

## Regular Meeting of the Board of Directors of the Peninsula Clean Energy Authority (PCEA) Minutes

Thursday, July 28, 2022  
6:30 p.m.  
Zoom Video Conference and Teleconference

### **CALL TO ORDER**

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

### **ROLL CALL**

#### **Participating Remotely:**

Dave Pine, San Mateo County  
Warren Slocum, San Mateo County arrived at 6:40 p.m.  
Rick DeGolia, Atherton, *Chair*  
Coleen Mackin, Brisbane  
Donna Colson, Burlingame, *Vice Chair*  
Roderick Daus-Magbual, Daly City arrived at 7:50 p.m.  
Carlos Romero, East Palo Alto  
Sam Hindi, Foster City  
Harvey Rarback, Half Moon Bay  
Laurence May, Hillsborough  
Betsy Nash, Menlo Park  
Anders Fung, Millbrae  
Tygarjas Bigstycck, Pacifica  
Jeff Aalfs, Portola Valley  
Giselle Hale, Redwood City arrive at 7:20 p.m.  
Marty Medina, San Bruno  
Laura Parmer-Lohan, San Carlos  
Rick Bonilla, San Mateo  
James Coleman, South San Francisco arrived at 7:50 p.m.  
Jennifer Wall, Woodside

Pradeep Gupta, Director Emeritus  
John Keener, Director Emeritus

#### **Absent:**

Julia Mates, Belmont  
Raquel Gonzalez, Colma  
Tom Faria, Los Banos

**A quorum was established.**

### **PUBLIC COMMENT**

Nelly Wogberg, Board Clerk, directed the Board to read the public comment from Eric Brooks on the Peninsula Clean Energy Board Agenda Page.

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

Director Mackin had a question on outreach with Silicon Valley Bicycle Coalition for Agenda Item Number 4. Rafael Reyes, Director of Energy Programs, explained that the principal outreach for the E-Bikes for Everyone Program is not through the Silicon Valley Bicycle Coalition but rather directly through Peninsula Clean Energy and outreach partners that work directly with low-income households.

Director Bigstyk asked when the waitlist will be opened again for the E-bikes For Everyone Program. Rafael explained this this program could become an annual program due to its popularity.

**MOTION:** Director Bonilla moved, seconded by Director Parmer-Lohan to set the Agenda, and approve Agenda Item Numbers 1-6.

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 June 29, 2022 Meeting.
3. Approval of An Amendment to The Existing Retention Agreement with the Law Firm of Keyes & Fox LLP Increasing the Amount By \$250,000 for a Total Not-To-Exceed Amount of \$650,000.
4. Approval of a Modification of the E-Bikes for Everyone Program Budget, Increasing the Amount by \$150,000 for a Total Not-to-Exceed Amount of \$690,000.
5. Approval of the Revised Employee Handbook.
6. Authorize Execution of an Agreement Between Peninsula Clean Energy and Maher Accountancy for the Period of July 1, 2022 Through June 30, 2023 in an Amount Not-to-Exceed \$243,750.

**MOTION PASSED:** 17-0 (Absent: Belmont, Colma, Daly City, Los Banos, Redwood City, Millbrae)

<b>JURISDICTION</b>	<b>BOARD MEMBER</b>	<b>YES</b>	<b>NO</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
San Mateo County	Director Pine	X			
San Mateo County	Director Slocum	X			
Atherton	Director DeGolia	X			
Belmont	Director Mates				X
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			
Colma	Director Gonzalez				X
Daly City	Director Daus-Magbual				X
East Palo Alto	Director Romero	X			
Foster City	Director Hindi	X			
Half Moon Bay	Director Rarback	X			
Hillsborough	Director May	X			

Los Banos	Director Faria				X
Menlo Park	Director Nash	X			
Millbrae	Director Fung	X			
Pacifica	Director Bigstycck	X			
Portola Valley	Director Aalfs	X			
Redwood City	Director Hale				X
San Bruno	Director Medina	X			
San Carlos	Director Parmer-Lohan	X			
San Mateo	Director Bonilla	X			
South San Francisco	Director Coleman				X
Woodside	Director Wall	X			
	Totals	17			6

## **REGULAR AGENDA**

### 7. Chair Report

Chair DeGolia shared that while on vacation in Ireland he shared information on Peninsula Clean Energy's mission.

### 8. CEO Report

Jan Pepper, CEO, gave a report including a staffing update welcoming new Chief Financial Officer, Kristina Cordero, posted openings, and an update on presentations to local City Councils.

Director Emeritus Gupta asked about the Wright Solar Project and was disappointed to learn that the storage component for the site would not be going forward. Jan explained that negotiations had been ongoing for two years, but the hedge fund, KKR, did not want to move ahead with the storage component. KKR is interested in selling the Wright Solar Project and potentially the future buyers will be interested in adding storage.

Vice Chair Colson asked if it would make sense to work with Clenera to add storage ourselves. Jan explained that Clenera is owned by a foreign owner and is not able to add the solar storage themselves. Vice Chair Colson asked if perhaps some state investment funds might be able to facilitate this.

Chair DeGolia asked if any Board Members have contacts with KKR to let Jan know. Jan explained that KKR is looking to exit the renewable energy field altogether.

Public Comment: Drew asked if Peninsula Clean Energy would own a generation source.

Jan explained that Peninsula Clean Energy could invest in generation projects which some other Community Choice Aggregators have done. Chair DeGolia added that this potential project is very large and worth a future board discussion.

### 9. Citizens Advisory Committee Report

Cheryl Oliver Schaff, Citizens Advisory Committee (CAC) Vice Chair, gave a report on the July 14<sup>th</sup> CAC meeting including information on the partnership between BlocPower and the City of Menlo Park.

Director Bonilla asked if the work with Menlo Spark will pay prevailing wage. Director Nash responded that this was currently being looked at.

#### 10. Update on the Diversity, Equity, Accessibility, and Inclusion (DEAI) project (Discussion)

Shayna Barnes, Operations Specialist, introduced GCAP Services, the consultant working on the DEAI Project.

Ed Salcedo, GCAP President, introduced the DEAI project. Ed, along with Sharon Stelling Qualls, GCAP senior consultant, presented an update on the DEAI project including DEAI within Peninsula Clean Energy, a project timeline, survey and interview backgrounds, legislation and regulatory analysis, and DEAI policy, workshops and documents.

Shayna continued with the presentation and shared information on key takeaways from the survey and interviews.

Vice Chair Colson shared information on REACH, a program that encourages embracing DEAI perspectives and practices and asked if Peninsula Clean Energy might be able to become an ally of the organization.

Director Medina asked what Peninsula Clean Energy staff is doing to respond to allegations of employees who have experienced concerns within the workplace. Shayna explained that increased staff training, hiring an HR Director, and management's attention are being used to address those concerns. Jan Pepper, Chief Executive Officer, noted that some follow-up actions have been taken and that the new HR Director will have a large influence on DEAI implementation in the organization.

Director Parmer-Lohan offered a suggestion for consideration towards psychological safety so that everyone can be seen and heard.

Director Hale asked for clarification on the addition of a full-time HR Manager. Jan explained that having someone with Peninsula Clean Energy full-time to focus on DEAI implementation as well as evaluations, onboarding, and other HR related items will be valuable given that our contracted HR is no longer serving our needs as we've grown.

Jan Pepper expressed her thanks to Shayna Barnes and Kirsten Andrews-Schwind for their work on moving this project forward.

#### 11. Authorize the Chief Executive Officer to Execute Necessary Agreements with California Community Power and Participating Community Choice Aggregators for Renewable Resources from Ormat Nevada Inc. and Open Mountain Energy, in amounts not to exceed and terms as follows: (a) Ormat (term 20 years and not to exceed 405 million dollars); and (b) Open Mountain (term 20 years and not to exceed 41 million dollars) (Action)

Chelsea Keys, Interim Director of Power Resources, gave a presentation that covered the RFO background and timeline, mid-term reliability decision for 2023-2026, Peninsula Clean Energy allocation, effective load carrying capacity factors, RFO results and shortlist, contract structure and an overview of the two geothermal projects.

Director Emeritus Gupta noted the higher cost associated with firm power and asked about the agreement terms with Open Mountain Energy should they fail to obtain California Independent System Operator (CAISO) approval. Chelsea explained that it is the responsibility of the Community Choice Aggregator to obtain the import capability to qualify the resource for resource adequacy, and the contract is set up so there are different interties to obtain the import capability.

Chair DeGolia asked if Peninsula Clean Energy didn't get the maximum capacity from the Ormat project, where would Peninsula Clean Energy go to fulfill the remaining unfilled obligations for firm energy? Chelsea explained Peninsula Clean Energy has a 19 MW Net-Qualifying Capacity (NQC) requirement or 23 MW nameplate and Peninsula Clean Energy has a few projects in negotiation that could potentially help meet that requirement. Chair DeGolia asked when the deadline for the firm power requirement needs to be satisfied. Chelsea explained that the requirement is in 2026.

Director Bonilla shared that he was on the procurement committee and that these two projects are advantageous for Peninsula Clean Energy.

**MOTION:** Director Bonilla moved, seconded by Director Parmer-Lohan to approve a Resolution Delegating Authority to the Chief Executive Officer to Execute Necessary Agreements with California Community Power and Participating Community Choice Aggregators for Renewable Resources from Ormat Nevada Inc. and Open Mountain Energy, LLC as follows:

1. Ormat Nevada Inc. (Ormat) - Portfolio of Geothermal Projects
  - a. Project Participation Share Agreement (PPSA) between Peninsula Clean Energy Authority, CC Power and participating community choice aggregators (Attachment 1)
  - b. Power Purchase Agreement (PPA) - Buyer Liability Pass Through Agreement (BLPTA) between Peninsula Clean Energy Authority, CC Power and Ormat Nevada Inc. (Attachment 2)
  - c. Expected Participation Share of 17.1% or 10.94 MW with quantity not to exceed 21.38 MW
  - d. Delivery term of 20 years starting on or about June 1, 2024
  - e. Dollar authority not to exceed \$405,000,000
2. Open Mountain Energy LLC., (OME) - Fish Lake Geothermal
  - a. Project Participation Share Agreement (PPSA) between Peninsula Clean Energy Authority, CC Power and participating community choice aggregators (Attachment 3)
  - b. Power Purchase Agreement (PPA) - Buyer Liability Pass Through Agreement<sup>5</sup> Item No. 11 -2- (BLPTA) between Peninsula Clean Energy Authority, CC Power and OME (Attachment 4)
  - c. Expected Participation Share of 17.8% or 2.31 MW
  - d. Delivery term of 20 years starting on or about April 1, 2024
  - e. Dollar authority not to exceed \$41,000,000

**MOTION PASSED:** 19-0 (Absent: Belmont, Colma, Los Banos, Millbrae)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Pine	X			
San Mateo County	Director Slocum	X			
Atherton	Director DeGolia	X			
Belmont	Director Mates				X
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			

Colma	Director Gonzalez				X
Daly City	Director Daus-Magbual	X			
East Palo Alto	Director Romero	X			
Foster City	Director Hindi	X			
Half Moon Bay	Director Rarback	X			
Hillsborough	Director May	X			
Los Banos	Director Faria				X
Menlo Park	Director Nash	X			
Millbrae	Director Fung				X
Pacifica	Director Bigstycck	X			
Portola Valley	Director Aalfs	X			
Redwood City	Director Hale	X			
San Bruno	Director Medina	X			
San Carlos	Director Parmer-Lohan	X			
San Mateo	Director Bonilla	X			
South San Francisco	Director Coleman	X			
Woodside	Director Wall	X			
	Totals	19			4

## 12. Summary of Findings from Annual Awareness/Perception Research (Discussion)

KJ Janowski, Director of Marketing and Community Relations, gave a presentation with an Update on Awareness and Perception including performance indicators, methodology, Persuasion Monitor and trend in San Mateo County and Los Banos; brand perception, resident priorities and climate change impact/attitudes between San Mateo County and Los Banos.

Chair DeGolia noted that on slide 95, the percentages for San Mateo County did not add up to 100%. This has since been corrected on the presentation.

Director Pine asked for clarification on the Peninsula Clean Energy favorability number under Key Performance Indicators. KJ explained that favorability percentages have been around 61-63%. This year there was a drop due to an increase in ratings for those who were “not sure” and an increase in “somewhat unfavorable”.

Director Emeritus Gupta asked for clarification on the 24% of San Mateo County customers who are aware that Peninsula Clean Energy is lower than PG&E rates, but that 49% of San Mateo County customers had their highest priority be lower rates. KJ explained that many customers see that their bills are going up and they want lower bills, and many customers are not doing a comparison in costs between Peninsula Clean Energy and PG&E to notice the 5% savings in generation.

Director Nash suggested that a financial situation might be limiting the responses to purchase products to mitigate climate change. KJ agreed and added that about 50% of customers in Los Banos are on CARE/FERA rates. Leslie Brown, Director of Account Services, offered that the CARE/FERA numbers are significantly higher in Los Banos.

Chair DeGolia asked if there was any way to separate our billing from that of PG&E to encourage awareness and favorability by having a more direct access to customers. KJ explained that through GovDelivery emails to customers aided awareness has increased and that there will be an increase

in the number of emails that will be sent out to customers. These emails are being addressed as “Dear Peninsula Clean Energy Customers” which should positively impact aided awareness.

Leslie Brown, Director of Account Services, added that Investor-Owned Utilities are required by legislation to be the billing agent for Community Choice Aggregators. Leslie also explained that as customers generally do not want an additional bill this could result in opt outs for simplicity’s sake.

Director Mackin shared that she asks frequently if people are aware of Peninsula Clean Energy but isn’t sure they know we are a community energy provider. This could be an important message as the public are wary of corporate energy companies. KJ explained that PG&E is viewed very unfavorably in San Mateo County and that Peninsula Clean Energy customer concerns are not being reflected in the participation rate which includes low opt-outs.

Leslie Brown added that PG&E is not allowed to be heavy handed with sales tactics and to report or encourage customers to report problematic phone calls with PG&E so they can follow up. PG&E is filing their own code of conduct violation with the California Public Utilities Commission and takes these reports seriously.

### 13. Electrification Messaging: Update on Research and Implications (Discussion)

KJ Janowski, Director of Marketing and Community Relations, gave a presentation on electrification messaging

Director Bonilla shared that he felt encouraged by this information.

Vice Chair Colson suggested if looking at data on sea level rise could be part of a holistic conversation to help people understand the value in investments for the long-term.

Director Parmer-Lohan expressed her gratitude to KJ and the team for this report and hopes the team can figure out how to communicate the value that Peninsula Clean Energy brings to the table, inspire action to community members, and how can we each take a step towards reducing greenhouse gas emissions.

Director Rarback offered a real-world example of the Half Moon Bay electrification ordinance that would require burnout of existing methane appliances to be electrified. Director Rarback shared that the pushback from the public was very negative with a complaint that the upfront cost is too high. KJ shared that incentives and rebates will still be needed with electrification messaging.

Chair DeGolia expressed gratitude for the in-depth information shared in this presentation and noted that it was important how much health and safety stands out as a priority. People will react more strongly when they are informed that methane gas hurts their health, but not as strongly that they will clear the air if they use electricity.

Director Romero asked if tabs in the survey would disaggregate the data by socioeconomic rank. as he is interested in the difference between Daly City or East Palo Alto customers with a lower household income in comparison with Los Banos customers. KJ agreed that this is a good point and shared that survey was done as an email survey with 23% of respondents as renters and the remaining as homeowners.

Director Bigstycyk shared that it was impressive to see the data from the back end and the simplicity on the front end. Director Bigstycyk shared that he is excited about the messaging Peninsula Clean Energy can offer.

Public Comment: Jason Mendelson

Jan Pepper, Chief Executive Officer, offered her gratitude to KJ and team for their expertise in marketing and helpful insights.

14. Board Members' Reports

None

### **ADJOURNMENT**

Meeting was adjourned at 8:58 p.m.