

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

**Thursday, December 15, 2022
6:30 p.m.**

Zoom Link: <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 2023 Board of Directors Schedule of Meetings
3. Approval of an Agreement Between the San Mateo County Attorney's Office and the Peninsula Clean Energy Authority for Provision of Legal Services, in an Amount Not-to-Exceed \$800,000, for a Term Ending February 29, 2024, and Accompanying Conflict Waiver

4. Approval of Contract Amendment No. 4 with David Fribush to Increase the Contract Amount by \$150,000 to a Total Not-to-Exceed of \$525,000 and to Extend the Term of the Agreement to December 31, 2023

REGULAR AGENDA

5. Chair Report (Discussion)
6. CEO Report (Discussion)
7. Citizens Advisory Committee Report (Discussion)
8. Recognition for 2022 Departing Board Members (Discussion)
9. Approval of new Peninsula Clean Energy Rates, to be Effective February 1, 2023 with a Minimum Net 5% Discount in Generation Charges for ECOplus Compared to PG&E Generation Rates, Effective January 1, 2023 (Action)
10. Approval of Long-Term Resource Adequacy Agreement with PG&E (Action)
11. Discussion on Proposed Net Energy Metering (NEM) 3.0 Decision
12. Board Members' Reports (Discussion)

INFORMATIONAL REPORTS

13. Update on Marketing, Outreach Activities, and Account Services
14. Update on Regulatory Policy Activities
15. Update on Legislative Activities
16. Update on Community Energy Programs
17. Update on Energy Supply Procurement
18. Report on California Community Power (CCP) Joint Powers Authority
19. 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

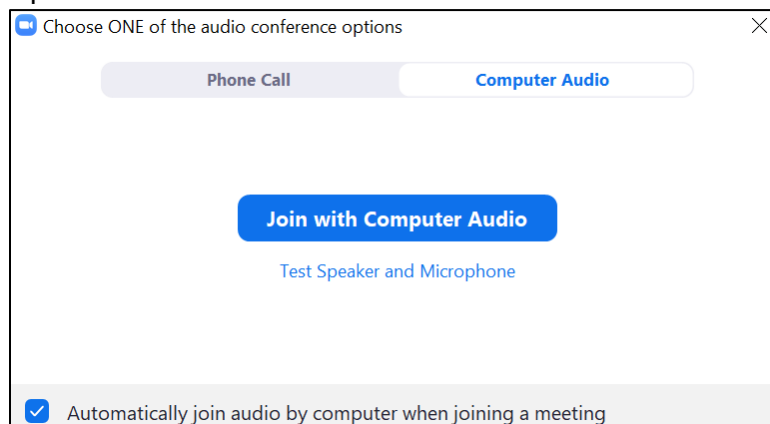
Videoconference Options:

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:

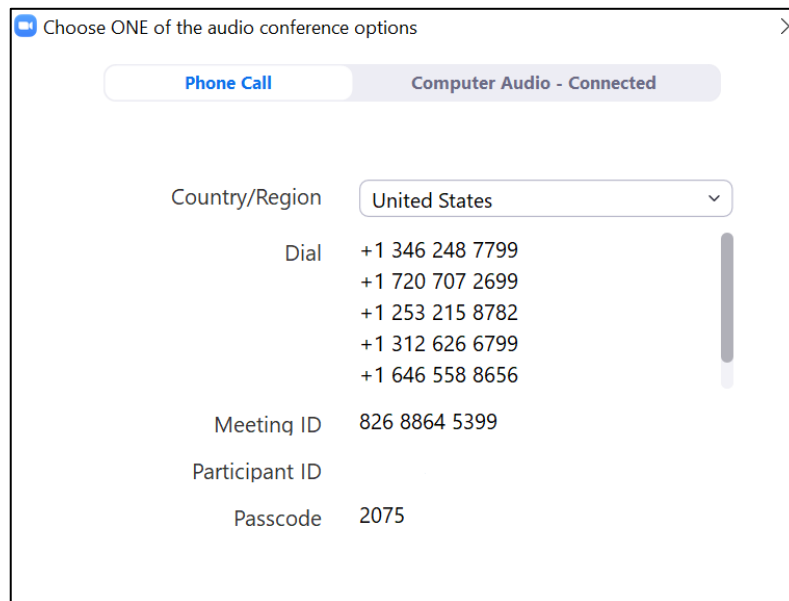
1. From your computer, click on the following link that is also included in the Meeting Calendar Invitation: <https://pencleanenergy.zoom.us/j/82688645399>
2. The Zoom application will open on its own or you will be instructed to open Zoom.
3. After the application opens, the pop-up screen below will 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.



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>
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 in 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 #**



PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 9, 2022
BOARD MEETING DATE: December 15, 2022
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

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..

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.

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 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.

On June 23, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

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

On August 25, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On September 22, 2022, the Peninsula Clean Energy Board of Directors approved a thirty (30) day extension of remote meetings in accordance with AB 361.

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

On November 17, 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, on June 23, 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 July 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 August 25, 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 September 22, 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 October 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 November 17, 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.

* * * * *

Board of Directors Revised Meeting Schedule 2023

Location: Please see posted Agenda for location or teleconference options

| Meeting Date: | Time: | Location: |
|--|-------------|--------------------------|
| January 26, 2023 | 6:30 pm | Video/Teleconference |
| February 23, 2023 | 6:30 pm | Video/Teleconference |
| March 23, 2023 | 6:30 pm | Video/Teleconference/TBD |
| April 27, 2023 | 6:30 pm | Video/Teleconference/TBD |
| May 25, 2023 | 6:30 pm | Video/Teleconference/TBD |
| June 22, 2023 | 6:30 pm | Video/Teleconference/TBD |
| July 27, 2023 | 6:30 pm | Video/Teleconference/TBD |
| August 24, 2023 | 6:30 pm | Video/Teleconference/TBD |
| September 28, 2023 (Retreat – Thurs.) | 5:30-9:30pm | Video/Teleconference/TBD |
| October 26, 2023 | 6:30 pm | Video/Teleconference/TBD |
| November 16, 2023 (3rd Thursday) | 6:30 pm | Video/Teleconference/TBD |
| December 21, 2023 (3rd Thursday) | 6:30 pm | Video/Teleconference/TBD |



PENINSULA CLEAN ENERGY AUTHORITY

JPA Board Correspondence

DATE: December 9, 2022
BOARD MEETING DATE: December 15, 2022
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable PCE Joint Powers Board

FROM: David A. Silberman, General A
Jennifer Stalzer, Associate General Counsel

SUBJECT: Approval of an Agreement Between the San Mateo County Attorney's Office and the Peninsula Clean Energy Authority for Provision of Legal Services, in an Amount Not-to-Exceed \$800,000, for a Term Ending February 29, 2024, and Accompanying Conflict Waiver

RECOMMENDATION:

Approve a Legal Services Agreement (Agreement) and Conflict Waiver (Exhibit A).

BACKGROUND:

The Office of the San Mateo County Attorney (formerly known as the San Mateo County Counsel) provides legal services to numerous special districts and Joint Powers Authorities (JPAs) throughout San Mateo County. In order for the County Attorney's Office ("CAO") to provide legal services to Peninsula Clean Energy (PCE) Authority, the CAO and PCE Authority must enter into an Agreement outlining and explaining the rights and duties of each party to the Agreement. The Agreement, as attached, includes the scope of the relationship between the CAO and the PCE Authority as well as the parameters of representation including, but not limited to, the duration of the Agreement, rate of payment, not to exceed amount, and authorization for the CAO to retain outside counsel on behalf of the PCE Authority.

Additionally, because the CAO represents other public entities that may, in the future, have interests in conflict with those held by the PCE Authority, it is customary for the CAO to request a waiver of potential conflicts. By signing Exhibit A, this document allows the CAO to represent the PCE Authority despite potential conflicts that could theoretically arise in its representation of both the PCE Authority and either the San Mateo County Board of Supervisors or other Related Public Entities. In the event that an actual conflict arose, the CAO would withdraw from its representation of the PCE Authority. A theoretical example

of such a conflict would be an instance where the PCE Board made a decision that the County of San Mateo believed to be invalid and the County threatened or took legal action as a result thereof.

DISCUSSION:

The Agreement for legal services allows the CAO to act as legal representation for the PCE Authority for a term of four (4) years, retroactive to March 1, 2020, in an amount not to exceed \$800,000. The Agreement also enables the CAO to retain outside counsel for specialized legal work without further approval of the PCE Authority in an amount up to \$100,000 in aggregate over the term of the Agreement. Any outside counsel fees in excess of \$100,000 would require approval of the PCE Joint Powers Board.

Exhibit A, the waiver of potential conflicts, addresses the CAO's representation of other public entities in addition to the PCE Authority. Per ethics rules (California Rules of Conduct 3-310[2]), the CAO is required to seek an informed consent given the potential conflicts. But to be clear, there are no current conflicts. If one were to arise in the future, the CAO would withdraw from representation of the PCE Authority as related to the specific matter(s) for which a conflict exists.

General Counsel has drafted the Agreement and Waiver (Exhibit A).

ATTACHMENTS

- A. Agreement
- B. Waiver (Exhibit A)

EXHIBIT A

General Waiver of Potential Conflicts

WHEREAS, the Office of the San Mateo County Counsel (“County Counsel”) serves as San Mateo County’s legal advisor and representative in all civil matters; and

WHEREAS, County Counsel also serves as the legal advisor for a number of other separate legal entities that are governed by the same five (5) individuals that sit as the Board of Supervisors for the County such as a number of Sanitation Districts, a number of County Service Areas, a number of Flood Control Districts, a number of Highway Lighting Districts, a number of Maintenance Districts, a number of Sewer Maintenance Districts (all such public entities that are governed by the same five (5) individuals are hereinafter referred to as “Related Public Entities”) (a complete list of such entities can be provided upon request); and

WHEREAS, County Counsel may, upon request, represent local governmental entities that are distinct from County government, such as the Peninsula Clean Energy Authority (“Peninsula Clean Energy”); and

WHEREAS, from time to time, the interests of Peninsula Clean Energy may potentially conflict with the interests of the County or other Related Public Entities; and

WHEREAS, Peninsula Clean Energy acknowledges a potential conflict of interest may arise from the fact that the County and/or Related Public Entities may have divergent interests from Peninsula Clean Energy in transactions or matters involving Peninsula Clean Energy and County or Peninsula Clean Energy and Related Public Entities, such as in a situation where Peninsula Clean Energy and County both require assistance of counsel in negotiating a contract with each other; and

WHEREAS, while transactional matters generally do not raise any specific potential for litigation between the parties, it is important for both parties to understand the potential conflict before agreeing to waive it; and

WHEREAS, Peninsula Clean Energy wishes County Counsel to provide legal services notwithstanding such potential conflict; and

WHEREAS, in order to provide prompt legal services to all parties on transactions or matters involving the parties, County Counsel is requesting a waiver from Peninsula Clean Energy.

WHEREAS, Peninsula Clean Energy understands that if an actual conflict were to exist on a matter, County Counsel would advise Peninsula Clean Energy and then withdraw representation on that matter.

NOW, THEREFORE, District hereby acknowledges that the nature of such potential conflicts has been explained and Peninsula Clean Energy hereby agrees to waive any potential conflicts of interest between Peninsula Clean Energy and County and between Peninsula Clean Energy and Related Public Entities.

Peninsula Clean Energy further agrees to waive the right to disqualify County Counsel from representing the County or any Related Public Entity over any conflict between Peninsula Clean Energy and County or between Peninsula Clean Energy and any such Related Public Entities.

Dated: _____

Peninsula Clean Energy Authority

By: _____
Chair, Board of Directors

**AGREEMENT BETWEEN
THE COUNTY OF SAN MATEO AND
THE PENINSULA CLEAN ENERGY AUTHORITY
FOR THE PROVISION OF GENERAL LEGAL SERVICES**

THIS AGREEMENT is entered into the ____ day of _____ 2022, by and between the COUNTY OF SAN MATEO (“County”) and the PENINSULA CLEAN ENERGY AUTHORITY (“Peninsula Clean Energy”) for the provision of generally legal services provided to Peninsula Clean Energy by the County Attorney’s Office. This Agreement supersedes and replaces all prior agreements between the Parties.

WITNESSETH:

WHEREAS, the San Mateo County Ordinance Code authorizes the County Attorney’s Office: (1) to act as legal advisor and counsel for, *inter alia*, independent districts and/or agencies which are authorized to request legal services from the County Attorney; and (2) to charge hourly fees for each hour or pro rata portion thereof of professional services in any fiscal year, rendered to any independent district or agency which is entitled to request legal services from the County Attorney’s Office; and

WHEREAS, consistent with that authority, the County Attorney’s Office advised on the formation of Peninsula Clean Energy, and has been the primary legal resource of Peninsula Clean Energy since its formation; and

WHEREAS, since 2016, Peninsula Clean Energy has retained the County Attorney’s Office to serve as Peninsula Clean Energy’ General Counsel pursuant to written agreement(s); and

WHEREAS, the County Attorney’s Office continues to be ready and able to provide legal service and advice to Peninsula Clean Energy, and Peninsula Clean Energy wishes to continue to retain the County Attorney’s Office to perform legal services with respect to certain matters; and

WHEREAS, it is reasonable and necessary to set forth the various obligations and responsibilities of the parties in light of Peninsula Clean Energy’s payment(s) for the County Attorney Office’s legal services;

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions as hereinafter set forth, the parties hereto do hereby agree as follows:

1. **Retention and Services.** The County Attorney's Office shall perform legal services and legal representation, including the handling of litigation, as may be requested by Peninsula Clean Energy. The County Attorney's Office will provide legal services upon request of Peninsula Clean Energy, such services are to include legal research and advice; preparation of legal documents such as contracts; representation in negotiations; participation in administrative proceedings at the California Public Utilities Commission; and attendance at public meetings. Peninsula Clean Energy is retaining the Office of County Attorney, not any particular attorney, and the attorney services to be provided to Peninsula Clean Energy will not necessarily be performed by a particular attorney. Litigation services shall not include litigation for which the Peninsula Clean Energy has insurance coverage.
2. **Compensation.** Peninsula Clean Energy shall pay for legal services under this agreement at an hourly rate of two hundred fifty dollars (\$250.00). The County Attorney's Office adjusts its rates from time-to-time. In the event that the County Attorney's Office's hourly rate increases during the contract period, the County Attorney's Office will provide Peninsula Clean Energy with at last ninety (90) days advance written notice before billing at the higher rate. Additionally, Peninsula Clean Energy shall pay the actual costs of any out-of-pocket and extraordinary regular costs incurred by the County Attorney's Office in connection with the provision of its legal services, e.g., deposition costs, transcript costs, investigation fees, filing fees extraordinary mailing costs, reasonable travel expenses, etc.
3. **Claims for Services.** Charges for services rendered pursuant to the terms and conditions of this Agreement shall be billed one month in arrears. Time will be billed in tenth-hour increments, rounded off for each particular activity to the nearest tenth-hour. The minimum charged for any particular activity will be one tenth-hour. The time charged will include the time counsel spends on telephone calls relating to Peninsula Clean Energy matters, including calls with Peninsula Clean Energy and other parties and attorneys. The legal personnel assigned to Peninsula Clean Energy matters may confer among themselves about a matter, as required and appropriate. When they do confer, each person will charge for the time expended, as long as the work done is reasonably necessary and not duplicative. Likewise, if more than one of the legal personnel attends a meeting or other proceeding, each will charge for the time spent. Counsel will charge for waiting time and for travel time, both local and out of town. Payment shall be made by Peninsula Clean Energy to Counsel within thirty (30) days of the invoice date. The total maximum payable under this Agreement is not to exceed \$800,000 in aggregate. This maximum does not include any payments that may be made to outside counsel per paragraph 7.

4. **Term and Termination.** This agreement is for a term of four (4) years, retroactive to March 1, 2020 and continuing through February 29, 2024. This agreement may be terminated by mutual agreement of the parties at any time and by either party without the requirement of showing of good cause with ninety (90) days' advance written notice of the intention to terminate. The County Attorney's Office may withdraw at any time as permitted under the Rules of Professional Conduct of the State Bar of California. The County Attorney's Office will cooperate with Peninsula Clean Energy to transfer all records to any new attorney retained by Peninsula Clean Energy, but the County Attorney's Office may retain copies of all records in accordance with its adopted records retention schedule.
5. **Authorized Representatives.** The parties understand that the County Attorney's Office has been retained to represent the interests of Peninsula Clean Energy as a whole. In order, to facilitate the County Attorney's Office representation of Peninsula Clean Energy, Peninsula Clean Energy designates its Chief Executive Officer as the authorized representative to direct counsel and to be the primary person to communicate with the County Attorney's Office regarding the subject matter of the County Attorney's Office's representation of Peninsula Clean Energy under this Agreement. This designation is intended to establish a clear line of authority and, to minimize potential uncertainty, but not to preclude communication between the County Attorney's Office and other representatives of Peninsula Clean Energy. Should Peninsula Clean Energy desire to change the designated authorized representatives, it shall provide the County Attorney's Office with a Peninsula Clean Energy resolution that designates the name of the individual(s) authorized to act as the replacement representative.
6. **Cooperation.** Peninsula Clean Energy will be truthful and cooperative with the County Attorney's Office and keep the County Attorney's Office reasonably informed of relevant developments.
7. **Outside Counsel.** It is recognized and agreed that, in its representation of Peninsula Clean Energy, the County Attorney's Office may be required to retain on behalf of Peninsula Clean Energy the services of legal counsel other than those attorneys employed in the County Attorney's Office ("Outside Counsel"). This Agreement authorizes the County Attorney's Office to independently retain Outside Counsel on behalf of Peninsula Clean Energy for legal services not to exceed \$100,000 in aggregate without further authorization by Peninsula Clean Energy. In the event that the cost for services for Outside Counsel exceeds \$100,000 in aggregate, the County Attorney's Office shall seek approval and authorization for services from Peninsula Clean Energy.

8. **Waiver of Conflict.** Peninsula Clean Energy understands that the County of San Mateo is the County Attorney's primary client. Should there be a conflict between Peninsula Clean Energy and the County in a matter, Peninsula Clean Energy hereby consents to the County Attorney's withdrawal of representation of Peninsula Clean Energy in order for the County Attorney to represent the County in any such matters, unless such waiver is prohibited by law. Upon execution of this Agreement, Peninsula Clean Energy agrees to execute the Waiver of Conflict attached hereto as Exhibit A, so that the County Attorney's Office may continue to represent the County (or Related Public Entities) and Peninsula Clean Energy in the absence of actual conflict. Peninsula Clean Energy expressly waives its right to disqualify the County Attorney's Office from representing the County (or Related Public Entities) in any matter involving Peninsula Clean Energy.
9. **Amendments.** If, during the term of this Agreement, it becomes necessary to amend or add to the terms, conditions, scope or requirements of this Agreement, such amendment or addition shall only be made in writing upon the mutual agreement of the County Attorney's Office and Peninsula Clean Energy.
10. **Governing Law.** All claims, counterclaims, disputes and other matters in question between the County and Peninsula Clean Energy arising out of or relating to this Agreement or breach thereof will be decided under the laws of the State of California or any other dispute resolution methods agreeable to both parties. California law shall govern the interpretation of this Agreement.
11. **Notices.** Notices regarding this Agreement may be delivered in person, by first class mail, or by fax, addressed to the following persons:
- For Peninsula Clean Energy:
2075 Woodside Road
Redwood City, CA 94061
- For the County Attorney's Office
Office of the County Attorney
400 County Center, Sixth Floor
Redwood City, California 94063
12. **Entire Agreement.** This Agreement contains the entire agreement of the parties. No other agreement, statement, or promise made on or before the effective date of this Agreement will be binding on the parties.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day and year first above written.

PENINSULA CLEAN ENERGY AUTHORITY

Dated: _____, 2022

By: _____
Jan Pepper, Chief Executive Officer

COUNTY OF SAN MATEO

Dated: _____, 2022

By: _____
John D. Nibbelin, County Attorney

EXHIBIT A

Waiver of Conflict

**PENINSULA CLEAN ENERGY
JPA Board Correspondence**

DATE: Dec. 5, 2021
BOARD MEETING DATE: Dec. 15, 2021
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer

SUBJECT: Approval of Contract Amendment No. 4 with David Fribush to increase the contract amount by \$150,000 to a total Not-to-Exceed of \$525,000 and to extend the term of the Agreement to December 31, 2023.

RECOMMENDATION

Authorize the Chief Executive Officer to Execute Amendment No. 4 to the Agreement with David Fribush to increase the contract amount by \$150,000 to a total not-to-exceed of \$525,000 and to extend the term of the Agreement to December 31, 2023.

BACKGROUND

In May 2020, Peninsula Clean Energy and David Fribush executed an agreement to provide distributed energy resource (DER) strategy and program execution services. The contract was subsequently amended three times, most recently to extend the term to December 31, 2022 and provide for a total amount not-to-exceed of \$375,000.

In his capacity as leader of the Solar and Storage on Public Buildings program, Mr. Fribush is providing key support including development and refinement of the financial models, coordinating contracts development with the construction contractor and participating public agencies, as well as managing overall execution of the program. Mr. Fribush has also provided support in other areas including the Disadvantaged Communities Green Tariff program.

DISCUSSION

The Solar and Storage on Public Buildings program is in its pilot phase with contracts nearing execution with the first cohort of 13 agencies. The program continues to require intensive attention due to high complexity associated with the number of parties and novel business model development. Mr. Fribush continues to provide key industry expertise for the pilot phase and informs the second phase of the program, whose outreach recently began. He brings unique industry experience with nearly 30 years in the field. The proposed extension of Peninsula Clean Energy's contract with Mr. Fribush

though December 31, 2023 will ensure continuity as the pilot phase of the program concludes contracting and moves into the installation and operations planning phase.

This Amendment No. 4 to the Agreement extends the term of the Agreement to December 31, 2023, increases the amount payable under the Agreement by \$150,000 to a new total amount not-to-exceed \$525,000, and updates the payment rate payable to Mr. Fribush for services rendered.

Counsel has reviewed Amendment No. 4 to the Agreement and approved it as to form.

FISCAL IMPACT

The fiscal impact of extending the agreement will not exceed \$150,000 and will be within the existing Program Department budget forecast.

RESOLUTION

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

* * * * *

**RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO EXECUTE
AMENDMENT NO. 4 TO THE AGREEMENT WITH DAVID FRIBUSH TO INCREASE
THE CONTRACT AMOUNT BY \$150,000 TO A TOTAL NOT-TO-EXCEED OF
\$525,000, AND TO EXTEND THE TERM OF THE AGREEMENT TO
DECEMBER 31, 2023.**

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

WHEREAS, the Peninsula Clean Energy Authority (“Peninsula Clean Energy” or
“PCE”) was formed on February 29, 2016; and

WHEREAS, in May 2020, Peninsula Clean Energy and David Fribush
 (“Contractor”) executed an agreement to provide distributed energy resource strategy and
 implementation services in an initial term of June 1, 2020 through November 30, 2020, in
 an amount not-to-exceed of \$90,000;

WHEREAS, PCE and Contractor have thrice executed amendments to the
 Agreement to amend its terms, including by increasing the not-to-exceed amount to
 \$375,000; and

WHEREAS, because the projects for which Contractor is DER strategy support and implementation services remain ongoing, PCE desires to extend the term of Contractor's agreement to December 31, 2023 and to increase the not-to-exceed amount by \$150,000 to a new total amount not-to-exceed \$525,000; and

WHEREAS, Contractor has unique capabilities to provide DER strategy support to Peninsula Clean Energy;

WHEREAS, Staff is presenting to the Board for its review Amendment No. 4 to the Agreement, reference to which should be made for further particulars; and

WHEREAS, the Board wishes to authorize the Chief Executive Officer to execute the aforementioned Amendment No. 4 to the Agreement.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board authorizes the Chief Executive Officer to finalize and execute Amendment No. 4 to the Agreement with the Contractor Dave Fribush to increase the contract amount by \$150,000 to a total not-to-exceed of \$525,000, and to extend the term of the Agreement to December 31, 2023, in a form approved by the General Counsel.

* * * * *

**AMENDMENT NO. 4 TO AGREEMENT BETWEEN PENINSULA CLEAN ENERGY
AND DAVID FRIBUSH**

THIS AMENDMENT NO. 4 TO THE AGREEMENT, entered into this 1 day of January , 2023 by and between PENINUSLA CLEAN ENERGY, a California joint powers authority, hereinafter called "PCE," and David Fribush, hereinafter called "Contractor";

W I T N E S S E T H:

WHEREAS, the parties entered into an Agreement on May 29, 2020 for the purpose of Contractor providing distributed energy resources strategy and execution services to PCE; and

WHEREAS, PCE and Contractor have executed three subsequent amendments to the Agreement to modify its terms; and

WHEREAS, PCE and Contractor by this Amendment No. 4 to the Agreement desire to again amend the Agreement to extend the term of the Agreement and other of its terms.

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO AS FOLLOWS:

- 1. The sentence addressing the “Term” of the Agreement in Section 3 shall be removed and replaced with the following:**

“Subject to compliance with all terms and conditions, the term of this Agreement shall be from June 1, 2020 through December 31, 2023.”

- 2. The text of Section 2 (“Payments”) of the agreement shall be amended to replace “[i]n no event shall PCEA’s fiscal obligation under this Agreement exceed two hundred twenty-five thousand dollars (\$375,000)” with the following:**

“In no event shall PCEA’s fiscal obligation under this Agreement exceed three hundred seventy-five thousand dollars (\$525,000).”

- 3. Effective January 1, 2023, the text of Exhibit B to the Agreement shall be amended to replace “\$95 per hour not to exceed 40 hours in any week” with the following:**

“\$110 per hour not to exceed 40 hours in any week.”

- 4. Except as expressly amended herein o rby previous amendment, all other provisions of the Agreement shall remain in full force and effect.**

- 5. This Amendment No. 4 shall take effect upon the date of mutual execution by both parties.**

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as set forth below.

Peninsula Clean Energy Authority

By: _____
Janis C. Pepper, CEO

Dated: _____

By: _____

Name: David Fribush

Title: Technical Consultant / Contractor

Dated: _____



PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 9, 2022
BOARD MEETING DATE: December 15, 2022
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority (PCEA) Board of Directors
FROM: Jan Pepper, Chief Executive Officer
SUBJECT: CEO Report

REPORT

Staffing Updates

We have filled the Senior Specialist of Marketing Communications and welcomed Brooke Morales on November 21st!

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

[Director of Power Resources](#)
[IT Systems & Support Administrator](#)

We have hired a recruiter to assist with filling the Director of Power Resources position and are in the process of interviewing a number of candidates.

In addition, we will soon begin recruitments for the Director of Marketing and Community Relations, Power Resources Manager, IT Systems and Support Administrator, and an Administrative Assistant.

CalCCA Presentation on 24/7 White Paper, Part II

On December 8th, I gave a presentation to CalCCA Board of Directors, which consist of the CEOs of all of the CCAs, and other CalCCA staff, on Peninsula Clean Energy's 24/7 renewables goal and the results of our modeling and financial analysis. Over 70 attendees listened to the presentation. The presentation is sparking additional interest by other CCAs, particularly when we reported that we expect the cost to achieve 100% renewable on a 99% time-coincident basis will be about 2% higher than were we to not

pursue this goal. We are looking forward to a presentation to a larger group of CCA staff at a CalCCA green-bag webinar early in 2023.

CalCCA Executive Committee Election

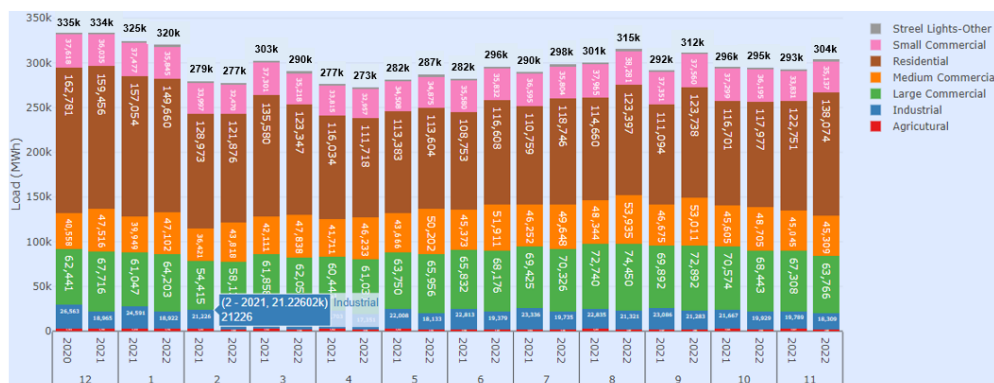
At the December 9 CalCCA board meeting, I was re-elected to serve on the CalCCA Executive Committee for another term.

Impact of COVID-19 on PCE Load

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 December 2020 through November 2022. We saw a 2% decrease in PCE's overall load in January – April 2022 compared to January – April 2021. We see a 3% increase in PCE's load in May – November 2022 compared to May – November 2021 mainly due to enrollment of customers from the City of Los Banos. 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-April 2022 compared to the same months in 2021. Industrial load has continued to stay lower from May through November 2022 compared to those same months in 2021. Residential and commercial load continues to show an increase since May 2022 through November 2022 compared to last year. The third graph, "Load Shapes (PCE)", shows the change overall in our load on an hourly basis. Although October 2022 load was lower than 2021 load in the early afternoon hours, November 2022 load was higher than 2021 in overnight, morning, and late evening hours. Thank you to Mehdi Shahriari on our Power Resources team for compiling these graphs.

Monthly Load

- 2% decrease in PCE's load in January-April 2022 compared to January-April 2021.
- 3% increase in PCE's load in May-November 2022 compared to May-November 2021 (Mainly due to enrollment of Customers from City of Los Banos).



Monthly Load Changes by Customer Class

- 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-November 2022, Industrial load was lower compared to May-November 2021. Commercial and Residential load was higher in May-November 2022 compared to May-November 2021.

| | | | | | | | | | | | | |
|----------------------------|-----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|-----------|
| Agricultural | 0% | -5% | -7% | -7% | -12% | -15% | -5% | -6% | -15% | -29% | -31% | -35% |
| Industrial | -29% | -23% | -20% | -16% | -16% | -18% | -15% | -15% | -7% | -8% | -8% | -7% |
| Small Commercial | -4% | -4% | -4% | -6% | -3% | 1% | 1% | -2% | 1% | 1% | -3% | 4% |
| Medium Commercial | 17% | 18% | 20% | 14% | 11% | 15% | 14% | 7% | 12% | 14% | 7% | 1% |
| Large Commercial | 8% | 5% | 7% | 0% | 1% | 3% | 4% | 1% | 2% | 4% | -3% | -5% |
| Residential | -2% | -5% | -6% | -9% | -4% | 0% | 7% | 7% | 8% | 11% | 1% | 12% |
| Street Lights-Other | -5% | -5% | -4% | -5% | -5% | -2% | 1% | 5% | 3% | 3% | 2% | 4% |
| PCE | 0% | -1% | -1% | -4% | -1% | 2% | 5% | 3% | 5% | 7% | 0% | 4% |
| Month | 12 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |

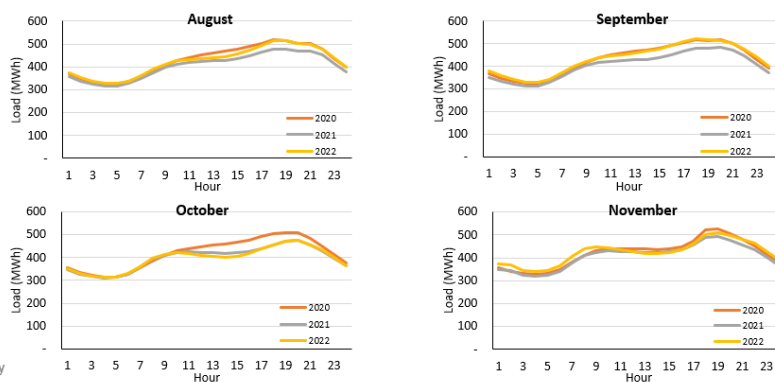
* For month 12, the heatmap shows how much load in 2021 was lower/higher compared to same month in 2020. For months 1-11, the heatmap shows how much load in 2022 was lower/higher compared to same month in 2021

Peninsula Clean Energy

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Load Shapes (PCE)

- August: 2022 Load was higher than 2021 load in all hours.
- September: 2022 load was higher than 2021 load in all hours.
- October: 2022 load was lower than 2021 load in the early afternoon hours.
- November: 2022 load was higher than 2021 load in overnight, morning and late evening hours.



Peninsula Clean Energy

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Reach Codes

Below is a table showing the status of Reach Code adoption by Peninsula Clean Energy jurisdictions, including the status for reach codes for New Construction and reach codes for Existing Buildings. Thank you to Rafael Reyes and Blake Herrschaft on our programs team for their work in this area.

Atherton, Brisbane, Burlingame, Menlo Park, Pacifica, and Redwood City adopted new construction reach codes in November. Portola Valley and San Mateo are leading the way in the adoption of both new construction and existing construction reach codes. There are a few new construction (NC) reach code council meetings occurring in December:

Tuesday, December 6:

- Half Moon Bay – EV Update first reading

Tuesday, December 13:

- Belmont - NC first reading
- County of San Mateo - NC first reading
- Millbrae, NC second reading

| | Member Agency | 2019 Status | 2022 Status: New Construction | 2022 Status: Existing Construction |
|------------|---------------------|-------------|--|------------------------------------|
| | Atherton | | Adopted 11/16 | |
| | Belmont | Adopted | First reading 12/13 | |
| | Brisbane | Adopted | Adopted 11/17 | Exploring |
| New | Burlingame | Adopted | Adopted 11/21 | |
| | Colma | Adopted | | |
| | County of San Mateo | Adopted | First reading 12/13 | |
| | Daly City | Adopted | Passed first reading 11/14, second TBD | |
| | East Palo Alto | Adopted | Re-adoption in-progress | |
| | Foster City | | | |
| | Half Moon Bay | Adopted | First reading 12/6 (for EV update) | |
| | Hillsborough | Adopted | | |
| | Menlo Park | Adopted | Adopted 11/15 | Exploring |
| | Millbrae | Adopted | Passed first reading 11/15, second 12/13 | |
| New | Pacifica | Adopted | Adopted 11/28 | |
| | Portola Valley | | Adopted 10/26 | |
| New | Redwood City | Adopted | Adopted 11/28 | |
| | San Bruno | | Adopted 10/11 | |
| | San Carlos | Adopted | Adopted 10/24 | Study session on 1/23/23 |
| | San Mateo | Adopted | Adopted 11/7 | |
| | South San Francisco | Adopted | Re-adoption in-progress | |
| | Woodside | | | |

Other Meetings and Events Attended by CEO

Attend weekly and monthly CalCCA Board and Executive Committee meetings.

Will attend CC Power Board Meeting on December 14.



PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 9, 2022
BOARD MEETING DATE: December 15, 2022
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors
FROM: Jan Pepper, Chief Executive Officer, Peninsula Clean Energy Authority
SUBJECT: Recognition of 2022 Outgoing Board Members

RECOMMENDATION:

Honor and recognize contributions made by outgoing members of the Peninsula Clean Energy Board of Directors.

BACKGROUND:

The Board of Directors of the Peninsula Clean Energy Authority, founded in 2016, is now comprised of 23 elected officials from the 22 jurisdictions served by Peninsula Clean Energy. In 2022, seven primary Board Members, as well as two Alternate Members who previously served as the primary Board Member for their jurisdiction, left the Board. The following Board Members, with years of Board service noted, are being formally honored and recognized for their exemplary service to the Peninsula Clean Energy Authority:

- **Rick Bonilla**, San Mateo, 2016-2022; (2016) as Alternate Board Member (2017-2022) as Primary Board Member
- **Tom Faria**, Los Banos, 2021-2022 as Primary Board Member
- **Joe Goethals**, San Mateo, 2016-2022; (2016) as Primary Board Member (2017-2022) as Alternate Board Member
- **Raquel "Rae" Gonzalez**, Colma, 2016-2019 and 2021-2022; (2016) as Alternate Board Member and (2017-2019; 2021-2022) as Primary Board Member
- **Carole Groom**, County of San Mateo, 2016-2022 as Primary Board Member
- **Giselle Hale**, Redwood City, 2019-2022 as Primary Board Member
- **Laurence May**, Hillsborough, 2016-2022 as Primary Board Member
- **Laura Parmer-Lohan**, San Carlos, 2019-2022 as Primary Board Member
- **Charles Stone**, Belmont, 2016-2022; (2016-2019) as Primary Board Member and (2020-2022) as Alternate Board Member

Rick Bonilla (2019-2022), Carole Groom (2016-2021), Giselle Hale (2021-2022), and Laura Parmer-Lohan (2021-2022) served on the Executive Committee.

Laurence May served on the Audit and Finance Committee (2017-2022), including service as Chair of the Audit and Finance Committee.

DISCUSSION:

Members of the Board are invited to share words of appreciation for their outgoing colleagues.

**PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence**

DATE: December 8, 2022
BOARD MEETING DATE: December 15, 2022
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Leslie Brown, Director of Account Services

SUBJECT: Approval of new Peninsula Clean Energy rates, effective February 1, 2023, with a minimum net 5% discount in generation charges for ECOplus compared to PG&E generation rates, effective January 1, 2023.

RECOMMENDATION:

Approve a Resolution authorizing staff to calculate and implement new Peninsula Clean Energy ECOplus rates to be effective February 1, 2023 to reflect changes to PG&E rates effective January 1, 2023. Peninsula Clean Energy staff will calculate two new sets of rates ensuring a minimum net 5% discount relative to January 1, 2023 PG&E generation rates.

BACKGROUND:

Every year, Peninsula Clean Energy staff begins preparing for an annual rate change predicated by PG&E's annual rate change that typically occurs on January 1. On November 15, 2022, PG&E filed their preliminary Annual Electric True-up (AET) advice letter regarding changes to PG&E electric rates for January 1, 2023. In the November 15 AET, PG&E is projecting an increase in the system bundled average electric rate of 2.1 percent, which includes a system average decrease of 10.4 percent in Transmission and Delivery costs. In addition to expected increases in PG&E generation rates, the AET is projecting significant adjustments to the Power Charge Indifference Adjustment (PCIA) in vintages applicable to some Peninsula Clean Energy customers.

Of particular note this year are changes in the PCIA, some of which are forecasted to be negative for the first time for some vintages. Negative PCIA charges will be applied as credits on PG&E's side of the bill. The November AET is currently projecting a very small positive PCIA (nearly \$0) for Vintage 2016, a negative PCIA for Vintage 2021, and a positive PCIA for Vintage 2022 customers. These three vintages are relevant as they are the primary vintages applicable to Peninsula Clean Energy customers in San Mateo County and our newly enrolled customers in Los Banos. More adjustments to projected

PG&E rates and PCIA will occur prior to January 1, 2023, and final rates will not be known until the updated PG&E tariffs are published on December 30th, 2022.

DISCUSSION:

In addition to methane gas and electric transmission and distribution services provided by PG&E, customers receiving generation services from a third-party provider like Peninsula Clean Energy are assessed surcharges by PG&E, namely the Power Charge Indifference Adjustment (PCIA) and Franchise Fee Surcharge (FFS). These surcharges are calculated based on when a customer departs PG&E bundled service and are assigned a "Vintage year." Furthermore, it is PCE's current practice to maintain two rate schedules, one applicable in San Mateo County and one applicable in Los Banos, to ensure that customers in each territory benefit from a net 5% discount in generation costs compared to PG&E.

Since launching service in 2016, PCE has calculated rates for San Mateo County customers that include PG&E Vintage 2016 PCIA and FFS charges into the ratemaking. When PCE launched service in Los Banos earlier this year, a different set of rates was implemented for those customers based off the 2021 Vintage PCIA and FFS for that year. Vintage 2016 and Vintage 2021 are the PCIA vintages that apply to 95% - 98% of PCE customers in each territory; the remaining 2-5% of our customers have been assigned PCIA vintages from 2017-2022 due to specific enrollment circumstances. To maintain the same value proposition for customers in both territories, staff anticipated needing to maintain different rate schedules for San Mateo County and Los Banos indefinitely.

In 2023, however, things are a little different due to some vintages being assigned a negative PCIA, which has never occurred before. As indicated in the November 15, 2022 AET and illustrated in the table below, the Vintage 2021 and Vintage 2022 PCIA rates (the two vintages applicable to Los Banos customers) will diverge significantly with Vintage 2021 PCIA rates going negative and Vintage 2022 staying positive. A very small positive (nearly \$0) PCIA is currently projected for Vintage 2016 customers. As a result, staff believes that calculating rates by geographic territory as we've done in the past will not be the best approach given the significant differential between the positive and negative PCIA applied to Los Banos customers based on their assigned vintage year.

| Projected PCIA Rates from November 15th AET (\$/kWh) | | | |
|--|---------------------|---------------------|---------------------|
| Customer Class | 2016 Vintage | 2021 Vintage | 2022 Vintage |
| Residential | 0.00098 | (0.00455) | 0.0138 |
| Sm Commercial | 0.00094 | (0.00435) | 0.0132 |
| Md Commercial | 0.00099 | (0.00459) | 0.0130 |
| Lg Commercial | 0.00093 | (0.0043) | 0.0112 |

Given this scenario, PCE staff is recommending modifying our rate-making process slightly for 2023 to calculate and implement one rate schedule for Vintage 2022

customers receiving a larger, positive PCIA and a second rate schedule for customers in all other vintages with close to \$0 or negative PCIA charges.

The intent in incorporating the PCIA and FFS in PCE's ratemaking is to ensure that customers are not penalized by receiving generation service from Peninsula Clean Energy and instead pay less overall than what PG&E would charge for generation. In the case of negative PCIA rates, those customers will receive credits from PG&E instead of surcharges. Staff is proposing that negative PCIA rates *not* be included in this year's ratemaking such that those customers will be able to keep the benefit of the negative PCIA resulting in an overall larger than 5% discount in generation costs. This approach is consistent with PCE's philosophy of ensuring customers are not negatively impacted by PCIA surcharges.

In previous years, PCIA rates have always been positive and the cost differential between individual vintage years has been relatively nominal, so rate making by territory (i.e. San Mateo County and Los Banos) and using the most prevalent vintage PCIA in each territory, was the most logical approach. In 2023's unusual situation, calculating and applying rates to customers with similar PCIA charges, regardless of service territory, is the approach recommended by staff. This modified approach is intended to reduce rate complexity by limiting the total rate tables to a maximum of two, while ensuring all PCE customers have at least a 5% generation rate discount. This approach also ensures customers who are assigned a PCIA Vintage with negative rates can keep those additional credits resulting in a higher than 5% net discount overall.

FISCAL IMPACT:

January 1, 2023 PG&E rate changes are expected to include a small increase in generation rates across the board and significant decreases in PCIA charges with customers in some vintages assigned negative PCIA rates. Customers taking service from Peninsula Clean Energy's ECOplus rate will receive at least a 5% discount from PG&E bundled service, with some customers receiving a greater than 5% discount due to reduced and/or negative PCIA charges. Adjusting Peninsula Clean Energy rates to reflect these changes will result in a positive budget variance from projected revenues when compared to the FY 2022/2023 adopted budget. The adopted budget included an assumption that PCE rates would follow a projected 9% PG&E generation rate decrease on January 1 that we now expect to be an ~3% increase on average.

STRATEGIC PLAN:

Adjusting PCE rates to maintain at least a net 5% discount value proposition for customers 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 FEBRUARY 1, 2023 IN ORDER TO MAINTAIN A MINIMUM NET 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 April 1, 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 residents and businesses; and

WHEREAS, on January 1, 2023, PG&E will implement 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;

WHEREAS, in 2023, PG&E is projected to implement negative PCIA rates for some rate years applicable to PCE customers; and

WHEREAS, PCE customers are assigned a PCIA Vintage year based on when they departed PG&E bundled service; and

WHEREAS, PG&E assesses charges, or credits if PCIA is negative, based on a customer's assigned Vintage; and

WHEREAS, PCE rate calculations will allow customers with a negative PCIA Vintage to have a higher than net 5% discount from PG&E generation rates; and

WHEREAS, PCE has previously calculated different rates for San Mateo County and Los Banos to ensure customers in different geographic territories received a net 5% discount from PG&E; and

WHEREAS, PCE staff proposes calculating a maximum of two rate schedules for 2023 based off of PCIA Vintages to ensure customers receive at least a 5% discount from PG&E regardless of which territory they reside in;

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board authorizes the Chief Executive Officer to direct staff to calculate and implement new Peninsula Clean Energy ECOplus rates for customers effective February 1, 2023, to maintain a minimum net 5% discount in generation charges compared to PG&E rates effective January 1, 2023.

* * * * *



PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 12, 2022

BOARD MEETING DATE: December 15, 2022

SPECIAL NOTICE/HEARING: None

VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer
Jeff Wright, Power Resources Manager

SUBJECT: Approve Resolution Delegating Authority to Chief Executive Officer to Execute a Master Power Purchase and Sale Agreement Resource Adequacy Confirmation Letter with Pacific Gas and Electric Company and any necessary ancillary documents with a Resource Adequacy Delivery Term of 15 years beginning on January 1, 2024, in an amount not to exceed \$10 million.

RECOMMENDATION:

Approve Resolution Delegating Authority to Chief Executive Officer to Execute a Master Power Purchase and Sale Agreement Resource Adequacy Confirmation Letter with Pacific Gas and Electric Company and any necessary ancillary documents with a Resource Adequacy Delivery Term of 15 years beginning on January 1, 2024, in an amount not to exceed \$10 million.

BACKGROUND:

Under the California Public Utilities Commission's (CPUC) Resource Adequacy (RA) Program, Peninsula Clean Energy is obligated as a Load Serving Entity (LSE) to procure capacity so that capacity is available to the California Independent System Operator (CAISO) when needed. Peninsula Clean Energy utilizes its portfolio of power resources as well as bilateral capacity purchases to meet these RA obligations.

Peninsula Clean Energy was contacted by Pacific Gas and Electric Company (PG&E) to purchase capacity due to the load migration from Los Banos into Peninsula Clean Energy's load territory in accordance with the CPUC's D.22-05-015 OP 4 which states:

"For procurement conducted on behalf of bundled customers of the investor-owned utilities (IOU) in 2019 in accordance with Decision 19-11-016, where the load has subsequently migrated to service by another load-serving entity (LSE), the LSE with new load shall have the option to enter

into an agreement with the relevant IOU to purchase the system resource adequacy capacity at the Market Price Benchmark calculated in accordance with the provisions of Decision 19-10-001. This is a one-time provision that shall be based on the load of the non-IOU LSE, as mutually agreed between the IOU and the non-IOU LSE, as of the effective date of this decision and shall not include any charges for time periods prior to the effective date of this decision. Any above-market costs that remain shall be assigned a 2019 vintage in the Power Charge Indifference Amount process for recovery from all customers of the non-IOU LSEs on a non-by passable basis. Once executed, the IOU(s) shall file Tier 1 Advice Letters with all such agreements (one advice letter may contain more than one agreement) by no later than October 1, 2022”.

PG&E filed an advice letter to the CPUC extending the final execution date to December 31, 2022.

Per Peninsula Clean Energy’s Policy 15 Energy Supply Procurement Authority¹, any power procurement contracts greater than 5 years must be approved by the Board of Directors.

Overview of Agreement

| | |
|-----------------------------------|---|
| Product | System Resource Adequacy |
| Capacity | Up to 5MW |
| Price | CPUC Market Price Benchmark |
| Delivery Commencement Date | 1/1/2024 |
| Location | Resources located within CAISO Balancing Authority Area |

Under the agreement, Peninsula Clean Energy is entitled to a fixed percentage of the total “pool” of resources. The total amount of capacity within the “pool” may decrease over time as resources within the “pool” may experience delays in online dates, have planned outages, receive capacity reductions as deemed by the CAISO/CPUC, or the contract may expire and the resource would be removed from the “pool”.

The price of capacity will be settled at the CPUC’s Final System RA Market Price Benchmark for each respective year within the contract. The Final System RA Market Price Benchmark is calculated using the volume weighted average of all Investor-Owned Utilities, Community Choice Aggregation, and Electric Service Provider Resource Adequacy-only transactions executed within a specified time period for each contract year. For example, the Final System RA Market Price Benchmark for 2022 is calculated by using the weighted average of all CPUC jurisdictional LSE transactions from December of 2020 through August of 2022 for RA delivered in 2022. The publication of the Final System RA Market Price Benchmark is dependent on the CPUC Decision D.22-01-023, which

¹ Full policy is available here: <https://www.peninsulacleanenergy.com/wp-content/uploads/2020/01/PCE-Policy-15-Revised-01-23-20-Procurement-Authority-FINAL.pdf>

requires publication by October 1st of each year. As a result of the Final System RA Market Price Benchmark publishing within each contract year, the agreement includes settling at a Forecast System RA Market Price Benchmark until a Final System RA Market Price Benchmark is published. The agreement includes a “true up” mechanism to revise payments owed to the Seller or Buyer as a result of the change from the Forecast to Final System RA for previous months within the respective year.

The term of the agreement begins on January 1, 2024 and ends when the last project listed in the “pool” expires in 2038. Peninsula Clean Energy staff will return to Board seeking an extension to the Resolution if the last resource within the “pool” expires after the year 2038.

DISCUSSION:

This agreement will contribute to Peninsula Clean Energy’s goals in meeting its regulatory compliance obligations with the CPUC’s RA Program and provide reliability to the CAISO.

FISCAL IMPACT:

The fiscal impact of the project will not exceed \$10 million over the 15-year term of the Agreement.

STRATEGIC PLAN:

The project supports the following objectives in Peninsula Clean Energy’s strategic plan:

- Objective B: Procurement: Procure power resources to meet regulatory mandates and internal priorities at affordable costs.

ATTACHMENTS:

Master Power Purchase and Sale Agreement Resource Adequacy Confirmation Letter with Pacific Gas and Electric Company (Redacted Version)

RESOLUTION NO. _____

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

* * * * *

**RESOLUTION DELEGATING AUTHORITY TO CHIEF EXECUTIVE OFFICER TO
EXECUTE A MASTER POWER PURCHASE AND SALE AGREEMENT RESOURCE
ADEQUACY CONFIRMATION LETTER WITH PACIFIC GAS AND ELECTRIC
COMPANY, AND ANY NECESSARY ANCILLARY DOCUMENTS WITH A RESOURCE
ADEQUACY CAPACITY DELIVERY TERM OF FIFTEEN (15) YEARS BEGINNING ON
JANUARY 1, 2024, IN AN AMOUNT NOT TO EXCEED \$10 MILLION.**

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

WHEREAS, the Peninsula Clean Energy Authority (“Peninsula Clean Energy”) was formed on February 29, 2016; and

WHEREAS, launch of service for Phase I occurred in October 2016, and launch of service for Phase II occurred in April 2017; and

WHEREAS, Peninsula Clean Energy is purchasing energy, renewable energy, carbon-free energy, and related products and services (the “Products”) to supply its customers; and

WHEREAS, consistent with its strategic plan to procure power resources to meet regulatory mandates and internal priorities at affordable cost, Peninsula Clean Energy

seeks to execute a Master Power Purchase and Sale Agreement Resource Adequacy Confirmation Letter (the “Agreement”) with Pacific Gas and Electric Company (“PG&E”), to procure up to 5 MW of Resource Adequacy Capacity from various projects within PG&E’s pool of resources; and

WHEREAS, the project will contribute toward Peninsula Clean Energy’s compliance obligations required by the California Public Utilities Commission and California Independent System Operator; and

WHEREAS, staff is presenting to the Board for its review the Power Purchase and Sale Agreement, reference to which should be made for further particulars; and

WHEREAS, the Board’s decision to delegate to the Chief Executive Officer the authority to execute the Agreements is contingent on PG&E filing the terms of the Agreements with the California Public Utilities Commission as presented herein to the Peninsula Clean Energy Board; and

WHEREAS, the Board wishes to delegate to the Chief Executive Officer authority to execute the Agreement and any other ancillary documents required for said purchase of capacity from PG&E for a term of fifteen years beginning on January 1, 2024.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board delegates authority to the Chief Executive Officer to:

Execute the Agreement and any ancillary documents with PG&E with terms generally consistent with those presented, in a form approved by the General Counsel; and for a capacity delivery term of up to fifteen years, in an amount not to exceed \$10 million.

* * * * *

**MASTER POWER PURCHASE AND SALE AGREEMENT
RESOURCE ADEQUACY CONFIRMATION LETTER
BETWEEN
PENINSULA CLEAN ENERGY AUTHORITY, A CALIFORNIA JOINT POWERS
AUTHORITY (“PARTY A”)
AND
PACIFIC GAS AND ELECTRIC COMPANY (“PARTY B”)**

This confirmation letter (“Confirmation”) confirms the Transaction between Party A and Party B, which becomes effective on the date fully executed by both Parties (the “Confirmation Effective Date”), in which Seller agrees to provide to Buyer the right to the Product, as such term is defined in this Confirmation. This Transaction is governed by the Master Power Purchase and Sale Agreement between the Parties, effective as of May 8, 2017, together with the Cover Sheet, [the Collateral Annex and Paragraph 10 to the Collateral Annex,] and any other annexes thereto (collectively, as amended, restated, supplemented, or otherwise modified from time to time, the “Master Agreement”). The Master Agreement and this Confirmation are collectively referred to herein as the “Agreement”. Capitalized terms used but not otherwise defined in this Confirmation, have the meanings specified for such terms in the Master Agreement or the Tariff (defined below), as applicable. Section references herein are to this Confirmation unless otherwise noted.

**ARTICLE 1
TRANSACTION TERMS**

Buyer: Party A

Seller: Party B

Product: The Product is the Capacity Attributes of the Unit(s) provided in accordance with the terms of Article 2. The Product shall have Maximum Cumulative Capacity Category (also known as “MCC Bucket”) 1. The Product does not include any right to the energy or ancillary services of the Unit(s). Nothing in this Confirmation shall be construed to limit Seller’s rights in any way to manage its contracts with the Resources in the Resource Pool as it sees fit, or to sell or otherwise dispose of the Capacity Attributes from these Resources, provided that such actions do not prevent Seller from fulfilling its obligations under this Confirmation.

Delivery Period: January 1, 2024 through and including the expiration of the original term of all of Seller’s contracts with the Resources in the Resource Pool. As of the Confirmation Effective Date this expiration date is expected to be July 31, 2038.

Contract Quantity: The Contract Quantity for each day of each Showing Month during the Delivery Period will be the total quantity of RAR and FCR attributes available from the Resource Pool during that Showing Month multiplied by the Allocation Percentage. The Capacity Attributes will have an associated Maximum Cumulative Capacity Category and Flexible Capacity Category that is no less favorable than the representation of such categories available from the Resource Pool. The determination of availability will be made by the Seller in accordance with the terms of Article 2. The Allocation Percentage is [REDACTED]%. The calculation of

Contract Quantity will be rounded down to the nearest hundredth of a megawatt. For the avoidance of doubt, an example of this calculation is set forth in Appendix B.

Contract Price: The Contract Price for each day of each Showing Month during the Delivery Period will be the Market Price Benchmark for the year in which that Showing Month falls. Prior to the publication of the final Market Price Benchmark for a given year, the Contract Price for that year will be the Forecast Market Price Benchmark. Upon publication of the final Market Price Benchmark for a given year, any payments made for that year using the Forecast Market Price Benchmark (or the most recently published Market Price Benchmark, as described in the following paragraph) will be trued up in accordance with Article 3.2. For the avoidance of doubt, the Forecast Market Price Benchmark for the year 2023, at the time of the Confirmation Effective Date of this transaction, is \$7.39 per kW-month.

If the Forecast Market Price Benchmark is not available for a given year by January 1 of that year, the Parties will continue to use the most recently published Market Price Benchmark. Upon publication of the relevant Forecast Market Price Benchmark, the Parties will use this updated price for all Showing Months not yet invoiced until publication of the Final Market Price Benchmark. If, at any time during the Delivery Period, the Parties agree that these Contract Price provisions of this Confirmation are no longer practicable due to changes or delays in the CPUC's publication of the Market Price Benchmark, the Parties will work in good faith to modify this Confirmation to accommodate these changes to the publication of the Market Price Benchmark.

ARTICLE 2

DELIVERY OBLIGATIONS AND ADJUSTMENTS

2.1 Calculation of Availability

The determination of total quantity of RAR and FCR attributes available from the Resource Pool for each Showing Month will be made by the Seller. In making this determination, Seller will assume that in that Showing Month the Unit NQC of each Resource in the Resource Pool is available unless that resource is wholly or partially unavailable due to an Outage. For such reductions due to Outages, the Resource will be available in the quantity, if any, that is not affected by the Outage. For Resources which are not on the Net Qualifying Capacity List published by the CAISO, availability will be zero MW.

2.2 Seller To Inform Buyer of Availability and Designate Shown Unit(s)

- (a) Seller will determine the Availability of all Resources in the Resource Pool and calculate the corresponding Contract Quantity for that Showing Month based on Resource Availability and the Allocation Percentage. Seller will communicate the Contract Quantity and the Shown Unit(s) from the Resource Pool capable of providing the Contract Quantity to Buyer for the Showing Month no later than fifteen (15) Business Days before the relevant deadlines for the corresponding Compliance Showings applicable to the relevant Showing Month.

- (b) The Shown Unit(s) should not have characteristics that would trigger the need for Buyer or Seller to file an Advice Letter to the CPUC.
- (c) Seller's notice under this Section 2.2 shall be deemed acceptable to and approved by Buyer upon receipt, unless Buyer, within three (3) Business Days of receipt of Seller's notice and in writing, notifies Seller of any objections Buyer has to the proposed Shown Unit. If Buyer timely objects, Seller must identify another Shown Unit within five (5) Business Days. Provided such Shown Unit meets the requirements of this Confirmation, this second Shown Unit shall be deemed acceptable to and approved by Buyer upon receipt. This section does not apply if the Confirmation Effective Date is within fifteen (15) calendar days of the relevant Compliance Showing deadline.
- (d) Once the Shown Unit designated by Seller is approved or deemed approved in accordance with Section 2.2(c), then any such Shown Unit will be automatically deemed the Unit from which the Product is delivered for purposes of this Confirmation for the affected Showing Month.

2.3 Seller To Provide Alternate Capacity

- (a) If Seller desires to provide the Contract Quantity for any Showing Month during the Delivery Period from a different Unit other than the Shown Unit as designated in Section 2.2, then Seller may, at no additional cost to Buyer, provide Buyer with Product from one (1) or more Alternate Units in an amount such that the total amount of Product provided to Buyer from the Unit and Alternate Units for the Showing Month during the Delivery Period is equal to the Contract Quantity for the Delivery Period. The Alternate Unit(s) must be among those in the Resource Pool
- (b) If Seller desires to provide Product from an Alternate Unit under Section 2.3(a), Seller must notify Buyer of its intent to provide Product from an Alternate Unit and identify the proposed Alternate Unit meeting the Product characteristics specified in Appendix B no later than five (5) calendar days before the relevant deadlines for the submission of Compliance Showings related to the applicable Showing Month. Seller's notice under this Section 2.3(b) shall be deemed acceptable to and approved by Buyer upon receipt, unless Buyer, within one (1) Business Day of receipt of Seller's notice and in writing, notifies Seller of any objections Buyer has to the proposed Alternate Unit. If Buyer timely objects, Seller must identify another Alternate Unit within two (2) Business Days. Provided such Alternate Unit meets the requirements of a Shown Unit under this Confirmation, this second Alternate Unit is deemed acceptable to and approved by Buyer upon receipt.
- (c) Once the Alternate Unit is approved or deemed approved in accordance with Section 2.3(b), then any such Alternate Unit will be automatically deemed the Unit from which Product is delivered for purposes of this Confirmation for the affected Showing Month.

2.4 Delivery of Product

- (a) Seller shall provide Buyer with the Contract Quantity of Product for each day during the Delivery Period consistent with the following:
 - (i) Seller shall, on a timely basis with respect to each applicable Showing Month, submit, or cause the Unit's Scheduling Coordinator to submit, Supply Plans in accordance with the Tariff to identify and confirm the Product provided to Buyer for each day of such Showing Month that is included in the Delivery Period so that the total amount of Product identified and confirmed for each such day of such Showing Month equals the Contract Quantity for such day of such Showing Month.
 - (ii) Seller will be deemed to have delivered the Product on each day to the extent that Buyer receives credit from CAISO for such day for Product identified and confirmed in the Supply Plan submitted for the Unit.
 - (iii) Hold-Back Capacity, if any, is deemed Contract Quantity delivered, unless utilized under Article 7 as Substitute Capacity, then Contract Quantity is delivered according to the timeline requirements therein.
- (b) In accordance with Sections 2.2 and 2.3 and subject to Article 7, Seller shall to the extent required by CAISO or the CPUC rules cause the information listed in Appendix B to be included in all applicable Supply Plans and shall cause all Supply Plans to be filed in conformance with the requirements of the CPUC Filing Guide and the Tariff. In addition, if during the Delivery Period, there are changes to the information included in Appendix B, the Parties agree to communicate such changes to each other promptly.

2.5 Damages for Failure to Provide Capacity

If Seller fails to deliver to Buyer the Contract Quantity of Product for any day during the Delivery Period in accordance with Section 2.4 then with respect to each Showing Month, Seller is liable for damages pursuant to Section 4.1 of the Master Agreement, and provided that Buyer has prepaid for the Contract of Quantity in accordance with Section 3.1, Seller shall pay to Buyer the following:

For each applicable day during the Showing Month included in the Delivery Period in which the Buyer's Monthly Payment has been received by Seller in accordance with Section 3.1 of this Confirmation only, the amount equal to (w) the applicable Contract Price divided by (x) the number of days included in the Showing Month multiplied by (y) the amount of Contract Quantity not delivered by Seller on such day, multiplied by (z) 1,000 kW per MW.

2.6 Indemnities for Failure to Deliver Contract Quantity

- (a)** Seller agrees to indemnify, defend and hold harmless Buyer from any penalties, fines or costs assessed against Buyer by the CPUC or CAISO resulting from any of the following:
 - (i)** Seller's failure to deliver any portion of the Contract Quantity of Product for any portion of the Delivery Period and such failure results in the imposition of penalties, fines or costs assessed against Buyer; or
 - (ii)** A Unit's Scheduling Coordinator's failure to timely or accurately submit Supply Plans in accordance with the applicable Tariff that identify Buyer's right to the Contract Quantity purchased hereunder for each day of the Delivery Period.
- (b)** With respect to the foregoing, the Parties shall use commercially reasonable efforts to minimize such penalties, fines and costs; provided, that in no event shall Buyer be required to use or change its utilization of its owned or controlled assets or market positions to minimize these penalties, fines, and costs.

2.7 Buyer's Re-Sale of Product

- (a)** Buyer may re-sell all or a portion of the Product purchased under this Confirmation ("Resold Product"); provided that such re-sell right does not include the ability to offer any portion of Product into the Competitive Solicitation Process. If Buyer re-sells Product, Seller agrees, and agrees to cause the Unit's Scheduling Coordinator, to follow Buyer's instructions with respect to providing such Resold Product to subsequent purchasers of such Resold Product to the extent such instructions are consistent with Seller's obligations under this Confirmation. Seller further agrees, and agrees to cause the Unit's Scheduling Coordinator, to take all commercially reasonable actions and execute any and all documents or instruments reasonably necessary to allow such subsequent purchasers to use such Resold Product in a manner consistent with Buyer's rights under this Confirmation. If Buyer incurs any liability to any subsequent purchaser of such Resold Product due to the failure of Seller or the Unit's Scheduling Coordinator to comply with the terms of this Confirmation, then Seller shall be liable to Buyer for any liabilities Seller would have incurred under this Confirmation if Buyer had not resold the Product, including without limitation, pursuant to Sections 2.5 and 2.6.
- (b)** If Buyer exercises its right to re-sell the Product, Buyer shall notify Seller in writing that such sale has occurred by providing to Seller the information described in Appendix C ("Re-sale Plan"). The Re-sale Plan shall be provided no later than three (3) Business Days before the deadline for the Compliance Showings applicable to the relevant Showing Month, except where Buyer exercises its rights under Article 7, then Buyer shall notify Seller in accordance with deadlines described in Article 7. Buyer shall notify Seller of any subsequent

changes or further resale of the Resold Product, and such notice shall include all updates to the information in Appendix C in accordance with the deadlines described in this Section 2.7(b).

ARTICLE 3 **PAYMENT**

3.1 Monthly Payment

Buyer shall make a payment (a “Monthly Payment”) to Seller, for the applicable Showing Month, as follows:

Monthly Payment = $Q \times P \times CF$
where:

- Q = The Contract Quantity of Product to be delivered by Seller to Buyer pursuant to Appendix B and consistent with Section 2.4 for the Showing Month
- P = The Contract Price for the Showing Month, expressed in dollars per kW-month, as stated in Appendix B
- CF = The conversion factor equal to 1,000 kW per MW

The Monthly Payment calculation shall be rounded to two decimal places.



3.2 True Up for Market Price Benchmark

When the Market Price Benchmark for a given Showing Year is published by the CPUC, the Seller shall, within fifteen (15) Business Days, provide this price to the Buyer by email. Seller shall then recalculate the Monthly Payments for all Showing Months within that Showing Year for which Product has been received by the Buyer and payment has been received by the Seller (“Settled Months”). This recalculation will be performed by replacing the Forecast Market Price Benchmark that had originally been used in calculating Monthly Payments for that Showing Year with the Market Price Benchmark. The results of such calculation will be referred to as the “Updated Monthly Payment” for each Settled Month. Seller shall then calculate a “True Up Amount” for that Showing Year as follows.

$$\text{True Up Amount} = \sum_{i=1}^k (A_i - B_i)$$

Where: A_i = Monthly Payment for Settled Month i
 B_i = Updated Monthly Payment for Settled Month i
 k = Count of Settled Months

If the True Up Amount is positive (i.e. the sum of the original Monthly Payments exceeds the sum of the Updated Monthly Payments), then the True Up Amount shall be subtracted from the amount owed by Buyer to Seller, as reflected on the invoice for the next Showing Month not yet invoiced. If the True Up Amount exceeds the Monthly Payment on that invoice, then Seller will pay Buyer the remaining difference within thirty (30) calendar days.

If the True Up Amount is negative, i.e. the sum of the original Monthly Payments is less than the sum of the Updated Monthly Payments, then the True Up Amount shall be added to the amount owed by Buyer to Seller on the invoice for the next Showing Month not yet invoiced.

If the Market Price Benchmark is released at a time when there is an outstanding invoice for a Showing Month, the Monthly Payment associated with the outstanding invoice shall not be adjusted and the Showing Month associated with that invoice shall be deemed a Settled Month for purposes of calculating the True Up Amount.

3.3 Allocation of Other Payments and Costs

- (a) Seller is entitled to retain any revenues it may receive from, and shall pay all costs charged by, CAISO or any other third party with respect to the Unit for (i) start-up, shutdown, and minimum load costs, (ii) capacity revenue for ancillary services, (iii) energy sales, (iv) revenue for flexible ramping product, and (v) any revenues for black start or reactive power services. All Seller revenues described in this Section 3.2(a) and received by Buyer or a purchaser of Resold Product must be remitted to Seller and Buyer shall pay such revenues to Seller if received by Buyer or if a subsequent purchaser of Resold Product fails to remit those revenues to Seller.

If Buyer fails to pay such revenues to Seller, Seller may recoup any amounts owing to it for such revenues against any future amounts it may owe to Buyer.

Seller shall indemnify, defend and hold Buyer harmless from and against all liabilities, damages, claims, losses, costs or expenses (including, without limitation, attorneys' fees) incurred by or brought against Buyer in connection with Environmental Costs.

- (b) In order to verify the accuracy of such revenues, Buyer has the right, at its sole expense and during normal working hours after reasonable prior notice, to hire an

independent third party reasonably acceptable to Seller to audit any documents, records or data of Seller associated with the Contract Quantity and in accordance with Section 3.1 of this Confirmation and Article Six of the Master Agreement.

- (c) If CAISO or CPUC develops a centralized capacity market, Buyer will have exclusive rights to tell the Seller or the Unit's Scheduling Coordinator to offer, bid, or otherwise submit the applicable Contract Quantity of Product for each day during the Delivery Period provided to Buyer pursuant to this Confirmation for re-sale in such market, and retain and receive all revenues from such re-sale.
- (d) Buyer and Seller agree that the Unit is subject to the terms of the Availability Standards, Non-Availability Charges, and Availability Incentive Payments as contemplated under Section 40.9 of the Tariff. Any Availability Incentive Payments or Non-Availability Charges are for the account, or are the responsibility of, the Seller, as applicable.

ARTICLE 4 **CAISO OFFER REQUIREMENTS**

Seller is responsible for, as applicable, scheduling or causing the applicable Unit's Scheduling Coordinator to schedule with, or make available to, CAISO the Product delivered to Buyer for each day during the Delivery Period in compliance with the Tariff, and performing all, or causing the Unit's Scheduling Coordinator, owner, or operator, as applicable, to perform all obligations under the Tariff that are associated with the Product sold hereunder. Buyer is not liable for the failure of Seller or the failure of any Unit's Scheduling Coordinator, owner, or operator to comply with such Tariff provisions or any penalties or fines imposed on Seller or the Unit's Scheduling Coordinator (unless Seller is the Scheduling Coordinator), owner, or operator for such noncompliance.

ARTICLE 5 **OTHER BUYER AND SELLER COVENANTS**

5.1 Seller's and Buyer's Duty to Take Action to Allow the Utilization of the Product

Buyer and Seller shall, throughout the Delivery Period, take commercially reasonable actions (including the execution of documents or instruments) reasonably necessary to ensure Buyer's right to the use of the Contract Quantity on each day during the Delivery Period for the sole benefit of Buyer or any applicable subsequent purchaser pursuant to Section 2.7. The Parties shall make commercially reasonable changes to this Confirmation necessary to conform this Transaction to subsequent clarifications, revisions, or decisions rendered by the CPUC, FERC, CAISO or other Governmental Body having jurisdiction to administer Compliance Obligations.

5.2 Representations, Warranties and Covenants

- (a) Seller represents and warrants to Buyer throughout the Delivery Period that:
 - (i) no portion of the Contract Quantity for any day during the Delivery Period has been committed by Seller to any third party in order to satisfy

- Compliance Obligations or analogous obligations in any CAISO or non-CAISO markets;
- (ii) the Unit is connected to the CAISO Controlled Grid, is within the CAISO Control Area, and is under the control of CAISO;
 - (iii) each Unit's Scheduling Coordinator, owner and operator is obligated to comply with applicable laws, including the Tariff, relating to the Product;
 - (iv) if Seller is the owner of the Unit, the aggregation of all amounts of Capacity Attributes that Seller has sold, assigned or transferred for the Unit for each day included in the Delivery Period does not exceed the Unit NQC and, if applicable, the Unit EFC, for that Unit; and
 - (v) Seller has notified either the Scheduling Coordinator of the Unit or the entity from which Seller purchased the Product of the fact that Seller has transferred the Contract Quantity for each day of the Delivery Period to Buyer, or, if applicable, to a subsequent purchaser.
- (b) Seller represents and warrants to Buyer as of the date of the relevant Compliance Showing, that Seller owns or has the exclusive right to the Product sold under this Confirmation from the Unit;
- (c) Seller covenants as follows:
- (i) Seller shall not offer, and shall ensure that the Unit's Scheduling Coordinator does not offer, any portion of the Contract Quantity for any day during the Delivery Period to CAISO as CPM Capacity. However, if CAISO designates any portion of the Contract Capacity as CPM Capacity, then Seller shall promptly notify Buyer, or shall cause the Unit's Scheduling Coordinator to promptly notify Buyer within one (1) Business Day of the time Seller receives notification from CAISO. If CAISO makes such a designation, Seller shall not accept, and shall ensure that the Unit's Scheduling Coordinator does not accept, any such designation by CAISO unless and until Buyer has agreed to accept such designation; and
 - (ii) Seller shall, upon request, furnish Buyer, CAISO, CPUC or other applicable Governmental Body evidence that its representation made in Section 5.2(c)(i) is true and correct
- (d) Each Party covenants to the other Party throughout the Delivery Period to comply with the Tariff, relating to the Product.

5.3 Counterparts

This Confirmation may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered by electronic mail (including pdf or any electronic signature complying with the federal

ESIGN Act of 2000, California's Uniform Electronic Transactions Act (Cal. Civ. Code Section 1633.1, et seq.) or other applicable law) or other transmission method and any other counterpart so delivered shall have the same legal effect as an original.

ARTICLE 6 **CONFIDENTIALITY**

Notwithstanding Section 10.11 of the Master Agreement, the Parties may disclose all terms and conditions of this Transaction to any Governmental Body, the CPUC, CAISO and the Procurement Review Group, and Seller may disclose the transfer of the Contract Quantity for each day during the Delivery Period under this Transaction to the Scheduling Coordinator of the Unit in order for such Scheduling Coordinator to timely submit accurate Supply Plans. Each disclosing Party shall use reasonable efforts to limit, to the extent possible, the ability of any such applicable Governmental Body, CAISO, or Scheduling Coordinator to further disclose information disclosed pursuant to this Article. In addition, if Buyer resells all or any portion of the Contract Quantity for any day during the Delivery Period to another party, Buyer shall be permitted to disclose to the purchaser of the Resold Product all such information necessary to effect such resale transaction, other than the Contract Price. **[Drafting Note: Parties to review confidentiality provision in Master Agreement and edit accordingly here]**

ARTICLE 7 **HOLD-BACK AND SUBSTITUTE CAPACITY**

No later than three (3) Business Days before the relevant deadline for the initial Compliance Showing with respect to a particular Showing Month, Buyer may request in writing that Seller not list, or cause the Unit's Scheduling Coordinator not to list, in the Unit's Supply Plan a portion or all of the Contract Quantity for any portion of such Showing Month included in the Delivery Period ("Hold-Back Capacity"). Along with such request, Buyer shall also provide updated Unit information reflecting the requested change. The updated Unit information shall be in the form of the Supply Plan. Following Buyer's request for Hold-Back Capacity, Buyer may request, in writing, that Seller make the previously requested Hold-Back Capacity available for Buyer's use as Substitute Capacity only for Planned Outages within the respective Showing Month. Such request shall be received by Seller no later than eight (8) Business Days prior to the first day of the Planned Outage for which Buyer seeks to use such Substitute Capacity as required by the CAISO. The amount of Contract Quantity that is the subject of Buyer's request for Hold-Back Capacity shall be deemed Contract Quantity delivered consistent with Section 2.4 for purposes of calculating a Monthly Payment pursuant to Section 3.1 and calculating any amounts due pursuant to Section 2.5 or 2.6. Seller shall, or shall cause the Unit's Scheduling Coordinator to, comply with Buyer's request under this Article 7.

Notwithstanding anything to the contrary in Sections 2.6, Seller shall not be liable for any costs, penalties, or fines assessed against Buyer by the CAISO as a result of Seller's failure to make Substitute Capacity available to Buyer if Buyer did not timely comply with the notification requirements of this Article 7.

ARTICLE 8
COLLATERAL REQUIREMENTS

8.1 Party A Collateral Requirements

- (a) Notwithstanding anything to the contrary contained in the Master Agreement, Party A shall, within five (5) Business Days following the Confirmation Effective Date, provide to, and maintain with, Party B a Fixed Independent Amount as long as Party A or its Guarantor, if any, does not maintain Credit Ratings of at least [REDACTED] or, if rated by only one of these agencies, a Credit Rating of at [REDACTED]. The “Fixed Independent Amount” shall be [REDACTED] % of the sum of the Monthly Payments for all unpaid months of the Delivery Period. In making this calculation, the Parties shall assume that the full “Resource Capacity” listed in Appendix B for each Resource shall be available for each Showing Month from that Resource’s projected or actual Initial Delivery Date through the length of its projected or actual Term. Furthermore, the most recent Forecast Market Price Benchmark shall be used in making the calculation. At either Party’s request, the Fixed Independent Amount may be recalculated upon the publication of an updated Forecast Market Price Benchmark or actual Market Price Benchmark. **[For Masters with the Collateral Annex insert:** For the purposes of calculating the Collateral Requirement pursuant to Section 8.2 of the Master Agreement, entitled “Party B Credit Protection”, and all corresponding provisions to Section 8.2 of the Master Agreement, such Fixed Independent Amount for Party A shall be added to the Exposure Amount for Party B and subtracted from the Exposure Amount for Party A.]
- (b) If the conditions in subsections (i) and (ii) of this Section 8.1(b) are satisfied throughout the Delivery Period, then this Confirmation’s Fixed Independent Amount shall not apply for that time period during which all such conditions are satisfied. In place of the Fixed Independent Amount, the Buyer shall instead post [REDACTED], if any, does not maintain Credit Ratings of at least [REDACTED], or, if rated by only one of these agencies, a Credit Rating of at least [REDACTED]. These accruals shall represent the anticipated notional value of the next two unpaid Showing Months. In calculating these accruals, the Parties shall assume that the full “Resource Capacity” listed in Appendix B for each resource shall be available for the given Showing Months. The Parties shall use the most recently available Forecast Market Price Benchmark or actual Market Price Benchmark as applicable in calculating these accruals.
- (i) Party A’s customers are PG&E’s distribution or transmission customers and PG&E is the billing agent for those customers; and
- (ii) PG&E is the provider of last resort pursuant to Cal. Pub. Util. Code Section 451 et seq. and applicable law for Party A’s retail electric customers.

- (c) If at any time during the Delivery Period, one or more of the conditions in subsections (i) and (ii) of Section 8.1(b) is no longer satisfied, and Party B has provided Party A with written notice of such failure to satisfy (Condition Notice), then Party A shall comply with the credit requirements of Section 8.1(a), above by that date which is no later than thirty (30) calendar days following the date of the Condition Notice.

8.2 Party B Collateral Requirements

Section 8.1 of the Master Agreement, entitled “Party A Credit Protection”, and all corresponding provisions to Section 8.1 of the Master Agreement do not apply to this Confirmation. **[Drafting Note: Parties to review Collateral Requirements provision in Master Agreement and edit accordingly here]**

8.3 Current Mark-to-Market Value

[For Masters with Collateral Annex insert:] For the purposes of calculating Exposure pursuant to the Collateral Annex, the Current Mark-to-Market Value for this Transaction is deemed to be zero. If at any time prior to the expiration of the Delivery Period, a liquid market for the Product develops wherein price quotes for such a product can be obtained, the Parties agree to amend the Confirmation to include a methodology for calculating the Current Mark-to-Market Value for this Transaction, consequently affecting each Party's Exposure.

[For Masters without Collateral Annex insert:] For the purposes of calculating Termination Payment pursuant to Article 8 of the Master Agreement, the mark-to-market value for this Transaction is deemed to be zero. If at any time prior to the expiration of the Delivery Period, a liquid market for the Product develops wherein price quotes for such a product can be obtained, the Parties agree to amend the Confirmation to include a methodology for calculating the mark-to-market value for this Transaction, consequently affecting each Party's Performance Assurance amount.

ARTICLE 9

ADDITIONAL MASTER AGREEMENT AMENDMENTS

9.1 Declaration of an Early Termination Date and Calculation of Settlement Amounts

The Parties shall determine the Settlement Amount for this Transaction in accordance with Section 5.2 of the Master Agreement using the defined terms contained in this Confirmation and with respect to this Transaction only, the following language is to be added at the end of Section 5.2 of the Master Agreement:

“If Buyer is the Non-Defaulting Party and Buyer reasonably expects to incur or be liable for any penalties, fines or costs from the CPUC, CAISO, or any Governmental Body having jurisdiction, because Buyer or a purchaser of Resold Product is not able to include the applicable Contract Quantity in any applicable Compliance Showing due to Seller’s Event of Default, then Buyer may, in good faith, estimate the amount of those penalties, fines or costs and include this estimate in its determination of the Termination Payment, subject to accounting to Seller when those penalties, fines or costs are finally ascertained. If this

accounting establishes that Buyer's estimate exceeds the actual amount of penalties, fines or costs, Buyer shall promptly remit to Seller the excess amount. The rights and obligations with respect to determining and paying any Termination Payment, and any dispute resolution provisions with respect thereto, survive the termination of this Transaction and continue until after those penalties, fines or costs are finally ascertained."

ACKNOWLEDGED AND AGREED TO AS OF THE CONFIRMATION EFFECTIVE DATE.

**Peninsula Clean Energy Authority, a
California joint powers authority**

**Pacific Gas and Electric Company, a
California corporation, limited for all
purposes hereunder to its Electric
Procurement and Electric Fuels Functions**

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

APPENDIX A **DEFINED TERMS**

For purposes of this Confirmation, the following terms have the following meanings:

“Advice Letter” means (1) an informal request by a CPUC jurisdictional entity for Commission approval, authorization, or other relief, including an informal request for approval to furnish service under rates, charges, terms or conditions other than those contained in the utility’s tariffs then in effect, and (2) a compliance filing by a load-serving entity pursuant to Public Utilities Code Section 380.

“Allocation Percentage” means the percentage specified in the “Contract Quantity” section of Article 1 and determined based off of the procurement obligations determined in CPUC decision D.19-11-016 and adjusted to account for load migration as specified in CPUC decision D. 22-05-015.

“Alternate Unit” means a generating unit designated by the Parties in accordance with Section 2.3 and which includes the Product characteristics, if any, as set forth in Appendix B.

“Availability” means the total RAR and FCR that can be provided by the Resources in the Resource Pool in a given Showing Month calculated in accordance with the provisions of Article 2.1

“CAISO” means the California Independent System Operator Corporation or any successor entity performing substantially the same functions.

“Capacity Attributes” means, with respect to a generating unit, any and all of the following, in each case which are attributed to or associated with the generating unit at any time throughout the Delivery Period:

- (a) Resource Adequacy Capacity attributes of the generating unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction, that can be counted toward RAR;
- (b) Resource Adequacy Capacity attributes or other locational attributes of the generating unit related to a Local Capacity Area, as may be identified from time to time by the CPUC, CAISO or other Governmental Body having jurisdiction, associated with the physical location or point of electrical interconnection of the generating unit within the CAISO Control Area, that can be counted toward a Local RAR; and
- (c) other current or future defined characteristics, certificates, tags, credits, or accounting constructs of the generating unit, howsoever entitled, including any accounting construct counted toward any Compliance Obligations;

provided that, notwithstanding the foregoing, Capacity Attributes exclude all certificates, tags, credits, or accounting constructs that are not counted toward any Compliance Obligations, howsoever entitled associated with the generating unit, as such characteristics, certificates, tags, credits, or accounting constructs are described in the CPUC Decisions and Tariff.

“Compliance Obligations” means the RAR and Local RAR, and if applicable FCR.

“Compliance Showings” means the monthly, annual, or multi-year (a) Local RAR compliance or advisory showings (or similar or successor showings), (b) RAR compliance or advisory showings (or similar or successor showings), and (c) if applicable, FCR compliance or advisory showings (or similar or successor showings), in each case, an LSE is required to make to the CPUC (and, to the extent authorized by the CPUC, to CAISO) pursuant to the CPUC Decisions, to CAISO pursuant to the Tariff, or to any Governmental Body having jurisdiction.

“Confirmation” is defined in the introductory paragraph of this Confirmation.

“Confirmation Effective Date” is defined in the introductory paragraph of this Confirmation.

“Contract Price” means, for any period during the Delivery Period, the price, expressed in dollars per kW-month, specified for such period set forth in the Contract Price Table in Appendix B.

“Contract Quantity” means, with respect to any day during the Delivery Period, the amount of Product, expressed in MW, set forth in the Contract Quantity table in Appendix B for such day.

“CPUC” means the California Public Utilities Commission.

“CPUC Decisions” means CPUC Decisions 04-01-050, 04-10-035, 05-10-042, 06-04-040, 06-06-064, 06-07-031, 07-06-029, 08-06-031, 09-06-028, 10-06-036, 11-06-022, 12-06-025, 13-06-024, 14-06-050, 15-01-063, 15-06-063, 16-06-045, 17-06-027, and any other existing or subsequent decisions, resolutions, or rulings related to resource adequacy, including, without limitation, the CPUC Filing Guide, in each case as may be amended from time to time by the CPUC.

“CPUC Filing Guide” means the annual document issued by the CPUC which sets forth the guidelines, requirements and instructions for LSE’s to demonstrate compliance with the CPUC’s resource adequacy program.

“Delivery Period” is defined in Article 1 of this Confirmation.

“Emission Reduction Credits” or “ERC(s)” means emission reductions that have been authorized by a local air pollution control district pursuant to California Division 26 Air Resources; Health and Safety Code Sections 40709 and 40709.5, whereby such district has established a system by which all reductions in the emission of air contaminants that are to be used to offset certain future increases in the emission of air contaminants shall be banked prior to use to offset future increases in emissions.

“Environmental Costs” means costs incurred in connection with acquiring and maintaining all environmental permits and licenses for the Product, and the Product’s compliance with all applicable environmental laws, rules and regulations, including capital costs for pollution mitigation or installation of emissions control equipment required to permit or license the Product, all operating and maintenance costs for operation of pollution mitigation or control equipment, costs of permit maintenance fees and emission fees as applicable, and the costs of all Emission Reduction Credits or Marketable Emission Trading Credits (including any costs related

to greenhouse gas emissions) required by any applicable environmental laws, rules, regulations, and permits to operate, and costs associated with the disposal and clean-up of hazardous substances introduced to the site, and the decontamination or remediation, on or off the site, necessitated by the introduction of such hazardous substances on the site.

“FERC” means the Federal Energy Regulatory Commission.

“FCR” means the flexible capacity requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, or by a Local Regulatory Authority or other Governmental Body having jurisdiction.

“FCR Attributes” means, with respect to a generating unit, any and all resource adequacy attributes of the generating unit, as may be identified from time to time by the CPUC, CAISO, or other Governmental Body having jurisdiction, that can be counted toward an LSE’s FCR.

“FCR Contract Quantity” means, with respect to a day included in the Delivery Period, the amount of FCR Attributes, expressed in MW, equal to the Contract Quantity for such day.

“Forecast Market Price Benchmark” means, for a given year, the Forecast System Resource Adequacy Market Price Benchmark for that year, as determined and described in CPUC decision D.19-10-001 and as published in year proceeding that year.

“Governmental Body” means any federal, state, local, municipal or other government; any governmental, regulatory or administrative agency, commission or other authority lawfully exercising or entitled to exercise any administrative, executive, judicial, legislative, police, regulatory or taxing authority or power; and any court or governmental tribunal. This definition does not include “market participants” as defined in the CAISO’s Business Practice Manual for Definitions and Acronyms as published on the CAISO website.

“Hold-Back Capacity” is defined in Article 7 of this Confirmation.

“Local RAR” means the local resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction. Local RAR may also be known as local area reliability, local resource adequacy, local resource adequacy procurement requirements, or local capacity requirement in other regulatory proceedings or legislative actions.

“LSE” means “Load Serving Entity” as such term is defined in the Tariff.

“Marketable Emission Trading Credits” means without limitation, emissions trading credits or units pursuant to the requirements of California Division 26 Air Resources; Health & Safety Code Section 39616 and Section 40440.2 for market based incentive programs such as the South Coast Air Quality Management District’s Regional Clean Air Incentives Market, also known as RECLAIM, and allowances of sulfur dioxide trading credits as required under Title IV of the Federal Clean Air Act (see 42 U.S.C. § 7651b.(a) to (f)).

“Market Price Benchmark” means, for a given year, the Final System Resource Adequacy Market Price Benchmark for that year, as determined and described in CPUC decision D.19-10-001 and as published by the CPUC in that year.

“Master Agreement” is defined in the introductory paragraph of this Confirmation.

Maximum Cumulative Capacity Category has the meaning set forth in the CPUC’s *2023 Filing Guide for System, Local and Flexible Resource Adequacy Compliance Filings*.

“Monthly Payment” is defined in Section 3.1 of this Confirmation.

“MW” means megawatt.

“Path” refers to the Path 26 transmission constraint which is surrounded by two zones; North of Path 26 (PG&E’s TAC) and South of Path 26 (SCE and SDG&E’s TACs), as identified by the Commission in D.07-06-029.

“Planned Outage” means any outage that was submitted to the CAISO for approval at least eight (8) calendar days prior to the outage start date.

“Procurement Review Group” has the meaning set forth in CPUC Decision D. 02-08-071.

“Product” is defined in Article 1 of this Confirmation.

“RAR” means the resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction.

“Re-sale Plan” is defined in Section 2.7(b) of this Confirmation.

“Resold Product” is defined in Section 2.7 of this Confirmation.

“Resource” means any Unit within the Resource Pool.

“Resource Pool” means those Units under contract to Seller as required by CPUC Decision D.19-11-016 and listed in Appendix B during the term in which they are delivering to Seller.

“SCID of Benefitting LSE” means the Scheduling Coordinator ID Code (SCID) of the Load Serving Entity (LSE) that will be using the Product toward meeting their RAR in the given Showing Month.

“Showing Month” means the calendar month that is the subject of the related Compliance Showing, as set forth in the CPUC Decisions and outlined in the Tariff. For illustrative purposes only, pursuant to the Tariff and CPUC Decisions in effect as of the Confirmation Effective Date, the monthly Compliance Showing made in June is for the Showing Month of August.

“Shown Unit” means a Unit or Units specified by Seller in a Supply Plan, but not necessarily identified by Seller to Buyer on the Confirmation Effective Date.

“Substitute Capacity” means “RA Substitute Capacity” as defined in the Tariff.

“System RAR” means the system resource adequacy requirements established for LSEs by the CPUC pursuant to the CPUC Decisions, by CAISO pursuant to the Tariff, or by any other Governmental Body having jurisdiction.

“Tariff” means the Fifth Replacement FERC Electric Tariff and the associated CAISO protocol provisions, including any current CAISO-published “Operating Procedures” and “Business Practice Manuals,” in each case as amended or supplemented from time to time.

“Unit” means any generation unit provided by Seller pursuant to Section 2.2 and any Alternate Unit or Shown Unit.

“Unit EFC” means, with respect to a Unit on any date of determination, the lesser of the Effective Flexible Capacity of the Unit as set by CAISO as of (x) the Confirmation Effective Date and (y) such date of determination.

“Unit NQC” means, with respect to a Unit on any date of determination, the lesser of Net Qualifying Capacity of the Unit as set by CAISO as of (x) the Confirmation Effective Date and (y) such date of determination.

APPENDIX B
RESOURCE POOL AND CALCULATION OF AVAILABILITY

Resource Pool

The Resource Pool shall be comprised of the Resources listed below during the period in which they are contracted to Seller. After the expiration or termination of Seller's contract with any of the listed Resources, that Resource shall no longer be a part of the Resource Pool. In the event of an early termination and exit from the pool, Seller shall, within fifteen (15) business days, provide Notice to Buyer that a Resource has exited the pool. In the event that the Flexible Capacity Category listed for a given resource differs from that in the CAISO's most recently published final Effective Flexible Capacity (EFC) list or is not listed below, the CAISO's EFC list shall control.

| Resource Name | Technology | Initial Delivery Date | Expiration Date | Maximum Cumulative Capacity Category | Flexible Capacity Category | Resource Capacity (MW) |
|---------------|------------|-----------------------|-----------------|--------------------------------------|----------------------------|------------------------|
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | | | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | | | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | | | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | | | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | | | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | | | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | | | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | | | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | | | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | | | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | | | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | | | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | | | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | | | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | | | [REDACTED] |

The following example is given for illustrative purposes only. For a given Showing Month assume that the total availability of the Resource Pool as determined by the Seller is as follows.

Confidential

at least [REDACTED] %* [REDACTED] = [REDACTED] MW of the delivered FCR capacity would be Flexible Capacity Category 2

APPENDIX C
SUBSEQUENT SALE INFORMATION

| | |
|--|--|
| Contract Key ID: | |
| Benefitting LSE SCID: | |
| Generic Volume (in MW): | |
| Local Volume (in MW and by local area): | |
| Flexible Volume (in MW): | |
| Term: | |

APPENDIX D

NOTICE INFORMATION

Name: Peninsula Clean Energy Authority, a
California Joint Powers Authority
("Party A")

All Notices:

Delivery Address:
Street: 2075 Woodside Rd
City: Redwood City State: CA Zip: 94061

Mail Address: (if different from above)

Attn: Director of Power Resources
(contracts@peninsulacleanenergy.com)
Phone: (650) 260-0005

Invoices and Payments:

Attn: Contract Manager
(finance@peninsulacleanenergy.com;
contracts@peninsulacleanenergy.com;
schen@peninsulacleanenergy.com)
Phone: (650) 260-0005

Scheduling:

Attn: Director of Power Resources
(contracts@peninsulacleanenergy.com)

Phone: (650) 260-0005

Wire Transfer:

BNK: First Republic Bank
ACCT Title:
ABA: 321081669
ACCT: 80006404802
DUNS: 080262114
Federal Tax ID Number: 81-2708786

Credit and Collections:

Attn: Director of Finance
(finance@peninsulacleanenergy.com)

Contract Management

Attn: Director of Power Resources
(contracts@peninsulacleanenergy.com)
Phone: (650) 260-0005

Name: Pacific Gas and Electric Company, a California
corporation, limited for all purposes hereunder to its Electric
Procurement and Electric Fuels Functions

("Party B")

All Notices:

Delivery Address:
77 Beale Street, Mail Code N12E
San Francisco, CA 94105-1702

Mail Address:
P.O. Box 770000, Mail Code N12E
San Francisco, CA 94177
Attn: Candice Chan (candice.chan@pge.com)
Director, Contract Mgmt & Settlements
Phone: (415) 412-0263

Invoices and Payments:

Attn: Fuel Settlements (egssettlements@pge.com)
Manager, Fuel Settlements

Phone: (415) 940-9528

Outages:

Attn: Outage Coordinator
(ESMOutageCoordinator@pge.com;
RATransactionNotificationList@pge.com)
Phone: (650) 291-8485

Wire Transfer:

BNK: The Bank of NY Mellon
ACC Title: PG&E
ABA: 011001234
ACCT: 059994
DUNS: 556650034
Federal Tax ID Number: 94-0742640

Credit and Collections:

Attn: Credit Risk Management (PGERiskCredit@pge.com)

Contract Management

Attn: Min Lee (min.lee@pge.com)
Contract Management
Phone: (415) 757-8507

With additional Notices of an Event of Default to Contract Manager:

Attn: Janis Pepper, CEO
(jpepper@peninsulacleanenergy.com)
Phone: (650) 260-0100

Supply Plan Contact:

scheduling@peninsulacleanenergy.com;
ckkeys@peninsulacleanenergy.com;
jwright@peninsulacleanenergy.com;
salcaraz@teainc.org;
rbelgram@teainc.org

With additional Notices of an Event of Default to Contract Manager:

Attn: Ted Yura (ted.yura@pge.com)
Senior Manager, Contract Management
Phone: (415) 828-3350

Supply Plan and Hold-Back Request:

EPP-RAFilingsMailbox@pge.com

APPENDIX E
FORM OF LETTER OF CREDIT
Issuing Bank Letterhead and Address

STANDBY LETTER OF CREDIT NO. XXXXXXXXX

Date: [Insert issue date]

Beneficiary: [Insert Beneficiary name]
[Insert Beneficiary address]

Applicant: [Insert Applicant name]
[Insert Applicant address]

Letter of Credit Amount: [Insert amount]

Expiry Date: [Insert date that is one (1) year from offer date]

Ladies and Gentlemen:

By order of **[Insert name of Applicant]** (“Applicant”), we hereby issue in favor of **[Insert name of Beneficiary]** (the “Beneficiary”) our irrevocable standby letter of credit No. **[Insert number of letter of credit]** (“Letter of Credit”), for the account of Applicant, for drawings up to but not to exceed the aggregate sum of U.S. \$ **[Insert amount in figures followed by (amount in words)]** (“Letter of Credit Amount”). This Letter of Credit is available with **[Insert name of issuing or paying bank, and the city and state in which it is located]** by sight payment, at our offices located at the address stated below, effective immediately, and it will expire at our close of business on **[Insert expiry date]** (the “Expiry Date”).

Funds under this Letter of Credit are available to the Beneficiary against presentation of the following documents (which may be presented by physical delivery or by facsimile, e-mail or other electronic transmission):

1. Beneficiary’s signed and dated sight draft in the form of Exhibit A hereto, referencing this Letter of Credit No. **[Insert number]** and stating the amount of the demand; and

2. One of the following statements signed by an authorized representative or officer of Beneficiary:

A. “The amount of the accompanying sight draft under Letter of Credit **[Insert number of letter of credit]** (the “Draft Amount”) is owed to **[Insert name of Beneficiary]** by **[Insert name of Beneficiary’s counterparty under the RA Confirmation]** (“Counterparty”) under Confirmation for Resource Adequacy Capacity Product for CAISO Resources dated **[insert date of the Confirmation]** between **[Insert name of Beneficiary]** and Counterparty, which entitles **[Insert name of Beneficiary]** to draw the Draft Amount under Letter of Credit No. **[Insert number]**,” or

B. "Letter of Credit No. **[Insert number]** will expire in thirty (30) days or less and **[Insert name of Beneficiary's counterparty under the RA Confirmation]** has not provided replacement security acceptable to **[Insert name of Beneficiary]**."

Special Conditions:

1. Partial and multiple drawings under this Letter of Credit are allowed;
2. All banking charges associated with this Letter of Credit are for the account of the Applicant;
3. This Letter of Credit is not transferable;
4. A drawing for an amount greater than the Letter of Credit Amount is allowed, however, payment shall not exceed the Letter of Credit Amount; and
5. The Expiry Date of this Letter of Credit shall be automatically extended without amendment for a period of one year and on each successive Expiry Date, unless at least sixty (60) days before the then current Expiry Date, we notify you by registered mail or courier that we elect not to renew this Letter of Credit for such additional period.

We engage with you that drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation, on or before the Expiry Date (or after the Expiry Date as provided below), at **[Insert bank's address for drawings]**.

All demands for payment shall be made by presentation of copies or original documents, or by facsimile, e-mail, or other electronic transmission of documents to [Insert fax number, email or other electronic transmission], Attention: [Insert name of bank's receiving department] or [Insert e-mail or other electronic transmission address]. If a demand is made by facsimile, e-mail or other electronic transmission, the originals or copies of documents must follow by overnight mail, and you may contact us at [Insert phone number(s)] to confirm our receipt of the transmission. Your failure to seek such a telephone confirmation does not affect our obligation to honor such a presentation.

Our payments against complying presentations under this Letter of Credit will be made no later than on the third (3rd) banking day following a complying presentation.

Except as stated herein, this Letter of Credit is not subject to any condition or qualification. It is our individual obligation, which is not contingent upon reimbursement and is not affected by any agreement, document, or instrument between us and the Applicant or between the Beneficiary and the Applicant or any other party.

Except as otherwise specifically stated herein, this Letter of Credit is subject to and governed by the *Uniform Customs and Practice for Documentary Credits, 2007 Revision*, International Chamber of Commerce (ICC) Publication No. 600 (the "UCP 600"); provided that, if this Letter of Credit expires during an interruption of our business as described in Article 36 of the UCP 600, we will honor drafts presented in compliance with this Letter of Credit within thirty (30) days after the resumption of our business and effect payment accordingly.

The electronic copy of this Letter of Credit shall be the operative instrument until such time as the original is received. This Letter of credit can be amended or terminated by facsimile, e-mail or other electronic transmission.

The law of the State of New York shall apply to any matters not covered by the UCP 600.

For telephone assistance regarding this Letter of Credit, please contact us at **[Insert number and any other necessary details]**.

Very truly yours,

[INSERT NAME OF ISSUING BANK]

By: _____

Name: **[Print or type name]**

Title: **[Print or type title]**

EXHIBIT A
SIGHT DRAFT

TO:
[INSERT NAME AND ADDRESS OF PAYING BANK]

AMOUNT: \$ _____ DATE: _____

AT SIGHT OF THIS DEMAND PAY TO THE ORDER OF PACIFIC GAS AND ELECTRIC
COMPANY THE AMOUNT OF U.S. \$ _____ (_____ U.S. DOLLARS)

DRAWN UNDER [INSERT NAME OF ISSUING BANK] LETTER OF CREDIT NO.
[XXXXXX].

REMIT FUNDS AS FOLLOWS:

[INSERT PAYMENT INSTRUCTIONS]

DRAWER:

By: _____
Name: [Print or type name]
Title: [Print or type title]



**PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence**

DATE: December 7, 2022
BOARD MEETING DATE: December 15, 2022
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors
FROM: Jeremy Waen, Director for Regulatory Policy
SUBJECT: Discussion regarding Net Energy Metering (NEM) 3.0 reform pending before the California Public Utilities Commission

RECOMMENDATION:
Not applicable.

BACKGROUND:

The practice of Net Energy Metering (NEM), as a means for billing ratepayers who self-generate electricity through onsite solar photovoltaic (PV) systems and compensating these ratepayers for any excess electricity generated onsite, has been in place since the California Public Utilities Commission (CPUC or Commission) authorized it through Decision 14-03-041 adopted in March 2014. The tariff under this decision is commonly referred to as NEM 1.0.

In accordance with Assembly Bill (AB) 327 (Pera, 2013), the Commission directed the Investor-Owned Utilities (IOUs) to transition to a revised NEM tariff (commonly referred to as NEM 2.0). The Commission adopted Decision 16-01-044 in January 2016 to bring about this transition. Pacific Gas and Electric began offering its NEM 2.0 tariff on December 15, 2016. As part of that same decision, the Commission committed to review the NEM 2.0 tariff structure again to contemplate further reform.

Per this commitment, the Commission established Rulemaking 20-08-020 in August 2020 to begin reviewing the impacts of NEM 2.0 to contemplate further revisions. The Commission then issued Decision 21-02-007 in February 2021 to establish guiding principles for the development of a new successor tariff for NEM (commonly referred to as NEM 3.0).

On December 13, 2021, the Commission issued its highly anticipated Proposed Decision to adopt a NEM 3.0 tariff structure. Concurrently with the release of this Proposed Decision, the assigned commissioner for this case, Commissioner Martha Guzman Aceves, provided her notice for leaving the Commission to serve as the Regional Head for the US Environmental Protection Agency (EPA) – Region 9 Pacific Southwest. The Proposed Decision was met with a great amount of ire and public outcry, leading to the Commission to announce on February 7, 2022, that the matter would not be scheduled for a vote by the Commission “until further notice” is provided.

After some time passed, the assigned Administrative Law Judge (ALJ) issued a ruling in June 2022 seeking comment from parties on a limited subset of issues relevant to the case. Once those comments were submitted, the Commission was silent on the matter until it issued its Revised Proposed Decision on November 10, 2022, which was the last working day by which the Commission could provide proper notice for the matter to be voted on during the final Commission voting meeting of the calendar year, occurring on December 15, 2022. Parties had an opportunity to submit comments (on November 30, 2022) and reply comments (December 5, 2022) relating to this revised Proposed Decision. Peninsula Clean Energy, as part of a broader joint CCA group, participated in both comment periods.

DISCUSSION:

Peninsula Clean Energy has been an active party in the NEM 3.0 proceeding since the inception. Peninsula Clean Energy has maintained a limited level of engagement in this proceeding, primarily through joint CCA actions, because the agency recognizes the outcome of this proceeding will likely have some adverse impacts on one subset or another of members within the communities that the agency serves. The Commission’s founding position for the case, that NEM participants are being subsidized by ratepayers that do not participate in NEM, means that pro-solar PV interest groups and low-income advocacy groups are inherently at odds with each other. With the additional layers of anti-distributed energy resource (DER) sentiment from other groups including the IOUs and certain labor unions, this proceeding from its beginning was extremely politically fraught. Those political tensions have only escalated as this case has dragged on for nearly 2-years.

It is the perspective of Peninsula Clean Energy staff, that the Revised Proposed Decision issued by the Commission on November 10, 2022, offers considerable improvements relative to the prior draft issued by the Commission on December 13, 2021. These “improvements” include: (i) the removal of a monthly charge that scales with solar PV array size at the customer’s location; (ii) the removal of an accelerated, forced transition for current NEM participants onto the NEM 3.0 tariff structure; and (iii) the proposal of an improved compensation mechanism for excess solar generation from the prior draft.

With this said, Peninsula Clean Energy staff remains concerned with the potential disruption that this revised tariff may have on the distributed solar PV industry. Furthermore, Peninsula Clean Energy staff believes the Revised Proposed Decision could do more to minimize customer confusion and smooth the transition period between the

NEM 2.0 and 3.0 tariff periods. Peninsula Clean Energy staff, through the Joint CCA comments referenced above, has advocated for targeted changes to the language within the Revised Proposed Decision that would address these concerns.

FISCAL IMPACT:

None.

STRATEGIC PLAN:

Advocating for a fair outcome in potential NEM tariff reform aligns with PCE's Strategic Plan in the following areas:

PUBLIC POLICY: Strongly advocate for public policies that advance Peninsula Clean Energy's Organizational Priorities

Objective A. Regulatory: Educate and engage policymakers to develop policies that support Peninsula Clean Energy's organizational priorities

**PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence**

DATE: December 2, 2022

BOARD MEETING DATE: December 15, 2022

SPECIAL NOTICE/HEARING: None

VOTE REQUIRED: None

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. Please refer to the "Strategic Plan" section below for further information/explanation as to how these activities support Peninsula Clean Energy's strategic plan objectives.

Zero Percent Loan Program and Heat Pump Rebates

These programs were featured in our November Energy Programs Bulletin and will be included again in the December Energy Programs Bulletin. Paid search advertising is underway. Paid search and email marketing have accounted for 60-80% of the visits to these pages on our website.

Electrification Messaging and Campaign Support of Decarbonization

Marketing has started to roll-out messaging centered on encouraging electrification. Messaging is being refined for a campaign. The campaign will support our organizational priority to contribute to our community reaching a goal of 100% greenhouse gas-free for buildings and transportation by 2035.

Used Electric Vehicle (EV) Campaign

A search advertising campaign addressing barriers and benefits of electric vehicles has been underway since November 2021. In November 2022, the campaign achieved over 44,000 impressions and generated nearly 1800 visits to our EV web pages. Current average cost-per-click of \$2.02.

All-Electric Leader Awards Program

Call for applications closed on November 18. The selection panel will review the submissions in January and determine awardees. Awards will be presented at the Sustainable San Mateo County annual to take place in-person on March 30, 2023.

Outreach Grants

We are finalizing a round of grant awards for the 2023 round of this highly successful program, which provides grants to local community-based non-profit organizations that reach out to diverse and hard-to-reach segments of our population. Leveraging trusted relationships with their constituencies, grantee organizations help decipher utility bills, help residents avoid PG&E disconnection, educate residents and influencers about electrification, and promote Peninsula Clean Energy programs. We expect to execute all outreach grant agreements by the end of December 2022 and publicly announce the awardees in a January press release.

Los Banos Update

Our local Los Banos representative Sandra Benetti continues providing information and answering customer questions. She is tabling twice monthly on bill pay dates at Los Banos City Hall and scheduling presentations at local high schools. .

News & Media

Full coverage of Peninsula Clean Energy in the news can be found on our [News & Media](#) webpage.

ENROLLMENT UPDATE

ECO100 Statistics (since November report)

| | |
|--|-------|
| Total ECO100 accounts at end of November: | 6,402 |
| ECO100 accounts added in November: | 26 |
| ECO100 accounts dropped in November: | 29 |
| Total ECO100 accounts at the end of October: | 6,405 |

Enrollment Statistics

Opt-outs during November 2022 were 126, which is 109 fewer than the previous month of October 2022 (235). This includes 80 opt outs in our new service territory of Los Banos during the month of November and 46 from San Mateo County during this month. In December, there have been an additional 15 opt outs from Los Banos and 17 opt out from San Mateo County as of December 7th, 2022. Total participation rate across all of San Mateo County as of December 7th was 96.77%.

In addition to the County of San Mateo, there are a total of 15 ECO100 cities. As of December 7, 2022, the ECO100 towns and cities 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.

| Active Accounts as of December 7th | | | | | | | | |
|------------------------------------|-----------|-----------|--------------|----------------|-----------------------|--------------|----------------|--|
| TOT | RES Count | COM Count | Active Count | Eligible Count | Participation Percent | ECO100 Count | ECO100 Percent | |
| ATHERTON INC | 2357 | 272 | 2629 | 2705 | 97% | 58 | 2% | |
| BELMONT INC | 10689 | 905 | 11594 | 11938 | 97% | 214 | 2% | |
| BRISBANE INC | 1966 | 495 | 2461 | 2524 | 98% | 100 | 4% | |
| BURLINGAME INC | 13353 | 1948 | 15301 | 15704 | 97% | 358 | 2% | |
| COLMA INC | 575 | 291 | 866 | 879 | 99% | 43 | 5% | |
| DALY CITY INC | 30812 | 1996 | 32808 | 34041 | 96% | 115 | 0% | |
| EAST PALO ALTO INC | 7118 | 443 | 7561 | 7941 | 95% | 25 | 0% | |
| FOSTER CITY INC | 13577 | 848 | 14425 | 14856 | 97% | 331 | 2% | |
| HALF MOON BAY INC | 4197 | 628 | 4825 | 4975 | 97% | 140 | 3% | |
| HILLSBOROUGH INC | 3765 | 145 | 3910 | 4041 | 97% | 73 | 2% | |
| LOS BANOS INC | 12842 | 1302 | 14144 | 15332 | 92% | 3 | 0% | |
| MENLO PARK INC | 13948 | 1692 | 15640 | 16017 | 98% | 523 | 3% | |
| MILLBRAE INC | 8776 | 638 | 9414 | 9731 | 97% | 114 | 1% | |
| PACIFICA INC | 13921 | 850 | 14771 | 15410 | 96% | 180 | 1% | |
| PORTOLA VALLEY INC | 1450 | 130 | 1580 | 1688 | 94% | 1499 | 95% | |
| REDWOOD CITY INC | 31313 | 3280 | 34593 | 35521 | 97% | 727 | 2% | |
| SAN BRUNO INC | 14723 | 1055 | 15778 | 16479 | 96% | 96 | 1% | |
| SAN CARLOS INC | 12164 | 2067 | 14231 | 14645 | 97% | 328 | 2% | |
| SAN MATEO INC | 39560 | 3908 | 43468 | 44783 | 97% | 741 | 2% | |
| SO SAN FRANCISCO INC | 21392 | 3086 | 24478 | 25478 | 96% | 124 | 0% | |
| UNINC SAN MATEO CO | 20838 | 2968 | 23806 | 24617 | 97% | 649 | 3% | |
| WOODSIDE INC | 2011 | 217 | 2228 | 2281 | 98% | 62 | 3% | |

Table reflects data as of December 7th, 2022

In the above table, the participation rate for the City of Los Banos is at 92%. This number is slightly lower than the projected participation rate value due to us conducting a rolling enrollment for our NEM customers in Los Banos. Approximately 71 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 in 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 7.5%.

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.

| Item/Project | Objective A: Elevate Peninsula Clean Energy's brand reputation as a trusted leader in the community and the industry | Objective B: Educate and engage stakeholders in order to gather input, inspire action and drive program participation | Objective C: Ensure high customer satisfaction and retention |
|--|--|---|--|
| Social Media Policy | KT3 Tell the story of Peninsula Clean Energy through diverse channels | | |
| Zero Percent Loan and Heat Pump Rebates programs | | KT6: Promote programs and services, including community energy programs and premium energy services | |
| Electrification Messaging Project | | KT5: Provide inspirational, informative content that spurs action to reduce emissions. | |
| EV Campaign | | KT6 (see above) | |
| All-Electric Leader Awards | | KT6 (see above) | |
| Los Banos Update | KT4: Engage community through participation in local events | KT6 (see above) | |
| Los Banos Update | KT4: Engage community through | | |

| | | | |
|----------------------------------|---|--|-----------------------------|
| | participation in local events | | |
| News and Media Announcements | KT1: Position leadership as experts on CCAs and the industry KT2: Cultivate relationships with industry media and influencers KT3 (see above) | | |
| ECO100 and Enrollment Statistics | | | Reports on main objective C |

* "KT" refers to Key Tactic

**PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence**

DATE: December 2, 2022
BOARD MEETING DATE: December 16, 2022
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

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
Zsuzsanna Klara, Regulatory Compliance Analyst

SUBJECT: Update Regarding Regulatory Policy Activities

SUMMARY

Over the last month the Regulatory Policy team continues to be busy. On November 8-9, 2022, the team participated in the California ISO 2022 Stakeholder symposium in Sacramento. Jeremy continued to focus his time across supporting organizational needs and tracking procedural developments relating to the 2023 rate adjustment. Doug has been particularly heavily focused on work to reform the California Public Utilities Commission's (CPUC) Resource Adequacy construct and concepts for ensuring resources are procured within the IRP 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. Zsuzsanna kept working with the Programs team and the Power resources team managing the 2022 compliance filings and started preparing the timeline and task list for the upcoming 2023 filings.

DEEPER DIVE

Regulatory Compliance

On November 4, 2022, Zsuzsanna participated in the 14th Annual Lesley K. McAllister Symposium on Climate and Energy Law. Zsuzsanna continues her work on the Compliance Checklist and Guideline. Zsuzsanna has also started building a database

about counterparty contracts so PCE will have an overview of the living contracts and review contractual obligations. Additionally, she worked with BBW and the Power Resources team on the transmission-related data report for the CEC for the 2023 Integrated Energy Policy Report (IEPR). Lastly, Zsuzsanna presented during a PCE Lunch & Learn about the comparison of the Hungarian and the Californian energy markets, highlighting different approaches to common problems.

Power Charge Indifference Adjustment and 2023 Rates Outlook

Jeremy continues to monitor the various regulatory proceedings impacting PCE's rate outlook for 2023. The primary case relevant to this rate adjustment is the annual Energy Resource Recovery Account (ERRA) Forecast proceeding. The Commission issued its Proposed Decision for this case on November 28, 2022, in which the Commission sided with the CCA parties by denying PG&E's request to impose a 0 ¢/kWh floor on forecasted PCIA rates. The Commission is set to approve this Proposed Decision during their final voting meeting for the calendar year which occurs on December 15, 2022. Based on the latest rate outlook, it continues to look like PG&E's generation rates will be roughly comparable to 2022 rates (averaging around 14¢/kWh) and PCIA rates will likely be decreasing from present rates (~2 to 2.5¢/kWh) to somewhere between 0 and -1¢/kWh. If these rates are implemented this would be the first year in which PG&E's PCIA rates have swung negative while CCAs have been in existence.

(Public Policy Objective A, Key Tactic1)

Transportation Electrification

Matthew continues to lead the group of Joint CCAs engaged in transportation electrification (TE) issues, with the primary focus on the Development of Rates and Infrastructure for Vehicle Electrification Order Instituting Rulemaking (DRIVE OIR), a CPUC docket opened in December 2018. As included in the November Regulatory Policy memo, on Friday, October 14, 2022, the CPUC issued a long-awaited Proposed Decision (PD) in the docket. The DRIVE OIR was opened by the CPUC to address all manner of transportation electrification (TE) issues, with a particular focus on the Transportation Electrification Framework (TEF) which would serve as an overarching policy model for utility investments and rates related to TE. On November 17, despite the objections of several parties, the CPUC adopted a final decision to implement a new behind the meter (BTM) Funding Cycle 1 (FC1) with a total budget of \$1 billion starting in 2025 and ending in 2030. The primary focus of FC1 would be a statewide BTM TE rebate program that will be administered by a single third party, thereby taking the place of individual IOU programs that have traditionally been the primary vehicle for ratepayer-funded TE programs. The FC1 program would exclusively support charging for multi-unit dwellings (MUD) and small medium duty and heavy duty (MHDH) fleets.

The Joint CCAs' engagement in the PD focused primarily on the proposed Locally Invested Transportation Electrification (LITE) Pilot Program. The final decision retains that the Program will allow CCAs and community benefit organizations (CBOs) to submit to

receive funding to administer locally focused innovative pilots aimed to advance TE among underserved communities. The Decision also directs the IOUs to coordinate with the relevant CCA in the delivery of technical assistance for participating customers that are also CCA customers.

The final Decision incorporated several amendments to the LITE program which were originally proposed by the Joint CCAs in comments. Among those amendments are the following pilot process improvements: (i) lengthening the pilot implementation period from two to three years; (ii) clarifying the contracting process for selected pilot administrators; (iii) clarifying that the CPUC's Energy Division will play a direct role in evaluating proposed pilots, thereby limiting the possibility of the IOUs exerting unilateral control over approval for CCA pilot proposals; (iv) making reasonable adjustments to limit the documentation required to submit a proposal; (v) limiting IOU involvement in the implementation of selected proposals to give the administrators of the pilots more autonomy; and (vi) giving the CPUC the flexibility to extend pilots or modify pilots after the first implementation phase.

The Decision did not address other regulatory process issues raised by the Joint CCAs in opening comments. The Decision remains silent with regards to the many arguments raised by the Joint CCAs throughout the proceeding's record as to why the CCAs should be permitted to serve as Program Administrators (PAs) subject to the same regulatory compliance standards as the IOUs and allowing CCAs to seek CPUC-regulated ratepayer funding for their approved programs and investments.

During the CPUC voting meeting, Commissioner Rechtschaffen, lead commissioner in the DRIVE OIR, suggested that interconnection issues for electric vehicle infrastructure may be the next topic that will be addressed in this docket.

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

Integrated Resource Planning & Resource Adequacy

The Resource Adequacy (RA) proceeding concluded the working group workshop series earlier this month. The Final Workshop paper summarizing the proposals made during these workshops, was released November 15, 2022. Dr. Karpa developed technical comments to support a higher valuation of variable renewable resources. He also worked with CalCCA on crediting and implementation issues.

The Integrated Resource Plan (IRP) proceeding has focused on developing a program to ensure the state's load serving entities procure resources going forward to ensure both reliability and greenhouse gas targets. Dr. Karpa has been intensively involved in a proposal for all LSEs to build their fair share of clean resources going forward and to develop appropriate enforcement mechanisms that will not severely distort the market.

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

STAKEHOLDER OUTREACH

Dr. Karpa hosted Peninsula Clean Energy's regular monthly call with environmental justice and environmental advocates and other CCA staff on November 16, 2022. The conversation focused on concepts and concerns around clean energy procurement and solving issues surrounding local reliability, which may force keeping older gas plants open. (Public Policy Objective A, Key Tactic 2)

FISCAL IMPACT

Not applicable.



**PENINSULA CLEAN ENERGY AUTHORITY
Board Correspondence**

DATE: December 2, 2022
BOARD MEETING DATE: December 15, 2022
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

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 – End of 2022 Session:

The 2022 session of the California Legislature ended on August 31. The Legislature adjourned until December 5, 2022. On that date the 2023 session will commence with the administration of oath to the newly elected members.

RECENT DEVELOPMENTS IN SACRAMENTO:

On October 7, Governor Newsom called for a special legislative session to address rebates to offset ever increasing prices for gasoline, with the rebates to be funded by a windfall profits tax on oil companies. The Governor called for a special session that would commence on December 5, timed to coincide with the swearing-in of the new Legislature and the start of the new legislative session. The special session would run concurrent with the new legislative session.

On October 17, Governor Newsom announced that the COVID-19 State of Emergency will end on February 28, 2023. In so doing the Governor offered that this timeline would provide the healthcare system with flexibility to handle any potential surge in COVID-19 cases during the winter months and give sufficient time to prepare for the phaseout of the emergency order.

Of significance to local government, including Peninsula Clean Energy, the termination of the State of Emergency will end the suspension of the Brown Act that has enabled virtual attendance at meetings by elected officials from undisclosed, remote locations. Peninsula Clean Energy staff has been researching the possibility that legislation may be introduced during the 2023 session that would extend these provisions.

On November 20 the United States Department of Energy announced that \$1.1 billion would be made available to support the extension of the Diablo Canyon Nuclear Power Plant.

On November 30 the Governor officially proclaimed a special session of the Legislature to commence on December 5 to, in his words, “to pass a price gouging penalty on oil companies that will keep money in Californians’ pockets.” In response, legislative leaders stated that they looked forward to reviewing the Governor’s detailed proposal. It is not expected that substantive action will take place on any proposals prior to January.

2022 General Election

The 2022 General Election results bring several changes in the state and federal representation of jurisdictions in Peninsula Clean Energy’s service territory. In Congress, Kevin Mullin will be taking over for Jackie Speier as representative for most of San Mateo County. Anna Eshoo will continue representing the balance of the county. In a race that has not yet been called, either Adam Gray or John Duarte will replace Jim Costa as Los Banos’ member of Congress.

Peninsula Clean Energy’s state Senate delegation remains unchanged. The area will continue to be represented by Senators Wiener, Becker, and Caballero.

In the state Assembly, Diane Papan will take the seat that had been held by Kevin Mullin. Esmerelda Soria, a member of the Fresno City Council, was elected to represent Los Banos in the Assembly, a position previously held by Adam Gray. Assemblymembers Phil Ting and Marc Berman were re-elected.

While some results are still not certain, it appears at this time that there will be 22 new members of the state Assembly, of which 18 have CCAs in their district. Of the 11 new state Senators, 8 have CCAs in their district.

A LOOK AHEAD AT 2023 LEGISLATIVE ACTIVITY IN SACRAMENTO:

In November, the Assembly Democratic Caucus reached an agreement whereby current Assembly Speaker Anthony Rendon will remain in that post until June 30, 2023. The state’s 2023-24 budget will almost certainly be adopted while Mr. Rendon is Speaker. However, in recent years there have been budget trailer bills of great significance and those will likely not be voted upon until later in the summer.

Under the agreement reached by the Caucus, on July 1, 2023, Assemblymember Robert Rivas will assume the Assembly Speakership. The timing of the transition means that Mr. Rivas, who represents CCAs and many rural areas in the state including portions of Santa Clara, San Benito, Santa Cruz, and Monterey counties, will be taking over when most bills that originated in the Senate are being considered in the Assembly. The change in Speaker could lead to transitions in the composition of Assembly committees.

The vote to confirm this Assembly leadership arrangement is scheduled to take place on December 5, the date upon which the Legislature is scheduled to convene the 2023 legislative session. At that time, the members of the Legislature who are beginning new terms are sworn into office, there is an opportunity to introduce legislation and new legislators may begin to retain staff.

Once the legislative leadership is in place, committee chairs and members are appointed. Of keen interest to Peninsula Clean Energy is the vacancy in the chair position on the Senate Committee on Energy, Utilities and Communications. There will also be at least 3 seats to be filled on the Senate Committee on Energy, Utilities and Communications and 4 vacancies on the Assembly Committee on Utilities and Energy.

Peninsula Clean Energy has begun meeting with legislators and their staff to discuss legislative initiatives for 2023, an effort that will continue as legislators take their seats and staff are employed.

Already identified by Governor Newsom as a concern for the coming year is the likelihood of a shrinking state budget. Capital gains taxes constitute a significant source of state revenues.

The tentative 2023 legislative calendar was recently released. The Legislature will reconvene in Sacramento on January 4. The Governor's 2023-24 initial budget proposal will be made public on or before January 10.

(Public Policy Objective B, Key Tactic 1)

**PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence**

DATE: Dec. 2, 2022
BOARD MEETING DATE: Dec. 15, 2022
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

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. Highlights from Prior Month
2. Building and EV Reach Codes
3. Buildings Programs
 - 3.1. Appliance Rebates and On-Bill Financing
 - 3.2. Low-Income Home Upgrades & Electrification
 - 3.3. Building Pilots
 - 3.4. Refrigerator Recycling
4. Distributed Energy Programs
 - 4.1. Local Government Solar
 - 4.2. Power On Peninsula – Homeowner
 - 4.3. FLEXmarket
 - 4.4. Community Solar, DAC-GT
5. Transportation Programs
 - 5.1. “EV Ready” Charging Incentive
 - 5.2. Used EV Rebate
 - 5.3. EV Ride & Drives/EV Rental Rebate
 - 5.4. E-Bikes for Everyone Rebate
 - 5.5. Municipal Fleets
 - 5.6. Transportation Pilots

DETAIL

1 Highlights from Prior Month

- New program launch: Public EV Fleets now open for applications
- 7 reach codes adopted in November
- 8 EV charging stations installed in EV Ready

2 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.

SVCE and Joint Venture Silicon Valley are planning a webinar in September specifically for local elected officials on new and existing building Reach Codes. San Mateo elected officials will be invited to attend.

Model Code Summary

- New construction building electrification codes require all-electric and include a menu of exceptions for cities to choose from
- New construction EV codes are the same as last cycle for most building types, requiring more access than the state code. Multi-family buildings are required to provide at least one level 2 charging access point for every dwelling unit. 15% must be Level 2 charging stations. 85% can be low-power Level 2 EV ready.
- Existing building model codes provide a full menu of options for cities to choose from, including: end of flow requirements, time-of-replacement mandates, time of sale disclosure requirements, and a requirement to upgrade existing EV-capable circuits to EV-ready by a time-certain deadline.

Status:

- **City Progress:** Most cities with reach codes from the prior cycle have begun the renewal process. The following cities are currently advancing code updates:
 - New construction:
 - Adopted: Atherton, Brisbane, Burlingame, Half Moon Bay, Hillsborough, Menlo Park, Pacifica, Portola Valley, Redwood City, San Bruno, San Carlos, San Mateo
 - First reading approved: Belmont, Daly City, Millbrae
 - In Progress: Colma, County of San Mateo, East Palo Alto, South San Francisco.

- Existing buildings:
 - Adopted: Portola Valley, City of San Mateo
 - Exploring: Colma, San Carlos

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

3 Buildings Programs

3.1 Appliance Rebates and Zero Percent Loans

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 (HPWH) rebates on January 01, 2021. Peninsula Clean Energy rebates were exclusively offered in partnership with BayREN's Home+ program, which offers additional rebates for HPWHs that are combined with Peninsula Clean Energy's. Additionally, in August 2021, the Board approved an On-Bill Financing program (now referred to as the Zero Percent Loan program) with \$1.0 million in loan capital (treated as a balance sheet asset and not part of the annual budget). The program offers qualified residential customers a 0% interest loan up to \$10,000 to fund the cost of eligible electrification and complementary electrical and energy efficiency upgrades.

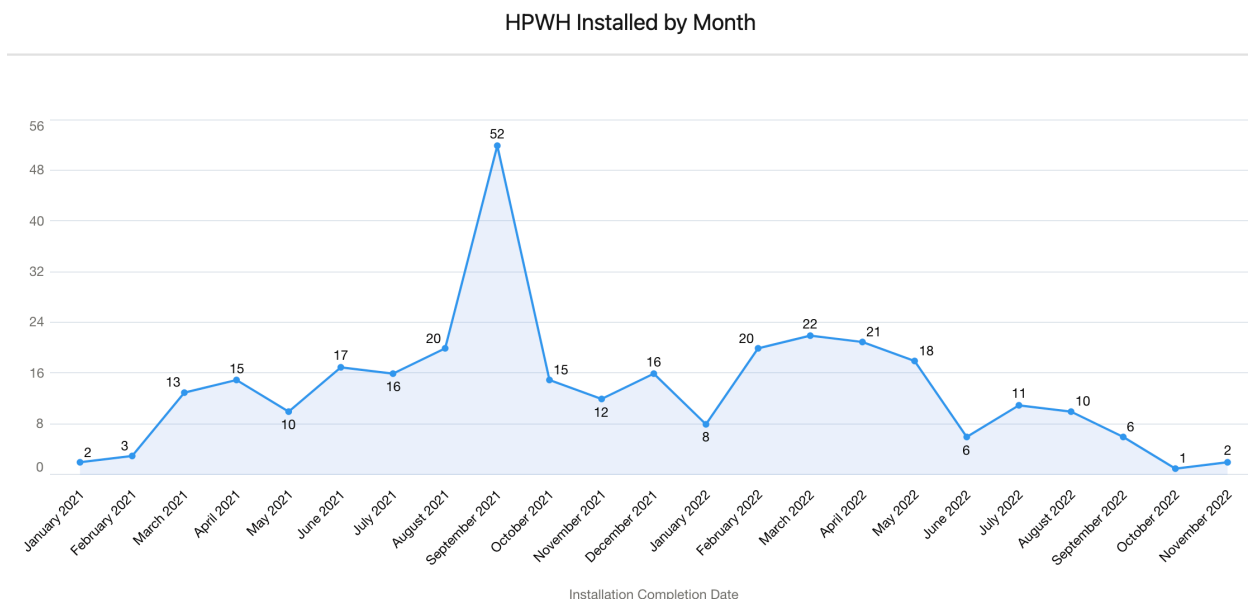
On October 17, 2022, Peninsula Clean Energy launched its Zero Percent Loan program and rolled out modifications and enhancements to the Appliance Rebates Program including increasing its HPWH rebate, launching a new heat pump heating ventilation and air conditioning (HVAC) rebate, adjusting the eligibility criteria for its electrical panel upgrade bonus rebate, and creating a rebate application process for customers not working with BayREN contractors, while still maintaining the integrated application process with the BayREN Home+. These modifications were made to A) bring fuel switching/electrification to at least cost parity with gas replacements, B) backstop the loss of state incentives, and C) support the adoption of existing building reach codes.

Status: The below table summarizes the number of rebates issued as of November 3, 2022.

| Measure | Count |
|------------------------|--|
| HPWH rebates | 317 (see chart below for detail, note reporting lags 2-3 months from installation) |
| Heat pump HVAC rebates | 4 |

| | |
|--------------------------|----|
| Electrical panel rebates | 51 |
|--------------------------|----|

These rebates amount to \$462,000 or 16% of the total program budget.



The table below summarizes the status of the zero percent loan program as of November 3, 2022.

| Metric | Count |
|---------------------------------------|-------|
| Applications received | 13 |
| Applications approved / loans secured | 7 |
| Loans issued | 0 |

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

3.2 (Low-Income) Home Upgrade Program

Background: In May 2020, the Board approved \$2 million for implementing a turnkey 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 currently available data.

| Stage/category | #s as of October 31, 2022 |
|---------------------------|---------------------------|
| Leads | 1,394 |
| Reached | 505 |
| Pre-assessments | 327 |
| Enrolled | 230 |
| Installations in progress | 22 |
| Fully complete | 77 |

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

| Measure | Count |
|---|-------|
| Heat pump water heater | 31 |
| Induction cooktop/range | 23 |
| Electric dryer | 20 |
| Central or mini split heat pump (HVAC) | 3 |
| Window or wall mounted heat pump (HVAC) | 11 |
| Portable heat pump (HVAC) | 20 |

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

3.3 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 (no updates from last month): 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 September 7, 2022, all four homes have had their system installed. 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 third meeting on August 31, 2022, following the second meeting on June 2, 2022 and 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. Senator Josh Becker toured a Harvest Thermal home and Home Upgrade home on July 20th 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

3.4 Refrigerator Recycling

Background: In April 2019, Peninsula Clean Energy launched a small turnkey refrigerator recycling program with a budget of \$75,000 as part of the Community Pilots program. The program administrator, ARCA Recycling, manages orders intake, pick up scheduling, and rebate processing. The objective of the program is to capture high impact greenhouse gas gases from old appliances by facilitating proper recycling of the appliance's refrigerants and foaming agents for insulation (which also continue refrigerants). The initial program budget was exhausted in May but in June 2022, following Board approval, staff executed a contract amendment to continue, and expand the program with an additional budget of \$200,000 over three years (FY23-FY25). 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.

Status: Since inception in April 2019 and as of October 31, 2022, the recycling program has recycled 694 refrigerators and freezers resulting in approximately 1,000 MTCO₂e in greenhouse gas reduction.

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

4 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.

4.1 Solar and Storage for Public Buildings

Background: The Solar and Storage for Public Buildings (formerly called 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. Peninsula Clean Energy 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 15 sites. Commitments for the projects were secured from all 13 local governments. A Request for Proposals for equipment was conducted and closed in August.

Status: Please see separate memo for current program status.

4.2 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 and electricity prices are high. This will also help Peninsula Clean Energy to reduce its peak load and thereby reduce our resource adequacy requirements.

Status (no updates from last month): The program has commenced dispatching customer batteries in the evening to help reduce Peninsula Clean Energy's net peak. Sunrun is continuing to enroll new customers throughout 2022. The program is being impacted by supply chain issues including contractor, materials, and product supply and cost. Sunrun has significantly increased effective dispatch of battery systems as part of the Peninsula Clean Energy Load Modification agreement and this dispatch has been very supportive of state needs during recent statewide Flex Alerts.

4.3 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 is also being implemented by East Bay Community Energy and Sonoma Clean Power. 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 (no updates from last month): In September, Peninsula Clean Energy and Calpine signed the Second Amendment to the Master Services Agreement to enable the development and launch of the FLEXmarket program. Staff is planning to launch the residential FLEXmarket program in early Q1 2023, with the commercial program intended to follow shortly thereafter. Detailed program design is ongoing.

4.4 Community Solar, DAC-GT

Background: The Disadvantaged Communities Green Tariff program ("DAC-GT") and associated Community Solar Green Tariff ("CSGT") are community solar programs developed by the California Public Utilities Commission (CPUC) to enable DAC residents to participate in renewable energy projects, and to promote development of renewable projects in DACs. Participating customers will receive a 20% discount on their full electric bill (PG&E and Peninsula Clean Energy charges). Peninsula Clean Energy administers these programs on behalf of its customers.

Peninsula Clean Energy began enrolling DAC-GT customers in San Mateo County in January 2022 and customers in Los Banos in April 2022. Those customers are currently served by an interim resource procured from Marin Clean Energy pending Peninsula Clean Energy's procurement of a new renewable resource for the program.

Per the CPUC DAC program guidelines, Peninsula Clean Energy is authorized to procure up to 3MW of solar capacity. Until a new solar resource is procured, Peninsula Clean

Energy will serve customers from MCE's interim resource. Peninsula Clean Energy executed a PPA with Marin Clean Energy for its existing Goose Lake Solar project, which meets DAC program guidelines, to provide for its DAC customers until a permanent resource is procured.

Status (no updates from last month): Peninsula Clean Energy signed a PPA with Renewable America, LLC for a 3MW solar resource located in Dos Palos, CA, approximately 15 miles southeast of the City of Los Banos. The Dos Palos Clean Power solar project has a Commercial Operation Date of August 1, 2023.

Strategic Plan

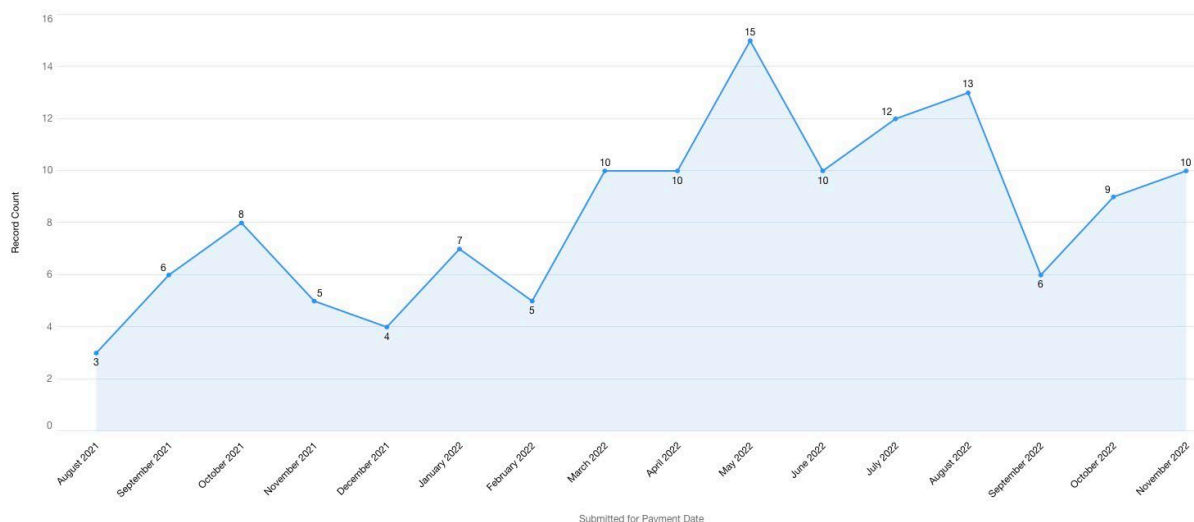
- Distributed Energy Resources: Support strategic decarbonization and local power
 - Key Tactic 1: Create minimum of 20 MW of new local renewable power sources in PCE service territory by 2025
 - Key Tactic 2: Support distributed energy resources to lower costs, support reliability, and advance distributed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

5 Transportation Programs

5.1 Used EV Rebate Program

Background: Launched in March 2019, the Used EV Rebate Program (formerly referred to as "DriveForward Electric") provided 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 and Los Banos residents, while maintaining the increased incentives for income-qualified residents. 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. In March 2022, staff made modifications to the program to adjust to market conditions (i.e. high used vehicle prices). Modifications included raising the eligible vehicle price cap from \$25,000 to \$35,000 and increasing the rebate amount for income-qualified residents by \$2,000 taking the maximum rebate amount to \$6,000.

Status: Since the re-launch of the program in August 2021 and as of December 2, 2022, 132 rebates have been provided under the new program (see monthly chart below) and 300+ customers are actively in the pipeline (customers must apply prior to purchase). Since the increased incentives were put in place in March, the program has a substantial increase in applications, doubling the pace from prior months.



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

5.2 “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 was previously 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. In August, Peninsula Clean Energy elected to directly administer the not yet approved pool of funds that were previously administered through CALeVIP, worth approximately \$4 million, further described below.

Status: The program has been significantly impacted by partner and supply chain issues including contractor scheduling materials, and product supply and cost. To address these issues, Peninsula Clean Energy implemented changes in August to expedite installations.

These include providing customers with greater flexibility in selecting contractors, adjusted incentive levels to account for rising costs, and direct management of all Level 2 projects not already approved by the Center for Sustainable Energy in the CALeVIP program (worth approximately \$4 million in funding). The CALeVIP projects were notified in late August and are in the process of transferring to PCE direct management.

The program changes were implemented, beginning on August 17, and projects that were in the CALeVIP pipeline were asked to reapply for incentives directly with Peninsula Clean Energy. Peninsula Clean Energy also provided outreach to public agencies and other stakeholders to encourage new sites to apply for these incentives. Since the changes were implemented in mid-August, there has been significant uptake in the program, such as

- 46 active applications received, representing ~\$2.9m in incentives and 600+ ports (289 L1, 394 L2 chargers, 32 L2 outlets, and 19 make ready)
- 9 current public agency applications .
- 38 new sites have enrolled in technical assistance

Summary of program metrics is outlined in the table below:

| | Sites/ Applications | Ports | Incentive Amount |
|---|---------------------|--------|------------------|
| # of sites in PCE Technical Assistance | 169 | 1,100+ | - |
| # of Technical Assistance site evaluations approved by PCE | 119 | 1,243 | - |
| # of active funding applications received in Peninsula Clean Energy incentive program | 83 | 1,300 | \$4.5 million |
| # of funding applications approved in Peninsula Clean Energy incentive program | 70 | 1,099 | \$3.4 million |
| # of CALeVIP applications approved* | 49 | 763 | |
| Total # of ports installed | 18 | 290 | \$1.1 million |

*Includes DCFC and L2 ports: 258 DCFC, 505 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

5.3 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, approved an increase of an additional \$300,000 in December 2022, and approved a further increase of \$150,000 in August 2022, bringing the total program budget to \$750,000. The first phase of the program launched in May 2021 and sold out immediately and provided 275 rebates. The second phase is currently underway and will provide up to 470 rebates, including the additional funding approved by the Board of Directors in August to cover the waitlist. 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-Bike Annex.

Status (no updates since last month): The second round of the program has closed. 235+ e-bikes have been purchased. The prior round utilized more targeted outreach with community partners and a lottery method for awarding incentives rather than the first-come, first-served method used in 2021. Participation has dropped off considerably with approximately \$240,000 in funds remaining. Staff are planning to reopen the program in early 2023 for new applicants, utilizing the remaining funds.

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

5.4 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. In August 2022, the Board of Directors approved a contract with Optony to assist in administration of this program.

Status: The program has now started. A workshop was held on November 16 to promote the program and recruit local agency fleet managers. Applications are now open, details and application link at pencleanenergy.com/PublicEVFleets.

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

5.5 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 (no updates since last month): The 100 EV fleet has been put into service by Lyft and Peninsula Clean Energy is monitoring progress. 200+ unique drivers have already rented them, with each rental averaging over three months. Over 2 million all electric miles have been driven so far with an average of 120 miles/day per vehicle, comparable to gas counterparts. Vehicles include a customer-facing PCE branded placard that informs riders about the pilot and directs them to the PCE website for more information.

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

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

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’ 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. In November, the Board approved a contract up to \$220,000 with ev.energy as the platform provider for EV managed charging services.

Status: Following Board approval of the contract with ev.energy, which is the selected managed charging platform, the project commenced on December 1. The platform and data warehouse systems development have already begun and will be completed in the new year. Large-scale recruitment will occur in Q2 2023 with the goal of recruiting at least 1,000 customers for the pilot. 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, additional meetings to be scheduled shortly. The pilot is expected to launch in Q2 2023.

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

**PENINSULA CLEAN ENERGY
JPA Board Correspondence**

DATE: December 2, 2022
BOARD MEETING DATE: December 15, 2022
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors
FROM: Jan Pepper, Chief Executive Officer
SUBJECT: Energy Supply Procurement Report – December 2022

BACKGROUND

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

DISCUSSION

| Execution Month | Purpose | Counterparty | Term |
|------------------------|--|-----------------------|-------------|
| December | Power Purchase Agreement | CalWind, Inc. | 3 Years * |
| December | Purchase of Import Allocation Rights for Resource Adequacy | San Jose Clean Energy | 12 Months |
| December | Sale of Import Allocation Rights for Resource Adequacy | San Jose Clean Energy | 12 Months |

** Pending execution by 12/16/22*

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.
- 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.

Table 1:

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

- 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 September and October support the Power Resources Objective A for Low Cost and Stable Power: Develop and implement power supply strategies to procure low-cost, reliable power.

California Community Power

70 Garden Court, Suite 300, Monterey, CA 93940 | cacommunitypower.org

TO: CC Power Board of Directors and Alternates

DATE: 11/16/2022

FROM: Tim Haines – Interim General Manager

SUBJECT: Report on CC Power Regular Board of Directors Meeting – November 16, 2022

The CC Power Board of Directors held its regularly scheduled meeting on Wednesday, November 16, 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>

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 October 16, 2022.
 - Resolution 22-11-01 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
- **General Counsel Update on End of COVID-19 State of Emergency in California** – General Counsel Iles informed the Board that the Covid-19 State of Emergency will end on February 28, 2023. Miss Iles explained that CC Power will return to in-person meetings or comply with teleconference noticing requirements under the Brown Act. The Board had several questions and clarifying comments. The Chair requested the discussion continue at the December Board meeting.
- **Update from Strategic Business Plan ad hoc Committee** – The Interim General Manager and Phyllis Currie, CC Power consultant leading the planning effort, reviewed the draft 3-year Strategic Business Plan with the Board. The draft is the culmination of the ad hoc Committee reflection on Board Member and other interviews and Board feedback taken during the September and October public meetings. The plan sets forth the Board's strategic priorities and provides a roadmap for the full-time General Manager in developing an action plan and the 12-month budget effective in July 2023. The Board provided suggestions that will be incorporated in the final Strategic Business Plan.
- **Update from General Manager Search ad hoc Committee** – Chair Syphers, Vice-Chair Mitchell and Board Member Chaset are the Committee members. Chair Syphers updated the Board on the Committee plans and reviewed Resolution 22-11-02. Per the resolution, the Committee will select a recruiter, do outreach for interested candidates and return to the Board with final candidates.

A Joint Powers Agency whose members are:

Central Coast Community Energy | CleanPowerSF | East Bay Community Energy | MCE | Peninsula Clean Energy | Redwood Coast Energy Authority | San José Clean Energy | Silicon Valley Clean Energy | Sonoma Clean Power | Valley Clean Energy

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

ESS – Energy Storage Systems
ESSA – Energy Storage Services Agreement
ERRA – Energy Resource Recovery Account
EV – Electric Vehicle
EVSE – Electric Vehicle Supply Equipment (Charging Station)
FERA- Family Electric Rate Assistance Program
FERC – Federal Energy Regulatory Commission
FFS – Franchise Fee Surcharge
GHG – Greenhouse gas
GHG-Free – Greenhouse gas free
GTSR – Green Tariff Shared Renewables
GWh – Gigawatt Hours (Energy) = 1000 MWh
IDER – Integrated Distributed Energy Resources
IOU – Investor-Owned Utility (e.g. PG&E, SCE, SDG&E)
IRP – Integrated Resource Plan
IVR – Interactive Voice Response
ITC – Investment Tax Credit (it's a solar tax credit)
JCC – Joint Cost Comparison
JPA – Joint Powers Authority
JRC – Joint Rate Comparison
JRM – Joint Rate Mailer
kW – kilowatt (Power)
kWh – Kilowatt-hour (Energy)
LDS – Long Duration Storage
LDES – Long Duration Energy Storage
LIHEAP- Low Income Home Energy Assistance Program
Load Shaping – changing when grid energy is used
LSE – Load Serving Entity
MCE – Marin Clean Energy
Methane Gas - formerly known as 'natural gas'
Microgrid – building or community energy system
MW – Megawatt (Power) = 1000 kW
MWh – Megawatt-hour (Energy) = 1000 kWh
MUD – Multi-unit Dwelling
NBCs – non-bypassable charges
NEM – Net Energy Metering
NERC – North American Electric Reliability Corporation
NDA – Non-Disclosure Agreement
NG – Natural Gas
OBF – On-bill Financing
OBR – On-bill Repayment
OES – Office of Emergency Services
OIR – Order Instituting Rulemaking
PACE – Property Assessed Clean Energy
PCC – Portfolio Content Category (aka "buckets") – categories for RPS compliance
PCC1 – Portfolio Content Category 1 REC (also called bucket 1 REC)
PCC2 – Portfolio Content Category 2 REC (also called bucket 2 REC)
PCC3 – Portfolio Content Category 3 REC (also called bucket 3 REC or unbundled REC)

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