



Executive Committee Meeting

February 12, 2024

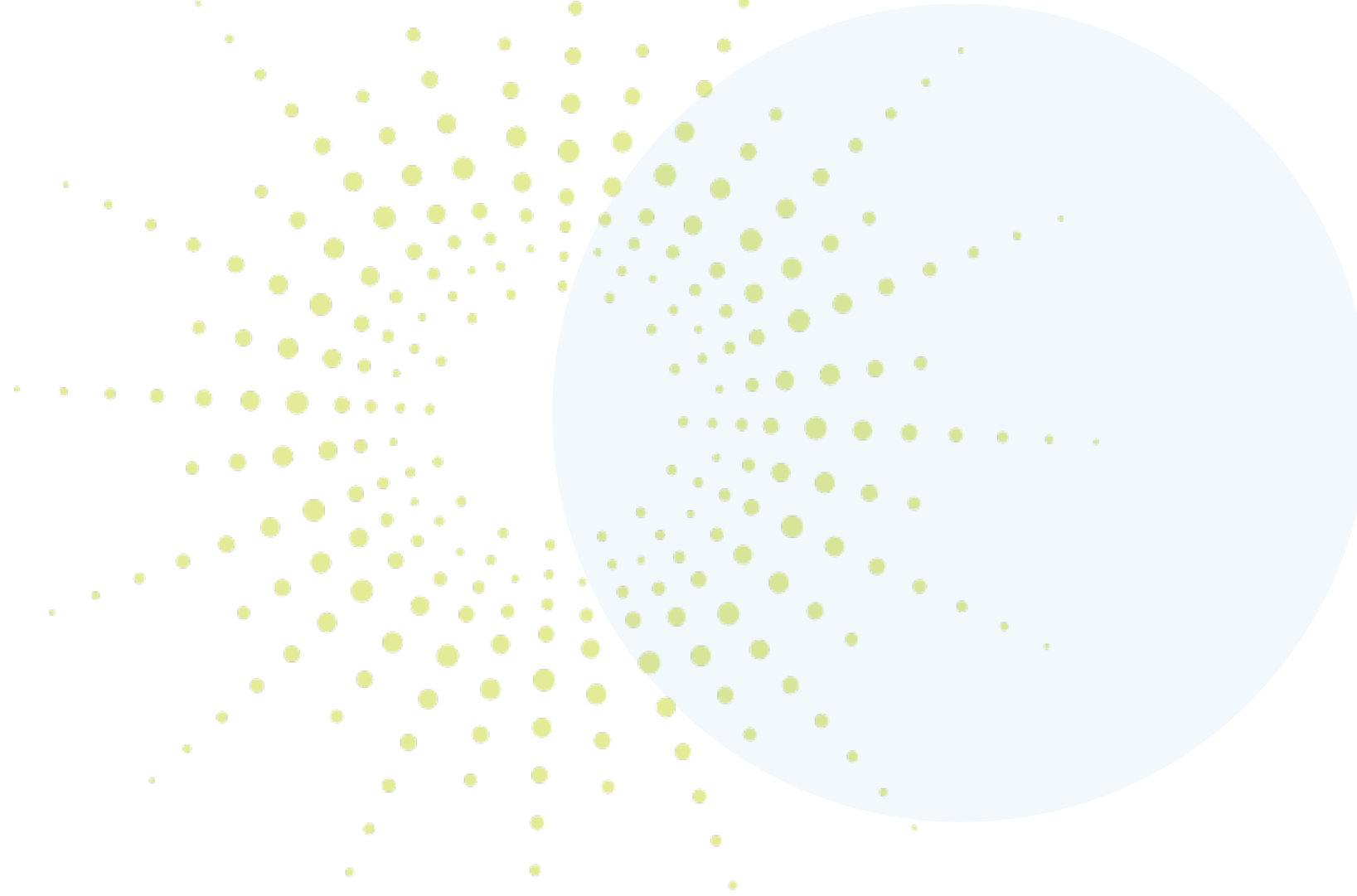
Agenda

- Call to Order / Roll Call
- Public Comment (for items not on the Agenda)
- Action to set the Agenda and Approve Consent Item 1
 - Public Comment
- Regular Agenda
- Committee Members Reports
- Adjourn

Chair Report



CEO Report



CEO Report

- Audit and Finance Report Out
- Rate Freeze - Feedback and Communications
- Minutes - Backlog and Shift to Action Minutes
- Upcoming:
 - Policy 16 Board and Committee Amendments; JPA Agreement Clean Up
 - Cal-CCA Lobby Day and New Legislator CCA Training
 - CEO/Council Briefings
 - February 15 – Brisbane
 - March 6 – Los Banos
 - March 11 – Hillsborough
 - April 1 - Burlingame
 - April 23 – San Bruno
 - May 13 – San Carlos
 - May 15 - Atherton

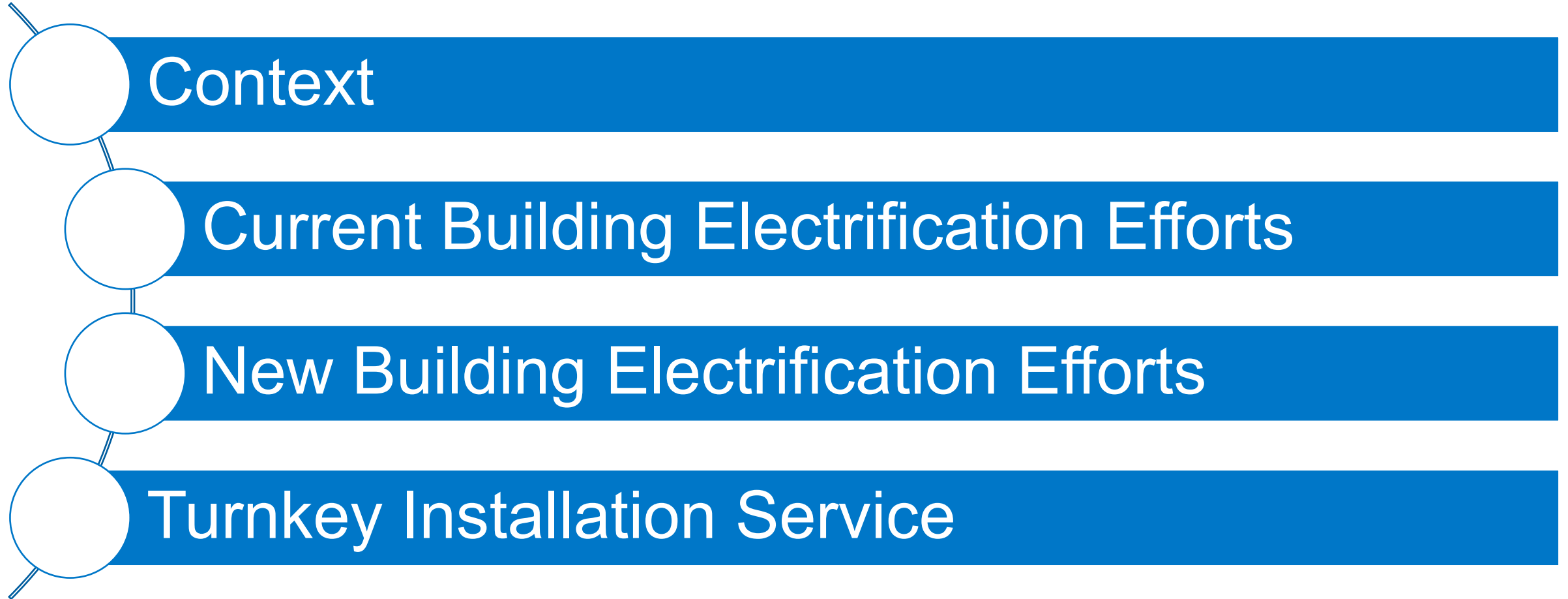


Single-Family Turnkey Electrification Installation Service

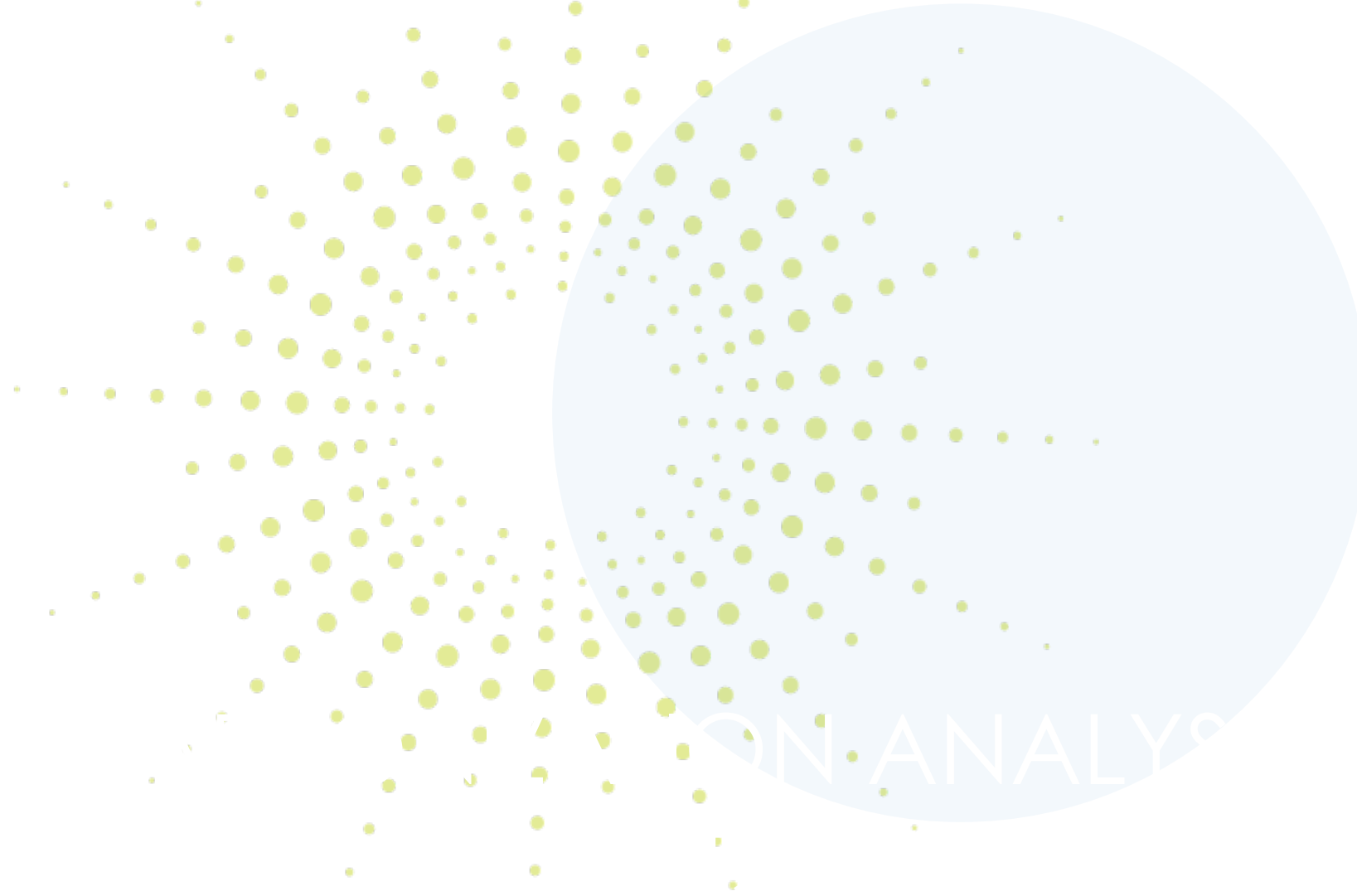
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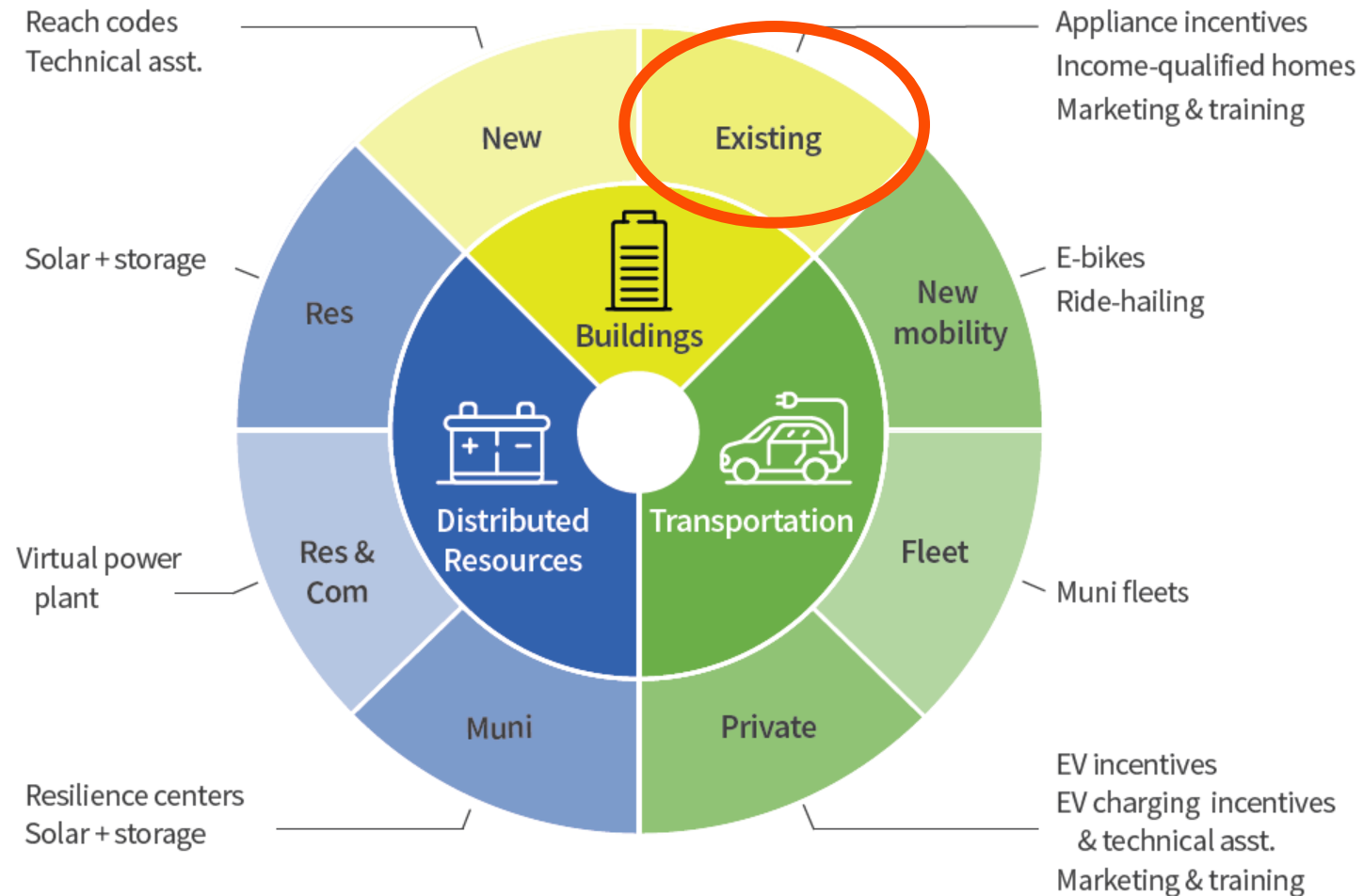
Presentation Overview



Context



Programs Portfolio

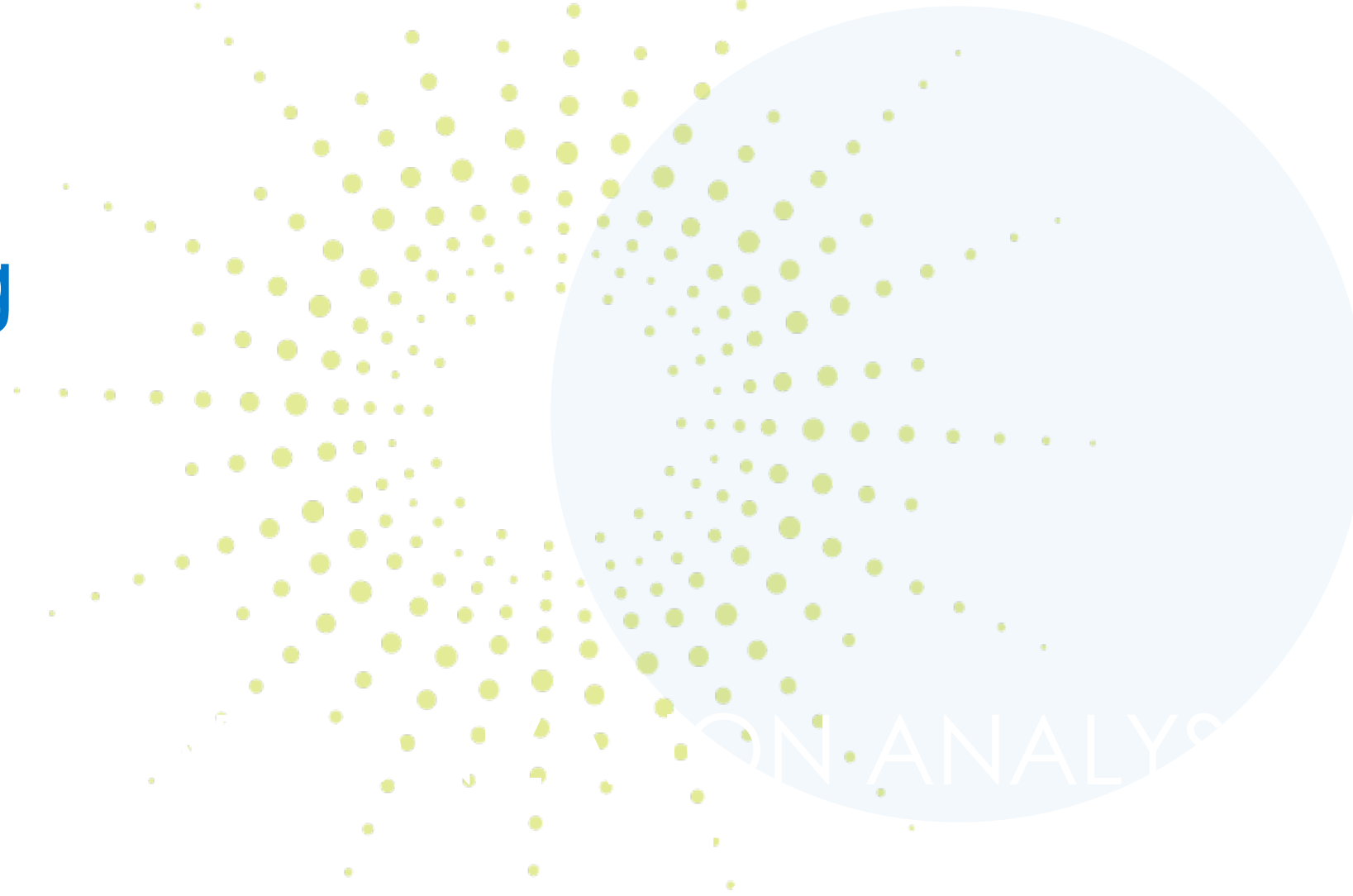


2035: Buildings Electrification

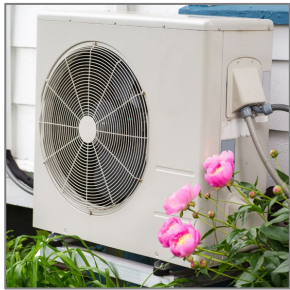


- 2035 Decarbonization Feasibility Assessment and Plan shows we need to rapidly scale building electrification.
- PCE is best positioned to affect change in small residential sector.
- Following program components needed to succeed:
 1. Flexible Incentives
 2. High touch support
 3. Links to Finance

Current Building Electrification



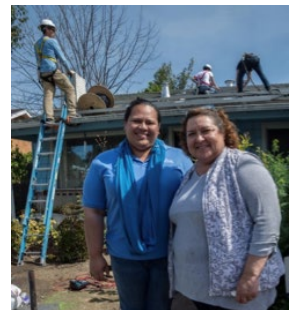
What We Have



Rebates for heat pump water heaters & heat pump HVAC



0% loans up to \$10k for heat pump water heaters & heat pump HVAC



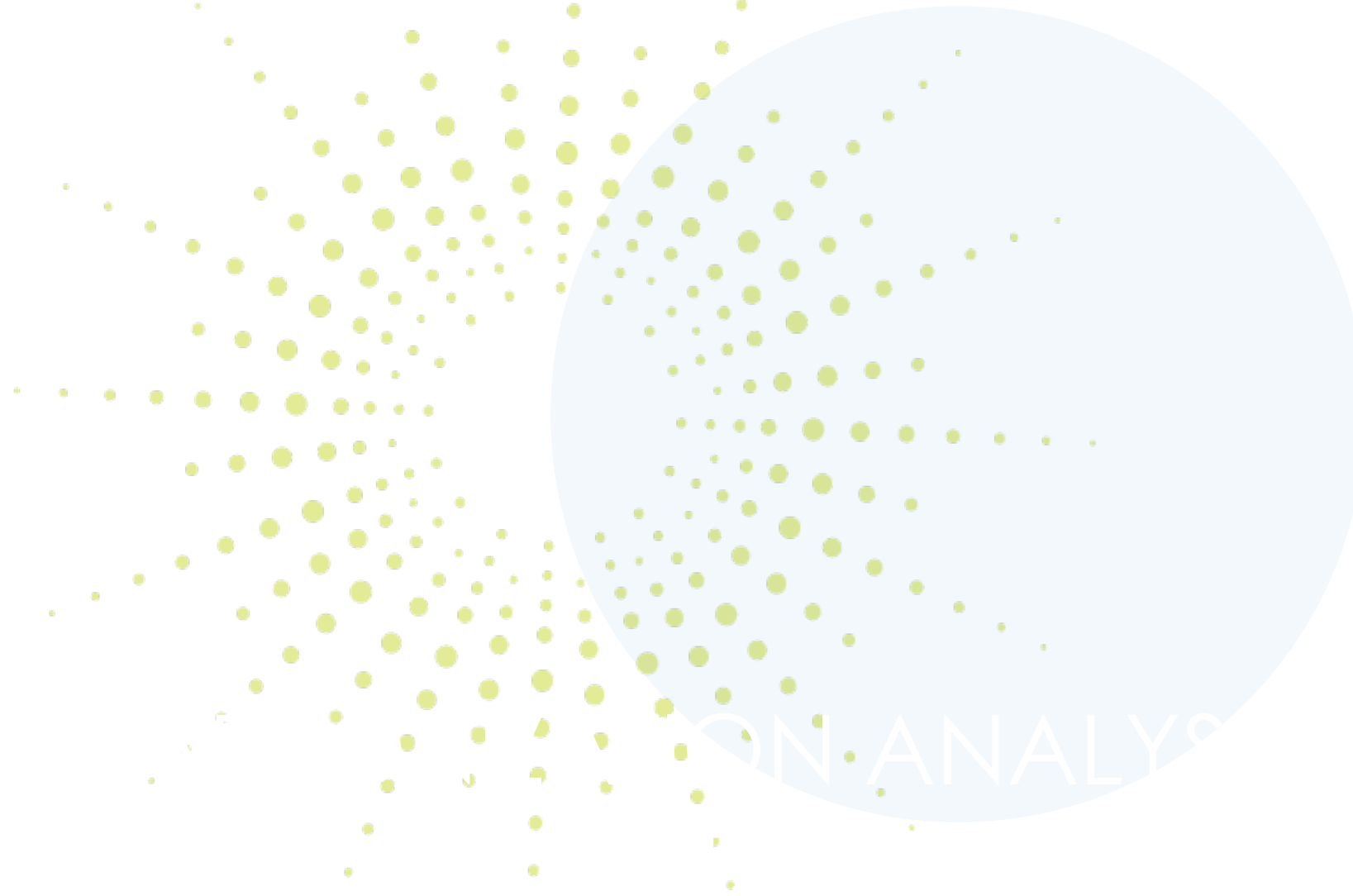
Home Upgrade program: no-cost electrification & minor home repairs for income-qualified homeowners

Participants	Count
Rebate & loan program	1,862
Home Upgrade program	281
Appliances installed (all programs)	Count
Heat pump water heater	1,114
Heat pump HVAC	1,096
Induction cooktop/range	75
Electric dryer	73

What We Still Need

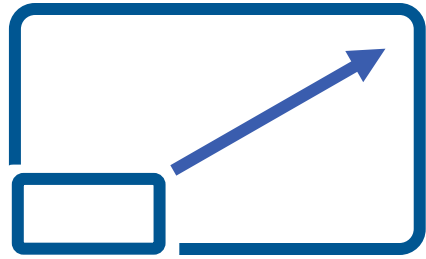
- Current program provides incentives but minimal guidance/support
- Updated services needs to address barriers customers face:
 - Emergency replacements
 - Lack of clear information
 - Difficulty selecting contractors and equipment
 - Limited time and money
 - Technically complicated installations

Future Building Electrification



ON ANALYSIS

Vision Building Electrification v2



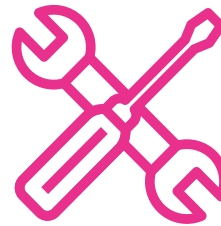
Scale to Whole Home



Increase Homes Impacted per Year



One-Stop Shop Services

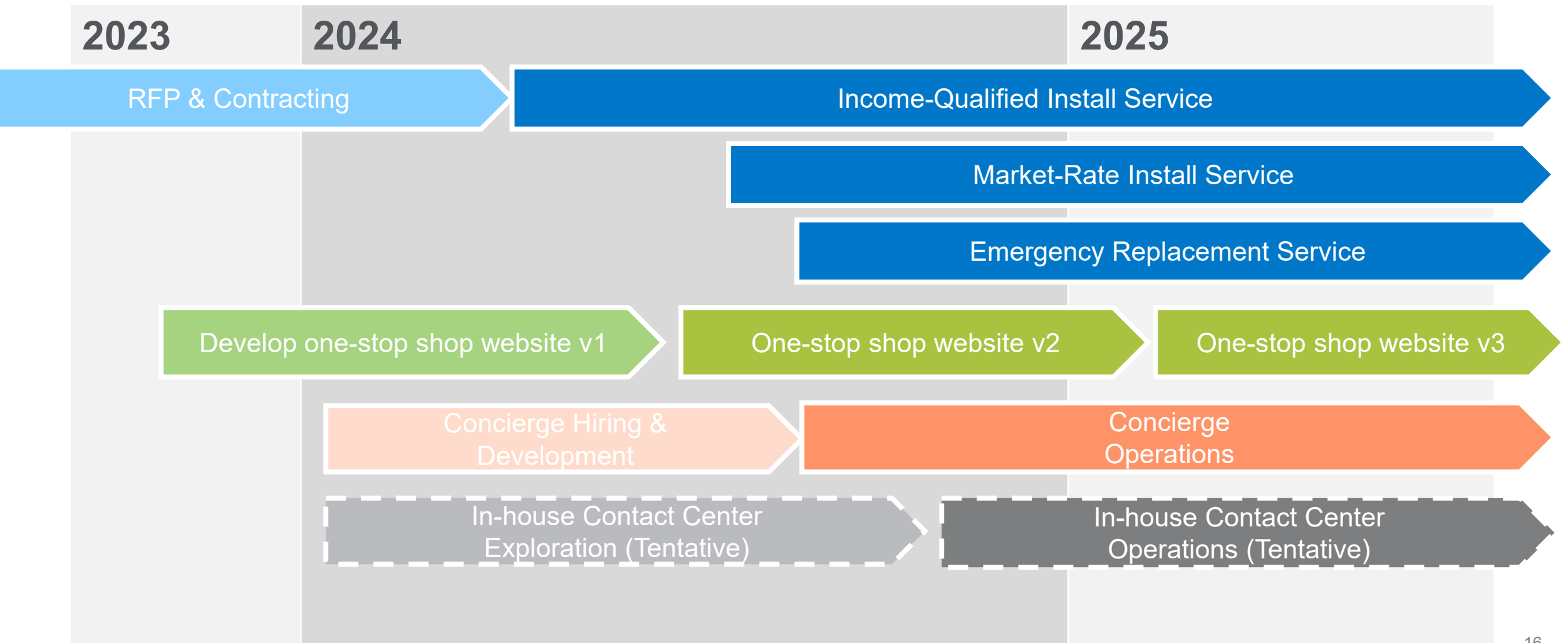


Concierge Services



Turnkey Installation Services

Building Electrification v2: Timeline



Turnkey Installation Service

A decorative background featuring a large, light blue circle on the right side. To the left of the circle is a dense cluster of small yellow dots of varying sizes, some of which overlap the circle. The dots are scattered in a way that suggests a starburst or a cloud of particles.

Service Overview & Contract

ON ANALYS

RFP For Turnkey Installation Services

Select experienced consultant + installation contractors team to implement three suites of installation services:

Income-Qualified No-Cost Electrification

No-cost whole-home electrification for low-income residents (Home Upgrade v2)

Market-Rate Low-Cost Electrification

Low-cost installation services to non-income-qualified residents (NEW)

Emergency Water Heater Replacements

Rapid replacement of failing gas water heaters with heat pump water heaters (NEW)

RFP Detail



Process

- Joint RFP with SVCE; they intend launch the same services
- Released in August, proposals due October, selection in December



Results

- Received 5 proposals
- 2 shortlisted for interviews & follow up questions
- **Selected Franklin Energy as the awardee**

About Franklin Energy and Team

- **Franklin Energy**

- Large (~1,000 employees) nation-guide energy consulting firm, very active in CA
- Experience in with electrification and energy efficiency, and working in San Mateo County

- **Contractors**

- **Enso**: works on MCE program with Franklin. Will focus on income-qualified installs.
- **Fuse Service**: large Bay Area contractor experienced in electrification. Will focus on market-rate installs & emergency replacements.
- **Electrify My Home**: electrification-focused contractor. Will focus on market-rate installs.

- **Others**

- **Xerohome**: energy modeling software to help develop home scopes and target customers



Average Electrification Costs Per Home

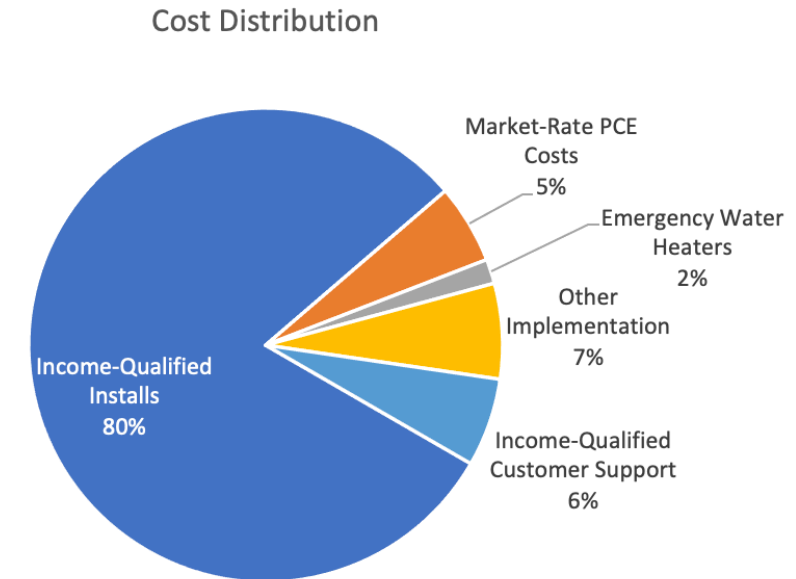
Average cost per whole-home electrification for a typical home, per Franklin contracting pricing

Measure	Cost
Heat pump water heater (65 gallon, 240V)	\$6,350
Heat pump HVAC (ducted, inverter-driven, 2 ton)	\$12,300
Electric induction range	\$2,450
Electric clothes dryer	\$2,000
Level 1 EV-ready circuit	\$1,200
4 Circuits	\$4,800
Sub-panel	\$1,600
Permits & HERs test	\$1,000
Total	\$31,700
Panel replacement, if required	\$6,850

- Program will pay prevailing wage.
- Contract contains detailed measures table with costs, i.e. multiple configurations for water heaters, HVAC, etc.
- Some income-qualified homes will also receive minor home repairs, light energy efficiency & resiliency measures.

Contract Overview

		FY23-24	FY24-25	FY25-26	FY26-27	3-Yr Total
Income-Qualified Installs	Count	15	150	180	180	525
	Budget	\$530,000	\$5,300,000	\$6,700,000	\$7,030,000	\$19,290,000
Market-Rate Installs	Count	0	30	45	100	175
	Budget		\$185,000	\$260,000	\$615,000	\$1,300,000
Emergency Water Heater Installs	Count	0	20	40	67	127
	Budget		\$60,000	\$120,000	\$190,000	\$400,000
Implementation Costs	Budget	\$190,000	\$685,000	\$955,000	\$1,180,000	\$3,010,000
Total PCE Budget		\$720,000	\$6,230,000	\$8,035,000	\$9,015,000	\$24,000,000
Total Menlo Park Budget		\$200,000	\$1,800,000	N/A	N/A	\$2,000,000
Total Contract Not To Exceed Amount						\$26,000,000



- Counts for income-qualified assume all homes are fully electrified; count is likely to be greater.
- Actual expenditures will be based on program uptake; market-rate and emergency water heaters are especially variable.
- Implementation costs refer to all non-installation costs including customer support, contractor oversight, site assessments, admin and reporting tasks. Some costs will be shared with SVCE.
- Menlo Park budget will be entirely allocated to income-qualified installs (and associated implementation costs).

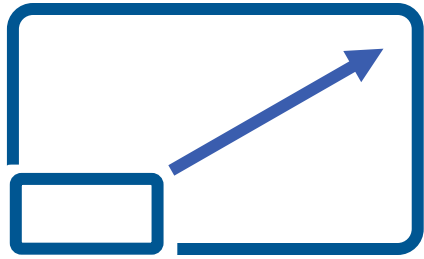
Thank you!
Questions?



Update on In-House Contact Center

Executive Committee
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Context: Vision for Residential Services



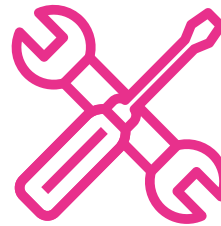
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One-Stop Shop Services

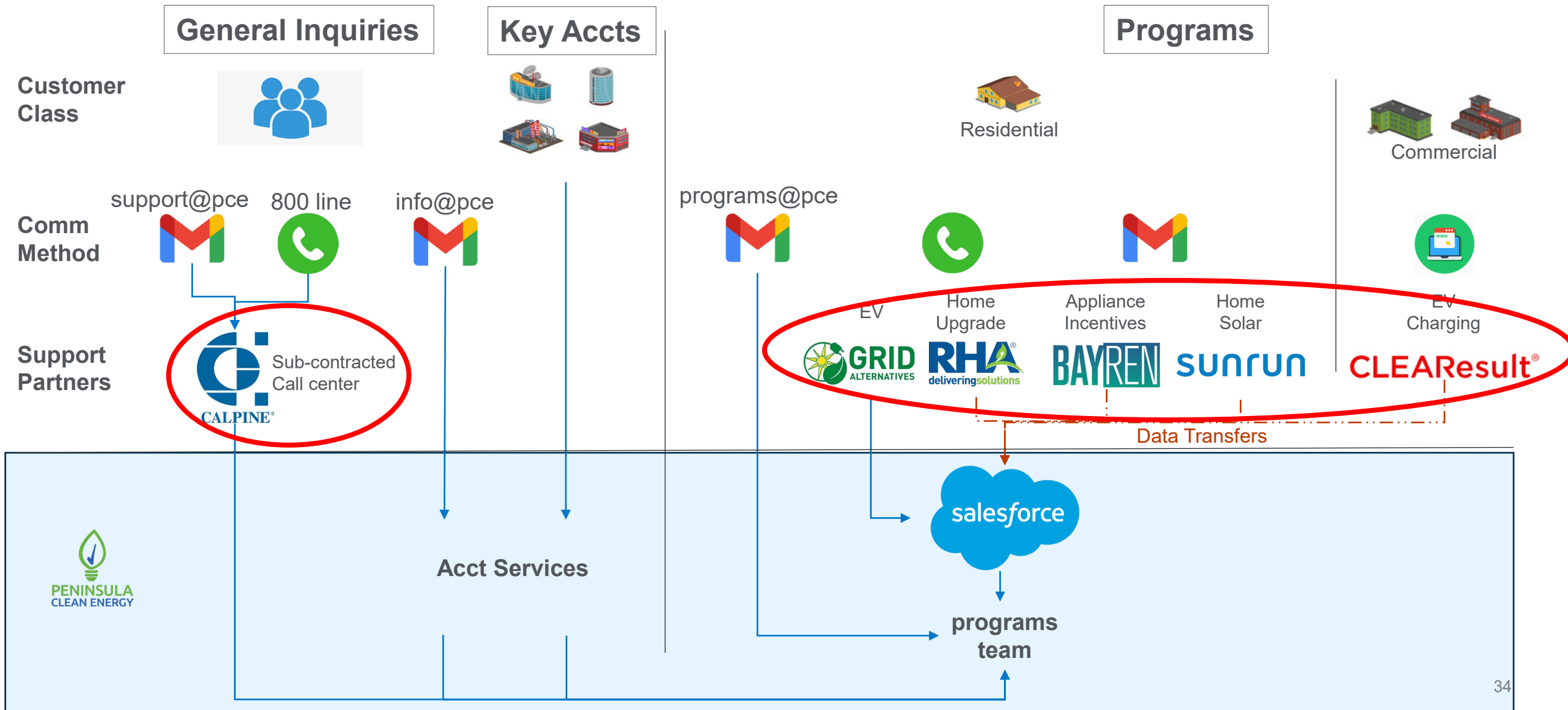


Live “Concierge”
Technical Assistance



Turnkey Services

Problem: Current Customer Support Architecture



One-Stop Shop Vision – Customer View



One-Stop Website

Info & education
Why, how, rebates, etc.

Appliance marketplace

Energy calculator /
Virtual Energy Audit

Contractor network



One-Stop Phone

Account Status, Billing, Rates

Program Navigation, Incentives &
Eligibility

Rebate and Services Status

Referrals and Service Dispatch

Customer Centricity and DEAI

- Many of our customers have been telling us that they need a higher level of support from PCE to confidently take the next steps to invest in decarbonization and electrification
- Meeting customers where they are at in their journey is a critical piece to making sure our programs and benefits are accessible to all.
- Doing the research and making the investment into building out robust frontline customer contact experience is an important step in PCE's journey towards Customer Centricity

Next Steps

Timeframe: March-May 2024

- Working with external consultants/staff to do a deep dive into existing customer systems
 - Calpine IVR, CRM
 - Powerpath
- Identify gaps/necessary technology solutions to bridge existing platforms with new offerings
- Develop budget and staffing plan to bring back to the full Board later this Spring

Community Advisory Committee Recruitment Options

Kirsten Andrews-Schwind



Roles of the Community Advisory Committee

- Advise on substantial public-facing program initiatives before they are presented to the Board for approval, as practical given timeliness and staff and CAC capacity.
- Engage in outreach to the community and advocate for Peninsula Clean Energy mission, goals, and programs.
- Advise on high-level legislative and regulatory direction of the organization.
- Provide a forum for community discussions on a wide variety of strategies in conjunction with staff and board.
- Form working groups, as recommended by the CAC membership, to assist Peninsula Clean Energy's staff and Board with projects of importance to the organization.

Current New Member Selection Process

February

- Board of Directors forms an Ad Hoc Committee for CAC recruitment. Committee reviews application.
- Staff posts and advertises application form online.
- Open application period usually runs through the end of March.

April-May

- Staff screens applicants for conflicts of interest.
- Staff schedules times for the Ad Hoc Committee to interview applicants and supports the interview process.
- Staff and Board Committee interviews all candidates.
- Ad Hoc Committee decides which candidates to recommend for appointment.
- Ad Hoc Committee makes recommendations to full Board of Directors at the May meeting, Board approves or amends.

June

- New CAC members are offered an orientation and sworn in for 3-year terms.
- All other applicants are informed that they were not appointed.

Mid-term vacancies on the CAC were usually left open until annual appointments were made in May.

Increased Demand for CAC Openings

Average openings:
2-5/year

In 2023 we turned
down 17 good,
motivated candidates

	Number of Applicants
2021	6
2022	13
2023	22

Challenges

- Increased staff and Board time to review applications and interview many candidates
- We have to turn away most applicants, many of them qualified!
 - Not a great customer experience

Reasons to Revise Approach

Creating a pipeline of qualified candidates will allow us to:

- Reduce time burden on staff and Board members
- Provide a better experience for CAC applicants
- Fill CAC vacancies with qualified candidates more quickly

Recommendations

1. Revisit the large 2023 pool of qualified CAC applicants to fill vacancies in 2024 instead of opening up another full recruitment cycle.
2. Rank and maintain a list of top runner-up applicants so that they may be appointed, if still interested and available, as vacancies open on the CAC.
3. Run a full recruitment cycle every 2-3 years instead of annually.

This will allow PCE to form a pipeline of qualified candidates and will allow candidates who may not have been selected in one round to still be considered in another.

Adjournment

