

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

Thursday, August 25, 2022  
6:30 p.m.  
Zoom Video Conference and Teleconference

**CALL TO ORDER**

Meeting was called to order at 6:33 p.m. in virtual teleconference.

**ROLL CALL**

**Participating Remotely:**

Rick DeGolia, Atherton, *Chair*  
Coleen Mackin, Brisbane  
Donna Colson, Burlingame, *Vice Chair*  
Roderick Daus-Magbual, Daly City – arrived at 6:35 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 left at 7:00 PM  
Tygarjas Bigstyk, Pacifica  
Jeff Aalfs, Portola Valley  
Marty Medina, San Bruno  
Laura Parmer-Lohan, San Carlos – arrived at 7:35 p.m.  
Rick Bonilla, San Mateo

Pradeep Gupta, Director Emeritus  
John Keener, Director Emeritus

**Absent:**

Dave Pine, San Mateo County  
Warren Slocum, San Mateo County  
Julia Mates, Belmont  
Raquel Gonzalez, Colma  
Tom Faria, Los Banos  
Giselle Hale, Redwood City  
James Coleman, South San Francisco  
Jennifer Wall, Woodside

**A quorum was established.**

**PUBLIC COMMENT**

Tom Kabat

The Board of Directors observed a moment of silence for Board Member Rae Gonzalez from Colma who passed away on August 2, 2022.

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

Director Mackin asked, regarding Agenda Item Number 4, for clarification on if the appointment of Chief Financial Officer as the Treasurer is an interim measure or if there were plans to create a separate position of Treasurer. Jan Pepper, Chief Executive Officer, explained that Andy Stern, the prior Chief Financial Officer, was the prior Treasurer and this item is asking to appoint Kristina Cordero to Treasurer as Andy's replacement. Director Mackin asked if this could be a separate position in the future.

Director Bigstyk asked, for Agenda Item Number 3, if the contract is for a pilot program and what happens if more agencies are interested? Phillip Kobernick, Programs Manager, explained that the program is not a pilot program but is meant to cover 6-9 fleets, however if there is more interest the program is expandable.

**MOTION:** Director Bonilla moved, seconded by Director Fung to set the Agenda and approve Agenda Item Numbers 1-8.

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 July 28, 2022 Board of Directors Meeting
3. Approval of Contract with Optony for the Local Government Fleets Program for a Total of \$390,000 Over 3 Years
4. Appointment of Kristina Cordero as Peninsula Clean Energy Treasurer
5. Approval of 2021 Power Content Label
6. Approval of Contract Amendment with NewGen Strategies in the Amount of \$75,000 for the Peninsula Clean Energy Data Warehouse Ongoing Support & Maintenance for the Period of November 1, 2022 Through December 31, 2023 in an Amount Not-to-Exceed \$220,000
7. Approval of Peninsula Clean Energy Social Media Policy
8. Approval of 2022 Amended Conflict of Interest Code for Peninsula Clean Energy

Staff requested that Agenda Item Number 14.b. be pulled from the Agenda. Jennifer Stalzer, Associate County Counsel, explained that Agenda Item Number 14.b. is not ready for Board approval at this moment and will be reagendaized for a later meeting.

**MOTION AS AMENDED:** Director Bonilla moved, seconded by Director Fung to set the Agenda with the removal of Agenda Item Number 14.b. and approve Agenda Item Numbers 1-8.

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 July 28, 2022 Board of Directors Meeting
3. Approval of Contract with Optony for the Local Government Fleets Program for a Total of \$390,000 Over 3 Years
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7. Approval of Peninsula Clean Energy Social Media Policy
8. Approval of 2022 Amended Conflict of Interest Code for Peninsula Clean Energy

**MOTION AS AMENDED PASSED:** 14-0 (Absent: San Mateo County, San Mateo County, Belmont, Colma, Los Banos, Redwood City, San Carlos, South San Francisco, Woodside)

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 Bigstyk	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	14			9

## **REGULAR AGENDA**

### 9. Chair Report

Chair DeGolia reported that the CEO Review Subcommittee received Jan Pepper's self-assessment and has had one meeting. At the next Executive Committee Meeting on September 12, 2022 the Committee will discuss if a closed session should be held.

### 10. CEO Report

Jan Pepper, Chief Executive Officer, gave a report including a staffing update, recruitment for a position on the Audit & Finance Committee, a summary of presentations given to City Councils, a preview of the September 22, 2022 Board Retreat Agenda, information on the Inflation Reduction Act and a Legislative Update. Jan also shared information on a billing error in July 2022.

Director Nash requested a memo on the July 2022 billing error.

Vice Chair Colson asked the average amount of the underbilling. Jan explained it varies based on the size of bill, but for an average usage of 400 kwh/month, it would equate to approximately \$8 for the month. The error began on July 1, 2022 so some customers had a reduction in only one statement while others may have a reduction split between two statements, depending on the billing date.

Vice Chair Colson asked for if there was a cap on the vehicle price for the \$7500 rebate on Electric Vehicles (EV) as part of the Inflation Reduction Act. Jan explained there are MSRP caps of \$55,000 for cars and \$80,000 on trucks and vans. Vice Chair Colson asked about rebates without income qualifications. Jan explained that this will be discussed at the September 22 Retreat and shared that the plan is for Peninsula Clean Energy to provide some rebates in addition to the federal incentives.

Director Romero asked if the Audit and Finance Committee could review the change in tax credits.

### 11. Citizens Advisory Committee Report

Jason Mendelson, Citizens Advisory Committee (CAC) Vice Chair, gave a report from the August 11, 2022 CAC meeting, prepared by the CAC Chair, Cheryl Schaff.

### 12. Report from the Audit and Finance Committee on Investment Management Strategies (Discussion)

Vice Chair Colson shared a recap of the August Audit and Finance Committee Investment Management Strategy Presentations from First Republic Bank and PFM.

Director Bonilla shared that he believes the ESG overlay is appropriate and that \$60,000 per year is appropriate to send the message that we are supporting the mission with our invested dollars.

### 13. Approval of a Resolution Delegating Authority to Chief Executive Officer to Execute Power Purchase and Sale Agreement for Renewable Supply with Renewable America, LLC and any Necessary Ancillary Documents with a Power Delivery Term of 20 Years Starting at the Commercial Operation Date on or about December 1, 2023, in an Amount Not to Exceed \$12,700,000 (Action)

Peter Levitt, Programs Manager for Distributed Energy Resources, gave a presentation covering the Disadvantaged Communities Green Tariff (DAC-GT) program including a program overview, a recap of California Public Utility Commission (CPUC) programs that Peninsula Clean Energy is administering, a timeline and evaluation of Dos Palos Clean Power, and a review of the contract structure.

Director Emeritus Gupta asked if the discount customers who are enrolled in this benefit will be calculated on their solar generated bill or the non-solar generation rate. Peter explained that the community solar program allows customers to subscribe to the solar array remotely and receive the discount on all the kilowatt hours that Peninsula Clean Energy serves them. Director Emeritus Gupta asked for clarification on the rates. Peter explained that the 20% discount applies to customer's current bills.

Chair DeGolia asked for clarification on the phrase "energy only". Peter explained that some of the power plants offer not only energy but also power capacity in the form of Resource Adequacy or a similar product.

**MOTION:** Director Bonilla moved, seconded by Director Medina to approve a Resolution Delegating Authority to Chief Executive Officer to Execute Power Purchase and Sale Agreement for Renewable Supply with Renewable America, LLC and any Necessary Ancillary Documents with a Power Delivery Term of 20 Years Starting at the Commercial Operation Date on or about December 1, 2023, in an Amount Not to Exceed \$12,700,000.

**MOTION PASSED:** 14-0 (Absent: San Mateo County, San Mateo County, Belmont, Colma, Los Banos, Millbrae, Redwood City, South San Francisco, Woodside)

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 Bigstyk	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	14			9

14. Approval of two Amendments to Long-term Power Purchase Agreements:
- Third Amendment to Chaparral Solar, LLC Power Purchase and Sale Agreement (Action)
  - ~~Second Amendment to Arica Solar, LLC Power Purchase and Sale Agreement (Action)~~ (Continued to a future meeting)

Chelsea Keys, Interim Director of Power Resources, gave a presentation covering the Power Purchase Agreement (PPA) with Chaparral Solar + Storage Project including background on the project, challenges and disruptions in the energy market, solar tariffs, impacts to market, the California Public Utilities Commission (CPUC) Mid-term reliability decision, and impacts on Chaparral.

Public Comment: Mark Roest, David Mauro asked about the labor agreement for the project.

Chelsea explained that Chaparral is currently being constructed under a Project Labor Agreement.

Director Emeritus Keener shared that the Procurement Subcommittee was briefed on the amendments to the PPA and that there was consensus it was beneficial for Peninsula Clean Energy to make the changes in the contract rather than to drop the contract.

Director Aalfs added that this project is meeting both Peninsula Clean Energy's short and long-term goals and recommends approving this change.

**MOTION:** Director Romero moved, seconded by Director Bonilla to Approve a Resolution Delegating Authority to the Chief Executive Officer to Execute Amendments to the following Power Purchase and Sale Agreement (PPA): Third amendment to Chaparral Solar, LLC, Solar + Storage PPA.

**MOTION PASSED:** 14-0 (Absent: San Mateo County, San Mateo County Belmont, Colma, Los Banos, Millbrae, Redwood City, South San Francisco, Woodside)

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 Bigstyk	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	14			9

15. Approval of a Resolution Delegating Authority to Chief Executive Officer to Execute Power Purchase and Sale Agreement for Renewable Supply with Buena Vista Energy, LLC, And Any Necessary Ancillary Documents with a Power Delivery Term of 5 Years Beginning on January 1, 2023, in an Amount Not to Exceed \$37 Million (Action)

Chelsea Keys, Interim Director of Power Resources, gave a presentation on a Power Purchase Agreement (PPA) for Buena Vista Wind including background on the project, a project overview, contract structure, information on the Developer, Leeward, generation profile, and project benefits.

Public Comment: Mark Roest

**MOTION:** Director Bigstyk moved, seconded by Director Mackin to Approve a Resolution Delegating Authority to Chief Executive Officer to Execute Power Purchase and Sale Agreement for Renewable Supply with Buena Vista Energy, LLC, and any necessary ancillary documents with a Power Delivery Term of 5 years starting on January 1, 2023, in an amount not to exceed \$37 million.

**MOTION PASSED:** 14-0 (Absent: San Mateo County, San Mateo County, Belmont, Colma, Los Banos, Millbrae, Redwood City, South San Francisco, Woodside)

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 Bigstyk	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	14			9

#### 16. Approval of Increased Budget Flexibility in Community Energy Programs (Action)

Rafael Reyes, Director of Energy Programs, gave a presentation on increased budget flexibility in Community Energy Programs including current practice, challenges, the proposed new practice, and legacy budget approvals.

Director Bigstyk asked how the Board will be made aware of the effect the budget shift has. Rafael explained that changes would be reported out.

Director Mackin shared that she would like to see this item return with caps or limits to ensure that one program isn't drained of funds at the expense of another.

Chair DeGolia shared that there is Board judgement around quantitative and qualitative importance of different programs which lends to putting more money into one program than another and he would hate to see a couple million dollars moved into a program that is doing well but isn't as much of a priority.

Vice Chair Colson asked if there was an operational point that brought this item to the Board such as a timing issue. Rafael explained that timing is a factor and that there have been challenges with the Electric Vehicle (EV) charging program. There are changes forthcoming to the EV program, and it is becoming clear that due to challenges in this program and others, budget is being undershot. Rafael shared that the Home Upgrade Program is another example with more potential if more resources were applied there. Rafael explained that the goal is to look at the priorities the Board has set and find the best ways to meet them within the fiscal year and the budget available.

Vice Chair Colson offered a 10-20 percent cap for budget movement. Rafael shared that this would be helpful.

Director Aalfs shared that if an amendment was made in the budget, it would be reported quickly and in annual budget process and that he is comfortable as proposed.

Director Bonilla shared that he sees an issues with percentages and would prefer to see a dollar limit with requirement to report at next board meeting.

Chair DeGolia asked if this was an urgent matter. Rafael explained that this is not necessarily time sensitive. Jan Pepper, Chief Executive Officer, suggested the best course of action is to take this Agenda Item back and return with a revised proposal to the Board. Vice Chair Colson suggested bringing this to the Executive Committee before bringing this to the full Board.

Public Comment: Jeremy Sarnecky



17. Board Members' Reports

Director Bonilla spoke at the Youth Climate Rally alongside Senator Josh Becker, Assemblymember Kevin Mullins, Council Member Michael Brownrigg and others and the rally was very receptive.

Director Hindi shared that Foster City is moving on Reach Codes and outreaching to a consultant with a study. He instructed staff to reach out to Peninsula Clean Energy for assistance moving forward.

**ADJOURNMENT**

Meeting was adjourned at 8:23 p.m.