  
**Regular Meeting of the Board of Directors of the**

**Peninsula Clean Energy Authority (PCEA)**

**Minutes**

Thursday, March 24, 2022  
6:30 p.m.

Zoom Video Conference and Teleconference

**CALL TO ORDER**

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

**ROLL CALL**

**Participating Remotely:**

Dave Pine, San Mateo County

Rick DeGolia, Atherton, *Chair*

Julia Mates, Belmont

Coleen Mackin, Brisbane

Donna Colson, Burlingame, *Vice Chair*

Roderick Daus-Magbual, Daly City

Carlos Romero, East Palo Alto

Patrick Sullivan, Foster City

Harvey Rarback, Half Moon Bay

Laurence May, Hillsborough

Tom Faria, Los Banos

Betsy Nash, Menlo Park

Tygarjas Bigstyck, Pacifica

Jeff Aalfs, Portola Valley

Giselle Hale, Redwood City

Marty Medina, San Bruno

John Dugan, San Carlos

Rick Bonilla, San Mateo

Jennifer Wall, Woodside

Pradeep Gupta, Director Emeritus

John Keener, Director Emeritus

**Absent:**

Warren Slocum, San Mateo County

Raquel Gonzalez, Colma

Anders Fung, Millbrae

James Coleman, South San Francisco

**A quorum was established.**

**PUBLIC COMMENT**

Ryan Pickering

Jeremy Sarnecky

Brendan Pitman

**SWEARING IN OF NEW BOARD MEMBERS**

Jennifer Stalzer, Deputy County Counsel, presided over the official swearing in of new Board Alternate Patrick Sullivan from the city of Foster City.

**ACTION TO SET THE AGENDA AND APPROVE REMAINING CONSENT AGENDA ITEMS**

Coleen Mackin offered two comments on Agenda Item Number 3, “Approval of a Contract with Aiqueous for Ongoing PowerPath Licensing and Support…”: that biannual meetings on data security practices and policies take place and to ensure efforts are made to protect customer’s personal data. Rafael Reyes, Director of Energy Programs, explained that meetings regularly occur with the consulting firm and that they have secured some of the highest industry standard certifications in data security.

**MOTION:** Director Bonilla moved, seconded by Director Hale to set the Agenda, and approve Agenda Item Numbers 1-4.

1. Adopt Finding Pursuant to AB 361 to Continue Fully Teleconferenced Committee Meetings Due to Health Risks Posed by In-Person Meetings
2. Approval of the Minutes for the February 24, 2022 Board of Directors Meeting
3. Approval of a Contract with Aiqueous for Ongoing PowerPath Licensing and Support for a Total Not to Exceed Amount of $450,000 From June 2022 Through December 2024
4. Approval of an Amendment to the Existing Retention Agreement With the Law Firm of Braun Blaising Smith Wynne, P.C. in an Amount not to Exceed $150,000 for a Total Not to Exceed Amount of $450,000

**MOTION PASSED:** 19-0 (Absent: San Mateo County, Colma, Millbrae, South San Francisco)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **JURISDICTION** | **BOARD MEMBER** | **YES** | **NO** | **ABSTAIN** | **ABSENT** |
| San Mateo County | Director Pine | X |  |  |  |
| San Mateo County | Director Slocum |  |  |  | X |
| Atherton | Director DeGolia | X |  |  |  |
| Belmont | Director Mates | X |  |  |  |
| Brisbane | Director Mackin | X |  |  |  |
| Burlingame | Director Colson | X |  |  |  |
| Colma | Director Gonzalez |  |  |  | X |
| Daly City | Director Daus-Magbual | X |  |  |  |
| East Palo Alto | Director Romero | X |  |  |  |
| Foster City | Director Sullivan | X |  |  |  |
| Half Moon Bay | Director Rarback | X |  |  |  |
| Hillsborough | Director May | X |  |  |  |
| Los Banos | Director Faria | X |  |  |  |
| Menlo Park | Director Nash | X |  |  |  |
| Millbrae | Director Fung |  |  |  | X |
| Pacifica | Director Bigstyck | X |  |  |  |
| Portola Valley | Director Aalfs | X |  |  |  |
| Redwood City | Director Hale | X |  |  |  |
| San Bruno | Director Medina | X |  |  |  |
| San Carlos | Director Dugan | X |  |  |  |
| San Mateo | Director Bonilla | X |  |  |  |
| South San Francisco | Director Coleman |  |  |  | X |
| Woodside | Director Wall | X |  |  |  |
|  | Totals | 19 |  |  | 4 |

**REGULAR AGENDA**

1. Chair Report

None

1. CEO Report

Jan Pepper, CEO, gave a report covering hiring updates for the COO and CFO positions, updates on Meet & Greets with California Public Utilities Commissioners and California Energy Commissioners, and a quick recap of Peninsula Clean Energy’s first all-staff in-person meeting since March 2020.

1. Citizens Advisory Committee Report

Cheryl Schaff, Citizens Advisory Committee (CAC) Vice Chair, gave an update on the CAC 2022 work plan which will be presented to the board in May 2022, timing on new members joining the CAC in June 2022, and information on the CAC member survey results.

1. Appointments to the Executive Committee and Audit & Finance Committee (Action)

Chair DeGolia recapped recruitments efforts for the Executive Committee and Audit & Finance Committee and proposed reappointing the current members of the Executive Committee and Audit & Finance Committee.

Jan Pepper, CEO, noted that Carole Groom is no longer on the Peninsula Clean Energy Board of Directors.

**MOTION:** Director Bonilla moved, seconded by Director Faria to reappoint the current members of the Executive Committee and to reappoint the current members of the Audit & Finance Committee, without the inclusion of Carole Groom who is no longer on the Peninsula Clean Energy Board of Directors.

**MOTION PASSED:** 19-0 (Absent: San Mateo County, Colma, Millbrae, South San Francisco)

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| **JURISDICTION** | **BOARD MEMBER** | **YES** | **NO** | **ABSTAIN** | **ABSENT** |
| San Mateo County | Director Pine | X |  |  |  |
| San Mateo County | Director Slocum |  |  |  | X |
| Atherton | Director DeGolia | X |  |  |  |
| Belmont | Director Mates | X |  |  |  |
| Brisbane | Director Mackin | X |  |  |  |
| Burlingame | Director Colson | X |  |  |  |
| Colma | Director Gonzalez |  |  |  | X |
| Daly City | Director Daus-Magbual | X |  |  |  |
| East Palo Alto | Director Romero | X |  |  |  |
| Foster City | Director Sullivan | X |  |  |  |
| Half Moon Bay | Director Rarback | X |  |  |  |
| Hillsborough | Director May | X |  |  |  |
| Los Banos | Director Faria | X |  |  |  |
| Menlo Park | Director Nash | X |  |  |  |
| Millbrae | Director Fung |  |  |  | X |
| Pacifica | Director Bigstyck | X |  |  |  |
| Portola Valley | Director Aalfs | X |  |  |  |
| Redwood City | Director Hale | X |  |  |  |
| San Bruno | Director Medina | X |  |  |  |
| San Carlos | Director Dugan | X |  |  |  |
| San Mateo | Director Bonilla | X |  |  |  |
| South San Francisco | Director Coleman |  |  |  | X |
| Woodside | Director Wall | X |  |  |  |
|  | Totals | 19 |  |  | 4 |

1. Approve Resolution Delegating Authority to Chief Executive Officer to Execute Power Purchase and Sale Agreement for Renewable Supply with Second Imperial Geothermal Company, and any Necessary Ancillary Documents with a Power Delivery Term of 15 Years Starting at the Commercial Operation Date on or about January 1, 2023, in an Amount Not to Exceed $275 Million (Action)

Siobhan Doherty, Director of Power Resources, gave a presentation on a Power Purchase Agreement (PPA) with Second Imperial Geothermal Company including background information on the Mid-Term Reliability Decision and the bid process, contract structures, labor and environmental review, and the generation profile.

Director Emeritus Gupta shared the importance of this project for the following reasons: first that this project is binary geothermal and produces no emissions, and second the 95% capacity factor, and third that this project is in line with Peninsula Clean Energy’s 24/7 100% renewable energy goal.

**MOTION:** Director Sullivan moved, seconded by Director Colson to Approve Resolution Delegating Authority to Chief Executive Officer to Execute Power Purchase Agreement for Renewable Supply Second Imperial Geothermal Company, and any necessary ancillary documents with a Power Delivery Term of 15 years starting at the Commercial Operation Date on or about January 1, 2023, in an amount not to exceed $275 million.

**MOTION PASSED:** 19-0 (Absent: San Mateo County, Colma, Millbrae, Portola Valley, South San Francisco)

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| **JURISDICTION** | **BOARD MEMBER** | **YES** | **NO** | **ABSTAIN** | **ABSENT** |
| San Mateo County | Director Pine | X |  |  |  |
| San Mateo County | Director Slocum |  |  |  | X |
| Atherton | Director DeGolia | X |  |  |  |
| Belmont | Director Mates | X |  |  |  |
| Brisbane | Director Mackin | X |  |  |  |
| Burlingame | Director Colson | X |  |  |  |
| Colma | Director Gonzalez |  |  |  | X |
| Daly City | Director Daus-Magbual | X |  |  |  |
| East Palo Alto | Director Romero | X |  |  |  |
| Foster City | Director Sullivan | X |  |  |  |
| Half Moon Bay | Director Rarback | X |  |  |  |
| Hillsborough | Director May | X |  |  |  |
| Los Banos | Director Faria | X |  |  |  |
| Menlo Park | Director Nash | X |  |  |  |
| Millbrae | Director Fung |  |  |  | X |
| Pacifica | Director Bigstyck | X |  |  |  |
| Portola Valley | Director Aalfs |  |  |  | x |
| Redwood City | Director Hale | X |  |  |  |
| San Bruno | Director Medina | X |  |  |  |
| San Carlos | Director Dugan | X |  |  |  |
| San Mateo | Director Bonilla | X |  |  |  |
| South San Francisco | Director Coleman |  |  |  | X |
| Woodside | Director Wall | X |  |  |  |
|  | Totals | 18 |  |  | 4 |

1. Approval of Local Government Solar and Storage Program Including $600,000 for Technical Assistance and up to $8 Million In Capital for System Installations to be Repaid Over 20 Years (Action)

Rafael Reyes, Director of Energy Programs, gave a presentation on the Local Government Solar and Storage Program including a program overview, precedents, the general deal structure, a review of completed work, projected savings, and the financial structure.

Director Aalfs explained that he had connection issues during the vote for Agenda Item 9 and would have voted yes. Director Aalfs asked if the installations for this project would be micro-grids or be eligible for micro-grids. Rafael explained that many of these sites are equipped with diesel generators which are currently economically favorable to batteries, but that Peninsula Clean Energy’s approach will be to secure pricing and then work with the cities to make that determination. Director Aalfs asked if it would be possible to bring this program to Portola Valley. Rafael explained that it would be preferred to hold off until the next round to add sites.

Director Romero asked for clarification on the financial contributions and ownership between Peninsula Clean Energy and the participating jurisdictions as well as clarification on tax credits. Rafael explained the question of ownership through a Power Purchase Agreement (PPA) would fall to Peninsula Clean Energy initially and that the participating jurisdictions would purchase the power from those installations which is a standard practice to enable the securing of tax credits.

Director Romero asked about the stability of the market. Rafael explained that the solar industry is a mature market and that the process by which these tax credits are secured is also a mature market since the majority of solar installations are handled this way. Jan Pepper, CEO, explained that Peninsula Clean Energy is still in discussions with potential partners and have not yet discussed tax credits. Jan suggested that the Audit and Finance Committee could review this structure.

Director Medina expressed interest in bringing this program to San Bruno and his support of this program.

Public Comment: Diane Bailey, Jeremy

**MOTION:** Director Mates moved, seconded by Director Medina to Approve the Local Government Solar and Storage Program.

**MOTION PASSED:** 17-0 (Absent: San Mateo County, Atherton, Colma, Millbrae, South San Francisco, Woodside)

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| **JURISDICTION** | **BOARD MEMBER** | **YES** | **NO** | **ABSTAIN** | **ABSENT** |
| San Mateo County | Director Pine | X |  |  |  |
| San Mateo County | Director Slocum |  |  |  | X |
| Atherton | Director DeGolia |  |  |  | X |
| Belmont | Director Mates | X |  |  |  |
| Brisbane | Director Mackin | X |  |  |  |
| Burlingame | Director Colson | X |  |  |  |
| Colma | Director Gonzalez |  |  |  | X |
| Daly City | Director Daus-Magbual | X |  |  |  |
| East Palo Alto | Director Romero | X |  |  |  |
| Foster City | Director Sullivan | X |  |  |  |
| Half Moon Bay | Director Rarback | X |  |  |  |
| Hillsborough | Director May | X |  |  |  |
| Los Banos | Director Faria | X |  |  |  |
| Menlo Park | Director Nash | X |  |  |  |
| Millbrae | Director Fung |  |  |  | X |
| Pacifica | Director Bigstyck | X |  |  |  |
| Portola Valley | Director Aalfs | X |  |  |  |
| Redwood City | Director Hale | X |  |  |  |
| San Bruno | Director Medina | X |  |  |  |
| San Carlos | Director Dugan | X |  |  |  |
| San Mateo | Director Bonilla | X |  |  |  |
| South San Francisco | Director Coleman |  |  |  | X |
| Woodside | Director Wall |  |  |  | X |
|  | Totals | 17 |  |  | 6 |

1. Update on Results of the 2021 RFO for Renewable Energy + Storage (Discussion)

Mehdi Shahriari, Senior Renewable Energy Analyst, gave a presentation with an update on Results of the 2021 Request for Offers (RFO) for Renewable Energy + Storage including a summary, the project type summary, the project’s capacity, and the Power Purchase Agreement (PPA) prices.

Director Aalfs asked if developers are considering that proposals from intermittent renewables reflect the possibility of curtailment and overbuilding of resources for reliability purposes. Mehdi explained that Peninsula Clean Energy is looking at this in our own analysis of generation in terms of the impact of possible grid congestion.

Director Sullivan asked for clarification on the average prices of wind energy remaining consistent compared to the 2020 RFO. Mehdi explained that many of these projects are existing projects, so they are not facing supply chain issues and the increasing costs. Director Sullivan asked whethjer the 20% increase in the PPA price for geothermal projects is due to inflation. Mehdi explained that while inflation is a factor the increase in price is also influenced by demand driven from the Mid-Term Reliability requirement.

Director Rarback asked for clarification on why storage prices have increased when the technology is becoming cheaper. Mehdi explained that inflation and supply chain issues have caused recent increases and this price increase may be temporary depending on the market.

Director Emeritus Keener asked for clarification on non-lithium ion storage offers. Mehdi explained that compressed air, flow batteries, and thermal storage were some technologies offered, with the longest duration being eight hours.

Public Comment: Jeremy

1. Board Members’ Reports

Director Aalfs reported on the Power Conference in Berkely, CA.

Director Rarback asked if Peninsula Clean Energy would have any presence at the California Public Utilities Commission (CPUC) meeting on April 7, 2022 to oppose NEM 3. Jan Pepper, CEO, explained that she believed the CPUC would be returning with a revised proposed decision and that a vote wouldn’t be taken on April 7th.

**ADJOURNMENT**

Meeting was adjourned at 8:14 p.m.