCE and allow members to implement carbon reduction initiatives in a coordinated and cost effective way.



The Climate Crisis Requires Urgent Action



Hotter temperatures
& more **severe drought**
conditions



More **intense storms** and
variable precipitation



Increased **wildfire risk**
for local forests



Sea level rise and increase
in coastal and
flooding riverine

**CLIMATE
READY**
SAN MATEO COUNTY

MITIGATION

Reduce San Mateo County's contribution of **greenhouse gas emissions**.



ADAPTATION

Prepare for projected **climate change impacts**.



We Have Already Accomplished So Much

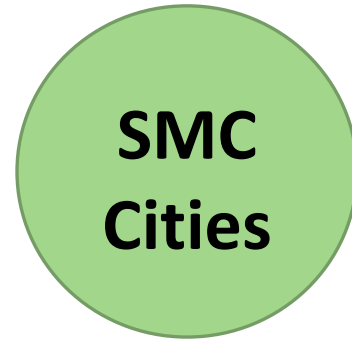
- **Peninsula Clean Energy:** 100% Carbon Free Power to all in SMC
- **Reach Codes:** No more Fossil Fuels/ gas in new homes & buildings (*10 Reach Codes so far in SMC—this is ¼ of the total in CA!*)
- **Energy Efficiency:** robust programs for residents across income levels to increase home energy efficiency (BAYREN)
- **Clean Vehicles:** incentivizing public purchasing (SunShares, PCE) & installing EV Chargers



Climate Priorities Moving Forward



- Phase out Fossil Gas in Homes & Buildings
- Electric Vehicles for All
- Healthy Alternatives to Driving (transit, carpool, bike, walk, telecommute & smart housing policy)
- Integrate Equity & Engage Communities



Stronger Together

How would the alliance work?

- **Members:** OoS, PCE, SMC & cities. Cities would commit to adopt:
 1. A Climate Emergency Resolution (similar to the [resolution](#) adopted by SMC).
 2. One “high impact climate measure” per year (*such as measures listed in previous slide*)
- **Advisory Group:** SAMCEDA, SamTrans & broader Private Sector Stakeholders, Nonprofits, Philanthropy & Others
- **Staffing:** Half time staff person at OoS

With Equity & Social Justice at the Core, the Alliance Could Create:

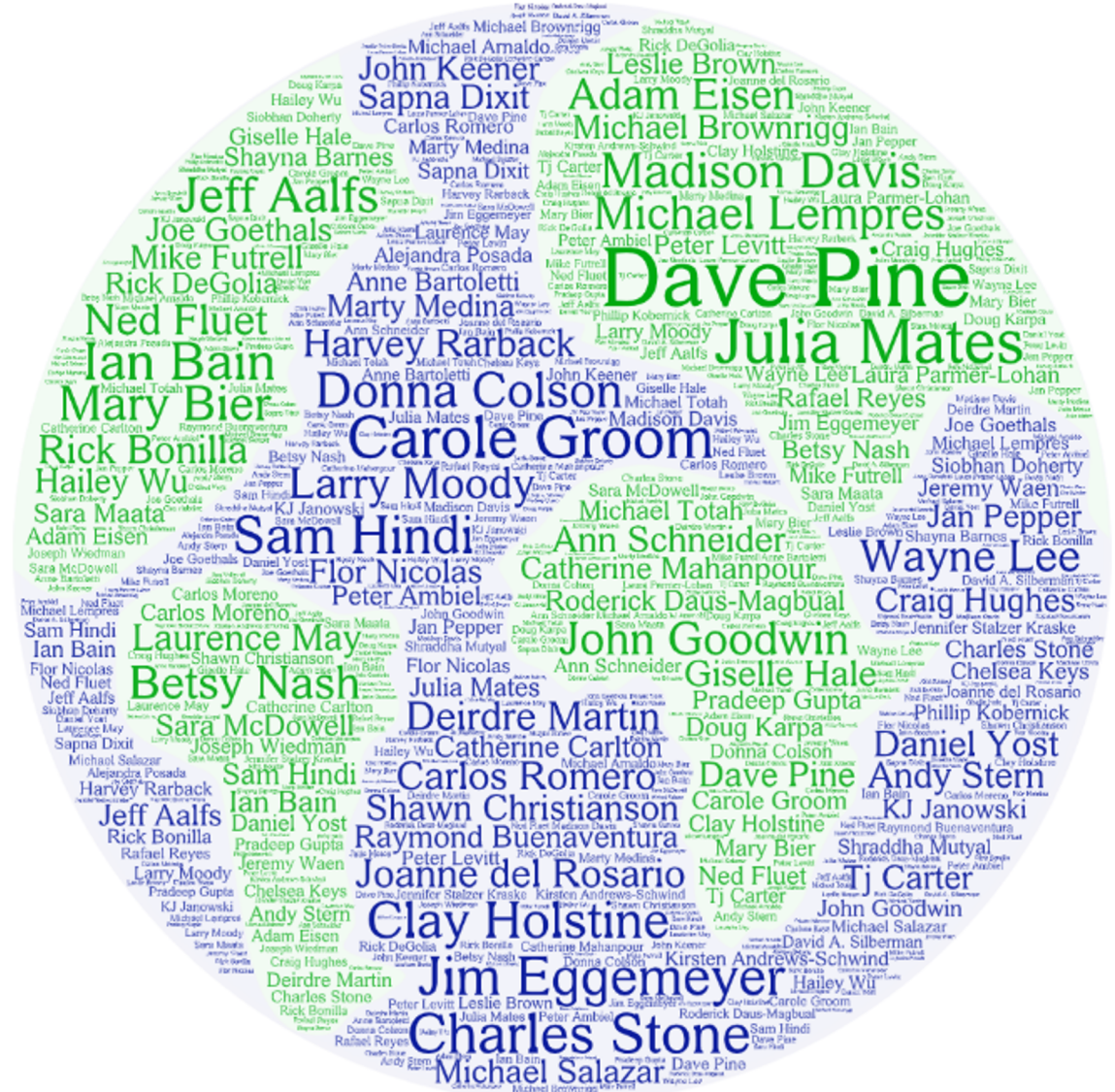


- **A Forum for thought leaders**
- **Leadership & Action-Based Initiatives**
- **Model Ordinances**
- **Financing Options**
- **Shared work across members**
- **Up-to-date carbon emissions data**
- **High-impact sequestration strategies**
- **Leverage existing resources**

Reaching for Zero Carbon

San Mateo County has what it takes to lead on Climate Action:

- Local Clean Energy with PCE → PCE already has a strong partnership with cities.
- Existing leadership on climate & a strong track record.
- A growing youth movement & coalitions working towards an equitable, just approach to climate progress, and
- A vision to build grand solutions that scale from community to regional and beyond.



Climate Progress Depends on Community Support

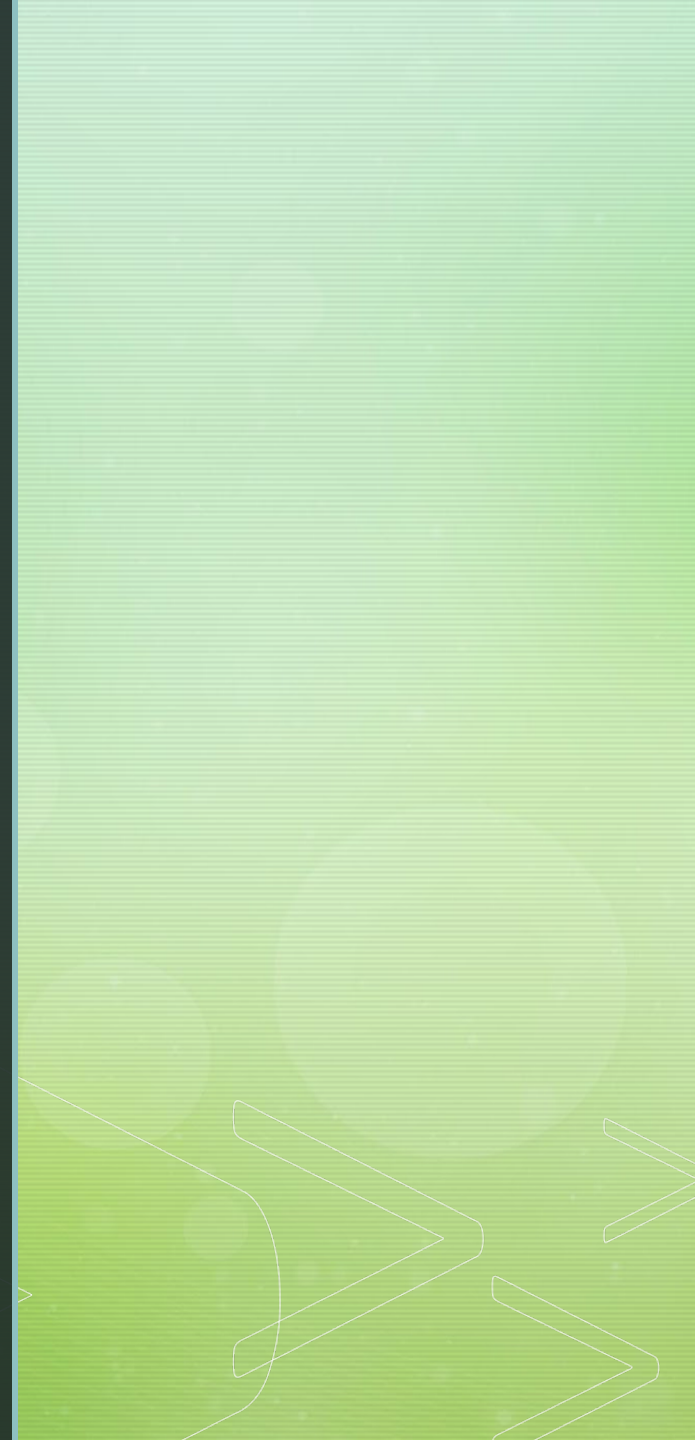
Collaboration is the key ingredient to success: Students, Residents, Business, Government



Thank You



Discussion & Next Steps



Regular Agenda

7. Discussion and Action Re: Citizens Advisory Committee Statement on Equity (Action)



Citizens Advisory Committee Draft Equity Statement

Board of Directors Meeting January 28, 2021

CAC Equity Working Group Background

- In July 2020, the Board of Directors approved a Citizens Advisory Committee (CAC) workplan.
- Work plan recommended the formation of working groups, including an Equity Working Group.
- Task of the CAC Equity Working Group: “ensure equity is a priority across all working groups and built into PCE strategic priorities”
- CAC Equity Working Group lead: Ray Larios. Members: Diane Bailey, Katie Green, Terri Givens, and Jason Mendelson.

Draft Equity Statement Background

- At CAC meeting January 14th 2021, Equity Working Group brought the following statement to the CAC
- CAC unanimously approved it and recommended it to the Board of Directors

Draft CAC Equity Statement

In light of the community's focus on anti-racism and the Black Lives Matter Movement following the death of George Floyd in May of 2020 and other continuing instances of systemic racism and institutional violence against black people, the Peninsula Clean Energy CAC Equity Working Group has worked over the past few months on a statement that would embody the commitment of the organization to ensure equity and inclusion in their work. The working group recognizes that there are many forms of discrimination that impact people from different backgrounds but the growing awareness of significant violence and discrimination against people of color (BIPOC) is our current focus, and we are committed to developing a framework that will eventually address discrimination in all its forms. We recommend adoption of the following statement.

Draft CAC Statement (cont'd)

Peninsula Clean Energy Citizens Advisory Committee Draft Statement on Equity and Inclusion

1. Peninsula Clean Energy commits to making anti-racism top of mind during decision making.
 - Will follow best practices in hiring, vendor selection and project selection
 - Will use a racial equity lens when developing the community impact report
2. Develop a means of tracking revenue and formulating a mechanism (qualitative and quantitative) that ensures accountability.
 - Current board goals - 20% of programs funding going to low-income communities (working on definition)
3. Pursue equity in energy generation and programs
 - Low-income households, as well as Black, Hispanic, and Native American households, pay a much larger share of their income on energy bills, straining budgets and putting them at heightened risk of utility shutoffs during the COVID-19 pandemic and recession (<https://www.aceee.org/press-release/2020/09/report-low-income-households-communities-color-face-high-energy-burden>)

Proposed Board Resolution

Board accepts this Draft Equity Statement from the Citizens Advisory Committee and commits to use this draft in creating an official Peninsula Clean Energy equity statement.

Regular Agenda

8. Board Members' Reports (Discussion)

Regular Agenda

Adjourn