Regular Meeting of the Board of Directors of the
Peninsula Clean Energy Authority (PCEA)
AGENDA
Thursday, June 23, 2022
6:30 p.m.

Zoom Link: [https://pencleanenergy.zoom.us/j/82688645399](https://pencleanenergy.zoom.us/j/82688645399)
Meeting ID: 826-8864-5399 Passcode: 2075 Phone: +1(346)248-7799

**NOTE:** Please see attached document for additional detailed teleconference instructions.

In accordance with AB 361, the Board will adopt findings that meeting in person would present imminent risks to the health or safety of attendees of in-person meetings. Consistent with those findings, this Board Meeting will be held remotely. 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 to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials should contact Nelly Wogberg, Board Clerk, at least 2 working days before the meeting at nwogberg@peninsulacleanenergy.com. 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 of Directors, please use the “Raise Your Hand” function in the Zoom platform or press *6 if you phoned into the meeting. If you have anything that you wish to be distributed to the Board of Directors and included in the official record, please send to nwogberg@peninsulacleanenergy.com.

**CALL TO ORDER / ROLL CALL**

**PUBLIC COMMENT**
This item is reserved for persons wishing to address the Committee on any PCEA-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. Members of the public who wish to address the Board are customarily limited to two minutes per speaker. The Board Chair may increase or decrease the time allotted to each speaker.

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

1. **Adopt Findings 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 May 26, 2022 Board of Directors Meeting**

3. **Delegate Authority to the Chief Executive Officer to Decide Whether to Accept an Allocation of the PG&E Voluntary Allocation and Market Offer Renewable Energy Credit Solicitation (Action)**
REGULAR AGENDA

4. Chair Report (Discussion)

5. CEO Report (Discussion)

6. Citizens Advisory Committee Report (Discussion)

7. Approval of Fiscal Year 2022-2023 Budget (Action)

8. Approval of New Peninsula Clean Energy Rates to be Effective July 1, 2022 with a Net 5% Discount in Generation Charges for ECOplus Compared to PG&E Generation Rates (Action)

9. Calpine Master Services Agreement Amendment for FlexMarket (Action)

10. 2022 Reach Code Update (Discussion)

11. Board Members’ Reports (Discussion)

INFORMATIONAL REPORTS

12. Update on Marketing, Outreach Activities, and Account Services

13. Update on Regulatory Policy Activities

14. Update on Legislative Activities

15. Update on Community Energy Programs

16. Update on Energy Supply Procurement


18. Industry Acronyms and Terms

ADJOURNMENT

Public records that relate to any item on the open session agenda are available for public inspection. The records are available at the Peninsula Clean Energy offices or on PCEA’s Website at: https://www.peninsulacleanenergy.com.
Instructions for Joining a Zoom Meeting via Computer or Phone

Best Practices:
- Please mute your microphone when you are not speaking to minimize audio feedback
- If possible, utilize headphones or ear buds to minimize audio feedback
- If participating via videoconference, audio quality is often better if you use the dial-in option (Option 2 below) rather than your computer audio

Options for Joining
A. Videoconference with Computer Audio – see Option 1 below
B. Videoconference with Phone Call Audio– see Option 2 below
C. Calling in via Telephone/Landline – see Option 3 below

Videoconference Options:

Prior to the meeting, we recommend that you install the Zoom Meetings application on your computer by clicking here https://zoom.us/download.

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

Option 1 Videoconference with Computer Audio:

1. From your computer, click on the following link that is also included in the Meeting Calendar Invitation: https://pencleanenergy.zoom.us/j/82688645399
2. The Zoom application will open on its own or you will be instructed to open Zoom.
3. After the application opens, the pop-up screen below will appear asking you to choose ONE of the audio conference options. Click on the Computer Audio option at the top of the pop-up screen.

![Choose ONE of the audio conference options](image)

4. Click the blue, “Join with Computer Audio” button.
5. 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 Phone Call Audio:

1. From your computer, click on the following link that is also included in the Meeting Calendar Invitation: [https://pencleanenergy.zoom.us/j/82688645399](https://pencleanenergy.zoom.us/j/82688645399)
2. The Zoom Application will open on its own or you will be instructed to Open Zoom.

3. After the application opens, the pop-up screen below will appear asking you to choose ONE of the audioconference options. Click on the Phone Call option at the top of the pop-up screen.
4. Please dial +1(346)248-7799
5. You will be instructed to enter the meeting ID: **826-8864-5399 followed by #**
6. You will be instructed to enter your participant ID. Your participant ID is unique to you and is what connects your phone number to your Zoom account
7. After a few seconds, your phone audio should be connected to the Zoom 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

Audio Only Options:

Please note that if you call in/use the audio only option, you will not be able to see the speakers or any presentation materials in real time.

Option 3: Calling in via Telephone/Landline:

1. Dial +1(346)248-7799
2. You will be instructed to enter the meeting ID: **826-8864-5399 followed by #**
3. 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 press # to stay on the line
4. You will be instructed to enter the meeting passcode **2075 followed by #**
TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer, Peninsula Clean Energy Authority

SUBJECT: Resolution to Make Findings Allowing Continued Remote Meetings Under Brown Act

RECOMMENDATION:
Adopt a resolution finding that, as a result of the continuing COVID-19 pandemic state of emergency declared by Governor Newsom, meeting in person would present imminent risks to the health or safety of attendees.

BACKGROUND:
On June 11, 2021, Governor Newsom issued Executive Order N-08-21, which rescinded his prior Executive Order N-29-20 and set a date of October 1, 2021 for public agencies to transition back to public meetings held in full compliance with the Brown Act. The original Executive Order provided that all provisions of the Brown Act that required the physical presence of members or other personnel as a condition of participation or as a quorum for a public meeting were waived for public health reasons. If these waivers fully sunset on October 1, 2021, legislative bodies subject to the Brown Act would have to contend with a sudden return to full compliance with in-person meeting requirements as they existed prior to March 2020, including the requirement for full physical public access to all teleconference locations from which Board members were participating.

On September 16, 2021, the Governor signed AB 361, a bill that formalizes and modifies the teleconference procedures implemented by California public agencies in response to the Governor’s Executive Orders addressing Brown Act compliance during shelter-in-place periods. AB 361 allows a local agency to continue to use teleconferencing under the same basic rules as provided in the Executive Orders when certain circumstances occur or when certain findings have been made and adopted by the local agency. On January 5, 2022, Governor Newsom extended the sunset provision of AB361 and Government Code Section 11133(g) from January 31, 2022 to April 1, 2022 due to the surge in Omicron variant related COVID-19 cases and hospitalizations.
AB 361 requires that, if the state of emergency remains active for more than thirty (30) days, the agency must make findings by majority vote to continue using the bill’s exemption to the Brown Act teleconferencing rules. The findings are to the effect that the need for teleconferencing persists due to the nature of the ongoing public health emergency and the social distancing recommendations of local public health officials. Effectively, this means that agencies, including PCEA, must agendize a Brown Act meeting and make findings regarding the circumstances of the emergency on a thirty (30) day basis. If at least thirty (30) days have transpired since its last meeting, the Boards must vote whether to continue to rely upon the law’s provision for teleconference procedures in lieu of in-person meetings.

AB 361 allows for meetings to be conducted virtually as long as there is a gubernatorially-proclaimed public emergency in combination with (1) local health official recommendations for social distancing or (2) adopted findings that meeting in person would present risks to health. AB 361 will now sunset on January 1, 2024.

On September 25, 2021, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361. Out of an abundance of caution given AB 361’s narrative that describes each legislative body’s responsibility to reauthorize remote meetings, staff and counsel brings this memo and corresponding resolution to the attention of the Board of Directors.

On October 28, 2021, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On November 18, 2021 the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On December 16, 2021 the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On January 27, 2022 the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On February 24, 2022 the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On March 24, 2022 the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On April 28, 2022 the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On May 26, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.
DISCUSSION:
Because of continuing concerns regarding COVID-19 transmission, especially when individuals are grouped together in close quarters, it is recommended that the Peninsula Clean Energy Board of Directors avail itself of the provisions of AB 361 allowing continuation of online meetings by adopting findings to the effect that conducting in-person meetings would present risk to the health and safety of attendees. A resolution to that effect and directing staff to agendize the renewal of such findings in the event that thirty (30) days has passed since the Board’s last meeting, is attached hereto.
RESOLUTION NO. _____________

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

*   *   *   *   *   *

RESOLUTION FINDING THAT, AS A RESULT OF THE CONTINUING COVID-19 PANDEMIC STATE OF EMERGENCY DECLARED BY GOVERNOR NEWSOM, MEETING IN PERSON FOR MEETINGS OF THE PENINSULA CLEAN ENERGY BOARD OF DIRECTORS WOULD PRESENT IMMINENT RISKS TO THE HEALTH OR SAFETY OF ATTENDEES

WHEREAS, on March 4, 2020, the Governor proclaimed pursuant to his authority under the California Emergency Services Act, California Government Code section 8625, that a state of emergency exists with regard to a novel coronavirus (a disease now known as COVID-19); and

WHEREAS, on June 4, 2021, the Governor clarified that the “reopening” of California on June 15, 2021 did not include any change to the proclaimed state of emergency or the powers exercised thereunder, and as of the date of this Resolution, neither the Governor nor the Legislature have exercised their respective powers pursuant to California Government Code section 8629 to lift the state of emergency either by proclamation or by concurrent resolution in the state Legislature; and

WHEREAS, on March 17, 2020, Governor Newsom issued Executive Order N-29-20 that suspended the teleconferencing rules set forth in the California Open Meeting law, Government Code section 54950 et seq. (the “Brown Act”), provided certain requirements were met and followed; and
WHEREAS, on September 16, 2021, Governor Newsom signed AB 361 that provides that a legislative body subject to the Brown Act may continue to meet without fully complying with the teleconferencing rules in the Brown Act provided the legislative body determines that meeting in person would present imminent risks to the health or safety of attendees, and further requires that certain findings be made by the legislative body every thirty (30) days; and,

WHEREAS, on January 5, 2022, Governor Newsom extended the sunset provision of AB361 and Government Code Section 11133(g) to January 1, 2024 due to surges and instability in COVID-19 cases; and,

WHEREAS, California Department of Public Health (“CDPH”) and the federal Centers for Disease Control and Prevention (“CDC”) caution that COVID-19 continues to be highly transmissible and that even fully vaccinated individuals can spread the virus to others; and,

WHEREAS, the Board has an important governmental interest in protecting the health, safety and welfare of those who participate in its meetings;

WHEREAS, on September 25, 2021, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361. Out of an abundance of caution given AB 361’s narrative that describes each legislative body’s responsibility to reauthorize remote meetings, staff and counsel bring this resolution to the attention of the Board of Directors, and;

WHEREAS, on October 28, 2021, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;
WHEREAS, on November 18, 2021, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on December 16, 2021, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on January 27, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on February 24, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on March 24, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on April 28, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on May 26, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, in the interest of public health and safety, as affected by the emergency caused by the spread of COVID-19, the Board deems it necessary to find that meeting in person would present imminent risks to the health or safety of attendees, and thus intends to invoke the provisions of AB 361 related to teleconferencing.
NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that

1. The recitals set forth above are true and correct.

2. The Board finds that meeting in person would present imminent risks to the health or safety of attendees.

3. Staff is directed to return no later than thirty (30) days, or, alternatively, at the next scheduled meeting of the Board, after the adoption of this resolution with an item for the Board to consider making the findings required by AB 361 in order to continue meeting under its provisions.

4. Staff is directed to take such other necessary or appropriate actions to implement the intent and purposes of this resolution.

* * * * * *
Regular Meeting of the Board of Directors of the Peninsula Clean Energy Authority (PCEA)
Minutes
Thursday, May 26, 2022
6:30 p.m.
Zoom Video Conference and Teleconference

CALL TO ORDER

Meeting was called to order at 6:31 p.m. in virtual teleconference with a moment of silence for the Robb Elementary School Tragedy.

ROLL CALL

Participating Remotely:
Carolyn Bloede, San Mateo County
Rick DeGolia, Atherton, Chair
Coleen Mackin, Brisbane
Donna Colson, Burlingame, Vice Chair
Raquel Gonzalez, Colma
Roderick Daus-Magbual, Daly City
Sam Hindi, Foster City, arrived at 7:05 p.m.
Harvey Rarback, Half Moon Bay
Laurence May, Hillsborough
Betsy Nash, Menlo Park
Anders Fung, Millbrae
Tygarjas Bigstyk, Pacifica
Jeff Aalfs, Portola Valley, arrived at 6:56 p.m.
Giselle Hale, Redwood City
Marty Medina, San Bruno, arrived at 6:47 p.m.
Laura Parmer-Lohan, San Carlos
Rick Bonilla, San Mateo
James Coleman, South San Francisco
John Keener, Director Emeritus

Absent:
Warren Slocum, San Mateo County
Julia Mates, Belmont
Carlos Romero, East Palo Alto
Tom Faria, Los Banos
Jennifer Wall, Woodside
Pradeep Gupta, Director Emeritus

A quorum was established.
PUBLIC COMMENT

Allan Bedwell

ACTION TO SET THE AGENDA AND APPROVE REMAINING CONSENT AGENDA ITEMS

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

1. Adopt Findings 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 April 28, 2022 Board of Directors Meeting

3. Authorize the General Counsel to Execute with The Law Firm of Clean Energy Counsel, an Engagement Agreement Allowing for a Term from February 2022 Through February 2024 in an Amount Not-to-Exceed $500,000

4. Authorize the General Counsel to Execute with The Law Firm of Sheppard, Mullin, Richter & Hampton LLP, an Engagement Agreement Allowing for a Term from April 2022 Through December 2023 in an Amount Not-to-Exceed $1,700,000

MOTION PASSED: 15-0 (Absent: San Mateo County, Belmont, East Palo Alto, Foster City, Los Banos, Portola Valley, San Bruno, Woodside)

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REGULAR AGENDA

5. Chair Report

None

6. CEO Report

Jan Pepper, Chief Executive Officer, gave a report including a staffing update, updates on meetings with California Public Utilities Commissioners (CPUC) and California Energy Commissioners (CEC), and a legislative update on 8 upcoming bills.

7. Citizens Advisory Committee Report

Cheryl Schaff, Citizens Advisory Committee (CAC) Chair, gave a recap of the May 12, 2022 Citizens Advisory Committee Meeting.

8. Recognition of Peninsula Clean Energy’s Fifth Anniversary of Service to San Mateo County (Discussion)

Jan Pepper, Chief Executive Officer, recognized the fifth anniversary of service to San Mateo County and introduced representatives from Assemblymember Kevin Mullin and Senator Josh Becker offices.

Kevin Fong, Representative for Assemblymember Kevin Mullin, and Helen Wolter, Representative for Senator Josh Becker, offered thanks and congratulations to Peninsula Clean Energy.

Chair DeGolia, Director Bonilla and Director Aalfs expressed their thanks and gratitude for the accomplishments of Peninsula Clean Energy in the past five years.

9. Approval of Resolution to Honor Members of the Citizens Advisory Committee (CAC) (Action)

Kirsten Andrews-Schwind, Senior Manager of Community Relations, gave a presentation honoring 6 recent Citizens Advisory Committee Members.

**MOTION:** Director Aalfs moved, seconded by Director Bonilla to adopt a Resolution honoring members of the Citizens Advisory Committee.

**MOTION PASSED:** 17-0 (Absent: San Mateo County, Belmont, East Palo Alto, Los Banos, Portola Valley, Woodside)
10. Approval of New Citizens Advisory Committee (CAC) Members (Action)

Vice Chair Colson expressed her gratitude to Peninsula Clean Energy staff, and board members for their work in coordinating interviews. Vice Chair Colson gave a presentation covering the open positions on the Citizens Advisory Committee (CAC), the nominating process, and a recap of candidates nominated for appointment.

Director Hale asked about the onboarding process to create continuity to maintain workstream and focus. Kirsten explained that an onboarding and Brown Act training, including an introduction to the Programs team, and covering the workplan would be provided at the June 9, 2022 CAC Meeting and that additional training would be offered to any CAC members who request it.

Chair DeGolia shared that the CAC’s contributions are meaningful to the work of Peninsula Clean Energy particularly noting their work on Diversity, Equity, Accessibility, and Inclusion (DEAI).

**MOTION:** Director Medina moved, seconded by Director Mackin to Adopt a Resolution Appointing Members to the Peninsula Clean Energy Authority Citizens Advisory Committee.

**MOTION PASSED:** 18-0 (Absent: San Mateo County, Belmont, East Palo Alto, Los Banos, Woodside)
11. Approval of Proposed 2022 Citizens Advisory Committee (CAC) Workplan and Deliverables (Action)

Kirsten Andrews-Schwind, Senior Manager of Community Relations, gave a presentation covering the roles and responsibilities of the Citizens Advisory Committee (CAC), CAC work planning, and the proposed 2022 working groups.

Vice Chair Colson noted the importance of the CAC connecting with other Community Choice Aggregators and public agencies to learn more about the role of the CAC.

Director Rarback emphasized the importance of the building electrification working group.

Public Comment: Desiree Thayer

Chair DeGolia expressed his gratitude for the past work of the CAC and for their future efforts in communication across various CAC meeting groups.

MOTION: Director May moved, seconded by Director Colson to adopt the Resolution approving the 2022 Citizens Advisory Committee Work Plan.

MOTION PASSED: 18-0 (Absent: San Mateo County, Belmont, East Palo Alto, Los Banos, Woodside)
12. Approval of Authority for Peninsula Clean Energy Chief Executive Officer to Vote on California Community Power (CC Power) Board Items (Action)

Jan Pepper, Chief Executive Officer, gave a presentation explaining the California Community Power (CC Power) Firm Clean Resource project including the Peninsula Clean Energy approval process and timeline, and the enhanced conditions for workforce adopted by CC Power.

Director Bonilla asked if this resolution applied only to the Firm Clean Resources project or if it would make the change going forward. Jan explained that this was a general resolution so that going forward, if these timing issues occurred, she could vote on Peninsula Clean Energy’s behalf. Director Bonilla explained that the current process was put in place since CC Power did not have policies on labor and environment at the time. Director Bonilla asked for clarification on if the firm Clean Resource project would pass if Jan did not participate in the vote. Jan explained that it probably would pass, but that not being able to vote would prevent advocating for Peninsula Clean Energy’s strong positions on labor and environmental policies.

Director Bonilla stated that his understanding of the Resolution was that Jan could vote in both the first and second vote without coming to the Board. Jan clarified that the second vote would always come to the Board as it is a significant power procurement agreement committing significant funds over a long-term contract.

Chair DeGolia shared that the Resolution was designed to provide Jan the authority to vote if the project comes up at a time that would be difficult to schedule a special meeting of the Peninsula Clean Energy Board.
of Directors, but that if an item came up with enough time to present to the Board, Jan would come to the Board first.

Director Aalfs stated that he is comfortable with delegating this authority.

Vice Chair Colson offered her support of this Resolution.

Director Bonilla asked for clarification on the language within the Resolution explaining the difference between when the Peninsula Clean Energy Board of Directors is able to meet before the CC Power vote versus when they cannot. David Silberman, General Counsel, explained when someone makes the motion to add to the Resolution “when it is not possible to come to the Peninsula Clean Energy Board prior to the meeting of the CC Power board regarding approval of CC Power agreements with a power supplier due to the timing of the respective Board Meetings, the CEO has the discretion to vote on such matters without prior direction of the Peninsula Clean Energy Board.”

Vice Chair Colson, Director Parmer-Lohan, and Director Aalfs expressed their gratitude to Jan for her conduct inside and outside Peninsula Clean Energy.

**MOTION:** Director Bonilla moved, seconded by Director Rarback to adopt a Resolution delegating authority to the Chief Executive Officer to Vote on California Community Power (CC Power) Board Items with the following amendment included: “However, when it is not possible to come to the Peninsula Clean Energy Board prior to the meeting of the CC Power board regarding approval of CC Power agreements with a power supplier due to the timing of the respective Board Meetings, the CEO has the discretion to vote on such matters without prior direction of the Peninsula Clean Energy Board.”

**MOTION PASSED:** 18-0 (Absent: San Mateo County, Belmont, East Palo Alto, Los Banos, Woodside)

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<td>San Bruno</td>
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13. Approve Resolution Delegating Authority to the Chief Executive Officer to Execute a Second Amended and Restated Power Purchase and Sale Agreement for Renewable Supply with Wright Solar Park, LLC, and any Necessary Ancillary Documents with a Power Delivery Term of 25 Years, Which Commenced at the Commercial Operation Date of January 3, 2020 in an Amount Not-to-Exceed $900 Million (Action)

Siobhan Doherty, Director of Power Resources, gave a presentation on the Wright Solar second amended and restated power purchase agreement (PPA) including background, contract structure, decision requiring procurement to address mid-term reliability (2023-2026), Peninsula Clean Energy allocation, the Wright solar generation profile and the dispatch with the Peninsula Clean Energy portfolio.

Director Rarback asked about the storage components and why storage does not last as long as is needed. Siobhan explained the project needs to operate in a way that meets regulatory requirements and that the California Public Utilities Commission (CPUC) has determined that four hours as the length for resource adequacy. Director Rarback asked for clarification if this was a technical or regulatory issue. Siobhan explained that it was both regulatory and technical in that four hours is how long the battery can operate at 80 MW before running out of charge.

Director Bonilla asked if the project would be built under a five craft project labor agreement. Siobhan explained that this is the same project labor agreement that the solar was built on.

Director Aalfs shared that storage is an important part of strategy going forward and this project will lower costs and protect against volatility. Hopefully this project is representative of a project that can be both profitable and feasible for the developer but will also benefit us.

**MOTION:** Director Bonilla moved, seconded by Director Rarback to adopt a Resolution Delegating Authority to Chief Executive Officer to Execute a Second Amended and Restated Power Purchase and Sale Agreement for Renewable Supply with Wright Solar Park, LLC, and any necessary ancillary documents with a Power Delivery Term of 25 years, which started at the Commercial Operation Date which occurred on January 3, 2020 in an amount not to exceed $900 million.

**MOTION PASSED:** 18-0 (Absent: San Mateo County, Belmont, East Palo Alto, Los Banos, Woodside)
14. Review of Fiscal Year 2022-2023 Draft Budget (Discussion)

Andy Stern, Chief Financial Officer, gave a presentation on the 2022-2023 draft budget including key assumptions, PG&E and Power Charge Indifference Adjustment (PCIA) rate change summary, and the summary, revenues, and 5-year plan of the draft budget.

Director May noted that the Audit & Finance Committee had no resolution on the dramatic increase of the ending balance. Director Parmer-Lohan agreed that this could cause some concerns. Director Nash suggested researching the cost differences between electrifying and using gas.

Chair DeGolia noted that this ending cash balance has been fluctuating throughout the budget process, but that if by year’s end there is a surplus, then action could be taken. Andy echoed these comments and added that rate changes can dramatically alter the budget.

Vice Chair Colson noted that these reserves are not a profit, per se, and that they can be reinvested in programs to support the community in electrifying.

Director Mackin asked how the forecast looks in comparison to fluctuating criteria. Andy explained that electric vehicles and construction of new all-electric buildings have an impact but don’t generally create a dramatic change, but that these factors do get incorporated.

Director Bonilla shared that this surplus could be very beneficial to encourage electrification.

15. PG&E Voluntary Allocation and Market Offer Renewable Energy Credit Solicitation (Action)

Siobhan Doherty, Director of Power Resources, gave a presentation on the Voluntary Allocation Market Offer (VAMO) including background, timing, risks associated with allocation, price risk, volume risk, meeting the 24/7 goal, the resource mix regarding greenhouse gas emissions, and unbundled Renewable Energy Credits (RECs).
Director Aalfs asked if the goal was to give Community Choice Aggregators (CCAs) the opportunity to get some benefit from renewables that were procured on our behalf. Siobhan explained that under the Power Charge Indifference Adjustment (PCIA) our customers are paying for these renewable resources and the intent was to allocate some of those resources to CCAs to reduce how much our customers are paying and allow us to better meet our requirements.

Director Aalfs asked if this was useful for other CCAs who were not being as aggressive with their renewables procurement. Siobhan explained that she believes some CCAs are running into project delays for interconnection and supply chain reasons.

Director Aalfs shared that this proposal did not look attractive for Peninsula Clean Energy. Chair DeGolia asked for more clarification if this would replace the hydro and nuclear allocations that have been discussed the last two years. Siobhan explained this would not replace them, but that it is a similar mechanism for different resources.

Jan Pepper, Chief Executive Office, explained that Doug Karpa worked for over a year in a working group to come up with a good solution, but that the Commission did not adopt their suggestions.

16. Board Members’ Reports

None

ADJOURNMENT

Meeting was adjourned at 8:49 p.m.
TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Siobhan Doherty, Director of Power Resources
Doug Karpa, Senior Regulatory Analyst

SUBJECT: Delegate Authority to the Chief Executive Officer to Decide Whether to Accept an Allocation of the PG&E Voluntary Allocation and Market Offer Renewable Energy Credit Solicitation (Action)

BACKGROUND:

At the May 2022 Peninsula Clean Energy Board meeting, staff provided background on this issue. Staff continue to recommend rejecting the allocation for the reasons described below. The following sections are largely unchanged from the memo provided to the Board in May.

The California Public Utilities Commission (“CPUC”) opened Rulemaking (“R.”)17-06-026 on June 26, 2017, to review, revise and consider alternatives to the Power Charge Indifference Adjustment (“PCIA”). In October 2018, D.18-10-019 opened a second phase of the proceeding with a working group process resulting in four decisions to address three specific topic areas: (1) the market price benchmarks, (2) a voluntary prepayment option, and (3) portfolio optimization and cost reduction of the investor-owned utilities’ (“IOUs”) PCIA portfolios.

Peninsula Clean Energy was extensively involved in the working group process to develop the Voluntary Allocation and Market Offer (VAMO) process to address access by CCAs to the PCIA portfolio procured by IOUs on behalf of our customers. This proposal was designed to place CCAs on even footing with the IOUs in having the option to pay for the resources or opt to sell them into the market. However, the CPUC largely rejected the proposal of the working group and made significant revisions that markedly reduced the value of the framework.

D.21-05-030 was issued on May 24, 2021, as part of Phase 2 of the PCIA proceeding. Specifically, D.21-05-030 addresses portfolio optimization activities associated with
renewable portfolio standard ("RPS") resources subject to PCIA cost recovery. A Voluntary Allocation and Market Offer ("VAMO") mechanism was adopted, including authorizing a process for the IOUs to allocate a "slice" of an IOU’s entire PCIA-eligible RPS portfolio to eligible load serving entities ("LSEs") in proportion to their vintaged, forecasted annual load share. The IOUs are required to administer one allocation process per RPS compliance period. LSEs must inform their respective IOU (i.e. PG&E) by July 8th whether they accept or decline the allocation for the current RPS compliance period, which ends in 2024. The next RPS compliance period is 2025 through 2027 at which time, the IOUs will be required to administer a second allocation process.

Under VAMO, LSEs have the option to contract for a long-term or short-term allocation from the PCIA portfolio or decline their allocation.

The timeline for accepting an allocation was initially set for May 31, 2022, but on May 20, 2022, this was extended to July 8, 2022. At this time, staff recommend rejecting the allocation for the reasons described in the following section.

**DISCUSSION:**

Participation in VAMO carries uncertainty around resource types, quantity, REC price and term. Additionally, PG&E’s portfolio consists of pre-2009 vintaged resources referred to as PCC0 which if sold may be reclassified as out-of-state RPS resources ("PCC2") and un-bundled RECs ("PCC3") which are both limited from an annual compliance standpoint and carry reportable greenhouse gas emissions. Additionally, Peninsula Clean Energy has a policy against the procurement of PCC3. On May 20, 2022, the CPUC issued a proposed decision in this matter which would maintain these as PCC0 status. We expect a final decision to be voted on at the June 23, 2022, CPUC meeting. The following is a description of the major VAMO elements and concerns.

1. **Price Risk – Costs based on Market Price Benchmarks**

   Normally, when Peninsula Clean Energy signs a contract to procure RPS resources, the contract has a fixed price. Under VAMO, the price is variable year to year. The price is structured as an index-price plus a REC adder. LSEs electing to accept allocations shall be required to pay the applicable year’s market price benchmark (MPB), which is determined through the PCIA proceeding, for RPS attributes received. In each year, LSEs will pay the forecasted MPB for deliveries received. In the following year, there will be a true up based on the final RPS Adder. This could result in a credit to Peninsula Clean Energy or Peninsula Clean Energy owing money to PG&E resulting in a large and unexpected cash settlement at the end of the year.

   For reference the 2021 published MPB and 2022 forecasted MPB is in the table below.

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<tr>
<th>Year</th>
<th>Final RPS Adder</th>
<th>Forecast RPS Adder</th>
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<tbody>
<tr>
<td>2021</td>
<td>$14.23</td>
<td>$13.70</td>
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   Additionally, we have generally found that index plus pricing structures are not as valuable as bundled pricing structures. Under an index plus pricing structure, we do not
receive any hedging benefits of the energy resource and would additionally need to procure a separate hedge product to manage our energy price risk.

2. **Volume Risk - Slice Elections**
   There is significant difficulty predicting the volume of renewables we should expect to receive through this process. Voluntary Allocations comprise a “slice” of an IOU's entire PCIA-eligible RPS portfolio. LSEs will be offered allocations of the PCIA-eligible RPS portfolio in proportion to their vintaged, forecasted annual load share. Each election shall be made in 10 percent increments of the LSE’s vintaged, forecasted annual load share.

Peninsula Clean Energy’s allocation share will vary year to year based on our load and there will be different vintage resources applicable to San Mateo County load versus Los Banos load because these geographic areas have different PCIA vintages. Additionally, because we are procuring renewable resources, there will be natural variation in actual energy production.

PG&E can add or remove resources from the portfolio for certain reasons and provide notice “as soon as reasonably practicable”. PG&E can remove resources if the contract terminates or expires, the resource is no longer in their PCIA-eligible portfolio due to an order from a Governmental Authority or Governmental Entity, or the Resource is owned by PG&E, but ceases operation. PG&E can add resources to the portfolio for Resources that have a PCIA vintage that corresponds with the Buyer’s Allocation Share and from specific Customer Programs including GTSR and DAC.

Finally, under the contract PG&E has the right to sell all or any portion of the renewable resource. There does not appear to be any limit on this or any requirement of notice of these third-party sales until we receive the invoice, which will occur four months after energy generation. Without timely information about the volume of resources we will receive, we may end up under or over-procured for a particular year. This could result in a power content label that does not meet our internal goals of at least 50% renewable and 50% from carbon-free resources.

3. **Allocation Will Not Help PCE Meet 24/7 Goal**
   PG&E will be the scheduling coordinator for the resources. Peninsula Clean Energy will not have the ability to manage resources to meet our time-coincident goal. In fact, we may not even know the day or hour for when generation occurs.

   Additionally, due to the ability of PG&E to sell portions to third-parties, we cannot be sure of the resources that will be included in our allocation and could not schedule our own resource portfolio around the allocation.

4. **May Increase Portfolio GHG Emissions**
   Due to this shifting of the underlying resource pool, we will have less certainty in the resource mix under contract than with standard REC purchases. The portfolio includes some renewable resources that have GHG emissions associated with them, such as
biomass and geothermal. A large allocation of these resources may result in a higher GHG emissions factor.

5. **May Result in Procurement of Unbundled RECs**

Under the RPS, there are three product content categories (PCC). Peninsula Clean Energy only procures PCC1 resources. PCC2 resources are located outside of California and PCC3 resources are unbundled RECs. Peninsula Clean Energy Policy #11\(^1\) prohibits the purchase of unbundled RECs. PCC2 and PCC3 RECs also have negative implications for reporting GHG emissions.

The IOUs have some resources that were procured prior to the PCC classification system. These resources were assigned a PCC0 classification and grandfathered into the program. However, if these resources are re-sold, they would lose their grandfathering status and take on the appropriate classification (PCC2 or PCC3). On May 20, 2022, the CPUC issued a proposed decision in this matter where the Commission has ruled Voluntary Allocations are not resales for purposes of determining the Portfolio Content Category (PCC) classification of Renewable Energy Credits (RECs) allocated to PCIA-eligible LSEs including non-IOU LSEs serving departed load and the REC PCC classification would be maintained. However, it has been determined that any subsequent transfer/sale of the allocated RECs will be considered a resale, and the REC PCC classification would lose its grandfathered status and revert to the appropriate category (PCC2 or PCC3). We expect a final decision to be voted on at the CPUC meeting on June 23, 2022.

PG&E makes no representation or warranty concerning PCC categorization of allocated product in its VAMO Contract. Further, the VAMO Contract provides the LSE the right to account for or report the allocated products to a governmental entity for compliance with RPS or Power Content Label reporting. Thus, any CPUC resolution of the IOU’s proposal will not impact the terms and conditions of the VAMO Contract. This remains as a large regulatory concern for VAMO, as a reclassification of PCC0s to PCC2 or PCC3 would have negative power content label impacts and violate Policy #11.

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RESOLUTION NO. _____________

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

*   *   *   *   *   *

RESOLUTION DELEGATING AUTHORITY TO THE CHIEF EXECUTIVE OFFICER TO DECIDE WHETHER TO ACCEPT AN ALLOCATION OF THE PG&E VOLUNTARY ALLOCATION AND MARKET OFFER RENEWABLE ENERGY CREDIT SOLICITATION

______________________________________________________________

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

WHEREAS, the California Public Utilities Commission (“CPUC”) issued Decision D.21-05-030 on May 24, 2021, as part of Phase 2 of the PCIA proceeding to address portfolio optimization activities associated with renewable portfolio standard (“RPS”) resources subject to PCIA cost recovery; and

WHEREAS, D.21-05-030 adopted a Voluntary Allocation and Market Offer (“VAMO”) mechanism, including authorizing a process for the IOUs to allocate a “slice” of an IOU’s entire PCIA-eligible RPS portfolio to eligible load serving entities (“LSEs”) in proportion to their vintaged, forecasted annual load share; and

WHEREAS, LSEs must inform their respective IOU (i.e. PG&E) by July 8th, 2022 whether they accept or decline the allocation.
NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board delegates authority to the Chief Executive Officer to decide whether to accept an allocation of the PG&E Voluntary Allocation and Market Offer Renewable Energy Credit Solicitation.

* * * * * * *

2
TO: Honorable Peninsula Clean Energy Authority (PCEA) Board of Directors

FROM: Jan Pepper, Chief Executive Officer

SUBJECT: CEO Report

REPORT

Staff Updates
We are currently recruiting for the following open positions. The job descriptions can be found on the website:

Chief Financial Officer
Regulatory Compliance Analyst
Electric Vehicles Associate Programs Manager
Power Resources Manager
Renewable Energy Analyst
Human Resources Manager

CalCCA Gala
CalCCA is planning their first-ever gala celebration on September 24, 2022 at the Hibernia Bank building in San Francisco. CCA staff, board members, CAC members and other from our community are invited to attend. Each CCA, including Peninsula Clean Energy, will be a host for 10 people (at least). Board members who are interested in attending can let Nelly know before July 8 if you would like to attend.

CC Power Update
A special meeting of the CC Power board was held on May 31 and the CC Power voted to approve the agreements for Firm Clean Resources: one agreement between CC Power and the Fish Lake Geothermal Project and one agreement between CC Power and the Ormat Geothermal Portfolio Projects. Additional details about this meeting can be found in Item 17 in this agenda packet.
Meet and Greets with CPUC Commissioners
Peninsula Clean Energy staff had a follow up meeting on Monday, May 23, with CPUC Commissioner Cliff Rechtschaffen to provide more information about our transportation electrification activities.

Presentations
On Thursday, June 16, I participated in the CCA panel at the SVLG “ESG to Carbon Free” Energy & Sustainability Summit at the Oracle Conference Center and discussed PCE’s 100% renewable goal on a 24/7 basis by 2025, along with some information on our energy program electrification activities. A recording of the entire summit, including a conversation between Former Vice President Al Gore and SVLG CEO Ahmad Thomas can be found here: https://www.youtube.com/watch?v=HX2-_yWo9Ns. The CCA panel starts at about 2:24:00.

On Wednesday, June 22, I will be presenting virtually on our 100% renewable goal on a 24/7 basis by 2025 on the Drivers of Innovation panel at the American Solar Energy Society (ASES) annual conference in Albuquerque, NM.

On Wednesday, June 15, I attended the ribbon cutting of the new Burlingame Community Center. I presented Burlingame Mayor Ricardo Ortiz with a plaque recognizing this building for Peninsula Clean Energy’s All-Electric Leader Award for a commercial building for innovations in energy efficiency and for its design to achieve zero net energy.

Impact of COVID-19 on PCE Load
We were hoping that life would return to normal, but it appears that another COVID surge is upon us. Thus we will continue reporting on how our load is being affected month by month.

Attached to this report are summary graphs of the impact of COVID-19 on Peninsula Clean Energy’s load. The first graph, “Monthly Load”, shows the change in load on a monthly basis from June 2020 through May 2022. Last month we reported that there was a 2% decrease in Peninsula Clean Energy’s load in January-April 2022 compared to January-April 2021, however the pattern changed in May. There was a 2% increase in PCE’s overall load in May 2022 compared to May 2021. Also continuing the same pattern as reported last month, the second graph, “Monthly Load Changes by Customer Class”, shows that industrial and residential load was lower in January-May 2022 compared to the same months in 2021. Commercial load was higher in January-May 2022 compared to January-May 2021. The third graph, “Load Shapes (PCE)”, shows the change overall in our load on an hourly basis. The May 2022 was higher than the comparable 2020-2021 loads in the overnight and morning hours. Thank you to Mehdi Shahriari on our Power Resources team for compiling these graphs.
Monthly Load

- Almost same amount of load in June 2021 – July 2021 compared to June 2020 – July 2020
- 4% decrease in PCE’s load in August-December 2021 compared to August-December 2020. Load in August-October of 2020 was significantly higher than forecast due to heatwaves, fires, and smoke.
- 2% decrease in PCE’s load in January-April 2022 compared to January-April 2021
- 2% increase in PCE’s load in May 2022 compared to May 2021

Monthly Load Changes by Customer Class

- For June-July, C&I load in 2021 was higher compared to 2020, and residential load in 2021 was lower compared to 2020.
- In August-December 2021, Residential and Industrial load was significantly lower compared to same months in 2020, mainly due to the heatwaves that we experienced in 2020.
- In January-April of 2022, Industrial and Residential load was lower compared to same months in 2021. Commercial load was higher in January-April 2022 compared to January-April 2021.
- In May 2022, Industrial load was lower compared to May 2021. Commercial load was higher in May 2022 compared to May 2021.

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*For months 6-12, the heatmap shows how much load in 2021 was lower/higher compared to same month in 2020. For months 1-5, the heatmap shows how much load in 2022 was lower/higher compared to same month in 2021.*
Reach Codes
Below is an updated table showing the status of Reach Code adoption by Peninsula Clean Energy jurisdictions. Changes since the last report include:

- NEW: Belmont: City Council adopted an Electrification Reach Code on June 14th
**Other Meetings and Events Attended by CEO**

Attended weekly and monthly CalCCA Board and Executive Committee meetings.

Participated in SV5 (formerly called MAG5) meetings.
TO: Honorable Peninsula Clean Energy Authority Board of Directors
FROM: Andy Stern, Chief Financial Officer
SUBJECT: Proposed Fiscal Year 2022-2023 Budget and 5-year Projections

RECOMMENDATION:
Recommend Approval of the Proposed Fiscal Year 2022-2023 Budget and 5-year Projections.

BACKGROUND:
On May 9, 2022, Staff presented a draft Fiscal Year 2022-2023 budget to the Audit & Finance Committee and to the Executive Committee in order to solicit comments and input. Staff presented the same draft budget to the full Board of Directors on May 26, 2022. Staff then presented an updated version of the budget to the Audit and Finance Committee on June 13, 2022 that was updated with the most current assumptions.

DISCUSSION:
Fiscal Year 2022-2023 (July 1, 2022 through June 30, 2023) budget presentation and details will be provided for review. The bottom-up approach included discussions with the department heads to develop their portions of the budget. The final budget has been updated to reflect additional refinement of select revenue and expense categories.

The resolution for Board approval reflects a Not-to-Exceed level of Total Operating Expenses allowing for various categories to be above or below the planned level as long as the Total Operating Expenses do not exceed the requested level of $294,429,488 for the full Fiscal Year 2022-2023.

RECOMMENDATION:
Approval by the Board of Directors of the Fiscal Year 2022-2023 (July 1, 2022, through June 30, 2023) budget at its meeting on June 23, 2022 with an amount of $294,429,988 as a not-to-exceed amount of Total Operating Expenses.

ATTACHMENTS:
The final version of the proposed Fiscal Year 2022-2023 Budget and 5-year Projections will be distributed during the meeting.
RESOLUTION THAT THE BOARD OF DIRECTORS APPROVE THE FISCAL YEAR 2022-2023 BUDGET WITH TOTAL OPERATING EXPENSES NOT TO EXCEED $294,429,488

RESOLVED, by the Board of Directors of the Peninsula Clean Energy Authority (PCEA) of the County of San Mateo, State of California, that

WHEREAS, PCEA Staff reviewed a draft budget for Fiscal Year 2022-2023 and the underlying assumptions with the Audit and Finance Committee at its meeting on May 9, 2022 to solicit input and recommended changes, and

WHEREAS, PCEA Staff reviewed a draft budget for Fiscal Year 2022-2023 and the underlying assumptions with the Executive Committee at its meeting on May 9, 2022 to solicit input and recommended changes, and

WHEREAS, PCEA Staff reviewed a draft budget for Fiscal Year 2022-2023 and the underlying assumptions with the Board of Directors at its meeting on May 26, 2022 to solicit input and recommended changes, and

WHEREAS, PCEA Staff reviewed an updated version of the budget, presented as the proposed and final version of the budget, for the Fiscal Year 2022-2023 with the most updated and current information available with the Audit and Finance Committee on June 13, 2022, and
WHEREAS, the Audit and Finance Committee of the Peninsula Clean Energy Authority reviewed such final version of the budget for Fiscal Year 2022-2023 and the underlying assumptions at its meeting on June 13, 2022 and approved a resolution recommending to the Board of Directors approval at the Board’s meeting on June 23, 2022.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the PCEA Board of Directors approves the Fiscal Year 2022-2023 budget with Total Operating Expenses not to exceed $294,429,488.

*   *   *   *   *
TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Leslie Brown, Director of Account Services

SUBJECT: Authorize new Peninsula Clean Energy rates to be effective July 1, 2022 with a net 5% discount in generation charges for ECOplus compared to PG&E generation rates

RECOMMENDATION:

Approve a Resolution to implement new Peninsula Clean Energy ECOplus rates effective July 1, 2022 to reflect a net 5% discount relative to June 1, 2022 PG&E rates.

BACKGROUND:

On May 20th 2022, PG&E issued Advice Letter 6603-E to adjust rates effective June 1, 2022. Included in the June 1 update are rate design changes to rebalance generation revenue allocation and PCIA across rate classes in accordance with PG&E’s 2020 GRC Phase 2 proceeding. Tariffs were published on June 1, 2022 and Peninsula Clean Energy staff has made necessary adjustments to maintain a net 5% value proposition in generation costs as compared to PG&E’s otherwise applicable generation rates. Pending Board approval, new rates will be implemented for both San Mateo County and Los Banos customers starting July 1, 2022.

FISCAL IMPACT:

The June 1, 2022 PG&E rate changes to individual tariffs were varied, and most were nominal changes within +/- 0.5%. More significant changes were made to some of the seasonal TOU periods for two specialized rates: B-19T and B-20T. However, since Peninsula Clean Energy serves very few customers on these rates, and because these rates are expected to change again on January 1, 2023, the net impact to our revenue for FY 22/23 is expected to be nominal.
STRATEGIC PLAN:

Adjusting PCE rates to maintain the net 5% discount value proposition is consistent with PCE’s goal to provide customers with cleaner electricity at a lower cost than what would otherwise be provided by PG&E.
RESOLUTION NO. _____________

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

* * * * * *

RESOLUTION AUTHORIZING NEW PENINSULA CLEAN ENERGY RATES
EFFECTIVE JULY 1, 2022 TO MAINTAIN A 5% DISCOUNT IN GENERATION
CHARGES AS COMPARED TO PG&E

RESOLVED, by the Peninsula Clean Energy Authority of the County of San
Mateo, State of California (“Peninsula Clean Energy” or “PCE”), that

WHEREAS, the Peninsula Clean Energy Authority (“PCEA”) was formed on
February 29, 2016 as a Community Choice Aggregation program (“CCA”); and

WHEREAS, on October 1st, 2016 Peninsula Clean Energy began offering service
to residents and businesses throughout San Mateo County;

WHEREAS, on April 1st, 2022 Peninsula Clean Energy began offering service to
residents and businesses in the City of Los Banos; and

WHEREAS, the Board has established a set of strategic goals to guide PCE,
including maintaining a cost-competitive electric-generation rate for County residents
and businesses; and

WHEREAS, on June 1st, 2022, PG&E implemented adjustments to both the
Power Charge Indifference Adjustment (PCIA) and its own generation rates; and
WHEREAS, PG&E’s rate changes necessitate changes to PCE’s ECOplus rates to maintain a net 5% discount in generation charges.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board authorizes the Chief Executive Officer to implement new Peninsula Clean Energy ECOplus rates for San Mateo County and the City of Los Banos, to maintain a net 5% discount in generation charges compared to PG&E, effective July 1, 2022.

* * * * *
TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer, Peninsula Clean Energy
Rafael Reyes, Director of Energy Programs
Peter Levitt, Associate Manager, DER Strategy

SUBJECT: FLEXmarket Contract Approval (Action)

RECOMMENDATION

Recommend to delegate authority to the CEO to execute the First Amendment to the Master Services Agreement between Peninsula Clean Energy and Calpine, and approve a three-year, $4,678,563 budget for the FLEXmarket program, all reimbursable by the CPUC.

BACKGROUND

Peninsula Clean Energy’s mission is to reduce greenhouse gas emissions by expanding access to sustainable and affordable energy solutions. In connection to this mission, Peninsula Clean Energy’s organizational priorities include supporting the service territory in reaching a goal to be 100% greenhouse gas-free and to deliver 100% renewable energy each and every hour of the day. Achieving these two goals requires shifting uses of methane gas and petroleum to electric power (electrification), promoting energy efficient appliances, and fostering alignment between power demand and renewable supply.

During the last 12 months, staff has developed an innovative program designed to drive upgrades promoting energy efficiency, building electrification, and load shaping through a program called FLEXmarket. Two peer community choice energy agencies, MCE and East Bay Community Energy, have also implemented a program platform known as a “FLEXmarket” to support energy efficiency, electrification and demand alignment.

FLEXmarket is a market-driven resource program that assigns an hourly price to measured, behind-the-meter energy load reduction impacts (See Fig. 1). Energy
companies can then implement local measures to deliver energy efficiency and load shifting and be paid based on actual outcomes as measured by meter data.

FLEXmarket is supported by a robust measurement and verification (“M&V”) plan, and a program platform that will be regularly updated with smart meter data covering Peninsula Clean Energy’s entire service area. This model offers significant innovation over traditional approaches that pay on specific installed measures with imprecise or very expensive outcome measurement.

Figure 1:

![Marketplace Architecture Diagram](image)

In November 2021, Peninsula Clean Energy’s data manager Calpine formed a partnership with Recurve to make available the FLEXmarket through this streamlined platform.

The effect of the FLEXmarket structure is to enable grid serving demand flexibility, what is sometimes referred to as a “virtual power plant” (VPP), using a market approach as opposed to more conventional behavioral or direct control management approaches. It also allows the top-level program administrator to focus on managing to end performance, leaving the specific approach (customer segment, technology, marketing) to the energy companies.

Through the program, Peninsula Clean Energy seeks to achieve the following outcomes:

- Peak load reduction benefits
- Avoided GHG emissions
- Customer utility bill savings
- Energy savings
The California Public Utilities Commission (CPUC) created a $150 million program to expand the FLEXmarket concept state-wide. The program is funded through existing rate-payer Public Purpose funds and available to authorized Program Administrators.

In November 2021, the Board of Directors approved a Draft Program Plan to be submitted to the CPUC. This plan formed the basis for Peninsula Clean Energy’s submittal, and included the following features:

- An open market that service providers can participate in across all solutions including energy efficiency, smart controls of all kinds, and batteries.
- Inclusion of select customer segments in both residential and commercial where there is potential and overlap with existing programs is limited.
- Setting price points based on the state-wide “Avoided Cost Calculator” which provides a formal methodology for valuation of avoided costs such as generation, transmission, distribution, greenhouse gas mitigation and other factors.
- PCE providing payments to service providers according to those price points and recouping those funds from the CPUC.
- Partnering with Calpine and Recurve to deliver the FLEXmarket.
- Providing formal measurement and verification, as well as auditing, to the CPUC consistent with CPUC requirements.
- Coordinating with PG&E and other providers on program details to ensure resources provided are not double-counted in local and state programs.
- Launching the program in time to deliver grid benefits for the 2022 summer period and beyond.

On May 5, 2022, Peninsula Clean Energy received CPUC approval of the plan to administer FLEXmarket. This FLEXmarket approval by the CPUC includes an authorized budget of up to $4,678,563 for program administration, implementation, and incentives over three years, all of which is reimbursable by the CPUC.

Peninsula Clean Energy and Calpine have pursued an Amendment to their Master Services Agreement, which would enable the development and ongoing administration of the FLEXmarket program. This amendment enables Peninsula Clean Energy to receive the following from Calpine and Recurve:

- Implementation support
- Program management & administration
- Recruitment of aggregators
- Payment processing to aggregators
- Program performance reports and analysis

**DISCUSSION**

PCE investigated FLEXmarket since 2020 with Recurve. Overall, the FLEXmarket approach is novel and presents a potentially significant innovation in delivering certain
program objectives. The program structure provides potentially greater impact for the same investment as well as novel partnership opportunities.

Preliminary indications from MCE, the earliest adopter, are positive, including both in yield and in drawing more energy companies to participate. The PCE implementation is a pilot program to evaluate the innovative design and is also intended to support the state’s grid reliability needs.

The program will be subject to CPUC cost-effectiveness requirements and includes evaluation at its conclusion. Specifics for the program are under development, but it is anticipated that the initial focus may be in the residential sector with measures such as replacing electric resistance water heaters, which are very inefficient, with efficient heat pumps. This has the added benefit of significantly lowering customer utility bills. Other measures are also expected to be included, such as storage, thermostats and space conditioning, and it is expected that the program will subsequently target the commercial sector.

PG&E also received approval to operate a FLEXmarket for two years, though under more flexible cost-effectiveness requirements. PG&E is planning to target commercial accounts. Because of the more flexible requirements, Peninsula Clean Energy’s planned FLEXmarket program will likely be uncompetitive in the commercial sector to one operated by PG&E. For this reason, the Peninsula Clean Energy program is envisioned to begin in the residential sector as noted above.

Executing the Amendment to the Master Services Agreement will enable Calpine and Recurve to continue planning the launch of the FLEXmarket program. Recurve will administer the program for Peninsula Clean Energy. Recurve’s pay-for-performance compensation structure will incentivize them to get aggregators to install appliances that reduce peak and overall energy usage.

**FISCAL IMPACT**

Delegating authority to the CEO to execute the First Amendment to the Master Services Agreement between Peninsula Clean Energy and Calpine, and approving a $4,678,563 budget for FLEXmarket will result in no fiscal impact to Peninsula Clean Energy because all program expenses are reimbursable by the CPUC.

**ATTACHMENTS**

- Amendment to the PCE-Calpine Master Services Agreement
- Resolution

**STRATEGIC PLAN**

Goal 1 – Power Resources
Objective B: Clean Power: Design a diverse power portfolio that is 100% carbon free by 2021; and 100% carbon free by 2025 on a 24 x 7 basis

Goal 3 – Community Energy Programs

Objective A: Signature Programs: Develop market momentum for electric transportation and initiate the transition to clean energy buildings
• Key Tactic 4: Establish preference for all-electric building design and appliance replacement among consumers and building stakeholders

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities
• Key Tactic 2. Develop programs that support the satisfaction and retention of residential and key accounts
• Key Tactic 4. Ensure programs are broadly deployed across the County

Objective C: Innovation and Scale: Leverage leadership, innovation and regulatory action for scaled impact
• Key Tactic 1. Identify, pilot, and develop innovative solutions for decarbonization
RESOLUTION NO. _____________

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

* * * * * *

RESOLUTION DELEGATING AUTHORITY TO THE CHIEF EXECUTIVE OFFICE TO AMEND THE MASTER SERVICES AGREEMENT WITH CALPINE RESULTING IN PAYMENTS BY PENINSULA CLEAN ENERGY IN AN AMOUNT NOT TO EXCEED $4,678,563 FOR THE FLEXMARKET PROGRAM, AND IN A FORM APPROVED BY THE GENERAL COUNSEL

____________________________________________________________

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, Peninsula Clean Energy’s organizational priorities include supporting the service territory in reaching a goal to be 100% greenhouse gas-free and to deliver 100% renewable energy each and every hour of the day; and

WHEREAS, PCE and Calpine Energy Solutions, LLC executed an agreement on 6/28/18; and

WHEREAS, PCE and Calpine Energy Solutions, LLC executed an Amendment and Extension to the Agreement on 12/10/19; and
WHEREAS, FLEXmarket is an innovative program for aligning energy demand with renewable supply that Peninsula Clean Energy wishes to pilot; and

WHEREAS, on May 5, 2022, the CPUC approved Peninsula Clean Energy’s Energy Efficiency Program Administration Plan with a budget of $4,678,563 to operate FLEXmarket; and

WHEREAS, Peninsula Clean Energy has a Master Services Agreement with Calpine Corporation; and

WHEREAS, Calpine Corporation and Recurve have a strategic partnership together to jointly administer FLEXmarket programs; and

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board delegates authority to the Chief Executive Officer to: Finalize and execute an Amendment to the Master Services Agreement between Peninsula Clean Energy and Calpine, in an amount not to exceed $4,678,563 over three years in a form approved by the General Counsel.

* * * * *
Appendix A
Amendment to MSA for Demand FLEXmarket Services

DEFINITIONS:

“Advice Letter” - A document submitted to the California Public Utilities Commission requesting a review of Load Serving Entity’s (“LSE”) request to propose a new Program, product, or service.

“Aggregator” - Participant in the FLEXmarket Program providing technology and services to end customers (taking service from the Load Serving Entity (“LSE”) with project submittals to the FLEXmarket Program for payment of incentives by LSEs under the Program.

“Anchor Measure” - Refers to the primary energy efficiency measure submitted in a Project. The Anchor Measure sets the EUL which will be the basis of the total grid value delivered by a Project.

“California Public Utilities Commission” (CPUC or PUC) - Regulatory agency that regulates public and private utilities, Community Choice Aggregators, and Regional Energy Networks in the state of California. The CPUC sets the rules and regulations for energy efficiency programs and is the entity to whom the Demand FLEXmarket program will need to provide Claimed Savings.

“Effective Useful Life” (EUL) - Estimated lifespan of a demand flexibility measure used in the calculation of FLEXmarket incentives as defined by the LSE and RECURVE.

“Flexibility Purchase Agreement” (FPA) – Agreement between RECURVE and Aggregator that defines the methods and protocols that allow the Aggregator to get paid by LSEs for increasing demand flexibility (such as energy efficiency, demand response, and electrification) (“Demand Flexibility”) in existing buildings across a portfolio of customers submitted to the FLEXmarket Program.

“Implementation Plan” (IP) - Plan submitted to the CPUC outlining the steps required to successfully launch the LSE program described herein. The IP details the program design, processes, and workflows required to operate.

“Load Serving Entity (LSE)” - Secures energy and transmission service (and related Interconnected Operations Services) to serve the electrical demand and energy requirements of its end-use customers. In this case, the specific Load Serving Entities (LSEs) referred to are Community Choice Aggregators (CCAs).

“Measurement and Verification Plan” (M&V Plan) - Plan which outlines the rules and process in which energy savings will be calculated and claimed within this program. This plan is governed by the requirements of the CPUC population-level components of the NMEC Rulebook v.2. All NMEC approaches are based on pre- and post-intervention energy usage data observed at the meter for each project and each aggregator’s portfolio.

“Normalized Metered Energy Consumption” (NMEC) - Meter-based approach to quantifying energy savings.

“Participating Customer” - LSE customer who is the recipient and end user of prescribed demand flexibility measure(s) delivered by a participating FLEXmarket Aggregator.

“Project(s)” - refers to a program submission containing a pre-set list of customer, cost, and measure information to be that has been installed by an Aggregator to achieve energy savings for a single customer within the Demand FLEXmarket Program. Projects shall follow the eligibility and enrollment process defined in the IP.

“Total Incentive Payment” - Total payments made to all Aggregators from an LSE participating in the FLEXmarket Program.

“Total Program Value” shall be calculated using:
1. the forecasted energy savings and the forecasted marginal hourly savings load shape of the project for each hour of the year as provided by the Aggregator and validated by RECURVE,
2. the lead measure that will be used to forecast the marginal hourly savings load shape should this not be provided by the Aggregator,
3. the associated measure expected useful life (“EUL”),
4. participant costs (if applicable).
RECURVE shall calculate the Program Value of each installed project (“Program Value”) creating an “enrollment summary” that will be delivered to CALPINE ENERGY SOLUTIONS for communication to LSE on a quarterly basis. The methods for determining Total Program Value mirror the calculation of “net benefits” as defined by the CPUC, following any programmatic adjustments finalized in the M&V plan.

RECITALS:

WHEREAS, Peninsula Clean Energy, a Community Choice Aggregation Load Serving Entity ("LSE"), desires to work with Calpine Energy Solutions and Recurve Analytics, a partner/subcontractor to Calpine Energy Solutions, to administer its FLEXmarket (the “Program”) with third party project implementers (each, an “Aggregator” and collectively the “Aggregators”) who have developed portfolios of Projects, and specifically to provide the services described in Exhibit A; and

WHEREAS, Recurve seeks to provide, and warrants that it is qualified and competent to render, the services described in Exhibit A.

NOW, THEREFORE, for and in consideration of the agreement made, and the payments to be made by LSE, the Parties agree to the following:

1. SCOPE OF SERVICES:
   CALPINE ENERGY SOLUTIONS and RECURVE agree to provide all of the services described in Exhibit A, which is attached hereto and by this reference made a part hereof. “Services” shall mean all of the services described in Exhibit A, and any other work performed by CALPINE ENERGY SOLUTIONS and RECURVE pursuant to the Agreement. Any breach of this Amendment is not construed as breach of the Master Services Agreement or any of its separate existing or future Amendments between Calpine and PCE.

2. LSE OBLIGATIONS:
   During the term of this Agreement, and in addition to LSE’s other obligations under this Agreement, LSE agrees to:
   2.1 Promptly upon request from CALPINE ENERGY SOLUTIONS, provide CALPINE ENERGY SOLUTIONS and RECURVE all pertinent data and records necessary for CALPINE ENERGY SOLUTIONS and RECURVE’s delivery of the Services within reasonable expectations.
   2.2 Regularly and on a timely basis, provide data for CALPINE ENERGY SOLUTIONS and RECURVE’s use in calculating LSE’s payments to Aggregators under applicable Flexibility Purchase Agreements (FPA) and LSE-specific terms and conditions, which will be furnished and/or developed as part of the FLEXmarket Program Plans.
   2.3 Pay undisputed and verified invoiced amounts to Aggregators within 30 days of receiving invoices and supporting documentation from CALPINE ENERGY SOLUTIONS and RECURVE.

3. FEES AND PAYMENT SCHEDULE; INVOICING:
   LSE shall compensate CALPINE ENERGY SOLUTIONS for the Services in accordance with the Fee Schedule attached hereto as Exhibit A and by this reference incorporated herein. CALPINE ENERGY SOLUTIONS is responsible for billing LSE in a timely and accurate manner. CALPINE ENERGY SOLUTIONS shall email all invoices to LSE on a monthly basis as specified in Exhibit A for any Services rendered or expenses incurred hereunder. The final invoice must be submitted within 30 days of completion of the Services or termination of this Agreement. LSE will process payment for undisputed invoiced amounts within 30 days of receipt of such invoice.

4. TERM:
   This Agreement shall commence on [Month Day], [YEAR]. RECURVE may enroll new Projects under the Program until [Month Day] [YEAR]. This Agreement shall terminate when CALPINE ENERGY SOLUTIONS and RECURVE have completed the Services on the last Project enrolled (the “Term”).

5. TERMINATION:
   5.1. If either Party (the “Defaulting Party”) fails to comply with the terms of this Agreement or violates any ordinance, regulation or other law which applies to its performance herein, and does not cure such failure or violation within ten (10) business days after receiving written notice thereof from the other Party, the other Party may terminate this Agreement by giving five (5) business days’ written notice to the Defaulting Party. For the avoidance of doubt, this paragraph 5.1 shall apply to any failure by LSE to pay an Aggregator in accordance with this Agreement or the FPA.
   5.2. Either Party hereto may terminate this Agreement for any reason by giving sixty (60) calendar days’ written notice to the other party. Notice of termination shall be by written notice to the other Party and shall be sent by email to the email address listed in Section 19 Invoices; Notices.
   5.3. In the event of termination not the fault of Recurve, CALPINE ENERGY SOLUTIONS and RECURVE shall be paid for all Services performed to the date of termination in accordance with the terms of this Agreement. Notwithstanding anything contained in this Section 5 in no event shall LSE be liable for lost or anticipated profits or overhead on uncompleted portions of the Services. RECURVE shall not enter into any agreement, commitments or subcontracts that would incur significant cancellation or termination costs without prior written approval of LSE, and such written approval shall be a condition precedent to the payment of any cancellation or termination charges by LSE under this Section 5. Also, as a condition...
This Agreement shall be subject to changes, modifications, or termination by order or directive of the CPUC. The CPUC may from time to time issue an order or directive relating to or affecting any aspect of this Agreement, in which case LSE shall have the right to change, modify or terminate this Agreement in any manner to be consistent with such CPUC order or directive. LSE may also terminate this Agreement if funding for this Agreement is reduced or eliminated by a third-party funding source.

5.5. Upon LSE’s termination of this Agreement for any reason, RECURVE shall bring the Services to an orderly conclusion as directed by LSE.

6. INVOICES; NOTICES:
All invoices and notices pursuant to this Scope of Services shall be submitted in accordance with Exhibit A below and the Master Services Agreement between the parties executed on ________________.

7. ACKNOWLEDGEMENT OF EXHIBITS:
In the event of a conflict between the terms of this Agreement and the terms in any of the following Exhibits, the terms in this Agreement will govern.

8. BILLING, ENERGY USE, AND PROGRAM TRACKING DATA:
8.1. CALPINE ENERGY SOLUTIONS and RECURVE shall comply with and timely cooperate with all CPUC directives, activities, and requests regarding the Program and Project evaluation, measurement, and verification ("EM&V"). For the avoidance of doubt, it is the responsibility of CALPINE ENERGY SOLUTIONS and RECURVE to be aware of all CPUC requirements applicable to the Services of this Agreement.
8.2. CALPINE ENERGY SOLUTIONS and RECURVE shall make available to LSE upon demand, detailed descriptions of the Program, data tracking systems, baseline conditions, and participant data, including financial assistance amounts.
8.3. CALPINE ENERGY SOLUTIONS and RECURVE shall make available to LSE any revisions to RECURVE’s program theory and logic model ("PTLM") and results from its quality assurance procedures, and comply with all LSE EM&V requirements, including reporting of progress and evaluation metrics.
8.4. Calpine and Recurve are required to attest that the information and data provided to LSE and aggregators is accurate. In the event of an error or errors in the data, Calpine and Recurve understand and acknowledge a duty to correct upon discovery of that error, or in the time periods specified in Exhibit A, sections 2.b.iii, 3d, 4.a.i, and 4.b.i as attached hereto.

9. COORDINATION WITH OTHER PROGRAM PARTICIPANTS:
CALPINE ENERGY SOLUTIONS and RECURVE shall coordinate with other Program participants, including investor-owned utilities and local government agencies authorized by the CPUC to implement CPUC-directed energy efficient programs, administering energy efficiency and/or demand response programs in the same geographic area as LSE to avoid using CPUC Energy Efficiency funds more than once for a project. The CPUC may develop further rules related to coordination between Program participants in the same geographic area as other CPUC programs, and any participant is required to comply with such rules.
Exhibit A

Services related to the FLEXmarket Programs

Scope of Work

1. CALPINE ENERGY SOLUTIONS and RECURVE shall jointly manage the Demand FLEXmarket Energy Efficiency Program and Peak FLEXmarket Program, jointly referred to as the FLEXmarket Programs or “Programs” below.

2. CALPINE ENERGY SOLUTIONS and RECURVE shall provide third-party Program management by:
   a. Contracting with Aggregators who will develop projects or portfolios of projects pursuant to the terms of the FPA and LSE-specific Terms and Conditions.
   b. Being responsible for managing operational Program functions, including but not limited to:
      i. Recruiting and qualifying Aggregators, including by ensuring the requirements set forth in the FPA and Program Plans are met, and Aggregators (and any applicable subcontractors thereto) will deliver projects under the requirements of the Programs. Contractor is expected to recruit at least three aggregators that have submitted projects to the FLEXmarket program before the end of 2022, and at least ten aggregators that have submitted projects to the FLEXmarket program before the end of 2023. LSE shall have the option to participate in early meetings with each aggregator. Contractor will provide monthly reports on aggregators that are enrolled in the program, including which aggregators have submitted projects to the platform, number of projects submitted by each aggregator to-date, and types of measures installed by each aggregator.
      ii. Provide input, as determined and directed by LSE, to the Program Implementation Plans for FLEXmarket Programs for the LSE to include in the appropriate LSE-authored Implementation Plan (“IP”) to the CPUC as applicable.
      iii. Collecting, storing, and, upon oral or written request by LSE, promptly sharing with LSE all project and programmatic data, including but not limited to project costs, predicted Energy Savings (“Energy Savings”) defined as the annual/first year reduction in kWh or therms (if applicable over the baseline year, or in the case of events as described in the Peak FLEXmarket Program plans day-ahead signaled demand reduction, credited to a specific intervention or set of interventions at a Participating Customer’s facility), measure lists, and enrollment dates. Contractor has a duty to inform LSE about any known instances of data being improperly collected or stored, and any data shared that is later known to be incorrect, within five (5) days of discovery. Contractor has a duty to correct and resubmit this information to LSE within ten (10) days.
      iv. Implementing the scope described herein for the Programs, including Aggregators and Participating Customer eligibility rules, access to incentive budgets, as defined by the Implementation Plan, Measurement & Verification (“M&V”) plan, and Operation & Maintenance (“O&M”) plan;
      v. Collecting project details on installed measures, such as equipment manufacturer, equipment model #, equipment capacity, electrical panel capacity (if applicable), and permit documentation, and sharing such project details with LSE;
      vi. Recommending quality assurance (“QA”) requirements for LSE to implement;
vii. Accepting enrollment of eligible Participating Customers in the Programs, aggregating a portfolio of projects for each participating Aggregator and one portfolio (a combination of all Aggregator portfolios) for each Program, calculating Program energy savings for each Aggregator, and collecting all necessary data for FLEXmarket infrastructure as defined by the Implementation plan;

viii. Implementing a process to approve predicted grid value of first year Normalized Meter Energy Consumption (NMEC) savings provided by projects, which approval process shall be described in the applicable section of LSE’s IP;

ix. Implementing coordination protocols that are reviewed and approved by LSE for Aggregators when multiple Aggregators are serving the same or similar Participating Customers groups or are otherwise in competition, if necessary;

x. Adhering to LSE branding and marketing requirements, as provided by LSE, when utilizing LSE’s image and likeness for materials created for direct customer engagement, and consistently incorporating LSE feedback and guidance pertaining to customer relationship management in alignment with the program delivery.

c. Managing the allocation of incentive budgets among the Aggregators in accordance with the IP by ensuring that Participating Customer impacts and delivered benefits are fully optimized within budget availability, and by ensuring that sufficient incentive funds are available for all Aggregators enrolled through FPAs. Budget update requests by LSE must be accommodated and responded to within ten (10) days.

d. Contractor will share the following programmatic data each month, within 15 calendar days of the end of the month: project costs, predicted Energy Savings (“Energy Savings” defined as the annual/first year reduction in kWh or therms (if applicable) over the baseline year, credited to a specific intervention or set of interventions at a Participating Customer’s facility), measure lists, and enrollment dates.

e. Generate and validate Aggregator invoices and provide to LSEs on a quarterly basis.

f. Providing LSE with standard Program savings reports (quarterly and annually) in a form acceptable to LSE and adhering to regulatory reporting requirements, to support LSE’s preparation of Savings Claims to the CPUC.

3. When applicable and specific to ratepayer-funded Programs, CALPINE ENERGY SOLUTIONS and RECURVE shall report Normalized Metered Energy Consumption (NMEC) savings to Peninsula Clean Energy by:

a. Adhering to the CPUC “Rulebook for Programs and Projects Based on Normalized Metered Energy Consumption, Version 2.0, Release Date: January 7, 2020” (“Rulebook”) in the management of LSE’S population-level NMEC Program. RECURVE shall be responsible for tracking the publication of any updates or new versions of the Rulebook and shall utilize, and ensure that all Aggregators utilize, the updated or new versions once released.

i. As defined in the Rulebook, "Claimable Savings" (or “Claimed Savings”, or “Savings Claims”) means “the savings reported by Program Administrators to the Commission prior to formal evaluation, measurement, and verification (EM&V)."

ii. “Payable savings” as defined in the Rulebook, are “the savings determined via the method and calculation software described in a program’s M&V Plan which constitute the basis of payments between the Program Administrator and Implementer(s). Payable savings determinations may differ from claimable savings in that payable savings may account differently for net-to-gross determinations, non-routine events and outliers, and/or other similar considerations.”

b. With respect to “Claimable Savings,” within one year plus 60 days after completion of each project, verified data shall be provided, completed NMEC savings assessments, and supporting materials, including auditable meter-level records of calculations, for the purposes of supporting Savings Claims.
filings with the CPUC and/or any other governing authorities as may be required. Savings Claim methodology will be specified in the IP filed by the LSE with the CPUC prior to program launch or in other official documentation.

c. With respect to payable energy savings CALPINE ENERGY SOLUTIONS and RECURVE shall:
   i. Incorporate payable energy savings per the IP;
   ii. Report verifiable payable energy savings for the purpose of invoicing and paying DFPs;
   iii. Create reproducible methodology for assigning payments to Aggregators where deviations from standard methodology may be allowed in a specific M&V plan attached to the FPA and produce such methodology to LSE.

d. Contractor shall inform LSE about any known instances of NMEC savings data being improperly collected or stored, and any data shared that is later known to be incorrect, within five (5) days. Contractor has a duty to correct this information and resubmit to PCE within ten (10) days.

4. CALPINE ENERGY SOLUTIONS and RECURVE shall provide Program administrative support by:
   a. Annually providing LSE with cost effectiveness forecasts and budget requests that rely on and incorporate the primary measure load shape from CPUC’s Database of Energy Efficiency Resources or approved work papers for the forecasted potential to support LSE’s Annual Budget Advice Letter (AL) after one year of program operation where applicable;
   b. Contractor shall inform LSE about any known instances of forecast data being improperly collected or stored, and any data shared that is later known to be incorrect, within five (5) days. Contractor has a duty to correct this information and resubmit to PCE within ten (10) days.
   c. Providing LSE with standard Program M&V Reports, generated within one month of the close of each program year, which will demonstrate verifiable consistency with the Program’s M&V Plan;
   d. Contractor shall inform LSE about any known instances of M&V data being improperly collected or stored, and any data shared that is later known to be incorrect, within five (5) days. Contractor has a duty to correct this information and resubmit to PCE within ten (10) days.
   e. Providing bi-weekly reports of Demand Flexibility impacts for the first six months of the program, then monthly reports of Demand Flexibility impacts thereafter. Contractor will create a FLEXmarket dashboard that tracks Aggregator enrollment, Participating Customers, flexibility impacts, and payments within two months of contract execution;
   f. Support LSE’s communication of day-ahead signaled prices for Demand Flexibility on event days (“event days” to be defined in Program Plan) when applicable;
   g. Supporting LSE or CPUC-led EM&V studies or program evaluations by collecting and submitting project, Participating Customer, and program-level data;
      i. Specifically, by providing good faith support and coordination with other Program Administrators that offer or intend to offer population-level NMEC programs within LSE’s service area or adjacent service areas;
   h. Providing LSE and/or the CPUC with access to auditable records for regulatory Savings Claims or evaluations where applicable;
   i. Providing Quality Assurance by providing the following documents and information to LSE:
      i. Baseline annual consumption amounts for each project, if defined in IP;
      ii. Anticipated Energy Savings and/or Flexibility Impacts;
      iii. Technology measures or other energy efficiency improvements and/or flexibility strategies identified for installation, dependent on aggregator communication.

5. Program Scope Assumptions and Understandings:
   a. CALPINE ENERGY SOLUTIONS is not a party to the FPAs with Aggregators.
   b. LSE is not a party to the FPAs with the Aggregators.
c. RECURVE is authorized to modify the form of FPA used with specific Aggregators, including modification to any FPA exhibit, with approval from LSE.
d. RECURVE is authorized to modify the form of LSE Program Terms and Conditions and LSE NDA only upon LSE’s prior written consent to any such modification.
e. LSE is authorized to review each Measurement and Verification Plan (M&V Plan), Quality Assurance Plan (QA Plan) and Operation and Maintenance Plan (O&M Plan). Modification of any M&V Plan that includes payment terms shall require LSE’s prior written consent.
f. Unless otherwise agreed to in writing by both Parties, LSE shall be responsible for issuing payments to Aggregators for undisputed invoiced amounts.
g. All necessary Aggregator and Participating Customer data to be collected shall be outlined in the IP.
h. Parties acknowledge that CALPINE ENERGY SOLUTIONS and RECURVE are not responsible for submitting LSE’s IP to the California Energy Data and Reporting System, however are responsible for delivering the underlying data to the LSE, in accordance with all current and future CPUC reporting requirements.
i. Energy savings and population-level NMEC rules are defined by the Rulebook.
j. Updated or new versions of the Rulebook shall apply to this Agreement and be used by LSE, CALPINE ENERGY SOLUTIONS, and RECURVE once released.

Pricing

For Program services provided under this Agreement, LSE shall pay CALPINE ENERGY SOLUTIONS in accordance with the amount(s) and schedule as specified below:

<table>
<thead>
<tr>
<th>Pricing Schedule</th>
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<tbody>
<tr>
<td><strong>Line Item</strong></td>
</tr>
<tr>
<td>Demand FLEXmarket Energy Efficiency Program Administration</td>
</tr>
<tr>
<td>Peak FLEXmarket Program Administration</td>
</tr>
</tbody>
</table>

1. Monthly Invoices for the above Line Items:
   a. **Demand FLEXmarket Energy Efficiency Program Administration:** CALPINE ENERGY SOLUTIONS shall bill LSE monthly by written invoice (“Invoice”) for 25% of the Total Program Value of the projects completed (each a “Project Completion”) in the previous month, as defined and further detailed below. Project Completion shall be defined in the associated IP (“Implementation Plan”) and evidenced by receipt of the final invoice, as provided by the Aggregator to the Participating Customer.

   RECURVE shall calculate the program value of each installed project (“Program Value”) creating an “enrollment summary” that will be delivered to CALPINE ENERGY SOLUTIONS for communication to LSE on a quarterly basis. Program value mirrors the calculation of “net benefits” as defined by the CPUC.

   “Total Program Value” for load shifting projects or portfolios – which do not have an “Anchor Measure” and have a EUL of a year or less– and are funded under the Peak FLEXmarket Program, or PP, shall be determined by forecasts submitted by aggregators, and in accordance with forecasting methods and procedures outlined in the FLEXmarket Plan. Forecasts from Aggregators may be set monthly, or across
the summer (June-September) season. RECURVE may submit invoices amounting to 25% of forecasted load shifting value once 25% of the forecasted load shifting value has been achieved by the Participating Customer.

LSE shall pay undisputed Invoice amounts equaling 25% of the Total Program Value for all projects completed in the previous month.

b. Peak FLEXmarket Program Setup: If LSE chooses to implement Peak FLEXmarket, in addition to the payments outlined above, CALPINE ENERGY SOLUTIONS shall bill LSE a one-time fee of $10,000 related to setting up the ability for LSE to call demand response events. CALPINE ENERGY SOLUTIONS will set up the Peak FLEXmarket Program within two months of LSE’s election to implement Peak FLEXmarket.

LSE shall pay undisputed Invoice amounts equaling 25% of the Total Incentive Payment for all projects completed in the previous month.

2. Fee Assumptions and Understandings:
   a. The Anticipated Energy Savings for the Project, the Anchor Measure load shape, and EUL are the “Key Inputs” required to calculate the monetary benefits of an energy efficiency project using the CPUC’s Avoided Cost Calculator.
   b. These key inputs determine the monetary value of the energy efficiency project, which when divided by the Total Resource Costs, as defined by the CPUC, are the main determinants of program Cost Effectiveness, as defined by the CPUC.
   c. The values of the Avoided Cost Calculator are in the public domain and have been incorporated into a pricing tool developed by RECURVE that will be used to determine the value of the project and thus determine the payment due to CALPINE ENERGY SOLUTIONS.

3. Aggregator Documentation shall include the following for each measure installed:
   a. List of customer participants, including their address
   b. Total Participating Customer cost of installing or implementing the measure(s);
   c. Customer rebate or cost share, if any
   d. Anticipated Energy Savings for the Project (as they are defined and calculated in the Rulebook);
   e. The Anchor Measure;
   f. An EUL of the measure(s) installed
   g. Documents establishing the Scope of Work and Final Invoice for each project
   h. Data Authorization Documentation for each customer/project, as necessary

Additional details on required project documentation may be included in the IPs as confirmed in writing by LSE, RECURVE and CALPINE ENERGY SOLUTIONS.
TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer, Peninsula Clean Energy
Rafael Reyes, Director of Energy Programs
Blake Herrschaft, Programs Manager

SUBJECT: 2022 Reach Code Update (Discussion)

BACKGROUND

In September 2018, the Board approved the Peninsula Clean Energy Program Roadmap, which identifies programs for 2019 and beyond to include transportation measures on EV Infrastructure as well as Building Electrification. Building codes provide effective support for building decarbonization and EV readiness. In January 2019, the Board approved a contract with TRC Engineers to provide technical assistance to local governments for the development of enhancements to local building codes, known as “reach codes”, to deliver increased EV readiness and all-electric buildings. The contract with TRC has been extended three times, most recently in February 2022, and now runs through July 30, 2024. This program is in partnership with Silicon Valley Clean Energy (SVCE) and the San Mateo County Office of Sustainability. SVCE is sharing the costs.

The program has been highly successful and is unique nationally. To date, 13 local governments in San Mateo County have adopted some form of new construction reach code covering over 75% of the County population. In SVCE territory, 12 agencies adopted reach codes and 15 local governments overall in Santa Clara County. Finally, other regions piggybacked on the Peninsula Clean Energy approach, including East Bay Clean Energy, covering Alameda County, where an additional 6 agencies adopted similar codes. Nearly all of these adopting agencies’ reach codes were based on the Peninsula Clean Energy/SVCE “model codes.”

The adoption by local governments in San Mateo and Santa Clara Counties account for nearly half the reach codes adopted in the state (54). In addition, the adoption of local codes has played a significant role in developers committing to all-electric construction in the state and for the state code becoming more oriented towards all-electric construction in the new 2022 code cycle.

These model codes are highly innovative and have been developed with extensive community input. The building electrification new construction model code was based on the approach developed by the City of Menlo Park and provides for all-electric new construction across most building types. The model codes for electric vehicle (EV) readiness provided very high EV
readiness, including ensuring all multifamily residents in new buildings have immediate access to EV charging. In both cases, individual jurisdictions have adapted the models based on specific local needs.

As part of the ongoing Reach Codes program, the following services are being provided:
   a) a public process for development of model reach codes,
   b) model codes for agencies to consider refining and adopting,
   c) technical assistance and tools to agencies for adoption and implementation,
   d) technical assistance for developers to meet reach code requirements, and
   e) grants of $10,000 for agencies considering reach codes for the first time.

DISCUSSION

California adopts updated building codes every three years and has entered into the 2022 code cycle. Cities and counties are required to update their building codes with the new state code this year. Jurisdictions may adopt code enhancements at any time, but it is practical to do so as part of the state code cycle. The updated state codes take effect January 1, 2023.

The 2022 state codes increase the level of electrification and EV readiness compared to the 2019 state code. This includes requiring new homes to have either electric space heating or electric water heating. In addition, EV charging requirements have been increased. However, neither the electric building nor EV readiness provide the same level of decarbonization provided by the locally adopted reach codes.

To support local governments in the 2022 code cycle, Peninsula Clean Energy and SVCE are working with TRC to develop updated model reach codes appropriate for the new code cycle. In addition, some agencies have expressed interest in exploring opportunities for existing building codes. Existing buildings represent 99% of our building stock, and are currently the biggest opportunity for local governments to promote local decarbonization efforts.

The following summarizes the proposed 2022 model reach codes:

**New Construction, Building Electrification:** The model reach code for building electrification is very similar to the most widely adopted model reach code used for the 2019 cycle. New residential and commercial buildings must be all-electric. Exceptions have been removed from the model code, but language is provided for cities considering allowing gas use for certain building types or end uses. Where exceptions are allowed, pre-wiring for future electrification is required.

**New Construction, EV Charging:** The model reach code for EV charging is unchanged from the 2019 cycle for single-family and commercial buildings, but requirements are increased for multifamily buildings. Peninsula Clean Energy is no longer recommending Level 1 charging as a strategy for new construction, and instead requires standard Level 2 or Low Power Level 2 charging access for each unit in the building.

**Existing Building Electrification:** The 2019 cycle did not include a model reach code for existing buildings. The most cost-effective opportunities to electrify equipment are during equipment replacement, or during renovation efforts. The model reach code provides a full list of language to mandate electrification during these replacements for each type of gas-fired building appliance and for different types of renovations. In some cases, mandating electrification can result in installation cost savings to a project. In others, mandating electrification can add installation costs
to the project. These additional installation costs typically range from $1,000 to $12,000 for a typical single-family home. Energy costs are approximately neutral whether using gas or electric equipment. Since gas costs are projected to increase at a higher rate than electricity costs, all-electric buildings are expected to be less expensive to operate later this decade and onward.

It is our assumption that jurisdictions may explore existing building codes, including considering the costs burdens and the associated ability of constituents and building owners to pay for such improvements. This may mean that in the 2022-2023 timeframe, the requirements will include a limited list of electrification measures, rather than the full suite required to decarbonize our existing building stock. Since climate change is already affecting the life and safety or our communities, jurisdictions could consider weighing the urgency of climate action against the protection of constituents who do not have the means to pay for upgrades and the adequacy of incentive support to address those needs.

As part of the Reach Codes contract, Peninsula Clean Energy, Silicon Valley Clean Energy, and TRC are performing a study of the costs of existing building electrification, as well as the “in-kind” cost of replacing gas equipment with gas equipment at end of life. These costs will help inform policymakers of the financial repercussions of existing building electrification requirements. The study will also inform Peninsula Clean Energy and its Board of the programs required to help offset existing building electrification costs, in order to enable greater policy action without associated economic risks.

**Existing Building Policy Measures:** There are some existing building policy measures which can help with long-term planning for organizations and constituents, without resulting in immediate requirements for constituents. The model reach code includes options for two such measures. “End-of-Flow ordinances” state the year in which a jurisdiction plans to shut down gas service within the boundary. Half Moon Bay has passed an end-of-flow requirement to match the State’s carbon neutrality goal of 2045¹. “Time of sale disclosures” provide a list of fossil fuel fired equipment upon sale of a home or building, to inform the new owner of future decarbonization requirements at the site. Piedmont² has passed a requirement for this to be disclosed.

**STRATEGIC PLAN**

The proposed program supports the following elements of the strategic plan:

- **Goal 3 – Community Energy Programs, Objective A:**
  - Key Tactic 3: Ensure nearly all new construction is all-electric and EV ready
  - Key Tactic 4: Establish preference for all-electric building design and appliance replacement among consumers and building stakeholders

¹ See: https://www.half-moon-bay.ca.us/761/Building-Electrification#:~:text=About%20the%20Ordinance&text=To%20help%20curb%20these%20emissions%20or%20propane%20in%20new%20construction

² See: https://piedmont.ca.gov/services__departments/planning__building/about_building_/reach_code_information
TO: Honorable Peninsula Clean Energy Authority Board of Directors
FROM: KJ Janowski, Director of Marketing and Community Relations & Leslie Brown, Director of Account Services
SUBJECT: Update on Marketing, Outreach Activities, and Account Services

BACKGROUND

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

DISCUSSION

The following is an update of activities that are currently underway. See “Strategic Plan” section below for how these activities support Peninsula Clean Energy’s strategic plan objectives.

Heat Pump Water Heater (HPWH) Incentive Program
Marketing is supporting the program goal to install 200 heat pump water heaters in the first two years. Marketing efforts have been measured based upon visits to our HPWH incentive pages. In the last 30 days, more than 1,300 users visited the page.

Electrification Messaging and Campaign Support of Decarbonization
Marketing is developing new messaging centered on encouraging electrification. Message testing research has been completed, and messaging is being developed for a campaign that is planned to start this summer. The campaign will support our organizational priority to contribute to our community reaching a goal of 100% greenhouse gas-free for buildings and transportation.
**Electric Vehicle (EV) Campaign**
A search advertising campaign addressing barriers and benefits of electric vehicles has been underway since November 2021. Ad performance has continued to improve during this time. In May, the campaign achieved about 70,000 impressions and brought about 4,620 visits to our EV web pages. Results in June so far are showing an average cost-per-click of $0.79, far lower than industry averages (which are ~$3.50 across industries and $2.30-3.20 for automotive related paid search).

This month we will transition from the broader EV campaign to one that is narrower and targeted for the Used EV program, featuring our increased maximum rebate of $6,000.

**E-Bikes for Everyone**
Promotion for this program began with community outreach on May 16, giving maximum opportunity for segments of the market that might not be exposed to our other promotion. About two weeks later we emailed all CARE/FERA customers. Over the month (approx.) of promotion, 542 residents submitted applications for the random draw. 300 were chosen for the rebate (the program goal) and the others added to a waiting list.

**Building Electrification Awareness Program**
On June 2, residential winners of our All-Electric Leader award winners were featured, along with two of their advisors, in a panel discussion in a webinar titled “Wired & Inspired: Virtual Tours of Award-Winning Electric Homes.” More than 160 people registered and more than 80 attended the event. A recording of the webinar may be viewed [here](#). We now have a Home Electrification playlist [here](#) in our youtube channel.

**Los Banos Update**
Our local Los Banos representative Sandra Benetti has been very active providing additional information and answering questions as Los Banos customers began receiving service from Peninsula Clean Energy. This includes tabling twice monthly on bill pay dates at Los Banos City Hall.

We are reaching out to additional community groups to arrange presentations. Sandra is also active in local social media forums addressing questions and providing correct information.

The City of Los Banos is now being served by two local weekly newspapers. The Los Banos Enterprise was sold to a new owner and will be printing and distributing hardcopy newspapers. The Westside Express was recently launched by former Los Banos Enterprise publisher, Gene Lieb. Peninsula Clean Energy will be working with both news outlets on paid and earned media opportunities.

**Citizens Advisory Committee (CAC)**
At the June 9, 2022 CAC meeting, new and reappointed members were sworn in. The CAC reviewed working group opportunities and opened nominations for a new chair and vice chair, to be voted on at the July CAC meeting.
News & Media
Full coverage of Peninsula Clean Energy in the news can be found on our News & Media webpage.

ENROLLMENT UPDATE

ECO100 Statistics (since May report)
Total ECO100 accounts at end of May: 6,377
ECO100 accounts added in May: 50
ECO100 accounts dropped in May: 32
Total ECO100 accounts at the end of April: 6,359

Enrollment Statistics
Opt-outs during the month of May were 55, 3 more than the previous month of April (52). This includes 24 opt outs in our new service territory of Los Banos during the month of May and 31 from San Mateo County during this month. In June, there have been an additional 32 opt outs from Los Banos and 7 opt outs from San Mateo County as of June 10th, 2022. Total participation rate across all of San Mateo County as of June 10th was 96.98%.

In addition to the County of San Mateo, there are a total of 15 ECO100 cities. The ECO100 towns and cities as of June 10th, 2022, 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.
In the above table, the participation rate for the City of Los Banos is at 85.43%. This number is artificially low due to us conducting a rolling enrollment for our NEM customers in Los Banos. Approximately 2000 Los Banos NEM customers have yet to be enrolled in Peninsula Clean Energy service. They will be enrolled monthly on their true-up month with PG&E from May through December. These accounts are included in the "Eligible Count" column but are not currently active Peninsula Clean Energy customers, and are therefore not included in the "Active Count" column. The opt-out rate from Los Banos customers who received enrollment notices is currently at 2.4%.

Los Banos Enrollment Notices
The first set of Los Banos enrollment notices was mailed to customers February 14th, 2022, and the second set of enrollment notices was mailed March 8th, 2022. Four sets of enrollment notices are required to be mailed to our future customers in the City of Los Banos; two must be sent pre-enrollment (60 days before and 30 days before), and the other two must be sent post-enrollment (30 days after and 60 days after). Peninsula Clean Energy staff created separate pre-enrollment notices for standard customers, NEM customers, and DAC-GT customers in the City of Los Banos. Our standard welcome postcard will be used as the two required post-enrollment notices.

STRATEGIC PLAN
This section describes how the above Marketing and Community Care activities and enrollment statistics relate to the overall goal and objectives laid out in the strategic plan.
The table indicates which objectives and particular Key Tactics are supported by each of the Items/Projects discussed in this memo. The strategic goal for Marketing and Customer Care is: Develop a strong brand reputation that drives participation in Peninsula Clean Energy’s programs and ensures customer satisfaction and retention.

<table>
<thead>
<tr>
<th>Item/Project</th>
<th><strong>Objective A:</strong> Elevate Peninsula Clean Energy’s brand reputation as a trusted leader in the community and the industry</th>
<th><strong>Objective B:</strong> Educate and engage stakeholders in order to gather input, inspire action and drive program participation</th>
<th><strong>Objective C:</strong> Ensure high customer satisfaction and retention</th>
</tr>
</thead>
<tbody>
<tr>
<td>HPWH Incentive</td>
<td></td>
<td>KT6: Promote programs and services, including community energy programs and premium energy services</td>
<td></td>
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<tr>
<td>Electrification Messaging Project</td>
<td></td>
<td>KT5: Provide inspirational, informative content that spurs action to reduce emissions.</td>
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<tr>
<td>EV Campaign</td>
<td></td>
<td>KT6 (see above)</td>
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<tr>
<td>Building Electrification Awareness Program</td>
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<td>E-bikes for Everyone</td>
<td></td>
<td>KT6 (see above)</td>
<td></td>
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<tr>
<td>Los Banos Update</td>
<td>KT4: Engage community through participation in local events</td>
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<tr>
<td>CAC Recruitment</td>
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<td>KT4: Support the Citizens Advisory Committee</td>
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<tr>
<td>News and Media Announcements</td>
<td>KT1: Position leadership as experts on CCAs and the industry</td>
<td>KT2: Cultivate relationships with industry media and</td>
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</tr>
<tr>
<td>Influencers</td>
<td>KT3 (see above)</td>
<td>ECO100 and Enrollment Statistics</td>
<td>Reports on main objective C</td>
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* "KT" refers to Key Tactic
TO: Honorable Peninsula Clean Energy Authority (PCE) Board of Directors

FROM: Jeremy Waen, Director of Regulatory Policy
Doug Karpa, Senior Regulatory Analyst
Matthew Rutherford, Senior Regulatory Analyst

SUBJECT: Update Regarding Regulatory Policy Activities

SUMMARY

Over the last month the Regulatory Policy team continues to be busy. Jeremy has focused his time across supporting organizational needs. Doug has been particularly heavily focused on work to reform the California Public Utilities Commission’s (CPUC) Resource Adequacy construct. Matthew has continued his work in supporting PCE’s programmatic efforts through Transportation Electrification, Building Decarbonization, Resiliency, Supplier Diversity, and DAC-Green Tariff matters.

DEEPER DIVE

Power Charge Indifference Adjustment (PCIA) and PG&E Energy Resource Recovery Account (ERRA) Proceedings

On May 31, 2022, PG&E filed its 2023 ERRA Forecast Application before the CPUC. This kicks off the process to establish PG&E’s bundled customer generation rates and PCIA rates to be effective January 1, 2023. This time around CalCCA will be taking the lead as the CCA client (in prior cases CCAs engaged in a joint manner); however, Jeremy will remain closely engaged in the case management. In addition to this new proceeding, PG&E’s 2019 and 2021 ERRA Compliance cases remain active and PCE remains engaged in these dockets as well. Keyes & Fox continues to provide legal services across these cases with NewGen Strategies providing technical services. More details around the rate implications of these proceedings will be provided to the board when those details become more certain and timelier.

(Public Policy Objective A, Key Tactic 1)
**DAC-GT/CSGT Programs**

On May 31, PG&E, SDG&E, and SCE each filed Applications for Program Review (AFRs) to propose revisions to their DAC-GT and CSGT programs as required by the Commission. Generally, the issues highlighted in the IOUs’ AFRs are aligned with the concerns of the CCAs. In broad terms, the AFRs identify ways the programs’ designs could be modified to ensure that they more successfully lead to greater development of new solar resources in state-identified Disadvantaged Communities (DACs) as well as better deliver that solar energy and bill discounts to low-income customers that live within DACs. The CCAs that administer their own DAC-GT and CSGT programs were not required to file their own AFR. Instead, the CCAs are planning to engage collectively with the AFRs and file responses to ensure our issue areas are addressed in the subsequent proceeding. Responses are due by July 6.

(Public Policy Objective A, Key Tactic 1, Key Tactic 2 and Key Tactic 3)

**Integrated Resource Planning & Resource Adequacy**

On May 20, 2022, the CPUC issued a Proposed Decision adopting a series of changes to the RA program. Most significantly, the Proposed Decision would adopt a 24-hour RA showing methodology, in which Load Serving Entities would show capacity for each hour across a 24-hour obligation for each month. Each resource would be credited with a value representing likely generation in each hour. This methodology will be subject to additional work during coming months. The methodology will be implemented for a “test year” in 2024 and fully implemented in 2025. The Proposed Decision, however, did not adopt the hourly obligation trading mechanism that many CCAs see as critical to cost-effective compliance. Dr. Karpa is continuing to advocate for this mechanism ahead of a final decision.

The Proposed Decision also adopted several other changes for 2023 and 2024 compliance years under the existing methodology. Of particular importance is the increase of the Planning Reserve Margin to 16% in 2023 and to 17% in 2024, which will increase Peninsula Clean Energy’s RA requirements in those years. The Proposed Decision would also adopt new, lower Effective Load Carrying Capacity (ELCCs) for our existing resources as well.

The Integrated Resources Planning process has now moved forward into developing filings and new modeling for the 2022 cycle, including with new templates and requirements being released this month ahead of our filing this fall.

(Public Policy Objective A, Key Tactic 1, and Key Tactic 2; Public Policy Objective C, Key Tactic 3)

**Stakeholder Outreach**

Doug hosted the regular monthly call with staff from CCAs and environmental and environmental justice stakeholders on June 1, 2022, to discuss the California Air Resources Board (CARB) Draft Scoping Plan for statewide decarbonization by 2045.
Several significant concerns were discussed, including the exceptionally high proposed statewide greenhouse gas targets for the electricity sector for 2045 and the heavy reliance on direct air carbon dioxide capture to reduce statewide emissions. Dr. Karpa has also engaged with significant stakeholder conversation on legislative proposals (Public Policy Objective A, Key Tactic 2)

**FISCAL IMPACT**

Not applicable.
TO: Honorable Peninsula Clean Energy Authority Board of Directors
FROM: Marc Hershman, Director of Government Affairs
SUBJECT: Update on Peninsula Clean Energy’s Legislative Activities

SACRAMENTO SUMMARY:

The second half of May marked three significant annual events on the Capitol’s legislative calendar: the governor’s May revise budget, the Appropriations Committee’s suspense calendar and the legislature’s house of origin deadline.

The governor’s May budget revision of the constitutionally mandated January budget proposal reflects the spring tax revenues received by the treasury as well as updated priorities in the state. It is now the Legislature’s turn to assess the governor’s budget and present its own budget priorities for the state. With Democrats holding a significant majority in both houses of the Legislature there is little doubt that a majority vote will be achieved and that the constitutionally mandated June 15 deadline to pass the state budget will be met. However, as we saw in 2021, supplemental budget bills and additional measures providing policy guidance to the budget act – known as trailer bills - will continue to be negotiated by the Legislature and the Administration well into the final days of the 2022 session, which concludes August 31, 2022.

At his May 13 press conference in which he unveiled his revised budget proposal, the governor announced a discretionary surplus of $49.2 billion with an overall surplus of nearly $100 billion. Of particular interest to Peninsula Clean Energy was the governor’s announcement that the state is looking at a substantial megawatt shortfall this summer and in years to come. In response, the May revise budget proposes the acceleration of project build out of clean energy and storage projects by providing a new streamlined permitting option at the California Energy Commission for qualifying projects.

The governor is proposing a 5,000 MW reserve that can be ready at a moment’s notice. He wants to invest $5.2 billion in a Strategic Electricity Reliability Reserve. The resources from which the Reserve will be developed may include existing generation capacity that was scheduled to retire, new generation, new storage projects, clean
backup generation projects, diesel and natural gas backup generation projects with emission controls and all required permits, and customer side load reduction capacity.

Notably, there is $970 million in the governor's budget for the Public Utilities Commission to provide residential solar and storage system incentives, with $670 million available for solar and storage systems for low-income households. And there is $250 million to leverage additional state financing tools dedicated to supporting the development of strategic clean energy projects, with the initial priority to support the development of new transmission to deliver to the CAISO system, clean, firm electricity from new resources located in the Salton Sea region.

In addition, there's $1.2 billion for ratepayer assistance to pay past due electricity bills. Peninsula Clean Energy has sent a letter to the governor and legislative leaders in support of this funding.

**LEGISLATIVE ADVOCACY AND OUTREACH:**

A unique feature of the state’s Appropriations Committees is the Suspense Calendar, an annual exercise where all legislation costing more than $150,000 is considered at one hearing that is conducted without testimony. Bills that pass the suspense calendar move to the floor of the legislative chamber for consideration. Bills that are held in the committee do not move forward. Many of the bills of interest to Peninsula Clean Energy were placed on the Suspense Calendar. Some were recently passed off of that calendar and others did not advance.

A bill introduced this year that is of interest to Peninsula Clean Energy and the CCA community is **SB 881 (Min)**. The bill is sponsored by the Union of Concerned Scientists and Senator Becker is the principal coauthor. CalCCA took a position of oppose, unless amended, on **SB 881**.

Every Load Serving Entity (LSE), including Peninsula Clean Energy and the Investor-Owned Utilities, must submit an integrated resource plan (IRP) to the California Public Utilities Commission (CPUC). The IRP outlines how the LSE plans to meet future electricity demand, ensure grid reliability, maintain affordability, and achieve the state's environmental justice and clean energy goals. The CPUC aggregates this information and determines whether the state will achieve its clean energy goals. The CPUC also uses the information to implement new policies and authorize the development of new clean energy projects.

According to the bill’s author, **SB 881** changes the nature of the IRP process. Under **SB 881**, an LSE’s IRP would describe how it will meet certain GHG reduction targets. It provides new authority to the CPUC to order an LSE to procure appropriate clean energy to meet its emission reductions target and the CPUC could order another LSE to make that procurement on behalf of the deficient LSE. It also authorizes the CPUC to assess penalties against an LSE for its failure to meet their IRP requirements.

On March 18 **SB 881** passed the Senate Committee on Energy, Utilities and Communications, where it passed by a vote of 9-0-5. However, in late May **SB 881** was
on the Suspense Calendar and it was held in the Appropriations Committee. It will not move forward in 2022.

**SB 1112 (Becker)** encourages the creation of Tariff On-Bill (TOB) financing investment programs to make low-cost capital for climate-beneficial building upgrades.

The bill requires utilities, Electric Service Providers, Publicly Owned Utilities, Co-Ops and CCAAs who provide customers with TOB financing for a decarbonization upgrade to notify their county recorder within 10 days of the funding. However, who ultimately must notify the recorder could change should the CPUC determine the responsibility falls to a different party.

In those instances when TOB financing is provided and a property is not owner-occupied, the property owner must disclose the terms of the decarbonization charge to new tenants prior to leasing the property. Through this notification mechanism an impediment to the establishment of TOB financing is potentially removed by providing some transparency to the customer and incorporating existing methods (lease agreements, titles) of notification.

The bill also directs the California Energy Commission to explore how the state and its utilities can leverage existing and future federal funds and existing state programs to make low-cost financing available to TOB investment programs.

Peninsula Clean Energy continues to be engaged in discussions with Senator Becker regarding the bill’s consumer protections for renters and tenants.

**SB 1112** was heard and passed in the Senate Committee on Energy, Utilities and Communications and was passed off the Suspense File at the Senate Committee on Appropriations and then cleared the floor of the Senate. SB 1112 is now set for hearing on June 26 in the Assembly Committee on Utilities and Energy.

Peninsula Clean Energy has taken a support position on two bills authored by Senator Josh Becker. **SB 887 (Becker)** would help California prepare for the necessary and increasing amounts of transmission of clean energy from offshore wind and solar in rural areas to the state’s population centers. The bill requires the PUC and CEC to provide long term forecasts to the CAISO that extend at least 15 years into the future. The forecasts must be consistent with achieving SB 100 targets for renewable and zero carbon resources and consistent with the ARB’s scoping plan targets for economywide GHG reductions. It also requires projections that by 2035 eliminate the need for carbon-emitting resources when renewables are available elsewhere; projections that include offshore wind and projections for imports of clean energy from outside California.

**SB 1203 (Becker)** would establish a planning goal for all state agencies to achieve zero net GHG emission by 2035 from state operations (owned and controlled vehicles, buildings, etc.) and electricity purchase by the state. State agencies would also be required to publish their inventories of current emissions, establish interim targets, and create a plan for achieving those targets. This 2035 target is more aggressive than the state’s goal of 2045 for the entire economy and ahead of the goal for federal agencies...
set by President Biden. As such, California government could become an early adopter and set the example as a clean tech innovator that can meet the challenge of decarbonizing. Peninsula Clean Energy has submitted a letter in support of SB 1203.

Both SB 887 and SB 1203 have been passed by the full Senate and are now under consideration in the state Assembly.

Another bill of great interest to Peninsula Clean Energy is SB 1158 (Becker). Similar in some respects to Senator Becker’s SB 67 from 2021, SB 1158 would mandate the hourly reporting of GHG intensity of load serving entities like Peninsula Clean Energy. It would also require the LSE to report the GHG profile of its Resource Adequacy portfolios.

Peninsula Clean Energy supports SB 1158 and the bill’s goal of improving transparency of LSE progress in meeting its GHG reduction goals, noting that it reflects our organizations 24/7 goals. We have been working closely with Senator Becker to clarify and address some of the issues raised in the legislation.

Since our last board meeting CalCCA removed its oppose, unless amended position on SB 1158 and we are working with the author on changes to the bill.

Peninsula Clean Energy weighed in with support for SB 1158 when it was heard and passed in the Senate Committee on Energy, Utilities and Communications. The bill was passed by the Senate Committee on Appropriations and by the full Senate. It is now before the Assembly and set to be heard on June 22.

Peninsula Clean Energy and CalCCA have taken an oppose position on SB 1393 (Archuleta). This bill would expand the California Energy Commission’s review of new construction reach codes and require local jurisdictions to consider the CEC’s guidance on building electrification when considering adopting ordinances that require electrification of existing buildings. The CEC would review the ordinance and determine whether the local government considered the CEC’s published guidance in the adoption of the ordinance. If the CEC determined that the local jurisdiction did not consider the CEC’s guidance, they would be required to consider the guidance, make modifications deemed necessary by the local government and resubmit the ordinance to the CEC. SB 1393 was passed in the Senate Committee on Energy, Utilities and Communications and by the Committee on Appropriations.

SB 1393 has been heavily amended so that there are no longer requirements that would hamper a local jurisdiction’s ability to enact reach codes. SB 1393 has passed the state Senate and is headed to the Assembly.

AB 1944 (Lee, Christina Garcia) would amend the Brown Act to specify that if a member of a legislative body elects to teleconference from a location that is not public, the address of that location need not be identified in the meeting notice and agenda, or be accessible to the public, when the legislative body has elected to allow members to participate via teleconferencing. Peninsula Clean Energy has submitted a letter of
support for **AB 1944**. This bill was heard in May and passed in the Assembly Committee on Local Government and was subsequently passed off the floor of the Assembly. It is now before the state Senate for consideration.

**SB 1020 (Laird)** was passed in the Senate Committee on Energy in late April. It was referred to the Senate Committee on Appropriations where it was passed off of the suspense file calendar and then passed off of the floor of the Senate.

**SB 1020** is being championed by the leadership of the state Senate as the Clean Energy, Jobs, and Affordability Act of 2022. Among the many provisions of the bill that address climate change issues, it would establish a new state agency regarding clean energy and provide funding, mostly from federal funds, for home infrastructure upgrades. Peninsula Clean Energy has taken a support, if amended position on **SB 1020**. We are seeking some clarification on some of the technical language in the bill and hoping to have the bill define certain programs to include CCAs.
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

SUMMARY

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

1. Building and EV Reach Codes
2. Buildings Programs
   2.1. Appliance Rebates
   2.2. Low-Income Home Upgrades & Electrification
   2.3. Building Pilots
3. Distributed Energy Programs
   3.1. Local Government Solar Project Development
   3.2. Power On Peninsula – Homeowner
4. Transportation Programs
   4.1. “EV Ready” Charging Incentive Program
   4.2. Used EV Rebate Program
   4.3. EV Ride & Drives/EV Rental Rebate
   4.4. E-Bikes for Everyone Rebate Program
   4.5. Municipal Fleets Program
   4.6. Transportation Pilots
5. 2035 Decarbonization Feasibility and Plan

DETAIL

1. 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) and East Bay Community Energy (EBCE). 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 (www.BayAreaReachCodes.org).

In addition, in January 2020 the Board approved an extension of the reach code technical assistance plus additional elements – Education and training for developers and contractors, and consumer education program on the benefits of all-electric buildings. This technical assistance is publicly available at www.AllElectricDesign.org. In December 2020, the Board approved to extend the contract with TRC Engineers include technical assistance for developing policy for existing buildings. In February 2022 the Board extended the initiative for another two years.

Status:

- **Reach Codes:** The City of Belmont has approved the first reading of reach codes and scheduled the second reading in June. In total 15 agencies have adopted some form of reach code in the service territory. Peninsula Clean Energy is providing support to numerous additional agencies who plan to pass Reach Codes in 2022. Draft new model codes are available. Multiple jurisdictions have requested model existing building reach codes. Stakeholder workshops were held on January 26, February 15, 16, 17, and most recently April 13 with approximately 250 attendees excluding program staff. The first drafts of the model codes were presented and initial feedback received.

- **Existing Building policy development:** Existing building model codes are being developed with stakeholder feedback. During a poll at a City Staff workshop, 64% of respondents stated that they were interested in exploring an existing building reach code. In addition, SVCE and Joint Venture Silicon Valley are planning an existing building workshop/webinar likely in August specifically for elected officials and have offered that elected officials in San Mateo County may also attend.

See separate Board memo for a detailed update on this program.

**Strategic Plan:**

**Goal 3 – Community Energy Programs**

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

- Key Tactic 3: Ensure nearly all new construction is all-electric and EV ready
- Key Tactic 4: Establish preference for all-electric building design and appliance replacement among consumers and building stakeholders

2. **Buildings Programs**

2.1. **Appliance Rebates**

**Background:** In May 2020, the Board approved a 4-year, $6.1 million for electrifying existing buildings. This included $2.8 million for implementing an appliance rebate program. Peninsula Clean Energy successfully launched the heat pump water heater rebates on January 01, 2021 for San Mateo County residents. Peninsula Clean Energy
rebates are offered in partnership with BayREN’s Home+ program. BayREN offers a rebate of $1,000 and Peninsula Clean Energy offers an additional rebate of $1,000 for methane gas to heat pump water heater (HPWH) or $500 for electric resistance to HPWH. Peninsula Clean Energy also offers a bonus rebate for low-income customers (CARE/FERA participants) of $1,000 and $1,500 for electrical panel updates of up to 100 Amp and $750 for up to 200 Amp that might be needed to accommodate the HPWH. In addition, Peninsula Clean Energy has offered a small refrigerator recycling program since April 2019.

**Status:** The HPWH rebate program was launched on January 01, 2021 and as of June 7, 2022 has received 236 applications. Overall, the Peninsula Clean Energy program has accounted for approximately 34% of the HPWHs installed across the 9-county Bay Area since 2019. Currently 7 San Mateo County contractors and 25 contractors outside the county are enrolled in the program. Peninsula Clean Energy has been promoting the incentive through digital ads, email outreach and other channels. Volume on this program is being impacted by statewide HPWH supply shortages that staff is currently investigating. The TECH program that has been providing HPWH incentives throughout 2022 has run out of funding in PG&E service territory as of May 12, 2022. TECH offered $1,100+ to Peninsula Clean Energy customers directly through their contractors, but those incentives will no longer be available in 2022. However, Peninsula Clean Energy and BayREN still offer incentives for customers installing HPWH for a total of $2,000. Additional incentives are available for income-qualified customers and electrical panel upgrades.

The refrigerator recycling program had low volume during the pandemic but is beginning to increase volume. Since inception in April 2019, the recycling program has recycled 353 refrigerators and freezers resulting in 646 MTCO2e in greenhouse gas reduction. Funds from the original contract were exhausted on May 10, 2022 but on June 2, 2022 staff executed a contract amendment to continue, and expand, the program with an additional budget of $200,000 over three years (June 2022 – June 2025). The contract amendment includes adding more appliance types (air conditioning units, and allowing non-working units to be eligible) and allowing for bulk pickups from apartment complexes and waste distribution centers.

**Strategic Plan:**

**Goal 3 – Community Energy Programs**

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings
- Key Tactic 4: Establish preference for all-electric building design and appliance replacement among consumers and building stakeholders

2.2. (Low-Income) Home Upgrade Program
**Background:** In May 2020, the Board approved $2 million for implementing a turn-key low-income home upgrade program to offer minor home repair, energy efficiency, and electrification measures to income-qualified homeowners at no cost to them. The measures implemented in each home will vary depending on the home’s needs but will include at least one electrification measure such as installing a HPWH or replacing a gas stove with an electric induction stove. The contract with the administration and implementation firm, Richard Heath & Associates (RHA), was executed after being approved by the Board in the March 2021 meeting.

**Status:** The program was announced on September 28, 2021. The below table summarizes the program’s status as of May 31, 2022.

<table>
<thead>
<tr>
<th>Stage/category</th>
<th>#s as of May 31 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leads</td>
<td>411</td>
</tr>
<tr>
<td>Reached</td>
<td>229</td>
</tr>
<tr>
<td>Pre-assessments</td>
<td>172</td>
</tr>
<tr>
<td>Enrolled</td>
<td>122</td>
</tr>
<tr>
<td>Ineligible</td>
<td>72</td>
</tr>
<tr>
<td>Installations in progress</td>
<td>36</td>
</tr>
<tr>
<td>Fully complete</td>
<td>17</td>
</tr>
</tbody>
</table>

The following table summarizes the number of electrification measures implemented on the fully complete homes.

<table>
<thead>
<tr>
<th>Measure</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heat pump water heater</td>
<td>7</td>
</tr>
<tr>
<td>Induction cooktop/range</td>
<td>3</td>
</tr>
<tr>
<td>Electric dryer</td>
<td>2</td>
</tr>
<tr>
<td>Mini split heat pump (HVAC)</td>
<td>1</td>
</tr>
<tr>
<td>Window or wall mounted heat pump (HVAC)</td>
<td>4</td>
</tr>
<tr>
<td>Portable heat pump (HVAC)</td>
<td>6</td>
</tr>
</tbody>
</table>

**Strategic Plan:**

**Goal 3 – Community Energy Programs**

**Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities**
- **Key Tactic 1:** Invest in programs that benefit underserved communities
- **Key Tactic 3:** Support workforce development programs in the County

**2.3. Building Pilots**

**Background:** In May 2020, The Board approved $300,000 for piloting a new innovative technology from Harvest Thermal Inc., a Bay Area-based startup, that combines residential space and water heating into a unified heat pump electric system with a single
water storage tank. Through this project, this technology will be installed in 3-5 homes within the San Mateo County to assess its performance and demonstrate its effectiveness for emission reductions.

**Status:** The home recruitment process began in late April 2021 and the project received 290 applications. Homes were selected based on technical criteria (home characteristics, energy usage patterns, and technical feasible of the upgrade within budget). The four pilot homes are located in Daly City, South San Francisco, Redwood City, and Menlo Park. As of May 13, 2022, the Daly City, South San Francisco, and Redwood City homes have had their system installed. The Menlo Park home is still awaiting the city permit (requested February 25, 2022); Harvest and installation contractor have been in touch with the City’s building department regarding the request and approval is anticipated soon. The consulting firm TRC has been contracted to provide independent measurement and verification services for the project and have begun collecting data on the homes installed. A final report is anticipated in the summer of 2023 after a year a data has been collected and analyzed. Lastly, the Technical Advisory Committee (TAC) had its second meeting on June 2, 2022, following the first meeting on September 30, 2021. The objective of the TAC is to review and provided feedback on the project. TAC members include former building officials, former contractor, city commissioner, peer CCA program managers, CPUC staff, CAC member and Board member Jeff Aalfs. A small ribbon-cutting event was held at the Daly City home on June 4th with PCE staff in attendance.

**Strategic Plan:**

**Goal 3 – Community Energy Programs**

Objective C: Innovation and Scale: Leverage leadership, innovation, and regulatory action for scaled impact

- Key Tactic 1: Identify, pilot, and develop innovative solutions for decarbonization

### 3. Distributed Energy Programs

Peninsula Clean Energy has Board-approved strategies for the promotion of 20 MW of new distributed energy resources in San Mateo County and is advancing distributed energy resources to provide resilience, lower decarbonization costs, provide load shaping to support our strategic goal for 24/7 renewables. The projects described below are efforts towards meeting both of these goals.

#### 3.1. Local Government Solar Program

**Background:** The Local Government Solar program is aimed at aggregating local government facilities into a group procurement of solar and optionally storage systems. Peninsula Clean Energy provides no-cost site assessments and preliminary designs as well as manages the procurement process. Participating sites have systems installed as part of power purchase agreements directly with Peninsula Clean Energy. As part of the
pilot phase, in October 2020, the Board approved a Solar Site Evaluation Services contract with McCalmont Engineering for Solar site evaluation and designs for County and municipal facilities identified as candidates for solar-only or solar + storage resilience projects. In March 2022, the board approved up to $8 million in capital for system installations to be repaid over 20 years and $600,000 for technical assistance on the second round of the aggregated solar program.

**Status:** We have developed a portfolio of 15 sites in 13 cities for a total portfolio size of approximately 2 MW of solar. Battery storage will be explored for 4 of the 14 sites. We have obtained city council commitments for the projects from all 12 cities. We are still hoping to include the San Bruno Aquatic Center in the aggregate procurement. City council approval is pending.

We are ready to move to a Request for Proposals (RFP) for vendors that can procure, install, and maintain equipment.

We will be soliciting bids that could fit into two procurements models. In Model 1, Peninsula Clean Energy in partnership with a tax financing partner would purchase the systems from a contractor that would procure, install, and maintain equipment. In Model 2, Peninsula Clean Energy would secure a master PPA for the full portfolio with an entity that can provide both tax equity and installation. There are pros and cons to each model. We expect the RFP to provide the critical information necessary to inform final model selection, most crucially the relevant costs and the resulting PPA pricing that could be provided to customers.

### 3.2. Power On Peninsula – Homeowner

**Background:** Power on Peninsula – Homeowner is a solar+storage energy resiliency program run by Peninsula Clean Energy in partnership with Sunrun. This program provides energy storage systems paired with solar power to single family and multifamily Peninsula Clean Energy customers. Customers who sign up for this program receive an incentive up to $500. At Peninsula Clean Energy’s direction, Sunrun will dispatch the stored energy during evening hours when renewable generation on the California grid is low. This will also help Peninsula Clean Energy to reduce its peak load and thereby reduce our resource adequacy requirements.

**Status:** The program has commenced dispatching customer batteries in the evening to help reduce Peninsula Clean Energy’s net peak. The program is being impacted by supply chain issues including contractor, materials, and product supply and cost. However, program promotion has been ongoing. Staff is working with a firm to provide labor compliance assistance and has begun developing the process for analyzing workforce data.
3.3. **FLEXmarket**

**Background:** In November 2021 the Board approved a program plan for the establishment of an innovative “virtual power plant” using what is known as FLEXmarket. FLEXmarket is a market-based program structure that provides incentives to program “aggregators” to implement programs for energy efficiency and load shaping. The novel elements of the structure include a “pay-for-performance” approach which only provides incentives on confirmed performance using meter data. This novel structure was innovated by MCE and also has been adopted by East Bay Community Energy. In addition, the program plan was developed for submission to the CPUC to allow Peninsula Clean Energy to run the program with fully reimbursed funding through the CPUC. Peninsula Clean Energy’s billing data services provider Calpine has entered into a strategic partnership with the firm Recurve to provide FLEXmarket services through a streamlined structure.

**Status:** Peninsula Clean Energy’s proposed FLEXmarket program was approved by the CPUC on May 5th. The next major step is the development of an Implementation Plan which defines the program in greater detail. Development of the Implementation Plan is in progress in collaboration with program partner Recurve. In addition, the required contract between Peninsula Clean Energy and Calpine is under review.

**Strategic Plan:** The activities and programs described in the DER and Energy Resilience activities support the following objectives and key tactics in Peninsula Clean Energy’s strategic plan:

- Distributed Energy Resources: Support strategic decarbonization and local power
  - Key Tactic 1: Create minimum of 20 MW of new local renewable power sources in PCE service territory by 2025
  - Key Tactic 2: Support distributed energy resources to lower costs, support reliability, and advance distributed and grid decarbonization
  - Key Tactic 3: Foster Resilience

4. **Transportation Programs**

4.1. **Used EV Rebate Program**

**Background:** Launched in March 2019, the Used EV Rebate Program (formerly referred to as “DriveForward Electric”) 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 income-qualified San Mateo County residents (those making 400% of the Federal Poverty Level or less). The incentives may be combined with other state-funded income-qualified EV incentive programs. In October 2020, the Board approved expanding the program to offer used EV incentives to all San Mateo County residents, while maintaining the increased incentives for income-qualified residents. The program includes a $25,000 vehicle price cap and local dealership network with point-of-sale rebate. In February 2021, Peninsula Clean Energy executed a competitively bid contract with GRID Alternatives
(“GRID”) to administer the expanded program. The ‘old’ program incentivized 105 rebates from March 2019 through August 2021. In August 2021, the program was officially re-launched.

**Status:** Since the re-launch of the program, 75 rebates have been provided under the new program and 200+ customers are actively in the pipeline (customers must apply prior to purchase). Because vehicle supplies are extremely tight due to global supply chain issues in the market currently and pricing is high, staff has made some temporary modifications to the program to adjust to market conditions. In 2021, average used vehicle prices were 30% higher than 2020, and 40-50% higher than pre-pandemic levels. In 2021, the average used vehicle price in the U.S. was $28,000.

As a result, staff made the following changes, which took effect March 17, 2022:

<table>
<thead>
<tr>
<th>Current</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>To be eligible for rebate, vehicle purchase price (before rebates) cannot exceed $25,000.</td>
<td>Increase price cap from $25,000 to $35,000</td>
</tr>
</tbody>
</table>
| Current incentive levels are as follows:  
  - All residents: $700 PHEV, $1,000 BEV  
  - Income-qualifying residents  
    - If they combine Peninsula Clean Energy incentive with other EV incentive programs: $1,700 PHEV, $2,000 BEV  
    - If they do not combine Peninsula Clean Energy incentive with any other EV incentive program: $3,700 PHEV, $4,000 BEV | Increase incentive by $2,000 for income-qualifying residents.  
  New incentive levels would be as follows:  
  - All residents: $700 PHEV, $1,000 BEV  
  - Income-qualifying residents  
    - If they combine Peninsula Clean Energy incentive with other EV incentive programs: $2,700 PHEV, $4,000 BEV  
    - If they do not combine Peninsula Clean Energy incentive with any other EV incentive program: $5,700 PHEV, $6,000 BEV |

Staff will assess changes in September/October and determine whether to keep them or adjust them again. Lastly, these changes will not require any new budget allocation to the program and uptake in the program has been slower than expected and thus there are enough funds in the existing budget to support these changes.

**Strategic Plan:**

**Goal 3 – Community Energy Programs**

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings  
  - Key Tactic 1: Drive personal electrified transportation to majority adoption

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities
• Key Tactic 1: Invest in programs that benefit underserved communities

4.2. “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, Peninsula Clean Energy 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. Of Peninsula Clean Energy’s $12 million in incentives, $8 million is administered through the CEC’s California Electric Vehicle Incentive Project (CALeVIP) and $4 million under a dedicated, complementary Peninsula Clean Energy incentive fund. The dedicated Peninsula Clean Energy incentives address Level 1 charging, assigned parking in multi-family dwellings, affordable housing new construction, public agency new construction, and charging for resiliency purposes.

**Status:** The program is being significantly impacted by supply chain issues including contractor scheduling materials, and product supply and cost. This is resulting in installation delays. Staff is engaging directly with participating contractors to understand installation delay issues and IBEW 617 to explore solutions. Staff hosted multiple program webinars in early June to recruit additional contractors. Staff has begun engagement with IBEW 684 (Merced County) to develop relationships with contractors to serve Los Banos projects and to provide additional support in San Mateo County. Peninsula Clean Energy’s technical assistance and outreach is ongoing. Current outreach is focused on small to medium apartments in San Mateo County (~3,000 buildings).

Twenty L2 ports were installed via CALeVIP at an apartment in Belmont. Summary of program metrics is outlined in the table below:

<table>
<thead>
<tr>
<th>Sites/ Applications</th>
<th>Ports</th>
<th>Incentive Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td># of sites in Technical Assistance</td>
<td>133</td>
<td>895</td>
</tr>
<tr>
<td># of site evaluations delivered</td>
<td>88</td>
<td>1847</td>
</tr>
<tr>
<td># of funding applications received in Peninsula Clean Energy incentive program</td>
<td>34</td>
<td>465</td>
</tr>
<tr>
<td># of funding applications approved in Peninsula Clean Energy incentive program</td>
<td>21</td>
<td>391</td>
</tr>
<tr>
<td># of CALeVIP applications approved in Year 1*</td>
<td>69</td>
<td>1,014</td>
</tr>
<tr>
<td># of CALeVIP applications anticipated in Year 2 &amp; Year 3</td>
<td>56</td>
<td>752</td>
</tr>
<tr>
<td>Total # of ports installed</td>
<td>11</td>
<td>254</td>
</tr>
</tbody>
</table>

*Includes DCFC and L2 ports: 298 DCFC, 718 L2 ports

**Strategic Plan:**
Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings
- Key Tactic 1: Drive personal electrified transportation to majority adoption
- Key Tactic 5: Support local government initiatives to advance decarbonization

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities
- Key Tactic 3: Support workforce development programs in the County

4.3. EV Ride & Drives / EV Rental Rebate

Background: In February 2019, the Board approved continuation of the EV Ride & Drive program over three years (2019-2021) following a 2018 pilot. It provides for community and corporate events in which community members can test drive a range of EVs. The program generated 19 events and 3,033 experiences since inception in 2018. 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 33% response rate and 17% of respondents indicate they acquired an EV after the event. Due to the COVID-19 pandemic, ride & drive events have been paused. As a result, staff developed a suite of virtual EV engagement pilot programs that replaced the in-person ride & drive events. Staff evaluated these pilots in January 2021 and phased out some due to low uptake and to prioritize limited funding for the most successful programs – Virtual EV Forums & EV Rental Rebate. The Virtual EV Forums in partnership with large San Mateo County employers continued through the end of FY20-21. Four EV Forums were held. The EV Rental Rebate is all that currently remains.

Status: The EV Rental Rebate, which offers a rebate up to $200 on the rental of an EV, has issued 174 rebates as of May 31, 2022. Staff sent surveys to participants 6 months after the rental and of 34 respondents, 8 of them (8%) have purchased an EV since the rental. Most of the FY21-22 EV Ride & Drive/Engagement budget will be dedicated to the EV Rental Rebate. Staff has considered re-starting ride & drive events again this year, however the vehicle supply shortage also means dealership do not have cars available for ride & drive events and thus it is not feasible to re-start the program again at this time.

Strategic Plan:
Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings
- Key Tactic 1: Drive personal electrified transportation towards majority adoption

4.4. E-Bikes for Everyone Rebate Program
Background: The Board initially approved the income-qualified E-Bikes Rebate program in July 2020 with a budget of $300,000 and approved an increase of an additional $300,000 in December 2022, bringing the total program budget to $600,000. The first phase of the program launched in May 2021 and sold out immediately and provided 276 rebates. The second phase is currently underway and will provide approximately 320 rebates. The program is available to residents with low to moderate incomes. Silicon Valley Bicycle Coalition is under contract to Peninsula Clean Energy as an outreach and promotional partner and local bike shops are under contract to provide the rebate as a point-of-sale discount to customers. Enrolled bike shops include Summit Bicycles, Mike’s Bikes, Sports Basement, Chain Reaction, Woodside Bike Shop, and E-Bix Annex.

Status: The second round of the program is currently underway. 8 e-bikes have already been purchased in the first 2 days of the program and staff expects this to increase significantly by the end of June. The new round utilizes more targeted outreach with community partners and a lottery method for awarding incentives rather than the first-come, first-served method used in the previous round.

Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings
• Key Tactic 1: Drive personal electrified transportation to majority adoption

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities
• Key Tactic 1: Invest in programs that benefit underserved communities

4.5. Municipal Fleet Program

Background: The Board approved the Municipal Fleet Program in November 2020. This program will run for three years with a total budget of $900,000 and is comprised of three components to help local agencies begin their fleet electrification efforts: hands-on technical assistance and resources, gap funding, and a vehicle to building resiliency demonstration that will assess the costs and benefits of utilizing fleet EVs as backup power resources for agencies in grid failures and other emergencies.

Status: Staff have selected a consulting team and expects the contract to be brought to the Board shortly for approval and for the program to become available by mid-2022.

Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation and initiate the transition to clean energy buildings
• Key Tactic 2: Bolster electrification of fleets and shared transportation
• Key Tactic 5: Support local government initiatives to advance decarbonization

Objective C: Innovation and Scale: Leverage leadership, innovation, and regulatory action for scaled impact
• Key Tactic 1: Identify, pilot, and develop innovative solutions for decarbonization

4.6. Transportation Pilots

Ride-Hail Electrification Pilot

Background: This pilot, approved by the Board in March 2020, is Peninsula Clean Energy’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 with up to 100 EVs. Because ride-hail vehicles drive much higher than average miles per year, each vehicle in this electrification pilot is expected to save over 2,000 gallons of gas and 20 tons of greenhouse gas emissions per year.

Status: The 100 EV fleet has been put into service by Lyft. Vehicles include a customer-facing placard that informs riders about the pilot and directs them to the PCE website for more information. PCE staff are finalizing specific data transfer logistics to evaluate performance.

EV Managed Charging Pilot

Background: Peninsula Clean Energy aims to facilitate EV charging that avoids expensive and polluting evening hours through “managed charging” systems. This work is in the second phase of a pilot. In 2020, Peninsula Clean Energy ran a proof-of-concept pilot for EV managed charging with startup FlexCharging to test timing of EV charging through vehicle-based telematics. This was a limited pilot with approximately 10 vehicles. The system utilizes existing Connected Car Apps and allows Peninsula Clean Energy to manage EV charging via algorithms as a non-hardware-based approach to shift more charging to occur during off-peak hours. The pilot is moving to Phase 2 intended for a larger set of 1,000 to 2,000 vehicles. In October of 2021, the Board approved a contract up to $220,000 with the University of California, Davis’ Davis Energy Economics Program (DEEP) to develop and advise on an incentive structure experiment that will be used to inform the Peninsula Clean Energy managed charging program design. This collaboration has been ongoing.

Status: Staff released an RFP for the telematics-based platform for the Phase 2 pilot and are currently finalizing contract negotiations. The contract for the recommended winner will be brought to the Board for approval shortly. A Technical Advisory Committee, consisting of staff from CEC, CPUC, CCAs, and NGOs, is also informing the pilot and held its first meeting mid-February.

Strategic Plan:
Goal 3 – Community Energy Programs

Community Benefits: Deliver tangible benefits throughout our diverse communities
Key Tactic 1: Invest in programs that benefit underserved communities

Innovation and Scale: Leverage leadership, innovation and regulatory action for scaled impact

Key Tactic 1. Identify, pilot, and develop innovative solutions for decarbonization
   Pilot and scale EV load shaping programs to ensure that 50% of energy for EV charging takes places in non-peak hours

5. 2035 Decarbonization Feasibility and Plan

Background: In September 2021 the Board adopted a resolution accelerating its goal of reaching carbon neutrality from 2045 to 2035 as follows “Direct Peninsula Clean Energy to adopt a goal of 100% greenhouse gas free by 2035 and direct staff to return with a plan for achieving that goal.” A Board sub-committee was established including Chair DeGolia and directors Pine, Aalfs, Nash, Parmer-Lohan to oversee the project. The schedule is as follows:

- **Q1**: Schedule, scope, market conditions analysis
- **Q2**: Segments, costs, and finance options
- **Q3**: PCE investment, finance, marketing, roadmap
- **Sept. Retreat**: Present draft analysis & plan
- **Q4**: Confirm and align budget forecast and finalize plan

The final deliverable is to be a slide deck for the retreat and potentially a white paper to follow. In addition, Peninsula Clean Energy’s primary scope for decarbonization was approved:
- Transportation: private passenger vehicles, local government and local commercial fleets, ride-hailing, alternative mobility
- Buildings: single-family and small multi-family residential, office, small commercial

It is envisioned that Peninsula Clean Energy may engage beyond these segments on a limited basis.

Status: Development of the plan is ongoing. The first major deliverable “Market Conditions” analyzes the expected economic, technological and policy conditions anticipated from now through 2035 and includes a “business as usual” projection of decarbonization efforts which can be reasonably expected to occur without Peninsula Clean Energy intervention. This deliverable was presented to the Board sub-committee in April.
An Advisory Committee was formed including former CEC and CPUC commissioners, national lab directors, senior practitioners, and local government staff and met June 6th. The session yielded substantive discussion including a number of key questions on rates, equity and other considerations. Advisory Committee participants were:

Jeff Aalfs  Board of Directors, Peninsula Clean Energy  
Diane Bailey  Executive Director, Menlo Spark  
Jeff Byron  Former CEC Commissioner  
Andrea Chow  Sustainability Analyst, City of San Mateo  
Pierre Del Forge  Clean Buildings Director, NRDC  
Cisco Devries  CEO, OhmConnect  
Adrienne Etherton  Sustainability Manager, City of Brisbane  
Laura Feinstein  Sustainability Policy Director, SPUR  
Zach Franklin  Chief Strategy Officer, GRID Alternatives  
Matt Golden  CEO, Recurve  
Ortensia Lopez  Executive Director, El Concilio  
Loren McDonald  EV Industry Analyst, EVAdoption.com  
Joshua Pierce  EVP, Richard Heath and Associates  
Mary Anne Piette  Division Director, Lawrence Berkeley National Lab  
James Russell  Energy Transition Director, CLEAResult  
Nancy Ryan  Former CPUC Commissioner  
Justin Zuganis  Director of Decarbonization, Silicon Valley Clean Energy  

Strategic Plan:

Goal 3 – Community Energy Programs
Decarbonization Programs: Develop market momentum for electric transportation and initiate the transition to clean energy buildings

Innovation and Scale:  Leverage leadership, innovation and regulatory action for scaled impact

Key Tactic 1. Identify, pilot, and develop innovative solutions for decarbonization
Develop strategy for supporting decarbonization by 2035 (updated 2022)
TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer


BACKGROUND
This memo summarizes energy procurement agreements entered into by the Chief Executive Officer since the last regular Board meeting in May. This summary is provided to the Board for information purposes only.

DISCUSSION

<table>
<thead>
<tr>
<th>Execution Month</th>
<th>Purpose</th>
<th>Counterparty</th>
<th>Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>May</td>
<td>Amendment to Power Purchase Agreement</td>
<td>WRIGHT SOLAR PARK LLC</td>
<td>25 Years</td>
</tr>
<tr>
<td>May</td>
<td>Sale of Resource Adequacy</td>
<td>Silicon Valley Clean Energy</td>
<td>1 Month</td>
</tr>
<tr>
<td>May</td>
<td>Sale of Resource Adequacy</td>
<td>Clean Power Alliance</td>
<td>1 Month</td>
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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.

Table 1:

<table>
<thead>
<tr>
<th>Product</th>
<th>Year-Ahead Compliance Obligation</th>
<th>Term Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Resource Adequacy</td>
<td>In years 1 &amp; 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 November 31st of the prior year</td>
<td>Up to 36 months</td>
</tr>
<tr>
<td>System Resource Adequacy</td>
<td>In year 1, must demonstrate capacity to meet 90% of system obligation for summer months (May – September) by November 31st of the prior year</td>
<td>Up to 12 months</td>
</tr>
<tr>
<td>Flexible Resource Adequacy</td>
<td>In year 1, must demonstrate capacity to meet 90% of monthly flexible obligation by November 31st of the prior year</td>
<td>Up to 12 months</td>
</tr>
</tbody>
</table>

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.

**STRATEGIC PLAN**

The contracts executed in November support the Power Resources Objective A for Low Cost and Stable Power: Develop and implement power supply strategies to procure low-cost, reliable power.
The CC Power Board of Directors held its special meeting on Tuesday, May 31, 2022, via Zoom. Details on the Board packet, presentation materials, and public comment letters can be found under the Meetings tab at the CC Power website: [https://cacommunitypower.org](https://cacommunitypower.org)

Highlights of the meeting included the following:

- **Matters subsequent to posting the Agenda.** None.

- **Public Comment.** None.

- **Consent Calendar** - The Board unanimously approved the following items:
  
  - Resolution 22-05-01 Determination that Meeting in Person Would Present Imminent Risks to the Health or Safety of Attendees as a Result of the Proclaimed State of Emergency

- **Special Agenda Items – Discussion and Possible Action**
  
  - Resolution 22-05-02 Waiver of 60-day Notice of Intent for the Fish Lake Geothermal and Ormat Geothermal Portfolio Projects
  - Resolution 22-05-03 Approval of Fish Lake Geothermal Project and Authorization to Execute Associated Agreements.
  - Resolution 22-05-04 Approval of Ormat Geothermal Portfolio Project and Authorization to Execute Associated Agreements.

Deb Emerson, Sonoma Clean Power, and Jeanne Sole, San Jose Clean Energy, jointly presented material in support of the three resolutions. The Board was informed that waiver of its 60-day Notice of Intent to consider the contracts is necessary to request transmission access to the two projects at the California Independent System Operator. Ms. Emerson went on to provide background on the Fish Lake and Ormat Geothermal Projects. Ms. Sole provided an overview of the CPUC order that mandates the purchase of the capacity products that these agreements will deliver. The description of the contracts includes an explanation of how Board’s Labor and Environmental Quality requirement have been adapted to projects located in Nevada. The presentation concluded with a reminder that project Participants are to seek their respective Board approvals with 120-days.

The Board approved all three resolutions 9 to 0 with one abstention.

- **Adjournment**
The CC Power Board of Directors held its regularly scheduled meeting on Wednesday, June 15, 2022, via Zoom. Details on the Board packet, presentation materials, and public comment letters can be found under the Meetings tab at the CC Power website: [https://cacommunitypower.org](https://cacommunitypower.org)

Highlights of the meeting included the following:

- **Matters subsequent to posting the Agenda.** None.
- **Public Comment.** None.
- **Consent Calendar** - The Board unanimously approved the following items:
  - Minutes of the Regular Board Meeting held on April 20, 2022.
  - Minutes of the Special Board Meeting held on May 31, 2022.
  - Resolution 22-06-01 Determination that Meeting in Person Would Present Imminent Risks to the Health or Safety of Attendees as a Result of the Proclaimed State of Emergency
- **Chair Report**
  - Resolution 22-06-02 Approval of Budget Allowance for Development of Three-Year Strategic Plan. Board Chair Syphers informed the Board of his intent to appoint Vice Chair Mitchell and Board Members Balachandran and Sears to an ad hoc committee to develop a three-year strategic plan. The resolution proposes the committee receive an allowance of up to $50,000. The Chair acknowledged the committee will incorporate Board feedback now and throughout the effort. The Board adopted the resolution 6-0-2.
  - Resolution 22-06-03 Approval of Extension of Agreement with Grid & Power Symmetry, LLC, for Interim General Manager Services. The contract extension is through June 2023 and converts the Interim GM compensation from $235 per hour to $10,000 per month. The Interim GM remains a part time position. The Board adopted the resolution 8-0.
- **General Manager’s Report**
  - Update on LDS/FCR Projects. Interim GM Haines explained that the future activities associated with the Long-Duration Storage and Firm Clean Resources projects will be guided by the project agreements. The agreements specify the roles of the Board, GM, and project staff.
  - Update on the CC Power Budget. Interim GM Haines reminded the Board that, as expected when the 2022 Budget was approved in December 2021, he will seek a budget amendment to fund July through December activities at the July Board meeting. The Interim GM is working with the Treasurer, Member staff, the General Counsel and CC Power consultants to develop the budget amendment recommendations.
COMMONLY USED ACRONYMS AND KEY TERMS

AB xx – Assembly Bill xx
ALJ – Administrative Law Judge
AMP – Arrears Management Plans
AQM – Air Quality Management
BAAQMD – Bay Area Air Quality Management District
BLPTA – Buyer Liability Pass Through Agreement
CAC – Citizens Advisory Committee
CAISO – California Independent System Operator
CalCCA – California Community Choice Association
CAM – Cost Allocation Mechanism
CAP – Climate Action Plan
CAPP – California Arrearage Payment Program
CARB – California Air Resources Board, or California ARB
CARE – California Alternative Rates for Energy Program
CBA – California Balancing Authority
3CE – Central Coast Community Energy (Formerly Monterey Bay Community Power-MBCP)
CCA – Community Choice Aggregation (aka Community Choice Programs (CCP) or
CCE – Community Choice Energy (CCE)
CCP – Community Choice Programs
CEC – California Energy Commission
CPP – Critical Peak Pricing
CPSF – Clean Power San Francisco
CPUC – California Public Utility Commission (Regulator for state utilities) (Also PUC)
CSD – California Department of Community Services and Development
CSGT - Community Solar Green Tariff
DA – Direct Access
DAC-GT - Disadvantaged Communities Green Tariff
DER – Distributed Energy Resources
DG – Distributed Generation
DOE – Department of Energy
DR – Demand Response
DRP – Demand Response Provider
DRP/IDER – Distribution Resources Planning / Integrated Distributed Energy Resources
EBCE – East Bay Community Energy
ECOplus – PCE’s default electricity product, 50% renewable and 50% carbon-free (in 2021)
ECO100 – PCE’s 100% renewable energy product
EDR – Economic Development Rate
EE – Energy Efficiency
EEI – Edison Electric Institute; Standard contract to procure energy & RA
EIR – Environmental Impact Report
ELCC – Effective Load Carrying Capability
ESP – Electric Service Provider
PCE – Peninsula Clean Energy Authority
PCIA – Power Charge Indifference Adjustment
PCL – Power Content Label
PLA – Project Labor Agreement
POU – Publicly Owned Utility
PPA – Power Purchase Agreement
PPSA – Project Participation Share Agreement (CC Power)
PSPS – Public Safety Power Shutoff
PV – Photovoltaics (solar panels)
RA – Resource Adequacy
RE – Renewable Energy
REC – Renewable Energy Credit/Certificate
RICAPS - Regionally Integrated Climate Action Planning Suite
RPS – California Renewable Portfolio Standard
SB xx – Senate Bill xx
SCP – Sonoma Clean Power
SJCE – San Jose Clean Energy
SJVAPCD - San Joaquin Valley Air Pollution Control District
SMD – Share My Data, interval meter data
SQMD – Settlement Quality Meter Data
SVCE – Silicon Valley Clean Energy
TEF – Transportation Electrification Framework (CPUC Proceeding)
TNCs – Transportation Network Companies (ridesharing companies)
TOB – Tariff on Bill
TOU RATES – Time of Use Rates
VGI – Vehicle-Grid Integration
V2G – Vehicle-to-Grid
VPP – Virtual Power Plant
WECC – Western Energy Coordinating Council
WREGIS – Western Renewable Energy Generation Information System
WSPP – Western Systems Power Pool; standard contract to procure energy and RA