



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

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

**Monday, May 13, 2024
10:00 am**

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

In-Person Meeting Location:

PCEA Lobby, **2075 Woodside Road, Redwood City, CA 94061**
M4R 08. CAN TORRES, PUERTO DE ALCUDIA
Garballons 5, Alcudia, Balearic Islands, 07400, ES

Zoom, Virtual Meeting Link: <https://pencleanenergy.zoom.us/j/83252507093>
Meeting ID: 832-5250-7093 Passcode: 2075 Phone: +1 (669) 444-9171

This meeting of the Peninsula Clean Energy Executive Committee will be held at the Peninsula Clean Energy Lobby: 2075 Woodside Road, Redwood City, CA 94061 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. In addition, a video broadcast of the meeting can be viewed at <https://www.peninsulacleanenergy.com/executive-committee> following the meeting.

Public Participation

The PCEA Executive Committee meeting may be accessed through Zoom online at <https://pencleanenergy.zoom.us/j/83252507093>. The meeting ID is: 832 5250 7093 and the passcode is: 2075. The meeting may also be accessed via telephone by dialing +1(669) 444-9171. Enter the webinar ID: 832 5250 7093, then press #. (Find your local number: <https://pencleanenergy.zoom.us/j/83252507093>). 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.

Written public comments may be emailed to PCEA Board Clerk, Nelly Wogberg (nwogberg@peninsulacleanenergy.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 Executive 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 Nelly Wogberg, Board Clerk, by 10:00 a.m. on the day before the meeting at (nwogberg@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 Board 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 Director 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 Minutes from the May 8, 2023 and June 12, 2023 Executive Committee Meetings](#)

REGULAR AGENDA

2. Chair Report (Discussion)
3. CEO Report (Discussion)
4. [Recommend to Board of Directors Approval of Staff Proposal to Move Forward With Development of an In-House Customer Contact Center \(Action\)](#)
5. [Semi Annual Strategic Plan Update \(Discussion\)](#)
6. 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 Website at: <https://www.peninsulacleanenergy.com>.

Instructions for Joining a Zoom Meeting via Computer or Phone

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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

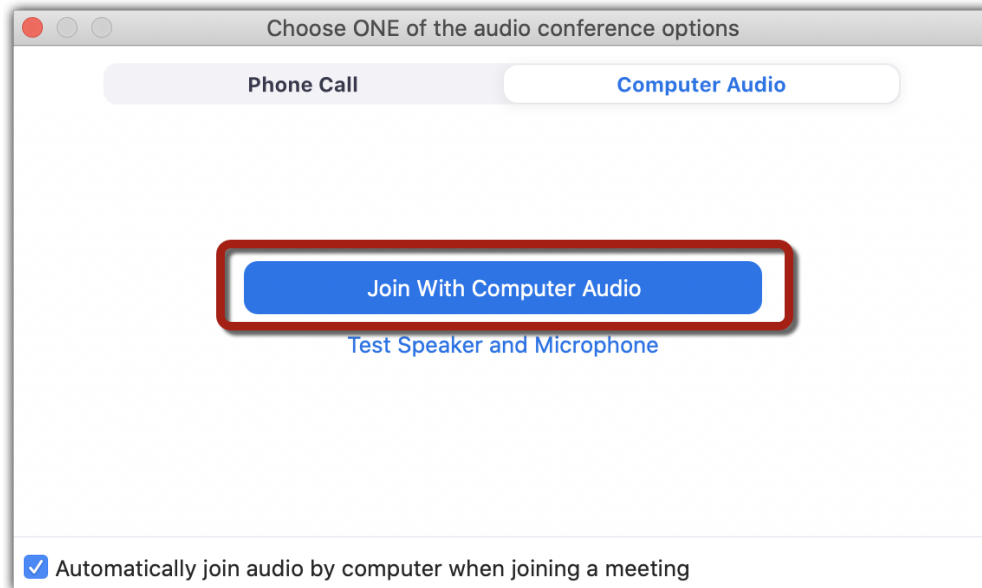
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- The Zoom application will open on its own or you will be instructed to open Zoom.
- After the application opens, the pop-up screen below will appear asking you to choose ONE of the audio conference options. Click on the Computer Audio option at the top of the pop-up screen.



- Click the blue, "Join with Computer Audio" button.
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- From your computer, click on the following link that is also included in the meeting calendar invitation: <https://pencleanenergy.zoom.us/j/83252507093>
- 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.

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Participant ID

Passcode 2075

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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: **832-5250-7093 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 #.**



**PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence**

DATE: May 8, 2024
MEETING DATE: May 13, 2024
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Executive Committee
FROM: Nelly Wogberg, Board Clerk
SUBJECT: Approval of Minutes from the May 8, 2023 and June 12, 2023 Executive Committee Meetings

RECOMMENDATION

Approve minutes from the May 8 and June 12, 2023 Executive Committee Meetings

ATTACHMENTS:

[05-08-2023 EC Draft Minutes.docx](#)
[06-12-2023 EC Draft Minutes.docx](#)



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

Monday, May 8, 2023
10:00 a.m.
Zoom Video Conference and Teleconference

CALL TO ORDER

Meeting was called to order at 10:05 a.m. in virtual teleconference and the Peninsula Clean Energy lobby.

ROLL CALL

Participating Remotely:

Rick DeGolia, Atherton, *Chair*
Coleen Mackin, Brisbane
Donna Colson, Burlingame, *Vice Chair*
Carlos Romero, East Palo Alto
Anders Fung, Millbrae
Marty Medina, San Bruno
Jeff Aalfs, Portola Valley

Absent:

Dave Pine, San Mateo County
Julia Mates, Belmont

A quorum was established.

PUBLIC COMMENT

None

ACTION TO SET AGENDA

MOTION: Director Romero moved, seconded by Director Medina to set the Agenda.

MOTION PASSED: 7-0 (Absent: San Mateo County, Belmont)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Pine				X
Atherton	Director DeGolia	X			
Belmont	Director Mates				X
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			
East Palo Alto	Director Romero	X			
Millbrae	Director Fung	X			
San Bruno	Director Medina	X			

Portola Valley	Director Aalfs	X			
	Totals	7			2

REGULAR AGENDA

1. Chair Report

Chair DeGolia noted that he and Director Fung are the only Directors signed up to join the CalCCA Conference in San Diego later this month. He encouraged members to join if they are able.

Chair DeGolia shared that he attended a meeting with other Community Choice Aggregators and a private contractor group called Bellows. He noted two takeaways:

1. The effort to fully electrify a house is a major cost and there are concerns over efficiency and noise and panel upgrades
2. There are concerns over the size of heat pump hot water heaters needed to provide the same levels of hot water to residences

Vice Chair Colson asked if Bellows was unionized. Chair DeGolia said no, they are not unionized, but they are prevailing wage with an apprenticeship program.

Vice Chair Colson said if the cost of installations were going up so much she asked if they explained the electric bill. Chair DeGolia said no, they did not.

Chair DeGolia said what he was most focused on was the emissions issue and they said if you had a dual source space heating they would save 80% of the emissions.

Vice Chair Colson asked if the dual source system would comply with Bay Area Air Quality Management District (BAAQMD) rules. Chair DeGolia said he does not think so, noting that BAAQMD rules are subject to a 2025 review and the timetable is conditional in 2025. Vice Chair Colson shared that her concern is a big disconnect between BAAQMD and the realities of getting this implemented.

Chair DeGolia said they know there will be challenges and this is a big transition which they will need to get data for and assess it. They need people's support and knows it will be easier to address this issue in new construction than in retrofits, but they need the data.

Director Mackin said she would suggest talking to more of the contractors, big and small, and find out what they have encountered and what the problems are.

3. CEO Report

Jan Pepper, *CEO*, provided a report that covered current recruitments, internships and a new Account Services Specialist, upcoming Senior Manager of Local Power Development positions, and on the CalCCA Annual Conference next week encouraging Board Members to attend.

4. Discussion on June Rate Change

Leslie Brown, Director of Account Service, gave a presentation on the expected rate change from PG&E on June 1, 2023.

Chair DeGolia asked if the off-peak is being reduced and the peak increased. Leslie explained that the differential for the summer is .053 cents between peak and off-peak pricing.

Chair DeGolia confirmed that this should be revenue neutral. Leslie indicated that it is not necessarily revenue neutral for Peninsula Clean Energy since they have a subsection of PG&E's customers in their territory with different customer profiles.

Vice Chair Colson referred to people using electricity between 4:00 and 9:00 p.m. and asked if certain communities are being impacted more. Leslie explained that Peninsula Clean Energy has not done deep analysis on who is using more electricity between 4:00 and 9:00 p.m. in certain pockets of their territory, adding that load is viewed on a broader system-wide basis for procurement purposes.

Director Fung added that different socioeconomic factors come into play. Those who work two jobs are more susceptible to these rate changes where those who are able to have a more flexible work life have more flexibility.

Leslie added that this data analysis is pre-pandemic, but when working with PG&E on the rollout of Time of Use (TOU) transition they did a system-wide analysis of historical usage for customers that were going to be eligible to be transitioned from E1 to E-TOU-C rate structures. At that time, moving customers over to E-TOU-C would be a net benefit to customers based on the service territory.

Jan added that Peninsula Clean Energy will begin a cost-of-service study and will look closely at rates and when people use electricity.

Vice Chair Colson added that the comparison should be between 2018 to today. Director Fung said there is no question that they need to look at this from a lens of equity and how this will affect communities of different types since everyone needs electricity.

Leslie shared that this feeds into the cost-of-service study including what Peninsula Clean Energy is procuring power at and how much it costs for them to deliver it in a certain timeframe, adding that Peninsula Clean Energy only controls a small portion of the utility rate, so even if they set their price to zero at some point of the day, there is still 16-cents coming in from PG&E that they have no control over.

5. Discussion on Financial Diversification Strategy

Andy Stern, Interim CFO, gave an update on the diversification strategy including an update of the amount of funds kept in different bank accounts.

Vice Chair Colson shared that she believes it is important to understand that the US Bank piece are securities that Peninsula Clean Energy owns regardless of who is managing them, and she asked and confirmed with Andy they are about 2.5 years and 80% or more is in US Treasuries. Vice Chair Colson added that the risk in US Treasuries is interest rate risk, and anytime the rates go up, anything will devalue.

Vice Chair Colson said First Republic Bank (FRB) will eventually be migrated to the Chase system. She did not think they could have ended up with a better buyer than Chase and she thanked Jan Pepper and the team for being responsive and proactive.

Andy explained that it should not be difficult to move their operating accounts somewhere else and added that FRB customer service seems like they are expecting to keep their jobs and relationships.

Vice Chair Colson suggested letting the dust settle a bit and after the end of summer they can bring in the FRB team who is managing the portfolio and see where they have personnel changes and how it is integrating.

Chair DeGolia asked if the Wilmington funds are bank funds or securities like those at Fidelity. Stern said they are in a trust account, but they are not securities. They are in their own operating account.

Public Comments: None

6. Committee Members' Reports

Vice Chair Colson reported that Shawn Marshall joined her in San Francisco and hear Kathern Blunt speak.

Director Medina shared that he and Marc Hershman went to Sacramento to testify on SB 537, the bill to change the Brown Act to allow multi-jurisdictional to have remote meetings. They went before the Audit Committee, and it passed 9-2.

ADJOURNMENT

The Meeting was adjourned at 11:17 a.m.



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

Monday, June 12, 2023
10:00 a.m.
Zoom Video Conference and Teleconference

CALL TO ORDER

Meeting was called to order at 10:00 a.m. in virtual teleconference and in the Peninsula Clean Energy Authority lobby.

ROLL CALL

Participating:

Dave Pine, San Mateo County
Rick DeGolia, Atherton, *Chair*
Julia Mates, Belmont
Coleen Mackin, Brisbane
Donna Colson, Burlingame, *Vice Chair*
Carlos Romero, East Palo Alto
Anders Fung, Millbrae
Marty Medina, San Bruno
Jeff Aalfs, Portola Valley

Absent:

A quorum was established.

PUBLIC COMMENT

None

ACTION TO SET AGENDA

MOTION: Director Romero moved, seconded by Director Aalfs to set the Agenda.

MOTION PASSED: 9-0

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Pine	X			
Atherton	Director DeGolia	X			
Belmont	Director Mates	X			
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			
East Palo Alto	Director Romero	X			
Millbrae	Director Fung	X			
San Bruno	Director Medina	X			

Portola Valley	Director Aalfs	X			
	Totals	9			

REGULAR AGENDA

1. Chair Report

Chair DeGolia reported at the last Board meeting they agreed to set up an ad-hoc committee to discuss how to use excess funds. Staff put together a committee of 6 members including himself, Vice Chair Colson, Director Medina, Director Nash, Director Bigstych, Director Llanez and Community Advisory Committee member Steven Booker.

2. CEO Report

Jan Pepper, *CEO*, provided a report covering open positions within Peninsula Clean Energy.

3. Review of Fiscal Year 2023-2024 Budget (Discussion)

Andy Stern, Interim Chief Financial Officer, gave a presentation detailing the Fiscal Year 2023-2024 budget.

Shawn Marshall, COO, read the comments of appreciation from the Community Advisory Committee meeting on Thursday, June 8, 2023 wherein they support the creation of an ad-hoc subcommittee in order to advise potential uses of excess funds, specifically focused on programmatic funding moving forward.

Public Comments: None

4. Update to Strategic Priority to Deliver 100% Renewable Energy Annually by 2025 and on a 99% Time-Coincident Basis by 2027 (Discussion)

Jan Pepper, CEO, explained that their strategic plan is to deliver 100% renewable by 2025 on a 99% time-coincident by 2025 and explained that this item is a discussion to push the time-coincident piece out until 2027.

Mehdi Shahriari, Manager of Planning and Analytics, gave a presentation on their strategy priority regarding their 24/7 renewable goal, background, and challenges facing with meeting this goal in 2025, such as delays in development of resources, increased financing costs, and interconnection delays. This recommendation was based on the 2022 market conditions and also analysis performed by staff last year and published in the white paper in January 2023. Achieving the goal in 2025 with limited resources expected to be available on-line would be infeasible.

Director Mates asked for more detail on why 2027 is going to be a reasonable goal. Her preference is to set reasonable goals as they know 2025 would be a challenge, but she wants to know if 2027 is far enough out. Mehdi explained they have been running several RFOs and bilateral reach out to different parties, and this is based on when different projects could become available to Peninsula Clean Energy based on analysis and start dates of the different projects.

Chair DeGolia noted three different variables that are very important: 1. Whether the power is 100% carbon-free versus renewable; 2. Whether we achieve 100% clean power or we agree to achieve some lesser percentage of clean power. They could look at a different percentage; and 3. The issue of being time-coincident; defining their power as clean with the way the California Public Utilities Commission (CPUC) defines it which is on an annual basis versus doing it every hour (24x7).

Vice Chair Colson noted the complexity of the market is not that they are just operating a vacuum, but in an ecosystem with multi-faceted and multi-functioning parts. These factors may push the timeline out and questioned whether they want to continue to have missed benchmarks or make goals they can meet comfortably.

Director Aalfs added that by getting closer to 100% time-coincidence, they naturally realize savings versus an annual renewable goal which will spur demand by sending a market signal and the market should respond. Vice Chair Colson agreed but with construction labor shortages those are things beyond Peninsula Clean Energy's control.

Director Aalfs said the added demand puts more pressure on the markets. He would like to stay aggressive on this because 78% is not meeting their goal, but in a far enough timeline it is still good.

Chair DeGolia added that of the 3 variables, he thinks the time-coincident variable is the most important. The proposal he is hearing is go to time-coincident and push it out until 2027 because they cannot get the renewable power to satisfy it, but he asked if they can get carbon-free power to satisfy it. He would rather be time-coincident sooner than 2027 and not worry so much about renewable power. Director Aalfs asked for an example of carbon free versus renewable. Chair DeGolia said the best example is large hydro from the northwest.

Jan added that they need to be able to schedule their power to get it when they need it in order to be time-coincident. Large hydro cannot guarantee the timing of when they deliver energy. It is difficult to achieve time-coincident if it is just clean. This is why they have been focusing on renewable because they can contract for it and schedule when they need it.

Director Pine asked if Peninsula Clean Energy has to use renewable energy to meet the timeline. Jan replied yes, unless they were able to contract directly with a large hydro facility.

Roy Xu, Director of Power Resources, explained that when he was in Riverside they had a federally-owned project, and allocation of the Hoover project was agreed upon decades ago through an allocation process. It was not done through a PPA. The priority of the Hoover Dam is you have to group water use, agriculture use, and power generation, which is third on the line. Every month, they received a monthly schedule depending on the water level of the lake and then depending on that you get allocation or a percentage of your contract to take the power. So, it is not as reliable to need an hourly matching goal as a geothermal resource which is a base load that has a very high capacity factors.

Director Aalfs said he knows it is true with the Hoover Dam, but he also thinks it is true with the Washington Hydro where electricity is not their top priority unlike water for farming. If they let water out on a certain day Peninsula Clean Energy needs electricity, that electricity could go out.

Vice Chair Colson said they also have to have enough water for the salmon runs, etc. She asked when the goal is to phase out Eco100. Jan explained that Staff is talking about that internally. They need to have some kind of marketing strategy to transition the product to 100% renewable including education on what that means.

Public Comments: None

5. Regionalization “Study Session” (Discussion)

Jan Pepper, CEO, introduced the item, and explained that Jeremy Waen and Mark Hershman will give a presentation on what is a study session to inform the Executive Committee about what the issues are regarding regionalization, mainly about the California ISO expanding beyond California and what the pros and cons are of that.

Jeremy Waen, Director of Regulatory Policy, gave a presentation which is a primer on grid regionalization, including what is a very complicated technical and political issue but important. Marc Hershman, Director of Legislative Affairs, spoke about AB 538 which has several key components, but it does not dictate the structure or framework and it will return to the legislature. AB 538 was presented to the Utilities and Energy Committee in April and passed by a 12-0 vote.

Director Aalfs said there is hard regionalization and then something less formal as the California Independent System Operator (CAISO) joining Markets Plus, and it sounds like there is some discretion but he wondered if someone has talked about the intermediary step like that where they have some agreement so California can still be getting power from outside California and rely more on market forces and governments to achieve their goals.

Chair DeGolia referred to one of the slides that said California would maintain State authority over state matters related to procurement policy and resource planning. He assumes that their Resource Adequacy (RA) requirement has to be satisfied from within California.

Jeremy explained they can meet some of their RA requirement through importing capacity outside of California, but the RA requirements are established in a combination between what CAISO determines is needed for reliability within its footprint in terms of contract capacity, and then the California Public Utilities Commission (CPUC) for its jurisdictional entities then takes their share of what ISOs identified as needed and assigns those obligations onto all of the entities it has authority over.

Chair DeGolia said it sounds like their RA obligations with the CPUC have been extremely difficult with especially their penalties and the way they have managed the process, and it does not sound like it changes with regionalization.

Vice Chair Colson asked if Staff feels Peninsula Clean Energy needs to take a position on this or be non-reactive. Jan explained it would be to their benefit to take a position and, from a resources position, Staff is more in favor of it.

Chair DeGolia said the reason he asked the question about RA is he can see there are pros and cons to this. The risk is the loss of state control and increase of the power mix with coal-generated power. He also sees the strength of having more access to power and easier transmission and access.

Director Aalfs said the argument for regionalization is Texas which is both politically and physically an island in terms of reliability and economics. He thinks Peninsula Clean Energy's market is as large as the western states combined, so they are looking for certain procurement goals and they will have some impact as they engage in this which is market leverage.

Vice Chair Colson said they can potentially persuade them for more of a weighted representation as opposed to just the Senate. And noted that decarbonizing only CA while the rest of the United States does not, is not productive. If they get strong leadership and representation, being a leader and working throughout the rest of the country is probably ultimately good for America.

Director Romero asked if there is that alternative to not doing regionalization that gets us out of deficit. Jeremy referred to the 86 GWs of new generation capacities that have to be built and said if they presume that gets done, it will happen one way or the other. It is all sited in California or it is balanced between being sited in California and elsewhere, those are very different economic outcomes. If they bring states like Wyoming into the mix in a regionalized effort, this might help to accelerate the economics to encourage them to use more renewable source energy as more of its gets built within their state. At the same time, in the governance structure if every seat on the Board for the regionalized effort is one seat per state that participates, then a Wyoming representative carries as much weight potentially as a California representative and wondered what that could mean in terms of gamesmanship and politics.

Jan asked if there has been any discussion of representation by load or population. Jeremy explained this has been discussed, but the challenge is that if a regionalized effort forms that does not guarantee that other states will participate. The governance structure is a little too biased towards California getting the beat of everything just by load share alone.

Public Comments: None

6. Committee Members' Reports

Chair DeGolia suggested stopping at Wright Solar Facility on the way to CAISO.

Shawn Marshall, COO, suggested that Staff can arrange a tour of CAISO and will follow-up.

ADJOURNMENT

Meeting was adjourned at 12:10 p.m.



PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: May 6, 2024

MEETING DATE: May 13, 2024

VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Executive Committee

FROM: Leslie Brown Director of Account Services and Stephanie Elmore Contact Center Manager Consultant

SUBJECT: Recommend to Board of Directors Approval of Staff Proposal to Move Forward With Development of an In-House Customer Contact Center (Action)

RECOMMENDATION

Recommend to Board of Directors the approval of PCE staff's proposal to move forward with the development of an in-house customer contact center.

BACKGROUND

Under PCE's current billing and data management service agreement, Calpine Energy Solutions (Calpine) provides customer contact center infrastructure and related services. To date this outsourced solution has generally been satisfactory. However, as we've begun to launch more programs and services to a diverse set of customers, the disconnect between the customer experience we want to provide and what the outsourced call center team is able to deliver has become more prominent. Calpine has an exclusive relationship with Energy Choice California (ECC), a division of AnswerNet, to manage staffing, training, and day to day operations of Calpine's CCA call centers. In our existing service arrangement, there are two dedicated Customer Service Representatives (CSRs) handling PCE customer calls, supported by a back-up pool of up to six representatives (shared with other regional CCAs -- SVCE and SJCE) to manage overflow calls, along with a supervisor overseeing escalations. Due to the current contractual agreement between all parties, these agents are independent from the PCE team and are hired and trained by ECC. The existing employment contract and union agreements with ECC staff prohibit direct communication between PCE and ECC's front-line CSRs handling our customer calls. This arrangement poses challenges as it restricts our ability to manage quality control issues and provide direct guidance to CSRs representing PCE to our customers.

DISCUSSION

Elevation and scaling of Peninsula Clean Energy's services will require a move from a transactional service approach (i.e. a single rebate or billing need) to a fully integrated customer-centric approach where deeper relationships are cultivated through a

comprehensive customer journey with a “360 degree” view of the customer at every step from initial marketing through repeated program participation across all service offerings. The proposed in-house customer service center can provide a more integrated, efficient and positive customer experience in that a single CSR can assist customers with a variety of queries that may arise on a given call. For example a PCE staff CSR could respond to a full range of customer needs including billing questions, program navigation and eligibility, rebate status, and contractor referrals across all programs. With our current "outsourced" solution there is limited ability for the current representatives to answer questions beyond general program information as currently there is no visibility into rebate status or ability to answer complex questions during the initial call.

Ultimately, we believe bringing CSR staff in-house will result in a far superior experience for the customer and will help PCE scale program participation by cross-marketing programs that may be relevant to a certain customer. Bringing contact center services in-house has been implemented with success by a few of our peer agencies (MCE Clean Energy, CleanPowerSF, and Sonoma Clean Power). The attached proposal is the culmination of PCE's research and analysis of the benefits, costs and risks of implementing and managing an in-house contact center while continuing to leverage the existing technology platforms hosted by our billing and data management partner, Calpine Energy Solutions.

FISCAL IMPACT

PCE's current service agreement and fees for Calpine's back-end services incorporate the call center services in our per account monthly cost. The estimated value of these services in the current pricing structure is approximately \$0.04 per active account for the ECC call center services and \$0.05 for the integrated voice recording (IVR) and customer relationship management (CRM) platforms per month. The annual value of these services is \$150,000 and \$186,000 respectively, based off an average of 310,000 active accounts monthly.

New costs incurred by increasing PCE headcount by four full-time staff (three CSRs and one Manager) is estimated to be \$500,000, inclusive of salary and benefits. PCE would also need to assume actual costs incurred by the live translation service for languages not supported by our bilingual CSRs. These costs are currently absorbed by Calpine. Based on translation call reports from 2023 we estimate these costs to be \$6,000 annually. By moving to in-house CSR staff we estimate the overall net additional costs to be \$356,000.

STRATEGIC PLAN

Evaluation and enhancement of our contact center capabilities supports PCE's strategic plan goals of ensuring high customer satisfaction and retention through expanding our capabilities to effectively support the development of, and communication about, programs and services.

ATTACHMENTS:

[PCE Staff Proposal-In House Contact Center 5.9.24.docx](#)

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1. Executive Summary

Peninsula Clean Energy (PCE) is dedicated to providing outstanding customer service while advancing sustainable energy solutions and decarbonization programs in our service area. To further this commitment, we propose establishing an in-house contact center with three service representatives and one manager. This strategic step aims to improve our customer focus by centralizing customer interactions, gathering insights, and supporting our ambitious goals in building and transportation electrification.

Currently, PCE uses an outsourced solution for customer call-center service, which has generally been satisfactory for non-program account related interactions. Bringing the contact center staff in-house offers significant advantages to PCE and our customers. Firstly, it enables a deeper understanding of our customers' needs, allowing us to tailor services and programs more effectively. Secondly, an in-house center provides greater control and flexibility in managing interactions, ensuring consistent, high-quality service. Thirdly, it promotes closer collaboration between customer service and other departments, enhancing our overall approach to customer engagement and energy program development.

To inform our decision-making, we reviewed the experiences of peer agencies like CleanPowerSF, MCE Clean Energy, and Sonoma Clean Power (SCP) that have transitioned to in-house contact centers. Each organization has taken slightly different approach to bringing the front-line services in-house, but they have all demonstrated improved quality control and better customer service processes with in-house teams. PCE intends to move forward with a plan similar to SCP and CPSF by hiring our own Manager and CSR team, while maintaining the technology infrastructure that's already in place with Calpine to manage calls and customer billing data.

Finally, establishing an in-house contact center team is a pivotal step in our customer-centric journey. By centralizing interactions, we aim to gather insights that will guide strategic decisions and help scale and enhance our programs. We believe this initiative will not only elevate the customer experience but will also reinforce our position as a CCA and local community leader. We are confident that this initiative will yield tangible benefits for our customers, our organization, and the communities we serve.

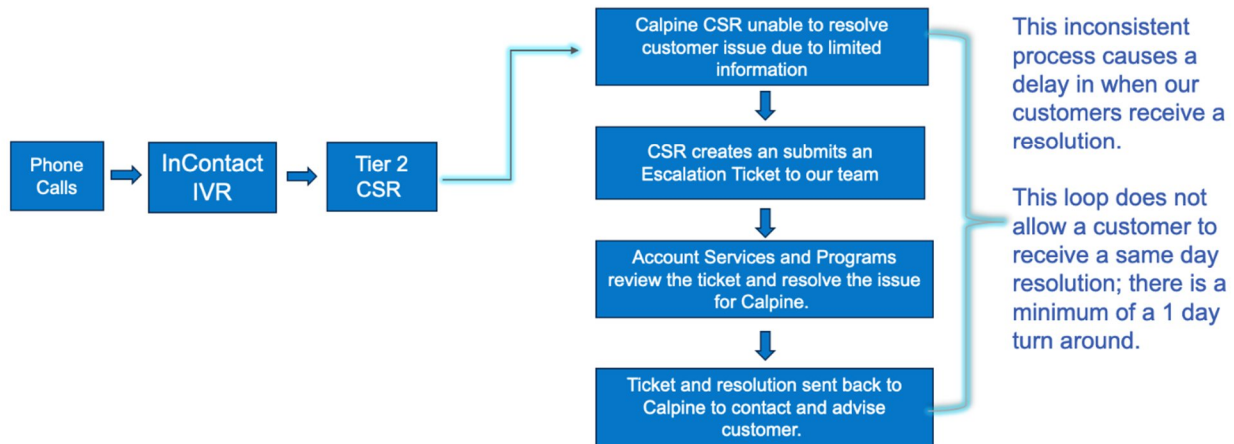
2. Background and Introduction

Currently, under PCE's billing and data management service agreement, Calpine Energy Solutions (Calpine) provides all contact center infrastructure and related services. Calpine has an exclusive relationship with Energy Choice California (ECC), a division of AnswerNet, to manage staffing, training, and day to day operations of Calpine's CCA call centers. In our existing service arrangement, there are two dedicated Customer Service Representatives (CSRs) handling PCE customer calls, supported by a back-up pool of up to six representatives (shared with other regional CCA's-SVCE and SJCE) to manage overflow calls, along with a supervisor overseeing escalations.

These agents serve as the initial point of contact for customers contacting PCE via telephone. However, due to the current agreement, these agents are independent from the PCE team and are hired and trained by ECC. The existing employment contract and union agreements with ECC staff prohibit direct communication between PCE and the front-line ECC CSRs handling our customer calls. This arrangement poses challenges as it restricts our ability to manage quality control and provide direct guidance to front-line staff. Presently, when PCE staff identify coaching opportunities from our call recordings, the process involves contacting Calpine to review the call and provide feedback to the ECC team for agent coaching. It is neither efficient or terribly effective.

In cases where a CSR encounters a customer call beyond their capacity, typically when customers have specific program-related questions that CSRs cannot answer, a call slip is submitted to PCE staff for follow up with the customer via phone or email. This call slip process can pass through as many as four Calpine and PCE staff before reaching the appropriate PCE staff member for response, leading to delayed response times and inefficient use of staff time. These processes conflict with our goal of customer-focused service, as they impede our ability to directly improve contact center quality and address customer issues in real-time.

Current Service Escalation Ecosystem

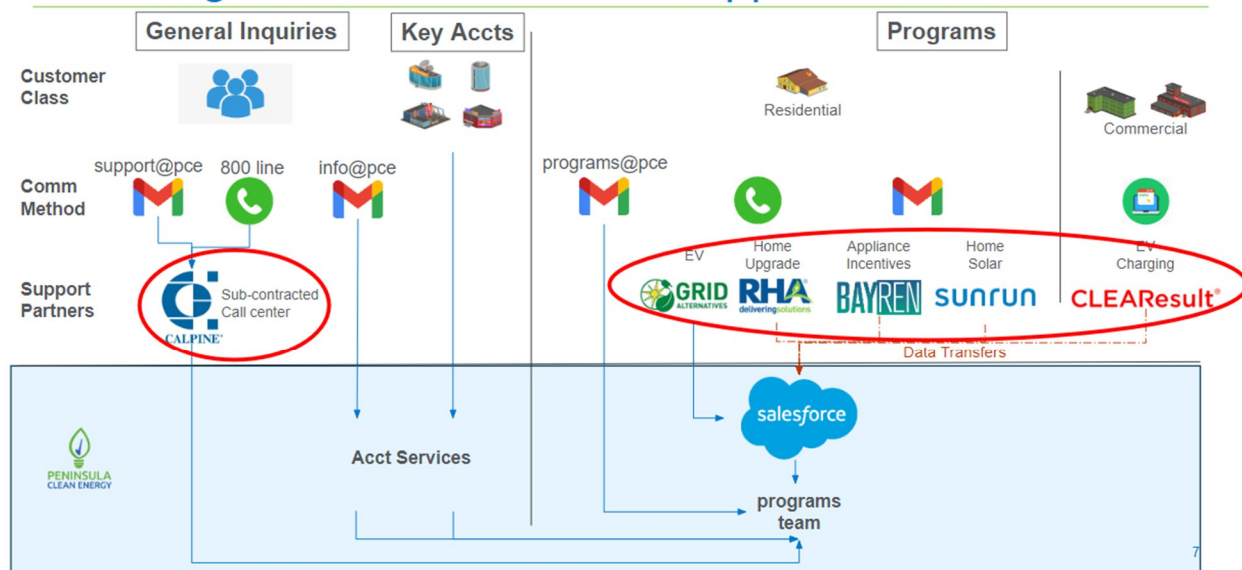


Our current arrangement provides limited opportunities for real-time insights and quality control feedback. While Calpine provides various reports and call statistics on a weekly/monthly basis, PCE staff have also been reviewing opt-out call recordings weekly to identify points of customer dissatisfaction. However, PCE does not currently have immediate or direct access to live calls or call recording files. Call recordings are available by request but take 2-3 days to retrieve and send to PCE staff. This lag in feedback does not align with best practices and can result in poor customer experiences and opt-outs particularly during escalations.

By bringing the contact center in-house, PCE will have direct oversight and control over training, operating procedures, messaging and quality assurance. With an in-house CSR team, PCE will have access to live call monitoring, allowing managers to merge into calls to assist representatives without the customer hearing, enabling real-time coaching and training. Additionally, PCE will have the capability to access and monitor all calls within a 24-hour period. In the event of an escalation, will we have the ability to request copies of flagged calls the next day for review. This will ensure that agents are well-trained and equipped to handle customer requests effectively, and any issues or escalations can be addressed promptly.

In addition to the ECC call center, currently PCE maintains numerous additional program-specific support channels. These are all siloed, specific to particular programs. This prevents a comprehensive view of customer needs and opportunities. For example, if a customer is inquiring about one program but is also eligible for another service, the support personnel are unable to provide that assistance.

Challenge: Current Customer Support Architecture

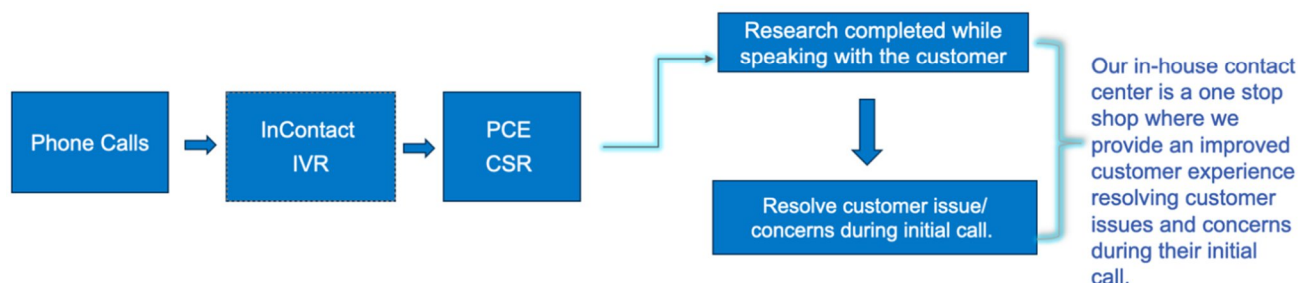


Our goal is to improve the above described process and provide a more customer-focused experience. By bringing the contact center in-house PCE staff will become the central point of contact for our customers.

The new PCE contact center will provide a more streamlined way for customers to obtain assistance related to PCE programs, as has not been feasible with the current Calpine model. One of example of this is PCE rebate programs. Currently, if a customer calls in to ask about status of their rebate application, the ECC agents cannot provide any information, and instead issue a call slip for PCE staff to respond. With the new PCE contact center, our CSRs will be able to answer those questions directly by looking into our Programs CRM. Another example is the Home Upgrade Program (low-income direct install), which is managed by a third-party vendor and includes scheduling in person home assessments. Currently, if a customer calls to reschedule their installation or confirm their appointment, the ECC agents cannot provide any information, and instead issue a call slip for PCE staff to respond which PCE then needs to forward to the third-party vendor. There have been instances where the escalation delay meant that we were not able to follow-up with the customer in time. With our new contact center, our CSRs will be able to view appointments and transfer the customer to the third-party vendor immediately if the customer needs more assistance. Being able to answer Program related questions while on the call and be able to make warm transfer to partner vendors, if need be, immediately provides a greater customer experience, as the customer feels heard and taken care of and is likely able to resolve their issue in one call. Additionally, if the customer inquiry is complex and needs to be escalated to the PCE Programs team, our CSR would be able to do so by either transferring the call

to the appropriate team member or send a follow up request directly to them. Account Services and Programs will work closely together to define these escalation procedures.

New Contact Center Service Escalation Ecosystem



While the ECC team and Calpine take great care in their hiring and training processes, the inability for PCE to have a more direct relationship with the front-line staff would make implementing the "one-stop-shop" and high touch customer centric programs on our Programs team roadmap incredibly difficult. Transitioning to an in-house contact center with our proposed three dedicated customer service representatives and a manager presents a strategic move aimed at enhancing our customer engagement and service quality. This shift also enables us to streamline communication processes, reducing response times and enhancing efficiency. Having a dedicated team allows for deeper integration within our company culture and values, fostering a stronger sense of accountability and alignment. Overall, establishing an in-house contact center marks a significant step towards elevating our customer service standards and strengthening our reputation as a trusted advisor within the communities we serve.

3. Business Objectives

CSRs serve as the first point of contact for most PCE customers. Their daily responsibilities and interactions may have a more immediate and direct impact on customer perception of PCE than anyone else. Transitioning from an outsourced CSR team to one directly employed by PCE will afford us numerous benefits. Staff believes that the premium invested in hiring additional PCE staff and bringing this service in-house, providing direct oversight to this "first point of contact," is well worth the incremental cost. The following provides quick overview of our key contact center business objectives:

1) Improve Customer Experience and Enhance Quality Control

- **Improved Feedback:** Direct communication makes it easier to gather feedback from customers and agents, enabling us to identify trends, address concerns, and implement changes more effectively.
- **Company Cultural Alignment:** An In-house contact center can better reflect and reinforce PCE's culture and values, encouraging unity and commitment among all employees. Representatives will feel more ownership over PCE's success and mission than our current CSRs, incentivizing them to provide exemplary service. Our in-house CSRs will also have specific knowledge of PCE, whereas some of our current CSRs may know the script but are unable to interpret questions beyond it due to unfamiliarity with PCE billing, programs, and operations.
- **Length of translated calls:** Translated calls can lead to extended wait times compared to the average call. We've observed calls with a translator to be over 20 minutes compared to typical opt-out calls taking around 10 minutes or commonly less. PCE is committed to having bilingual CSR staff to minimize the need to use outside translation services.
- **Improved Quality Control:** Bringing the contact center in-house, we will have direct oversight and control over the training, processes, and quality assurance.

2) 360 View and Customer-Centric Support

Our goal is to create a contact center that acts as a “one-stop-shop” for our customers, providing comprehensive customer-centric support. Representatives will not only answer common billing questions and provide general information about PCE, but will also be able to address inquiries related to PCE-specific programs, incentives, and refer customers to additional programs and resources they may not have initially known about. Currently, when customers call PCE with questions regarding program application status, rebate processing, or navigating program eligibility, agents typically create a call slip for a PCE staff member to follow up. With an in-house contact center, PCE CSRs can use resources and systems developed by PCE staff to address these questions in real-time, enhancing customer experience and satisfaction and reducing staff time to resolve issues and inquiries more quickly.

Our CSR team will handle all inbound calls from residential and non-residential accounts, except for calls from strategic commercial accounts, which will continue to be escalated to PCE's Strategic Accounts Manager. Training for PCE CSRs will cover various topics, including:

- Account status and general billing information
- PCE energy product offerings (ECOplus and ECO100)

- PCE's Solar Billing Plan and NEM programs
- Cost comparisons and overall customer retention
- Advising on rate schedules and steps to change a rate schedule in PG&E's customer rate portal
- Program information, program recommendations, eligibility, and incentives information
- Program application and rebate status
- FAQs which are continuously updated by PCE staff

3) Customer Retention and Reducing Opt-Outs

Our CSRs are crucial in retaining customers and reducing opt-outs. With their thorough understanding of PCE services, policies, and procedures, they can effectively convey the value of PCE to our customers that goes well beyond our energy offerings and rates. Through skilled de-escalation techniques and a nuanced approach to conflict resolution, our representatives can quickly address customer concerns, enhancing overall satisfaction and loyalty.

Addressing Challenges

In recent months, our Account Services staff have identified recurring challenges in customer opt-out calls. These challenges include issues such as language surrounding "rate comparisons," communication about our 0% rate increase, and explaining or waiving the opt-out fee. To address these challenges, we will focus on training our new representatives thoroughly from the start. Ensuring that they are well-equipped with the latest information and scripts, reducing the need for re-training and ensuring consistent messaging to customers.

Trends and Resolutions

We have observed certain trends during opt-out calls and have developed resolutions to help retain customers:

- When customers express concerns about higher bills, it is important to validate these concerns and emphasize our efforts to keep rates as affordable as possible as a not-for-profit/governmental agency.
- Clarifying our role and charges on the PG&E bill. Ensuring that customers understand that PCE charges are not 'extra' or additional charges but rather lower replacement charges for electric generation service is key to customer retention.
- Highlighting our high participation rates can help address customer perceptions of being singled out and reassure them of the widespread acceptance of PCE.

- Addressing any mislabeling of PCE as “Pacific Gas & Electric (PG&E)”, “Peninsula Clean Air” or “Peninsula Energy” is essential to ensure customer understanding and trust in our services.
- Establishing a clear order for discussing PCE benefits ensures that important points are conveyed effectively, even if the conversation is interrupted or cut short.

4. Operational Plan

PCE's operational plan involves leveraging and using the existing technology and infrastructure managed by Calpine Energy Solutions while transitioning customer service calls, training and quality control in-house. This decision to make use of Calpine's existing call center platform is intended to minimize disruption and initial capital costs. PCE will use the existing IVR platform, InContact, utilized by Calpine for their other CCA clients. It's important to note that ECC will not be used as a backup queue for calls on an ongoing basis. Staff has investigated this option and discussed it with peer agencies that have also transitioned to in-house services; a clean cut-over is the preferred and most cost-effective approach, as indicated by our sister CCA agencies.

Initially, PCE will have at least one bilingual CSR fluent in Spanish, with a goal to hire for additional languages, including Mandarin. Additionally, representatives that do not speak a customer's language will have access to a 24-hour translation service for various languages.

Customers will continue to call our current toll-free number and select options in the IVR. Their calls will then be routed through InContact to the appropriate queue. PCE will coordinate with the Calpine team to allocate IVR options and trunks correctly.

The IVR trunks will have the following skills added:

- o Inbound
- o English
- o Spanish
- o Opt-in
- o Opt-out
- o Outbound
- o Voicemail
- o Escalation

Calpine has assured PCE that all call recordings stored on the platform will remain accessible. Call storage will be managed as follows:

- o Calls within 2 weeks will be stored in InContact.
- o Calls within 1 year will be stored with Calpine.
- o Calls from 2 years prior or older will be archived but can be retrieved by special request.

Staffing

PCE plans to onboard three full-time experienced Customer Service Representatives (CSRs) along with an experienced contact center manager to lead the team. Each representative will have a minimum of three years' experience in customer service, ideally as a team lead or level 2 representative within a contact center. The proposed manager, Stephanie Elmore, has over 10 years of call-center experience and has been working with PCE under a consulting contract to help us with the design and business planning for this effort. CSRs will be hired under the same 'remote first' policy as other PCE staff, and PCE is committed to prioritizing CSR candidates who live within its service territory, with a special focus on multi-lingual and Los Banos area candidates.

CSR Candidate Profile (sample job description)

As an experienced Contact Center Customer Service Representative, you will be a pivotal point of contact for our customers, providing exceptional support and solutions via phone and email. Building upon your extensive experience in customer service and operations, you will serve as a subject matter expert, addressing inquiries from a complete perspective encompassing both customer service and operational aspects. Your dedication to excellence, proactive problem-solving skills, and strong communication abilities will be instrumental in delivering superior service and driving customer satisfaction. Priority consideration for candidates residing within San Mateo County or the City of Los Banos.

Qualifications:

- **Experience:** Minimum of three years of experience in a lead or level 2 customer service role within a contact center environment, with demonstrated proficiency in handling complex inquiries and escalations.
- **Communication Skills:** Exceptional verbal and written communication skills, with the ability to articulate solutions clearly and concisely. Strong active listening skills and empathy are essential for building rapport and understanding customer needs.

- **Problem-Solving Abilities:** Proven track record of effective problem-solving and decision-making, with the capacity to analyze issues, identify root causes, and implement practical solutions in a fast-paced environment.
- **Technical Aptitude:** Proficiency in using customer relationship management (CRM) systems, ticketing platforms, and other relevant software applications. Basic understanding of technical concepts and the ability to troubleshoot technical issues is advantageous.
- **Quality Assurance:** Maintain high standards of service quality by adhering to established protocols and guidelines. Review customer interactions to ensure accuracy, compliance, and alignment with company values. Provide constructive feedback and coaching to junior team members to enhance their performance and development.
- **Team Collaboration:** Ability to collaborate effectively with cross-functional teams and stakeholders to achieve common goals. Willingness to share knowledge, provide support, and contribute to a positive team environment.
- **Adaptability:** Flexibility to adapt to changing priorities, procedures, and business needs. Capacity to remain calm and composed under pressure while maintaining a focus on delivering exceptional customer service.
- **Escalation Resolution:** Handle escalated customer inquiries and complaints with professionalism, empathy, and efficiency. Utilize your extensive knowledge of company offerings and procedures to provide comprehensive solutions and address customer concerns effectively.
- **Continuous Learning:** Commitment to ongoing learning and development, staying updated on industry trends, best practices, and product/service updates. Willingness to participate in training programs and workshops to enhance skills and knowledge.

Target Salary: \$75,000- \$90,000 annually depending on location and qualifications.

Contact Center Operations

Having a contact center with three representatives is critical for achieving proper coverage, especially during periods of high call volume. With three agents, the contact center can effectively manage fluctuations in call volume, maintaining consistent service levels and meeting performance metrics such as average handling time and first call resolution. This ensures that customers receive timely assistance and minimizes the risk of long wait times or dropped calls. Additionally, having three reps allows for better distribution of workload, preventing agent burnout and ensuring sustainable productivity.

Adequate coverage in a contact center is crucial for several reasons, particularly when it comes to meeting Service Level Agreements (SLAs) and ensuring customer satisfaction. It is also worth noting that PCE CSRs will be trained to handle other

administrative duties to augment administrative support for the Agency. This is not a feature that is available to PCE through the arrangement with Calpine/ECC.

Benefits of Three Representatives

- **Resilience and Flexibility:** With three representatives, there's resilience built into the system. If one representative is unavailable due to illness, breaks, or any other reason, the other two can handle the workload without significantly impacting service levels. Additionally, it allows for flexibility in scheduling breaks and shifts, ensuring that there are always enough representatives available to handle incoming calls.
- **Reduced Wait Times:** With more representatives available, customers spend less time waiting in queues to speak with a representative. This reduces frustration and improves the overall customer experience. Industry standards often dictate specific wait time targets to ensure customer satisfaction, and having three representatives helps meet these targets more consistently.
- **Better Handling of Peak Times and Staffing:** Call volumes can fluctuate throughout the day, with certain times experiencing higher call volumes than others. Having three representatives allows the contact center to better handle these peak times without sacrificing service quality. During peak periods, all three representatives can be active, ensuring that callers are attended to promptly.

Service Level Agreements and Key Performance Indicators

Establishing Service Level Agreements (SLAs) is fundamental for the smooth operation of contact centers. These agreements outline specific benchmarks, such as answering 80% of calls within 20 seconds or less, which align with industry standards. Adhering to SLAs is not just about meeting targets; it's about fostering trust between the company and its customers. Achieving this benchmark can be challenging due to various factors, such as high call volumes or escalations of complex issues. Despite these challenges, having well-defined SLAs provides a framework for contact center agents to strive towards excellence, aiding in an enhanced customer experience.

In a contact center environment, Key Performance Indicators (KPIs) serve as vital tools for evaluating and optimizing operational efficiency and customer service quality. Each KPI offers unique insights into different aspects of contact center performance. By closely monitoring these KPIs, contact centers can identify trends, address bottlenecks, and continuously strive to enhance service levels, ultimately leading to improved customer satisfaction and loyalty.

The contact center manager will maintain a scorecard for each CSR, detailing their monthly performance statistics.

In-House Contact Center Key Performance Indicators (KPI):

- **Average Speed of Answer (ASA) and Average Handling Time (AHT):** provide valuable metrics for assessing call responsiveness and agent efficiency, respectively.
- **Handle Time (HT) and Longest Call Holding Time:** offer insights into the duration of customer interactions with an agent, enabling contact centers to streamline processes and reduce wait times.
- **Call abandonment Rate and Dropped Calls:** highlight areas of improvement in call routing and agent availability; our goal is to minimize customer frustration and any lost opportunities.
- **Hold time metrics:** help in managing customer wait times effectively, ensuring a seamless experience.

In-house training- Continuous training will be a key feature and benefit of our contact center. We can customize and update the training content quickly to include new information or changes to programs. This approach fosters a deeper understanding among agents and promotes consistency in service delivery, reducing errors and miscommunication.

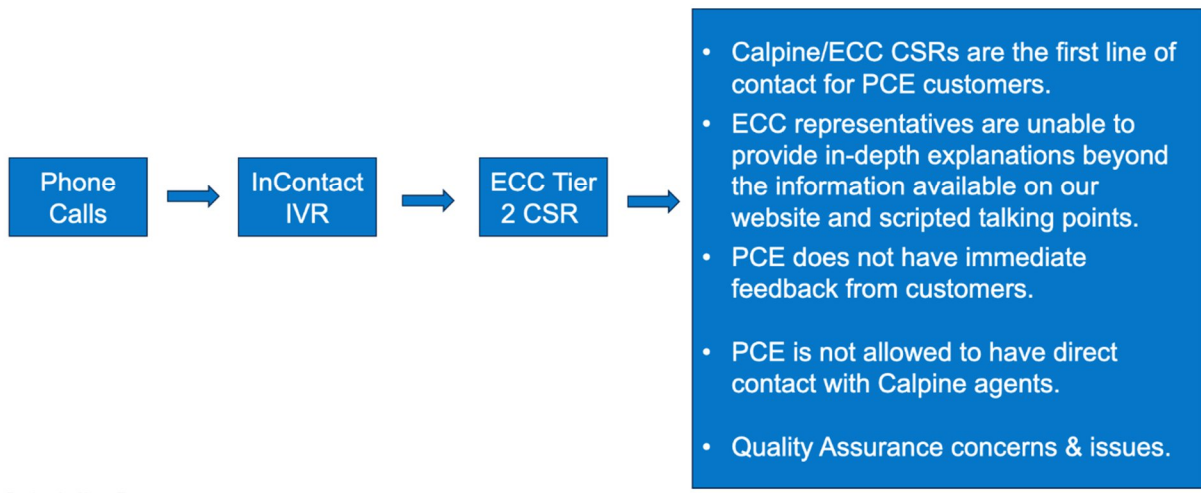
Example Training Topics

- **History of Peninsula Clean Energy**
 - Who we are and why we were founded
 - Department and Roles
- **How Solar Energy Works**
 - Renewable Energy Fundamentals
 - Net Energy Metering (NEM)
 - Solar Billing Plan
- **Billing**
 - How to read and Understand your PG&E Bill
 - FAQs
 - Rates and Billing
- **Rate Analysis and Optimization**
 - Ensuring customers are on the best rates
- **Opt Out Retention**
- **PCE Programs**
 - Program Qualifications/Eligibility
 - Application/Rebate status
 - Refer and schedule concierge service follow up as needed
- **General Energy Efficiency**
 - Advise customers on how to reduce overall energy use to lower bills
 - Help educate customers on the value of shifting load to off-peak hours
- **Commonly Used PCE Acronyms**
- **Contact Center Etiquette**
 - Phrases to use and phrases to avoid
 - How to de-escalate an upset customer

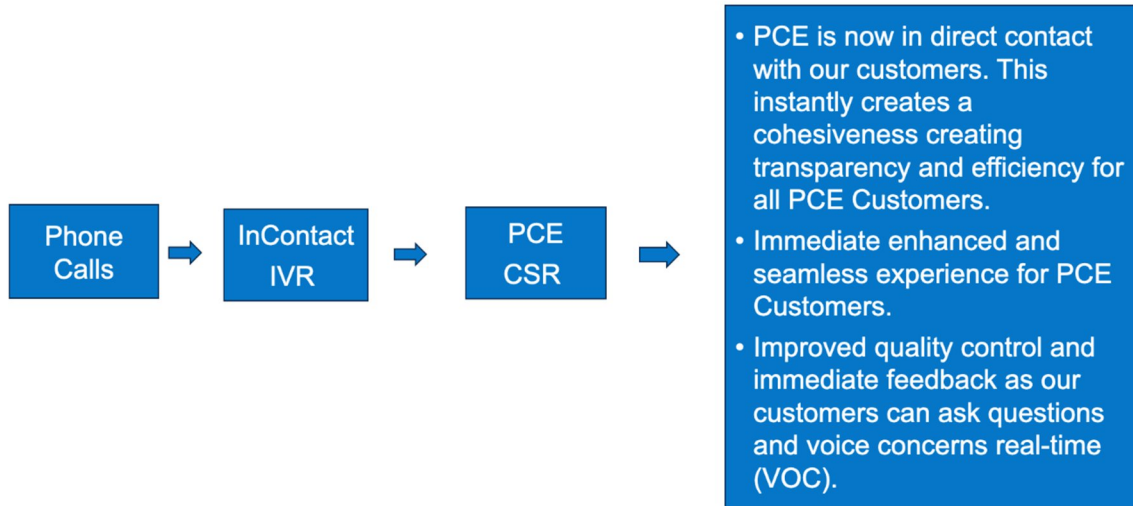
5. Technology and Equipment

As noted in the operations section above, staff recommends incorporating the technology platforms already provided by Calpine Energy Solutions, including their customer relationship management CRM and the InContact interactive voice recording IVR systems. Staff is not looking to reinvent the wheel with regards to the technology that is already in place and serving our customers well. The cost of using these systems is already included in our regular service fees to Calpine, and these systems are already integrated into Calpine's back-end data management and billing processes, making this the most efficient choice for a seamless transition. We will keep evaluating these systems and may suggest upgrades or changes if needed in the future.

Current Service Ecosystem



New In-House Contact Center Service Ecosystem



Assuming PCE moves forward with its contact center plan, Calpine will provide training on the InContact IVR system for our Contact Center Manager, and other designated Account Services team members, during the transition period. This training is crucial for a smooth implementation and will enable the manager to train new PCE CSR staff effectively. By providing CRM and phone system training concurrently during new CSR training, we can maximize efficiency and ensure all staff are equipped to deliver exceptional customer service.

Equipment to Purchase

The equipment needed for our new contact center staff will be similar to that required for onboarding any new PCE staff. Each representative will receive essential tools, including a laptop, a headset, a second monitor, and a webcam. PCE will ensure uniformity and quality in providing these items. Our IT department will set up each computer with all necessary programs and configurations before sending them to new agents, following our current procedure for onboarding new hires. Training will be designed for CSRs to perform remotely, but we will likely bring the new team in for 1-2 days of in-person orientation as well to ensure we launch our transition with a cohesive cohort of new staff. This streamlined process aims to empower representatives with the resources they need to excel in their roles from day one.

6. Risk Management

Transitioning from Calpine to providing our own contact center staffing introduces some risks, but we believe they are manageable, especially since two of our peer agencies have successfully integrated their own in-house CSRs using Calpine's platform the same way. Here are three specific areas of risk identified by staff, along with our proposed mitigations.

Technology and Equipment Failure

Remote work introduces new risks related to internet connectivity and work performance. Remote workers rely on stable internet connections to access company systems and communicate effectively with customers. However, internet outages or connectivity issues can impede productivity and hinder customer interactions. During the candidate hiring process, PCE will confirm the reliability of candidates' internet connections, ensuring they have a minimum of 100 Mbps. We will work with PCE's IT team to ensure staff has all the necessary equipment for reliable service. Implementing performance metrics can help identify and address issues proactively, ensuring consistent service delivery regardless of employees' location.

The reliability of the InContact IVR platform is critical to the successful operation of the contact center. Calpine has been utilizing InContact for over 5 years and has only documented two system-wide outages impacting the functionality of the cloud-based system in that time. While there is inherent risk involved in using any technology platform, the stability and high performance of InContact over the last several years, and Calpine's extensive familiarity with the system, are reassuring and support staff's recommendation to maintain continuity by adopting this platform.

High Staff Turnover

The propensity for high turnover rates among contact center staff as an industry is another potential risk. Contact center roles often involve repetitive tasks, high stress levels, and demanding performance metrics, leading to employee burnout. High turnover rates not only disrupt operations but also lead to continuous recruiting, hiring, and training of new staff. Frequent turnover can negatively impact customer service quality and employee morale, potentially leading to decreased customer satisfaction and retention. We aim to avoid this with our contact center by maintaining sufficient staffing levels so that employees are not overworked. Additionally, we will utilize the CSR team to periodically backfill on tasks for Programs and Account Services teams providing opportunities for variety in workflow. Additional tasks could include following up on rebate applications with missing data, account eligibility verification for the 0%

loan program, DAC-GT enrollment processing, and direct outreach to customers eligible for additional assistance programs.

Loss of Overflow Support

Our biggest risk is losing the capacity to have an overflow of pooled CSRs that can jump in and assist from Calpine if we have a sudden surge in calls or find ourselves short staffed due to planned or unexpected absences. Having a fully staffed team is the best way to mitigate this risk. If we do find ourselves in an unexpected high call volume situation with longer than desired wait times, the InContact platform does have the ability to allow callers to request a call back instead of waiting or the ability to leave a message for staff to follow up on later.

As an ultimate failsafe to bringing the staffing in-house, PCE can include a clause in our broader service agreement with Calpine that allows us to return to an outsourced call center solution if there is a determination at some point in the future by PCE leadership that doing so would be in PCE's best interest.

7. Financial Impact

Staff has been intentional in limiting new capital investments and other start-up costs primarily to new staffing by leveraging the existing IVR technology platform and CRM already in use by Calpine. Our current service agreement and fees for Calpine's back-end services incorporate the call center services in our per account monthly cost. The estimated value of these services in our current pricing structure is approximate \$0.04 per active account for the ECC call center services and \$0.05 for the IVR and CRM platforms. The annual value of the services is \$150K and \$186K respectively based off an average of 310K active accounts monthly.

New costs incurred by increasing PCE headcount by four full-time staff (three CSR's and one Manager) is estimated to be \$500K, inclusive of salary and benefits. PCE would also need to assume actual costs incurred by the live translation service for languages not supported by our bilingual CSRs, these costs are currently absorbed by Calpine. Based on translation call reports from 2023 we estimate these costs to be \$6,000 annually. Overall net new annual costs of bringing the contact center staff in house are estimated at \$356K.

Current Call Center Costs (Included in Calpine Fees)	
IVR and CRM System Costs	\$186,000
ECC Call Center Services	\$150,000
Total Costs	\$336,000

Net New Costs

\$356,000

In-House Call Center Costs	
New PCE Staff	\$500,000
IVR and CRM System Costs	\$186,000
Translation Services	\$6,000
Total Costs	\$692,000

8. Peer Agency Analysis

Peer Agencies: Internal Call Center Transition



- **MCE Experience**

- Improved call retention
- Increased Spanish call volume
- Better/faster service response times (SLA)



- **CPSF Experience**

- Improved customer experience
- Direct communication between Supervisors and CSRs



- **Sonoma Experience**

- Building rapport with their customers
- Improved quality control

MCE Clean Energy- MCE initially established an in-house contact center with three agents, which seemed adequate. However, within eight months, they faced a significant surge in call volume, notably from Spanish speaking customer leading them to hire another bilingual representative. Since bringing their staff in-house and expanding the team, MCE has been able to successfully lower their opt-out rate by improving customer retention rates during opt-out requests by 40%. Notably MCE has historically had a much higher instances of customer opt-outs than PCE and they have a larger customer base, but their success is a promising indicator of what's possible with an in-house team.

MCE also made a larger infrastructure investment and chose to build out their own CRM and integrate their IVR platform as part of transitioning to a new back-end data manager. While PCE is not currently planning to build out its own CRM and IVR platform, this option may be considered in the future if deemed beneficial.

CleanPowerSF (CPSF)- CPSF has successfully transitioned its in-house CSR team as part of the larger SFPUC contact center. CPSF staff has reported several advantages to transitioning staff to SFPUC employees, including improved control over customer service processes. CPSF continues to utilize the Calpine CRM and InContact phone systems, ensuring continuity and efficiency. Within the SFPUC contact center system, there are three customer service agents and a supervisor managing calls and responding to the customer service email inbox.

Sonoma Clean Power (SCP)- SCP initially set up a hybrid in-house contact center with one internal agent and external ECC agents assisting with calls, using Calpine's CRM and InContact phone systems. They have since expanded their internal CSR staff to three agents and a supervisor, while still maintaining two ECC agents as backups. The goal was for their in-house team to handle calls first, with ECC agents handling overflow calls only. However, this setup has not been as effective as SCP hoped, as more calls than anticipated are still being routed to the ECC reps. Consequently, SCP is considering transitioning to an all-in-house CSR staff (without ECC backup) within the next year.

9. Implementation Timeline

- May 25, 2024 –Request Board approval to move forward with in-house contact center implementation
- July 1, 2024 – Convert from contracted Contact Center Manager currently under a consulting contract to regular employee status
- August –September 2024 – Recruit and hire initial team of 3 CSRs
- September-October 2024 – Set-up and training of new CSRs
- November 2024 - Transfer calls from Calpine call center to the new in-house contact center having our new representatives handle all live calls.

10. Conclusion/Recommendation

In conclusion staff is recommending we move forward with transitioning our contact center to be an in-house function staffed with PCE employees. Transitioning to an in-house contact center with our proposed three dedicated customer service representatives and a manager, presents a strategic move aimed at enhancing our customer engagement and service quality. By bringing this critical function in-house, we gain greater control over the customer experience, ensuring consistent and personalized interactions which will increase customer satisfaction and increase retention numbers. This shift also enables us to streamline communication processes, reducing response times and enhancing efficiency, which is necessary to be able to execute on the high-touch customer-centric programs on PCE's roadmap. Having a dedicated team allows for deeper integration within our company culture and values, fostering a stronger sense of accountability and alignment. Overall, establishing an in-house contact center marks a significant step towards elevating our customer service standards and strengthening our reputation as a trusted advisor within the communities we serve.

11. Appendix

Calpine Monthly Call stats reports from February and March 2024 as an example of current call activity and trending topics.

February 2024

PCE February Contact Center Stats Report

1. Call Volume

- Total call from the month of February equals to 618. This is down 20% from the previous month's call volume (765).

2. Trending Topics

Total Accounts Documented	588	
Total Call Topics Documented	1156	
Residential	426	72%
Commercial	13	2%
Unverified Caller	149	26%

Top 5 Call Topics All Accounts

Interaction Type	Count of Interaction Type	Percentage of Calls
Billing Inquiry	225	38%
General Info	128	21%
Net Energy Metering	89	15%
Split Billing	72	12%
Translation Call - Spanish	64	10%

Top 5 Call Topics RES Accounts

Interaction Type	Count of Interaction Type	Percentage of Calls
Billing Inquiry	194	45%
Net Energy Metering	87	20%
Split Billing	70	16%
Opt Out Inquiry	57	13%
Translation Call - Spanish	47	11%

Top 5 Call Topics Los Banos Accounts

Interaction Type	Count of Interaction Type	Percentage of Calls
Opt Out Submitted	26	40%
Billing Inquiry	13	20%
Translation Call - Spanish	12	18%
Split Billing	11	17%
Net Energy Metering	10	15%

3. Tracked Topics

- 0 Delayed Bill calls regarding SCE billing delays.
- 1 CPUC/lawsuit mentions. A customer previously opted out and received her bill for the billing period she was on at the time of opt out. She mentioned making a potential opt out and the agent talked them through the timeline of opt out and how many bills they would get due to the timing of the opt out.
- 0 NEM 3.0/NBT-
- 0 PG&E Rate Increase
- 0 PG&E Mailers
- 68 Translation calls. The majority, 64 of the calls were Spanish speakers. 4 were Cantonese. Many of the calls were regarding billing questions and potential discount or saving programs. 12 of the callers opted out.
- 0 Social Media Mentions.

March 2024

PCE March Contact Center Stats Report

1. Call Volume

- Total call from the month of March equals to 581. This is down 20% from the previous month's call volume (618).

2. Trending Topics

Total Accounts Documented	531	
Total Call Topics Documented	1156	
Residential	407	77%
Commercial	12	3%
Unverified Caller	111	20%

Top 5 Call Topics All Accounts

Interaction Type	Count of Interaction Type	Percentage of Calls
Billing Inquiry	186	35%
Net Energy Metering	92	17%
General Info	85	16%
Opt Out Inquiry	80	15%
Split Billing	55	10%

Top 5 Call Topics RES Accounts

Interaction Type	Count of Interaction Type	Percentage of Calls
Billing Inquiry	158	38%
Net Energy Metering	88	21%
Opt Out Inquiry	75	18%
Opt Out Submitted	53	13%
Split Billing	50	12%

Top 5 Call Topics Los Banos Accounts

Interaction Type	Count of Interaction Type	Percentage of Calls
Billing Inquiry	19	36%
Opt Out Submitted	13	25%
Opt Out Inquiry	10	19%
Net Energy Metering	10	19%
Translation Call - Spanish	8	15%

3. Tracked Topics

- 0 Delayed Bill calls regarding SCE billing delays.
- 0 CPUC/lawsuit mentions.
- 1 NEM 3.0/SBP/NBT- Customer wanted to know if opting out of PCE would enroll him into NBT.
- 0 PG&E Rate Increase
- 0 PG&E Mailers
- 54 Translation calls. The majority, 53 of the calls were Spanish speakers. 1 was Turkish. Many of the calls were regarding account status's, billing questions, and potential discount or saving programs. 15 of the callers opted out.
- 0 Social Media Mentions.

4. Feedback

-



**PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence**

DATE: May 6, 2024
MEETING DATE: May 13, 2024
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Executive Committee
FROM: Shalini Swaroop, Chief Operating Officer
SUBJECT: Semi Annual Strategic Plan Update (Discussion)

BACKGROUND

In April 2020, the Peninsula Clean Energy Board of Directors adopted the 2020-2025 Strategic Plan. Since that time, the Strategic Plan has been reviewed, updated, and reported on by staff twice per year, once at the Fall Board retreat and again at a meeting of the Executive Committee in the Spring.

DISCUSSION

Senior staff members will be providing a semi-annual update on our progress against the current PCE strategic plan. Updates will cover the following areas: Power Resources, Community Energy Programs, Marketing and Community Relations, Account Services, Public Policy (regulatory and legislative), Financial Stewardship, Data & Technology, and Organizational Excellence.

As a reminder, at the April 2024 Board meeting, staff recommended and the Board approved updated language for PCE's 24/7 renewable goal to now read: Deliver 100% renewable energy on an annual basis by 2030 through strategic and cost-effective procurement of resources that maximize Peninsula Clean Energy's 24/7 hourly matching of renewable energy and load. This change is reflected in the accompanying slides supporting this agenda item.

Staff recommends one additional amendment to the Strategic Plan to more accurately reflect the item's current status:

1. Data and Technology. Add the Technology & Systems item from Organizational Excellence to Data & Technology as its own functional area.

Staff looks forward to receiving the Executive Committee's comments and feedback on the Strategic Plan update and the proposed language amendments as outlined here and in the attached slide deck.

FISCAL IMPACT

The fiscal impact resulting from the aforementioned amendments to PCE's 24/7 renewable goal is a net cost savings of ~\$86M in the coming fiscal year with additional net savings in the multiple millions in future years.

ATTACHMENTS:

[May 2024 Strategic Plan Update Presentation.pdf](#)

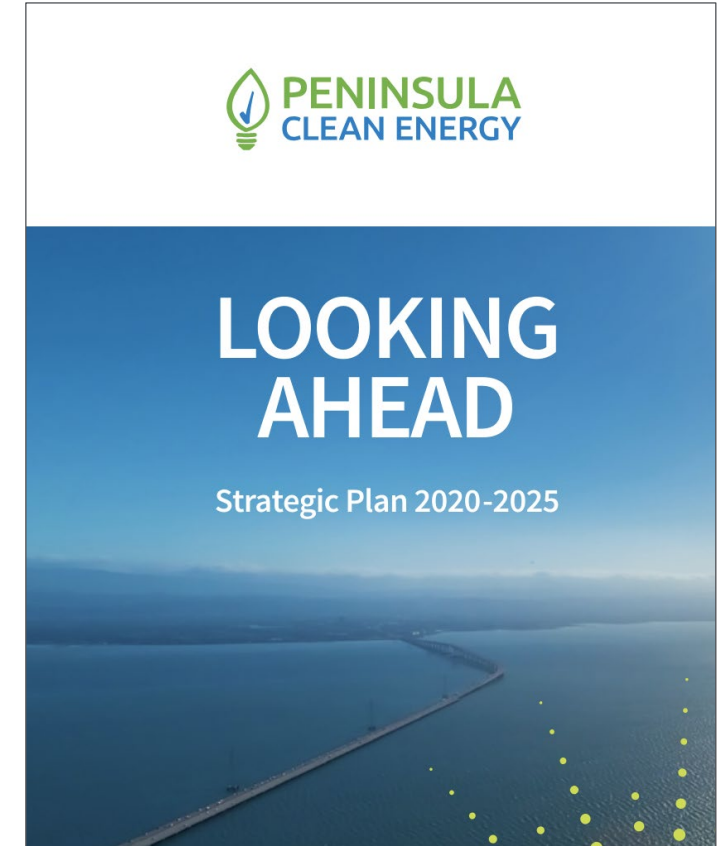
PCE Strategic Plan (2020-2025) Mid-Point Update for FY and CY 2024

Executive Committee Presentation
May 13, 2024

Our Top Strategic Priorities

1. Deliver 100% Renewable Energy on An Annual Basis by 2030 Through Strategic and Cost-Effective Procurement of Resources that Maximize Peninsula Clean Energy's 24/7 Hourly Matching of Renewable Energy and Load.
 - a) Language updated at March and April 2024 Board meetings
2. Contribute to Peninsula Clean Energy member jurisdictions reaching the State's 2045 goal to be 100% greenhouse gas free for transportation and buildings by 2035.

These primary organizational goals are augmented by other Strategic Plan goals that tie to the core functions and operations of Peninsula Clean Energy.



Organizational Priorities

Key Performance Indicators (Measured on CY)

	2019 Baseline	2020	2021	2022	2023	2030 Target
100% Renewable Annually by 2030 (ECOplus Renewable Content)	47.0%	51.7%	49.2%	51.8%	51.7%	100%
2035 Decarbonization (MMT GHG reduced)	3,800	14,300	23,100	27,500	38,381	See Below*

*Peninsula Clean Energy has a 2035 decarbonization target only. Total San Mateo County emissions inventoried in 2019 were 4.1 million MT GHG of which 3.2 million MT GHG are in buildings and transportation. Decarbonization figures for each year are the estimated reductions resulting from PCE programs on a cumulative basis through that year.

On target
Challenges exist
At risk

Power Resources Update

Key Performance Indicators (Measured on CY)

	2019 Baseline	2020	2021	2022	2023	2025 Target
EcoPlus Annual Renewable Content (%)	52%	51.7%	49.2%	51.8%	51.7%	60%
EcoPlus Emissions Factor (lbs. / MWh)	102	13	5	9	12	16
Eco100 Annual Renewable Content (%)	100%	100%	100%	100%	100%	100%
Eco100 Emissions Factor (lbs. / MWh)	0	0	0	0	0	0
Peninsula Clean Energy's Summer Peak Load Served by New Capacity (%)*	0	24%	32%	25%	30%	50%

*Percentages represent the share of PCE's peak summer demand served by new and repowered projects, including discharge from new storage resources.

On target

Challenges exist

At risk

Power Resources: Strategic Plan Goals/Objectives

STRATEGIC PLAN GOALS

1. Deliver 100% Renewable Energy on An Annual Basis by 2030 Through Strategic and Cost-Effective Procurement of Resources that Maximize Peninsula Clean Energy's 24/7 Hourly Matching of Renewable Energy and Load.
2. Secure sufficient, low cost, clean sources of electricity that achieve Peninsula Clean Energy's priorities while ensuring reliability and meeting regulatory mandates.

OBJECTIVES

1. **Planning:** Develop strategies to achieve a reliable power portfolio to meet 100% renewable on an annual basis by 2030 while maximizing 24/7 matching
2. **Procurement:** Procure power resources to meet regulatory mandates and internal priorities at affordable cost
3. **Operations:** Manage power portfolio to ensure performance consistent with contractual requirements, regulatory compliance, and internal strategies
4. **Innovation & Market Development:** Provide a model of leadership for procuring energy resources for a clean energy future

*CA RPS eligible resources except Biomass

Power Resources: Mid-Year Highlights

Planning:

- Updated PCE's 100% annual renewable goal and the 24/7 matching goal to account for changes in market conditions and the need to balance costs impacts to PCE customers
- Presented PCE Ownership v. Long-term Contracting analysis to the Board

Procurement:

- Negotiated and executed the 55MW/4hr Wallace standalone storage project (Prologis)
- Met 2023 Month-ahead and 2024 Year-ahead Resource Adequacy requirements
- Cost-effectively achieved ECOPlus product content requirement for CY 2023

Operation:

- Arica Solar + Storage Project (100MW Solar + 50MW Storage) came online in April, 2024
- Successful transition to the new Scheduling Coordinator, Customized Energy Solutions (CES)
- Filled the new Market Operations Manager position with internal candidate
- Completed the draft Enterprise Risk Management Policy

Community Energy Programs Update

Key Performance Indicators (Measured on CY)

	2019 Baseline	2020	2021	2022	2023	2024 YTD	2025 Target
Transportation: GHG Reductions (MT)	2,000	8,200	14,800	18,600	26,666	28,192	83,000
Buildings: GHG Reductions (MT)	1,800	6,100	8,000	8,900	11,715	12,062	9,800
EV charging ports installed (#)	0	13	146	348	749	935*	3,500
Electric appliances installed (#)	0	0	219	616	2,752	3,060	1,800
Local Resources (MW)	0	1.47	4.26	5.54	7.2	7.8**	20
Funds for Low Income	11%	47%	19%	43%	26%	n/a	20%

1. 2025 targets were updated in September 2022
2. All figures cumulative except Funds for Low Income
3. Overall County GHGs when last inventoried in 2019 were 4,100,000 MT
4. GHG measures reflect projected future average annual reductions of actions taken that year (ex: adopted reach codes, charging installed, EVs acquired, etc.)

** EV Charging ports in pipeline: ~4,000*

*** Local Resources in pipeline: ~18 MW*

Programs: Strategic Plan Goals & Objectives

STRATEGIC PLAN GOALS

1. Contribute to Peninsula Clean Energy member jurisdictions reaching a goal to be 100% greenhouse gas free for transportation and buildings by 2035.
2. Implement robust energy programs that reduce GHG emissions, align energy supply and demand, and provide benefits across the community.

OBJECTIVES

1. **Signature Programs:** Develop market momentum for electric transportation and initiate the transition to clean energy buildings
2. **Distributed Energy Resources:** Support strategic decarbonization and local power development
3. **Community Benefits:** Deliver tangible benefits throughout our diverse communities
4. **Innovation and Scale:** Leverage leadership, innovation, and regulatory action for scaled impact

Programs: Mid-Year Highlights

Appliances & Zero Percent Loans

- >100 installs per month, strong contractor participation
- Low-Income program reaches >300 homes, whole home pilots
- Launch of new turnkey service in-progress

Electric Vehicle Charging

- Innovation in approach, \$4,000 average per port (vs PG&E \$18k)
- 2/3rds in multifamily, highest need segment

Distributed Resources

- GovPV Rnd 1: 12 sites, 1.7 MW solar, in-progress, \$17M lifetime savings
- GovPV Rnd 2a: 20+ sites, 4 MW, in-progress



Marketing & Community Relations Update

	2020 Baseline	2021	2022	2023	2024 YTD	2025 Target
Participation Rate (as of FY end) ¹	97%	97%	97%	96%	96%	97%
PCE Aided Awareness	34%	31% ²	39% ⁴		Survey in May '24	60%
PCE Favorability ³	63%	61% ²	57% ⁴		Survey in May '24	80%
Residential & SMB Engagement ¹	Med/Low	Med/Low	Med/Low	Med/Low	Med	High

1. Shared responsibility with Account Services team
2. Given sample size in 2021, this is statistically equivalent to the 2020 baseline
3. Of those who are aware of Peninsula Clean Energy
4. Statistically different from 2020 baseline

On target
Challenges exist
At risk

Marketing/Outreach: Strategic Plan Goals/Objectives

STRATEGIC PLAN GOAL

Develop a strong brand reputation that drives participation in Peninsula Clean Energy's programs and ensures customer satisfaction and retention

OBJECTIVES

1. **Brand Reputation:** Elevate Peninsula Clean Energy's brand reputation as a trusted leader in the community and the industry.
2. **Engagement:** Educate and engage stakeholders in order to gather input, inspire action, and drive program participation

Marketing/Outreach: Mid-Year Highlights

Media Relations

- Announced the Board's approval to freeze electricity rates in the face of rising PG&E rates
- Articles on EV programs and electrification efforts in Canary Media and Grist
- Interviews in Redwood City Pulse, The Almanac, San Mateo Daily Journal

Community Relations

- Awarded 16 grants totaling \$530,000 including 2 new CBO partners
- Participated in 30 events and workshops, reaching nearly 2,200 people
- Partnered with San Mateo County Office of Education Career and Technical Education program on green career field trips for 470 students, provided stipends and coaching for new Youth Climate Ambassador cohort and partnered with the San Mateo Community College District, on electrification exhibits

Marketing Communications

- Sent 18 communications by email + direct mail (+850,000 messages total) about our 0% rate increase, AMP, and energy programs
- Launched webpages to support our city services and Member community webpages to highlight the economic savings, benefits and key projects
- Created new videos to celebrate community projects and program awards

Account Services Update

Key Performance Indicators (Measured on FY)

	2020 Baseline	2021	2022	2023	2024 YTD	2025 Target
Participation Rate (as of FY end) ¹	97%	97%	97%	96%	96%	97%
Customer Data Access & Analytics	Low	N/A	Low/Med	Med/Low	Med	High
External Partner Relations	Med/High	High	High	High	High	High
Key Account Engagement ^{2,3}	Low	Low	Med/Low	Med/High	High	High
Residential & SMB Engagement ¹	Med/Low	Med/Low	Med/Low	Med	Med	High

1. Shared responsibility with Marketing and Community Relations, increased direct outreach to vulnerable customers
2. Increased Engagement with Key Accounts, bringing 25GWh of customer load back from Direct Access services so far this year
3. Supporting Caltrain electrification launch in September 2024

Peninsula Clean Energy

On target

Challenges exist

At risk

Account Services: Strategic Plan Goal/Objectives

STRATEGIC PLAN GOAL

Ensure high customer retention and satisfaction

OBJECTIVES

1. **Customer Care:** Ensure High Customer Retention and Satisfaction
2. **Operational Excellence:** Build and Maintain Strong Partner Relations
3. **Customer Data:** Improve Access to Energy Data and Analytics

Account Services: Mid-Year Highlights

- Worked with Finance team to evaluate and implement rate freeze at 2023 levels for first half of 2024.
- Increased engagement with Key Accounts- we have brought over 25MWh of customer load that was previously being served in the Direct Access program.
- Supporting Caltrain's electrification planning and rollout with the SSF charging depot to be served by PCE starting in September 2024.
- Increased engagement with Low Income/vulnerable customers to connect eligible customers with CPUC's Arrearage Management Plan (AMP). Over 20% of customers followed through with successful AMP enrollment post PCE outreach. Subsequent direct outreach campaigns are being coordinated with Marketing
- Streamlining annual NEM cash-out process to apply earned credits to customer accounts for a majority of customers. Lowering processing costs for PCE and increasing customer uptake via direct bill credit,
- Building out proposal and plan to transition PCE external Call Center support services to an internal team to enhance customer experience and better support PCE program deployment

Public Policy Update

Key Performance Indicators (Measured on FY)

	2020 Baseline	2022	2023	2024 YTD	2025 Target
PCIA Containment	Low	Challenges	On Target	On Target	See Below
Legislative Impact	Medium	Challenges	Challenges / On Target	On Target	See Below
Regulatory Impact	High	On Target	On Target	On Target	See Below
Coalition Building	Low	On Target	On Target	On Target	See Below
Fostering CCA Growth	Medium	Challenges / On Target	Challenges/ On Target	Challenges/ On Target	See Below

Regarding 2025 Targets

- 1) PCIA Containment:** PCE staff interprets this goal as an objective to minimize PCIA-related costs applicable to PCE customers by 2025. With that said, PCIA costs applicable to PCE's customers will remain long past 2025 and are expected to persist into the 2040s.
- 2) Legislative Impact:** PCE staff interprets this goal as having a high level of influence with our local representatives and CalCCA's legislative efforts, such that our efforts result in overall positive legislative outcomes in Sacramento.
- 3) Regulatory Impact:** PCE staff interprets this goal as taking the steps necessary to enable the organizations programmatic and procurement objectives by 2025.
- 4) Coalition Building:** PCE staff interprets this goal as having strong local, state and regional relationships to leverage our knowledge and influence towards positive outcomes.
- 5) Fostering CCA Growth:** PCE staff recognizes that CCA growth has slowed in recent years.

Public Policy: Strategic Plan Goal/Objectives

STRATEGIC PLAN GOAL

Strongly advocate for public policies that advance Peninsula Clean Energy's organizational priorities.

OBJECTIVES

- 1. Regulatory:** Educate and engage policymakers to develop policies that support Peninsula Clean Energy's organizational priorities
- 2. Legislative:** Engage state legislators to pass legislation that advances Peninsula Clean Energy's organizational priorities and defeat legislation that would hinder Peninsula Clean Energy's organizational priorities and operations.
- 3. Growth of CCA/Expansion:** Take a leadership position in supporting the growth of community energy and CCAs in California

Public Policy: Mid-Year Highlights

- PCE staff and recently retained lobbyist have taken first steps to engage with our federal legislative delegation on policy and funding of programs
- PCE continues to shape IRP/RA reform to better align with our 24/7 objective
- PCE continues to advocate for increased affordability throughout its engagement
- Even further expansion of DAC-GT program to serve more low income customers

Financial Stewardship Update

Key Performance Indicators (Measured on FY)

	2020 Baseline	2021	2022	2023	2024 YTD	2025 Target
Days Cash On Hand (Unrestricted)	238	257	201	319	367	247
Credit Rating	BBB+/ Baa2	BBB+/ Baa2	BBB+/ Baa2 POS	A-/ Baa1	A-/ Baa1	“A” level
Change in Net Position (\$000s)	\$48,933	-\$8,355	-\$13,046	\$139,955	\$84,389	positive
Investment Performance (PFM)		0.14%	-4.79%	0.03%	2.97% ¹	beat benchmark
Average Cost of Energy (\$/MWh)	\$61.92	\$59.04	\$62.75	\$73.59	\$92.60	\$112.27

1. Represents 1 year return; exceeded benchmark by 10 bps

On target

Challenges exist

At risk

Finance: Strategic Plan Goal/Objectives

STRATEGIC PLAN GOAL

Employ sound fiscal strategies to promote long-term organizational sustainability

OBJECTIVES

1. **Fiscal Health:** Strengthen and maintain Peninsula Clean Energy's fiscal health
2. **Financial Controls and Management:** Implement financial controls and policies that meet or exceed best practices for leading not-for-profit organizations
3. **Financial Stability:** Practice strategies to ensure long-term financial sustainability

Finance: Mid-Year Highlights

- FY 2023-2024 financial performance on track to produce healthy operating surplus
- Diversified investment management structure
- Updated rate setting methodology
- Preparing for Prepay transaction

Data & Technology Update

Key Performance Indicators (Measured on FY)

	2020 Baseline	2021	2022	2023	2024 YTD	2025 Target
Technology & Systems	Moderate	Moderate	On Target	On Target	On Target	See Below
Data Warehouse Platform	N/A	New	On Target	On Target	On Target	See Below
Analytics, Dashboards, & Tools	N/A	New	Moderate	On Target	On Target	See Below
IT Management	Minimal	Moderate	On Target	On Target	On Target	See Below
IT Security & Awareness	Minimal	Moderate	Moderate	On Target	On Target	See Below

Regarding 2025 Targets:

The 2025 target goals follow the objectives outlined in the Data & Technology Strategic Plan Goal/Objectives slide.

New

On target

Challenges exist

At risk

Data & Technology: Strategic Plan Goal/Objectives

STRATEGIC PLAN GOAL

- **Data:** To increase capabilities and efficient use of data to enable energy-related analyses, program impact measures, and customer insights.
- **IT:** To streamline organization-wide hardware and software management, and safeguard company information.

OBJECTIVES

1. **Technology & Systems:** Assess the quality and completeness of systems to support the organization's work.
2. **Data Warehouse Platform:** To store and analyze data from multiple sources in one place, to provide rapid, accurate, secure, and flexible analysis of large volumes of energy data and associated attributes.
3. **Analytics, Dashboards, & Tools:** To develop comprehensive analysis and business intelligence tools, in order to guide organizational decision making and program execution.
4. **IT Management:** To implement of processes and procedures for managing hardware and software integrity.
5. **IT Security & Awareness:** To protect against cybersecurity threats and malware, and establish staff awareness and best practices.

Data & Technology: Mid-Year Highlights

Data

- Data Platform Enhancements with Integrations
- Algorithm Refinement (EV Detection, Address Matching)
- Dashboard Tools (DAC-GT Automation, GovPV Billing)

IT

- Streamlining IT Onboarding
- Upleveling Security Awareness
- Enhancing Hybrid Conference Rooms Capabilities

Organizational Excellence Update

Key Performance Indicators (Measured on FY)

	2020 Baseline	2021	2022	2023	2024 YTD	2025 Target
Staff Satisfaction	High	High	On Target	On Target	On Target	See Below
Innovation Impact	High	High	On Target	On Target	On Target	See Below
Organizational Policies*	High	High	On Target	On target	On target	See Below
Governance	High	High	Challenges	On Target	On Target	See Below

*For external vendors and partners

Regarding 2025 Targets

- 1) Staff Satisfaction:** PCE staff interprets this goal based on yearly surveys, assessment of employee satisfaction; evaluation of professional development and training efforts; evaluation of competitive benefits.
- 2) Innovation Impact:** PCE staff interprets this goal as the assessment of the quality of technology, program design, and policy innovation developed by the organization and its impact towards the organization's goals and the clean energy industry.
- 3) Organizational Policies:** PCE staff interprets this goal as the assessment of progress toward implementation of key policies such as the Sustainable Workforce and Ethical Vendor Standards policies.
- 4) Governance:** PCE staff interprets this goal as facilitating the succession process, providing high quality orientation materials, and eliciting broad support of the organization by new Board Members, Alternates, and Citizen Advisory Committee Members; incorporating DEAI policy when completed.

Org. Excellence: Strategic Plan Goal/Objectives

STRATEGIC PLAN GOAL

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

OBJECTIVES

1. **Culture and People:** Foster a workplace culture that attracts and develops exceptional and diverse talent and values all people
2. **Innovation:** Foster a culture of innovation to yield solutions that accelerate our mission
3. **External Vendor Policies:** Implement vendor policies that embrace diversity and inclusion and that optimize engagement results
4. **Governance:** Follow best practices for governance and succession to engage and develop qualified, diverse Board Members and Citizens Advisory Committee Members

Organizational Excellence: Mid-Year Highlights

- Implementation of new HR software to enhance recruitment process
- Completed compensation study
- Staff satisfaction survey underway
- Organizational Development Roadmap to be completed Summer 2024
- Hired Associate Director of Innovation Strategy
- Hybrid Cost of Service Rate Setting Adopted
- Annual DEAI Update to the Board coming in May
- Improved Board communications and orientation materials
- Updates underway in Board governance documents