

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

Thursday, May 26, 2022

6:30 p.m.

Zoom Video Conference and Teleconference

CALL TO ORDER

Meeting was called to order at 6:31 p.m. in virtual teleconference with a moment of silence for the Robb Elementary School Tragedy.

ROLL CALL

Participating Remotely:

Carolyn Bloede, San Mateo County
Rick DeGolia, Atherton, *Chair*
Coleen Mackin, Brisbane
Donna Colson, Burlingame, *Vice Chair*
Raquel Gonzalez, Colma
Roderick Daus-Magbual, Daly City
Sam Hindi, Foster City, arrived at 7:05 p.m.
Harvey Rarback, Half Moon Bay
Laurence May, Hillsborough
Betsy Nash, Menlo Park
Anders Fung, Millbrae
Tygarjas Bigstycck, Pacifica
Jeff Aalfs, Portola Valley, arrived at 6:56 p.m.
Giselle Hale, Redwood City
Marty Medina, San Bruno, arrived at 6:47 p.m.
Laura Parmer-Lohan, San Carlos
Rick Bonilla, San Mateo
James Coleman, South San Francisco
John Keener, Director Emeritus

Absent:

Warren Slocum, San Mateo County
Julia Mates, Belmont
Carlos Romero, East Palo Alto
Tom Faria, Los Banos
Jennifer Wall, Woodside
Pradeep Gupta, Director Emeritus

A quorum was established.

PUBLIC COMMENT

Allan Bedwell

ACTION TO SET THE AGENDA AND APPROVE REMAINING CONSENT AGENDA ITEMS

MOTION: Director Bonilla moved, seconded by Director Rarback to set the Agenda, and approve Agenda Item Numbers 1-4.

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 April 28, 2022 Board of Directors Meeting
3. Authorize the General Counsel to Execute with The Law Firm of Clean Energy Counsel, an Engagement Agreement Allowing for a Term from February 2022 Through February 2024 in an Amount Not-to-Exceed \$500,000
4. Authorize the General Counsel to Execute with The Law Firm of Sheppard, Mullin, Richter & Hampton LLP, an Engagement Agreement Allowing for a Term from April 2022 Through December 2023 in an Amount Not-to-Exceed \$1,700,000

MOTION PASSED: 15-0 (Absent: San Mateo County, Belmont, East Palo Alto, Foster City, Los Banos, Portola Valley, San Bruno, Woodside)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Bloede	X			
San Mateo County	Director Slocum				X
Atherton	Director DeGolia	X			
Belmont	Director Mates				X
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			
Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual	X			
East Palo Alto	Director Romero				X
Foster City	Director Hindi				X
Half Moon Bay	Director Rarback	X			
Hillsborough	Director May	X			
Los Banos	Director Faria				X
Menlo Park	Director Nash	X			
Millbrae	Director Fung	X			
Pacifica	Director Bigstyk	X			
Portola Valley	Director Aalfs				X
Redwood City	Director Hale	X			
San Bruno	Director Medina				X

San Carlos	Director Parmer-Lohan	X			
San Mateo	Director Bonilla	X			
South San Francisco	Director Coleman	X			
Woodside	Director Wall				X
	Totals	15			8

REGULAR AGENDA

5. Chair Report

None

6. CEO Report

Jan Pepper, Chief Executive Officer, gave a report including a staffing update, updates on meetings with California Public Utilities Commissioners (CPUC) and California Energy Commissioners (CEC), and a legislative update on 8 upcoming bills.

7. Citizens Advisory Committee Report

Cheryl Schaff, Citizens Advisory Committee (CAC) Chair, gave a recap of the May 12, 2022 Citizens Advisory Committee Meeting.

8. Recognition of Peninsula Clean Energy's Fifth Anniversary of Service to San Mateo County (Discussion)

Jan Pepper, Chief Executive Officer, recognized the fifth anniversary of service to San Mateo County and introduced representatives from Assemblymember Kevin Mullin and Senator Josh Becker offices.

Kevin Fong, Representative for Assemblymember Kevin Mullin, and Helen Wolter, Representative for Senator Josh Becker, offered thanks and congratulations to Peninsula Clean Energy.

Chair DeGolia, Director Bonilla and Director Aalfs expressed their thanks and gratitude for the accomplishments of Peninsula Clean Energy in the past five years.

9. Approval of Resolution to Honor Members of the Citizens Advisory Committee (CAC) (Action)

Kirsten Andrews-Schwind, Senior Manager of Community Relations, gave a presentation honoring 6 recent Citizens Advisory Committee Members.

MOTION: Director Aalfs moved, seconded by Director Bonilla to adopt a Resolution honoring members of the Citizens Advisory Committee.

MOTION PASSED: 17-0 (Absent: San Mateo County, Belmont, East Palo Alto, Los Banos, Portola Valley, Woodside)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Bloede	X			

San Mateo County	Director Slocum				X
Atherton	Director DeGolia	X			
Belmont	Director Mates				X
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			
Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual	X			
East Palo Alto	Director Romero				X
Foster City	Director Hindi	X			
Half Moon Bay	Director Rarback	X			
Hillsborough	Director May	X			
Los Banos	Director Faria				X
Menlo Park	Director Nash	X			
Millbrae	Director Fung	X			
Pacifica	Director Bigstyc	X			
Portola Valley	Director Aalfs	X			X
Redwood City	Director Hale	X			
San Bruno	Director Medina	X			
San Carlos	Director Parmer-Lohan	X			
San Mateo	Director Bonilla	X			
South San Francisco	Director Coleman	X			
Woodside	Director Wall				X
Totals		17			6

10. Approval of New Citizens Advisory Committee (CAC) Members (Action)

Vice Chair Colson expressed her gratitude to Peninsula Clean Energy staff, and board members for their work in coordinating interviews. Vice Chair Colson gave a presentation covering the open positions on the Citizens Advisory Committee (CAC), the nominating process, and a recap of candidates nominated for appointment.

Director Hale asked about the onboarding process to create continuity to maintain workstream and focus. Kirsten explained that an onboarding and Brown Act training, including an introduction to the Programs team, and covering the workplan would be provided at the June 9, 2022 CAC Meeting and that additional training would be offered to any CAC members who request it.

Chair DeGolia shared that the CAC's contributions are meaningful to the work of Peninsula Clean Energy particularly noting their work on Diversity, Equity, Accessibility, and Inclusion (DEAI).

MOTION: Director Medina moved, seconded by Director Mackin to Adopt a Resolution Appointing Members to the Peninsula Clean Energy Authority Citizens Advisory Committee.

MOTION PASSED: 18-0 (Absent: San Mateo County, Belmont, East Palo Alto, Los Banos, Woodside)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Bloede	X			
San Mateo County	Director Slocum				X

Atherton	Director DeGolia	X			
Belmont	Director Mates				X
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			
Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual	X			
East Palo Alto	Director Romero				X
Foster City	Director Hindi	X			
Half Moon Bay	Director Rarback	X			
Hillsborough	Director May	X			
Los Banos	Director Faria				X
Menlo Park	Director Nash	X			
Millbrae	Director Fung	X			
Pacifica	Director Bigstycck	X			
Portola Valley	Director Aalfs	x			
Redwood City	Director Hale	X			
San Bruno	Director Medina	x			
San Carlos	Director Parmer-Lohan	X			
San Mateo	Director Bonilla	X			
South San Francisco	Director Coleman	X			
Woodside	Director Wall				X
	Totals	18			5

11. Approval of Proposed 2022 Citizens Advisory Committee (CAC) Workplan and Deliverables (Action)

Kirsten Andrews-Schwind, Senior Manager of Community Relations, gave a presentation covering the roles and responsibilities of the Citizens Advisory Committee (CAC), CAC work planning, and the proposed 2022 working groups.

Vice Chair Colson noted the importance of the CAC connecting with other Community Choice Aggregators and public agencies to learn more about the role of the CAC.

Director Rarback emphasized the importance of the building electrification working group.

Public Comment: Desiree Thayer

Chair DeGolia expressed his gratitude for the past work of the CAC and for their future efforts in communication across various CAC meeting groups.

MOTION: Director May moved, seconded by Director Colson to adopt the Resolution approving the 2022 Citizens Advisory Committee Work Plan.

MOTION PASSED: 18-0 (Absent: San Mateo County, Belmont, East Palo Alto, Los Banos, Woodside)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Bloede	X			

San Mateo County	Director Slocum				X
Atherton	Director DeGolia	X			
Belmont	Director Mates				X
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			
Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual	X			
East Palo Alto	Director Romero				X
Foster City	Director Hindi	X			
Half Moon Bay	Director Rarback	X			
Hillsborough	Director May	X			
Los Banos	Director Faria				X
Menlo Park	Director Nash	X			
Millbrae	Director Fung	X			
Pacifica	Director Bigstyc	X			
Portola Valley	Director Aalfs	X			
Redwood City	Director Hale	X			
San Bruno	Director Medina	X			
San Carlos	Director Parmer-Lohan	X			
San Mateo	Director Bonilla	X			
South San Francisco	Director Coleman	X			
Woodside	Director Wall				X
	Totals	18			5

12. Approval of Authority for Peninsula Clean Energy Chief Executive Officer to Vote on California Community Power (CC Power) Board Items (Action)

Jan Pepper, Chief Executive Officer, gave a presentation explaining the California Community Power (CC Power) Firm Clean Resource project including the Peninsula Clean Energy approval process and timeline, and the enhanced conditions for workforce adopted by CC Power.

Director Bonilla asked if this resolution applied only to the Firm Clean Resources project or if it would make the change going forward. Jan explained that this was a general resolution so that going forward, if these timing issues occurred, she could vote on Peninsula Clean Energy's behalf. Director Bonilla explained that the current process was put in place since CC Power did not have policies on labor and environment at the time. Director Bonilla asked for clarification on if the firm Clean Resource project would pass if Jan did not participate in the vote. Jan explained that it probably would pass, but that not being able to vote would prevent advocating for Peninsula Clean Energy's strong positions on labor and environmental policies.

Director Bonilla stated that his understanding of the Resolution was that Jan could vote in both the first and second vote without coming to the Board. Jan clarified that the second vote would always come to the Board as it is a significant power procurement agreement committing significant funds over a long-term contract.

Chair DeGolia shared that the Resolution was designed to provide Jan the authority to vote if the project comes up at a time that would be difficult to schedule a special meeting of the Peninsula Clean Energy Board

of Directors, but that if an item came up with enough time to present to the Board, Jan would come to the Board first.

Director Aalfs stated that he is comfortable with delegating this authority.

Vice Chair Colson offered her support of this Resolution.

Director Bonilla asked for clarification on the language within the Resolution explaining the difference between when the Peninsula Clean Energy Board of Directors is able to meet before the CC Power vote versus when they cannot. David Silberman, General Counsel, explained when someone makes the motion to add to the Resolution “when it is not possible to come to the Peninsula Clean Energy Board prior to the meeting of the CC Power board regarding approval of CC Power agreements with a power supplier due to the timing of the respective Board Meetings, the CEO has the discretion to vote on such matters without prior direction of the Peninsula Clean Energy Board.”

Vice Chair Colson, Director Parmer-Lohan, and Director Aalfs expressed their gratitude to Jan for her conduct inside and outside Peninsula Clean Energy.

MOTION: Director Bonilla moved, seconded by Director Rarback to adopt a Resolution delegating authority to the Chief Executive Officer to Vote on California Community Power (CC Power) Board Items with the following amendment included: “However, when it is not possible to come to the Peninsula Clean Energy Board prior to the meeting of the CC Power board regarding approval of CC Power agreements with a power supplier due to the timing of the respective Board Meetings, the CEO has the discretion to vote on such matters without prior direction of the Peninsula Clean Energy Board.”

MOTION PASSED: 18-0 (Absent: San Mateo County, Belmont, East Palo Alto, Los Banos, Woodside)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Bloede	X			
San Mateo County	Director Slocum				X
Atherton	Director DeGolia	X			
Belmont	Director Mates				X
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			
Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual	X			
East Palo Alto	Director Romero				X
Foster City	Director Hindi	X			
Half Moon Bay	Director Rarback	X			
Hillsborough	Director May	X			
Los Banos	Director Faria				X
Menlo Park	Director Nash	X			
Millbrae	Director Fung	X			
Pacifica	Director Bigstyk	X			
Portola Valley	Director Aalfs	X			
Redwood City	Director Hale	X			
San Bruno	Director Medina	X			

San Carlos	Director Parmer-Lohan	X			
San Mateo	Director Bonilla	X			
South San Francisco	Director Coleman	X			
Woodside	Director Wall				X
	Totals	18			5

13. Approve Resolution Delegating Authority to the Chief Executive Officer to Execute a Second Amended and Restated Power Purchase and Sale Agreement for Renewable Supply with Wright Solar Park, LLC, and any Necessary Ancillary Documents with a Power Delivery Term of 25 Years, Which Commenced at the Commercial Operation Date of January 3, 2020 in an Amount Not-to-Exceed \$900 Million (Action)

Siobhan Doherty, Director of Power Resources, gave a presentation on the Wright Solar second amended and restated power purchase agreement (PPA) including background, contract structure, decision requiring procurement to address mid-term reliability (2023-2026), Peninsula Clean Energy allocation, the Wright solar generation profile and the dispatch with the Peninsula Clean Energy portfolio.

Director Rarback asked about the storage components and why storage does not last as long as is needed. Siobhan explained the project needs to operate in a way that meets regulatory requirements and that the California Public Utilities Commission (CPUC) has determined that four hours as the length for resource adequacy. Director Rarback asked for clarification if this was a technical or regulatory issue. Siobhan explained that it was both regulatory and technical in that four hours is how long the battery can operate at 80 MW before running out of charge.

Director Bonilla asked if the project would be built under a five craft project labor agreement. Siobhan explained that this is the same project labor agreement that the solar was built on.

Director Aalfs shared that storage is an important part of strategy going forward and this project will lower costs and protect against volatility. Hopefully this project is representative of a project that can be both profitable and feasible for the developer but will also benefit us.

MOTION: Director Bonilla moved, seconded by Director Rarback to adopt a Resolution Delegating Authority to Chief Executive Officer to Execute a Second Amended and Restated Power Purchase and Sale Agreement for Renewable Supply with Wright Solar Park, LLC, and any necessary ancillary documents with a Power Delivery Term of 25 years, which started at the Commercial Operation Date which occurred on January 3, 2020 in an amount not to exceed \$900 million.

MOTION PASSED: 18-0 (Absent: San Mateo County, Belmont, East Palo Alto, Los Banos, Woodside)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Bloede	X			
San Mateo County	Director Slocum				X
Atherton	Director DeGolia	X			
Belmont	Director Mates				X
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			
Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual	X			

East Palo Alto	Director Romero				X
Foster City	Director Hindi	X			
Half Moon Bay	Director Rarback	X			
Hillsborough	Director May	X			
Los Banos	Director Faria				X
Menlo Park	Director Nash	X			
Millbrae	Director Fung	X			
Pacifica	Director Bigstyk	X			
Portola Valley	Director Aalfs	X			
Redwood City	Director Hale	X			
San Bruno	Director Medina	X			
San Carlos	Director Parmer-Lohan	X			
San Mateo	Director Bonilla	X			
South San Francisco	Director Coleman	X			
Woodside	Director Wall				X
	Totals	18			5

14. Review of Fiscal Year 2022-2023 Draft Budget (Discussion)

Andy Stern, Chief Financial Officer, gave a presentation on the 2022-2023 draft budget including key assumptions, PG&E and Power Charge Indifference Adjustment (PCIA) rate change summary, and the summary, revenues, and 5-year plan of the draft budget.

Director May noted that the Audit & Finance Committee had no resolution on the dramatic increase of the ending balance. Director Parmer-Lohan agreed that this could cause some concerns. Director Nash suggested researching the cost differences between electrifying and using gas.

Chair DeGolia noted that this ending cash balance has been fluctuating throughout the budget process, but that if by year's end there is a surplus, then action could be taken. Andy echoed these comments and added that rate changes can dramatically alter the budget.

Vice Chair Colson noted that these reserves are not a profit, per se, and that they can be reinvested in programs to support the community in electrifying.

Director Mackin asked how the forecast looks in comparison to fluctuating criteria. Andy explained that electric vehicles and construction of new all-electric buildings have an impact but don't generally create a dramatic change, but that these factors do get incorporated.

Director Bonilla shared that this surplus could be very beneficial to encourage electrification.

15. PG&E Voluntary Allocation and Market Offer Renewable Energy Credit Solicitation (Action)

Siobhan Doherty, Director of Power Resources, gave a presentation on the Voluntary Allocation Market Offer (VAMO) including background, timing, risks associated with allocation, price risk, volume risk, meeting the 24/7 goal, the resource mix regarding greenhouse gas emissions, and unbundled Renewable Energy Credits (RECs).

Director Aalfs asked if the goal was to give Community Choice Aggregators (CCAs) the opportunity to get some benefit from renewables that were procured on our behalf. Siobhan explained that under the Power Charge Indifference Adjustment (PCIA) our customers are paying for these renewable resources and the intent was to allocate some of those resources to CCAs to reduce how much our customers are paying and allow us to better meet our requirements.

Director Aalfs asked if this was useful for other CCAs who were not being as aggressive with their renewables procurement. Siobhan explained that she believes some CCAs are running into project delays for interconnection and supply chain reasons.

Director Aalfs shared that this proposal did not look attractive for Peninsula Clean Energy. Chair DeGolia asked for more clarification if this would replace the hydro and nuclear allocations that have been discussed the last two years. Siobhan explained this would not replace them, but that it is a similar mechanism for different resources.

Jan Pepper, Chief Executive Office, explained that Doug Karpa worked for over a year in a working group to come up with a good solution, but that the Commission did not adopt their suggestions.

16. Board Members' Reports

None

ADJOURNMENT

Meeting was adjourned at 8:49 p.m.