

Energy Supply Procurement Authority

Overview and Purpose

“Energy Procurement” shall mean all contracting for energy and energy-related products for PCE, including but not limited to products related to electricity, capacity, energy efficiency, distributed energy resources, demand response, and storage. In Energy Procurement, Peninsula Clean Energy Authority will procure according to the following guidelines:

1. Short-Term Agreements:

- a. The Chief Executive Officer (CEO) has the authority to approve Energy Procurement contracts with terms of less than twelve (12) months, and;
- b. The Chief Executive Officer has authority to approve Energy Procurement contracts for Resource Adequacy that meet PCE’s three (3) year forward capacity obligations measured in megawatts (MW) and that meet the specifications in Table 1 below, which are set annually by the California Public Utilities Commission and the California Independent System Operator for compliance requirements.

Table 1:

Product	Year-Ahead Compliance Obligation	Term Limit
Local Resource Adequacy	In years 1 & 2, must demonstrate capacity to meet 100% of monthly local obligation for years 1 and 2 and 50% of monthly local obligation for year 3 by October 31 st of the prior year	Up to 36 months
System Resource Adequacy	In year 1, must demonstrate capacity to meet 90% of systems obligation for summer months (May – September) by October 31 st of the prior year	Up to 12 months
Flexible Resource Adequacy	In year 1, must demonstrate capacity to meet 90% of monthly flexible obligation by October 31 st of the prior year	Up to 12 months

- c. The CEO shall report all such agreements to the Peninsula Clean Energy Board through the quarterly procurement report.

2. Medium-Term Agreements:

The Chief Executive Officer, in consultation with the General Counsel, the Board Chair, and other members of the Board as the Chief Executive Officer deems necessary, has the authority to approve Energy Procurement contracts with terms greater than twelve (12) months but not more than five (5) years, in addition to Resource Adequacy contracts as specified in Table 1 above. The Chief Executive Officer shall report all such agreements to the Peninsula Clean Energy Board through the quarterly procurement report.

3. Intermediate and Long-Term Agreements:

Approval by the Peninsula Clean Energy Board is required before the CEO enters into Energy Procurement contracts with terms greater than five (5) years.

4. Amendments to Agreements

The Chief Executive Officer, in consultation with the General Counsel and the Board Chair, or Board Vice Chair in the event that the Board Chair is unavailable, has authority to execute amendments to Energy Procurement contracts that were previously approved by the Board.

5. Delegation of Authority in the Absence of the Chief Executive Officer

- a. In the absence of the CEO, with written consent by the CEO or the Board Chair, the Chief Financial Officer shall have all energy contract authorities of the CEO as described above.
- b. The CEO shall report all such agreements to the Peninsula Clean Energy Board through the quarterly procurement report.