

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

AGENDA

Monday, February 13, 2023

10:00 a.m.

Zoom Link: <https://pencleanenergy.zoom.us/j/85785703368>

Meeting ID: 857-8570-3368 **Passcode:** 2075 **Phone:** +1(669) 444-9171

NOTE: Please see attached document for additional detailed teleconference instructions.

In accordance with AB 361, the Committee 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 Committee 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 Executive Committee, 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 Executive Committee 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 Committee are customarily limited to two minutes per speaker. The Committee 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

REGULAR AGENDA

2. Chair Report (Discussion)

3. CEO Report (Discussion)
4. Discussion of Hybrid Meetings Beginning in March 2023
5. Discussion of Budget Variances from Fiscal Year 2023
6. Strategic Plan Amendments and Proposed Amendments to Policies 9 and 10 (Continued from January 9, 2023 Executive Committee Meeting) (Action)
7. Discussion on Building Electrification Strategy
8. Discussion on Board Orientation and Board Mentor Program
9. Committee Members' Reports (Discussion)

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

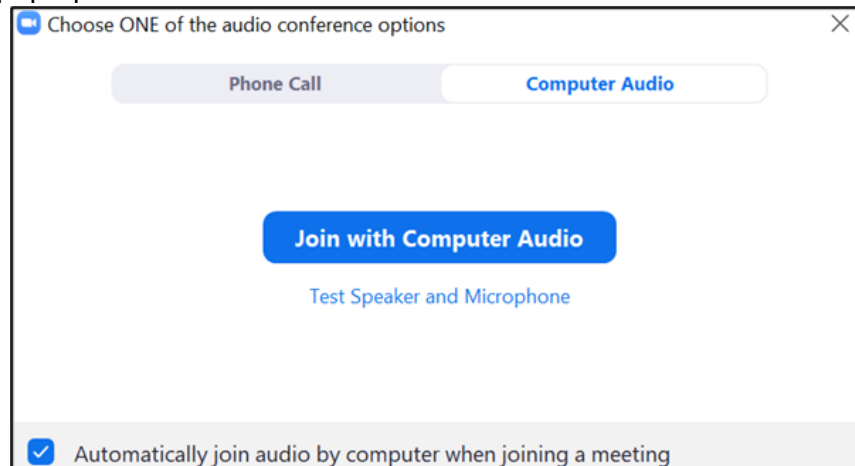
Videoconference Options:

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/85785703368>.
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/85785703368>.
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 Phone Call option at the top of the pop-up screen.

Phone Call		Computer Audio	
Country/Region	United States		
Dial	+1 253 215 8782		
	+1 346 248 7799		
	+1 720 707 2699		
	+1 301 715 8592		
	+1 312 626 6799		
Meeting ID	838 3472 4993		
Participant ID			
Passcode	2075		

4. Please dial +1 (669) 444-9171.
5. You will be instructed to enter the meeting ID: **857-8570-3368 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 (669) 444-9171.
2. You will be instructed to enter the meeting ID: **857-8570-3368 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: February 10, 2023
COMMITTEE MEETING DATE: February 13, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Executive Committee

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 Executive Committee.

On September 29, 2021, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On October 12, 2021, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On November 8, 2021, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On December 6, 2021, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On January 10, 2022, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On February 14, 2022, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On March 14, 2022, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On April 11, 2022, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On May 9, 2022, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On August 8, 2022, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On September 12, 2022, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On October 12, 2022, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On November 7, 2022, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On December 5, 2022, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361.

On January 9, 2023, the Peninsula Clean Energy Executive Committee 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 Executive Committee 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 Committee'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 EXECUTIVE COMMITTEE 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 Committee 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 Executive Committee, and;

WHEREAS, on September 29, 2021, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on October 12, 2021, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on November 8, 2021, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on December 6, 2021, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on January 10, 2022, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on February 14, 2022, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on March 14, 2022, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on April 11, 2022, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

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WHEREAS, on December 5, 2022, the Peninsula Clean Energy Executive Committee approved a thirty (30) day extension of remote meetings in accordance with AB 361, and;

WHEREAS, on January 9, 2023, the Peninsula Clean Energy Executive Committee 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 Committee 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 Committee 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 Committee, after the adoption of this resolution with an item for the Committee 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.

* * * * *

**PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence**

DATE: February 6, 2023
BOARD MEETING DATE: February 13, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Peninsula Clean Energy Executive Committee

FROM: Jan Pepper, CEO
Shawn Marshall, COO
Shayna Barnes, Operations Specialist

SUBJECT: Recommend Approval to the Board of Directors of Diversity, Equity, Accessibility, and Inclusion (DEAI)-Related Amendments to the Strategic Plan and Policies 9 and 10

RECOMMENDATION

Recommend approval to the Board of Directors of Diversity, Equity, Accessibility, and Inclusion (DEAI)-related amendments to the Strategic Plan and Policies 9 and 10.

BACKGROUND:

Peninsula Clean Energy has been working on our DEAI initiative for over two years. This initiative started with the formation of a Citizens Advisory Committee (CAC) Equity Working Group in July 2020. The CAC Equity Working Group worked on a draft equity statement for our organization for several months, and ultimately brought it to the Peninsula Clean Energy Board of Directors at their January 28, 2021 meeting. At that meeting, the Board of Directors accepted the draft equity statement and formed a DEAI Subcommittee to build on the statement and create a DEAI organizational policy and action plan for Peninsula Clean Energy. Board members on this subcommittee include Directors Donna Colson, Sam Hindi, Carlos Romero, Roderick Daus-Magbual, and former Director Michael Smith.

To create the DEAI organizational policy and action plan, Peninsula Clean Energy staff drafted a Request for Proposals (RFP) for DEAI consulting services under direction from the DEAI Subcommittee to be released as a competitive solicitation. The solicitation was released in early May 2021, with responses due in mid-June 2021. Staff and the DEAI Subcommittee conducted several interviews over the summer of 2021 with the top respondents of this RFP. The DEAI Subcommittee recommended that the consultant team from GCAP Services, Inc. be selected to carry out the DEAI work as they were best fit for Peninsula Clean Energy's range of needs. The full Peninsula Clean Energy Board approved the contract with GCAP Services, Inc. at the Board meeting on October 28, 2021. The scope of work for the engagement with GCAP Services had five main tasks:

1. Review Relevant DEAI Legislation and Regulatory Requirements (complete)
2. Conduct DEAI organizational needs assessment (complete)

3. Create organizational DEAI Policy (complete)
4. **Update relevant organizational policies, including: Strategic Plan, Employee Handbook, Policy #9 Ethical Vendor Standards, Policy #10 Inclusive and Sustainable Workforce Policy (in progress)**
5. DEAI Action Plan: Create organizational departmental goals, practices, and metrics to operationalize DEAI policies (in progress)

We are seeking Executive Committee recommendation for Board approval for three of the four policies/documents updated as part of task 4 of the DEAI scope of work. These policies/documents include Peninsula Clean Energy's Strategic Plan, Policy #9, and Policy #10. Employee handbook edits are still in progress and will be presented to the Board at a later date.

DISCUSSION:

Strategic Plan

We are proposing the below edits to the Organizational Excellence pillar of the Strategic Plan:

Current: Ensure organizational excellence by adhering to sustainable business practices and fostering a workplace culture of innovation, diversity, transparency, and integrity.

Proposed Change: Ensure organizational excellence by adhering to sustainable business practices and fostering a workplace culture of innovation, diversity, **equity, accessibility, inclusion,** transparency, and integrity.

We anticipate making more updates to the Strategic Plan at the Key Tactic level during implementation of the DEAI Action Plan. Those updates are at a staff level and do not require Board approval.

Policy #9

This policy is currently titled "Ethical Vendor Standards." We are proposing changing the title to "Ethical Procurement Standards". With the proposed revisions to the policy, the focus has broadened from our vendors' conduct to also include staff's procurement conduct and activities. The entirety of the proposed revised policy is new language except for Section 1: Ethical Vendor Standards. We borrowed heavily from the County of San Mateo's Code of Ethical Conduct: Procurement Ethics when drafting the additions to the policy. Complete redline and clean versions of Policy #9 are attached as Attachments 1 and 2 to this memo.

Policy #10

We are proposing the following changes to Policy #10: Inclusive and Sustainable Workforce Policy:

- Updated formatting: addition of numbered section headers for easier policy navigation
- Reformatting of Policy Statement under Section 1: primarily restructuring language that was already included in the original policy, also includes proposed revised Organizational Excellence goal from the Strategic Plan (see above) and reference to the recently approved Policy 22: Diversity, Equity, Accessibility, and Inclusion
- Revised item 4 in Section 2b: Supply Chain to request information from suppliers and contractors of their status as a minority, women, LGBT, disabled veteran, or persons with disabilities owned business, rather than collecting information on inclusivity of their workforce (which is addressed in item 6 of this section)

- Revised item 6 in Section 2b: Supply Chain to encourage, not require, reporting from developers and large vendors on inclusivity in business staff. Removed reference to business ownership from this item, as that is now addressed in the proposed edits to item 4 in this section
- Added Attachment A: Supply Chain Code of Conduct to the policy, now referenced in item 7 of Section 2b: Supply Chain
- Addition of the City of Los Banos in Section 2c: Inclusive Business Practices
- Addition of the City of Los Banos/Merced County/Central Valley when defining “local” in Section 3b: Sustainable Workforce Objectives
- Modification of language in Section 3d: Peninsula Clean Energy Owned Generation Projects from “shall require” to “shall use best efforts to require”
- Modification of the apprenticeship requirement in Section 3d: Peninsula Clean Energy Owned Generation Projects to better comport with Inflation Reduction Act (IRA) requirements to receive full tax credits
- Removal of entire section/paragraph on PCE Feed-In Tariff Price Projects
- Renaming Section 3e to Peninsula Clean Energy Programs from PCE Energy Efficiency Projects, and updating the rest of this section to reference energy programs as opposed to energy efficiency projects

Meeting with Labor Representatives regarding Policy #10 Inclusive and Sustainable Workforce Policy

Peninsula Clean Energy staff initially brought the edited Policy #10 to the Executive Committee at their meeting on January 9th, 2023. At that meeting, the Executive Committee directed staff to meet with local labor representatives regarding the suggested edits to Section 3d: Peninsula Clean Energy Owned Generation Projects before recommendation of Executive Committee approval to the full Board of Directors. Based on this direction, Peninsula Clean Energy staff member Marc Hershman reached out to labor representatives to schedule a meeting to discuss the proposed edits. Peninsula Clean Energy staff members Jan Pepper, Marc Hershman, and Shayna Barnes held a meeting with labor representatives Bart Pantoja (San Mateo Building and Construction Trades Council), Dave Mauro (IBEW 617), Scott Wein (IBEW 617), and Rick Bonilla on January 25th, 2023 to discuss revisions to section 3d of Policy #10.

At the meeting on January 25th, 2023, labor representatives expressed concern over the modification from “shall” to “shall use best efforts,” in Section 3d of Policy #10. They also expressed concern over the previously proposed edit of an increase in the apprenticeship requirement from 20% to 25% in Section 3d. Peninsula Clean Energy staff explained the reasoning behind changing the language to “shall use best efforts,” including a desire for increased flexibility, particularly for smaller projects where there may not be interest from union firms, and to balance other Peninsula Clean Energy priorities, including DEAI goals. Peninsula Clean Energy staff also reaffirmed our commitment to make best efforts to work with labor while prioritizing Peninsula Clean Energy’s core mission to reduce greenhouse gas emissions by expanding access to sustainable and affordable energy solutions. Peninsula Clean Energy staff and labor representatives also discussed the modification of the apprenticeship requirements from 20% to 25%. Peninsula Clean Energy staff originally suggested a 25% apprenticeship requirement based on our initial understanding of the Inflation Reduction Act’s (IRA’s) requirements to receive full tax credits. At the meeting on January 25th, Peninsula Clean Energy staff and labor agreed that further clarification was needed on the IRA’s apprenticeship requirements for increased tax credits.

At the end of the meeting with labor representatives ^h, Peninsula Clean Energy staff agreed to do the following:

1. Retain the proposed edits for “shall use best efforts” language to present to the Executive Committee for their guidance and consideration at the February 13th, 2023 meeting. Peninsula Clean Energy staff recommends this language for the reasons stated above (increased flexibility and balancing multiple priorities in pursuit of our primary mission, which is to reduce greenhouse gas emissions).
2. Conduct further research on the IRA’s apprenticeship requirements to receive full tax credits.

After the meeting, Peninsula Clean Energy staff members Marc Hershman and Shayna Barnes reached out to outside counsel to seek clarification on the Internal Revenue Services’ (IRS) issued guidance on apprenticeship requirements to qualify for full tax credits under the IRA. Peninsula Clean Energy staff have since amended our proposed edits to Section 3d of Policy #10, removing the previous 25% modification, and adding a direct reference to the IRS guidance, Notice 2022-61. The IRS guidance in Notice 2022-61 describes three different kinds of apprenticeship requirements that must be satisfied in order to qualify for the increased tax benefit: (1) Apprenticeship Labor Hour Requirements; (2) Apprenticeship Ratio Requirements; and (3) Apprenticeship Participation Requirements. These three requirements do not necessarily conflict with the existing 20% requirement in the previously approved Policy #10. Thus, Peninsula Clean Energy staff recommends retaining the 20% percentage in the policy as well.

Complete redline and clean versions of Policy #10 are attached as Attachments 3 and 4 to this memo. The new addition to the policy, Attachment A: Supply Chain Code of Conduct is included as Attachment 5 to this memo.

STRATEGIC PLAN:

The DEAI Initiative, and these policy updates specifically, support the Organizational Excellence pillar of the Strategic Plan to *ensure organizational excellence by adhering to sustainable business practices and fostering a workplace culture of innovation, diversity, equity, accessibility, inclusion, transparency, and integrity*. This initiative seeks to support the following objective and key tactics under this pillar:

Objective D: External Vendor Partners: Implement Vendor Policies that embrace diversity and inclusion and that optimize engagement results

- Key Tactic 1: Develop methods to ensure adherence to the organization’s Inclusive and Sustainable Workforce Policy
- Key Tactic 2: Develop methods to ensure adherence to the organization’s Ethical ~~Vendor~~ Procurement Standards Policy

This initiative also supports the Community Energy Programs pillar of the strategic plan to *implement robust energy programs that reduce greenhouse gas emissions, align energy supply and demand, and provide benefits to community stakeholder groups*. The DEAI initiative seeks to support the following objectives and key tactics under this pillar:

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

ATTACHMENTS:

Attachment 1: Redlined Policy 9: Ethical Procurement Standards

Attachment 2: Clean Policy 9: Ethical Procurement Standards

Attachment 3: Redlined Policy 10: Inclusive and Sustainable Workforce Policy

Attachment 4: Clean Policy 10: Inclusive and Sustainable Workforce Policy

Attachment 5: Attachment A to Policy 10: Supply Chain Code of Conduct

Ethical Procurement Standards

Policy: This policy is designed to provide guidance and standards for Peninsula Clean Energy (PCE) staff in order to fully serve our customers and vendors to the highest standards of ethical procurement conduct.

Staff will abide by and uphold ethical procurement practices in relation to all procurement activities as outlined in the following sections.

1. Ethical Vendor Standards

Peninsula Clean Energy is committed to the highest standards of responsible behavior and integrity in all of its business relationships. As such, Peninsula Clean Energy will consider a company's business practices, environmental track record, and commitment to sustainability in its procurement decisions.

2. Sustainability and Social Responsibility

As a leader in clean and renewable energy, Peninsula Clean Energy is committed to reducing emissions and finding innovative ways to conserve energy and cut waste which includes sustainable purchasing.

3. Transparency

Peninsula Clean Energy staff will ensure that formal RFP solicitations will be conducted in a fair, open, consistent, and transparent manner. Information on the solicitation and procurement process in which goods and services are procured will be available to all key parties. Additionally, solicitation information not subject to confidentiality rules or other applicable regulations, will be available to the public by request when the contract with the selected proposer has been completed.

4. Confidentiality

To the extent allowed by law, Peninsula Clean Energy staff shall maintain the confidentiality of the procurement and proposer information until the solicitation process has been completed.

5. Impartiality

Peninsula Clean Energy staff will be impartial when designing and implementing the solicitation and award of contract. This includes selecting unbiased panelists for award selection.

6. Professionalism

As representatives of Peninsula Clean Energy, staff must conduct themselves in a professional and ethical manner.

7. Compliance

Peninsula Clean Energy staff must conduct procurement activities in compliance with all federal, state, and local laws, applicable regulations, and Peninsula Clean Energy operational policies.

8. Accountability

Peninsula Clean Energy staff have a responsibility and obligation to report or seek further guidance on concerns about compliance with this policy.

It is Peninsula Clean Energy's shared responsibility to immediately report any concerns regarding ethical conduct and/or compliance with this policy to Human Resources and/or senior management.

Ethical Procurement Standards

Policy: This policy is designed to provide guidance and standards for Peninsula Clean Energy (PCE) staff in order to fully serve our customers and vendors to the highest standards of ethical procurement conduct.

Staff will abide by and uphold ethical procurement practices in relation to all procurement activities as outlined in the following sections.

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Peninsula Clean Energy staff will ensure that formal RFP solicitations will be conducted in a fair, open, consistent, and transparent manner. Information on the solicitation and procurement process in which goods and services are procured will be available to all key parties. Additionally, solicitation information not subject to commercial confidentiality to confidentiality rules or other applicable regulations, will about solicitations will be available to the public on a by request basis once the when the -contract with the selected proposer has been completed.

4. Confidentiality

To the extent allowed by law, Peninsula Clean Energy staff shall maintain the confidentiality of the procurement and proposer information until the solicitation process has been completed.

5. Impartiality

Peninsula Clean Energy staff will be impartial when designing and implementing the solicitation and award of contract. This includes selecting unbiased panelists for award selection.

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As representatives of Peninsula Clean Energy, staff must conduct themselves in a professional and ethical manner.

7. Compliance

Peninsula Clean Energy staff must conduct procurement activities in compliance with all federal, state, and local laws, applicable regulations, and Peninsula Clean Energy operational policies.

8. Accountability

Peninsula Clean Energy staff ~~are responsible for their own actions and have an responsibility~~responsibility and obligation to report or seek further guidance on ~~actions that they believe may not follow ethical procurement practices.~~concerns about compliance with this policy.

It ~~is our~~is Peninsula Clean Energy's shared responsibility to immediately report any concerns regarding ethical conduct and/or compliance with this policy to Human Resources and/or senior management.

Inclusive and Sustainable Workforce Policy

1. Policy Statement

Peninsula Clean Energy recognizes that an inclusive and sustainable workforce helps Peninsula Clean Energy meet its core mission and goals more effectively by:

- Serving our customers in a culturally sensitive manner; and
- Reflecting the community we serve and the businesses with which we partner.

Peninsula Clean Energy strives to have a workforce that is as inclusive as the communities it serves. Additionally, Peninsula Clean Energy strives to create employment opportunities to help build and sustain healthy and sustainable communities.

This policy, Inclusive and Sustainable Workforce, along with Policy Number 22, Diversity, Equity, Accessibility, and Inclusion (DEAI) represent Peninsula Clean Energy's commitment to its strategic goal of "ensuring organizational excellence by adhering to sustainable business practices and fostering a workplace culture of innovation, diversity, equity, accessibility, inclusion, transparency, and integrity".

2. Inclusive Workforce

a. Peninsula Clean Energy Staff

Peninsula Clean Energy relies on its employees to provide clean, cost-effective, alternative energy to its customers. These customers live in diverse communities, and an inclusive workforce comprised of staff who reflect and are invested in these communities allows Peninsula Clean Energy to serve them more effectively. An inclusive staff also provides good jobs for people from diverse communities.

To help maintain and strengthen Peninsula Clean Energy's inclusive staff, Peninsula Clean Energy will:

- (1) Engage in broad outreach efforts in diverse communities, including disadvantaged and low-income communities, to ensure a diverse pool of candidates for open positions;
- (2) Provide fair compensation that aligns with regional market indicators for compensation levels for each position;
- (3) Be transparent about these practices and lessons learned; and

- (4) Provide contact information for staff who can answer questions about this policy.

b. Supply Chain

Peninsula Clean Energy's commitment to inclusion also extends to its supply chain. Where and from whom Peninsula Clean Energy purchases goods and services have important consequences for businesses, customers, and their communities. An inclusive supply chain is an important driver for successful delivery of Peninsula Clean Energy's services to its customers, and of fair and equitable economic development generally.

To help ensure an inclusive supply chain, Peninsula Clean Energy will:

- (1) Strive to use local businesses and provide fair compensation in the purchase of services and supplies;
- (2) Proactively seek services from local businesses and from businesses that have been Green Business certified and/or are taking steps to protect the environment;
- (3) Engage in efforts to reach diverse communities to ensure an inclusive pool of potential suppliers;
- (4) Request information from suppliers and contractors on the inclusivity and diversity in their business ownership, including their status as a woman, minority, disabled veteran, LGBT and/or persons with disabilities owned business enterprise;
- (5) Include questions about supplier inclusivity in requests for proposals (RFPs) for services;
- (6) Encourage reporting from developers and large vendors on inclusivity in business staff;
- (7) Require developers abide by our Supply Chain Code of Conduct, derived from the United Nations Guiding Principles on Business and Human Rights, the Core Conventions of the International Labour Organization ("ILO"), including the ILO Declaration on Fundamental Principles and Rights at Work, the Solar Energy Industries Association Solar Industry Commitment to Environmental and Social Responsibility, and the Responsible Business Alliance Code of Conduct, attached herein as Attachment A of this policy;
- (8) Be transparent about these practices and lessons learned; and
- (9) Provide contact information for staff who can answer questions about this policy.

c. Inclusive Business Practices

To fulfill its core mission to provide energy choices to the diverse residents and communities of San Mateo County and the City of Los Banos, Peninsula Clean Energy

must ensure that its services and information are accessible to all communities. Accordingly, Peninsula Clean Energy will:

- (1) Strive to provide information on Peninsula Clean Energy's services in the multiple languages commonly spoken in Peninsula Clean Energy's service area (including mailers, tabling materials, customer service, call center, workshops and outreach events, advertisements, and other means of customer engagement);
- (2) Conduct marketing and outreach in diverse communities (including advertising in minority-owned media, establishing partnerships with community organizations, and using various media, such as radio and television) to increase awareness of Peninsula Clean Energy's services and programs;
- (3) Strive to attend important multi-cultural community events with multi-lingual materials and speakers;
- (4) Share information about activities and initiatives that promote inclusion, access, and diverse engagement in the community.

d. Non-Discrimination Pledge

Peninsula Clean Energy will not discriminate, and will require that its suppliers do not discriminate, on the basis of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information.

3. Sustainable Workforce

a. Compensation and Workforce Opportunities

Support of local businesses, union labor and apprenticeship and pre-apprenticeship programs that create employment opportunities are important components of building and sustaining healthy and sustainable communities. It is in the interest of Peninsula Clean Energy to provide fair compensation and sustainable workforce opportunities within a framework of competitive service and the promotion of renewable energy, energy efficiency and greenhouse gas reduction.

Peninsula Clean Energy recognizes the importance of locally-generated renewable energy in assuring that California is provided with (1) adequate supplies of renewable energy for economic growth, (2) sustained local job opportunities and job creation, and (3) effective means to reduce the impacts of greenhouse gas emissions. Peninsula Clean Energy also recognizes the opportunities that energy programs provide for local workforce training and employment.

Peninsula Clean Energy supports fair compensation in direct hiring, renewable development projects, energy programs and in procurement of Peninsula Clean Energy

services and supplies. Peninsula Clean Energy also supports quality State of California approved apprenticeship and pre-apprenticeship training programs in construction craft occupations to foster long-term, fairly compensated employment opportunities for program graduates and believes that local apprenticeship and pre- apprenticeship programs are an efficient vehicle for delivering quality training in construction in industry craft occupations.

b. Sustainable Workforce Objectives

Peninsula Clean Energy therefore desires to facilitate and accomplish the following objectives:

- (1) Support for and direct use of local businesses;
- (2) Support for and direct use of union members from multiple trades including support for and use of training and State of California approved apprenticeship programs, and pre-apprenticeship programs from within Peninsula Clean Energy’s service territory; and
- (3) Support for and direct use of green and sustainable businesses.

“Local” is defined as:

- 1.) San Mateo County and the City of Los Banos;
- 2.) Nine Bay Area Counties (Alameda, Contra Costa, Marin, Napa, San Mateo, San Francisco, Santa Clara, Solano, Sonoma) and the County of Merced;
- 3.) Northern California and the Central Valley; and
- 4.) California.

Preference will be given first to San Mateo County and the City of Los Banos; second, to the Nine Bay Area Counties and the County of Merced; third, to Northern California and the Central Valley; fourth, to California.

Peninsula Clean Energy will support the objectives stated above in the following ways:

c. Peninsula Clean Energy Power Purchase Agreements with Third Parties

Peninsula Clean Energy shall collect information from respondents to any bidding and/or RFP/RFQ process regarding past, current and/or planned efforts by project developers and their contractors to:

- Employ workers and use businesses from the Peninsula Clean Energy service territory.
- Employ properly licensed (A, B, C10, C7, C46) contractors and California Certified electricians.
- Utilize multi-trade project labor agreements on the proposed project or any prior project developments.

- Utilize local apprentices, particularly graduates of local pre-apprenticeship programs.
- Pay workers the correct prevailing wage rates for each craft, classification and type of work performed.
- Display a poster at jobsites informing workers of prevailing wage requirements.
- Provide workers compensation coverage to on-site workers.
- Support and use State of California approved apprenticeship programs.

Relevant information submitted by proposers will be used to evaluate potential workforce impacts of proposed projects with the goal of promoting fair compensation, fair worker treatment, multi-trade collaboration, and support of the existing wage base in local communities where contracted projects will be located.

d. Peninsula Clean Energy Owned Generation Projects

Any Peninsula Clean Energy-owned renewable development project shall use best efforts to use local businesses, union labor, and apprenticeship programs through multi-trade agreements and/or through multiple agreements for work. Each construction contractor or subcontractor performing work on any Peninsula Clean Energy-owned project shall use best efforts to use a combination of local labor, union labor and apprenticeship programs, and shall follow fair compensation practices, including proper assignment of work to crafts that traditionally perform the work. For each renewable energy project, Peninsula Clean Energy or its construction contractor shall use best efforts to require of its regular workforce that at least 50% of all “journey level” employees shall be graduates of a State of California approved apprenticeship program and shall use best efforts to require that its regular workforce shall be in conformance with all state and federal apprenticeship requirements, including the guidance issued by the Internal Revenue Service in Notice 2022-61, or have at least 20% enrolled and participating in a local State of California approved apprenticeship program, whichever is greater. Apprenticeship programs must be approved by the State Department of Apprenticeship Standards.

e. Peninsula Clean Energy Programs

Peninsula Clean Energy shall use best efforts to support local businesses, union labor, and local apprenticeship programs in the implementation of its energy programs. Peninsula Clean Energy shall use best efforts to ensure each construction contractor or subcontractor performing work on any Peninsula Clean Energy program utilize local businesses, union labor, local apprenticeship, and fair compensation practices in program implementation including proper assignment of work to crafts that traditionally perform the work.

Inclusive and Sustainable Workforce Policy

1. Policy: ~~One of PCE's strategic goals is to "foster a work environment that espouses sustainable business practices and cultivates a culture of innovation, diversity, transparency, integrity, and commitment to the organization's mission and the communities it serves."~~ PCE Statement

Peninsula Clean Energy recognizes that an inclusive and sustainable workforce helps ~~PCE~~Peninsula Clean Energy meet its core mission and goals more effectively, ~~serve its~~ by:

- Serving our customers in a ~~more~~ culturally sensitive manner, ~~and reflect the businesses we partner with and;~~ and
- Reflecting the community we serve ~~more comprehensively, PCE~~ and the businesses with which we partner.

Peninsula Clean Energy strives to have a workforce that is as inclusive as the ~~community it serves~~communities it serves. Additionally, Peninsula Clean Energy strives to create employment opportunities to help build and sustain healthy and sustainable communities.

Inclusive Workforce

~~PCE~~This policy, Inclusive and Sustainable Workforce, along with Policy Number 22, Diversity, Equity, Accessibility, and Inclusion (DEAI) represent Peninsula Clean Energy's commitment to its strategic goal of "ensuring organizational excellence by adhering to sustainable business practices and fostering a workplace culture of innovation, diversity, equity, accessibility, inclusion, transparency, and integrity".

2. Inclusive Workforce

a. Peninsula Clean Energy Staff

~~PCE~~Peninsula Clean Energy relies on its employees to provide clean, cost-effective, alternative energy to its customers. These customers live in diverse communities, and an inclusive workforce comprised of staff who reflect and are invested in these communities allows Peninsula Clean Energy to serve them more effectively. An inclusive staff also provides good jobs for people from diverse communities.

To help maintain and strengthen ~~PCE's~~Peninsula Clean Energy's inclusive staff, ~~PCE~~Peninsula Clean Energy will:

- (1) Engage in broad outreach efforts in diverse communities, including disadvantaged and low-income communities, to ensure a diverse pool of candidates for open positions;
- (2) Provide fair compensation that aligns with regional market indicators for compensation levels for each position;
- (3) Be transparent about these practices and lessons learned; and
- (4) Provide contact information for staff who can answer questions about this policy.

b. **Supply Chain**

Peninsula Clean Energy's commitment to inclusion also extends to its supply chain. Where and from whom ~~PCE~~Peninsula Clean Energy purchases goods and services have important consequences for businesses, customers, and their communities. An inclusive supply chain is an important driver for successful delivery of ~~PCE's~~Peninsula Clean Energy's services to its customers, and of fair and equitable economic development generally.

To help ensure an inclusive supply chain, ~~PCE~~Peninsula Clean Energy will:

- (1) Strive to use local businesses and provide fair compensation in the purchase of services and supplies;
- (2) Proactively seek services from local businesses and from businesses that have been Green Business certified and/or are taking steps to protect the environment;
- (3) Engage in efforts to reach diverse communities to ensure an inclusive pool of potential suppliers;
- (4) ~~Collect~~Request information from suppliers and contractors on the inclusivity ~~of and~~diversity in their workforce business ownership, including their status as a woman, minority, disabled veteran, LGBT and/or persons with disabilities owned business enterprise;
- (5) Include questions about supplier inclusivity in requests for proposals (RFPs) for services;
- (6) Encourage reporting from developers and large vendors on inclusivity in business ~~ownership and~~ staff;
- (7) Require developers abide by our Supply Chain Code of Conduct, derived from the United Nations Guiding Principles on Business and Human Rights, the Core Conventions of the International Labour Organization ("ILO"), including the ILO Declaration on Fundamental Principles and Rights at Work, the Solar Energy Industries Association Solar Industry Commitment to Environmental and Social Responsibility, and the Responsible Business Alliance Code of Conduct, attached herein as Attachment A of this policy;
- ~~(7)~~(8) Be transparent about these practices and lessons learned; and
- ~~(8)~~(9) Provide contact information for staff who can answer questions about this policy.

c. **Inclusive Business Practices**

To fulfill its core mission to provide energy choices to the diverse residents and communities of San Mateo County, ~~PCE~~and the City of Los Banos, Peninsula Clean Energy must ensure that its services and information are accessible to all communities. Accordingly, ~~PCE~~Peninsula Clean Energy will:

- (1) Strive to provide information on ~~PCE's~~Peninsula Clean Energy's services in the multiple languages commonly spoken in ~~PCE's~~Peninsula Clean Energy's service area (including mailers, tabling materials, customer service, call center, workshops and outreach events, advertisements, and other means of customer engagement);
- (2) Conduct marketing and outreach in diverse communities (including advertising in minority-owned media, establishing partnerships with community organizations, and using various media, such as radio and television) to increase awareness of ~~PCE's~~Peninsula Clean Energy's services and programs;

- (3) Strive to attend important multi-cultural community events with multi-lingual materials and speakers;
- (4) Share information about activities and initiatives that promote inclusion, access, and diverse engagement in the community.

d. **Non-Discrimination Pledge**

~~PCE~~Peninsula Clean Energy will not discriminate, and will require that its suppliers do not discriminate, on the basis of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information.

1.3. Sustainable Workforce

a. Compensation and Workforce Opportunities

Support of local businesses, union labor and apprenticeship and pre-apprenticeship programs that create employment opportunities are important components of building and sustaining healthy and sustainable communities. It is in the interest of Peninsula Clean Energy ~~in San Mateo County (PCE)~~ to provide fair compensation and sustainable workforce opportunities within a framework of competitive service and the promotion of renewable energy, energy efficiency and greenhouse gas reduction.

~~PCE Recognizes~~Peninsula Clean Energy recognizes the importance of locally-generated renewable energy in assuring that California is provided with (1) adequate supplies of renewable energy for economic growth, (2) sustained local job opportunities and job creation, and (3) effective means to reduce the impacts of greenhouse gas emissions. ~~PCE~~Peninsula Clean Energy also recognizes the opportunities that energy ~~efficiency~~ programs provide for local workforce training and employment.

~~PCE~~Peninsula Clean Energy supports fair compensation in direct hiring, renewable development projects, energy ~~efficiency~~ programs and in procurement of ~~PCE~~Peninsula Clean Energy services and supplies. ~~PCE~~Peninsula Clean Energy also supports quality State of California approved apprenticeship and pre-apprenticeship training programs in construction craft occupations to foster long-term, fairly compensated employment opportunities for program graduates and believes that local apprenticeship and pre- apprenticeship programs are an efficient vehicle for delivering quality training in construction in industry craft occupations.

b. Sustainable Workforce Objectives

Peninsula Clean Energy therefore desires to facilitate and accomplish the following objectives:

- (1) Support for and direct use of local businesses;
- ~~(1)~~—Support for and direct use of union members from multiple trades;
- (2) ~~Support including support~~ for and use of training and State of California approved apprenticeship programs, and pre-apprenticeship programs from within Peninsula Clean Energy's service territory; and

(3) Support for and direct use of green and sustainable businesses.

“Local” is defined as:

- 1.) San Mateo County; ~~2.)~~ and the City of Los Banos;
- 2.) Nine Bay Area Counties (Alameda, Contra Costa, Marin, Napa, San Mateo, San Francisco, Santa Clara, Solano, Sonoma); ~~3.) Northern California; 4.)~~ and the County of Merced;
- 3.) Northern California and the Central Valley; and
- 4.) California.

Preference will be given first to San Mateo County and the City of Los Banos; second, to the Nine Bay Area Counties and the county of Merced; third, to Northern California and the Central Valley; fourth, to California.

Peninsula Clean Energy will support the objectives stated above in the following ways:

a-c. PCE Peninsula Clean Energy Power Purchase Agreements with Third Parties

PCE Peninsula Clean Energy shall collect information from respondents to any bidding and/or RFP/RFQ process regarding past, current and/or planned efforts by project developers and their contractors to:

- Employ workers and use businesses from the PCE Peninsula Clean Energy service territory.
- Employ properly licensed (A, B, C10, C7, C46) contractors and California Certified electricians.
- Utilize multi-trade project labor agreements on the proposed project or any prior project developments.

- Utilize local apprentices, particularly graduates of local pre-apprenticeship programs.
- Pay workers the correct prevailing wage rates for each craft, classification and type of work performed.
- Display a poster at jobsites informing workers of prevailing wage requirements.
- Provide workers compensation coverage to on-site workers.
- Support and use State of California approved apprenticeship programs.

Relevant information submitted by proposers will be used to evaluate potential workforce impacts of proposed projects with the goal of promoting fair compensation, fair worker treatment, multi-trade collaboration, and support of the existing wage base in local communities where contracted projects will be located.

b-d. PCE Peninsula Clean Energy Owned Generation Projects

Any ~~PCE~~Peninsula Clean Energy-owned renewable development project shall use best efforts to use local businesses, union labor, and apprenticeship programs through multi-trade agreements and/or through multiple agreements for work. Each construction contractor or subcontractor performing work on any ~~PCE~~Peninsula Clean Energy-owned project shall use best efforts to use a combination of local labor, union labor and apprenticeship programs, and shall follow fair compensation practices, including proper assignment of work to crafts that traditionally perform the work. For each renewable energy project, ~~PCE~~Peninsula Clean Energy or its construction contractor shall use best efforts to require of its regular workforce that at least 50% of all "journey level" employees shall be graduates of a State of California approved apprenticeship program and shall use best efforts to require -at least that its regular workforce shall be in conformance with all state and federal apprenticeship requirements, including the guidance issued by the Internal Revenue Service in Notice 2022-61, or have at least 2020% shall be enrolled and participating in a local State of California approved apprenticeship program, whichever is greater. Apprenticeship programs must be approved by the State Department of Apprenticeship Standards.



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PCE Feed-In Tariff Price Projects

~~PCE shall use best efforts to ensure each construction contractor or subcontractor performing work on any PCE Feed-in Tariff project utilize local businesses, union labor, multi-trade agreement, apprenticeship programs, and fair compensation practices including proper assignment of work to crafts that traditionally perform the work.~~

e. ~~PCE~~ **Peninsula Clean Energy Programs**

~~PCE~~ Peninsula Clean Energy shall use best efforts to support local businesses, union labor, and local apprenticeship programs in the implementation of its energy programs. Peninsula Clean Energy shall use best efforts to ensure each construction contractor or subcontractor performing work on any ~~PCE energy efficiency~~ Peninsula Clean Energy program utilize local businesses, union labor, local apprenticeship, and fair compensation practices in program implementation including proper assignment of work to crafts that traditionally perform the work.

Supply Chain Code of Conduct

Buyer is committed to ensuring that the fundamental human rights of workers are protected, including addressing the potential risks of forced labor, child labor, servitude, human trafficking and slavery across our portfolio.

Our requirements and expectations for Seller's supply chain are detailed below in our Supply Chain Code of Conduct ("**Supply Chain Code**"). Seller must comply with all applicable Laws and this Supply Chain Code, even when this Supply Chain Code exceeds the requirements of applicable Law.

These standards are derived from the United Nations Guiding Principles on Business and Human Rights, the Core Conventions of the International Labour Organization ("ILO"), including the ILO Declaration on Fundamental Principles and Rights at Work, the Solar Energy Industries Association Solar Industry Commitment to Environmental & Social Responsibility, and the Responsible Business Alliance Code of Conduct.

1. Freely Chosen Employment

Forced, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons is not permitted. This includes transporting, harboring, recruiting, transferring, or receiving persons by means of threat, force, coercion, abduction or fraud for labor or services. There shall be no unreasonable restrictions on workers' freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting company provided facilities including, if applicable, workers' dormitories or living quarters. All work must be voluntary, and workers shall be free to leave work at any time or terminate their employment without penalty if reasonable notice is given as per worker's contract. Employers, agents, and sub-agents' may not hold or otherwise destroy, conceal, or confiscate identity or immigration documents, such as government-issued identification, passports, or work permits. Employers can only hold documentation if such holdings are required by law. In this case, at no time should workers be denied access to their documents. Workers shall not be required to pay employers' agents or sub-agents' recruitment fees or other related fees for their employment. If any such fees are found to have been paid by workers, such fees shall be repaid to the worker.

2. Young Workers

Child labor is not to be used in any stage of manufacturing. The term "child" refers to any person under the age of 15, or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. Suppliers shall implement an appropriate mechanism to verify the age of workers. The use of legitimate workplace learning programs, which comply with all laws and regulations, is supported. Workers under the age of 18 shall not perform work that is likely to jeopardize their health or safety, including night shifts and overtime. Suppliers shall ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable laws and regulations. Suppliers shall provide appropriate support and training to all student workers. In the absence of local law, the wage rate for student workers, interns, and apprentices shall be at least the same wage rate as other entry-level workers performing

equal or similar tasks. If child labor is identified, assistance/remediation is provided.

3. Working Hours

Studies of business practices clearly link worker strain to reduced productivity, increased turnover, and increased injury and illness. Working hours are not to exceed the maximum set by local law. Further, a workweek should not be more than 60 hours per week, including overtime, except in emergency or unusual situations. All overtime must be voluntary. Workers shall be allowed at least one day off every seven days.

4. Wages and Benefits

Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance with local laws, workers shall be compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure shall not be permitted. For each pay period, workers shall be provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed. All use of temporary, dispatch and outsourced labor will be within the limits of the local law.

5. Humane Treatment

There is to be no harsh or inhumane treatment including violence, gender-based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public shaming, or verbal abuse of workers; nor is there to be the threat of any such treatment. Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to workers.

6. Non-Discrimination/Non-Harassment

Suppliers should be committed to a workplace free of harassment and unlawful discrimination. Companies shall not engage in discrimination or harassment based on race, color, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training. Workers shall be provided with reasonable accommodation for religious practices. In addition, workers or potential workers should not be subjected to medical tests that could be used in a discriminatory way or otherwise in violation of applicable law. This was drafted in consideration of ILO Discrimination (Employment and Occupation) Convention (No.111).

7. Freedom of Association

In conformance with local law, Suppliers shall respect the right of all workers to form and join trade unions of their own choosing, to bargain collectively, and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities. Workers and/or their representatives shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, reprisal, intimidation, or harassment.

8. Restricted Jurisdictions

Supplier shall not manufacture or produce products in the Xinjiang Uyghur Autonomous Region of China, or knowingly procure goods and services mined, produced or manufactured in the same.