



2075 Woodside Road | Redwood City, CA 94061
(650) 260-0005 | peninsulacleanenergy.com

**Regular meeting of the Community Advisory Committee of the
Peninsula Clean Energy Authority (PCEA)
AGENDA**

**Thursday, March 14, 2024
6:30 pm**

PLEASE NOTE: This meeting will be held in a hybrid format with both in-person and Zoom participation options for members of the public; Committee members shall appear in person.

In-Person Meeting Locations:

**PCEA Lobby, 2075 Woodside Road, Redwood City, CA 94061
UC Merced, Sustainability Research and Engineering (SRE) 458, 5200 North Lake Rd.,
Merced, CA 95340**

Zoom, Virtual Meeting Link:<https://pencleanenergy.zoom.us/j/85379701468>
Meeting ID: 853-7970-1468 **Passcode:** 2075 **Phone:** +1 (669) 444-9171

Introduction

This meeting of the Peninsula Clean Energy Community Advisory Committee will be held at the Peninsula Clean Energy Lobby: 2075 Woodside Road, Redwood City, CA 94061 and UC Merced, Sustainability Research and Engineering (SRE) 458, 5200 North Lake Road, Merced, CA 95340 and by teleconference pursuant to California Assembly Bill 2449 and the Ralph M. Brown Act, CA Gov't Code. Section 54950, et seq. **Members of the Committee are expected to attend the meeting in person** and should reach out to Assistant General Counsel for Peninsula Clean Energy, Jennifer Stalzer, with questions or accommodation information (jstalzer@smcgov.org). For information regarding how to participate in the meeting remotely, please refer to the instructions at the end of the agenda.

Public Participation

The PCEA Community Advisory Committee meeting may be accessed through Zoom online at <https://pencleanenergy.zoom.us/j/85379701468> The meeting ID is: 853-7970-1468 and the passcode is 2075. The meeting may also be accessed via telephone by dialing +1(669) 444-9171. Enter the webinar ID: 853-7970-1468, then press #. (Find your local number: <https://pencleanenergy.zoom.us/j/85379701468>). Peninsula Clean Energy uses best efforts to ensure audio and visual clarity and connectivity. However, it cannot guarantee the connection quality.

Members of the public can also attend this meeting physically at the **Peninsula Clean Energy Lobby** at 2075 Woodside Road, Redwood City, CA 94061 or **UC Merced**, Sustainability Research and Engineering (SRE) 458, 5200 North Lake Road, Merced, CA 95340.

Written public comments may be emailed to Vanessa Shin (vshin@pencleanenergy.com) and such written comments should indicate the specific agenda item on which the member of the public is commenting.

Spoken public comments will be accepted during the meeting in the Board Room(s) or remotely through Zoom at the option of the speaker. Please use the “Raise Your Hand” function in the Zoom platform, or press *6 if you phoned into the meeting, to indicate that you would like to provide comment.

Please note that Peninsula Clean Energy Community Advisory Committee meetings are a limited public forum, and all public comment must relate to something that is within the subject matter jurisdiction of the Committee. If comments do not relate to the subject matter jurisdiction of the Committee, we will stop the comment and move on to the next speaker. General Counsel will assist in identifying comments that are not related to the subject matter jurisdiction of the Committee.

ADA Requests

Individuals who require 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, should contact Vanessa Shin by 10:00 a.m. on the day before the meeting at (vshin@peninsulacleanenergy.com). Notification in advance of the meeting will enable PCEA to make reasonable arrangements to ensure accessibility to this meeting, the materials related to it, and your ability to comment.

Closed Captioning is available for all PCEA Community Advisory Committee meetings. While watching the video broadcast in Zoom, please enable captioning.

CALL TO ORDER / ROLL CALL / APPROVE TELECONFERENCE PARTICIPATION UNDER AB 2449

This item is reserved to approve teleconference participation request for this meeting by Community Advisory Committee Member pursuant to Brown Act revisions of AB 2449 due to an emergency circumstance to be briefly described

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. [Approval of the Minutes for the February 8, 2024 Regular Meeting](#)

REGULAR AGENDA

2. Member Introductions (Discussion, est. 5 minutes)
3. Recommendation on Peninsula Clean Energy Rate-Setting Methodology (Action, est. 20 minutes)
4. [Recommendation on Proposed Changes to Net Energy Metering \(NEM\) 1 and 2 Program \(Action, est. 20 minutes\)](#)
5. Review of Peninsula Clean Energy Outreach Talking Points (Discussion, est. 15 min)
6. Community Advisory Committee Participation in Spring Community Outreach (Discussion, est. 10 minutes)
7. Solar + Storage Programs Working Group Update (Discussion, est. 10 minutes)
8. Working Group Reports (Discussion, est. 10 minutes)

9. Marketing and Community Liaison Update (Discussion, est. 10 minutes)
10. Upcoming Topics for Discussion (Discussion, est. 5 minutes)
11. Committee Members' Reports (Discussion, est. 5 minutes)

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 Website at: <https://www.peninsulacleanenergy.com>.

JOINING INSTRUCTIONS

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

- Videoconference with Computer Audio - see Option 1 below
- Videoconference with Phone Call Audio - see Option 2 below
- Calling in via Telephone/Landline - see Option 3 below

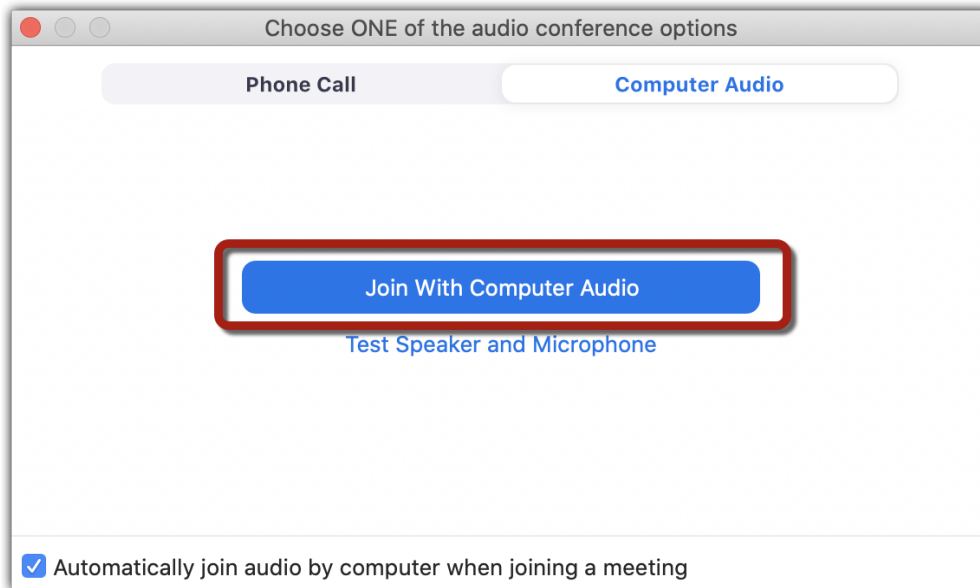
Videoconference Options:

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:

- From your computer, click on the following link that is also included in the meeting calendar invitation: <https://pencleanenergy.zoom.us/j/86953524805>
- The Zoom application will open on its own or you will be instructed to open Zoom.
- 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.

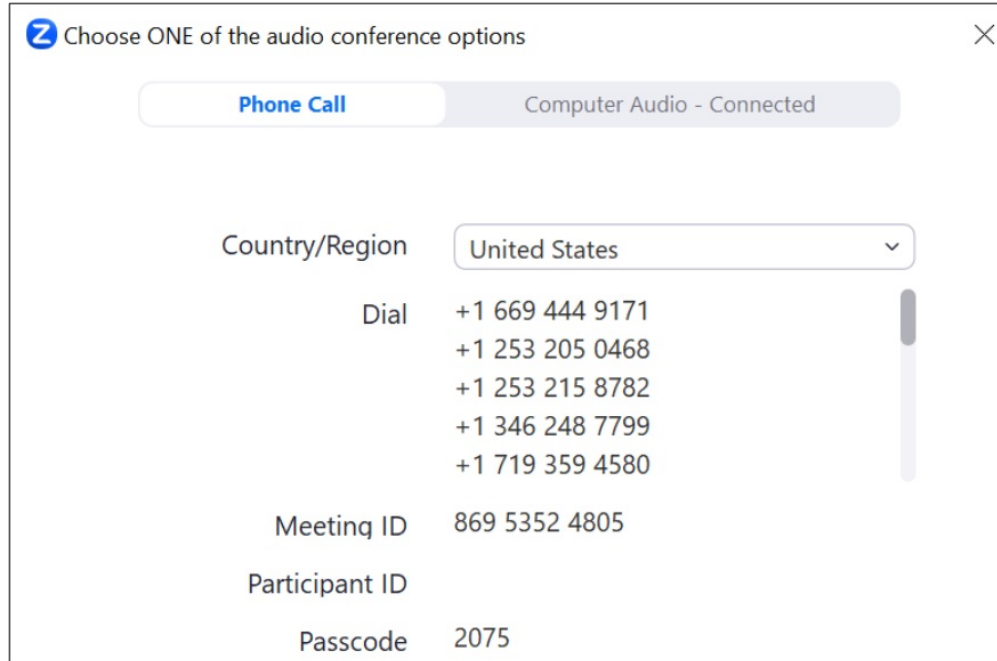


- Click the blue, "Join with Computer Audio" button.
- In order to enable video, click on "Start Video" in the bottom left-hand corner of the screen. This menu bar is also where you can mute/unmute your audio.

Option 2 Videoconference with Phone Call Audio

- From your computer, click on the following link that is also included in the meeting calendar invitation: <https://pencleanenergy.zoom.us/j/86953524805>
- The Zoom Application will open on its own or you will be instructed to Open Zoom.

- 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.



- Please dial +1 (669) 444-9171.
- You will be instructed to enter the meeting ID: **869-5352-4805 followed by #.**
- 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.
- After a few seconds, your phone audio should be connected to the Zoom application on your computer.
- 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:

- Please dial +1 (669) 444-9171.
- You will be instructed to enter the meeting ID: **869-5352-4805 followed by #.**
- 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.
- You will be instructed to enter the meeting passcode **2075 followed by #.**

**REGULAR MEETING of the Citizens Advisory Committee
of the Peninsula Clean Energy Authority (PCEA)
Thursday, February 8, 2024
MINUTES**

In-Person, Video Conference, and Teleconference
6:30 p.m.

CALL TO ORDER

Meeting was called to order at 6:32 p.m.

ROLL CALL**Present:**

PCEA Lobby, 2075 Woodside Road, Redwood City, CA 94061

Diane Bailey, Belmont
Steven Booker, Half Moon Bay
Michael Closson, Menlo Park
Kathleen Goforth, San Carlos
Mele Heimuli, East Palo Alto *arrived at 6:38 p.m.*
Jason Mendelson, Redwood City, Vice Chair
Cheryl Schaff, Menlo Park, *Chair*
Desiree Thayer, Burlingame
Robert Whitehair, San Mateo

*UC Merced, Sustainability Research and Engineering (SRE) 458, 5200 North Lake Rd.,
Merced, CA 95340*

Daniel Baerwaldt, Los Banos

Absent:

Aurelio Huizar, Burlingame
Margaret Li, South San Francisco

Remote participation under Gov't Code § 54953(j)(2)(B) (illness):

Gail Lee, San Bruno

An in-person quorum was established.

PUBLIC COMMENT

No public comment

ACTION TO SET THE AGENDA AND APPROVE CONSENT AGENDA

1. Approval of the Minutes for the January 11, 2024, Regular Meeting

Motion Made / Seconded: Booker / Bailey

Motion passed 10-0 (Absent: Heimuli, Huizar, Li)

REGULAR AGENDA

2. Chair Report (Discussion)

Cheryl Schaff, *Community Advisory Committee (CAC) Chair*, encouraged Committee members to share their input and ask questions during the meeting.

3. Recommendation on Program Design and Implementation of the Turnkey Home Electrification Service (Action)

Alejandra Posada, *Programs Manager, Customer Programs*, explained Peninsula Clean Energy's current support for single-family home electrification. Alejandra introduced the timeline, scope, and partners for Peninsula Clean Energy's new turnkey home electrification service.

Committee members discussed whether there are enough contractors experienced with heat pump installations to accommodate customer demand. Alejandra Posada shared her observation that the number of local contractors knowledgeable about electrification has increased.

Jason Mendelson, *CAC Vice Chair*, recommended that the emergency replacement service only install heat pump water heaters or electric water heaters. Jason said it is imperative to show customers that electric water heaters work well. Diane Bailey, *Committee Member*, recommended a split system, 120-volt heat pump water heater as a solution for emergency replacements, especially for tankless gas water heaters.

Robert Whitehair, *Committee Member*, inquired about whether Peninsula Clean Energy will partner with local jurisdictions to improve their permitting process. Blake Herrschaft, *Programs Manager, Buildings*, reported that Peninsula Clean Energy has researched this topic and plans to work with cities so that permits are approved in a timely manner. Committee members discussed opportunities to advocate for policies for streamlined permitting as it relates to building electrification.

The CAC made the following recommendation to the Peninsula Clean Energy Board of Directors:

The CAC enthusiastically recommends that the Board of Directors approve the Turnkey Home Electrification Service program and urges Peninsula Clean Energy to act expeditiously to implement the program. The CAC recommends that the emergency replacement program install only electric water heaters where feasible.

PUBLIC COMMENT

Brian Schmidt inquired about what information about homes will be collected through the program, including the site assessment process.

Bruce Hodge asked whether the program administrator will bring on additional contractors as the demand for electric appliance installations increases, especially due to policies requiring electrification.

David Mauro asked if the program administrators will pay prevailing wage for each individual craft and who will ensure compliance.

John McKenna asked about how Peninsula Clean Energy plans to build trust with customers to encourage participation in the program.

Sam Fishman noted that SPUR is initiating a project around permitting and city code reform.

Motion Made / Seconded: Bailey / Whitehair

Motion passed 11-0 (Absent: Huizar, Li)

4. Update on Reach Codes (Discussion)

Blake Herrschaft, *Programs Manager, Buildings*, explained the benefits of reach codes and reviewed updates to Peninsula Clean Energy's model code, including an energy performance approach and air quality approach.

Kathleen Goforth, *Committee Member*, asked about how the updated model codes may apply to existing buildings. Blake noted that Peninsula Clean Energy is actively working to include existing building measures as options under both approaches.

PUBLIC COMMENT

Brian Schmidt said that Menlo Spark is exploring whether jurisdictions can adopt both the energy performance and air quality approach.

5. Recommendation on Program Design and Implementation of the Electric Vehicle Managed Charging Program

Phillip Kobernick, *Senior Programs Manager, Transportation*, provided an overview of the Electric Vehicle (EV) Managed Charging Pilot, including objectives and results.

CAC members discussed the opportunities and challenges related to scaling participation in this program. Kathleen Goforth suggested marketing efforts to increase awareness of the EV customer rate among EV drivers.

The Committee made the following recommendation to the Peninsula Clean Energy Board of Directors:

The CAC recommends that the Board of Directors approve the implementation and growth of the Electric Vehicle Managed Charging Program. The CAC encourages the public to sign up for the program by going to the Peninsula Clean Energy website.

Motion Made / Seconded: Mendelson / Closson

Motion passed 10-0 (Absent: Baerwaldt, Huizar, Li)

6. Working Group Overview and Reports (Discussion)

The Local Solar + Storage Programs Working Group presented their initial research on utility programs for solar and storage.

Desiree Thayer, *Committee Member*, shared that the Diversity, Equity, Accessibility, and Inclusion (DEAI) Working Group has provided feedback on Peninsula Clean Energy's language technology access policy and equity framework. The Education Initiatives Working Group also convened to discuss Los Banos school programs.

7. Marketing and Community Liaison Update (Discussion)

Kirsten Andrews-Schwind, *Senior Manager of Community Relations*, announced that the Peninsula Clean Energy Executive Committee will consider changes to the CAC recruitment process.

8. Upcoming Topics for Discussion (Discussion)

Kirsten Andrews-Schwind previewed topics for the upcoming meetings of the Peninsula Clean Energy Board of Directors. Kirsten suggested a discussion on proposed changes to Peninsula Clean Energy's Net Energy Metering program.

Jason Mendelson tentatively suggested a presentation from the Local Solar + Storage Programs Working Group.

9. Committee Members' Reports (Discussion)

No Committee Member Reports.

ADJOURNMENT

Meeting was adjourned at 8:53 p.m.



PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: March 1, 2024
EXECUTIVE COMMITTEE MEETING DATE: March 11, 2024
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Peninsula Clean Energy Authority Executive Committee

FROM: Connor Prince, Senior Analyst, Account Services
Leslie Brown, Director of Account Services

SUBJECT: Revisions to NEM Annual Cash Out Policy

RECOMMENDATION

Provide recommendation of approval to bring the proposed changes to the NEM Annual Cash Out policy (Exhibit A) to the Board of Directors for adoption at the March board meeting on Thursday March 28, 2024.

BACKGROUND

Solar NEM customers that generate excess electricity earn credit at the retail rate. If there is no owed PCE balance at the end of their monthly billing cycle, the credit is escrowed and can be applied to future owed PCE generation charges. After the April billing cycle each year, our solar customers have their accrued solar credits reconciled in the form of an annual cash out. Since its inception, PCE has sent a check to any customer with a solar escrow balance greater than one-hundred dollars (\$100). Customers with a solar escrow credit under one-hundred (\$100) have their credits rolled over into the next solar year cycle to offset any future PCE generation charges.

There was no limit on the maximum amount of credit that would be dispersed via check during the first three (3) years of cash outs. Larger businesses, school districts, and municipalities with large solar systems were presented with checks up to \$33,000 for overgeneration that occurred throughout the year, with little usage consumption to offset it. In 2021 a cash out cap of \$20,000 was put into effect, so any customer with a NEM escrow credit balance over \$20,000 will receive a check for that amount and the rest is forfeited by the customer.

DISCUSSION

Looking to the future, PCE's annual cash out program remains one of the most generous of all CCAs. Most others have turned to a Net Surplus Compensation (NSC) model, where customers are credited 20-50% less than our retail rate structure. The NSC rate has fluctuated between \$0.04 and \$0.08 over the last two years, while retail rates have gone up to double and even triple that range in the same timeframe.

In maintaining this generous program, PCE staff recommend lowering the existing \$20,000 cash out cap to \$10,000 starting in April 2025 to reduce overpayment. As mentioned in the background, customers earning this level of credit are typically municipal, school district, and large commercial accounts, and are not residential customers aided in paying off their home systems. These customers have received large cash outs for multiple years, and it is PCE's fiscal responsibility to reduce overpayment to customers who are generating exorbitantly more energy than they consume throughout the year. Of the estimated 9,500 accounts that will be part of the 2024 annual cash out, 5 accounts would currently be affected by a cap of \$10,000.

Alongside this update, staff recommend raising the \$100 threshold to receive a check up to \$300 to reduce the number of checks dispersed each year. Customers with an escrow credit balance less than \$300 would receive the credit directly on their bill, rather than having it roll over to the next month in their solar escrow balance as is the current process. This bill credit creates an additional communication point with solar customers that can be aided with targeted bill messaging and guarantees more credits go into customer pockets.

While checks can be considered a physical representation of PCE in customer hands, a significant number of them are lost and often not deposited. In those cases, the reissuing process requires tedious operational coordination between three outside parties (PG&E, Calpine, and Maher Accountancy) and takes up to a week or more for resolution. In the last two years alone there have been 358 requests to have checks reissued, and in all about 2% of our customers have never deposited their checks that averaged \$260 each. This has resulted in about \$55,000 not reaching our solar customers. By reducing the number of checks we send out, we'll lessen operational inefficiencies and have a greater impact with the solar credits we are providing.

A comprehensive email and physical mail notification campaign would accompany these changes, including personalized outreach to customers likely to be affected by the new cap. This would begin in April and reach customers in tandem with their 2024 annual cash out, at the start of the new solar year (April 2024-April 2025).

FISCAL IMPACT

The financial impact of the suggested changes is variable due to the variance in credits generated by customers and timing, but as of February 2024 the April 2024 annual cash out would include an additional \$130,000 in credits given to customers at the time of the

cash out compared to the current under \$100 credit balance rollover policy. This amount would otherwise remain on our financial records as owed credit to the applicable customers in their escrow balance. In regard to the number of checks posted, we would see a reduction of about 56% and reflected operational cost savings of about \$6,500. This is based solely on the \$300 check threshold taking effect in 2024; with the addition of the \$10,000 cap in 2025 the forfeiture would increase by about \$42,000 for 5 accounts relative to this year's forecasted cash out total.

About 6,539 customers would experience a change in how their credit is received, but none of them would experience a change in the amount they receive. Of that group, 3,837 customers would receive a bill credit rather than a check, resulting in \$725,000 applied directly to customer accounts.