

## Regular Meeting of the Executive Committee of the Peninsula Clean Energy Authority (PCEA) Minutes

Monday, November 7, 2022  
10:00 a.m.  
Zoom Video Conference and Teleconference

### **CALL TO ORDER**

Meeting was called to order at 10:01 a.m. in virtual teleconference.

### **ROLL CALL**

#### **Participating Remotely:**

Rick DeGolia, Atherton, *Chair*  
 Julia Mates, Belmont  
 Donna Colson, Burlingame, *Vice Chair*, arrived at 10:05 a.m.  
 Giselle Hale, Redwood City  
 Marty Medina, San Bruno  
 Laura Parmer-Lohan, San Carlos  
 Rick Bonilla, San Mateo  
 Jeff Aalfs, Portola Valley, arrived at 10:03 a.m.

Pradeep Gupta, Director Emeritus  
 John Keener, Director Emeritus

#### **Absent:**

Dave Pine, San Mateo County

**A quorum was established.**

### **PUBLIC COMMENT**

None

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

**MOTION:** Director Hale moved, seconded by Director Parmer-Lohan to set the Agenda and approve Agenda Item Numbers 1-2

1. Adopt Findings Pursuant to AB 361 to Continue Fully Teleconferenced Committee Meetings Due to Health Risks Posed by In-Person Meetings
2. Approval of the Minutes for the October 12, 2022 Executive Committee Meeting

**MOTION PASSED: 7-0 (Absent: San Mateo County, Burlingame)**

<b>JURISDICTION</b>	<b>BOARD MEMBER</b>	<b>YES</b>	<b>NO</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
San Mateo County	Director Pine				X

Atherton	Director DeGolia	X			
Belmont	Director Mates	X			
Burlingame	Director Colson				X
Redwood City	Director Hale	X			
San Bruno	Director Medina	X			
San Carlos	Director Parmer-Lohan	X			
San Mateo	Director Bonilla	X			
Portola Valley	Director Aalfs	X			
	Totals	7			2

### **REGULAR AGENDA**

#### 3. Chair Report

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

#### 4. CEO Report

Jan Pepper, Chief Executive Officer, gave a presentation covering staffing updates, a recap of the October all-staff meeting, the upcoming Public Fleets Webinar on November 16<sup>th</sup>, information on the 2023 All-Electric Leadership Awards, and information on sites for round 2 of the Solar + Storage program.

#### 5. Discussion on Distributed Energy Resources (DER) Discussion at the California Public Utilities Commission (CPUC)

Chair DeGolia introduced the item and explained that Michael Closson, a prior Chair of the Citizens Advisory Committee, was contacted by the California Public Utilities Commission (CPUC) regarding the expansion of Distributed Energy Resources (DER) programs in California communities led by the Investor-Owned Utilities (IOUs). Mr. Closson was concerned that the presentation didn't appear to include Community Choice Aggregators (CCAs).

Michael Closson explained that he joined the meeting on October 19, 2022 and shared updates on Peninsula Clean Energy regarding building electrification, electric vehicles and developing local solar. Michael explained that it seemed as though the IOUs were considering developing a program that would compete with work Peninsula Clean Energy and other CCAs were already doing.

Jan Pepper, Chief Executive Officer, noted that Peninsula Clean Energy is engaged in the High DER Grid Planning Proceeding with the CPUC and that it would be concerning if the IOUs were planning on doing the DER installations themselves.

Jeremy Waen, Director of Regulatory Policy, added that this is related to the High DER docket on what structural changes need to take place within the utilities to enable a distribution grid that supports high DER deployment including changes to business model and market structure for the utility as well as rates and other components to accelerate the deployment of DER. Jeremy added that Peninsula Clean Energy is a party in the case as part of a joint effort with a number of CCAs.

Chair DeGolia noted that it is important that the CPUC ensures the energy grid can support DER and support high DER planning. Chair DeGolia explained that DER is both a grid management issue and a generation issue which directly involves Peninsula Clean Energy.

Director Emeritus Gupta noted that the presentation from the CPUC included integration and optimization as broad objectives, which could impinge on programs that Peninsula Clean Energy is already involved in. Director Emeritus Gupta also noted that electric vehicle charging, and storage of clean energy will affect the grid use and that changes to the grid should be studied carefully.

Director Aalfs asked if two regulatory mechanisms, Federal Energy Regulatory Commission (FERC) Order 1000 and transmission access charge (TAC) reform, are part of the proceeding.

Jeremy responded that he didn't believe these two items were at the core of the proceeding. Jeremy added that this proceeding has a very broad scope and has been moving at a slow pace, with a section of the case looking at utility market structure and business roles while the FERC model focuses on distribution. Jeremy also added with the uptick of electric vehicles, there is a chance to deploy more resources to have control over distributed generation and storage to help provide some smoothing and optimization of the grid.

Chair DeGolia responded that his concern is that the CPUC's language is focusing on the IOUs. Chair DeGolia suggested that this item could provide awareness and encouraged Board members to be involved in the proceedings. He also hoped to see more involvement from municipal utilities and other CCAs.

Director Bonilla shared that there are 26 CCAs in California and that is it important they are not left out of the equation. Director Bonilla asked about CalCCA's position.

Jan shared that 30% of the electric customers in California are CCA customers. Jeremy added that this is a joint CCA venture, but that CalCCA has kept some distance from the case, though as things progresses there can be a renewed push for a trade organization level engagement.

Doug Karpa, Senior Regulatory Analyst, added that 6 CCAs are working together including San Diego Community Power, Peninsula Clean Energy, Silicon Valley Clean Energy, Marin Clean Energy, Sonoma Clean Power and San Jose Clean Energy.

Chair DeGolia asked staff to return with direction to get Board members and CAC members involved in the public meetings that the CPUC is holding.

## 6. Discussion on Potential Need for a Policy Regarding Emeritus Board Members

Jan Pepper, Chief Executive Officer, provided background on the Emeritus Directors positions and noted that there will be several changes in Board composition for 2023.

Vice Chair Colson asked: if there are term limits, a certain number of directors emeritus, and a fairness element as talking points and pointed out that it is good governance to have established processes and procedures.

Chair DeGolia noted that this business is very technical and challenging and suggested reprising the classes Pradeep Gupta provided 4 or 5 years ago.

Director Bonilla shared that it would be good governance to have a policy for director emeriti, including how many emeriti are included in an already large Board meeting group.

Vice Chair Colson suggested a Board subcommittee to discuss this topic in a smaller context and make a recommendation to the Board. Vice Chair Colson noted that an option of creating a subcommittee comprising of directors' emeritus creates additional work for Staff.

Director Hale suggested exploring options like the Citizens Advisory Committee and noted that one of the most valuable uses with these experienced members is on subcommittees doing the deep work.

Chair DeGolia agreed with creating a subcommittee and asked for volunteers. Vice Chair Colson, Director Hale, and Director Bonilla offered to assist.

Vice Chair Colson suggested additional members on the subcommittee who are not leaving the Peninsula Clean Energy Board in 2023.

Jan suggested that the current Directors Emeriti: Pradeep Gupta or John Keener, also be included.

Director Mates suggested to put this request out to the full Board so others can participate, including some who haven't participated in other committees.

Jennifer Stalzer, Associate General Counsel, asked for clarification on the duration of this subcommittee.

Chair DeGolia suggested this be a one-off discussion with no majority on the Board as to not create a Brown Act violation.

Director Emeritus Keener noted that he would be happy to assist on the subcommittee.

## 7. Discussion on Negative Power Charge Indifference Adjustment (PCIA) Rates

Jeremy Waen, Director of Regulatory Policy, explained the outlook for the 2023 rate change including high gas prices and the power charge indifference adjustment (PCIA) being an integral part of rate setting. Jeremy explained that PCIA rates have been low and that the forecast for brown power prices versus actual market prices did not predict the high level of market prices. Jeremy explained that a credit will offset rates in the coming year and that brown power prices continue to be high, so the forecast is expected to keep them high. Jeremy explained that in 2024 the rates may swing upward due to discrepancies in the forecast and that in previous years the California Public Utilities Commission directed the utilities to update their forecasts and he could foresee that happening again. Jeremy explained that due to the high brown power prices, the PCIA rates could be close to zero or slightly negative, which is the first time these rates have gone negative.

Director Aalfs asked if Southern California Edison (SCE) departees are seeing a larger PCIA credit. Jeremy explained that SCE's rates went negative earlier in the year.

Chair DeGolia suggested doing a deeper dive on how to deal with the variance from budget generated by the lower PCIA and suggested that a discount or one-time refund might generate positive press.

#### 8. Discussion on Remote Meetings Following the Proposed End to the Covid-19 Pandemic in February 2023

Jan Pepper, Chief Executive Officer, explained that Governor Newsom plans to end the COVID-19 State of Emergency on February 28, 2023 which will end fully remote meetings through AB 361. This would mean that all electeds would be required to show up in-person for meetings. Jan mentioned that available meeting spaces should also be something to be considered.

Jennifer Stalzer, Associate General Counsel, explained the Governor's decision to lift the State of Emergency reverts the Brown Act to pre-March 2020 as there has been no legislation crafted or approved to allow for hybrid meetings. Jennifer added that to be remote under the Brown Act requires posting an agenda outside your meeting place and allowing the public inside, which limits hybrid options.

Chair DeGolia asked about non-Board members and the general public's participation. Jennifer explained that we have to have the modality for everyone to participate in person, but remote participation is allowed.

Director Hale shared that bills proposed by Redwood City were blocked by the Local Government Committee but emphasized that keeping track of both Board member and members of the public attendance at our public meetings. Director Hale also shared that keeping this item as part of our legislative agenda is important to come up with a solution for remote meetings, especially for a group that draws from a large geography.

Chair DeGolia shared that posting addresses on the agenda and opening up your home to attend public meetings from your home is challenging and hopes that meetings can remain hybrid. Chair DeGolia also noted that attendance since transitioning to remote meetings has been high and he hopes to retain that.

Director Mates shared that as Mayor, she was mindful of encouraging anyone who is sick to rest and not attend meetings where they can get others sick as well.

Director Bonilla shared that it is important to appoint an alternate and share with each alternate if the primary Board member cannot attend.

Vice Chair Colson added that varying the meeting location is something to consider since the Peninsula Clean Energy offices are too small to space out. Vice Chair Colson also added that the number of meetings and odd meeting dates around the holidays are tough, and to consider the efficiency of how often the groups meet.

Nelly Wogberg, Board Clerk, noted that spaces such as the San Mateo County Office of Emergency Services in Redwood City are being considered for the Board of Directors meetings, but that for the Executive Committee and Audit and Finance Meetings, using the Peninsula Clean Energy lobby would probably work well.

Jan Pepper added that Los Banos will be another consideration as they were added during the Covid Pandemic.

Vice Chair Colson added that it would be nice to consider locations in Mid and North San Mateo County to encourage those local constituents as well as making sure that the meeting place is close to public transit. Vice Chair Colson suggested to have the meeting on a location on the coast once a year to encourage people to join in person.

Director Hale encouraged keeping staff remote to promote a healthy work-life balance and to discourage driving, especially late at night.

Chair DeGolia shared that holding meetings on the coast side may discourage the Board from fully attending and that holding meetings simultaneously in multiple locations may be difficult for staff to manage. Chair DeGolia suggested a subcommittee to address these meetings.

Jennifer Stalzer included language from AB 2449 which provides emergency circumstances for allowing remote meetings.

“Note that AB2449 does allow for remote meetings by participants a few times a year in very specific circumstances. A quorum must be met in person. The bill defines "just cause" and "emergency circumstances" for the purposes of teleconferencing. "Just cause" is limited to one or more of the following: (i) a childcare or caregiving need of a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires them to participate remotely; (ii) a contagious illness that prevents a member from attending in person; (iii) a need related to a physical or mental disability as defined by statute; or (iv) travel while on official business of the legislative body or another state or local agency. "Emergency circumstances" means a physical or family medical emergency that prevents a member from attending in person.”

Nelly Wogberg shared that holding meetings in multiple locations at the same time would be challenging.

Director Hale noted that meeting groups such as the Association of Bay Area Governments (ABAG) which are geographically disparate would make good partners in creating legislation.

Vice Chair Colson clarified that her suggestion was to hold meetings in different locations throughout the year and not simultaneously.

Chair DeGolia shared that more discussion should continue in a subcommittee, including Jan Pepper, and that this item should go to the full Board. Chair DeGolia also added that organized efforts will be needed to create legal change.

Jan Pepper noted that Staff will work on this internally and put this on the agenda for an upcoming Board meeting.

## 9. Committee Members' Reports

None

**ADJOURNMENT**

Meeting was adjourned at 11:39 a.m.