

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

Thursday, October 27, 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 6:36 p.m.
Rick DeGolia, Atherton, *Chair*
Coleen Mackin, Brisbane
Donna Colson, Burlingame, *Vice Chair*
Carlos Romero, East Palo Alto
Sam Hindi, Foster City, arrived at 6:36 p.m.
Harvey Rarback, Half Moon Bay
Laurence May, Hillsborough
Betsy Nash, Menlo Park
Anders Fung, Millbrae
Tygarjas Bigstyk, Pacifica
Giselle Hale, Redwood City
Marty Medina, San Bruno
John Dugan, San Carlos
Rick Bonilla, San Mateo

Pradeep Gupta, Director Emeritus
John Keener, Director Emeritus

Absent:

Julia Mates, Belmont
Raquel Gonzalez, Colma
Roderick Daus-Magbual, Daly City
Tom Faria, Los Banos
Jeff Aalfs, Portola Valle
James Coleman, South San Francisco
Jennifer Wall, Woodside

A quorum was established.

Jan Pepper, Chief Executive Officer, announced that Agenda Item Number 13, "Approval of the Audited Financial Statements for Fiscal Year (FY) 2021" and Agenda Item Number 19, "Approval of Seventh Amended and Restated Agreement Between Peninsula Clean Energy Authority and Chief

Executive Officer” would be continued to the November 17, 2022 Board of Directors Meeting and that Agenda Item Number 15, “Approval of Resolution Delegating Authority to Chief Executive Officer to Execute Power Purchase and Sale Agreement for Renewable Supply with Whitegrass No. 2, LLC...” had a corrected title.

Chair DeGolia announced that the scheduled Closed Session would take place following Agenda Item Number 11, “Citizens Advisory Committee Report” and that Agenda Items Number 14, 15, and 16 will be presented by staff at one time and voted on separately.

PUBLIC COMMENT

None

ACTION TO SET THE AGENDA AND APPROVE REMAINING CONSENT AGENDA ITEM

MOTION: Director Bonilla moved, seconded by Director Romero to set the Agenda including the following updates: Continuing Agenda Item Numbers 13 and 19, the corrected title for Agenda Item Number 15, combining the presentation for Agenda Item Number 14-16 and holding Closed Session following the CAC Report; and to approve Agenda Item Numbers 1-5.

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 September 22, 2022 Board of Directors Meeting
3. Approval of Resolution to Honor Citizens Advisory Committee Member Joe Fullerton
4. Authorize the Implementation of New Peninsula Clean Energy Rates for the B6 Rate Effective November 1, 2022, with a Net 5% Discount in Generation Charges for ECOplus Compared to PG&E Generation Rates
5. Authorize the General Counsel to execute with the law firm of Hall Energy Law PC, Amendment(s) to the Existing Retention Agreement or alternatively, Additional Retention Agreements in substantially the same form already approved by the Board, allowing for a Term Extension through 2025

MOTION PASSED: 16-0 (Absent: Belmont, Colma, Daly City, Los Banos, Portola Valley, 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 Dugan	X			
San Mateo	Director Bonilla	X			
South San Francisco	Director Coleman				X
Woodside	Director Wall				X
	Totals	16			7

REGULAR AGENDA

9. Chair Report

None

10. CEO Report

Jan Pepper, CEO, gave a presentation that included a staffing update, information on the public electric vehicle fleet program webinar on November 16, 2022, and information on comments to the California Public Utilities Commission regarding the PG&E subsidiary proposal.

Chair DeGolia added that meetings in November and December are moved up one week earlier than the normal cadence.

11. Citizens Advisory Committee Report

Cheryl Schaff, Citizens Advisory Committee (CAC) Chair, gave a report covering the October 13, 2022 CAC Meeting including the potential change in the 100% renewable energy 24/7 goal from 100% time-coincident energy to 99% time-coincident energy, and updates on reach codes, marketing plans, integrated resources plan, and the diversity, equity, accessibility and inclusion (DEAI) plan. Cheryl also recognized Joe Fullerton who recently stepped down from the CAC.

CLOSED SEESION

6. PUBLIC EMPLOYEE PERFORMANCE EVALUATION Title: Chief Executive Officer

7. CONFERENCE WITH LABOR NEGOTIATORS Agency Designated Representatives: Rick DeGolia and David Silberman; Unrepresented Employee: Chief Executive Officer

8. Reconvene Open Session (If Necessary) To Report Any Action(s) Taken During Closed Session

The Board of Directors went into closed session at 6:50 p.m. and returned at 7:25 p.m. with no reportable action.

12. Approval of Peninsula Clean Energy Integrated Resource Plan (IRP) (Action)

Sara Maatta, Senior Renewable Energy and Compliance Analyst, gave a presentation that included regulatory background, assigned greenhouse gas emissions targets, the timing of the California Public Utilities Commission (CPUC) integrated resource plan (IRP) process, 2022-2023 filing requirements, the CPUC IRP in comparison with the 24x7 analysis, community outreach, Peninsula Clean Energy modeling approach, and submission requirements.

Chair DeGolia appreciated the conservative use of a 95% hourly goal for the IRP.

MOTION: Director Bonilla moved, seconded by Director Mackin to approve the results of the Integrated Resource Plan analysis and the submission of those results as presented by staff, or in a form substantially similar to that presented by staff and direct the CEO to prepare and submit the final narrative and data templates to the CPUC on or before November 1, 2022.

MOTION PASSED: 16-0 (Absent: Belmont, Colma, Daly City, Los Banos, Portola Valley, 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 Dugan	X			
San Mateo	Director Bonilla	X			
South San Francisco	Director Coleman				X
Woodside	Director Wall				X

	Totals	16			7
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~~13. Approval of the Audited Financial Statements for Fiscal Year (FY) 2021-2022 (Action) (THIS ITEM WILL BE CONTINUED TO NOVEMBER 17, 2022)~~

Chair DeGolia announced the presentations for Agenda Item Numbers 14, 15 and 16 will be heard together.

14. Approval of Resolution Delegating Authority to Chief Executive Officer to Execute Energy Storage Service Agreement for an Energy Storage Project with Nova Power, LLC, and any Necessary Ancillary Documents with a Power Delivery Term of 15 Years Starting at the Commercial Operation Date on or About August 1, 2024, in an Amount Not to Exceed \$153 Million (Action)
15. (CORRECTED FROM OCTOBER 21, 2022 VERSION) Approval of Resolution Delegating Authority to Chief Executive Officer to Execute Power Purchase and Sale Agreement for Renewable Supply with Whitegrass No. 2, LLC, and any Necessary Ancillary Documents with a Power Delivery Term of 20 Years Starting at the Commercial Operation Date on or About December 31, 2024, in an Amount Not to Exceed \$109 Million (Action)
16. Approval of Resolution Delegating Authority to Chief Executive Officer to Execute Power Purchase and Sale Agreement for Renewable Supply with Snow Mountain Hydro LLC, and any Necessary Ancillary Documents with a Power Delivery Term of 15 Years Starting on January 1, 2024, in an Amount Not to Exceed \$13 Million (Action)

Sara Maatta, Senior Renewable Energy and Compliance Analyst, gave a presentation that covered the 2021 request for offers (RFO) summary, the California Public Utilities Commission (CPUC) mid-term reliability procurement mandate, an environmental review, the supply stack and the fit with the strategic plan for Nova Power, LLC, Whitegrass No. 2, LLC, and Snow Mountain Hydro LLC.

Director Emeritus Gupta asked for clarification on using the energy from the Whitegrass No. 2 project based on any California Independent System Operator (CAISO) boundary. Sara explained that this project will be connected to CAISO through a pseudo-tie agreement which allows CAISO to treat the facility as though it is within the boundary. It will be considered PCC-1.

Director Emeritus Gupta asked if the Snow Mountain Hydro project had any storage. Sara explained that there is no impoundment in the river for this project so there is no storage.

Director Bonilla thanked Sara Maatta for the presentation.

MOTION: Director Bonilla moved, seconded by Director Dugan to Approve Resolution Delegating Authority to Chief Executive Officer to Execute Power Energy Storage Service Agreement for an Energy Storage Project with Nova Power, LLC, and any necessary ancillary documents with a Power Delivery Term of 15 years starting at the Commercial Operation Date on or about August 1, 2024, in an amount not to exceed \$153 million.

MOTION PASSED: 16-0 (Absent: Belmont, Colma, Daly City, Los Banos, Portola Valley, 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 Dugan	X			
San Mateo	Director Bonilla	X			
South San Francisco	Director Coleman				X
Woodside	Director Wall				X
Totals		16			7

Chair DeGolia noted that these small contracts are very stable production forces and there is value in having steady baseload power.

MOTION: Director Pine moved, seconded by Director Romero to Approve Resolution Delegating Authority to Chief Executive Officer to Execute Power Purchase Agreement for Renewable Supply with Whitegrass No. 2, LLC, and any necessary ancillary documents with a Power Delivery Term of 20 years starting at the Commercial Operation Date on or about December 31, 2024, in an amount not to exceed \$109 million.

MOTION PASSED: 16-0 (Absent: Belmont, Colma, Daly City, Los Banos, Portola Valley, 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 Dugan	X			
San Mateo	Director Bonilla	X			
South San Francisco	Director Coleman				X
Woodside	Director Wall				X
Totals		16			7

Director Romero asked if there are issues with fish migratory patterns or any other environmental impacts that an unimpounded facility such as the Snow Mountain Hydro project creates? Sara explained that there isn't any generation for this project during the summer because there are minimum flow requirements which only allows generation if the river flow is above a certain level to protect fish habitats. Sara also explained that the project uses fish screens to protect fish from accidentally getting taken into the diversion and that these environmental mitigations are in compliance with requirements.

MOTION: Director Romero moved, seconded by Director Bonilla to Approve Resolution Delegating Authority to Chief Executive Officer to Execute Power Purchase Agreement for Renewable Supply with Snow Mountain Hydro LLC, and any necessary ancillary documents with a Power Delivery Term of 15 years starting on January 1, 2024, in an amount not to exceed \$13 million.

MOTION PASSED: 16-0 (Absent: Belmont, Colma, Daly City, Los Banos, Portola Valley, 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 Dugan	X			
San Mateo	Director Bonilla	X			
South San Francisco	Director Coleman				X
Woodside	Director Wall				X
	Totals	16			7

Director Emeritus Gupta noted that Peninsula Clean Energy's portfolio of abundant but intermittent resources will be stiffened by having these types of projects.

17. Adoption of the Diversity, Equity, Accessibility, and Inclusion (DEAI) Policy (Action)

Shayna Barnes, Operations Specialist, gave a presentation on the Diversity, Equity, Accessibility, and Inclusion (DEAI) Policy including policy origins, development and stakeholder review, a policy outline, feedback incorporations, and a recommendation from the Citizens Advisory Committee (CAC).

Director Mackin expressed her gratitude to Shayna and the DEAI team for the level of detail and incorporating many suggestions that were brought to the team.

Shayna expressed her gratitude to members of the CAC, Peninsula Clean Energy staff including Kristen Andrews-Schwind, Cora Dino, Shawn Marshall, Jan Pepper, and the DEAI Subcommittee.

Director Nash shared that Peninsula Clean Energy's DEAI policy is a model policy and that she is proud to be part of this organization.

Director Hindi expressed his gratitude to the CAC for being champions of the DEAI initiative and also wished to thank staff, the DEAI subcommittee, Michael Smith, the DEAI consultant, and GCAP, and that he is grateful to be part of the journey.

Vice Chair Colson expressed her gratitude to staff, the CAC, and participants outside Peninsula Clean Energy who offered their assistance. Vice Chair Colson explained that the next step includes creating an action plan to assist the policy effecting every part of the organization.

Chair DeGolia recognized the quality of leadership from Peninsula Clean Energy's CAC and that he is proud to be part of this organization that is taking this so seriously.

Director Romero added that the future action plan should reflect who Peninsula Clean Energy is in terms of contracts, compensation, and representation within the agency.

Jan Pepper, Chief Executive Officer, expressed her gratitude to Shayna Barnes for her commitment and dedication in diving into this work with enthusiasm and openness and becoming an expert in this area, Kirsten Andrews-Schwind for her thoughtfulness and passion for DEAI work, and Shawn Marshall and Cora Dino for their work on the DEAI Council. Jan shared that at the October 17th all-staff meeting, the majority of the day was dedicated to DEAI training, led by Darrylyn Swift from

Premier OD. Jan also expressed her gratitude to the Peninsula Clean Energy Board of Directors and the DEAI Subcommittee for their role in bringing this groundbreaking work to the Community Choice Aggregator space.

MOTION: Director Romero moved, seconded by Vice Chair Colson to Adopt Peninsula Clean Energy Diversity, Equity, Accessibility, and Inclusion (DEAI) Policy.

MOTION PASSED: 16-0 (Absent: Belmont, Colma, Daly City, Los Banos, Portola Valley, South San Francisco, San Mateo, 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 Dugan	X			
San Mateo	Director Bonilla				X
South San Francisco	Director Coleman				X
Woodside	Director Wall				X
Totals		15			8

18. Approval of Addition of E-ELEC Rate Tariff for Peninsula Clean Energy Residential Customers (Action)

Leslie Brown, Director of Account Services, gave a presentation on E-ELEC Rate Tariff for Peninsula Clean Energy Residential Customers including background, timeline, rate schedule features, rate comparisons and eligibility.

MOTION: Director Bigstyk moved, seconded by Director Hale to approve a Resolution to implement a new Residential rate tariff, "E-ELEC", which will be an optional rate effective December 1, 2022 for customers that implement home electrification measures. The "E-ELEC" implementation coincides

with the availability of PG&E's own E-ELEC rate. Peninsula Clean Energy E-ELEC rates will reflect a net 5% discount relative to PG&E Generation Rates for E-ELEC.

MOTION PASSED: 16-0 (Absent: Belmont, Colma, Daly City, Los Banos, Portola Valley, South San Francisco, San Mateo, 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 Dugan	X			
San Mateo	Director Bonilla				X
South San Francisco	Director Coleman				X
Woodside	Director Wall				X
	Totals	15			8

19. ~~Approval of Seventh Amended and Restated Agreement Between Peninsula Clean Energy Authority and Chief Executive Officer (Action)~~ (THIS ITEM WILL BE CONTINUED TO NOVEMBER 17, 2022)

20. Board Members' Reports

Vice Chair Colson announced that the Council of Cities dinner will be held at the new, all-electric Burlingame Community Building.

ADJOURNMENT

Meeting was adjourned at 8:54 p.m.