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

Regular Meeting of the Board of Directors of the Peninsula Clean Energy Authority (PCEA)
REVISED AGENDA
Thursday, August 24, 2023
6:30 p.m.

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 Locations:
PCEA Lobby, **2075 Woodside Road, Redwood City, CA 94061**
Los Banos City Hall, **Conference Room A, 520 J Street, Los Banos, CA 93635**
Washington Square Hotel, **Room TBD, 103 Waverly Place, New York, NY 10011**
Ritz Residence Club, **Room TBD, 75 Prospector Road, Aspen, CO 81611**

Zoom, **Virtual Meeting Link:** https://pencleanenergy.zoom.us/j/82772843517
Meeting ID: 827-7284-3517 **Passcode:** 2075 **Phone:** +1(669) 444-9171

This meeting of the Board of Directors will be held at the Peninsula Clean Energy Lobby: 2075 Woodside Road, Redwood City, CA 94061 and Los Banos City Hall, Conference Room A, 520 J Street, Los Banos, CA 93635 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 Board are expected to attend the meeting in person** and should reach out to Associate 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/board-of-directors following the meeting.

Public Participation

The PCEA Board meeting may be accessed through Zoom online at https://pencleanenergy.zoom.us/j/82772843517. The meeting ID is: 827-7284-3517 and the passcode is 2075. The meeting may also be accessed via telephone by dialing +1(669) 444-9171. Enter the webinar ID: 827-7284-3517, then press #. (Find your local number: https://pencleanenergy.zoom.us/u/kTlH1Ocod). Peninsula Clean Energy uses best efforts to ensure audio and visual clarity and connectivity. However, it cannot guarantee the connection quality.

Members of the public can also attend this meeting physically at the **Peninsula Clean Energy Lobby** at 2075 Woodside Road, Redwood City, CA 94061 or **Los Banos City Hall**, Conference Room A, 520 J Street, Los Banos, CA 93635.

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.

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 Board 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 Board are customarily limited to two minutes per speaker. The Board Chair may increase or decrease the time allotted to each speaker.

ACTION TO SET AGENDA AND TO APPROVE CONSENT AGENDA ITEMS

1. Approval of an Update to Policy 14, Delegation of Authority Policy

2. Approval of an Update to Policy 17, Disbursement and Invoice Payment Policy

3. Approval of Revised Board of Directors Schedule of Meetings for 2023

4. Approval of Revised Employee Handbook, Version 6

5. Delegate authority to the Chief Executive Officer to finalize and execute an agreement with the San Mateo County Community Colleges District (SMCCCD) for up to $175,000 to expand clean energy education and student engagement in 2023-2024

REGULAR AGENDA

6. Chair Report (Discussion)

7. CEO Report (Discussion)

8. Citizens Advisory Committee Report (Discussion)

9. Approval of the Local Government Building Electrification Program (Action)

10. Update on Net Billing Tariff (Discussion)

11. Review and Implications of Customer Research on Brand Awareness and Attitudes About Energy, Climate, And Electrification (Discussion)

12. Board Members' Reports (Discussion)

INFORMATIONAL REPORTS

13. Board Financial Package Ending June 30, 2023

14. Summer Heat Event Preparedness Informational Report

15. Update on Marketing, Outreach Activities, and Account Services

16. Update on Regulatory Policy Activities

17. Update on Legislative Activities

18. Update on Community Energy Programs

19. Update on Energy Supply Procurement

20. Report on California Community Power (CCP) Joint Powers Authority for June 21, 2023 and August 16, 2023

21. Industry Acronyms and Terms

ADJOURNMENT

Public records that relate to any item on the open session agenda are available for public inspection. The records are available at the Peninsula Clean Energy offices or on PCEA's Website at: https://www.peninsulacleanenergy.com.

Instructions for Joining a Zoom Meeting via Computer or Phone

Best Practices:

- Please mute your microphone when you are not speaking to minimize audio feedback
- If possible, utilize headphones or ear buds to minimize audio feedback
- If participating via videoconference, audio quality is often better if you use the dial-in option (Option 2 below) rather than your computer audio

Options for Joining

A. **Videoconference with Computer Audio – see Option 1 below**
B. **Videoconference with Phone Call Audio– see Option 2 below**
C. **Calling in via Telephone/Landline – see Option 3 below**

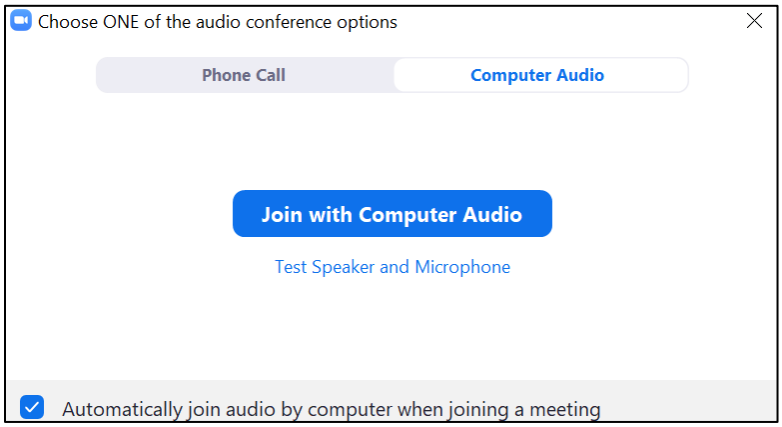
Videoconference Options:

Prior to the meeting, we recommend that you install the Zoom Meetings application on your computer by clicking here https://zoom.us/download.

If you want full capabilities for videoconferencing (audio, video, screensharing) you must download the Zoom application.

Option 1 Videoconference with Computer Audio:

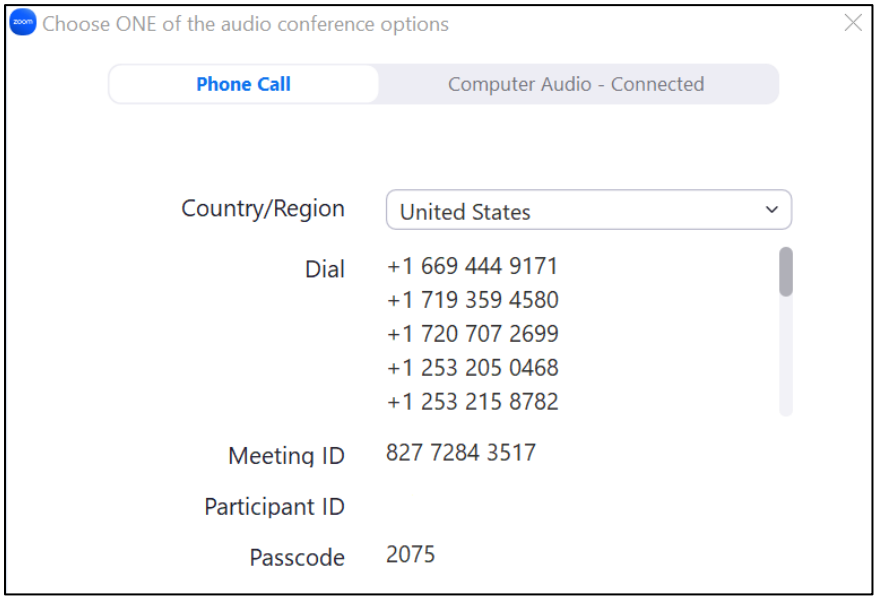
1. From your computer, click on the following link that is also included in the Meeting Calendar Invitation: https://pencleanenergy.zoom.us/j/82772843517
2. The Zoom application will open on its own or you will be instructed to open Zoom.
3. After the application opens, the pop-up screen below will appear asking you to choose ONE of the audio conference options. Click on the Computer Audio option at the top of the pop-up screen.



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

Option 2 Videoconference with Phone Call Audio:

1. From your computer, click on the following link that is also included in the Meeting Calendar Invitation: https://pencleanenergy.zoom.us/j/82772843517
2. The Zoom Application will open on its own or you will be instructed to Open Zoom.



3. After the application opens, the pop-up screen below will appear asking you to choose ONE of the audioconference options. Click on the Phone Call option at the top of the pop-up screen.
4. Please dial +1(669) 444-9171
5. You will be instructed to enter the meeting ID: **827-7284-3517 followed by #**
6. You will be instructed to enter in your participant ID. Your participant ID is unique to you and is what connects your phone number to your Zoom account
7. After a few seconds, your phone audio should be connected to the Zoom application on your computer
8. In order to enable video, click on “Start Video” in the bottom left-hand corner of the screen. This menu bar is also where you can mute/unmute your audio

Audio Only Options:

Please note that if you call in/use the audio only option, you will not be able to see the speakers or any presentation materials in real time.

Option 3: Calling in via Telephone/Landline:

1. Dial +1(669) 444-9171
2. You will be instructed to enter the meeting ID: **827-7284-3517 followed by #**
3. You will be instructed to enter your **Participant ID** followed by #. If you do not have a participant ID or do not know it, you can press # to stay on the line
4. You will be instructed to enter the meeting passcode **2075 followed by #**

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: August 14, 2023
BOARD MEETING DATE: August 24, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Andy Stern, Interim Chief Financial Officer

SUBJECT: Approval of an Update to Policy 14, Delegation of Authority Policy

RECOMMENDATION:
Approve revised Policy Number 14

BACKGROUND:
Policy Number 14, Delegation of Authority, lays out the authority for which senior level employees can approve non-energy contracts, who can sign such contracts, and which employes can commit the organization to financial obligations. Policy #14 was first approved by Peninsula Clean Energy's Board of Directors on November 16, 2017, when Peninsula Clean Energy had very few employees and limited operations. It was amended on January 24, 2019, following the appointment of Peninsula Clean Energy's first Chief Financial Officer (CFO) to authorize the CFO to approve some limited transactions and to diversify some approval authority beyond a select few financial operations personnel. On January 26, 2023, following the appointment of Peninsula Clean Energy's first Chief Operating Officer (COO), the policy was amended to authorize the COO to approve some limited transactions and to further diversify the approval authority.

Given that Peninsula Clean Energy has grown significantly and matured in its operations, Staff recommends further expansion of authority to streamline operations and place some limited responsibility for the approval of commitments with several senior-level staff who are closer to the specific subject matter of the proposed area off commitment for better scrutiny of necessity and reasonableness.

The Audit and Finance Committee reviewed and discussed the proposed changes to Policy #14 at their meeting on August 14, 2023. Following that discussion, the Committee approved a resolution recommending that the Board approve revised Policy #14 at their meeting on August 24, 2023.

DISCUSSION:
Peninsula Clean Energy employee organization calls for 3 senior-level employees including a Chief Executive Officer (CEO), Chief Operating Officer (COO), and a Chief Financial Officer (CFO). Given the significant and diverse operations that PCE is now

engaged in, Staff recommends that the authority to sign contracts that commit PCE to payment of amounts which are not greater than $100,000 in any fiscal year, be granted to the CEO, COO, and CFO, respectively.

RESOLUTION NO. _____

PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

* * * * * *

RESOLUTION APPROVING REVISED POLICY NUMBER 14

RESOLVED, by the Board of the Peninsula Clean Energy Authority (PCEA) of the County of San Mateo, State of California, that

WHEREAS, the Board of the Peninsula Clean Energy Authority originally approved a delegation of authority policy on November 16, 2017 identified as Policy Number 14, and

WHEREAS, the Board of the Peninsula Clean Energy Authority approved modifications to Policy Number 14 on January 24, 2019 reflecting the delegation of some financial authority to the then newly appointed Chief Financial Officer, and

WHEREAS, the Board of the Peninsula Clean Energy Authority most recently approved modifications to Policy Number 14 on January 26, 2023 reflecting the delegation of some financial authority to the then newly appointed Chief Operating Officer, and

WHEREAS, PCEA has grown in size and maturity with multiple levels of management, and the Audit and Finance Committee recommends that the Board approve additional changes to Policy Number 14 to reflect that maturity and ease the administration of certain operational activities while still maintaining reasonable financial controls, and

WHEREAS, the Audit and Finance Committee reviewed and discussed the proposed changes to Policy Number 14 at their meeting on August 14, 2023. Following that discussion,

the Committee unanimously approved a resolution recommending that the Board approve the revised Policy Number 14 at their meeting on August 24, 2023.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the PCEA Board of Directors approve revised Policy Number 14 dated August 24, 2023.

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Policy Number: 14
Original Adoption Date:
November 16, 2017
Revised: August 24, 2023

Subject: Delegation of Non-Energy Contracts Commitment and Financial Authority Policy

1.0 PURPOSE:

Peninsula Clean Energy (PCE) is committed to effective and efficient management of its operations and finances. The purpose of this policy is to:

- Establish the principles that govern the delegation of non-energy contracting and financial commitment authority.
- Support accountability and efficiency in non-energy contracting
- Approval of expenses and disbursement authority is outlined in Policy #17 (Disbursement and Invoice Approval Authority)

2.0 RESPONSIBLE PARTIES:

The Chief Executive Officer, Chief Operating Officer and Chief Financial Officer are responsible for ensuring that uniform policies and procedures are followed for delegating and implementing approval authorities.

3.0 GENERAL POLICY GUIDELINES:

The cumulative amount of contracts and financial authority is limited by approved budgets. Approval from the Board of Directors for all financial commitments is required in order to exceed a budgeted amount as directed by PCE's Joint Powers Agreement, Section 5.2.3.

4.0 SCOPE:

4.1 This policy applies to all the employees of Peninsula Clean Energy.

4.2 This policy is for staff only and does not cover the Board of Directors' powers and responsibilities, which are detailed in PCE's Joint Powers Agreement.

5.0 POLICY DETAILS:

5.1 The Chief Executive Officer, the Chief Operating Officer, or the Chief Financial Officer may approve and enter into any contract agreement if the total amount payable under the agreement is less than $100,000 in any fiscal year, as stated in the PCE Joint Powers Agreement, section 3.4 (except for the specific approval authority granted in PCE Policy #15 related to energy supply procurement) and the approval amount is included in the then-current fiscal year's Board-approved budget.

5.2 Upon request by the Board of Directors, the Chief Financial Officer will prepare a written monthly report for the Chief Executive Officer and Chief Operating Officer that lists all contract agreements approved that month.

Policy Number: 14
Original Adoption Date: November 16, 2017
Revised: ~~January 24, 2019~~August 24, 2023

Subject: Delegation of Non-Energy Contracts Commitment and Financial Authority Policy

1.0 PURPOSE:

Peninsula Clean Energy (PCE) is committed to effective and efficient management of its operations and finances. The purpose of this policy is to:

- Establish the principles that govern the delegation of non-energy contracting and financial commitment authority.
- Support accountability and efficiency in non-energy contracting s~~ing and financial transactions~~
- ~~Establish non-energy contract authorization and expense approval limits by role for senior staff of Peninsula Clean Energy~~Approval of expenses and disbursement authority is outlined in Policy #17 (Disbursement and Invoice Approval Authority)

2.0 RESPONSIBLE PARTIES:

The Chief Executive Officer, Chief Operating Officer, and Chief Financial Officer are responsible for ensuring that uniform policies and procedures are followed for delegating and implementing approval authorities.

3.0 GENERAL POLICY GUIDELINES:

The cumulative amount of contracts and financial authority is limited by approved budgets. Approval from the Board of Directors for all financial commitments is required in order to exceed a budgeted amount as ~~dictated~~ directed by~~in~~ PCE's Joint Powers Agreement, Section 5.2.3.

4.0 SCOPE:

4.1 This policy applies to all the employees of Peninsula Clean Energy.
4.2 This policy is for staff only and does not cover the Board of Directors' powers and responsibilities, which are detailed in PCE's Joint Powers Agreement.

5.0 POLICY DETAILS:

~~The limits of authority set forth in this policy are the maximum limits authorized for the referenced position. This policy addresses the most common types of commitments, agreements, and expenditures for PCE, and the corresponding approval level that is required.~~

~~By position title, the limits are as follows:~~

5.1 The Chief Executive Officer, the Chief Operating Officer, or the Chief Financial Officer may approve and enter into any contract agreement if the total amount payable under the agreement is less than $100,000 in any fiscal year, as stated in the PCE Joint Powers Agreement, section 3.4 (except for the specific approval authority granted in PCE Policy #15 related to energy supply procurement) and the approval amount is included in the then-current fiscal year's Board-approved budget.

~~5.2 Chief Operating Officer or Chief Financial Officer may approve and enter into contract agreements for Operating, General and Administrative Expenses in areas for which there is direct supervisorial or management responsibility if the total amount payable under the agreement is less than $100,000 in any fiscal year.~~

~~5.3~~5.2 Upon request by the Board of Directors, t~~T~~he Chief Financial Officer will prepare a written monthly report for the Chief Executive Officer and Chief Operating Officer that lists all contract agreements approved that month.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: August 14, 2023
COMMITTEE MEETING DATE: August 24, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Andy Stern, Interim Chief Financial Officer

SUBJECT: Approval of an Update to Policy 17, Disbursement and Invoice Payment Policy

RECOMMENDATION:
Approve revised Policy Number 17.

BACKGROUND:
Policy Number 17, Disbursement Policy, was first approved by PCE's Board of Directors on May 24, 2018, when PCE had very few employees and limited operations. It was amended on January 24, 2019, following the appointment of PCE's first Chief Financial Officer (CFO) to authorize the CFO to oversee much of the disbursement of funds in payment of approved invoices due to vendors. Now that PCE has grown significantly and matured in its operations, Staff recommends that Policy Number 17 be renamed as the Disbursement and Invoice Payment Policy and to further lay out the roles and responsibilities for approval of invoices due by PCE. The expansion is intended to lay out multiple layers of approval based on the type of expense and the amount to provide better controls and oversight of expenses, while at the same time streamlining and clarifying the process.

DISCUSSION:
The proposed revisions to Policy Number 17 fall into several categories that are discussed below:

Invoice Approval Process – The revised policy describes in detail who must approve each type of expense and how many approvals are required based on the amount and type. This ensures that all expenses are reviewed and approved by the most senior person associated with the expense along with the CFO.

- Invoices Due to Vendors Other than for Power Resources
    i. Up to $10,000 – Level 1. Responsible area Manager or Director
    ii. Over $10,000 to $100,000 – Level 2. Responsible area Manager AND Director
    iii. Over $100,000 – Level 3. CEO or COO

iv. All invoices – CFO review and approval is required in addition to others above listed above as listed in subsections i, ii, or iii, as applicable.

- Power Resources Energy Activities (see list of categories in redline and clean version of the policy)
  i. Up to $3,000,000 – Level 1 and Level 2 are both required. Responsible area Manager AND Director are both required to approve. This encompasses most transactions.
  ii. Over $3,000,000 – Level 1, Level 2, and CEO are all required to approve. In the 10 months from July 1, 2022, through April 30, 2023, 378 payments were made. Of those, 14 were over $3,000,000 and 137 were under $100,000.
  iii. All invoices – CFO review and approval is required in addition to others above.

- Power Resources Administration Activities (see list of categories in redline and clean version of the policy)
  i. Up to $10,000 – Level 1. Responsible area Manager or Director
  ii. Over $10,000 to $100,000 – Level 2. Responsible area Manager AND Director
  iii. Over $100,000 – Level 3. CEO or COO
  iv. All invoices – CFO review and approval is required in addition to others above listed in subsections i, ii, or iii, as applicable.
  .

Payment Process – The revised policy describes in detail who is required to authorize release of payment, by payment type.

- Standard ACH or vendor check
  - CFO is required to release payment once all required approvals have been received.
- Wire Transfer – separation of authority required as standard operating procedure.
  - Maher Accountancy initiates wire set-up
  - CFO approves each wire.
  - CEO releases each wire.
  - Note: In instances where one of the above personnel is not available on a timely basis, at least 2 people must be involved in any wire release.
- Manual Check – very limited use, and only if required by vendor.

The Audit and Finance Committee reviewed and discussed the proposed changes to Policy Number 17 at their meeting on August 14, 2023. Following that discussion, the Committee unanimously approved a resolution recommending that the Board approve revised Policy Number 17 at their meeting on August 24, 2023.

PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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RESOLUTION APPROVING REVISED POLICY #17

RESOLVED, by the Audit and Finance Committee of Peninsula Clean Energy Authority (PCEA) of the County of San Mateo, State of California, that

WHEREAS, the Board of the Peninsula Clean Energy Authority originally approved a delegation of authority policy on May 24, 2018 identified as Policy #17, and

WHEREAS, the Board of the Peninsula Clean Energy Authority most recently approved modifications to Policy #17 on January 24, 2019 reflecting the delegation of some financial authority to the then newly appointed Chief Financial Officer, and

WHEREAS, PCEA has grown in size and maturity with multiple levels of management, and the Audit and Finance Committee recommends that the Board approve additional changes to be made to Policy #17 to reflect that maturity and ease the administration of certain operational activities while still maintaining reasonable financial controls; and,

WHEREAS, the Audit and Finance Committee reviewed and discussed the proposed changes to Policy #17 at their meeting on August 14, 2023. Following that discussion, the Committee unanimously approved a resolution recommending that the Board approve the revised Policy #17 at their meeting on August 24, 2023.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the PCEA Board of Directors approve revised Policy #17 dated August 24, 2023.

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Policy Number: 17
Original Adoption Date:
May 24, 2018
Revised: August 24, 2023

Subject: Disbursement and Invoice Payment Policy

1.0 Purpose:

The purpose of this policy is to provide procedures for the disbursement process through cash, check, wire, ACH or any other form of payment.

2.0 Responsible Parties:

The Chief Financial Officer (CFO), in conjunction with Chief Executive Officer (CEO) and Chief Operating Officer (COO), is responsible for ensuring uniform policies and procedures are followed for the disbursement policy.

3.0 Scope:

3.1 This policy applies to all employees of Peninsula Clean Energy.

3.2 This policy is for staff only and does not cover the Board of Directors' powers and responsibilities, which are detailed in PCE's Joint Powers Agreement.

4.0 Invoice Approval:

Invoices will only be processed if the underlying service or contract has conformed to the contractual commitment authority described in Policy #14 Delegation of Non-Energy Contracts Commitment and Financial Authority Policy.

For those invoices that have conformed to Policy #14, PCE uses Bill.com to administer compliance with the following invoice approval processes:

4.1 Invoice Approval Levels (invoices NOT related to Power Resources activity)

- 4.1.1 Up to $10,000 – Level 1: Responsible area Manager or Director approval
- 4.1.2 $10,000 to $100,000 – Level 2: Responsible area Director approval is required.
- 4.1.3 Over $100,000 – Level 3: CEO or COO approval is required. COO can only approve invoices relating to areas of supervisorial responsibility.
- 4.1.4 Following the required approvals above, the CFO will review and approve ALL invoices, regardless of amount. In the event that CFO is not available, CEO approval is required.

4.2 Invoices related to Power Resources procurement energy activities

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4.2.1 Expenses in the following categories (examples)

4.2.1.1 CAISO charges and collateral deposits

4.2.1.2 Hedge and PPA energy purchases

4.2.1.3 RECs and Carbon Free expenses

4.2.1.4 Resource Adequacy

4.2.1.5 PPA and other Supplier Security Deposits

4.2.2 Invoice Approval Levels

4.2.2.1 Up to $3,000,000 – Level 1 and Level 2 - Responsible area Manager AND Director of Power Resources are required.

4.2.2.2 Over $3,000,000 – Level 3 – CEO approval is required.

4.2.2.3 Following the required approvals above, the CFO will review and approve ALL invoices, regardless of amount. In the event that CFO is not available, CEO approval is required.

4.3 Invoices related to Power Resources administration

4.3.1 Expenses in the following categories (examples)

4.3.1.1 Consulting

4.3.1.2 Legal

4.3.1.3 Forecasting and scheduling

4.3.1.4 Subscriptions

4.3.1.5 Penalties and interest

4.3.2 Invoice Approval Levels

4.3.2.1 Up to $10,000 – Level 1: Responsible area Manager or Director approval

4.3.2.2 $10,000 to $100,000 – Level 2: Responsible area Director approval is required.

4.3.2.3 Over $100,000 – Level 3: CEO approval is required.

4.3.2.4 Following the required approvals above, the CFO will review and approve ALL invoices, regardless of amount. In the event that CFO is not available, CEO approval is required.

Draft

5.0 Payment Process:

Once all required approvals have been obtained, payment/disbursement can be made by one of the following methods:

5.1 For an ACH or Bill.com-generated check, CFO will release payment.

5.2 Wire Transfer:

PCE Staff will ensure segregation of duties to ensure that the same person cannot setup/initiate a wire and approve a payment:

5.2.1 A wire will be initiated by Maher Accountancy. Upon set-up of a wire, Maher Accountancy will notify the CFO, with cc to the CEO, that such wire is ready for approval and release.

5.2.2 Once a wire is set-up and ready for transmission, it will be approved by the CFO.

5.2.3 Once approved the CEO will release the wire.

5.2.4 In the unusual circumstance that time is of the essence and either the CFO or CEO is not available, one or the other may perform both the approval and release functions as long as written notification is provided to the other.

5.2.5 In no circumstances can the same person perform all three functions of set-up, approval, and release of any wire.

5.3 Manual Check:

5.3.1 Any PCE staff requesting a manual check will submit a written request to the Chief Financial Officer (CFO).

5.3.2 Check stock shall be physically secured in PCE's office at 2075 Woodside Road, Redwood City, CA 94061. Access will be limited to the CFO, the CEO, and the Office Manager.

5.3.3 The Positive Pay function at First Republic Bank (or similar function if PCE is using a different bank) is enabled to detect check fraud. The function allows matching of payee, check number and dollar amount of each check presented for payment against a list of checks previously authorized and issued by PCE.

Draft

Policy Number: 17
Original Adoption Date: May 24, 2018
Revised: ~~January 24, 2019~~August 24, 2023

Subject: Disbursement and Invoice Payment Policy

1.0 Purpose: The purpose of this policy is to provide procedures for the disbursement process through cash, check, wire, ACH or any other form of payment.

2.0 Responsible Parties: The Chief Financial Officer (CFO), in conjunction with Chief Executive Officer (CEO) and Chief Operating Officer (COO), is responsible for ensuring uniform policies and procedures are followed for the disbursement policy.

3.0 Scope:

3.1 This policy applies to all employees of Peninsula Clean Energy.

3.2 This policy is for staff only and does not cover the Board of Directors' powers and responsibilities, which are detailed in PCE's Joint Powers Agreement.

~~4.0 Signature Authority:~~

~~Any PCE staff requesting a manual check will submit a written request to the~~~~Check stock shall be physically secured in PCE's office at 2075 Woodside Road, Redwood City, CA 94061. Access will be limited to the Director of Finance and Administration, the CEO, and the Office Manager.~~

~~4.1 Director of Finance and Administration and the Chief Executive Officer (CEO). The Director of Finance and Administration can sign checks up to $1000 only after written approval from the CEO or CFO. Manual checks over $1,000 must be co-signed by any two of these signatories (CEO, CFO, Director of Finance and Administration) as long as such signatures are in compliance with the limits of Section 5 of PCE's Delegation of Authority Policy. PCE staff should attempt to keep the use of manual checks to a minimum.~~

~~5.0 Safeguard of Check Stock:~~

~~Check stock shall be physically secured in PCE's office at 2075 Woodside Road, Redwood City, CA 94061. Access will be limited to the Director of Finance and Administration, the CEO, and the Office Manager.~~

~~6.0 Controls at PCE's Bank:~~

~~6.1 PCE maintains its Operating Account at First Republic Bank (FRB).~~

~~6.2 The Payee Positive Pay function has been enabled at FRB to detect check fraud.~~

Draft

~~The function allows matching of payee, check number and dollar amount of each check presented for payment against a list of checks previously authorized and issued by PCE.~~

~~6.3 FRB will place a debit block to protect the account against fraud or unauthorized payments.~~

~~6.4 Direct Debit Vendors: At times, certain vendors or taxing authorities will only transact with PCE if we allow them to direct debit (extract funds) from a PCE-designated bank account. All vendors with this requirement will be preapproved by the CFO. The CFO, or his/her designee, will maintain a list of all vendors that fall into this category. PCE will attempt to keep the number of vendors with this type of arrangement to a minimum.~~

~~7.0 Segregation of Duties for Wire Transfers:~~

~~7.1 To ensure appropriate processing of payments, PCE staff must follow the approved segregation of duties to ensure that the same person cannot setup/initiate a wire and approve the payment. A wire can be initiated by Maher Accountancy. Upon setup of a wire, Maher Accountancy will notify the CFO, with cc to the CEO, that such wire is ready for approval/release. Any such wire release must be approved by either the CFO or the CEO~~

~~7.2 If the CFO and CEO are not available to approve the wire, the Chair of the Board may approve it. If the Chair of the Board is not available to approve the wire, the Vice Chair may approve it.~~

~~8.0~~4.0 Invoice Approval~~Payment Process~~:

Invoices will only be processed if the underlying service or contract has conformed to the contractual commitment authority described in Policy #14 Delegation of Non-Energy Contracts Commitment and Financial Authority Policy.

For those invoices that have conformed to Policy #14, PCE uses Bill.com to administer compliance with the following invoice approval processes~~Invoice approvals and payments will follow the following process~~:

4.1 Invoice Approval Levels (invoices NOT related to Power Resources activity)

- 4.1.1 Up to $10,000 – Level 1: Responsible area Manager or Director approval
- 4.1.2 $10,000 to $100,000 – Level 2: Responsible area Director approval is required.
- 4.1.3 Over $100,000 – Level 3: CEO or COO approval is required. COO can only approve invoices relating to areas of supervisorial responsibility.

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4.1.4 Following the required approvals above, the CFO will review and approve ALL invoices, regardless of amount. In the event that CFO is not available, CEO approval is required.

4.2 Invoices related to Power Resources procurement energy activities

4.2.1 Expenses in the following categories (examples)

4.2.1.1 CAISO charges and collateral deposits

4.2.1.2 Hedge and PPA energy purchases

4.2.1.3 RECs and Carbon Free expenses

4.2.1.4 Resource Adequacy

4.2.1.5 PPA and other Supplier Security Deposits

4.2.2 Invoice Approval Levels

4.2.2.1 Up to $3,000,000 – Level 1 and Level 2 - Responsible area Manager AND Director of Power Resources are required.

4.2.2.2 Over $3,000,000 – Level 3 – CEO approval is required.

4.2.2.3 Following the required approvals above, the CFO will review and approve ALL invoices, regardless of amount. In the event that CFO is not available, CEO approval is required.

4.3 Invoices related to Power Resources administration

4.3.1 Expenses in the following categories (examples)

4.3.1.1 Consulting

4.3.1.2 Legal

4.3.1.3 Forecasting and scheduling

4.3.1.4 Subscriptions

4.3.1.5 Penalties and interest

4.3.2 Invoice Approval Levels

4.3.2.1 Up to $10,000 – Level 1: Responsible area Manager or Director approval

4.3.2.2 $10,000 to $100,000 – Level 2: Responsible area Director approval is required.

4.3.2.3 Over $100,000 – Level 3: CEO approval is required.

4.3.2.4 Following the required approvals above, the CFO will review and approve ALL invoices, regardless of amount. In the event that CFO is not available, CEO approval is required.

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5.0 Payment Process:

Once all required approvals have been obtained, payment/disbursement can be made by one of the following methods:

5.1 For an ACH or Bill.com-generated check, CFO will release payment.

5.2 Wire Transfer:

PCE Staff will ensure segregation of duties to ensure that the same person cannot setup/initiate a wire and approve a payment:

- 5.2.1 A wire will be initiated by Maher Accountancy. Upon set-up of a wire, Maher Accountancy will notify the CFO, with cc to the CEO, that such wire is ready for approval and release.
- 5.2.2 Once a wire is set-up and ready for transmission, it will be approved by the CFO.
- 5.2.3 Once approved the CEO will release the wire.
- 5.2.4 In the unusual circumstance that time is of the essence and either the CFO or CEO is not available, one or the other may perform both the approval and release functions as long as written notification is provided to the other.
- 5.2.5 In no circumstances can the same person perform all three functions of set-up, approval, and release of any wire.

5.3 Manual Check:

- 5.3.1 Any PCE staff requesting a manual check will submit a written request to the Chief Financial Officer (CFO).
- 5.3.2 Check stock shall be physically secured in PCE's office at 2075 Woodside Road, Redwood City, CA 94061. Access will be limited to the CFO, the CEO, and the Office Manager.
- 5.3.3 The Positive Pay function at First Republic Bank (or similar function if PCE is using a different bank) is enabled to detect check fraud. The function allows matching of payee, check number, and dollar amount of each check presented for payment against a list of checks previously authorized and issued by PCE.

~~8.1 Vendor or staff member sends invoice to PCE-Finance email box~~

~~8.2 Maher Accountancy uploads invoice to Bill.com~~

~~8.3 Approval~~

- ~~8.3.1 Approval Level 1 – Approval by Product/Service requestor~~
- ~~8.3.2 Approval Level 2a (non-Energy Procurement invoices) –~~

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~~8.3.2.1 Approval by Director of Finance and Administration for invoices up to $10,000; or~~

~~8.3.2.2 Approval by CFO or CEO~~

~~8.3.3 Approval Level 2b (Energy Procurement invoices) – Approval by CEO~~

~~8.3.4 Approval Level 3 – Approval by Maher Accountancy~~

~~8.4 Maher Accountancy integrates invoice into accounting system~~

~~8.5 Maher Accountancy prepares payment for final release~~

~~8.6 Payment Release~~

~~8.6.1 Wire Payment - CFO or CEO approves release of wire payment~~

~~Bill.com Payment – CFO or CEO approves release of payment~~

~~9.0 Policy Enforcement:~~

~~9.1 This policy will be shared with Maher Accountancy and FRB, who are expected to~~

~~follow the defined processes.~~~~Elimination of the approval step in the process or failing to follow this policy will be~~

~~subject to disciplinary action or termination.~~

~~Elimination of the approval step in the process or failing to follow this policy will be~~

~~subject to disciplinary action or termination.~~

Draft

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: August 15, 2023
COMMITTEE MEETING DATE: August 24, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Nelly Wogberg, Board Clerk

SUBJECT: Adoption of a Revised 2023 Board of Directors Schedule of Meetings

RECOMMENDATION:
Adopt the revised 2023 Board of Directors Schedule of Meetings.

BACKGROUND:
Every year, the Peninsula Clean Energy Authority (PCE) Board of Directors adopts a schedule of meetings to serve as the regular meeting dates for the Board. At the December 15, 2022 Board of Directors Meeting the Board adopted a schedule for 2023.

DISCUSSION:
PCE Staff is recommending the following changes to the 2023 Schedule of Meetings:

- September 28, 2023 – update meeting start time to 6:30 p.m.; meeting will not include the annual Board Retreat
- November 16, 2023 – update meeting start time to 5:30 p.m.; meeting will now include the annual Board Retreat
- Update to include the Peninsula Clean Energy Authority Lobby as a regular meeting location

By delaying the annual Board Retreat by two months, Staff is able to regroup following the leadership transition, participate in a Staff Retreat, and work with a facilitator to create more interactive discussion opportunities.

PENINSULA CLEAN ENERGY

REVISED 2023 Board of Directors Schedule of Meetings

Location: Please see posted Agenda for location or teleconference options

Meeting Date:	Time:	Location:
January 26, 2023	6:30 pm	Video/Teleconference
February 23, 2023	6:30 pm	Video/Teleconference
March 23, 2023	6:30 pm	Video/Teleconference/TBD
April 27, 2023	6:30 pm	Video/Teleconference/TBD
May 25, 2023	6:30 pm	Video/Teleconference/TBD
June 22, 2023	6:30 pm	Video/Teleconference/TBD
July 27, 2023	6:30 pm	Video/Teleconference/TBD
August 24, 2023	6:30 pm	Video/Teleconference/TBD
September 28, 2023	6:30 pm	Video/Teleconference/PCEA Lobby/TBD
October 26, 2023	6:30 pm	Video/Teleconference/PCEA Lobby/TBD
November 16, 2023 **(3rd Thursday - Retreat)**	5:30 pm	Video/Teleconference/PCEA Lobby/TBD
December 21, 2023 (**3rd Thursday**)	6:30 pm	Video/Teleconference/PCEA Lobby/TBD

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: August 14,2023
BOARD MEETING DATE: August 24, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Shawn Marshall, Chief Executive Officer
Andy Stern, Interim Chief Financial Officer
Catherine Hansen, Human Resources Manager

SUBJECT: Approval of the Revised Peninsula Clean Energy Employee Handbook (Version 6)

RECOMMENDATION:
Approve the revised Peninsula Clean Energy Employee Handbook, Version 6.

BACKGROUND AND DISCUSSION:
The PCE Employee Handbook is a summary/overview of PCE employment policies and guidelines. It provides guidance to PCE Staff on policies including Employment, Employee Conduct, Working Conditions, Benefits, Payroll, Leaves of Absences, along with other related issues.

The PCE Employee Handbook has been revised several times as the organization has grown and matured. The revised Handbook presented to the Board for approval has been reviewed by PCE's legal counsel. The most recent version of the handbook (Version 5) was approved by the Board of Directors on July 23, 2023.

A copy of the proposed Version 6 of the Employee Handbook and a redline showing edits and changes are both attached to this memo. The proposed/revised Employee Handbook version 6 incorporates a number of changes related to the Board-approved Diversity, Equity, Accessibility, and Inclusion (DEAI) policy (full policy included as a new Attachment K), and revisions to PCE's remote work policy (Attachment J) related to masking, vaccine and in-office work requirements.

ATTACHMENTS:
1. Redline version of Employee Handbook (showing changes from the prior Version 5)
2. Clean version of the Employee Handbook (Version 6) - Effective Date September 1, 2023.
3. Redline revisions to Attachment J – Remote Work Policy

4. Clean version of revised Attachment J – Remote Work Policy
5. Inclusion of new Attachment K – PCE's Board approved DEAI policy

RESOLUTION NO. _____

PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

* * * * * *

RESOLUTION BY THE BOARD OF DIRECTORS TO APPROVE ADOPTION OF THE REVISED PENINSULA CLEAN ENERGY EMPLOYEE HANDBOOK VERSION 6

RESOLVED, by the Board of Directors of the Peninsula Clean Energy Authority of the County of San Mateo, State of California, that

WHEREAS, the Board of Directors approved Version 5 of the PCE Employee Handbook on July 23, 2023, and

WHEREAS, the current Employee Handbook requires updating to reflect the adoption of PCE's Diversity, Equity, Accessibility, and Inclusion (DEAI) policy and edits to Attachment J- Remote Work Policy, all of which have been incorporated into Employee Handbook Version 6.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Board of Directors approves the adoption of the revised Peninsula Clean Energy Employee Handbook Version 6.

* * * * * *

EMPLOYEE HANDBOOK

Effective Date (Version 6): September 1, 2023

Peninsula Clean Energy
2075 Woodside Road,
Redwood City, CA 94061

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Attachments (Employee link to Attachments here)

A. PCE Request to Engage in Supplemental Employment Form

B. PCE Conflict of Interest Code

C. PCE Guidelines on Political Activity

D. PCE Employee Confidentiality Agreement

E. PCE Customer Confidentiality Policy

F. PCE Acceptable Use of Electronic Communications Policy

G. PCE Document Retention and Destruction Policy

H. Social Media Policy (Forthcoming)

I. PCE IT Security Policy

J. Remote Work Policy and Guidelines

K. Diversity, Equity, Accessiblity and Inclusion (DEAI) Policy

SECTION 1: INTRODUCTION TO PENINSULA CLEAN ENERGY

1.101 Welcome to Peninsula Clean Energy!

Dear Staff,

On behalf of everyone at Peninsula Clean Energy (PCE), welcome to the team! You are joining PCE at a very exciting time, for PCE, the industry, and our state. Community Choice Aggregators are challenging communities, states, and countries to make clean, renewable, greenhouse gas-free energy the standard. We are proud to be part of this wave of progress, leading California and our country in its transition to a clean energy future.

Starting a new job is exciting, but at times can be overwhelming. This Employee Handbook has been developed to help you become acquainted with PCE and answer many of your initial questions.

We are a mission driven organization, and your role is an important part of achieving our mission – to reduce greenhouse gas emissions in California. We do that by providing cleaner and greener electricity at lower rates than PG&E. We also offer energy related programs in the transportation, building and distributed generation sectors. We hope the success we've had in our service territories serve as a model for other parts of the state, country, and world!

PCE firmly upholds diversity, equity, accessibility, and inclusion (DEAI) as core values, and we are committed to making these values a part of our daily actions at work. As an employee of Peninsula Clean Energy, you play a critical and active role in helping us achieve this and other important initiatives.

We are glad you have joined us, and we hope you will find your work to be both challenging and rewarding.

Sincerely,

Shawn Marshall
Chief Executive Officer

Employee Handbook Version 6

1.101 About this Handbook

This Employee Handbook contains important information about the employment policies and practices of PCE. We require each employee to read, understand, and comply with all provisions of this Employee Handbook. It describes many of your responsibilities as an employee and outlines the programs developed by PCE to benefit you as an employee. One of our objectives is to provide a work environment that prioritizes both personal and professional growth.

PCE is a Joint Powers Authority (JPA), an independent California public agency that was created separate from any other public agency. The employment laws that apply in the public sector are sometimes different from those in the private sector. If you have previously worked for a for-profit or not-for-profit organization, you may notice some differences.

PCE complies with federal and state law which is in part reflected in this handbook. PCE also complies with any applicable local laws, even though there may not be an express written policy contained in the handbook.

Violations of the policies and procedures outlined in the handbook, as well as violations of any applicable state and/or federal law, may be grounds for discipline up to and including immediate termination.

1.102 New Employee Onboarding

Upon joining PCE, you should have received an e-copy of our Employee Handbook. After reading this Employee Handbook, please sign the receipt page and return it to the Human Resources (HR) Manager. You will be asked to complete personnel, payroll and, if applicable, benefit forms which will need to be provided to the HR Manager.

PCE is a small Agency that thrives on open communication. The operations of your department are the responsibility of your supervisor. (S)he is a good source of information about PCE and your job. However, feel free to speak to the Chief Executive Officer (CEO) or Chief Operating Officer (COO) if you have questions about PCE or your position.

During the onboarding process, you will have the opportunity to voluntarily self-identify your race, gender, disability status, or veteran status. This information enables us to better understand the diversity of our workforce and support our workforce with appropriate resources. In addition, we encourage all employees with any known

physical or mental disability as well as religious beliefs and observances to request reasonable accommodations. See section 2.108 in this document for additional information.

SECTION 2: EMPLOYMENT

2.101 Nature of Employment

Except for the policy of at-will employment, PCE reserves the right to revise, delete, and add to the provisions of this Employee Handbook at any time without notice. All such revisions, deletions or additions to the Employee Handbook must be in writing and must be signed by the CEO of PCE. No oral statements or representations can change the provisions of this Employee Handbook.

The provisions of this Employee Handbook are not intended to create contractual obligations with respect to any matters it covers nor is this Employee Handbook intended to create a contract guaranteeing that you will be employed for any specific period of time. Any agreement of employment for a specified time period shall be put into writing and signed by the CEO.

Nothing in this Employee Handbook is intended to unlawfully restrict an employee's right to engage in any of the rights guaranteed them by Section 7 of the National Labor Relations Act, including but not limited to, the right to engage in concerted protected activity for the purposes of their mutual aid and/or protection. Nothing in this Employee Handbook will be interpreted, applied or enforced to interfere with, restrain or coerce employees in the exercise of Section 7 rights.

PCE is an at-will employer. This means that regardless of any provision in this Employee Handbook, either PCE or you may terminate the employment relationship at any time, for any reason, with or without cause or notice. Nothing in this employee handbook or in any document or statement, written or oral, shall limit the right to terminate employment at-will. No officer, employee, or representative of PCE is authorized to enter into an agreement, express or implied, with any employee for employment for a specified period of time unless such an agreement is in a written contract signed by the CEO of PCE.

This Employee Handbook refers to current benefit plans maintained by PCE as of the date of release of this version of the Employee Handbook. Refer to the actual plan documents and summary plan descriptions if you have specific questions regarding the benefit plan. Those documents are controlling.

Likewise, if a written employment contract is inconsistent with the Employee Handbook, the written contract is controlling.

2.102 Job Postings

PCE values professional experience, relevant qualifications and diversity in recruiting and promotions, and encourages qualified candidates from all backgrounds to apply to

PCE. Posted job openings will be added to PCE's website and will normally remain open for a minimum of two weeks but may stay open until filled. Each job posting notice will include the dates of the posting period (if applicable), job title, job summary, salary range, qualifications, and essential duties and responsibilities.

PCE provides employees an opportunity to indicate their interest in open positions and advance within PCE according to their knowledge, skills and abilities, experience, training, and education. In general, notices of all regular, full-time job openings are posted on the PCE website. However, PCE has the discretionary right not to post a particular opening externally; for internal promotional or lateral opportunities, PCE will post the position internally.

To be eligible to apply for a posted job, employees must have performed competently in their current position. PCE reserves the right not to accept applications for open positions from an employee who has performance issues or has a record of disciplinary actions or behavioral issues.

Posting a job opening is a way to inform employees of career opportunities and to identify qualified and interested applicants whose interest might not otherwise be known to PCE. Other recruiting sources may also be used to fill open positions to expand the flow of diverse applicants.

PCE strives to maintain a current job description for each position in PCE. The job description outlines the essential duties and responsibilities of the position in accordance with the American with Disabilities Act. When the duties and/or responsibilities of a position change, the responsible director or manager should work with Human Resources to ensure the job description is revised to reflect those changes. If you have any questions or wish to obtain a copy of your position's job description, please see your supervisor.

2.103 Equal Opportunity Employer

PCE is committed to equal employment opportunity. We will not permit discrimination or harassment against employees or applicants for employment on the basis of race, religion, color, sex (including gender, gender identity, gender expression, transgender, pregnancy, and breastfeeding), national origin, ancestry, disability, medical condition, genetic characteristics or information, marital status, age, sexual orientation (including homosexuality, bisexuality, or heterosexuality, or any other protected class under federal, state, or local law), physical or mental disability (the term disabled or disability shall be construed to apply to those individuals covered by Title 2 California Administrative Code, Sec. 7293.6(c) et seq. and 42 U.S. Code Sec. 12102 and the

regulations promulgated pursuant to that section), military or veteran status, or any other basis protected by law,

PCE will afford equal employment opportunity to all qualified employees and applicants as to all terms and conditions of employment, including compensation, hiring, training, promotion, transfer, discipline, and termination.

It is the obligation of every employee to comply with this policy in substance, practice, and in spirit.

You may discuss equal employment opportunity related questions with your supervisor or any other designated member of management.

2.104 Diversity, Equity, Accessibility and Inclusion

PCE recognizes that we have an obligation to maximize our efforts to minimize inequities and ensure that our programs, policies, and practices are accessible and, inclusive for everyone in the geographic markets we serve and for our employees.

PCE is committed to making diversity, equity, accessibility, and inclusion (DEAI) an essential part of our work life which is reflected in PCE's Strategic Plan, DEAI Policy 22, and the DEAI Action Plan, which is the roadmap to achieving our DEAI goals.

DEAI Council
The DEAI Council, comprised of the HR Manager and a representative group of PCE staff, serves as a working group to address diversity, equity, accessibility, and inclusion for the agency. The members of the DEAI Council provide ongoing monitoring and support for the DEAI policy at PCE. Participation in the DEAI Council rotates to allow for a broad cross section of employee participation over time.

Learning & Development
DEAI training and learning opportunities will be provided to all employees at PCE. If you have any questions about DEAI or your role in carrying out the organization's DEAI objectives, you may contact the HR Manager or your manager.

2.105 Nepotism Prohibited

It is the policy of PCE to recruit, hire, and assign all employees based on merit and performance. Nepotism, the employment of relatives within an organization, is expressly prohibited as it may cause serious conflicts and problems with favoritism and employee morale.

For purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with an employee is like that of persons who are related by blood or marriage, such as those who are living together.

This policy applies to all employees.

2.106 Immigration Reform and Control Act

In compliance with the federal Immigration Reform and Control Act of 1986 (IRCA), as amended, and any state law requirements, if applicable, PCE is committed to employing individuals who are authorized to work in the United States.

Each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. Former employees who are rehired may also be required to re-complete the form.

If an employee is authorized to work in the United States for a limited period of time, the individual will be required to submit proof of renewed employment eligibility prior to expiration of that period to remain employed by PCE.

2.107 Supplemental Employment

Employees may hold supplemental jobs if they are able to continue to meet the performance standards of their job with PCE and those jobs do not create a conflict of interest. All employees will be judged by the same performance standards and will be subject to PCE's scheduling demands, regardless of any existing supplemental work requirements.

If PCE determines that an employee's supplemental work interferes with performance or the ability to meet the requirements of PCE as they are modified from time to time, the employee may be asked to terminate the supplemental employment if he or she wishes to remain employed by PCE.

An employee who wishes to engage in supplemental employment must complete the Attachment A. Request to Engage in Supplemental Employment Form. The form must be signed by the employee's supervisor and approved by the CEO before commencement of the supplemental employment.

Supplemental employment that constitutes a conflict of interest is strictly prohibited. If you have a concern regarding a potential or actual conflict, please discuss it with the CEO.

2.108 Americans with Disabilities Act

PCE is committed to complying fully with the Americans with Disabilities Act ("ADA") and the California Fair Employment and Housing Act ("FEHA") and ensuring equal employment opportunities to qualified individuals with disabilities. This may include providing reasonable accommodation where appropriate for an otherwise qualified individual to perform the essential functions of the job. All employment practices and activities are conducted on a non-discriminatory basis. Hiring procedures are designed to provide persons with disabilities meaningful employment opportunities. Post-offer pre-employment inquiries are made only regarding an applicant's ability to perform the duties of the position.

It is your responsibility to notify your supervisor or HR Manager of the need for a reasonable accommodation. This can occur at the time of hire, during onboarding, or anytime thereafter as the need occurs. Upon doing so, your supervisor or HR Manager may ask you for your input or the type of accommodation you believe may be necessary to perform the essential functions of the job. Also, when appropriate, we may need your permission to obtain additional information from your physician or other medical or rehabilitation professionals consistent with ADA. PCE will not seek genetic information in connection with requests for accommodation. All medical information received by PCE in connection with a request for accommodation will be treated as confidential and will be maintained in a medical file separate from your personnel file.

Reasonable accommodations for qualified individuals with known disabilities will be made unless doing so would be an undue hardship to PCE. All employment decisions are based on the merits of the situation in accordance with defined criteria, not the disability of the individual.

2.109 Access to Personnel Files

PCE maintains a personnel file on each employee. Such files include, but not limited to, employee's job application, resume, records of training, documentation of performance appraisals and salary increases, benefits information, and other employment records.

Personnel files are the property of PCE and access to the information they contain is restricted. Generally, only appropriate management-level personnel of PCE and your supervisor who have a legitimate reason to review information in a file are permitted to do so.

Upon request, current and former employees may inspect their own personnel files at a mutually agreeable time, on PCE premises in the presence of an authorized PCE

management team member. A representative of the employee, with written consent from the employee, may also review an employee's personnel file. You will be permitted to see any records regarding your qualification for employment, promotion, wage increases, earnings and deductions, or discipline. You will also be permitted to respond to anything in writing that is in the personnel file and may request that the response be included in the file. The personnel files are the property of PCE, employees may not remove or add items to their file without approval and the file must remain in the custody of PCE at all times.

Additionally, PCE will provide copies of payroll records within fifteen (15) days after a written request has been received. Exceptions include records regarding criminal investigation and any letters of reference maintained by PCE. You will be allowed to have a copy of any document that relates to your performance or any grievance that concerns you. PCE complies with state law record retention requirements for current and former employees.

For more information, contact the HR Manager.

2.110 Employment Reference and Background Checks

To ensure that individuals who join PCE are qualified and have potential to be productive and successful, it is the policy of PCE to check the employment references of all applicants. PCE will also conduct background checks on all potential new employees to verify prior education and employment claims and research other criminal and governmental databases for prior criminal and/or other adverse activity.

Regarding current or former PCE employees, PCE will respond in writing or verbally only to those reference check inquiries that are submitted in writing. Responses to such inquiries will confirm only dates of employment and position(s) held. NO other employment data will be released without a written authorization and release signed by the individual who is the subject of the inquiry. Currently, only the CEO is authorized to respond to reference check inquiries. The CEO has the authority to delegate this responsibility as appropriate.

2.111 Changes in Personal Data

To aid you and/or your family in matters of personal emergency, we strive to maintain up to date information. It is the responsibility of each employee to promptly notify PCE of any changes in personal data. Personal mailing addresses, telephone numbers,

number, names of dependents who are enrolled in benefit plan(s) or are beneficiaries of benefit plan(s), individuals to be contacted in the event of an emergency, educational accomplishments or credentials, and other such status (including marital status for benefits and taxes purposes) reports should be accurate and current. If any personal data has changed, please notify your supervisor and the HR Manager in writing.

Changes that would impact your paycheck or annual reporting documents should be given to the HR Manager promptly.

2.112 Separation from Employment

The last day worked is the last day of employment for employees who resign or are terminated from PCE employment. All employees will be paid for all accrued and unused vacation and other applicable benefit accruals as specified.

An employee who voluntarily resigns from PCE service will receive his/her final paycheck on the next regularly scheduled payday after the last day of employment.

An employee whose job has been terminated involuntarily will receive the final paycheck on the last day of employment or as soon thereafter as is reasonably practicable.

Should you decide to leave your employment with us, we ask that you provide your immediate supervisor with at least two weeks' advance written notice. Your thoughtfulness is appreciated and will be noted favorably should you ever wish to reapply for employment with PCE.

All voluntary terminating employees should complete a brief exit interview prior to leaving. All terminating employees, either voluntary or involuntary, will be provided with information about employee benefits, conversion privileges, repayment of outstanding debts to PCE, and return of PCE-owned property. All employees are required to return all equipment including, but not limited to, keys, ID cards, and other PCE property prior to leaving PCE on the last day of work.

Continuation of Group Health Benefits- C.O.B.R.A.
In accordance with Federal law, specifically the Consolidated Omnibus Budget Reconciliation Act, employees and their families, at their expense, may have a temporary extension of health coverage at group rates in certain instances where coverage under the plan would otherwise terminate. Contact the HR manager for more information regarding this benefit,

2.113 Social Security Number Privacy

Officers and employees are permitted to access and use certain personal information, such as Social Security Numbers, only as necessary and appropriate for such persons to carry out their assigned tasks for PCE and in accordance with PCE's policy.

The unauthorized access, viewing, use, disclosure, or the intentionally public display of such information and the unauthorized removal of documents from PCE's premises that contain social security number information is prohibited.

If you come into contact with Social Security Numbers or other sensitive personal information without authorization from PCE or under circumstances outside of your job duties/assigned tasks, you may not use or disclose the information further, but must contact your supervisor and turn over to him/her all copies of the information in whatever form.

When necessary, documents containing social security information will be properly destroyed through shredding or other means prior to disposal to ensure confidential social security information is not disclosed.

SECTION 3: EMPLOYEE CONDUCT

3.101 Conflict of Interest/Code of Ethics

A company's reputation for integrity is its most valuable asset and is directly related to the conduct of its officers and other employees. Therefore, employees must never use their positions with PCE, or any of its customers, for private financial gain, to advance personal financial interests, to obtain favors or benefits for themselves, members of their families or any other individuals, corporations or business entities, or engage in activities, investments or associations that compete with PCE, interferes with an employee's business judgment concerning PCE's best interests, or exploits an employee's position with PCE for personal gain.

PCE strives to adhere to the highest legal and ethical standards applicable in our business. All employees of PCE have an obligation to conduct business within the guidelines that prevent actual or potential conflicts of interest and to comply with Attachment B. PCE Conflict of Interest Code.

Employees of PCE will conduct their personal affairs such that their duties and responsibilities to PCE are not jeopardized and/or legal questions do not arise with respect to their association or work with PCE.

POLITICAL ACTIVITY – PCE employees are public employees because PCE is a JPA under California Government Code Section 6500 et seq. The governing body, the Board of Directors, is comprised of publicly elected representatives of its member jurisdictions. While California law prohibits public employers from barring its officers and employees from participation in political activities, the law permits PCE to develop guidelines prohibiting officers and employees from engaging in political activity during work hours, on agency premises, or using agency property to do so, including email. For more information, please see Attachment C. Guidelines on Employee Political Activity.

This policy does not prevent employees from discussing their wages or other terms of employment.

3.101 Standards of Conduct

Each employee has an obligation to observe and follow PCE's policies and to maintain proper standards of conduct at all times. Employees are expected to be professional, respectful, and courteous in interactions and communications with everyone. Failure to adhere to PCE's policies will result in corrective disciplinary measures.

Disciplinary action may include a verbal warning, written warning, suspension with or without pay, and/or termination of employment. The appropriate disciplinary action

imposed will be determined by PCE. PCE does not guarantee that one form of action will necessarily precede another.

Among other things, the following may result in disciplinary action, up to and including termination of employment:

- Violation of PCE's policies or safety rules;
- Failing to work in a cooperative manner with management, co-workers, customers and others who do business with PCE;
- Unauthorized or illegal possession, use, or sale of alcohol or controlled substances on work premises or during working hours, while engaged in company activities; [Section 3.107]
- Unauthorized possession, use, or sale of weapons, firearms, or explosives on work premises;
- Theft or dishonesty;
- Inappropriate or violent physical contact;
- Harassment; [Section 3.103]
- Discrimination or retaliation in violation of PCE's EEO and No Harassment policies; [Section 3.103]
- Performing outside work without written authorization or use of company property, equipment, or facilities in connection with outside work while on company time;
- Engaging in unethical or illegal conduct;
- Unauthorized disclosure of business “secrets” or confidential proprietary information; [Section 3.104]
- Poor attendance or poor performance.

These examples are not exhaustive. We emphasize that termination of employment decisions will be based on an assessment of all relevant factors.

Nothing in this policy is designed to limit an employee's rights under Section 7 of the National Labor Relations Act.

Nothing in this policy is designed to modify PCE’s employment-at-will policy.

3.103 No Harassment

We are committed to providing a work environment that is free of unlawful harassment, discrimination and retaliation. In furtherance of this commitment, PCE strictly prohibits all forms of unlawful discrimination and harassment, including: discrimination or harassment on the basis of race, religious creed, color, national origin, ancestry,

physical disability, mental disability, protected medical condition (including genetic characteristic), genetic information, marital status, sex (including pregnancy, childbirth or related medical condition, or breast feeding), sexual orientation (including homosexuality, bisexuality, or heterosexuality, or any other protected class under federal, state, or local law), gender, gender identity or expression (including transgender), age for individuals over forty years of age, military or veteran status, sexual orientation, citizenship status, or any other category protected by applicable state or federal law.

PCE's policy against unlawful harassment, discrimination and retaliation applies to all employees, including supervisors and managers, as well as to all unpaid interns and volunteers. PCE prohibits managers, supervisors and employees from harassing co-workers as well as PCE's customers, vendors, suppliers, independent contractors, and others doing business with PCE. Any such harassment will subject an employee to disciplinary action up to and including immediate termination. PCE likewise prohibits its customers, vendors, suppliers, independent contractors and others doing business with PCE from harassing, discriminating, or retaliating against our managers, supervisors and employees. PCE has a zero-tolerance policy against unlawful harassment, discrimination, and retaliation.

Examples of Prohibited Sexual Harassment: Sexual harassment includes a broad spectrum of conduct including harassment based on sex, gender, gender identity or expression, and sexual orientation. By way of illustration only, and not limitation, some examples of unlawful and unacceptable behavior include:

- Unwanted sexual advances;
- Offering an employment benefit (such as a raise, promotion or career advancement) in exchange for sexual favors, or threatening an employment detriment (such as termination or demotion) for an employee's failure to engage in sexual activity;
- Visual conduct, such as leering, making sexual gestures, and displaying or posting sexually suggestive and/or derogatory objects or pictures, drawings, cartoons or posters;
- Verbal sexual advances, propositions, requests or comments;
- Sending or posting sexually-related messages, videos or messages via text, instant messaging, or social media;
- Verbal abuse of a sexual nature, graphic verbal comments about an individual’s body, sexually degrading words used to describe an individual, and suggestive or obscene letter, notes or invitations;
- Physical conduct, such as touching, groping, assault, or blocking movement;
- Physical or verbal abuse concerning an individual’s gender, gender identity or gender expression; and

- Verbal abuse concerning a person's characteristics such as pitch of voice, facial hair or the size or shape of a person's body, including remarks that a male is too feminine, or a woman is too masculine.

Other Examples of What Constitutes Prohibited Harassment: In addition to the above listed conduct, PCE strictly prohibits harassment concerning any other protected characteristic. By way of illustration only, and not limitation, such prohibited harassment includes:

- Racial or ethnic slurs, epithets, derogatory comments and any other offensive remarks;
- Jokes, whether written, verbal, or electronic;
- Threats, intimidation, and other menacing behavior;
- Assault, impeding or blocking movement, or any physical interference with normal work or movement;
- Inappropriate verbal, graphic, or physical conduct;
- Sending or posting harassing messages, videos or messages via text, instant messaging, or social media; and
- Other harassing conduct based on one or more of the protected categories identified in this policy.

If you have any questions about what constitutes harassing behavior, ask your supervisor HR Manager, or another member of management.

Prohibition Against Retaliation: PCE is committed to prohibiting retaliation against those who themselves or whose family members report, oppose, or participate in an investigation of alleged unlawful harassment, discrimination, or other wrongdoing in the workplace. By way of example only, participating in such an investigation includes, but is not limited to:

- Making or filing an internal complaint with PCE regarding alleged unlawful activity;
- Providing notice to PCE regarding alleged unlawful activity;
- Filing a complaint with a federal or state enforcement or administrative agency;
- Participating in or cooperating with a federal or state enforcement agency conducting an investigation of PCE regarding alleged unlawful activity;
- Testifying as a party, witness, or accused regarding alleged unlawful activity; and
- Assisting another employee who is engaged in any of these activities.

PCE is further committed to prohibiting retaliation against qualified employees who request a reasonable accommodation for any known physical or mental disability and employees who request a reasonable accommodation of their religious beliefs and observances.

Reporting Process – Making a Complaint
Any employee, job applicant, unpaid intern, volunteer, or contractor who believes they been harassed, discriminated against or retaliated against in violation of this policy by another employee, supervisor, manager or third-party doing business with PCE, you should immediately report it orally or in writing to the CEO and HR Manager. In addition, if you observe harassment by another employee, supervisor, manager or non-employee, please report the incident immediately to the CEO and HR Manager. If the CEO or HR Manager is alleged to be involved in the harassment, the Chair of the PCE Board must be notified.

Supervisors who receive any complaint of harassment, discrimination or retaliation must promptly report such complaint immediately to the CEO and HR Manager so that PCE may resolve the complaint internally. As noted above, if the complaint is against the CEO or HR Manager, the Chair of the PCE board should be notified.

Notification of the problem is essential to us. We cannot help to resolve a harassment problem unless we know about it. Therefore, it is your responsibility to bring your concerns and/or problems to our attention, so we can take whatever steps are necessary to address the situation. PCE takes all complaints of unlawful harassment seriously and will not penalize you or retaliate against you in any way for reporting a harassment problem in good faith.

All complaints of unlawful discrimination, harassment, or retaliation which are reported to the CEO and HR Manager or the Chair of the PCE Board, as applicable, will receive a timely response and will be thoroughly investigated in a fair, thorough and prompt manner by impartial and qualified personnel. Investigations will be conducted in a manner which provides all parties with appropriate due process, reaches a reasonable conclusion based on evidence collected and ensures timely closure. In addition, PCE will ensure that the investigation is properly documented and tracked for reasonable progress. Upon conclusion of such investigation, appropriate remedial and corrective action will be taken where warranted, including disciplinary action, up to and including immediate termination. PCE prohibits employees, supervisors, and managers from hindering internal investigations and the internal complaint procedure. All complaints of unlawful misconduct reported to the CEO and HR Manager (or the Chair of the PCE Board) will be treated as confidentially as possible, consistent with PCE's need to conduct an adequate and thorough investigation.

Violation of this policy will subject an employee to disciplinary action, up to and including immediate termination. Moreover, any employee, supervisor or manager who condones or ignores potential violations of this policy will be subject to appropriate disciplinary action, up to and including termination. Additionally, under California law, employees

may be held personally liable for harassing conduct that violates the California Fair Employment and Housing Act.

This policy is not intended to prohibit employees, job applicants, unpaid interns, volunteers, or contractors from filing complaints with the California Department of Fair Employment and Housing or the federal Equal Employment Opportunity Commission or to prevent them from pursuing other available judicial remedies. These agencies may be contacted as follows:

> **California Department of Fair Employment and Housing (DFEH)**
> (800) 884-1684 or www.dfeh.ca.gov
> **Federal Equal Employment Opportunity Commission (EEOC)**
> (800) 669-4000 or www.eeoc.gov

PCE requires that every employee complete the mandated prevention of harassment training.. Supervisors must complete two hours of prevention of harassment training every two years or within six months of assumption of a supervisory position. Non-supervisory staff must participate in a one hour course every two years. The HR manager will monitor and maintain records of all required trainings. PCE will provide the training through an on-line course.

3.104 Protecting PCE Information

Protecting PCE's information is the responsibility of every employee. You are not to discuss PCE's confidential business or proprietary business matters, or share confidential, personal employee information (such as social security numbers, personal banking or medical information) with anyone who does not work for us such as friends, family members, members of the media, or other business entities.

Upon commencement of employment, each PCE employee must sign the Attachment D. PCE Employee Confidentiality Agreement. The protection of confidential business information and trade secrets is vital to the interest and success of PCE. Such confidential information includes, but is not limited to, the following examples:

- Computer programs and codes
- Customer lists and information
- Customer preferences
- Financial information
- Power supply information
- Marketing strategies
- Pending projects and proposals
- Research and development strategies

Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, up to and including termination of employment, even if they do not actually benefit from the use or disclosure.

As a public agency, PCE is subject to the California Public Records Act and the open meeting requirements of the Brown Act. Disclosures of information in compliance with these or any other open government requirement is not a violation of this policy. However, employees with access to PCE information are required to follow applicable policies, procedures, and supervisory direction when disclosing information to the public so that PCE may assure that the information released in complete, accurate and properly presented. For more information, please see Attachment E. Customer Confidentiality Policy.

Confidential information does not include information pertaining to the terms and conditions of an employee's employment, including wages. Nothing in this policy is designed to limit an employee's rights under Section 7 of the National Labor Relations Act.

3.105 Use of Personal Devices, including PCE Issued Devices

Upon employment with PCE you will be issued a PCE encrypted laptop. Due to the confidential nature of information at PCE, it is PCE's policy that you are not to utilize any other laptop or similar device (including but not limited to tablets, laptops, or computers) to conduct PCE business. Employees must physically secure their PCE issued devices against theft, loss or unauthorized use, including the use of password protection. This is especially critical if your job duties require you to use your PCE device outside the office. All PCE issued devices will be provided with a temporary password which you will be able to change upon your first log in. If any PCE device is lost or stolen, you must immediately contact your immediate supervisor who will notify the appropriate level of management so that your laptop is completely deactivated.

PCE's IT security policy provides that all PCE work product be stored on the cloud storage system, BOX. Work product, even temporary in process files, must all be file saved to BOX. Since BOX is a cloud storage system and your PCE issued laptops are encrypted, you would be able to access files while not in the office in a protected fashion.

Modern communication includes the frequent use of cell/smart phones. PCE does not provide PCE issued cell/smart phones. You will be required to use your personal cell/smart phone for PCE business. A taxable phone allowance will be provided to all employees to compensate them for the use of their personal device for PCE business.

Non-exempt employees may not use their personal devices for work purposes outside of their normal work schedule without authorization in advance from their immediate supervisor. This includes but is not limited to reviewing, sending, and responding to e-mails or text messages, and responding to or making calls. Time spent by non-exempt employees using their own devices to perform work outside of regular working hours must be included on their time sheet.

Employees are expected to exercise the same discretion in using their personal devices while working as is required for using PCE owned devices. This includes, but is not limited to, compliance with PCE policies pertaining to harassment, discrimination, retaliation, trade secrets, proprietary business and confidential information, electronic communications, and ethics. Employees must also comply with all applicable state, federal and local laws governing the use of such electronic devices. Failure to follow policies, procedures and/or applicable laws may result in disciplinary action up to and including termination of employment. Please see Attachment F. Acceptable Use of Electronic Communications Policy and Attachment I. Technology Security Policy for further information.

3.106 Smoking in the Workplace

PCE is committed to providing a safe and healthy environment for employees and visitors. Smoking, including the use of e-cigarettes, is not permitted. In addition, local ordinances and provisions of our office lease regarding smoking must be adhered to. Violations of this policy may result in disciplinary action, up to and including termination of employment.

3.107 Drug and Alcohol Use

It is PCE's desire to provide a drug-free, alcohol-free, healthful, and safe workplace. To comply with the federal Drug-Free Workplace Act of 1988, PCE requires that employees not report to work if their ability to perform their job duties is impaired due to alcohol or drug use. Further, PCE employees may not use alcohol or illegal drugs and/or prescription drugs without a prescription during work hours, breaks, or at any time while on paid status and/or on work premises. Exceptions to the use of alcohol on work premises for special events may be made at the sole discretion of the CEO of PCE.

No employee may directly or through others sell or provide illegal or illegally obtained drugs while in a paid status.

Employees who are convicted of a criminal drug violation occurring in the workplace must notify their supervisors as soon as possible.

PCE will attempt to reasonably accommodate an employee with chemical dependencies (alcohol or drugs) if the employee voluntarily wishes to seek treatment and/or rehabilitation before being found in violation of this policy. Employees desiring that assistance should request an unpaid treatment or rehabilitation leave of absence.

PCE is committed to providing assistance to its employees to overcome substance abuse problems. PCE will reasonably accommodate any employee who wishes to voluntarily enter and participate in an alcohol or drug rehabilitation program. This accommodation may include an adjusted work schedule or time off without pay, provided the accommodation does not impose an undue hardship on PCE. Employees may use any accrued sick or vacation benefits while on leave under this policy. However, additional benefits will not be earned during the unpaid portion of the leave of absence. A leave of absence under this section will be subject to the same provisions and rules as apply to medical leaves of absence. PCE will safeguard the privacy of an employee's participation in a rehabilitation program.

Employees should notify the CEO and the HR Manager if they need to request an accommodation under this policy.

PCE support for treatment and rehabilitation does not obligate PCE to employ any person who violates the PCE drug and alcohol abuse policy or whose job performance is impaired because of substance abuse. PCE is also not obligated to continue to employ any person who has participated in treatment or rehabilitation if that person's job performance remains impaired as a result of alcohol or drug dependency.

Your employment or continued employment with PCE is conditioned upon your full compliance with the foregoing policy. Any violation of this policy may result in disciplinary action, up to and including termination of employment. Further, any employee who violates this policy who is subject to termination of employment, may be permitted in lieu of termination of employment, at PCE's sole discretion, to participate in and successfully complete an appropriate treatment, counseling or rehabilitation program as recommended by a substance abuse professional as a condition of continued employment and in accordance with applicable federal, state, and local laws.

Various federal, state, and local laws protect the rights of individual with disabilities and others with regard to the confidentiality of medial information, medical treatment, and the use of prescription drugs and substances taken under medical supervision. Nothing contained in this policy is intended to violate such regulations or interfere with individual rights thereunder.

3.108 Drug Testing

PCE is committed to providing a safe, efficient, and productive work environment for all employees. In support of this commitment, PCE seeks to provide a workplace that is free from the harmful effects of drug and alcohol abuse. To further its interest in service to the community, avoiding accidents, promoting and maintaining a safe and productive workplace and protecting PCE property, equipment, and operation, PCE may conduct drug and alcohol testing, as provided in this policy. This policy is intended to apply to all employees, regardless of appointment type or time basis, including, without limitation, full-time, part-time, regular, temporary and management employees.

Using or being under the influence of drugs or alcohol on the job may pose serious safety and health risks. It is also a violation of PCE policy. Please see the policy on Drug and Alcohol Use in Section 3.107 above. To help ensure a safe and healthful working environment, job applicants and employees may be subject to drug and alcohol testing and may be asked to provide body substance samples (such as urine) to determine the use of drugs or alcohol in violation of PCE policies under the following circumstances:

- **Reasonable suspicion testing**: Employees will be subject to testing where there is reasonable suspicion that the employee has violated PCE's drug and alcohol use policies. Reasonable suspicion is the good faith belief based on specific articulable perception and reasonable inferences drawn from such perceptions that an employee may have violated this policy and that testing may reveal facts and evidence related to that perceived violation. Perceptions or reasonable inferences supporting reasonable suspicion may include, but are not limited to, an employee's manner, disposition, muscular movement, appearance, unusual behavior, speech or breath odor; information provided by an employee, law enforcement official or other person believed to be reliable; or other surrounding circumstances. For purposes of ordering testing, reasonable suspicion will only exist where the CEO, the HR Manager, and another member of PCE's executive leadership team has reviewed circumstances in a particular case and concurs in the finding of reasonable suspicion.
- **Follow up testing:** An employee who has been found to be in violation of PCE's drug and alcohol use policies may be required to submit to periodic, unannounced testing for one year, starting on a date established by the CEO.

For testing, the employee will be referred to an independent Substance Abuse and Mental Health Services Administration (SAMHSA) certified medical clinic or laboratory, which will administer the test. PCE will pay the cost of the test and reasonable transportation cost to the testing facility. The applicant or employee will have an opportunity to alert the clinic or laboratory personnel to any prescription or non-prescription drugs that she or he has taken that may affect the outcome of the test.

Positive results from initial screening will be confirmed by a second testing method and will not be reported as positive without confirmation. In the event of a reported positive test, the applicant or employee may have the same sample retested at a laboratory of the employee's choice at the employee's expense.

Testing or drug testing under this policy may include amphetamines and methamphetamines, cocaine, marijuana/cannabinoids (THC), opiates (narcotics), phencyclidine (PCP), barbiturates, benzodiazepines, methaqualone, and alcohol. Cut-off levels for determining a positive test will be those established in the SAMHSA Mandatory Guidelines for Federal Drug Testing Programs. The cut-off level for a positive alcohol test (both initial and confirmation) will be 0.02 percent (0.02 gm/210 liters of breath or 0.02 gm/deciliter of blood or 0.02 mg/ml of urine). Testing will normally be performed by urinalysis or, for alcohol testing, may also include breath testing. The substances for which drug and alcohol tests are performed and cut-off levels may be modified from time-to-time with prior written notice from the CEO or amendment of this policy.

If an employee who is subject to testing refuses to cooperate with the administration of the test, the refusal will be considered a positive test result. A refusal to cooperate includes, but is not limited to, refusing to appear for a test; unreasonably failing to submit a sample for testing; tampering with, substituting, adulterating, masking or water-loading a sample; or obstructing or not fully cooperating with testing procedures.

All records of the circumstances and results of substance testing under this policy will remain confidential applicant or personnel records. Laboratory reports and test results will be maintained in a file separate from an employee's personnel file. Information may only be released to the employee who was tested, or other individuals designated in writing by the employee; to a medical review officer; to the extent necessary to properly supervise or assign the employee; as necessary to determine what action should be taken in response to the test results and for use in responding to appeals, litigation or administrative proceedings arising from or related to the test or related actions.

Questions concerning this policy, or its administration should be directed to the CEO or the HR Manager.

3.109 Attendance and Punctuality

Attendance and punctuality are important factors for your success within PCE. We work as a team which requires that each person be in the right place at the right time. For scheduled days off, employees are required to notify (via email) their supervisor, with a copy to the HR Manager, as far in advance as possible, and to submit a request through the Personal Time Off (PTO) request system. In addition, it is also required that

employees update their company calendar so that their fellow employees are aware of their time off schedule. If you are going to be late for work, notify your supervisor as far in advance as is feasible under the circumstances.

If you are absent for three days without prior approval and/or without notifying PCE, it will be assumed that you have voluntarily terminated your employment with PCE, and you will be removed from the payroll effective as of the first day of that three-day absence.

3.110 Personal Appearance

Employees are expected to maintain a clean and professional appearance at all times during scheduled work hours. PCE respects and values the diversity of cultures and backgrounds of its employees and will comply with federal, state, and local laws that prevent discrimination based on personal appearance.

Our customers' satisfaction represents the most important and challenging aspect of our business. Whether or not your job responsibilities place you in direct customer contact, you represent PCE with your appearance as well as your actions. Your appearance can create a favorable image for PCE, to the public and fellow employees. PCE maintains a business casual environment. Employees are asked to refrain from wearing T-shirts or other clothing with large logos, images or statements on them.All employees are encouraged to bring their authentic, true selves to work while maintaining an appearance that is appropriate for their job and respectful of the external people you may interact with..

3.111 Non-Solicitation

PCE believes employees should have a work environment free from interruptions of a non-work-related nature, as work time is for work. For purposes of this policy, solicitation includes, but is not limited to, collection of any debt or obligation, raffles of any kind or chance taking, the sale of merchandise or business services, or the attempt to sell any product or service Such interruptions can be both detrimental to the quality of work and efficiency and may not be respectful of others job responsibilities.

Employees may not engage in solicitation for any purpose during work time, which includes the working time of the employee who seeks to solicit and the employee who is being solicited. Although solicitation is not encouraged, it is permitted if it is limited to the employee's break and lunch time and kept out of active working areas. Nothing in this policy is intended to restrict an employee's statutory rights, including discussing terms and conditions of employment.

3.112 Acceptable Use of Electronic Communications/Workplace Monitoring

This policy provides guidelines for electronic communications created, sent, received, used, transmitted, or stored using PCE's communication systems or equipment and employee provided systems or equipment used either in the workplace, during working time or to accomplish work tasks. “Electronic communications” include, among other things, messages, images, text data or any other information used in e-mail, instant messages, text messages, voice mail, fax machines, computers, personal digital assistants (including tablets or similar devices), pagers, telephones, cellular and mobile phones including those with cameras, Intranet, Internet, back-up storage, information on a memory or flash key or card, jump or zip drive or any other type of internal or external removable storage drives. In the remainder of this policy, all these communication devices are collectively referred to as “systems.”

Acceptable Uses of Our Systems: Employees may use our systems to communicate internally with co-workers or externally with customers and other business acquaintances for business purposes.

PCE Control of Systems and Electronic Communications: All electronic communications contained in PCE systems are PCE records and/or property. Although an employee may have an individual password to access our systems, the systems and communications belong to PCE. The systems and electronic communications are accessible to PCE at all times, including periodic unannounced inspections. Our systems and electronic communications are subject to use, access, monitoring, review, recording and disclosure without further notice. Employee communications on our system are not confidential or private.

PCE's maintains the right to access, monitor, record, use, and disclose electronic communications sent on PCE systems without further notice to the employee.

Personal Use of Our Systems: Personal communications in our systems are treated the same as all other electronic communications and will be used, accessed, recorded, monitored, and disclosed by PCE at any time without further notice. Since all electronic communications and systems can be accessed without advance notice, employees should not assume confidentiality.

Proprietary Business Information: Proprietary business information means confidential and proprietary materials related to PCE's trade secrets, business models, business services, sales agreements, pricing information, customer lists, inventions, vendor agreements, strategic business or marketing plans, expansion plans, contracts, non-public financial performance information and other information that derives

economic value by being protected from public consumption or competitors, and may only be used on PCE systems. Proprietary business information **may not** be downloaded, saved, or sent to a personal laptop, personal storage device, or personal email account under any circumstances. Proprietary business information does not restrict employee rights to discuss their wages, hours or other terms of employment.

Prohibited Uses of Our Systems: Employees may not use PCE systems in a manner that is unlawful, wasteful of PCE resources, or unreasonably compromises employee productivity or the overall integrity or stability of PCE's systems. These tools are provided to assist employees with the execution of their job duties and should not be abused. Examples of prohibited uses include, among other things, sexually explicit messages, images, cartoons, or jokes; propositions or love letters; ethnic or racial slurs; or any other message or image that may be in violation of company policies.

In addition, employees may not use PCE systems:

- To download, save, send or access any discriminatory, obscene, or malicious or knowingly false material;
- To download, save, send or access any music, audio or video file unless business related;
- To download anything from the internet (including shareware or free software);
- To download, save, send or access any site or content that PCE might deem “adult entertainment;”
- To attempt or to gain unauthorized or unlawful access to computers, equipment, networks, or systems of PCE or any other person or entity;
- In connection with any infringement of intellectual property rights, including but not limited to copyrights;
- In connection with the violation or attempted violation of any law; and
- To improperly transmit proprietary business information or client material such as pricing information or trade secrets.

Electronic Forgery: An employee may not misrepresent, disguise, or conceal his or her identity or another’s identity in any way while using electronic communications; make changes to electronic communications without clearly indicating such changes; or use another person’s account, mailbox, password, etc. without prior written approval of the account owner and without identifying the actual author.

Intellectual Property Rights: Employees must always respect intellectual property rights, including copyrights and trademarks.

System Integrity, Security, and Encryption: PCE contracts with an IT service provider – All Covered – to provide various IT support, including security. PCE encrypts all computers to maintain system integrity and security. All systems passwords and

encryption keys must be available and known to PCE's IT service provider. Employees may not install password or encryption programs. Employees may not use the passwords and encryption keys belonging to others.
Applicable Laws: Numerous state and federal laws apply to electronic communications. PCE complies with applicable laws. Employees also must comply with applicable laws and should recognize that an employee could be personally liable and/or subject to fine and imprisonment for violation of applicable laws.

Consequences of Policy Violations: Violations of this policy may result in disciplinary action up to and including immediate termination of an employee's employment as well as possible civil liabilities or criminal prosecution. Where appropriate, PCE may advise legal officials or appropriate third parties of policy violations and cooperate with official investigations. We will not, of course, retaliate against anyone who reports possible policy violations or assists with investigations.

If you have questions about the acceptable use of our systems or the content of electronic communications, ask the CEO for clarification.

3.113 Company Document Management

PCE uses the cloud-based platform BOX (www.box.com) as a document management system. All employees are required to save all PCE related documents on BOX without exception. This will allow PCE to access the documents in the event of lost laptop/Mac and maintain the security of PCE documents.

3.114 Social Media

"Social media" includes all means of communicating or posting information or content of any sort on the Internet, including an employee's own or someone else's web log or blog, journal or diary, personal web site, social networking or affinity web site, web bulletin board or chat room, whether or not the platform is associated or affiliated with PCE.

In general, all official PCE social media postings will be managed by the Communication and Outreach department.

To protect PCE's interests, employees must adhere to the following guidelines:

- Other than for PCE business purposes, employees may not post on a personal blog or personal social networking site during their work hours or at any time using PCE equipment or property. PCE's electronic communication systems are

for business use only. It is permitted for employees to utilize their personally owned devices on work breaks.

- If an employee identifies himself or herself as an employee of PCE on any social networking site for purposes other than PCE-authorized business purposes, the communication must include a disclaimer that the views expressed do not necessarily reflect the view of the PCE management.

- All rules regarding confidential business information apply to blogs and social networking sites. Any information that cannot be disclosed through a conversation, a written note, or an e-mail also cannot be disclosed on a blog or social networking site. The transmission of confidential or proprietary information without the permission of PCE is prohibited.

- If an employee mentions PCE in a blog or elsewhere on social media, or it is reasonably clear that the employee is referring to PCE or a position taken by PCE, and also expresses a political opinion or an opinion regarding PCE's position, action, or products, the post must specifically disclose the employee's relationship with PCE and note that the opinion expressed is a personal opinion and not PCE's position.

- Any conduct which is impermissible under law if expressed in any other form or forum is impermissible if expressed through a social networking site. For example, posted material that is discriminatory, defamatory, libelous, or malicious is forbidden. PCE's policies, including but not limited to the Equal Employment Opportunity, Sexual Harassment, Harassment and Workplace Violence policies apply equally to employee comments on social networking sites even if done on nonworking time.

Nothing in this policy is designed to limit an employee's right under Section 7 of the National Labor Relations Act, including discussing wages or other terms of employment. If you have questions or need further guidance, please contact the Communications and Outreach Manager.

3.115 Contact with PCE

The location of PCE employees during business hours should be known to a supervisor. All PCE employees will keep an updated electronic calendar reflecting his or her whereabouts during work hours.

3.116 Customer and Public Relations

PCE's reputation is built on excellent service and quality work. To maintain this reputation requires the active participation of every employee.

The opinions and attitudes that customers (and vendors) have toward PCE may be influenced by the actions of one employee for a long period of time. It is sometimes easy to take a customer for granted, but when this occurs, we run the risk of losing not only that customer, but his or her associates, friends, or family who may also be customers or prospective customers. Each employee must be sensitive to the importance of providing courteous treatment in all working relationships.

SECTION 4: WORKING CONDITIONS

4.101 Expectation of Privacy

PCE reserves the right to search, without employee consent, all areas over which PCE maintains control or joint control with the employee. Therefore, employees should have no expectation of privacy at PCE or joint controlled workplace areas which include, but are not limited to, offices, cubicles, work locations, employer provided or designated parking areas, desk, computers (including electronic files), voicemail, e-mail, PCE issued cell phones, or rest or eating areas.

Desks, file cabinets, and other storage devices, including electronic storage, may be provided for the convenience of employees but remain the sole property of PCE. Accordingly, they, as well as any articles found within them, can be inspected by any supervisor or other authorized representative of PCE at any time, with or without prior notice.

4.102 Performance Reviews

Your work performance is important to PCE. On an annual basis, your work performance will be evaluated. April due date, Supervisors will thoughtfully prepare a written performance evaluation on PCE's prescribed form and review your job progress against your job position along with PCE, relevant goals and objectives, and help you set new job performance plans, including but not limited to training goals. If approved, the annual performance review may be accompanied by a base merit salary increase which will be inclusive of a cost-of-living adjustment

New employees will generally be reviewed on a more frequent basis (i.e. At the 30, 60, 90 days, and six months) to assess if the new employee is meeting job requirements and expectations as set forth on the employee's job description upon hire. at the end of their introductory period. (Refer to 6.101 for definition)

Our performance review program provides the basis for better understanding between you and your supervisor, with respect to your job performance, potential and development within PCE.

The HR Manager will monitor the timely completion of the annual performance reviews. If you have not received a performance review within 30 days of the identified review period, please follow-up with your supervisor. If within 45 days of follow-up you have not received a performance review, contact the HR Manager.

4.103 Coaching, Counseling, and Progressive Discipline

Notwithstanding 4.102, your employment at PCE is at-will and as such may be terminated without advance notice, with or without reason or cause, and without right of appeal. PCE in its sole discretion as an at-will employer maintains the right to provide coaching, counseling, and progressive discipline to employees. Such coaching, counseling, and/or progressive discipline will be provided if, in the opinion of management, it would be of mutual benefit to PCE and the employee.

While performance reviews are generally thought of as being a positive, skill-building process, coaching, counseling, and progressive discipline will be employed, when considered necessary so that employee issues can be corrected at early stage, assist the employee to correct the problem, prevent reoccurrence, and prepare the employee for satisfactory performance in the future.

If disciplinary action is deemed warranted, it may call for any of five steps which include, but are not limited to: verbal warning, written warning, suspension with or without pay, demotion, or termination of employment. Although PCE may take a progressive discipline approach, the CEO has the right to determine what disciplinary action is appropriate in each situation. The CEO is not required to treat each incident as a step in a series of progressive discipline and may terminate an employee based on his/her discretion.

If a supervisory employee believes an employee needs to be coached, counseled, or disciplined, such conversations will take place with two management/supervisory employees present. Prior to any discussions, the matter should be discussed with the CEO to ensure that the actions being contemplated are appropriate.

4.104 Talk to Us

We encourage you to bring your questions, suggestions and complaints to our attention. We will carefully consider each of these in our continuing effort to improve operations.

If you believe you have a problem, present the situation to your supervisor so that the problem can be settled by examination and discussion of the facts. We hope that your supervisor will be able to satisfactorily resolve most matters.

If you still have questions after meeting with your supervisor or if you would like further clarification on the matter, request a meeting with the HR Manager or COO who will review the issues and meet with you to discuss possible solutions.

Your suggestions and comments on any subject are important, and we encourage you to take every opportunity to discuss them with us. If at any time you do not feel comfortable speaking with your supervisor or the next level of management, you may

discuss your concern with any other member of management with whom you feel comfortable.

4.105 Safety

Physical safety can only be achieved through teamwork at PCE. Each employee, supervisor and manager must practice safety awareness by thinking defensively, anticipating unsafe situations, and reporting unsafe conditions immediately.

Each employee is expected to obey mechanical safety rules and physical safeguards and to exercise caution in all work activities. Employees must comply with all occupational safety and health standards and regulations established by the Occupational Safety and Health Act and state and local regulations. Employees are expected to report all work-related injuries or illnesses immediately to the supervisor. In compliance with California law, and to promote the concept of a safe workplace, PCE maintains an Injury and Illness Prevention Program (IIPP). The PCE - Injury and Illness Prevention Program is available to all employees and/or employee representatives for review by request from the HR Manager.

Some of the best safety improvement ideas come from employees. Those with ideas, concerns, or suggestions for improved safety in the workplace are encouraged to raise them with their supervisor, or with another supervisor or manager. Reports and concerns about workplace safety issues may be made anonymously if the employee wishes. All reports can be made without fear of retaliation.

A violation of a safety precaution is an unsafe act. A violation may lead to disciplinary action, up to and including termination of employment.

4.106 Visitors

If you are expecting a visitor, please notify your supervisor. All visitors must first check in at the reception area. Visitors are not allowed in any locked and/or secured area of the building without being accompanied by an authorized employee. Under no circumstances will visitors be allowed in confidential and/or unauthorized areas.

4.107 Workplace Violence

Violence by an employee or anyone else against an employee, supervisor or member of management will not be tolerated. The purpose of this policy is to minimize the potential risk of personal injuries to employees at work and to reduce the possibility of damage to

PCE property in the event someone, for whatever reason, may be unhappy with a PCE decision or action by an employee or member of management.

If you receive or overhear any threatening communications from an employee or outside third party, report it to your supervisor, the HR Manager, or the CEO immediately. Do not engage in either physical or verbal confrontation with a potentially violent individual. If urgent, where you encounter an individual who is threatening immediate harm to an employee or visitor to our premises, call 911 immediately.

All reports of work-related threats will be kept confidential to the extent possible, investigated and documented. Employees are expected to report and participate in an investigation of any suspected or actual cases of workplace violence and will not be subjected to disciplinary consequences for such reports or cooperation. Violations of this policy, including your failure to report or fully cooperate in PCE's investigation, may result in disciplinary action, up to and including termination of employment.

Possession, use, or sale of weapons, firearms or explosives on work premises, while operating PCE equipment or vehicles for work-related purposes or while engaged in PCE business off premises is forbidden except where expressly authorized by PCE and permitted by state and local laws. This policy applies to all employees, including but not limited to, those who have a valid permit to carry a firearm.

If you are aware of violations or threats of violations of this policy, you are required to report such violations or threats of violations to the HR Manager or CEO immediately.

Violations of this policy will result in disciplinary action, up to and including termination of employment.

4.108 Travel/Expense Accounts

PCE will reimburse employees for reasonable expenses incurred through pre-approved business travel or business entertainment. All cash advances must be accounted for, and expense receipts are required.

The following business expenses will be reimbursed, subject to pre-approval:

- Travel Expense, including cab or peer-to-peer ride sharing services
- Automobile/Mileage (rate per mile will be reimbursed at the prevailing IRS rate.
- Airfare or train travel in coach or economy class, or equivalent if personal car is used
- Car rental fees, only for compact or mid-sized cars
- Lodging

- Tips and incidental expenditures
- Cost of meals, provided that the cost is reasonable. Any and all alcohol expenses will be excluded and not reimbursed.

This list is not all-inclusive. See the CFO regarding additional reimbursable business expenses.

SECTION 5: BENEFITS

5.101 Employee Benefits

PCE offers a comprehensive set of employee benefit programs to supplement our employees' regular wages. Several of the programs (e.g., Social Security, workers' compensation, state disability, and unemployment insurance) cover all employees in the manner prescribed by prevailing law.

This Employee Handbook describes the benefit plans maintained by PCE as of the date of publication of the handbook. Refer to the actual plan documents and summary plan descriptions if you have specific questions regarding the most up to date benefit plan.

PCE reserves the right to modify and/or terminate its benefits at any time. We will keep you informed of any changes. Employee access to actual plan documents and Summary Plan Descriptions can be found at this link here.

5.101(a) Health Insurance (Medical, Dental, and Vision)

Eligible full-time employees may enroll in health insurance plans covering medical, dental and vision. Employees are also permitted to enroll their eligible dependents based on the definitions in the plans. Eligibility may be defined by state law and/or by the insurance contract. Participating employees or dependents are also covered under our medical insurance plan's prescription drug program

Following submittal and approval of the plan applications, employees will be covered on the first calendar day of the month following the start of employment. If employment starts on the first calendar day of the month, coverage will be effective on employment start date.

To assist with the cost of this insurance, PCE pays a substantial portion of the cost of insurance coverage. Depending on the insurance coverage, dependent coverage may require sharing of some of the cost of the employee contribution through payroll deductions. Refer to the current HR Benefits Summary located here for a summary description of dependent coverage.

Information regarding eligibility of continuation of coverage following employment termination can be found at Section 5.105.

Refer to the actual plan document and summary plan description if you have specific questions regarding eligibility for coverage or other aspects of each benefit plan. Those documents are controlling.

Enrollment forms and a booklet containing the details of the plan and eligibility requirements are contained in your on-boarding materials. Completed forms should be returned to the HR Manager.

5.101(b) Long Term Disability Insurance

PCE pays the full cost of long-term disability insurance in the event an employee is unable to work for longer than 90 days due to illness or injury. Coverage is at 60% of the base compensation at the time of disability up to a maximum of $5,000 per month. Coverage begins on the first day of the month following the start of employment. In the case that employment starts on the first day of the month, coverage begins on that day.

Refer to the actual plan document and summary plan description if you have specific questions regarding your eligibility for coverage or other aspects of this benefit plan. Those documents are controlling.

5.101(c) Social Security and Unemployment Insurance

During your employment, you and PCE both contribute funds to the federal government to support the Social Security program. This program is intended to provide you with retirement benefit payments and medical coverage once you reach retirement age.

Unemployment Insurance - Upon separation from employment from PCE, you may be entitled to state and federal unemployment insurance benefits. In the event of employment termination, required documents regarding eligibility will be shared with you. Please direct questions to the HR Manager and/or the CEO.

5.101(d) Life Insurance

Eligible full-time employees may enroll in a plan to provide basic life insurance coverage of $50,000 effective as of the first day of the month following employment start date. If employment starts on the first day of the month, coverage will be effective on employment start date. Eligibility may be defined by state law and/or by the insurance contract. You must complete an insurance form and designate your beneficiary.

PCE pays the full cost of the monthly insurance premium for basic life insurance.

Refer to the actual plan document and summary plan description if you have specific questions regarding your eligibility for coverage or other aspects of this benefit plan. Those documents are controlling.

Employees are also eligible to apply for Supplemental Life Insurance in excess of the basic $50,000 level for themselves or their eligible spouse and/or dependents. The cost of Supplemental life Insurance is fully paid by employees through payroll deduction. Employees are required to pay for the full cost of supplemental life insurance for their spouse and dependents.

Enrollment forms and a booklet containing the details of the plan and eligibility requirements are contained in your on-boarding materials. Completed forms should be returned to the HR Manager.

5.101(e) Section 125 Plan

PCE offers a pretax contribution option for employees to participate in a Section 125 plan that enables contributions toward health insurance premiums and out-of-pocket medical expenses and/or dependent care expenses on a “pre- tax”, rather than an “after tax” basis. Eligible full-time employees may enroll in the plan effective on the first day of the month following thirty days of employment, although pre-tax payroll deductions for health insurance premiums will start upon the enrollment date of those plans.

Premium contributions and contributions toward other qualified expenses are deducted from gross pay before income taxes and Social Security is calculated. If you wish to participate in this plan, enrollment forms are contained in your on-boarding materials. Completed forms should be returned to the HR Manager.

Changes cannot be made to pretax contributions until the next open enrollment period unless your family status changes, or you become eligible for a special enrollment period due to a loss of coverage. We will notify you in advance of any open enrollment period. Family status changes include marriage, divorce, death of a spouse or child, birth or adoption of a child or termination of employment of your spouse. A change in election due to a change in family status shall be effective in the next pay period.

5.101(f) Retirement Plans

PCE provides eligible employees with a defined contribution program administered by the County of San Mateo. This plan is made up composed of two parts:

1. 457(b) Deferred Compensation Plan (Employee contributions). Employees can voluntarily contribute to a 457(b) deferred compensation plan according to IRS limits. Employees can choose to allocate portions of their contributions on a pre-tax basis to a traditional 457(a) and/or on a post-tax basis to a Roth version. PCE

will match all employee contributions up to 4% of salary (although the PCE contributions will be contributed to the 401(a) retirement plan described below).

2. 401(a) Retirement Plan (PCE contributions). PCE provides a contribution of 6% of salary to a 401(a) retirement plan for all employees. PCE also matches up to 4% of employee contributions to the 457(b) deferred compensation plan (described above) although the match is contributed to the 401(a) plan. All PCE contributions vest in equal annual amounts over four (4) years based on the first day of employment.

The link to the Summary Plan Description link is shown in an earlier section. In the event of any conflict in the description of any plan, the official plan documents, which are available for your review, shall govern. If you have any questions regarding this plan, please contact the plan administrator.

5.101(g) State Disability Insurance

All employees are eligible for disability insurance benefits when an illness, injury, or pregnancy-related disability prevents them from working and they meet all the eligibility requirements. The benefits are calculated as a percentage of your salary up to a weekly maximum, as specified by law, for up to fifty-two (52) weeks.

Employees who apply for this benefit must provide written notice of disability, including a doctor's certificate stating the nature of the disability and the expected date of return to work. The employee is responsible for filing a claim and other forms promptly and accurately with the Employment Development Department. A claim form may be obtained from the Employment Development Department by telephone, letter, or in person. The cost of this insurance is fully paid by the employee.

5.101(h) California Paid Family Leave Insurance

The State of California may provide partial wage benefits to eligible employees for up to a maximum of six weeks for the following reasons:

- To bond with a new child after birth or placement for adoption or foster care;
- To care for a serious health condition of an employee's child, parent, spouse, registered domestic partner, grandparent, grandchild, sibling or parent-in-law.

The Paid Family Leave Act provides benefits based on past quarter earnings for up to six weeks in a 12-month period. The cost of the insurance is fully paid by PCE. The 12-month period begins on the first day an employee submits a claim.

To be eligible for benefits, employees may be required to provide medical and/or other information that supports a claim for time off to bond with a new child or to care for a child, parent, spouse or registered domestic partner with a serious health condition. In addition, there is a seven-calendar-day waiting period before benefits begin.

You are responsible for filing your claim for family leave insurance benefits and other forms promptly and accurately with the Employment Development Department. A claim form may be obtained from the Employment Development Department by telephone, letter, the Internet or in person. All eligibility and benefit determinations are made by the Employment Development Department.

You may not be eligible for Paid Family Leave benefits if you are receiving State Disability Insurance, Unemployment Compensation Insurance or Workers' Compensation benefits.

The Paid Family Leave Act does not provide a right to leave, job protection or return to work rights. Further, this policy does not provide additional time off. However, family leave insurance may provide compensation during an approved leave pursuant to any company provided leave.

As noted, PCE will assist you with maneuvering through the various aspects of federal and state allowed leaves, in the event the need arises during your employment.

5.102 Workers' Compensation

Occupational injuries or illnesses are covered by our Workers' Compensation insurance policy. This insurance is provided at no cost to you. If you are injured on the job, no matter how slightly, report the incident to your immediate supervisor as soon as reasonably possible. Consistent with applicable state law, failure to report an injury within a reasonable time period could jeopardize your claim. We ask for your assistance in alerting management to any condition that could lead to or contribute to an employee accident.

PCE will integrate sick leave, vacation, and then compensatory time, with temporary disability payments for an employee who is eligible for workers' compensation. The employee will continue in pay status and receive pay until accumulated paid leave and authorized compensatory time hours have been depleted to the nearest hour. Any employee who is eligible for temporary disability payments under the workers' compensation law will, for the duration of such payments, receive only that portion of the employee's regular salary that, together with said payments, will equal the

employee's regular salary. Workers' compensation leave will run concurrently with Family Care Leave.

5.103 Lactation Breaks

PCE will provide a reasonable amount of break time to accommodate an employee's need to express breast milk for the employee's child. The break time should, if possible, be taken concurrently with other break periods already provided. Non-exempt employees should clock out for any time taken that does not run concurrently with normally scheduled rest periods, and such time generally will be unpaid, in accordance with state law.

No provision of this policy applies or is enforced if it conflicts with or is superseded by any requirement or prohibition contained in a federal, state, or local law or regulation. If you have knowledge of such a conflict or a potential conflict you should contact your immediate supervisor.

For further information, refer to the PCE - Lactation Policy.

5.104 No Pets in the Workplace

PCE is responsible for assuring the health and safety of all employees. In keeping with this objective, PCE does not permit employees to bring pets to work. Animals may pose a threat of infection and may cause allergic reactions in other employees. The only exception to this is if an employee or visitor requires a qualified service dog, as defined by the Americans with Disabilities Act (ADA), California state law, or other relevant statute.

5.105 COBRA

You and/or your covered dependents will have the opportunity to continue medical and/or dental and vision benefits for a period of up to 36 months under the provisions of the Consolidated Omnibus Budget Reconciliation Act ("COBRA") when group medical and/or dental and vision coverage for you and/or your covered dependents would otherwise end due to your death or because:

- your employment terminates, for a reason other than gross misconduct; or
- your employment status changes due to a reduction in hours; or
- your child ceases to be a "dependent child" under the terms of the medical and/or dental and vision plan; or

- you become divorced or legally separated; or
- you become entitled to Medicare.

In the event of divorce, legal separation, or a child's loss of dependent status, you or a family member must notify the plan administrator within sixty (60) days of the occurrence of the event. The plan administrator will notify the individuals eligible for continuation coverage of their right to elect COBRA continuation coverage. For more information regarding COBRA, you may contact the HR Manager.

SECTION 6: PAYROLL

6.101 Categories of Employment

In most cases, PCE employees will be regularly scheduled to work at least a 40-hour workweek. However, for the purposes of this handbook, FULL TIME EMPLOYEES are defined as those who are scheduled to regularly work at least a 32-hour workweek. Any schedule that is less than the standard 40-hour workweek would require the approval of PCE's CEO. Working time does not include lunch periods or any other periods in which employees are not in paid status.

PART-TIME EMPLOYEES are scheduled to regularly work less than 32 hours each week.

In addition to the preceding categories, employees are also categorized as "exempt" or "non-exempt."

NON-EXEMPT EMPLOYEES are entitled to overtime pay as required by applicable law.

EXEMPT EMPLOYEES are not entitled to overtime pay and may also be exempt from minimum wage requirements pursuant to applicable federal and state laws.

Upon hire, PCE will notify you of your employment classification.

6.101(a) Anniversary Date

The first day you report to work will be entered in PCE's records as your anniversary date. This date is used to calculate some of the benefits PCE offers. If you have any questions regarding your anniversary date, please see your supervisor.

6.102 Licensing Requirements

Driver's License/Driving Record – Employees holding positions where the operation of a motor vehicle is an essential duty of the position must present and maintain a valid driver's license and acceptable driving record. PCE will be responsible for providing such information to our insurer. Changes to your driving record must be reported to your supervisor immediately. Violations of this policy may result in immediate termination of your employment. Please provide a copy of your driver's license to the HR Manager annually.

6.103 Payday

You will be paid semimonthly on the fifth and the twentieth of the month for the periods that end on the last day of the previous month and the fifteenth of the month, respectively.

PCE provides for direct deposit of your paycheck. If you desire to have your paycheck deposited directly into an account of your choosing, please complete the necessary paperwork (contained in your on-boarding packet) and return it to the CFO. Depending on your date of hire and when you return the necessary paperwork, direct deposit may not take effect for your first paycheck.

When a payday falls on a holiday, PCE will attempt to provide pay on the working day immediately prior to the holiday, but you will be paid no later than (or your bank account will be credited) the first working day after the holiday. If the payday is a Saturday or Sunday, you will be paid (or your bank account will be credited) on the preceding Friday.

Please review your paycheck/paystub for errors at each pay period. If you find a mistake, please report it to the HR Manager immediately. Corrections, as necessary, will be processed through the next pay period's paycheck.

6.104 Pay Advances

PCE does not provide for pay advances on unearned wages to employees.

6.105 Timekeeping

As noted under 6.101, each employee at PCE will be designated either non-exempt or exempt according to certain aspects of federal and state wage and hour laws. As a public agency, some California wage and hour provisions may not apply to PCE.

Non-exempt employees must record hours worked in addition to time off on their electronic timecard (i.e., Paychex or other as specified by management). The timecard must be submitted to the supervisor on the last day of each reporting period as noted under 6.103. Accurately recording all your time is required in order to ensure that you are paid for all hours worked. You are expected to follow the established procedures in keeping an accurate record of your hours worked. PCE follows the overtime requirements in the by Fair Labor Standards Act ("FLSA") which are further described in 6.106. Additionally, non-exempt employees who are required to drive from home at the beginning of a workday to a location other than PCE offices may count as work any

such time that is more than the regular commute to PCE. Overtime work must always be approved before it is performed, except in the case of an emergency. Non-exempt employees must record all overtime worked on their electronic timecard.

Exempt employees should also accurately record time worked as well as leave time taken through the electronic timecard (i.e., Paychex or other as specified by management).

Altering, falsifying, tampering with time records, or recording time on another employee's time recorded is prohibited. This policy prohibits both over-reporting and under reporting of hours worked for non-exempt employees. No supervisor may authorize any non-exempt employee to work "off the books" or "off the clock".

Non-exempt employees should not report to work prior to their scheduled starting time or stay after the scheduled stopping time without express, prior authorization from their supervisor. Federal law does not permit an employer to allow non-exempt employees to volunteer time to their employer in the same capacity as their regular work.

Exempt employees, while receiving a set salary which is intended to compensate the individual for any hours worked, are still required to accurately record time worked in accordance with applicable wage and hour laws. All employees subject to this policy are required to accurately record all time worked and leave taken.

For purposes of this section, a workweek shall be from Monday at 12:01 am through Sunday at 11:59 pm each week.

6.106 Overtime (Non-Exempt Only)

There will be times when non-exempt employees will need to work overtime so that we may meet the needs of our customers. Every attempt will be made to provide you with ample notice in the event that extra work time may be required, and managers and employees should make reasonable efforts to adjust schedules to minimize overtime, However, this may not be always possible. If you are a non-exempt employee, you must have all overtime approved in advance by your supervisor.

Generally, unless an alternate workweek is in effect or state law dictates otherwise, non-exempt workers will be paid at a rate of time and one-half their regular rate of pay ("Standard Overtime") for either: (a) each hour worked in excess of forty (40) hours in a week; or (b) for the first eight (8) hours of work on a seventh day of work in a single workweek (as defined in section 6.105). Generally, unless an alternate workweek is in effect or state law dictates otherwise, non-exempt workers will be paid at a rate of double ("Double Time") their regular rate of pay for: (a) hours worked in excess of

twelve (12) hours in a day; and (b) hours worked in excess of eight (8) hours on a seventh day of work in a single workweek. In accordance with applicable laws, rest and recovery periods may count as hours worked.

6.107 Meal, Rest, and Recovery Time (Non-Exempt Only)

Except for certain exempt employees, all employees who work five or more hours in a day are required to take an uninterrupted 30-minute unpaid duty-free meal period to commence no later than the end of the fifth hour of work and a second uninterrupted 30-minute meal period free from all duty to commence no later than the end of the tenth hour, should an employee work that many hours in any given day. Only in limited circumstances, discussed below, can meal periods be waived. For this reason, unless there is a written agreement for an on-duty meal period approved by PCE, employees must record the beginning and ending time of their meal period in the timekeeping system every day. It is also our policy to relieve such employees of all duties during their meal periods, with the employee being at liberty to use the meal period time as the employee wishes.

An employee cannot be required to work during a meal period, in accordance with applicable law. If PCE fails to provide an employee with a required meal period, the employee will be paid one additional hour of pay at the employee's regular rate of compensation.

PCE schedules all work assignments with the expectation that all employees will take their duty-free meal periods and we encourage you to do so. Employees may be asked to confirm in writing that they have been relieved of all duty and otherwise provided all their daily meal periods during the pertinent pay period, or in the alternative, identify any meal periods they missed. At no time may any employee perform off-the-clock work or otherwise alter, falsify, or manipulate any aspect of their timekeeping records to inaccurately reflect or hide meal periods or time spent working during meal periods.

No PCE manager or supervisor is authorized to instruct an employee how to spend his or her personal time during a meal period. You should immediately report a manager’s or supervisor’s instruction to skip or work during a meal period to the CFO or CEO.

Waiver of Meal Period: You may waive your meal periods only under the following circumstances:

- If you complete your workday in six hours, you may waive your meal period.
- If you work more than ten (10) hours in a day you may waive your second meal period, but only if you have taken your first meal period and you do not work more than twelve (12) hours that day.

Please speak to your immediate supervisor for clarification on whether you are entitled to waive your second meal period. Any time you elect to waive a meal period you must submit a written request and receive prior written authorization from your immediate supervisor.

You may not waive meal periods to shorten your workday or to accumulate meal periods for any other purpose.

On Duty Meal Period: In limited situations, certain designated employees may be required to work an on-duty meal period due to the nature of the employee's duties. Only if the nature of your job duties requires it, and you and PCE have agreed to an on-duty meal period in writing, will you be permitted to take an on-duty meal period. In this situation, your on-duty meal period will be paid and treated as hours worked.

Non-exempt employees will also receive one uninterrupted, duty-free 10-minute paid break for every four hours worked (or major fraction thereof). Rest periods will occur as close to the middle of a four-hour work period as is practical. This time must be approved by your supervisor each day.

Rest periods are counted as hours worked, and thus, you are not required to record your rest periods on your timesheets or timecards. However, no supervisor is authorized or allowed to instruct or allow an employee to waive a rest or recovery period, and they cannot be used to shorten the workday or be accumulated for any other purpose. Employees may be required to confirm that they have been provided with an opportunity to take all their rest or recovery periods during the pertinent pay period. Meal and rest periods may not be combined.

6.108 Paycheck Deductions and Set-Offs

PCE is required by law to make certain mandatory deductions from your paycheck each pay period. Mandatory deductions typically include federal and state income taxes, Social Security (FICA) and Medicare taxes, and State of California Disability taxes. In addition, depending on your benefits election, there may be additional deductions. All deductions and the amount of the deductions are listed on your pay stub. These deductions are totaled each calendar year for you on your Form W-2, Wage and Tax Statement.

PCE will not make deductions to an employee's pay which are prohibited by state or federal law or regulation, including those established by the United States Department of Labor. You will be reimbursed in full for any isolated, inadvertent, or improper deductions, as defined by law.

If questions or concerns about any pay deductions arise, discuss and resolve them with the HR Manager.

6.109 Work Location and Schedules

PCE's policies are intended to treat its employees as professionals. As employees of a public agency, PCE expects its employees to understand that the local ratepayers are responsible for employee salaries, and, therefore, employee actions and work should always be fair to those ratepayers. While there are not specific working hours in which every employee must be at work, every employee is scheduled and expected to work at least eight (8) hours per workday, not including mandatory time off for a lunch period.

The management of PCE feels that the company culture is best developed and maintained based on employees building positive and effective working relationships with one another; this relationship building includes face-to-face, in-person interaction. However, PCE management also strives to provide an environment that encourages work-life balance by providing opportunities for remote work and flexible work schedules.

Remote Work
Please see Attachment J for detailed policies and guidelines related to remote working.

PCE provides reimbursement for employees to cover some of the cost of equipping their remote work environment. A one-time amount of $500 will be reimbursed for reasonable expenses to equip a home office for remote work with no expiration date. An additional $100 to each employee is available on July 1 of each fiscal year to be used only in the fiscal year it is provided.

6.112 Garnishment/Child Support

When an employee's wages are garnished by a court order, PCE is legally bound to withhold the amount indicated in the garnishment order from the employee's paycheck. PCE will, however, honor applicable federal and state guidelines that protect a certain amount of an employee's income from being subject to garnishment.

SECTION 7: LEAVES OF ABSENCE

7.101 Vacation/Administrative Leave

All employees are eligible to accrue vacation. At PCE we believe that taking time away from work is essential to maintain both good physical and mental health. To this end, PCE encourages all employees to take full advantage of their earned vacation. Payment in lieu of time-off is not permitted by PCE.

The following provides PCE's vacation policy for both full-time and part-time employees.

All full-time employees are eligible for vacation. Vacation will accrue for full-time employees as follows:

Employment Seniority	Days Accrued/Year	Hours Accrued/Year	Hours Accrued/ Pay Period
Hire date to end of 3rd year of employment	10	80	3.34
Beginning of 4th year to end of 8th year	15	120	5.00
Beginning of 9th year and after	20	160	6.67

Part-time regular employees will accrue vacation on a pro-rata basis according to their FTE percentage.

Vacation benefits do not accrue when an employee is on unpaid leave or during other periods of unpaid absence, except as defined by law.

Vacation accrual may not exceed one and one half (1.5) times an employee's then-current annual accrual. Once this maximum is reached, all further accruals will cease until leave is taken. For ease of reference, the maximum accruals are:

- Hire date to completion of third year of employment: 15 days (120 hours)
- Beginning of fourth year to completion of eighth year: 22.5 days (180 hours)
- Beginning of ninth year and after: 30 days (240 hours)

Given the small number of staff at PCE, it is generally appreciated if employees can provide their time off plans with as much notice as possible. Employees should request time off by email to their supervisor and either copy the HR Manager on the request (to ensure that the HR Manager knows that the supervisor has been made aware of the request) or forward a copy of the supervisor's approval to the HR Manager. Once the HR Manager is informed, the request can be approved in PCE's time off tracking system. Length of employment may determine priority in scheduled vacation times.

At the end of employment, eligible employees will be paid for accrued but unused vacation, up to the maximum accrual amount. Any accrued vacation at the end of employment will be paid at the employee's then current base pay rate. It does not include overtime or any special forms of compensation such as incentive, commission, bonuses, or shift differentials.

Administrative Leave – All employees will be granted 80 hours of Administrative Leave on the 1st day of each calendar year. However, for an employee that starts employment with PCE at any time after July 1, 2023, Administrative Leave will be granted as of the first day of employment per the following schedule applicable for the remainder of the then current calendar year:

- Hire date between January 1 through March 31: 80 hours
- Hire date between April 1 through June 30: 60 hours
- Hire date between July 1 through September 30: 40 hours
- Hire date between October 1 through December 31: 20 hours

Special One-Time Allocation – Each employee who was not eligible for Management Leave under the Version 4 of this Employee Handbook (i.e. permanent employees who were employed by PCE as of June 30, 2023 and had roles that were not a manager or above) will be granted a one-time allocation of 40 hours of Administrative Leave to be effective upon approval of this Employee Handbook by PCE's Board of Directors to be used prior to December 31, 2023.

Any unused Administrative Leave remaining at the end of a calendar year will be forfeited. Any unused Administrative Leave will not be paid out at the end of your employment.

7.102 Paid Sick Leave

In accordance with the Healthy Workplaces, Healthy Families Act of 2014, sick leave will accrue and be used according to the terms outlined in this policy for all employees.

All full-time employees are entitled to paid sick leave of up to ten (10) days per year (i.e., 80 hours), accruing at the rate of 3.33 hours per pay period. The maximum accrual is eighty hours of sick leave. Upon reaching the accrued level of eighty hours, further sick leave will not accrue until the sick leave is used, and the accrual falls below the maximum threshold. Part-time employees will accrue sick leave based on their FTE percentage subject to a minimum of twenty-four (24) hours per year.

Out of respect for your health and the health of your fellow workers, do not come to work if you are sick. If you come to the office and are sick, you will be sent home.

Accrued paid sick leave may be used for:

1. Diagnosis, care, or treatment or preventive care of an existing health condition, for an employee;
2. Diagnosis, care or treatment or preventative care of an existing health condition for an employee's family member. For the purposes of sick leave under this policy, PCE defines "family member" as the employee's spouse or registered domestic partner and/or either of their parents, sibling, child, child's spouse, grandparents, or grandchildren. Special consideration will also be given to any other person whose association with the employee was similar to any of the above relationships.
3. In addition, with appropriate certification, an employee who is a victim of domestic violence, sexual assault, or stalking may use accrued paid sick leave under this policy for the following reasons:
   - To obtain or attempt to obtain any relief, including, but not limited to, a temporary restraining order, restraining order, or other injunctive relief, to help ensure the health, safety or welfare of the victim or the victim's child;
   - To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking;
   - To obtain services from a domestic violence shelter, program or rape crisis center;
   - To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking; or
   - To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.
4. Up to five (5) days of sick leave may be used as bereavement leave to take time off due to the death of an immediate family member. This is in addition to the time off described in the Bereavement Leave section. On a case-by-case basis, additional time without pay may be granted for bereavement leave at the discretion of the CEO.

If the need to use paid sick leave is foreseeable, you must provide PCE with reasonable advance notification. If the need to use paid sick leave is not foreseeable, please provide notice to your immediate supervisor of your intent to use paid sick leave as soon as practicable, preferably no later than one hour after your scheduled starting time. Employees who must leave work due to illness or sick leave condition should likewise advise their supervisor. It is the responsibility of every employee to keep his or her supervisor advised as to the anticipated duration and expected date of return.

Accrued, but unused sick leave will not be paid out at the end of your employment. If an employee is separated and rehired by the employer within one year from the date of separation, previously accrued and unused paid sick days shall be reinstated, and the employee shall be entitled to use those previously accrued and unused paid sick days and to accrue additional paid sick days upon rehiring.

This leave may run concurrently with any other leave where permitted by state and federal law.

Employees will not be discriminated or retaliated against for taking or requesting leave in accordance with this policy.

Sick leave for Temporary Employees – Sick leave for temporary employees is provided in accordance with the California Healthy Workplace, Healthy Families Act of 2014 (Paid Sick Leave Law – AB 1522). According to the Act and per PCE guidelines for temporary employees, temporary employees hired on or after July 31, 2015, are eligible to accrue twenty-four (24) hours of paid sick leave per year. Pro rata accruals will be provided for contracts that are less than one year in duration. Leave accruals may carry over from year to year. There is no cash out for sick leave upon termination. PCE defines a temporary employee as an employee that has been hired for a contracted specified period (typically for a specified project or assignment).

7.103 Bereavement Leave

Full-time employees are eligible immediately upon hire for three paid days for the death of an immediate family member. Members of the immediate family include spouse, registered domestic partner, parents, brothers, sisters, children, children of registered domestic partner, grandchildren, grandparents, parents-in-law, and parents of registered domestic partner.

Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws. Requests for bereavement leave should be made to your immediate supervisor as soon as possible who will communicate this information to the CFO to ensure payroll is processed correctly. PCE reserves the right to request written verification of an employee's familial relationship to the deceased and his or her attendance at the funeral service as a condition of the bereavement pay.

7.104 Family Medical Leave

Family and Medical Leave (FMLA) and California Family Rights Act (CFRA)
Although PCE is subject to FMLA or CFRA, PCE has fewer than 50 employees and therefore, has no eligible employees under the law. However, PCE is committed to

providing similar benefits to those provided by federal and state laws for employers of 50 or more employees, by providing family and medical care leave for qualified employees.

For information on Family Care Leave, please refer to the PCE - Family Care Leave Policy.

7.105 New Parent Leave

New Parent Leave is a California law that provides full-time employees time off for the purpose of bonding with the employee's new child. This leave applies to a newborn child, either by birth or adoption, or foster care placement of a child with the employee. The law provides protection of an employee's job during a baby bonding leave period. An employee is eligible for up to 12 weeks of unpaid baby bonding time within one year of the birth of the child, or for an adoption or foster care placement, as long as the employee has met the qualifications of more than 12 months of service and at least 1,250 hours of service with PCE during the 12-month period prior to commencing leave.

In addition to California law, PCE provides supplemental bonding leave. PCE offers 240 hours of leave to full-time employees for the purpose of bonding with the employee's newborn child or the new adoption or foster care placement of a child with the employee (Supplemental Bonding Leave). The first 120 hours of the leave will be fully paid by PCE at the employee's then existing base compensation rate. The remaining 120 hours of the leave will be unpaid. To be eligible, employees must have been employed with PCE full time for at least six months prior to the birth or new placement of the child. Employees should request all paid leave under this policy by submitting a request to PCE's PTO tracking system. Both such paid and unpaid leave periods must be taken within a period that ends on the 12-month anniversary of the baby's birth. All leave time under PCE's supplemental bonding leave will be part of any authorized leave under California's new parent leave provisions described above.

As referenced in an earlier section, California Paid Family Leave (PFL) is available to employees during the baby bonding period to provide pay during those days not covered by PCE's supplemental bonding leave pay if the employee files a claim with EDD. No more than six (6) weeks of PFL benefits may be paid within any 12-month period.

https://www.edd.ca.gov/disability/How_to_File_a_DI_Claim_in_SDI_Online.htm

During a New Parent Leave, employees will be required to pay the normal payroll deduction amount(s) for the employee-paid portion of dependent health coverage and supplemental life insurance under the group health plans that would have applied had the employee not been on leave. Since normal payroll will not be processed, and

therefore employee deductions will not be possible, employees will be required to repay PCE for the applicable amount either during the leave or in full upon the employee's return.

For any leave that extends longer than 60 days, the annual performance review date will be adjusted to match the actual number of days of the leave. For example, following a leave of 90 days, a prior annual performance date of August 3 would be adjusted to November 1 of the same year - 90 days later.

7.106 Pregnancy Disability Leave

Pregnant employees are eligible for an unpaid leave of absence up to four (4) months (i.e., the working days you would normally work in one-third of a year or 17 1/3 weeks, unless your hours vary from month to month in which case PCE will use a monthly four-month average of the hours worked prior to commencing leave) for disabilities relating to pregnancy, childbirth, or related medical conditions per pregnancy.

A pregnant employee will be allowed to be absent for the period during which, in the opinion of her attending physician she is temporarily disabled because of pregnancy, childbirth or a related medical condition.

Pregnancy Leave is without pay. However, employees can use any accrued vacation time or other accrued paid time off as part of pregnancy disability leave before taking the remainder of leave on an unpaid basis. The substitution of any paid leave will not extend the duration of pregnancy disability leave. PCE will assist with designing your leave to your best possible financial advantage.

Whenever an employee is also receiving Family Care leave under PCE policy, Pregnancy Disability Leave and Family Care leave will run concurrently. When an employee is eligible for Family Care Leave under PCE's policy, terms and conditions of the Family Care Leave policy also apply to the taking of Pregnancy Disability Leave

Employees who are granted leaves for pregnancy will be returned to their same position to the extent required by state law. Upon the advice of your health care provider, you may also be entitled to reasonable accommodation, to the extent required by law, for conditions related to pregnancy, childbirth or related medical conditions. You should promptly notify PCE of the need for a reasonable accommodation (refer to 7.109). In addition, a transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties may be available pursuant to your request, if such a transfer is medically advisable.

When an employee's leave is foreseeable and at least 30 days' notice has been provided, and if a medical certification is requested, the employee must provide it before the leave begins. Otherwise please give PCE notice as soon as is practicable if the need is an emergency or unforeseeable.

Prior to the start of the leave, PCE will require a written medical certification from the employee's health care provider. The certification must include a statement that the employee is disabled due to pregnancy, the date on which the employee became disabled due to pregnancy, the probable duration of the period or periods of disability, and an explanatory statement that, due to disability, the employee is unable to work at all or is unable to perform any one or more of the essential functions of her position without undue risk to herself, the successful completion of her pregnancy, or to other persons.

An employee may request a transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties. Such a request must be based on the certification of the health care provider that the transfer is medically advisable and will be granted if the transfer can be reasonably accommodated.

In addition, an employee may request a reasonable accommodation, with the advice of her health care provider when the accommodation is needed due to pregnancy, childbirth or related medical conditions.

Sick and vacation leave do not accrue while an employee is on unpaid pregnancy disability leave.

Leave may be taken intermittently or on a reduced work schedule if the employee's health care provider determines that it is medically advisable for the employee to take intermittent leave. Employees may also take intermittent leave for prenatal care appointments and for pregnancy-related illness. If an employee requests intermittent leave or a reduced schedule leave that is foreseeable based on planned medical treatment, the employee may be transferred to an alternative position for the duration of the leave (unless the employee's health care provider disapproves for medical reasons).

In the event your leave exceeds the anticipated date of return, it is your responsibility to provide further certification from your health care provider that you are unable to perform your job or job duties and the revised anticipated date of return. Depending on your eligibility, medical insurance may be continued during your leave in accordance with the applicable plan document, COBRA, or provisions of federal/state law relating to unpaid medical leave. Employees who choose not to return from leave may be required to refund premium payments made by PCE on their behalf, when permitted by state law.

For any leave that extends longer than 60 days, the annual performance review date will be adjusted to match the actual number of days of the leave. For example, following a leave of 90 days, a prior annual performance date of August 3 would be adjusted to November 1 of the same year - 90 days later.

7.106 Holidays

Full-time employees are eligible to receive holiday pay immediately upon date of hire if they were scheduled to work on the day on which the holiday is observed and worked on both the regularly scheduled working days immediately preceding and immediately following the holiday (unless an absence on either day is approved in advance by the employee's supervisor).

Standard Holidays - PCE normally observes the following standard holidays during the year:

- New Year's Day
- Martin Luther King Jr. Day
- Presidents' Day
- Memorial Day
- Independence Day
- Labor Day
- Indigenous People's Day
- Veterans' Day
- Thanksgiving Day
- Day After Thanksgiving
- Christmas Day

If a holiday falls on Saturday, it will normally be observed on the preceding Friday. If a holiday falls on Sunday, it will normally be observed on the following Monday. Any unused floating holidays will not be paid out at the end of your employment.

Floating Holidays – Full-time employees are also eligible for up to four (4) floating holidays granted on the 1st day of each calendar year to be used at the employee's discretion throughout the year. However, for a new employee that starts employment with PCE, the number of floating holidays available for the remainder of the then current calendar year will be per the following schedule:

- Hire date between January 1 through March 31: 4 days
- Hire date between April 1 through June 30: 3 days
- Hire date between July 1 through September 30: 2 days

- Hire date between October 1 through December 31: 1 day

Any unused Floating Holidays remaining at the end of a calendar year will be forfeited. Any unused Floating Holidays will not be paid out at the end of your employment.

7.106 Voting Leave

PCE believes that every employee should have the opportunity to vote in state or federal elections, general primary, or special primary. Any employee who does not have sufficient time outside of working hours to vote in a statewide election may request up to two paid hours off to vote. We reserve the right to select the hours you are excused to vote.

Notify your immediate supervisor of the need for voting leave as soon as possible. When you return from voting leave, you must present a voter's receipt to your supervisor. This will provide documentation for your timesheet entry.

7.107 Jury Duty

PCE encourages employees to fulfill their civic responsibilities by serving jury duty when required. Employees may request paid jury duty leave, up to five (5) days. Exempt employees will receive their full weekly salary for any workweek interrupted by jury service if they work at least a portion of the workweek. If an exempt employee does not work at all during the workweek due to jury service, he or she will not be paid for that workweek. Alternatively, in this latter case, the employee could charge the week to vacation.

Employees must show the jury duty summons to their immediate supervisor as soon as possible so that the supervisor may make the appropriate arrangements to accommodate their absence. Employees are generally expected to report for work whenever the court schedule permits. For those employees who are not residents of the County of San Mateo, this may not be feasible.

Either PCE or the employee may request an excuse or deferment from jury duty if, in PCE's judgement, the employee's absence during the originally summoned time frame would create serious operational difficulties. It is noted that most court systems have very stringent requirements for a complete dismissal from service. As a result, PCE is committed to ensure that if called, you will be able to serve at a time that can be accommodated.

If you are obliged to serve on a long-term trial (i.e., greater than five (5) days), PCE will provide you will all the regular health, dental, vision, etc. benefits for the full term of the jury duty absence. Benefit accruals such as vacation, sick leave, or holiday benefits will be suspended during the unpaid jury duty leave and will resume upon return to active employment.

7.108 Military Leave and Civil Air Patrol

Employees who are required to fulfill military obligations in any branch of the Armed Forces of the United States or in state military service will be given the necessary time off and reinstated in accordance with federal and state law.

The time off will be unpaid, except where state law dictates otherwise. Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

Accrued vacation (if any) may be used for this leave if the employee chooses, but PCE will not require the employee to use vacation. Military orders should be presented to your immediate supervisor upon receipt so that arrangements for leave can be made as early as possible before departure. Employees are required to give notice of their service obligations to PCE unless military necessity makes this impossible. You must notify the HR Manager and your supervisor of your intent to return to employment based on requirements of the law. Within the limits of such orders, the supervisor may determine when the leave is to be taken and may modify the employee's work schedule to accommodate the request for leave. Your benefits may continue to accrue during the period of leave in accordance with state and federal law.

This policy does not apply to employees who serve as first responders or disaster service workers for a local, state, or federal agency to the same or a simultaneous emergency operational mission.

Employees may substitute accrued vacation for unpaid leave but are not required to exhaust accrued leave prior to taking leave under this policy.

Additional information regarding any of the aforementioned military leaves may be obtained from the HR Manager.

7.109 Personal Leave

Under special circumstances, full-time employees who have completed one year of employment may be granted an unpaid personal leave of absence for up to sixty (60)

days. The granting of this type of leave is normally for compelling reasons and is dependent upon the written approval of the CEO. Employees requesting a personal leave of absence must submit the request in writing stating the reason(s) for the requested leave at least twenty-one (21) days in advance of the requested leave. In emergency situations written notice must be provided as soon as possible. PCE has sole discretion in determining whether the leave will be granted. If granted, PCE and the employee will agree on a specific return to work date, although the employee is free to shorten the time at his/her discretion.

While on leave, retirement contributions and matching will be suspended consistent with the unpaid period.

While on leave, an employee will not accrue vacation or sick hours, and will not be eligible for holiday pay.

During the leave, some benefits may be continued through COBRA. Under COBRA, the employee will be required to pay for the full cost of benefits (e.g., medical, dental and vision insurance) if coverage is continued during the leave period.

PCE will make reasonable efforts to return the employee to the former position, or, if not possible for business reasons, to a similar position when the employee returns from a leave of absence. PCE's need to fill a position may override its ability to hold a position open until an employee returns from leave. Notwithstanding the foregoing, in the event of a company-wide reduction-in-force, PCE shall not be required to return the employee to any position after the leave of absence is over.

In the event that the former position is not available upon return from a Personal Leave of Absence, PCE retains the discretion to determine the similarity of any available positions for any reassignment and the employee's qualifications. Failure to return from a personal leave of absence upon the expiration of the leave will be considered a voluntary resignation.

7.110 Bone Marrow and Organ Donation Leave

Employees are eligible to receive up to thirty (30) business days of paid leave to serve as an organ donor and up to five business days of paid leave to serve as a bone marrow donor in a one-year period. The one-year period is measured from the date the employee's leave begins and shall consist of twelve (12) consecutive months. Employees must be employed by PCE for at least 90 days immediately preceding the commencement of leave. Such leave must be requested in writing.

When available, the employee must utilize up to five business days of accrued but unused sick or vacation leave for initial bone marrow donation leave and up to two weeks of accrued but unused sick or vacation leave for initial organ donation leave.

Please provide the HR Manager with written physician verification of the purpose and length of each leave. For more information regarding this leave, please see the HR Manager.

7.111 Domestic Violence Leave

PCE will not discriminate or retaliate against employees based on their status as a victim of domestic violence, sexual assault, or stalking or for taking time off from work to obtain or attempt to obtain any relief, including but not limited to, a temporary restraining order, restraining order, or other injunctive relief to help ensure the health, safety, or welfare of a victim or his or her child. To the extent required by law, PCE will provide reasonable accommodation to victims of domestic violence, sexual assault, or stalking who request the accommodation for the safety of the victim while at work.

7.112 Victims of Felony Crimes Leave

PCE will grant reasonable and necessary leave from work without pay, to employees who are victims, or whose spouse, child, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father, stepfather, registered domestic partner, or child of a registered domestic partner is a victim of a violent or serious felony or felonious theft or embezzlement, for the purposes of attending legal proceedings related to the crime.

Affected employees may elect to use accrued paid vacation, personal leave and/or sick leave in lieu of unpaid leave. When feasible, affected employees must provide PCE with notice of the employee's need for leave, including a copy of the notice of the scheduled proceeding. If notice is not feasible, affected employees must provide documentation evidencing the legal proceeding requiring the employee's absence within a reasonable time after leave is taken. Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

7.113 Time Off for School-Related Activities

Parents, stepparents, guardians, or grandparents with school children from kindergarten through grade 12, or who attend licensed child daycare facilities, are provided unpaid time off (up to a maximum of four (4) hours in one (1) calendar month and 20 hours in one (1) calendar year) or vacation or personal leave to participate in school or day care activities. PCE may require proof of an employee’s participation in these activities. The employee must provide reasonable advance notice to their supervisor before taking any time off under this section.

If you are the parent or guardian of a child who is suspended and are required to appear at the child's school, you may take time off without pay if you provide reasonable notice to your supervisor of the need for time off.

Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

Receipt of Employee Handbook and Employment-At-Will Statement

This is to acknowledge that I have received a copy of the Peninsula Clean Energy Employee Handbook and I understand that it contains information about the employment policies and practices of PCE. I agree to read and comply with this Employee Handbook. I understand that the policies outlined in this Employee Handbook are management guidelines only, which in a developing business will require changes from time to time. I understand that PCE retains the right to make decisions involving employment as needed to conduct its work in a manner that is beneficial to the employees and PCE. I understand that this Employee Handbook supersedes and replaces any and all prior Employee Handbooks and any inconsistent verbal or written policy statements.

I understand that except for the policy of at-will employment, PCE reserves the right to revise, delete, and add to the provisions of this Employee Handbook at any time without further notice. All such revisions, deletions or additions to the Employee Handbook will be in writing and will be signed by the CEO of PCE. I understand that no oral statements or representations can change the provisions of this Employee Handbook.

I understand that this Employee Handbook is not intended to create contractual obligations with respect to any matters it covers and that the Employee Handbook does not create a contract guaranteeing that I will be employed for any specific time period.

PCE IS AN AT-WILL EMPLOYER. THIS MEANS THAT REGARDLESS OF ANY PROVISION IN THIS EMPLOYEE HANDBOOK, EITHER PCE OR I MAY TERMINATE THE EMPLOYMENT RELATIONSHIP AT ANY TIME, FOR ANY REASON, WITH OR WITHOUT CAUSE OR NOTICE. NOTHING IN THIS EMPLOYEE HANDBOOK OR IN ANY DOCUMENT OR STATEMENT, WRITTEN OR ORAL, SHALL LIMIT THE RIGHT TO TERMINATE EMPLOYMENT AT-WILL. NO OFFICER, EMPLOYEE OR REPRESENTATIVE OF PCE IS AUTHORIZED TO ENTER INTO AN AGREEMENT, EXPRESS OR IMPLIED, WITH ME OR ANY OTHER EMPLOYEE FOR EMPLOYMENT FOR A SPECIFIED PERIOD OF TIME UNLESS SUCH AGREEMENT IS IN A WRITTEN CONTRACT SIGNED BY THE CEO OF PCE.

I understand that this Employee Handbook refers to current benefit plans maintained by PCE and that I must refer to the actual plan documents and summary plan descriptions as these documents are controlling.

I have read and understand the Vacation Policy in this Employee Handbook.

Initials _____ Date _____

I also understand that if a written contract is inconsistent with the Employee Handbook, the written contract is controlling.

If I have questions regarding the content or interpretation of this Employee Handbook, I will ask my supervisor or a member of management.

NAME _____

DATE _____

EMPLOYEE
SIGNATURE _____

EMPLOYEE HANDBOOK

Effective Date (Version ~~5~~6): ~~July~~ September 1, 2023

Peninsula Clean Energy
2075 Woodside Road,
Redwood City, CA 94061

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A. PCE Request to Engage in Supplemental Employment Form

B. PCE Conflict of Interest Code

C. PCE Guidelines on Political Activity

D. PCE Employee Confidentiality Agreement

E. PCE Customer Confidentiality Policy

F. PCE Acceptable Use of Electronic Communications Policy

G. PCE Document Retention and Destruction Policy

H. Social Media Policy (Forthcoming)

I. PCE IT Security Policy

J. ~~Work-from-Home~~Remote Work Policy and Guidelines

K. Diversity, Equity, Accessiblity and Inclusion (DEAI) Policy

SECTION 1: INTRODUCTION TO PENINSULA CLEAN ENERGY

1.101 Welcome to Peninsula Clean Energy!

Dear Staff,

On behalf of everyone at Peninsula Clean Energy (PCE), welcome to the team! You are joining PCE at a very exciting time, for PCE, the industry, and our state. Community Choice Aggregators are challenging communities, states, and countries to make clean, renewable, greenhouse gas-free energy the standard. We are proud to be part of this wave of progress, leading California and our country in its transition to a clean energy future.~~.~~

Starting a new job is exciting, but at times can be overwhelming. This Employee Handbook has been developed to help you become acquainted with PCE and answer many of your initial questions.

~~As an employee of Peninsula Clean Energy, you are very important. Your contribution cannot be overstated.~~ We are a mission driven organization, and your role is an important part of achieving our mission – to reduce greenhouse gas emissions in California. We do that by providing cleaner and greener electricity at lower rates than PG&E. We also offer energy related programs in the transportation, building and distributed generation sectors. ~~that use PCE's clean electricity to reduce greenhouse gas emissions by moving to electric transportation methods. And finally, we will offer electrification programs to reduce GHG emissions in buildings by converting from natural gas use to PCE's clean electricity.~~ We hope the success ~~we have~~we've had in our ~~parts of California~~service territories serve as a ~~provides a~~ model for other parts of the state, country, and world! ~~to also move toward a clean electric economy!~~

~~You are an important part of this process, and your work directly influences PCE's reputation.~~

PCE firmly upholds diversity, equity, accessibility, and inclusion (DEAI) as core values, and we are committed to making these values a part of ~~a priority as demonstrated by~~ our daily actions at work. As an employee of Peninsula Clean Energy, you play a critical and active role in helping us achieve this and other important initiatives.

We are glad you have joined us, and we hope you will find your work to be both challenging and rewarding.

Sincerely,

Shawn Marshall
Chief Executive Officer ~~EO~~

Employee Handbook Version ~~5~~6

1.101 About this Handbook

This Employee Handbook contains important information about the employment policies and practices of PCE. We ~~expect~~ require each employee to read, understand, and comply with all provisions of this Employee Handbook. It describes many of your responsibilities as an employee and outlines the programs developed by PCE to benefit you as an employee. One of our objectives is to provide a work environment that ~~is conducive to~~prioritizes both personal and professional growth.

PCE is a Joint Powers Authority (JPA), an independent California public agency that was created separate from any other public agency. The employment laws that apply in the public sector are sometimes different from those in the private sector. If you have previously worked for a for-profit or not-for-profit organization, you may notice some differences.

PCE complies with federal and state law which is in part reflected in this handbook. PCE also complies with any applicable local laws, even though there may not be an express written policy contained in the handbook.

Violations of the policies and procedures outlined in the handbook, as well as violations of any applicable state and/or federal law, may be grounds for discipline up to and including immediate termination.

1.102 New Employee Onboarding

Upon joining PCE, you should have received an e-copy of our Employee Handbook. After reading this Employee Handbook, please sign the receipt page and return it to the ~~Chief Financial Officer (CFO~~ Human Resources (HR) Manager~~)~~. You will be asked to complete personnel, payroll and, if applicable, benefit forms which will need to be provided to the ~~CFO~~HR Manager.

PCE is a small Agency that thrives on open communication. The operations of your department are the responsibility of your supervisor. (S)he is a good source of information about PCE and your job. However, feel free to speak to the Chief Executive Officer (CEO) or Chief Operating Officer (COO) if you have questions about PCE or your position.

During the onboarding process, you will have the opportunity to voluntarily self-identify your race, gender, disability status, or veteran status. This information enables us to better understand the diversity of our workforce and support our workforce with

appropriate resources. In addition, we encourage all employees with any known physical or mental disability as well as religious beliefs and observances to request reasonable accommodations. See section 2.108 in this document for additional information.

SECTION 2: EMPLOYMENT

2.101 Nature of Employment

Except for the policy of at-will employment, PCE reserves the right to revise, delete, and add to the provisions of this Employee Handbook at any time without notice. All such revisions, deletions or additions to the Employee Handbook must be in writing and must be signed by the CEO of PCE. No oral statements or representations can change the provisions of this Employee Handbook.

The provisions of this Employee Handbook are not intended to create contractual obligations with respect to any matters it covers nor is this Employee Handbook intended to create a contract guaranteeing that you will be employed for any specific period of time. Any agreement of employment for a specified time period shall be put into writing and signed by the CEO.

Nothing in this Employee Handbook is intended to unlawfully restrict an employee's right to engage in any of the rights guaranteed them by Section 7 of the National Labor Relations Act, including but not limited to, the right to engage in concerted protected activity for the purposes of their mutual aid and/or protection. Nothing in this Employee Handbook will be interpreted, applied or enforced to interfere with, restrain or coerce employees in the exercise of Section 7 rights.

PCE is an at-will employer. This means that regardless of any provision in this Employee Handbook, either PCE or you may terminate the employment relationship at any time, for any reason, with or without cause or notice. Nothing in this employee handbook or in any document or statement, written or oral, shall limit the right to terminate employment at-will. No officer, employee, or representative of PCE is authorized to enter into an agreement, express or implied, with any employee for employment for a specified period of time unless such an agreement is in a written contract signed by the CEO of PCE.

This Employee Handbook refers to current benefit plans maintained by PCE as of the date of release of this version of the Employee Handbook. Refer to the actual plan documents and summary plan descriptions if you have specific questions regarding the benefit plan. Those documents are controlling.

Likewise, if a written employment contract is inconsistent with the Employee Handbook, the written contract is controlling.

2.102 Job Postings

PCE values professional experience, relevant qualifications and ~~prioritizes~~ diversity in recruiting and promotions, and encourages qualified candidates from all backgrounds to

apply to PCE. Posted job openings will be added to PCE's website and will normally remain open for a minimum of two weeks but may stay open until filled. Each job posting notice will include the dates of the posting period (if applicable), job title, job summary, salary range, qualifications, and essential duties and responsibilities.

PCE provides employees an opportunity to indicate their interest in open positions and advance within PCE according to their knowledge, skills and abilities, experience, training, and education. In general, notices of all regular, full-time job openings are posted on the PCE website. However, PCE has the discretionary right not to post a particular opening externally; . fFor internal promotional or lateral opportunities, PCE will post the position internally.

To be eligible to apply for a posted job, employees must have performed competently in their current position. PCE reserves the right not to accept applications for open positions from an employee who has performance issues or has a record of disciplinary actions or behavioral issues.

Posting a job opening is a way to inform employees of career opportunities and to identify qualified and interested applicants whose interest might not otherwise be known to PCE. Other recruiting sources may also be used to fill open positions to expand the flow of diverse applicants.

PCE strives to maintain a current job description for each position in PCE. The job description outlines the essential duties and responsibilities of the position in accordance with the American with Disabilities Act. When the duties and/or responsibilities of a position change, the responsible director or manager should work with Human Resources to ensure the job description should isbe revised to reflect those changes. If you have any questions or wish to obtain a copy of your position's job description, please see your supervisor.

PCE provides employees an opportunity to indicate their interest in open positions and advance within PCE according to their skills and experience. In general, notices of all regular, full-time job openings are posted, although PCE reserves its sole discretionary right not to post a particular opening.

Posted job openings will be added to PCE's website and normally remain open for at least two to three weeks but will stay open until filled. Each job posting notice will include the dates of the posting period (if applicable), job title, job summary, essential duties, and qualifications.

To be eligible to apply for a posted job, employees must have performed competently in their current position. PCE reserves the right not to accept applications for open positions from an employee who is currently under any type of disciplinary action.

~~Job posting is a way to inform employees of openings and to identify qualified and interested applicants whose interest might not otherwise be known to PCE. Other recruiting sources may also be used to fill open positions in the best interest of PCE.~~

2.103 Equal Opportunity Employer

PCE is committed to equal employment opportunity. We will not permit discrimination or harassment against employees or applicants for employment on the basis of race, religion, color, sex (including gender, gender identity, gender expression, transgender, pregnancy, and breastfeeding), national origin, ancestry, disability, medical condition, genetic characteristics or information, marital status, age, sexual orientation (including homosexuality, bisexuality, or heterosexuality, or any other protected class under federal, state, or local law), physical or mental disability (the term disabled or disability shall be construed to apply to those individuals covered by Title 2 California Administrative Code, Sec. 7293.6(c) et seq. and 42 U.S. Code Sec. 12102 and the regulations promulgated pursuant to that section), military or veteran status, or any other basis protected by law,

PCE will afford equal employment opportunity to all qualified employees and applicants as to all terms and conditions of employment, including compensation, hiring, training, promotion, transfer, discipline, and termination.

It is the obligation of every employee to comply with this policy in substance, practice, and in spirit.

You may discuss equal employment opportunity related questions with your supervisor or any other designated member of management.

2.104 Diversity, Equity, Accessibility and Inclusion

PCE recognizes that we have an obligation to maximize our efforts to minimize inequities and ensure that our programs, policies, and practices are accessible and, inclusive for everyone in the geographic markets we serve and for our employees.

PCE is committed to making diversity, equity, accessibility, and inclusion (DEAI) an essential part of our work life which is ~~organizational priority. These priorities are~~ reflected in PCE's Strategic Plan, DEAI Policy 22, and the DEAI Action Plan, which is the roadmap to achieving our DEAI goals.

DEAI Council

The DEAI Council, comprised of the HR Manager and a representative group of PCE staff, serves as a working group to address diversity, equity, accessibility, and inclusion for the agency. The members of the DEAI Council provide ongoing monitoring and support for the DEAI policy at PCE. Participation in the DEAI Council rotates to allow for a broad cross section of employee participation over time.

Learning & Development

DEAI training and learning opportunities will be provided to all employees at PCE. If you have any questions about DEAI or your role in carrying out the organization's DEAI objectives, you may contact the HR Manager or your manager.

2.105~~4~~ Nepotism Prohibited

It is the policy of PCE to recruit, hire, and assign all employees based on merit and performance. Nepotism, the employment of relatives within an organization, is expressly prohibited as it may cause serious conflicts and problems with favoritism and employee morale.

For purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with an employee is like that of persons who are related by blood or marriage, such as those who are living together.

This policy applies to all employees~~ regardless of gender or sexual orientation~~.

2.106~~5~~ Immigration Reform and Control Act

In compliance with the federal Immigration Reform and Control Act of 1986 (IRCA), as amended, and any state law requirements, if applicable, PCE is committed to employing ~~only~~ individuals who are authorized to work in the United States.

Each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. Former employees who are rehired may also be required to re-complete the form.

If an employee is authorized to work in ~~this country~~the United States for a limited period of time, the individual will be required to submit proof of renewed employment eligibility prior to expiration of that period to remain employed by PCE.

2.107~~6~~ Supplemental Employment

Employees may hold supplemental jobs if they are able to continue to meet the performance standards of their job with PCE and those jobs do not create a conflict of interest. All employees will be judged by the same performance standards and will be subject to PCE's scheduling demands, regardless of any existing supplemental work requirements.

If PCE determines that an employee's supplemental work interferes with performance or the ability to meet the requirements of PCE as they are modified from time to time, the employee may be asked to terminate the supplemental employment if he or she wishes to remain employed by PCE.

An employee who wishes to engage in supplemental employment must complete the Attachment A. Request to Engage in Supplemental Employment Form. The form must be signed by the employee's supervisor and approved by the CEO before commencement of the supplemental employment.

Supplemental employment that constitutes a conflict of interest is strictly prohibited. If you have a concern regarding a potential or actual conflict, please discuss it with the CEO.

2.108~~7~~ Americans with Disabilities Act

PCE is committed to complying fully with the Americans with Disabilities Act ("ADA") and the California Fair Employment and Housing Act ("FEHA") and ensuring equal employment opportunities to qualified individuals with disabilities. This may include providing reasonable accommodation where appropriate for an otherwise qualified individual to perform the essential functions of the job. All employment practices and activities are conducted on a non-discriminatory basis. Hiring procedures are designed to provide persons with disabilities meaningful employment opportunities. Post-offer pre-employment inquiries are made only regarding an applicant's ability to perform the duties of the position.

It is your responsibility to notify your supervisor or HR Manager of the need for a reasonable accommodation. This can occur at the time of hire, during onboarding, or anytime thereafter as the need occurs. Upon doing so, your supervisor or HR Manager may ask you for your input or the type of accommodation you believe may be necessary to perform the essential functions of the job~~or the functional limitations caused by your disability~~. Also, when appropriate, we may need your permission to obtain additional information from your physician or other medical or rehabilitation professionals consistent with ADA. PCE will not seek genetic information in connection with requests for accommodation. All medical information received by PCE in connection with a

request for accommodation will be treated as confidential and will be maintained in a medical file separate from your personnel file.

Reasonable accommodations for qualified individuals with known disabilities will be made unless doing so would be an undue hardship to PCE. All employment decisions are based on the merits of the situation in accordance with defined criteria, not the disability of the individual.

2.109~~8~~ Access to Personnel Files

PCE maintains a personnel file on each employee. Such files include, but not limited to, employee's job application, resume, records of training, documentation of performance appraisals and salary increases, benefits information, and other employment records.

Personnel files are the property of PCE and access to the information they contain is restricted. Generally, only appropriate management-level personnel of PCE and your supervisor who have a legitimate reason to review information in a file are permitted to do so.

Upon request, current and former employees may inspect their own personnel files at a mutually agreeable time, on PCE premises in the presence of an authorized PCE management team member. A representative of the employee, with written consent from the employee, may also review an employee's personnel file. You will be permitted to see any records regarding your qualification for employment, promotion, wage increases, earnings and deductions, or discipline. You will also be permitted to respond to anything in writing that is in the personnel file and may request that the response be included in the file. The personnel files are the property of PCE, employees may not remove or add items to their file without approval and the file must remain in the custody of PCE at all times.

Additionally, PCE will provide copies of payroll records within fifteen (15) days after a written request has been received. Exceptions include records regarding criminal investigation and any letters of reference maintained by PCE. You will be allowed to have a copy of any document that relates to your performance or any grievance that concerns you. PCE complies with state law record retention requirements for current and former employees.

For more information, contact the ~~CFO~~HR Manager.

2.110~~09~~ Employment Reference and Background Checks

To ensure that individuals who join PCE are ~~well~~ qualified and have ~~a strong~~ potential to be productive and successful, it is the policy of PCE to check the employment references of all applicants. PCE will also conduct background checks on all potential new employees to verify prior education and employment claims and research other criminal and governmental databases for prior criminal and/or other adverse activity.

Regarding current or former PCE employees, PCE will respond in writing or verbally only to those reference check inquiries that are submitted in writing. Responses to such inquiries will confirm only dates of employment and position(s) held. NO other employment data will be released without a written authorization and release signed by the individual who is the subject of the inquiry. Currently, only the CEO is authorized to respond to reference check inquiries. The CEO has the authority to delegate this responsibility as appropriate.

2.111~~0~~ Changes in Personal Data

To aid you and/or your family in matters of personal emergency, we strive to maintain up to date information. It is the responsibility of each employee to promptly notify PCE of any changes in personal data. Personal mailing addresses, telephone numbers, number, ~~and~~ names of dependents who are enrolled in benefit plan(s) or are beneficiaries of benefit plan(s), individuals to be contacted in the event of an emergency, educational accomplishments or credentials, and other such status (including marital status for benefits and taxes purposes) reports should be accurate and current. If any personal data has changed, please notify your supervisor and the ~~CFO~~ HR Manager in writing.

Changes that would impact your paycheck or annual reporting documents should be given to the ~~CFO~~ HR Manager promptly.

2.112~~1~~ Separation from Employment

The last day worked is the last day of employment for employees who resign or are terminated from PCE employment. All employees will be paid for all accrued and unused vacation and other applicable benefit accruals as specified.

An employee who voluntarily resigns from PCE service will receive his/her final paycheck on the next regularly scheduled payday after the last day of employment.

An employee whose job has been terminated involuntarily will receive the final paycheck on the last day of employment or as soon thereafter as is reasonably practicable.

Should you decide to leave your employment with us, we ask that you provide your immediate supervisor with at least two weeks' advance written notice. Your thoughtfulness is appreciated and will be noted favorably should you ever wish to reapply for employment with PCE.

All voluntary terminating employees should complete a brief exit interview prior to leaving. All terminating employees, either voluntary or involuntary, will be provided with information about employee benefits, conversion privileges, repayment of outstanding debts to PCE, and return of PCE-owned property. All employees are required to return all equipment including, but not limited to, keys, ID cards, and other PCE property prior to leaving PCE on the last day of work.

Continuation of Group Health Benefits- C.O.B.R.A.
In accordance with Federal law, specifically the Consolidated Omnibus Budget Reconciliation Act, employees and their families, at their expense, may have a temporary extension of health coverage at group rates in certain instances where coverage under the plan would otherwise terminate. Contact the ~~CFO~~ HR manager for more information regarding this benefit,

2.113~~2~~ Social Security Number Privacy

Officers and employees are permitted to access and use certain personal information, such as Social Security Numbers, only as necessary and appropriate for such persons to carry out their assigned tasks for PCE and in accordance with PCE's policy.

The unauthorized access, viewing, use, disclosure, or the intentionally public display of such information and the unauthorized removal of documents from PCE's premises that contain social security number information is prohibited.

If you come into contact with Social Security Numbers or other sensitive personal information without authorization from PCE or under circumstances outside of your job duties/assigned tasks, you may not use or disclose the information further, but must contact your supervisor and turn over to him/her all copies of the information in whatever form.

When necessary, documents containing social security information will be properly destroyed through shredding or other means prior to disposal to ensure confidential social security information is not disclosed.

SECTION 3: EMPLOYEE CONDUCT

3.101 Conflict of Interest/Code of Ethics

A company's reputation for integrity is its most valuable asset and is directly related to the conduct of its officers and other employees. Therefore, employees must never use their positions with PCE, or any of its customers, for private financial gain, to advance personal financial interests, to obtain favors or benefits for themselves, members of their families or any other individuals, corporations or business entities, or engage in activities, investments or associations that compete with PCE, interferes with an employee's business judgment concerning PCE's best interests, or exploits an employee's position with PCE for personal gain.

PCE strives to adhere to the highest legal and ethical standards applicable in our business. All employees of PCE have an obligation to conduct business within the guidelines that prevent actual or potential conflicts of interest and to comply with Attachment B. PCE Conflict of Interest Code.

Employees of PCE will conduct their personal affairs such that their duties and responsibilities to PCE are not jeopardized and/or legal questions do not arise with respect to their association or work with PCE.

POLITICAL ACTIVITY – PCE employees are public employees because PCE is a JPA under California Government Code Section 6500 et seq. The governing body, the Board of Directors, is comprised of publicly elected representatives of its member jurisdictions. While California law prohibits public employers from barring its officers and employees from participation in political activities, the law permits PCE to develop guidelines prohibiting officers and employees from engaging in political activity during work hours, on agency premises, or using agency property to do so, including email. For more information, please see Attachment C. Guidelines on Employee Political Activity.

This policy does not prevent employees from discussing their wages or other terms of employment.

3.101 Standards of Conduct

Each employee has an obligation to observe and follow PCE's policies and to maintain proper standards of conduct at all times. Employees are expected to be professional, respectful, and courteous in interactions and communications with everyone. Failure to adhere to PCE's policies will result in corrective disciplinary measures.

Disciplinary action may include a verbal warning, written warning, suspension with or without pay, and/or termination of employment. The appropriate disciplinary action

imposed will be determined by PCE. PCE does not guarantee that one form of action will necessarily precede another.

Among other things, the following may result in disciplinary action, up to and including termination of employment:

- Violation of PCE's policies or safety rules;
- Failing to work in a cooperative manner with management, co-workers, customers and others who do business with PCE;
- Unauthorized or illegal possession, use, or sale of alcohol or controlled substances on work premises or during working hours, while engaged in company activities; [Section 3.107]
- Unauthorized possession, use, or sale of weapons, firearms, or explosives on work premises;
- Theft or dishonesty;
- Inappropriate or violent physical contact;
- Harassment; [Section 3.103]
- Discrimination or retaliation in violation of PCE's EEO and No Harassment policies; [Section 3.103]
- Performing outside work without written authorization or use of company property, equipment, or facilities in connection with outside work while on company time;
- Engaging in unethical or illegal conduct;
- Unauthorized disclosure of business “secrets” or confidential proprietary information; [Section 3.104]
- Poor attendance or poor performance.

These examples are not exhaustive. We emphasize that termination of employment decisions will be based on an assessment of all relevant factors.

Nothing in this policy is designed to limit an employee's rights under Section 7 of the National Labor Relations Act.

Nothing in this policy is designed to modify PCE’s employment-at-will policy.

3.103 No Harassment

We are committed to providing a work environment that is free of unlawful harassment, discrimination and retaliation. In furtherance of this commitment, PCE strictly prohibits all forms of unlawful discrimination and harassment, including: discrimination or harassment on the basis of race, religious creed, color, national origin, ancestry,

physical disability, mental disability, protected medical condition (including genetic characteristic), genetic information, marital status, sex (including pregnancy, childbirth or related medical condition, or breast feeding), sexual orientation (including homosexuality, bisexuality, or heterosexuality, or any other protected class under federal, state, or local law), gender, gender identity or expression (including transgender), age for individuals over forty years of age, military or veteran status, sexual orientation, citizenship status, or any other category protected by applicable state or federal law.

PCE's policy against unlawful harassment, discrimination and retaliation applies to all employees, including supervisors and managers, as well as to all unpaid interns and volunteers. PCE prohibits managers, supervisors and employees from harassing co-workers as well as PCE's customers, vendors, suppliers, independent contractors, and others doing business with PCE. Any such harassment will subject an employee to disciplinary action up to and including immediate termination. PCE likewise prohibits its customers, vendors, suppliers, independent contractors and others doing business with PCE from harassing, discriminating, or retaliating against our managers, supervisors and employees. PCE has a zero-tolerance policy against unlawful harassment, discrimination, and retaliation.

Examples of Prohibited Sexual Harassment: Sexual harassment includes a broad spectrum of conduct including harassment based on sex, gender, gender identity or expression, and sexual orientation. By way of illustration only, and not limitation, some examples of unlawful and unacceptable behavior include:

- Unwanted sexual advances;
- Offering an employment benefit (such as a raise, promotion or career advancement) in exchange for sexual favors, or threatening an employment detriment (such as termination or demotion) for an employee's failure to engage in sexual activity;
- Visual conduct, such as leering, making sexual gestures, and displaying or posting sexually suggestive and/or derogatory objects or pictures, drawings, cartoons or posters;
- Verbal sexual advances, propositions, requests or comments;
- Sending or posting sexually-related messages, videos or messages via text, instant messaging, or social media;
- Verbal abuse of a sexual nature, graphic verbal comments about an individual’s body, sexually degrading words used to describe an individual, and suggestive or obscene letter, notes or invitations;
- Physical conduct, such as touching, groping, assault, or blocking movement;
- Physical or verbal abuse concerning an individual’s gender, gender identity or gender expression; and

- Verbal abuse concerning a person's characteristics such as pitch of voice, facial hair or the size or shape of a person's body, including remarks that a male is too feminine, or a woman is too masculine.

Other Examples of What Constitutes Prohibited Harassment: In addition to the above listed conduct, PCE strictly prohibits harassment concerning any other protected characteristic. By way of illustration only, and not limitation, such prohibited harassment includes:

- Racial or ethnic slurs, epithets, derogatory comments and any other offensive remarks;
- Jokes, whether written, verbal, or electronic;
- Threats, intimidation, and other menacing behavior;
- Assault, impeding or blocking movement, or any physical interference with normal work or movement;
- Inappropriate verbal, graphic, or physical conduct;
- Sending or posting harassing messages, videos or messages via text, instant messaging, or social media; and
- Other harassing conduct based on one or more of the protected categories identified in this policy.

If you have any questions about what constitutes harassing behavior, ask your supervisor HR Manager, or another member of management.

Prohibition Against Retaliation: PCE is committed to prohibiting retaliation against those who themselves or whose family members report, oppose, or participate in an investigation of alleged unlawful harassment, discrimination, or other wrongdoing in the workplace. By way of example only, participating in such an investigation includes, but is not limited to:

- Making or filing an internal complaint with PCE regarding alleged unlawful activity;
- Providing notice to PCE regarding alleged unlawful activity;
- Filing a complaint with a federal or state enforcement or administrative agency;
- Participating in or cooperating with a federal or state enforcement agency conducting an investigation of PCE regarding alleged unlawful activity;
- Testifying as a party, witness, or accused regarding alleged unlawful activity; and
- Assisting another employee who is engaged in any of these activities.

PCE is further committed to prohibiting retaliation against qualified employees who request a reasonable accommodation for any known physical or mental disability and employees who request a reasonable accommodation of their religious beliefs and observances.

Reporting Process – Making a Complaint
Any employee, job applicant, unpaid intern, volunteer, or contractor who believes they been harassed, discriminated against or retaliated against in violation of this policy by another employee, supervisor, manager or third-party doing business with PCE, you should immediately report it orally or in writing to the CEO and HR Manager. In addition, if you observe harassment by another employee, supervisor, manager or non-employee, please report the incident immediately to the CEO and HR Manager. If the CEO or HR Manager is alleged to be involved in the harassment, the Chair of the PCE Board must be notified.

Supervisors who receive any complaint of harassment, discrimination or retaliation must promptly report such complaint immediately to the CEO and HR Manager so that PCE may resolve the complaint internally. As noted above, if the complaint is against the CEO or HR Manager, the Chair of the PCE board should be notified.

Notification of the problem is essential to us. We cannot help to resolve a harassment problem unless we know about it. Therefore, it is your responsibility to bring your concerns and/or problems to our attention, so we can take whatever steps are necessary to address the situation. PCE takes all complaints of unlawful harassment seriously and will not penalize you or retaliate against you in any way for reporting a harassment problem in good faith.

All complaints of unlawful discrimination, harassment, or retaliation which are reported to the CEO and HR Manager or the Chair of the PCE Board, as applicable, will receive a timely response and will be thoroughly investigated in a fair, thorough and prompt manner by impartial and qualified personnel. Investigations will be conducted in a manner which provides all parties with appropriate due process, reaches a reasonable conclusion based on evidence collected and ensures timely closure. In addition, PCE will ensure that the investigation is properly documented and tracked for reasonable progress. Upon conclusion of such investigation, appropriate remedial and corrective action will be taken where warranted, including disciplinary action, up to and including immediate termination. PCE prohibits employees, supervisors, and managers from hindering internal investigations and the internal complaint procedure. All complaints of unlawful misconduct reported to the CEO and HR Manager (or the Chair of the PCE Board) will be treated as confidentially as possible, consistent with PCE's need to conduct an adequate and thorough investigation.

Violation of this policy will subject an employee to disciplinary action, up to and including immediate termination. Moreover, any employee, supervisor or manager who condones or ignores potential violations of this policy will be subject to appropriate disciplinary action, up to and including termination. Additionally, under California law, employees

may be held personally liable for harassing conduct that violates the California Fair Employment and Housing Act.

This policy is not intended to prohibit employees, job applicants, unpaid interns, volunteers, or contractors from filing complaints with the California Department of Fair Employment and Housing or the federal Equal Employment Opportunity Commission or to prevent them from pursuing other available judicial remedies. These agencies may be contacted as follows:

> **California Department of Fair Employment and Housing (DFEH)**
> (800) 884-1684 or www.dfeh.ca.gov
> **Federal Equal Employment Opportunity Commission (EEOC)**
> (800) 669-4000 or www.eeoc.gov

PCE requires that every employee complete the mandated prevention of harassment training.~~a one (1) hour workplace harassment prevention training course every twelve (12) months~~. Supervisors must complete two hours of prevention of harassment training every two years or within six months of assumption of a supervisory position. Non-supervisory staff must participate in a one hour course every two years~~a one (1) hour workplace harassment prevention training course every twelve (12) months~~. The HR manager~~CFO~~ will monitor and maintain records of all required trainings. PCE will provide the training through an on-line course.

3.104 Protecting PCE Information

Protecting PCE's information is the responsibility of every employee. You are not to discuss PCE's confidential business or proprietary business matters, or share confidential, personal employee information (such as social security numbers, personal banking or medical information) with anyone who does not work for us such as friends, family members, members of the media, or other business entities.

Upon commencement of employment, each PCE employee must sign the Attachment D. PCE Employee Confidentiality Agreement. The protection of confidential business information and trade secrets is vital to the interest and success of PCE. Such confidential information includes, but is not limited to, the following examples:

- Computer programs and codes
- Customer lists and information
- Customer preferences
- Financial information
- Power supply information
- Marketing strategies

- Pending projects and proposals
- Research and development strategies

Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, up to and including termination of employment, even if they do not actually benefit from the use or disclosure.

As a public agency, PCE is subject to the California Public Records Act and the open meeting requirements of the Brown Act. Disclosures of information in compliance with these or any other open government requirement is not a violation of this policy. However, employees with access to PCE information are required to follow applicable policies, procedures, and supervisory direction when disclosing information to the public so that PCE may assure that the information released in complete, accurate and properly presented. For more information, please see Attachment E. Customer Confidentiality Policy.

Confidential information does not include information pertaining to the terms and conditions of an employee's employment, including wages. Nothing in this policy is designed to limit an employee's rights under Section 7 of the National Labor Relations Act.

3.105 Use of Personal Devices, including PCE Issued Devices

Upon employment with PCE you will be issued a PCE encrypted laptop. Due to the confidential nature of information at PCE, it is PCE's policy that you are not to utilize any other laptop or similar device (including but not limited to tablets, laptops, or computers) to conduct PCE business. Employees must physically secure their PCE issued devices against theft, loss or unauthorized use, including the use of password protection. This is especially critical if your job duties require you to use your PCE device outside the office. All PCE issued devices will be provided with a temporary password which you will be able to change upon your first log in. If any PCE device is lost or stolen, you must immediately contact your immediate supervisor who will notify the appropriate level of management so that your laptop is completely deactivated.

PCE's IT security policy provides that all PCE work product be stored on the cloud storage system, BOX. Work product, even temporary in process files, must all be file saved to BOX. Since BOX is a cloud storage system and your PCE issued laptops are encrypted, you would be able to access files while not in the office in a protected fashion.

Modern communication includes the frequent use of cell/smart phones. PCE does not provide PCE issued cell/smart phones. You will be required to use your personal

cell/smart phone for PCE business. A taxable phone allowance will be provided to all employees to compensate them for the use of their personal device for PCE business.

Non-exempt employees may not use their personal devices for work purposes outside of their normal work schedule without authorization in advance from their immediate supervisor. This includes but is not limited to reviewing, sending, and responding to e-mails or text messages, and responding to or making calls. Time spent by non-exempt employees using their own devices to perform work outside of regular working hours must be included on their time sheet.

Employees are expected to exercise the same discretion in using their personal devices while working as is required for using PCE owned devices. This includes, but is not limited to, compliance with PCE policies pertaining to harassment, discrimination, retaliation, trade secrets, proprietary business and confidential information, electronic communications, and ethics. Employees must also comply with all applicable state, federal and local laws governing the use of such electronic devices. Failure to follow policies, procedures and/or applicable laws may result in disciplinary action up to and including termination of employment. Please see Attachment F. Acceptable Use of Electronic Communications Policy and Attachment I. Technology Security Policy for further information.

3.106 Smoking in the Workplace

PCE is committed to providing a safe and healthy environment for employees and visitors. Smoking, including the use of e-cigarettes, is not permitted. In addition, local ordinances and provisions of our office lease regarding smoking must be adhered to. Violations of this policy may result in disciplinary action, up to and including termination of employment.

3.107 Drug and Alcohol Use

It is PCE's desire to provide a drug-free, alcohol-free, healthful, and safe workplace. To comply with the federal Drug-Free Workplace Act of 1988, PCE requires that employees not report to work if their ability to perform their job duties is impaired due to alcohol or drug use. Further, PCE employees may not use alcohol or illegal drugs and/or prescription drugs without a prescription during work hours, breaks, or at any time while on paid status and/or on work premises. Exceptions to the use of alcohol on work premises for special events may be made at the sole discretion of the CEO of PCE.

No employee may directly or through others sell or provide illegal or illegally obtained drugs while in a paid status.

Employees who are convicted of a criminal drug violation occurring in the workplace must notify their supervisors as soon as possible.

PCE will attempt to reasonably accommodate an employee with chemical dependencies (alcohol or drugs) if the employee voluntarily wishes to seek treatment and/or rehabilitation before being found in violation of this policy. Employees desiring that assistance should request an unpaid treatment or rehabilitation leave of absence.

PCE is committed to providing assistance to its employees to overcome substance abuse problems. PCE will reasonably accommodate any employee who wishes to voluntarily enter and participate in an alcohol or drug rehabilitation program. This accommodation may include an adjusted work schedule or time off without pay, provided the accommodation does not impose an undue hardship on PCE. Employees may use any accrued sick or vacation benefits while on leave under this policy. However, additional benefits will not be earned during the unpaid portion of the leave of absence. A leave of absence under this section will be subject to the same provisions and rules as apply to medical leaves of absence. PCE will safeguard the privacy of an employee's participation in a rehabilitation program.

Employees should notify the CEO and the HR Manager if they need to request an accommodation under this policy.

PCE support for treatment and rehabilitation does not obligate PCE to employ any person who violates the PCE drug and alcohol abuse policy or whose job performance is impaired because of substance abuse. PCE is also not obligated to continue to employ any person who has participated in treatment or rehabilitation if that person's job performance remains impaired as a result of alcohol or drug dependency.

Your employment or continued employment with PCE is conditioned upon your full compliance with the foregoing policy. Any violation of this policy may result in disciplinary action, up to and including termination of employment. Further, any employee who violates this policy who is subject to termination of employment, may be permitted in lieu of termination of employment, at PCE's sole discretion, to participate in and successfully complete an appropriate treatment, counseling or rehabilitation program as recommended by a substance abuse professional as a condition of continued employment and in accordance with applicable federal, state, and local laws.

Various federal, state, and local laws protect the rights of individual with disabilities and others with regard to the confidentiality of medial information, medical treatment, and the use of prescription drugs and substances taken under medical supervision. Nothing contained in this policy is intended to violate such regulations or interfere with individual rights thereunder.

3.108 Drug Testing

PCE is committed to providing a safe, efficient, and productive work environment for all employees. In support of this commitment, PCE seeks to provide a workplace that is free from the harmful effects of drug and alcohol abuse. To further its interest in service to the community, avoiding accidents, promoting and maintaining a safe and productive workplace and protecting PCE property, equipment, and operation, PCE may conduct drug and alcohol testing, as provided in this policy. This policy is intended to apply to all employees, regardless of appointment type or time basis, including, without limitation, full-time, part-time, regular, temporary and management employees.

Using or being under the influence of drugs or alcohol on the job may pose serious safety and health risks. It is also a violation of PCE policy. Please see the policy on Drug and Alcohol Use in Section 3.107 above. To help ensure a safe and healthful working environment, job applicants and employees may be subject to drug and alcohol testing and may be asked to provide body substance samples (such as urine) to determine the use of drugs or alcohol in violation of PCE policies under the following circumstances:

- **Reasonable suspicion testing**: Employees will be subject to testing where there is reasonable suspicion that the employee has violated PCE's drug and alcohol use policies. Reasonable suspicion is the good faith belief based on specific articulable perception and reasonable inferences drawn from such perceptions that an employee may have violated this policy and that testing may reveal facts and evidence related to that perceived violation. Perceptions or reasonable inferences supporting reasonable suspicion may include, but are not limited to, an employee's manner, disposition, muscular movement, appearance, unusual behavior, speech or breath odor; information provided by an employee, law enforcement official or other person believed to be reliable; or other surrounding circumstances. For purposes of ordering testing, reasonable suspicion will only exist where the CEO, the HR Manager, and another member of PCE's executive leadership team has reviewed circumstances in a particular case and concurs in the finding of reasonable suspicion.
- **Follow up testing:** An employee who has been found to be in violation of PCE's drug and alcohol use policies may be required to submit to periodic, unannounced testing for one year, starting on a date established by the CEO.

For testing, the employee will be referred to an independent Substance Abuse and Mental Health Services Administration (SAMHSA) certified medical clinic or laboratory, which will administer the test. PCE will pay the cost of the test and reasonable transportation cost to the testing facility. The applicant or employee will have an

opportunity to alert the clinic or laboratory personnel to any prescription or non-prescription drugs that she or he has taken that may affect the outcome of the test. Positive results from initial screening will be confirmed by a second testing method and will not be reported as positive without confirmation. In the event of a reported positive test, the applicant or employee may have the same sample retested at a laboratory of the employee's choice at the employee's expense.

Testing or drug testing under this policy may include amphetamines and methamphetamines, cocaine, marijuana/cannabinoids (THC), opiates (narcotics), phencyclidine (PCP), barbiturates, benzodiazepines, methaqualone, and alcohol. Cut-off levels for determining a positive test will be those established in the SAMHSA Mandatory Guidelines for Federal Drug Testing Programs. The cut-off level for a positive alcohol test (both initial and confirmation) will be 0.02 percent (0.02 gm/210 liters of breath or 0.02 gm/deciliter of blood or 0.02 mg/ml of urine). Testing will normally be performed by urinalysis or, for alcohol testing, may also include breath testing. The substances for which drug and alcohol tests are performed and cut-off levels may be modified from time-to-time with prior written notice from the CEO or amendment of this policy.

If an employee who is subject to testing refuses to cooperate with the administration of the test, the refusal will be considered a positive test result. A refusal to cooperate includes, but is not limited to, refusing to appear for a test; unreasonably failing to submit a sample for testing; tampering with, substituting, adulterating, masking or water-loading a sample; or obstructing or not fully cooperating with testing procedures.

All records of the circumstances and results of substance testing under this policy will remain confidential applicant or personnel records. Laboratory reports and test results will be maintained in a file separate from an employee's personnel file. Information may only be released to the employee who was tested, or other individuals designated in writing by the employee; to a medical review officer; to the extent necessary to properly supervise or assign the employee; as necessary to determine what action should be taken in response to the test results and for use in responding to appeals, litigation or administrative proceedings arising from or related to the test or related actions.

Questions concerning this policy, or its administration should be directed to the CEO or the HR Manager.

3.109 Attendance and Punctuality

Attendance and punctuality are important factors for your success within PCE. We work as a team which requires that each person be in the right place at the right time. For scheduled days off, employees are required to notify (via email) their supervisor, with a

copy to the HR Manager, as far in advance as possible, and to submit a request through the Personal Time Off (PTO) request system. In addition, it is also required that employees update their company calendar so that their fellow employees are aware of their time off schedule. If you are going to be late for work, notify your supervisor as far in advance as is feasible under the circumstances.

If you are absent for three days without prior approval and/or without notifying PCE, it will be assumed that you have voluntarily terminated your employment with PCE, and you will be removed from the payroll effective as of the first day of that three-day absence.

3.110 Personal Appearance

Employees are expected to maintain a clean and professional appearance at all times during scheduled work hours. PCE respects and values the diversity of cultures and backgrounds of its employees and will comply with federal, state, and local laws that prevent discrimination based on personal appearance~~Employees are expected to maintain high standards of personal cleanliness and present a neat and professional appearance~~.

Our customers' satisfaction represents the most important and challenging aspect of our business. Whether or not your job responsibilities place you in direct customer contact, you represent PCE with your appearance as well as your actions. ~~The properly attired individual helps to~~Your appearance can create a favorable image for PCE, to the public and fellow employees. PCE maintains a business casual environment. Employees are asked to refrain from wearing T-shirts or other clothing with large logos, images or statements on them. All employees are ~~encourage~~encouraged to bring their authentic, true selves to work while maintaining an appearance that is appropriate for their job and respectful of the external people you may interact with.~~All employees should use discretion in wearing attire that is appropriate for their job.~~

3.111 Non-Solicitation

PCE believes employees should have a work environment free from interruptions of a non-work-related nature, as work time is for work. For purposes of this policy, solicitation includes, but is not limited to, collection of any debt or obligation, raffles of any kind or chance taking, the sale of merchandise or business services, or the attempt to sell any product or service Such interruptions can be both detrimental to the quality of work and efficiency and may not be respectful of others job responsibilities.

Employees may not engage in solicitation for any purpose during work time, which includes the working time of the employee who seeks to solicit and the employee who is being solicited. Although solicitation is not encouraged, it is permitted if it is limited to the employee's break and lunch time and kept out of active working areas. Nothing in this policy is intended to restrict an employee's statutory rights, including discussing terms and conditions of employment.

3.112 Acceptable Use of Electronic Communications/Workplace Monitoring

This policy provides guidelines for electronic communications created, sent, received, used, transmitted, or stored using PCE's communication systems or equipment and employee provided systems or equipment used either in the workplace, during working time or to accomplish work tasks. “Electronic communications” include, among other things, messages, images, text data or any other information used in e-mail, instant messages, text messages, voice mail, fax machines, computers, personal digital assistants (including tablets or similar devices), pagers, telephones, cellular and mobile phones including those with cameras, Intranet, Internet, back-up storage, information on a memory or flash key or card, jump or zip drive or any other type of internal or external removable storage drives. In the remainder of this policy, all these communication devices are collectively referred to as “systems.”

Acceptable Uses of Our Systems: Employees may use our systems to communicate internally with co-workers or externally with customers and other business acquaintances for business purposes.

PCE Control of Systems and Electronic Communications: All electronic communications contained in PCE systems are PCE records and/or property. Although an employee may have an individual password to access our systems, the systems and communications belong to PCE. The systems and electronic communications are accessible to PCE at all times, including periodic unannounced inspections. Our systems and electronic communications are subject to use, access, monitoring, review, recording and disclosure without further notice. Employee communications on our system are not confidential or private.

PCE's maintains the right to access, monitor, record, use, and disclose electronic communications sent on PCE systems without further notice to the employee.

Personal Use of Our Systems: Personal communications in our systems are treated the same as all other electronic communications and will be used, accessed, recorded, monitored, and disclosed by PCE at any time without further notice. Since all electronic

communications and systems can be accessed without advance notice, employees should not assume confidentiality.

Proprietary Business Information: Proprietary business information means confidential and proprietary materials related to PCE's trade secrets, business models, business services, sales agreements, pricing information, customer lists, inventions, vendor agreements, strategic business or marketing plans, expansion plans, contracts, non-public financial performance information and other information that derives economic value by being protected from public consumption or competitors, and may only be used on PCE systems. Proprietary business information **may not** be downloaded, saved, or sent to a personal laptop, personal storage device, or personal email account under any circumstances. Proprietary business information does not restrict employee rights to discuss their wages, hours or other terms of employment.

Prohibited Uses of Our Systems: Employees may not use PCE systems in a manner that is unlawful, wasteful of PCE resources, or unreasonably compromises employee productivity or the overall integrity or stability of PCE's systems. These tools are provided to assist employees with the execution of their job duties and should not be abused. Examples of prohibited uses include, among other things, sexually explicit messages, images, cartoons, or jokes; propositions or love letters; ethnic or racial slurs; or any other message or image that may be in violation of company policies.

In addition, employees may not use PCE systems:

- To download, save, send or access any discriminatory, obscene, or malicious or knowingly false material;
- To download, save, send or access any music, audio or video file unless business related;
- To download anything from the internet (including shareware or free software);
- To download, save, send or access any site or content that PCE might deem “adult entertainment;”
- To attempt or to gain unauthorized or unlawful access to computers, equipment, networks, or systems of PCE or any other person or entity;
- In connection with any infringement of intellectual property rights, including but not limited to copyrights;
- In connection with the violation or attempted violation of any law; and
- To improperly transmit proprietary business information or client material such as pricing information or trade secrets.

Electronic Forgery: An employee may not misrepresent, disguise, or conceal his or her identity or another’s identity in any way while using electronic communications; make changes to electronic communications without clearly indicating such changes; or use

another person's account, mailbox, password, etc. without prior written approval of the account owner and without identifying the actual author.

Intellectual Property Rights: Employees must always respect intellectual property rights, including copyrights and trademarks.

System Integrity, Security, and Encryption: PCE contracts with an IT service provider – All Covered – to provide various IT support, including security. PCE encrypts all computers to maintain system integrity and security. All systems passwords and encryption keys must be available and known to PCE's IT service provider. Employees may not install password or encryption programs. Employees may not use the passwords and encryption keys belonging to others.
Applicable Laws: Numerous state and federal laws apply to electronic communications. PCE complies with applicable laws. Employees also must comply with applicable laws and should recognize that an employee could be personally liable and/or subject to fine and imprisonment for violation of applicable laws.

Consequences of Policy Violations: Violations of this policy may result in disciplinary action up to and including immediate termination of an employee's employment as well as possible civil liabilities or criminal prosecution. Where appropriate, PCE may advise legal officials or appropriate third parties of policy violations and cooperate with official investigations. We will not, of course, retaliate against anyone who reports possible policy violations or assists with investigations.

If you have questions about the acceptable use of our systems or the content of electronic communications, ask the CEO for clarification.

3.113 Company Document Management

PCE uses the cloud-based platform BOX (www.box.com) as a document management system. All employees are required to save all PCE related documents on BOX without exception. This will allow PCE to access the documents in the event of lost laptop/Mac and maintain the security of PCE documents.

3.114 Social Media

"Social media" includes all means of communicating or posting information or content of any sort on the Internet, including an employee's own or someone else's web log or blog, journal or diary, personal web site, social networking or affinity web site, web bulletin board or chat room, whether or not the platform is associated or affiliated with PCE.

In general, all official PCE social media postings will be managed by the Communication and Outreach department.

To protect PCE's interests, employees must adhere to the following guidelines:

- Other than for PCE business purposes, employees may not post on a personal blog or personal social networking site during their work hours or at any time using PCE equipment or property. PCE's electronic communication systems are for business use only. It is permitted for employees to utilize their personally owned devices on work breaks.

- If an employee identifies himself or herself as an employee of PCE on any social networking site for purposes other than PCE-authorized business purposes, the communication must include a disclaimer that the views expressed do not necessarily reflect the view of the PCE management.

- All rules regarding confidential business information apply to blogs and social networking sites. Any information that cannot be disclosed through a conversation, a written note, or an e-mail also cannot be disclosed on a blog or social networking site. The transmission of confidential or proprietary information without the permission of PCE is prohibited.

- If an employee mentions PCE in a blog or elsewhere on social media, or it is reasonably clear that the employee is referring to PCE or a position taken by PCE, and also expresses a political opinion or an opinion regarding PCE's position, action, or products, the post must specifically disclose the employee's relationship with PCE and note that the opinion expressed is a personal opinion and not PCE's position.

- Any conduct which is impermissible under law if expressed in any other form or forum is impermissible if expressed through a social networking site. For example, posted material that is discriminatory, defamatory, libelous, or malicious is forbidden. PCE's policies, including but not limited to the Equal Employment Opportunity, Sexual Harassment, Harassment and Workplace Violence policies apply equally to employee comments on social networking sites even if done on nonworking time.

Nothing in this policy is designed to limit an employee's right under Section 7 of the National Labor Relations Act, including discussing wages or other terms of employment. If you have questions or need further guidance, please contact the Communications and Outreach Manager.

3.115 Contact with PCE

The location of PCE employees during business hours should be known to a supervisor. All PCE employees will keep an updated electronic calendar reflecting his or her whereabouts during work hours.

3.116 Customer and Public Relations

PCE's reputation is built on excellent service and quality work. To maintain this reputation requires the active participation of every employee.

The opinions and attitudes that customers (and vendors) have toward PCE may be influenced by the actions of one employee for a long period of time. It is sometimes easy to take a customer for granted, but when this occurs, we run the risk of losing not only that customer, but his or her associates, friends, or family who may also be customers or prospective customers. Each employee must be sensitive to the importance of providing courteous treatment in all working relationships.

SECTION 4: WORKING CONDITIONS

4.101 Expectation of Privacy

PCE reserves the right to search, without employee consent, all areas over which PCE maintains control or joint control with the employee. Therefore, employees should have no expectation of privacy at PCE or joint controlled workplace areas which include, but are not limited to, offices, cubicles, work locations, employer provided or designated parking areas, desk, computers (including electronic files), voicemail, e-mail, PCE issued cell phones, or rest or eating areas.

Desks, file cabinets, and other storage devices, including electronic storage, may be provided for the convenience of employees but remain the sole property of PCE. Accordingly, they, as well as any articles found within them, can be inspected by any supervisor or other authorized representative of PCE at any time, with or without prior notice.

4.102 Performance Reviews

Your work performance is important to PCE. On an annual basis, your work performance will be evaluated. ~~PCE will transition from an anniversary due date to an April due date.~~ ~~All employees regardless of hire month, will be evaluated every April~~ Supervisors will thoughtfully prepare a written performance evaluation on PCE's prescribed form and review your job progress against your job position along with PCE, relevant goals and objectives~~s~~, and help you set new job performance plans, including but not limited to training goals. If approved, the annual performance review may be accompanied by a base merit salary increase which will be inclusive of a cost-of-living adjustment~~.~~

~~Note: A separate transition outline or plan will be developed and shared with employees.~~

New employees will generally be reviewed on a more frequent basis (i.e. At the 30, 60, 90 days, and six months) to assess if the new employee is meeting job requirements and expectations as ~~t~~ set forth on the employee's job description upon hire. at the end of their introductory period. (Refer to 6.101 for definition)

Our performance review program provides the basis for better understanding between you and your supervisor, with respect to your job performance, potential and development within PCE.

The HR Manager will monitor the timely completion of the annual performance reviews. ~~Managers of employees should conduct performance evaluation session with staff by the April of each year.~~ If you have not received a performance review within 30 days of the identified review period, please follow-up with your supervisor. If within 45 days of follow-up you have not received a performance review, contact the HR Manager.

~~Your performance is important to PCE. Once each year, on or about your anniversary date (unless the annual date has been adjusted per the terms of Section 7 relating to leaves longer than 60 days), your supervisor will review your job progress within PCE and help you set new job performance plans. If approved, the annual performance review may be accompanied by a base salary increase.~~

~~New employees will generally be reviewed at the end of their introductory period. (Refer to 6.101 for definition)~~

~~Our performance review program provides the basis for better understanding between you and your supervisor, with respect to your job performance, potential and development within PCE.~~

~~The CFO will monitor the timely completion of the annual performance reviews.~~

4.103 Coaching, Counseling, and Progressive Discipline

Notwithstanding 4.102, your employment at PCE is at-will and as such may be terminated without advance notice, with or without reason or cause, and without right of appeal. PCE in its sole discretion as an at-will employer maintains the right to provide coaching, counseling, and progressive discipline to employees. Such coaching, counseling, and/or progressive discipline will be provided if, in the opinion of management, it would be of mutual benefit to PCE and the employee.

While performance reviews are generally thought of as being a positive, skill-building process, coaching, counseling, and progressive discipline will be employed, when considered necessary so that employee issues can be corrected at early stage, assist the employee to correct the problem, prevent reoccurrence, and prepare the employee for satisfactory performance in the future.

If disciplinary action is deemed warranted, it may call for any of five steps which include, but are not limited to: verbal warning, written warning, suspension with or without pay, demotion, or termination of employment. Although PCE may take a progressive discipline approach, the CEO has the right to determine what disciplinary action is appropriate in each situation. The CEO is not required to treat each incident as a step in a series of progressive discipline and may terminate an employee based on his/her discretion.

If a supervisory employee believes an employee needs to be coached, counseled, or disciplined, such conversations will take place with two management/supervisory employees present. Prior to any discussions, the matter should be discussed with the CEO to ensure that the actions being contemplated are appropriate.

4.104 Talk to Us

We encourage you to bring your questions, suggestions and complaints to our attention. We will carefully consider each of these in our continuing effort to improve operations.

If you believe you have a problem, present the situation to your supervisor so that the problem can be settled by examination and discussion of the facts. We hope that your supervisor will be able to satisfactorily resolve most matters.

If you still have questions after meeting with your supervisor or if you would like further clarification on the matter, request a meeting with the HR Manager or ~~CE~~COO who will review the issues and meet with you to discuss possible solutions.

Your suggestions and comments on any subject are important, and we encourage you to take every opportunity to discuss them with us. If at any time you do not feel comfortable speaking with your supervisor or the next level of management, you may discuss your concern with any other member of management with whom you feel comfortable.

4.105 Safety

Physical safety~~Safety~~ can only be achieved through teamwork at PCE. Each employee, supervisor and manager must practice safety awareness by thinking defensively, anticipating unsafe situations, and reporting unsafe conditions immediately.

Each employee is expected to obey mechanical safety rules and physical safeguards and to exercise caution in all work activities. Employees must comply with all occupational safety and health standards and regulations established by the Occupational Safety and Health Act and state and local regulations. Employees are expected to report all work-related injuries or illnesses immediately to the supervisor. In compliance with California law, and to promote the concept of a safe workplace, PCE maintains an Injury and Illness Prevention Program (IIPP). The PCE - Injury and Illness Prevention Program is available to all employees and/or employee representatives for review by request from the ~~CFO~~HR Manager.

Some of the best safety improvement ideas come from employees. Those with ideas, concerns, or suggestions for improved safety in the workplace are encouraged to raise them with their supervisor, or with another supervisor or manager. Reports and concerns about workplace safety issues may be made anonymously if the employee wishes. All reports can be made without fear of retaliation.

A violation of a safety precaution is an unsafe act. A violation may lead to disciplinary action, up to and including termination of employment.

4.106 Visitors

If you are expecting a visitor, please notify your supervisor. All visitors must first check in at the reception area. Visitors are not allowed in any locked and/or secured area of the building without being accompanied by an authorized employee. Under no circumstances will visitors be allowed in confidential and/or unauthorized areas.

4.107 Workplace Violence

Violence by an employee or anyone else against an employee, supervisor or member of management will not be tolerated. The purpose of this policy is to minimize the potential risk of personal injuries to employees at work and to reduce the possibility of damage to PCE property in the event someone, for whatever reason, may be unhappy with a PCE decision or action by an employee or member of management.

If you receive or overhear any threatening communications from an employee or outside third party, report it to your supervisor, the HR Manager, or the CEO immediately~~at once~~. Do not engage in either physical or verbal confrontation with a potentially violent individual. If urgent, where you encounter an individual who is threatening immediate harm to an employee or visitor to our premises, ~~contact an emergency agency (such as~~call 911~~)~~ immediately.

All reports of work-related threats will be kept confidential to the extent possible, investigated and documented. Employees are expected to report and participate in an investigation of any suspected or actual cases of workplace violence and will not be subjected to disciplinary consequences for such reports or cooperation. Violations of this policy, including your failure to report or fully cooperate in PCE's investigation, may result in disciplinary action, up to and including termination of employment.

Possession, use, or sale of weapons, firearms or explosives on work premises, while operating PCE equipment or vehicles for work-related purposes or while engaged in PCE business off premises is forbidden except where expressly authorized by PCE and permitted by state and local laws. This policy applies to all employees, including but not limited to, those who have a valid permit to carry a firearm.

If you are aware of violations or threats of violations of this policy, you are required to report such violations or threats of violations to the HR Manager or CEO immediately.

Violations of this policy will result in disciplinary action, up to and including termination of employment.

4.108 Travel/Expense Accounts

PCE will reimburse employees for reasonable expenses incurred through pre-approved business travel or business entertainment. All cash advances must be accounted for, and expense receipts are required.

The following business expenses will be reimbursed, subject to pre-approval:

- Travel Expense, including cab or peer-to-peer ride sharing services
- Automobile/Mileage (rate per mile will be reimbursed at the prevailing IRS rate.
- Airfare or train travel in coach or economy class, or equivalent if personal car is used
- Car rental fees, only for compact or mid-sized cars
- Lodging
- Tips and incidental expenditures
- Cost of meals, provided that the cost is reasonable. Any and all alcohol expenses will be excluded and not reimbursed.

This list is not all-inclusive. See the CFO regarding additional reimbursable business expenses.

SECTION 5: BENEFITS

5.101 Employee Benefits

PCE offers a comprehensive set of employee benefit programs to supplement our employees' regular wages. Several of the programs (e.g., Social Security, workers' compensation, state disability, and unemployment insurance) cover all employees in the manner prescribed by prevailing law.

This Employee Handbook describes the benefit plans maintained by PCE as of the date of publication of the handbook. Refer to the actual plan documents and summary plan descriptions if you have specific questions regarding the most up to date benefit plan.

PCE reserves the right to modify and/or terminate its benefits at any time. We will keep you informed of any changes. Employee access to actual plan documents and Summary Plan Descriptions can be found at this link here.

5.101(a) Health Insurance (Medical, Dental, and Vision)

Eligible full-time employees may enroll in health insurance plans covering medical, dental and vision. Employees are also permitted to enroll their eligible dependents based on the definitions in the plans. Eligibility may be defined by state law and/or by the insurance contract. Participating employees or dependents are also covered under our medical insurance plan's prescription drug program

Following submittal and approval of the plan applications, employees will be covered on the first calendar day of the month following the start of employment. If employment starts on the first calendar day of the month, coverage will be effective on employment start date.

To assist with the cost of this insurance, PCE pays a substantial portion of the cost of insurance coverage. Depending on the insurance coverage, dependent coverage may require sharing of some of the cost of the employee contribution through payroll deductions. Refer to the current HR Benefits Summary located here for a summary description of dependent coverage.

Information regarding eligibility of continuation of coverage following employment termination can be found at Section 5.105.

Refer to the actual plan document and summary plan description if you have specific questions regarding eligibility for coverage or other aspects of each benefit plan. Those documents are controlling.

Enrollment forms and a booklet containing the details of the plan and eligibility requirements are contained in your on-boarding materials. Completed forms should be returned to the ~~CFO~~HR Manager.

5.101(b) Long Term Disability Insurance

PCE pays the full cost of long-term disability insurance in the event an employee is unable to work for longer than 90 days due to illness or injury. Coverage is at 60% of the base compensation at the time of disability up to a maximum of $5,000 per month. Coverage begins on the first day of the month following the start of employment. In the case that employment starts on the first day of the month, coverage begins on that day.

Refer to the actual plan document and summary plan description if you have specific questions regarding your eligibility for coverage or other aspects of this benefit plan. Those documents are controlling.

5.101(c) Social Security and Unemployment Insurance

During your employment, you and PCE both contribute funds to the federal government to support the Social Security program. This program is intended to provide you with retirement benefit payments and medical coverage once you reach retirement age.

Unemployment Insurance - Upon separation from employment from PCE, you may be entitled to state and federal unemployment insurance benefits. In the event of employment termination, required documents regarding eligibility will be shared with you. Please direct questions to the ~~CFO~~ HR Manager and/or the CEO.

5.101(d) Life Insurance

Eligible full-time employees may enroll in a plan to provide basic life insurance coverage of $50,000 effective as of the first day of the month following employment start date. If employment starts on the first day of the month, coverage will be effective on employment start date. Eligibility may be defined by state law and/or by the insurance contract. You must complete an insurance form and designate your beneficiary.

PCE pays the full cost of the monthly insurance premium for basic life insurance.

Refer to the actual plan document and summary plan description if you have specific questions regarding your eligibility for coverage or other aspects of this benefit plan. Those documents are controlling.

Employees are also eligible to apply for Supplemental Life Insurance in excess of the basic $50,000 level for themselves or their eligible spouse and/or dependents. The cost of Supplemental life Insurance is fully paid by employees through payroll deduction. Employees are required to pay for the full cost of supplemental life insurance for their spouse and dependents.

Enrollment forms and a booklet containing the details of the plan and eligibility requirements are contained in your on-boarding materials. Completed forms should be returned to the ~~CFO~~HR Manager.

5.101(e) Section 125 Plan

PCE offers a pretax contribution option for employees to participate in a Section 125 plan that enables contributions toward health insurance premiums and out-of-pocket medical expenses and/or dependent care expenses on a “pre- tax”, rather than an “after tax” basis. Eligible full-time employees may enroll in the plan effective on the first day of the month following thirty days of employment, although pre-tax payroll deductions for health insurance premiums will start upon the enrollment date of those plans.

Premium contributions and contributions toward other qualified expenses are deducted from gross pay before income taxes and Social Security is calculated. If you wish to participate in this plan, enrollment forms are contained in your on-boarding materials. Completed forms should be returned to the ~~CFO~~HR Manager.

Changes cannot be made to pretax contributions until the next open enrollment period unless your family status changes, or you become eligible for a special enrollment period due to a loss of coverage. We will notify you in advance of any open enrollment period. Family status changes include marriage, divorce, death of a spouse or child, birth or adoption of a child or termination of employment of your spouse. A change in election due to a change in family status shall be effective in the next pay period.

5.101(f) Retirement Plans

PCE provides eligible employees with a defined contribution program administered by the County of San Mateo. This plan is made up composed of two parts:

1. 457(b) Deferred Compensation Plan (Employee contributions). Employees can voluntarily contribute to a 457(b) deferred compensation plan according to IRS limits. Employees can choose to allocate portions of their contributions on a pre-tax basis to a traditional 457(a) and/or on a post-tax basis to a Roth version. PCE

will match all employee contributions up to 4% of salary (although the PCE contributions will be contributed to the 401(a) retirement plan described below).

2. 401(a) Retirement Plan (PCE contributions). PCE provides a contribution of 6% of salary to a 401(a) retirement plan for all employees. PCE also matches up to 4% of employee contributions to the 457(b) deferred compensation plan (described above) although the match is contributed to the 401(a) plan. All PCE contributions vest in equal annual amounts over four (4) years based on the first day of employment.

The link to the Summary Plan Description link is shown in an earlier section. In the event of any conflict in the description of any plan, the official plan documents, which are available for your review, shall govern. If you have any questions regarding this plan, please contact the plan administrator.

5.101(g) State Disability Insurance

All employees are eligible for disability insurance benefits when an illness, injury, or pregnancy-related disability prevents them from working and they meet all the eligibility requirements. The benefits are calculated as a percentage of your salary up to a weekly maximum, as specified by law, for up to fifty-two (52) weeks.

Employees who apply for this benefit must provide written notice of disability, including a doctor's certificate stating the nature of the disability and the expected date of return to work. The employee is responsible for filing a claim and other forms promptly and accurately with the Employment Development Department. A claim form may be obtained from the Employment Development Department by telephone, letter, or in person. The cost of this insurance is fully paid by the employee.

5.101(h) California Paid Family Leave Insurance

The State of California may provide partial wage benefits to eligible employees for up to a maximum of six weeks for the following reasons:

- To bond with a new child after birth or placement for adoption or foster care;
- To care for a serious health condition of an employee's child, parent, spouse, registered domestic partner, grandparent, grandchild, sibling or parent-in-law.

The Paid Family Leave Act provides benefits based on past quarter earnings for up to six weeks in a 12-month period. The cost of the insurance is fully paid by PCE. The 12-month period begins on the first day an employee submits a claim.

To be eligible for benefits, employees may be required to provide medical and/or other information that supports a claim for time off to bond with a new child or to care for a child, parent, spouse or registered domestic partner with a serious health condition. In addition, there is a seven-calendar-day waiting period before benefits begin.

You are responsible for filing your claim for family leave insurance benefits and other forms promptly and accurately with the Employment Development Department. A claim form may be obtained from the Employment Development Department by telephone, letter, the Internet or in person. All eligibility and benefit determinations are made by the Employment Development Department.

You may not be eligible for Paid Family Leave benefits if you are receiving State Disability Insurance, Unemployment Compensation Insurance or Workers' Compensation benefits.

The Paid Family Leave Act does not provide a right to leave, job protection or return to work rights. Further, this policy does not provide additional time off. However, family leave insurance may provide compensation during an approved leave pursuant to any company provided leave.

As noted, PCE will assist you with maneuvering through the various aspects of federal and state allowed leaves, in the event the need arises during your employment.

5.102 Workers' Compensation

Occupational injuries or illnesses are covered by our Workers' Compensation insurance policy. This insurance is provided at no cost to you. If you are injured on the job, no matter how slightly, report the incident to your immediate supervisor as soon as reasonably possible. Consistent with applicable state law, failure to report an injury within a reasonable time period could jeopardize your claim. We ask for your assistance in alerting management to any condition that could lead to or contribute to an employee accident.

PCE will integrate sick leave, vacation, and then compensatory time, with temporary disability payments for an employee who is eligible for workers' compensation. The employee will continue in pay status and receive pay until accumulated paid leave and authorized compensatory time hours have been depleted to the nearest hour. Any employee who is eligible for temporary disability payments under the workers' compensation law will, for the duration of such payments, receive only that portion of the employee's regular salary that, together with said payments, will equal the

employee's regular salary. Workers' compensation leave will run concurrently with Family Care Leave.

5.103 Lactation Breaks

PCE will provide a reasonable amount of break time to accommodate an employee's need to express breast milk for the employee's child. The break time should, if possible, be taken concurrently with other break periods already provided. Non-exempt employees should clock out for any time taken that does not run concurrently with normally scheduled rest periods, and such time generally will be unpaid, in accordance with state law.

No provision of this policy applies or is enforced if it conflicts with or is superseded by any requirement or prohibition contained in a federal, state, or local law or regulation. If you have knowledge of such a conflict or a potential conflict you should contact your immediate supervisor.

For further information, refer to the PCE - Lactation Policy.

5.104 No Pets in the Workplace

PCE is responsible for assuring the health and safety of all employees. In keeping with this objective, PCE does not permit employees to bring pets to work. Animals may pose a threat of infection and may cause allergic reactions in other employees. The only exception to this is if an employee or visitor requires a qualified service dog, as defined by the Americans with Disabilities Act (ADA), California state law, or other relevant statute.

5.105 COBRA

You and/or your covered dependents will have the opportunity to continue medical and/or dental and vision benefits for a period of up to 36 months under the provisions of the Consolidated Omnibus Budget Reconciliation Act ("COBRA") when group medical and/or dental and vision coverage for you and/or your covered dependents would otherwise end due to your death or because:

- your employment terminates, for a reason other than gross misconduct; or
- your employment status changes due to a reduction in hours; or
- your child ceases to be a "dependent child" under the terms of the medical and/or dental and vision plan; or

- you become divorced or legally separated; or
- you become entitled to Medicare.

In the event of divorce, legal separation, or a child's loss of dependent status, you or a family member must notify the plan administrator within sixty (60) days of the occurrence of the event. The plan administrator will notify the individuals eligible for continuation coverage of their right to elect COBRA continuation coverage. For more information regarding COBRA, you may contact the ~~CFO~~HR Manager.

SECTION 6: PAYROLL

6.101 Categories of Employment

In most cases, PCE employees will be regularly scheduled to work at least a 40-hour workweek. However, for the purposes of this handbook, FULL TIME EMPLOYEES are defined as those who are scheduled to regularly work at least a 32-hour workweek. Any schedule that is less than the standard 40-hour workweek would require the approval of PCE's CEO. Working time does not include lunch periods or any other periods in which employees are not in paid status.

PART-TIME EMPLOYEES are scheduled to regularly work less than 32 hours each week.

In addition to the preceding categories, employees are also categorized as "exempt" or "non-exempt."

NON-EXEMPT EMPLOYEES are entitled to overtime pay as required by applicable law.

EXEMPT EMPLOYEES are not entitled to overtime pay and may also be exempt from minimum wage requirements pursuant to applicable federal and state laws.

Upon hire, PCE will notify you of your employment classification.

6.101(a) Anniversary Date

The first day you report to work will be entered in PCE's records as your anniversary date. This date is used to calculate some of the benefits PCE offers. If you have any questions regarding your anniversary date, please see your supervisor.

6.102 Licensing Requirements

Driver's License/Driving Record – Employees holding positions where the operation of a motor vehicle is an essential duty of the position must present and maintain a valid driver's license and acceptable driving record. PCE will be responsible for providing such information to our insurer. Changes to your driving record must be reported to your supervisor immediately. Violations of this policy may result in immediate termination of your employment. Please provide a copy of your driver's license to the ~~CFO~~ HR Manager annually.

6.103 Payday

You will be paid semimonthly on the fifth and the twentieth of the month for the periods that end on the last day of the previous month and the fifteenth of the month, respectively.

PCE provides for direct deposit of your paycheck. If you desire to have your paycheck deposited directly into an account of your choosing, please complete the necessary paperwork (contained in your on-boarding packet) and return it to the CFO. Depending on your date of hire and when you return the necessary paperwork, direct deposit may not take effect for your first paycheck.

When a payday falls on a holiday, PCE will attempt to provide pay on the working day immediately prior to the holiday, but you will be paid no later than (or your bank account will be credited) the first working day after the holiday. If the payday is a Saturday or Sunday, you will be paid (or your bank account will be credited) on the preceding Friday.

Please review your paycheck/paystub for errors at each pay period. If you find a mistake, please report it to the ~~CFO~~ HR Manager immediately. Corrections, as necessary, will be processed through the next pay period's paycheck.

6.104 Pay Advances

PCE does not provide for pay advances on unearned wages to employees.

6.105 Timekeeping

As noted under 6.101, each employee at PCE will be designated either non-exempt or exempt according to certain aspects of federal and state wage and hour laws. As a public agency, some California wage and hour provisions may not apply to PCE.

Non-exempt employees must record hours worked in addition to time off on their electronic timecard (i.e., Paychex or other as specified by management). The timecard must be submitted to the supervisor on the last day of each reporting period as noted under 6.103. Accurately recording all your time is required in order to ensure that you are paid for all hours worked. You are expected to follow the established procedures in keeping an accurate record of your hours worked. PCE follows the overtime requirements in the by Fair Labor Standards Act ("FLSA") which are further described in 6.106. Additionally, non-exempt employees who are required to drive from home at the beginning of a workday to a location other than PCE offices may count as work any

such time that is more than the regular commute to PCE. Overtime work must always be approved before it is performed, except in the case of an emergency. Non-exempt employees must record all overtime worked on their electronic timecard.

Exempt employees should also accurately record time worked as well as leave time taken through the electronic timecard (i.e., Paychex or other as specified by management).

Altering, falsifying, tampering with time records, or recording time on another employee's time recorded is prohibited. This policy prohibits both over-reporting and under reporting of hours worked for non-exempt employees. No supervisor may authorize any non-exempt employee to work "off the books" or "off the clock".

Non-exempt employees should not report to work prior to their scheduled starting time or stay after the scheduled stopping time without express, prior authorization from their supervisor. Federal law does not permit an employer to allow non-exempt employees to volunteer time to their employer in the same capacity as their regular work.

Exempt employees, while receiving a set salary which is intended to compensate the individual for any hours worked, are still required to accurately record time worked in accordance with applicable wage and hour laws. All employees subject to this policy are required to accurately record all time worked and leave taken.

For purposes of this section, a workweek shall be from Monday at 12:01 am through Sunday at 11:59 pm each week.

6.106 Overtime (Non-Exempt Only)

There will be times when non-exempt employees will need to work overtime so that we may meet the needs of our customers. Every attempt will be made to provide you with ample notice in the event that extra work time may be required, and managers and employees should make reasonable efforts to adjust schedules to minimize overtime, However, this may not be always possible. If you are a non-exempt employee, you must have all overtime approved in advance by your supervisor.

Generally, unless an alternate workweek is in effect or state law dictates otherwise, non-exempt workers will be paid at a rate of time and one-half their regular rate of pay ("Standard Overtime") for either: (a) each hour worked in excess of forty (40) hours in a week; or (b) for the first eight (8) hours of work on a seventh day of work in a single workweek (as defined in section 6.105). Generally, unless an alternate workweek is in effect or state law dictates otherwise, non-exempt workers will be paid at a rate of double ("Double Time") their regular rate of pay for: (a) hours worked in excess of

twelve (12) hours in a day; and (b) hours worked in excess of eight (8) hours on a seventh day of work in a single workweek. In accordance with applicable laws, rest and recovery periods may count as hours worked.

6.107 Meal, Rest, and Recovery Time (Non-Exempt Only)

Except for certain exempt employees, all employees who work five or more hours in a day are required to take an uninterrupted 30-minute unpaid duty-free meal period to commence no later than the end of the fifth hour of work and a second uninterrupted 30-minute meal period free from all duty to commence no later than the end of the tenth hour, should an employee work that many hours in any given day. Only in limited circumstances, discussed below, can meal periods be waived. For this reason, unless there is a written agreement for an on-duty meal period approved by PCE, employees must record the beginning and ending time of their meal period in the timekeeping system every day. It is also our policy to relieve such employees of all duties during their meal periods, with the employee being at liberty to use the meal period time as the employee wishes.

An employee cannot be required to work during a meal period, in accordance with applicable law. If PCE fails to provide an employee with a required meal period, the employee will be paid one additional hour of pay at the employee's regular rate of compensation.

PCE schedules all work assignments with the expectation that all employees will take their duty-free meal periods and we encourage you to do so. Employees may be asked to confirm in writing that they have been relieved of all duty and otherwise provided all their daily meal periods during the pertinent pay period, or in the alternative, identify any meal periods they missed. At no time may any employee perform off-the-clock work or otherwise alter, falsify, or manipulate any aspect of their timekeeping records to inaccurately reflect or hide meal periods or time spent working during meal periods.

No PCE manager or supervisor is authorized to instruct an employee how to spend his or her personal time during a meal period. You should immediately report a manager’s or supervisor’s instruction to skip or work during a meal period to the CFO or CEO.

Waiver of Meal Period: You may waive your meal periods only under the following circumstances:

- If you complete your workday in six hours, you may waive your meal period.
- If you work more than ten (10) hours in a day you may waive your second meal period, but only if you have taken your first meal period and you do not work more than twelve (12) hours that day.

Please speak to your immediate supervisor for clarification on whether you are entitled to waive your second meal period. Any time you elect to waive a meal period you must submit a written request and receive prior written authorization from your immediate supervisor.

You may not waive meal periods to shorten your workday or to accumulate meal periods for any other purpose.

On Duty Meal Period: In limited situations, certain designated employees may be required to work an on-duty meal period due to the nature of the employee's duties. Only if the nature of your job duties requires it, and you and PCE have agreed to an on-duty meal period in writing, will you be permitted to take an on-duty meal period. In this situation, your on-duty meal period will be paid and treated as hours worked.

Non-exempt employees will also receive one uninterrupted, duty-free 10-minute paid break for every four hours worked (or major fraction thereof). Rest periods will occur as close to the middle of a four-hour work period as is practical. This time must be approved by your supervisor each day.

Rest periods are counted as hours worked, and thus, you are not required to record your rest periods on your timesheets or timecards. However, no supervisor is authorized or allowed to instruct or allow an employee to waive a rest or recovery period, and they cannot be used to shorten the workday or be accumulated for any other purpose. Employees may be required to confirm that they have been provided with an opportunity to take all their rest or recovery periods during the pertinent pay period. Meal and rest periods may not be combined.

6.108 Paycheck Deductions and Set-Offs

PCE is required by law to make certain mandatory deductions from your paycheck each pay period. Mandatory deductions typically include federal and state income taxes, Social Security (FICA) and Medicare taxes, and State of California Disability taxes. In addition, depending on your benefits election, there may be additional deductions. All deductions and the amount of the deductions are listed on your pay stub. These deductions are totaled each calendar year for you on your Form W-2, Wage and Tax Statement.

PCE will not make deductions to an employee's pay which are prohibited by state or federal law or regulation, including those established by the United States Department of Labor. You will be reimbursed in full for any isolated, inadvertent, or improper deductions, as defined by law.

If questions or concerns about any pay deductions arise, discuss and resolve them with the ~~CFO~~HR Manager.

6.109 Work Location and Schedules

PCE's policies are intended to treat its employees as professionals. As employees of a public agency, PCE expects its employees to understand that the local ratepayers are responsible for employee salaries, and, therefore, employee actions and work should always be fair to those ratepayers. While there are not specific working hours in which every employee must be at work, every employee is scheduled and expected to work at least eight (8) hours per workday, not including mandatory time off for a lunch period.

The management of PCE feels that the company culture is best developed and maintained based on employees building positive and effective working relationships with one another; this relationship building includes face-to-face, in-person interaction. However, PCE management also strives to provide an environment that encourages work-life balance by providing opportunities for remote work and flexible work schedules.

Remote Work
Please see Attachment J for detailed policies and guidelines related to remote working.

PCE provides reimbursement for employees to cover some of the cost of equipping their remote work environment. A one-time amount of $500 will be reimbursed for reasonable expenses to equip a home office for remote work with no expiration date. An additional $100 to each employee is available on July 1 of each fiscal year to be used only in the fiscal year it is provided.

6.112 Garnishment/Child Support

When an employee's wages are garnished by a court order, PCE is legally bound to withhold the amount indicated in the garnishment order from the employee's paycheck. PCE will, however, honor applicable federal and state guidelines that protect a certain amount of an employee's income from being subject to garnishment.

SECTION 7: LEAVES OF ABSENCE

7.101 Vacation/Administrative Leave

All employees are eligible to accrue vacation. At PCE we believe that taking time away from work is essential to maintain both good physical and mental health. To this end, PCE encourages all employees to take full advantage of their earned vacation. Payment in lieu of time-off is not permitted by PCE.

The following provides PCE's vacation policy for both full-time and part-time employees.

All full-time employees are eligible for vacation. Vacation will accrue for full-time employees as follows:

Employment Seniority	Days Accrued/Year	Hours Accrued/Year	Hours Accrued/ Pay Period
Hire date to end of 3rd year of employment	10	80	3.34
Beginning of 4th year to end of 8th year	15	120	5.00
Beginning of 9th year and after	20	160	6.67

Part-time regular employees will accrue vacation on a pro-rata basis according to their FTE percentage.

Vacation benefits do not accrue when an employee is on unpaid leave or during other periods of unpaid absence, except as defined by law.

Vacation accrual may not exceed one and one half (1.5) times an employee's then-current annual accrual. Once this maximum is reached, all further accruals will cease until leave is taken. For ease of reference, the maximum accruals are:

- Hire date to completion of third year of employment: 15 days (120 hours)
- Beginning of fourth year to completion of eighth year: 22.5 days (180 hours)
- Beginning of ninth year and after: 30 days (240 hours)

Given the small number of staff at PCE, it is generally appreciated if employees can provide their time off plans with as much notice as possible. Employees should request time off by email to their supervisor and either copy the ~~CFO~~ HR Manager on the request (to ensure that the HR Manager ~~CFO~~ knows that the supervisor has been made aware of the request) or forward a copy of the supervisor's approval to the HR Manager~~CFO~~. Once the HR Manager ~~CFO~~ is informed, the request can be approved in PCE's time off tracking system.~~,~~ Length of employment may determine priority in scheduled vacation times.

At the end of employment, eligible employees will be paid for accrued but unused vacation, up to the maximum accrual amount. Any accrued vacation at the end of employment will be paid at the employee's then current base pay rate. It does not include overtime or any special forms of compensation such as incentive, commission, bonuses, or shift differentials.

Administrative Leave – All employees will be granted 80 hours of Administrative Leave on the 1st day of each calendar year. However, for an employee that starts employment with PCE at any time after July 1, 2023, Administrative Leave will be granted as of the first day of employment per the following schedule applicable for the remainder of the then current calendar year:

- Hire date between January 1 through March 31: 80 hours
- Hire date between April 1 through June 30: 60 hours
- Hire date between July 1 through September 30: 40 hours
- Hire date between October 1 through December 31: 20 hours

Special One-Time Allocation – Each employee who was not eligible for Management Leave under the Version 4 of this Employee Handbook (i.e. permanent employees who were employed by PCE as of June 30, 2023 and had roles that were not a manager or above) will be granted a one-time allocation of 40 hours of Administrative Leave to be effective upon approval of this Employee Handbook by PCE's Board of Directors to be used prior to December 31, 2023.

Any unused Administrative Leave remaining at the end of a calendar year will be forfeited. Any unused Administrative Leave will not be paid out at the end of your employment.

7.102 Paid Sick Leave

In accordance with the Healthy Workplaces, Healthy Families Act of 2014, sick leave will accrue and be used according to the terms outlined in this policy for all employees.

All full-time employees are entitled to paid sick leave of up to ten (10) days per year (i.e., 80 hours), accruing at the rate of 3.33 hours per pay period. The maximum accrual is eighty hours of sick leave. Upon reaching the accrued level of eighty hours, further sick leave will not accrue until the sick leave is used, and the accrual falls below the maximum threshold. Part-time employees will accrue sick leave based on their FTE percentage subject to a minimum of twenty-four (24) hours per year.

Out of respect for your health and the health of your fellow workers, do not come to work if you are sick. If you come to the office and are sick, you will be sent home.

Accrued paid sick leave may be used for:

1. Diagnosis, care, or treatment or preventive care of an existing health condition, for an employee;
2. Diagnosis, care or treatment or preventative care of an existing health condition for an employee's family member. For the purposes of sick leave under this policy, PCE defines "family member" as the employee's spouse or registered domestic partner and/or either of their parents, sibling, child, child's spouse, grandparents, or grandchildren. Special consideration will also be given to any other person whose association with the employee was similar to any of the above relationships.
3. In addition, with appropriate certification, an employee who is a victim of domestic violence, sexual assault, or stalking may use accrued paid sick leave under this policy for the following reasons:
   - To obtain or attempt to obtain any relief, including, but not limited to, a temporary restraining order, restraining order, or other injunctive relief, to help ensure the health, safety or welfare of the victim or the victim's child;
   - To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking;
   - To obtain services from a domestic violence shelter, program or rape crisis center;
   - To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking; or
   - To participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.
4. Up to five (5) days of sick leave may be used as bereavement leave to take time off due to the death of an immediate family member. This is in addition to the time off described in the Bereavement Leave section. On a case-by-case basis, additional time without pay may be granted for bereavement leave at the discretion of the CEO.

If the need to use paid sick leave is foreseeable, you must provide PCE with reasonable advance notification. If the need to use paid sick leave is not foreseeable, please provide notice to your immediate supervisor of your intent to use paid sick leave as soon as practicable, preferably no later than one hour after your scheduled starting time. Employees who must leave work due to illness or sick leave condition should likewise advise their supervisor. It is the responsibility of every employee to keep his or her supervisor advised as to the anticipated duration and expected date of return.

Accrued, but unused sick leave will not be paid out at the end of your employment. If an employee is separated and rehired by the employer within one year from the date of separation, previously accrued and unused paid sick days shall be reinstated, and the employee shall be entitled to use those previously accrued and unused paid sick days and to accrue additional paid sick days upon rehiring.

This leave may run concurrently with any other leave where permitted by state and federal law.

Employees will not be discriminated or retaliated against for taking or requesting leave in accordance with this policy.

Sick leave for Temporary Employees – Sick leave for temporary employees is provided in accordance with the California Healthy Workplace, Healthy Families Act of 2014 (Paid Sick Leave Law – AB 1522). According to the Act and per PCE guidelines for temporary employees, temporary employees hired on or after July 31, 2015, are eligible to accrue twenty-four (24) hours of paid sick leave per year. Pro rata accruals will be provided for contracts that are less than one year in duration. Leave accruals may carry over from year to year. There is no cash out for sick leave upon termination. PCE defines a temporary employee as an employee that has been hired for a contracted specified period (typically for a specified project or assignment).

7.103 Bereavement Leave

Full-time employees are eligible immediately upon hire for three paid days for the death of an immediate family member. Members of the immediate family include spouse, registered domestic partner, parents, brothers, sisters, children, children of registered domestic partner, grandchildren, grandparents, parents-in-law, and parents of registered domestic partner.

Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws. Requests for bereavement leave should be made to your immediate supervisor as soon as possible who will communicate this information to the CFO to ensure payroll is processed correctly. PCE reserves the right to request written verification of an employee's familial relationship to the deceased and his or her attendance at the funeral service as a condition of the bereavement pay.

7.104 Family Medical Leave

Family and Medical Leave (FMLA) and California Family Rights Act (CFRA)
Although PCE is subject to FMLA or CFRA, PCE has fewer than 50 employees and therefore, has no eligible employees under the law. However, PCE is committed to

providing similar benefits to those provided by federal and state laws for employers of 50 or more employees, by providing family and medical care leave for qualified employees.

For information on Family Care Leave, please refer to the PCE - Family Care Leave Policy.

7.105 New Parent Leave

New Parent Leave is a California law that provides full-time employees time off for the purpose of bonding with the employee's new child. This leave applies to a newborn child, either by birth or adoption, or foster care placement of a child with the employee. The law provides protection of an employee's job during a baby bonding leave period. An employee is eligible for up to 12 weeks of unpaid baby bonding time within one year of the birth of the child, or for an adoption or foster care placement, as long as the employee has met the qualifications of more than 12 months of service and at least 1,250 hours of service with PCE during the 12-month period prior to commencing leave.

In addition to California law, PCE provides supplemental bonding leave. PCE offers 240 hours of leave to full-time employees for the purpose of bonding with the employee's newborn child or the new adoption or foster care placement of a child with the employee (Supplemental Bonding Leave). The first 120 hours of the leave will be fully paid by PCE at the employee's then existing base compensation rate. The remaining 120 hours of the leave will be unpaid. To be eligible, employees must have been employed with PCE full time for at least six months prior to the birth or new placement of the child. Employees should request all paid leave under this policy by submitting a request to PCE's PTO tracking system. Both such paid and unpaid leave periods must be taken within a period that ends on the 12-month anniversary of the baby's birth. All leave time under PCE's supplemental bonding leave will be part of any authorized leave under California's new parent leave provisions described above.

As referenced in an earlier section, California Paid Family Leave (PFL) is available to employees during the baby bonding period to provide pay during those days not covered by PCE's supplemental bonding leave pay if the employee files a claim with EDD. No more than six (6) weeks of PFL benefits may be paid within any 12-month period.

https://www.edd.ca.gov/disability/How_to_File_a_DI_Claim_in_SDI_Online.htm

During a New Parent Leave, employees will be required to pay the normal payroll deduction amount(s) for the employee-paid portion of dependent health coverage and supplemental life insurance under the group health plans that would have applied had the employee not been on leave. Since normal payroll will not be processed, and

therefore employee deductions will not be possible, employees will be required to repay PCE for the applicable amount either during the leave or in full upon the employee's return.

For any leave that extends longer than 60 days, the annual performance review date will be adjusted to match the actual number of days of the leave. For example, following a leave of 90 days, a prior annual performance date of August 3 would be adjusted to November 1 of the same year - 90 days later.

7.106 Pregnancy Disability Leave

Pregnant employees are eligible for an unpaid leave of absence up to four (4) months (i.e., the working days you would normally work in one-third of a year or 17 1/3 weeks, unless your hours vary from month to month in which case PCE will use a monthly four-month average of the hours worked prior to commencing leave) for disabilities relating to pregnancy, childbirth, or related medical conditions per pregnancy.

A pregnant employee will be allowed to be absent for the period during which, in the opinion of her attending physician she is temporarily disabled because of pregnancy, childbirth or a related medical condition.

Pregnancy Leave is without pay. However, employees can use any accrued vacation time or other accrued paid time off as part of pregnancy disability leave before taking the remainder of leave on an unpaid basis. The substitution of any paid leave will not extend the duration of pregnancy disability leave. PCE will assist with designing your leave to your best possible financial advantage.

Whenever an employee is also receiving Family Care leave under PCE policy, Pregnancy Disability Leave and Family Care leave will run concurrently. When an employee is eligible for Family Care Leave under PCE's policy, terms and conditions of the Family Care Leave policy also apply to the taking of Pregnancy Disability Leave

Employees who are granted leaves for pregnancy will be returned to their same position to the extent required by state law. Upon the advice of your health care provider, you may also be entitled to reasonable accommodation, to the extent required by law, for conditions related to pregnancy, childbirth or related medical conditions. You should promptly notify PCE of the need for a reasonable accommodation (refer to 7.109). In addition, a transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties may be available pursuant to your request, if such a transfer is medically advisable.

When an employee's leave is foreseeable and at least 30 days' notice has been provided, and if a medical certification is requested, the employee must provide it before the leave begins. Otherwise please give PCE notice as soon as is practicable if the need is an emergency or unforeseeable.

Prior to the start of the leave, PCE will require a written medical certification from the employee's health care provider. The certification must include a statement that the employee is disabled due to pregnancy, the date on which the employee became disabled due to pregnancy, the probable duration of the period or periods of disability, and an explanatory statement that, due to disability, the employee is unable to work at all or is unable to perform any one or more of the essential functions of her position without undue risk to herself, the successful completion of her pregnancy, or to other persons.

An employee may request a transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties. Such a request must be based on the certification of the health care provider that the transfer is medically advisable and will be granted if the transfer can be reasonably accommodated.

In addition, an employee may request a reasonable accommodation, with the advice of her health care provider when the accommodation is needed due to pregnancy, childbirth or related medical conditions.

Sick and vacation leave do not accrue while an employee is on unpaid pregnancy disability leave.

Leave may be taken intermittently or on a reduced work schedule if the employee's health care provider determines that it is medically advisable for the employee to take intermittent leave. Employees may also take intermittent leave for prenatal care appointments and for pregnancy-related illness. If an employee requests intermittent leave or a reduced schedule leave that is foreseeable based on planned medical treatment, the employee may be transferred to an alternative position for the duration of the leave (unless the employee's health care provider disapproves for medical reasons).

In the event your leave exceeds the anticipated date of return, it is your responsibility to provide further certification from your health care provider that you are unable to perform your job or job duties and the revised anticipated date of return. Depending on your eligibility, medical insurance may be continued during your leave in accordance with the applicable plan document, COBRA, or provisions of federal/state law relating to unpaid medical leave. Employees who choose not to return from leave may be required to refund premium payments made by PCE on their behalf, when permitted by state law.

For any leave that extends longer than 60 days, the annual performance review date will be adjusted to match the actual number of days of the leave. For example, following a leave of 90 days, a prior annual performance date of August 3 would be adjusted to November 1 of the same year - 90 days later.

7.106 Holidays

Full-time employees are eligible to receive holiday pay immediately upon date of hire if they were scheduled to work on the day on which the holiday is observed and worked on both the regularly scheduled working days immediately preceding and immediately following the holiday (unless an absence on either day is approved in advance by the employee's supervisor).

Standard Holidays - PCE normally observes the following standard holidays during the year:

- New Year's Day
- Martin Luther King Jr. Day
- Presidents' Day
- Memorial Day
- Independence Day
- Labor Day
- Indigenous People's Day
- Veterans' Day
- Thanksgiving Day
- Day After Thanksgiving
- Christmas Day

If a holiday falls on Saturday, it will normally be observed on the preceding Friday. If a holiday falls on Sunday, it will normally be observed on the following Monday. Any unused floating holidays will not be paid out at the end of your employment.

Floating Holidays – Full-time employees are also eligible for up to four (4) floating holidays granted on the 1st day of each calendar year to be used at the employee's discretion throughout the year. However, for a new employee that starts employment with PCE, the number of floating holidays available for the remainder of the then current calendar year will be per the following schedule:

- Hire date between January 1 through March 31: 4 days
- Hire date between April 1 through June 30: 3 days
- Hire date between July 1 through September 30: 2 days

- Hire date between October 1 through December 31: 1 day

Any unused Floating Holidays remaining at the end of a calendar year will be forfeited. Any unused Floating Holidays will not be paid out at the end of your employment.

7.106 Voting Leave

PCE believes that every employee should have the opportunity to vote in state or federal elections, general primary, or special primary. Any employee who does not have sufficient time outside of working hours to vote in a statewide election may request up to two paid hours off to vote. We reserve the right to select the hours you are excused to vote.

Notify your immediate supervisor of the need for voting leave as soon as possible. When you return from voting leave, you must present a voter's receipt to your supervisor. This will provide documentation for your timesheet entry.

7.107 Jury Duty

PCE encourages employees to fulfill their civic responsibilities by serving jury duty when required. Employees may request paid jury duty leave, up to five (5) days. Exempt employees will receive their full weekly salary for any workweek interrupted by jury service if they work at least a portion of the workweek. If an exempt employee does not work at all during the workweek due to jury service, he or she will not be paid for that workweek. Alternatively, in this latter case, the employee could charge the week to vacation.

Employees must show the jury duty summons to their immediate supervisor as soon as possible so that the supervisor may make the appropriate arrangements to accommodate their absence. Employees are generally expected to report for work whenever the court schedule permits. For those employees who are not residents of the County of San Mateo, this may not be feasible.

Either PCE or the employee may request an excuse or deferment from jury duty if, in PCE's judgement, the employee's absence during the originally summoned time frame would create serious operational difficulties. It is noted that most court systems have very stringent requirements for a complete dismissal from service. As a result, PCE is committed to ensure that if called, you will be able to serve at a time that can be accommodated.

If you are obliged to serve on a long-term trial (i.e., greater than five (5) days), PCE will provide you will all the regular health, dental, vision, etc. benefits for the full term of the jury duty absence. Benefit accruals such as vacation, sick leave, or holiday benefits will be suspended during the unpaid jury duty leave and will resume upon return to active employment.

7.108 Military Leave and Civil Air Patrol

Employees who are required to fulfill military obligations in any branch of the Armed Forces of the United States or in state military service will be given the necessary time off and reinstated in accordance with federal and state law.

The time off will be unpaid, except where state law dictates otherwise. Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

Accrued vacation (if any) may be used for this leave if the employee chooses, but PCE will not require the employee to use vacation. Military orders should be presented to your immediate supervisor upon receipt so that arrangements for leave can be made as early as possible before departure. Employees are required to give notice of their service obligations to PCE unless military necessity makes this impossible. You must notify the HR Manager ~~CFO~~ and your supervisor of your intent to return to employment based on requirements of the law. Within the limits of such orders, the supervisor may determine when the leave is to be taken and may modify the employee's work schedule to accommodate the request for leave. Your benefits may continue to accrue during the period of leave in accordance with state and federal law.

This policy does not apply to employees who serve as first responders or disaster service workers for a local, state, or federal agency to the same or a simultaneous emergency operational mission.

Employees may substitute accrued vacation for unpaid leave but are not required to exhaust accrued leave prior to taking leave under this policy.

Additional information regarding any of the aforementioned military leaves may be obtained from the HR Manager~~CFO~~.

7.109 Personal Leave

Under special circumstances, full-time employees who have completed one year of employment may be granted an unpaid personal leave of absence for up to sixty (60)

days. The granting of this type of leave is normally for compelling reasons and is dependent upon the written approval of the CEO. Employees requesting a personal leave of absence must submit the request in writing stating the reason(s) for the requested leave at least twenty-one (21) days in advance of the requested leave. In emergency situations written notice must be provided as soon as possible. PCE has sole discretion in determining whether the leave will be granted. If granted, PCE and the employee will agree on a specific return to work date, although the employee is free to shorten the time at his/her discretion.

While on leave, retirement contributions and matching will be suspended consistent with the unpaid period.

While on leave, an employee will not accrue vacation or sick hours, and will not be eligible for holiday pay.

During the leave, some benefits may be continued through COBRA. Under COBRA, the employee will be required to pay for the full cost of benefits (e.g., medical, dental and vision insurance) if coverage is continued during the leave period.

PCE will make reasonable efforts to return the employee to the former position, or, if not possible for business reasons, to a similar position when the employee returns from a leave of absence. PCE's need to fill a position may override its ability to hold a position open until an employee returns from leave. Notwithstanding the foregoing, in the event of a company-wide reduction-in-force, PCE shall not be required to return the employee to any position after the leave of absence is over.

In the event that the former position is not available upon return from a Personal Leave of Absence, PCE retains the discretion to determine the similarity of any available positions for any reassignment and the employee's qualifications. Failure to return from a personal leave of absence upon the expiration of the leave will be considered a voluntary resignation.

7.110 Bone Marrow and Organ Donation Leave

Employees are eligible to receive up to thirty (30) business days of paid leave to serve as an organ donor and up to five business days of paid leave to serve as a bone marrow donor in a one-year period. The one-year period is measured from the date the employee's leave begins and shall consist of twelve (12) consecutive months. Employees must be employed by PCE for at least 90 days immediately preceding the commencement of leave. Such leave must be requested in writing.

When available, the employee must utilize up to five business days of accrued but unused sick or vacation leave for initial bone marrow donation leave and up to two weeks of accrued but unused sick or vacation leave for initial organ donation leave.

Please provide the HR Manager ~~CFO~~ with written physician verification of the purpose and length of each leave. For more information regarding this leave, please see the HR Manager~~CFO~~.

7.111 Domestic Violence Leave

PCE will not discriminate or retaliate against employees based on their status as a victim of domestic violence, sexual assault, or stalking or for taking time off from work to obtain or attempt to obtain any relief, including but not limited to, a temporary restraining order, restraining order, or other injunctive relief to help ensure the health, safety, or welfare of a victim or his or her child. To the extent required by law, PCE will provide reasonable accommodation to victims of domestic violence, sexual assault, or stalking who request the accommodation for the safety of the victim while at work.

7.112 Victims of Felony Crimes Leave

PCE will grant reasonable and necessary leave from work without pay, to employees who are victims, or whose spouse, child, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father, stepfather, registered domestic partner, or child of a registered domestic partner is a victim of a violent or serious felony or felonious theft or embezzlement, for the purposes of attending legal proceedings related to the crime.

Affected employees may elect to use accrued paid vacation, personal leave and/or sick leave in lieu of unpaid leave. When feasible, affected employees must provide PCE with notice of the employee's need for leave, including a copy of the notice of the scheduled proceeding. If notice is not feasible, affected employees must provide documentation evidencing the legal proceeding requiring the employee's absence within a reasonable time after leave is taken. Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

7.113 Time Off for School-Related Activities

Parents, stepparents, guardians, or grandparents with school children from kindergarten through grade 12, or who attend licensed child daycare facilities, are provided unpaid time off (up to a maximum of four (4) hours in one (1) calendar month and 20 hours in one (1) calendar year) or vacation or personal leave to participate in school or day care activities. PCE may require proof of an employee’s participation in these activities. The employee must provide reasonable advance notice to their supervisor before taking any time off under this section.

If you are the parent or guardian of a child who is suspended and are required to appear at the child's school, you may take time off without pay if you provide reasonable notice to your supervisor of the need for time off.

Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

Receipt of Employee Handbook and Employment-At-Will Statement

This is to acknowledge that I have received a copy of the Peninsula Clean Energy Employee Handbook and I understand that it contains information about the employment policies and practices of PCE. I agree to read and comply with this Employee Handbook. I understand that the policies outlined in this Employee Handbook are management guidelines only, which in a developing business will require changes from time to time. I understand that PCE retains the right to make decisions involving employment as needed to conduct its work in a manner that is beneficial to the employees and PCE. I understand that this Employee Handbook supersedes and replaces any and all prior Employee Handbooks and any inconsistent verbal or written policy statements.

I understand that except for the policy of at-will employment, PCE reserves the right to revise, delete, and add to the provisions of this Employee Handbook at any time without further notice. All such revisions, deletions or additions to the Employee Handbook will be in writing and will be signed by the CEO of PCE. I understand that no oral statements or representations can change the provisions of this Employee Handbook.

I understand that this Employee Handbook is not intended to create contractual obligations with respect to any matters it covers and that the Employee Handbook does not create a contract guaranteeing that I will be employed for any specific time period.

PCE IS AN AT-WILL EMPLOYER. THIS MEANS THAT REGARDLESS OF ANY PROVISION IN THIS EMPLOYEE HANDBOOK, EITHER PCE OR I MAY TERMINATE THE EMPLOYMENT RELATIONSHIP AT ANY TIME, FOR ANY REASON, WITH OR WITHOUT CAUSE OR NOTICE. NOTHING IN THIS EMPLOYEE HANDBOOK OR IN ANY DOCUMENT OR STATEMENT, WRITTEN OR ORAL, SHALL LIMIT THE RIGHT TO TERMINATE EMPLOYMENT AT-WILL. NO OFFICER, EMPLOYEE OR REPRESENTATIVE OF PCE IS AUTHORIZED TO ENTER INTO AN AGREEMENT, EXPRESS OR IMPLIED, WITH ME OR ANY OTHER EMPLOYEE FOR EMPLOYMENT FOR A SPECIFIED PERIOD OF TIME UNLESS SUCH AGREEMENT IS IN A WRITTEN CONTRACT SIGNED BY THE CEO OF PCE.

I understand that this Employee Handbook refers to current benefit plans maintained by PCE and that I must refer to the actual plan documents and summary plan descriptions as these documents are controlling.

I have read and understand the Vacation Policy in this Employee Handbook.

Initials _____ Date _____

I also understand that if a written contract is inconsistent with the Employee Handbook, the written contract is controlling.

If I have questions regarding the content or interpretation of this Employee Handbook, I will ask my supervisor or a member of management.

NAME _____

DATE _____

EMPLOYEE
SIGNATURE _____

Employee Handbook Attachment J:
Peninsula Clean Energy Guidance Regarding Vaccination and Remote Working Model
April 15, 2022; Amended November 17, 2022; Amended August 24, 2023

Part 1. Vaccinations
PCE Staff will follow all State and San Mateo County guidelines regarding workplace COVID vaccination including any future guidelines. At present (August 2023), neither the State nor County requires proof of COVID vaccine as a condition of employment.

Part 2. Masks
PCE shall follow California Department of Public Health guidelines which state that "people can wear a mask based on personal preference informed by their own personal level of risk."

PCE Management requests that individuals who have been exposed to COVID or other infectious disease or who are unvaccinated voluntarily test for COVID before working in the office or attending a PCE meeting or gathering. This is requested as a professional courtesy and implemented on a voluntary basis.

Part 3. Remote Working Model
Peninsula Clean Energy is adopting a Remote Working Model with in-person meetings for defined purposes. The Remote Working Model is subject to modification at any time and employees will be given notice of any changes or additions to this policy.

Section 3.1. PCE management has identified three groups of existing employees that have different needs and constraints:

- **A. Voluntary Remote Employee**
  - An employee who works remotely for 100% of the work week
  - Could work in the office if they choose to do so
- **B. Out-of-the Area Employee (2 sub-groups)**
  - (a) In-state employees whose primary residence is more than 100 miles from PCE's Redwood City Office
  - (b) Out of state employees
  - Requires approval (see section 3.4A)
- **C. Expansion Territory/Field Office Employee**
  - e.g., Los Banos

In all cases, unless there is managerial or CEO/COO approval, employees are required to attend quarterly in-person staff meetings.

Section 3.2: An employee may maintain their employment with PCE during a temporary relocation (i.e., not a permanent change of residence), permitted on a case-by-case basis, under the following conditions:

1) Employee request and managerial approval in writing at least 14 days in advance;
2) Temporary relocation for remote work may not exceed 4 weeks per year;

3) Temporary relocation for remote work may not exceed 4 weeks at any given time;
4) If temporary relocation is combined with PTO or other time off, it shall not result in being out of the area for longer than 4 weeks, unless extenuating circumstances exist and are approved by the employee's manager and CEO;
5) Such relocation may not interfere with the employee's ability to fully and effectively carry-out their job responsibilities during an 8-hour workday including, but not limited to:
    - Access to a quiet, safe place to work with reliable internet and video meeting capabilities;
    - Availability to engage and participate in scheduled and non-scheduled video meetings and conference calls during PCE's typical business hours (generally 8AM-5PM pacific prevailing time), and those that occur before or after PCE business hours (e.g. Board and committee meetings);
    - Available via instant chat (slack) and other forms of communication for quick resolution of issues during the same hours that would apply if they were working from home or in the office;
    - Does not interfere with attendance at quarterly in-person, all-staff team meetings; and,
    - Does not interfere with or jeopardize customer data security or other business-related security provisions pursuant to CA law and PCE policies and practices.

Extraordinary or extenuating circumstances that may result in a temporary remote work arrangement exceeding 4 weeks will be considered on a case-by-case basis and must be approved in writing by the CEO or COO.

Section 3.3. Home Office Equipment

All employees (to be submitted via expense report)

- $50/month for Internet – consistent with current policy
- $80/month for Cellphone – consistent with current policy
- All tech-related equipment provided as requested (laptop, monitor, keyboard, docking station, mouse, etc.) – all PCE purchased equipment remains owned by PCE
- Printer provided if requested and needed for job functionality
- PCE will repair or replace any of this equipment if necessary

Reimbursement for Other Office-related expenses

A one-time reimbursement of reasonable expenses up to $500 per employee to make an employee's remote working environment more ergonomic and appropriate was previously provided to employees in 2020/2021. This reimbursement covered items such as desks, chairs, lamps, routers, Wi-Fi equipment, and headphones.

- Up to an additional $100 reimbursement per year per employee will be provided as requested by an employee. This reimbursement can include office supplies and is available beginning March 1, 2022.
- All expenses must be approved in advance by the employee's Manager and the CFO.

Section 3.4. Out-of-the-Area Employees

A. In-state employees residing more than 100 miles from the RWC office (Primary Residence)
   - Permitted with prior approval by Manager and CEO
   - Not permitted for roles that require close proximity to San Mateo County (e.g., customer outreach, energy programs, and partner interactions). Exceptions by managerial and CEO approval.
B. Out-of-State Employees (Primary Residence)
   - Not permitted for new hires effective March 1, 2022.
   - Existing employees who currently live out-of-state as of March 29, 2022 should make a written request to their Manager and CEO for approval prior to April 1, 2022.
   - Requires approval by Manager and CEO.

Section 3.5. In-Person Meetings

- In-person, all staff meetings will be held 2-4 times per year.
- In-person team meetings are encouraged monthly to build accountability and foster relationships. Directors and Managers have the discretion to decide when and how often teams should get together and how often to have informal online, hybrid (partially in-person and partially remote), or in-person meetings.
- Office technology will be updated to enable high-quality, easy-to-use, hybrid meetings.

Section 3.6. Reimbursement of Expenses

- Reimbursement of expenses will be made for out-of-area employees (located in CA but more than 100 miles from the office), expansion territory/field office employees, and out of state employees only for required in-person meetings.
- Reimbursement can be requested for travel, lodging, and reasonable food expenses
- Travel expenses will not be reimbursed for travel to the office on a voluntary basis that is unrelated to a required in-person meeting.
    - Employees will be reimbursed for travel and mileage expenses for required off-site meetings, including meetings with regulators, legislators, etc.

Section 3.7. Office Layout and Use

- The office layout will remain largely the same with shared “hotel” style desks and work spaces for employees who will work from the office only periodically.
- Shared “hotel” work spaces will be wiped down and left clean after each use.
- If needed/requested, conference rooms can be reserved for day use by an employee or team. Please inform the Office Manager of your need/request 24 hours before coming into the office.

Section 3.8. Work Hours

Staff will generally be available during regular work hours as reflected in the Employee Handbook Section 6.109; employees shall have flexibility to discuss and arrange alternative schedules with the approval of their supervisor. Flexibility is a key PCE value and will be approved *where appropriate and only as necessary.*

Section 3.9. Remote Work Certification

Effective April 15, 2022, all employees who work remotely for Peninsula Clean Energy must review and initial the "Safe and Effective Remote Work Environment" document. Following review, employees must sign and certify that they have reviewed and understand the requirements to create a healthy, safe, and effective remote workspace. The "Safe and Effective Remote Work Environment" certification should be signed by each employee via Box Sign and returned to the Office Manager by April 15, 2022.

The opportunity to participate in a remote work program is offered with the understanding that each employee is responsible for ensuring that his/her remote work environment is both safe and effective.

Employee Handbook Attachment J:
Peninsula Clean Energy Guidance Regarding Vaccination and Remote Working Model
April 15, 2022; Amended November 17, 2022; Amended August 24, 2023~~Amended August 24, 2023~~

Part 1. Vaccinations

PCE Staff will follow all State and San Mateo County guidelines regarding workplace COVID vaccination including any future guidelines. At present (August 2023), neither the State nor County requires proof of COVID vaccine as a condition of employment.
~~In order to maintain and protect the health and safety of Peninsula Clean Energy employees, only those employees that have received both of their COVID-19 vaccinations as well as all booster shot(s) as recommended by the Centers for Disease Control (CDC) and local health authorities, as applicable, will be permitted to return to work in the office.~~

- ~~All~~
- ~~employees must provide proof of vaccination and booster by e-mail to the Office Manager by February 28, 2022, or by first day of employment for new hires, to work in the office and/or to attend all-hands meetings (including PCE-sponsored offsite gatherings).~~
- ~~If an employee has not yet received their COVID-19 vaccination(s) and/or booster(s), COVID-19 testing is required within the 24-hour period prior to the employee entering the office or attending an outside meeting. An employee may use any COVID-19 test to satisfy this requirement, including COVID-19 Rapid Tests, and may request reimbursement from PCE for the cost of test(s). An email documenting that the test was taken and the employee received a negative result should be sent to the Office Manager prior to the Employee's entrance to the office and/or attendance at an outside meeting.~~

Part 2. Masks
PCE shall follow California Department of Public Health guidelines which state that "people can wear a mask based on personal preference informed by their own personal level of risk."

PCE Management requests that individuals who have been exposed to COVID or other infectious disease or who are unvaccinated voluntarily test for COVID before working in the office or attending a PCE meeting or gathering. This is requested as a professional courtesy and implemented on a voluntary basis.

~~All employees must wear a mask at all times when in the office; this guideline may change, and employees will be updated accordingly.~~

Part 3. Remote Working Model
Peninsula Clean Energy is adopting a Remote Working Model with in-person meetings ~~only~~ for ~~time-limited and~~ defined purposes. The Remote Working Model is subject to modification at any time and employees will be given notice of any changes or additions to this policy.

Section 3.1. PCE management has identified three groups of existing employees that have different needs and constraints:

- **A. Voluntary Remote Employee**
  - An employee who works remotely for 100% of the work week
  - Could work in the office if they choose to do so
- **B. Out-of-the Area Employee (2 sub-groups)**
  - (a) In-state employees whose primary residence is more than 100 miles from PCE's Redwood City Office
  - (b) Out of state employees
  - Requires approval (see section 3A)
- **C. Expansion Territory/Field Office Employee**
  - e.g., Los Banos

In all cases, unless there is managerial or CEO/COO approval, employees are required to attend quarterly in-person staff meetings.

Section 3.2: An employee may maintain their employment with PCE during a temporary relocation (i.e., not a permanent change of residence), permitted on a case-by-case basis, under the following conditions:

1) Employee request and managerial approval in writing at least 14 days in advance;
2) Temporary relocation for remote work may not exceed 4 weeks per year;
3) Temporary relocation for remote work may not exceed 4 weeks at any given time;
4) If temporary relocation is combined with PTO or other time off, it shall not result in being out of the area for longer than 4 weeks, unless extenuating circumstances exist and are approved by the employee's manager and CEO;
5) Such relocation may not interfere with the employee's ability to fully and effectively carry-out their job responsibilities during an 8-hour workday including, but not limited to:
   - Access to a quiet, safe place to work with reliable internet and video meeting capabilities;
   - Availability to engage and participate in scheduled and non-scheduled video meetings and conference calls during PCE's typical business hours (generally 8AM-5PM pacific prevailing time), and those that occur before or after PCE business hours (e.g. Board and committee meetings);
   - Available via instant chat (slack) and other forms of communication for quick resolution of issues during the same hours that would apply if they were working from home or in the office;
   - Does not interfere with attendance at quarterly in-person, all-staff team meetings; and,
   - Does not interfere with or jeopardize customer data security or other business-related security provisions pursuant to CA law and PCE policies and practices.

Extraordinary or extenuating circumstances that may result in a temporary remote work arrangement exceeding 4 weeks will be considered on a case-by-case basis and must be approved in writing by the CEO or COO.

Section 3.3~~3~~. Home Office Equipment

All employees (to be submitted via expense report)

- $50/month for Internet – consistent with current policy
- $80/month for Cellphone – consistent with current policy
- All tech-related equipment provided as requested (laptop, monitor, keyboard, docking station, mouse, etc.) – all PCE purchased equipment remains owned by PCE
- Printer provided if requested and needed for job functionality
- PCE will repair or replace any of this equipment if necessary

Reimbursement for Other Office-related expenses

A one-time reimbursement of reasonable expenses up to $500 per employee to make an employee's remote working environment more ergonomic and appropriate was previously provided to employees in 2020/2021. This reimbursement covered items such as desks, chairs, lamps, routers, Wi-Fi equipment, and headphones.

- Up to an additional $100 reimbursement per year per employee will be provided as requested by an employee. This reimbursement can include office supplies and is available beginning March 1, 2022.
- All expenses must be approved in advance by the employee's Manager and the CFO.

Section 3.4~~4~~. Out-of-the-Area Employees

A. In-state employees residing more than 100 miles from the RWC office (Primary Residence)
   - Permitted with prior approval by Manager and CEO
   - Not permitted for roles that require close proximity to San Mateo County (e.g., customer outreach, energy programs, and partner interactions). Exceptions by managerial and CEO approval.
B. Out-of-State Employees (Primary Residence)
   - Not permitted for new hires effective March 1, 2022.
   - Existing employees who currently live out-of-state as of March 29, 2022 should make a written request to their Manager and CEO for approval prior to April 1, 2022.
   - Requires approval by Manager and CEO.

Section 3.5~~5~~. In-Person Meetings

- In-person, all staff meetings will be held 2-4 times per year.
- In-person team meetings are encouraged monthly ~~or every other month~~ to build accountability and foster relationships. Directors and Managers have the discretion to decide when and how often teams should get together and how often to have informal online, hybrid (partially in-person and partially remote), or in-person meetings.

- Office technology will be updated to enable high-quality, easy-to-use, hybrid meetings

Section 3.6. Reimbursement of Expenses

- Reimbursement of expenses will be made for out-of-area employees (located in CA but more than 100 miles from the office), e~~E~~xpansion t~~T~~erritory/f~~F~~ield o~~O~~ffice e~~E~~mployees, and o~~O~~ut of s~~S~~tate e~~E~~mployees only for required in-person meetings
- Reimbursement can be requested for travel, lodging, and reasonable food expenses
- Travel expenses will not be reimbursed for travel to the office on a voluntary basis that is unrelated to a required in-person meeting
    - Employees will be reimbursed for travel and mileage expenses for required off-site meetings, including meetings with regulators, legislators, etc.

Section 3.7. Office Layout and Use

- The office layout will ~~remain the same.~~remain largely the same with shared "hotel" style desks and work spaces for employees who will work from the office only periodically. ~~Employees will continue to use their assigned desks.~~
- ~~Any employees planning to be in the office must inform the Office Manager at least 24 hours before coming into the office to ensure that only a limited number of staff will be in the office at any one time~~
- Shared "hotel" work spaces will be wiped down and left clean after each use. I~~f an employee needs to use someone else's assigned desk/location, they must wipe down the desk/location after use~~
- If needed/requested, conference rooms can be reserved for day use by an employee or team. Please inform the Office Manager of your need/request 24 hours before coming into the office.

Section 3.88. Work Hours

Staff will generally be available during regular work hours as reflected in the Employee Handbook Section 6.109; employees shall have flexibility to discuss and arrange alternative schedules with the approval of their supervisor. Flexibility is a key PCE value and will be approved *where appropriate and only as necessary*~~.~~

Section 3.9. Remote Work Certification

Effective April 15, 2022, all employees who work remotely for Peninsula Clean Energy must review and initial the "Safe and Effective Remote Work Environment" document. Following review, employees must sign and certify that they have reviewed and understand the requirements to create a healthy, safe, and effective remote workspace. The "Safe and Effective Remote Work Environment" certification should be signed by each employee via Box Sign and returned to the Office Manager by April 15, 2022.

The opportunity to participate in a remote work program is offered with the understanding that each employee is responsible for ensuring that his/her remote work environment is both safe and effective.~~.~~

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: August 11, 2023
BOARD MEETING DATE: August 24, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Kirsten Andrews-Schwind, Senior Manager of Community Relations
Vanessa Shin, Community Outreach Specialist

SUBJECT: Delegate authority to the Chief Executive Officer to finalize and execute an agreement with the San Mateo County Community Colleges District (SMCCCD) for up to $175,000 to expand clean energy education and student engagement in FY 2023-2024.

RECOMMENDATION:
Delegate authority to the Chief Executive Officer to finalize and execute an agreement with the San Mateo County Community Colleges District (SMCCCD) for up to $175,000 to expand clean energy education and student engagement in FY 2023-2024.

BACKGROUND:
Peninsula Clean Energy understands that the mission of reducing greenhouse gas emissions depends on educating the next generation of energy and environmental leaders. A key tactic in the Marketing section of Peninsula Clean Energy's strategic plan is to "continue to support schools-based literacy programs focused on energy."

To support this goal, Peninsula Clean Energy has contributed to energy and sustainability education and workforce development with the San Mateo County Community Colleges District (SMCCCD).

From 2020 to 2022, Peninsula Clean Energy funded paid energy- and sustainability-related internships for students enrolled in one of the District's three campuses: College of San Mateo, Cañada College, and Skyline College. 10-12 students annually completed internships with non-profits and government agencies in San Mateo County, focusing on energy policy research, facilities analysis, public education, and social media marketing. Peninsula Clean Energy's funding also supported a Fellow placed at the District who managed recruitment and supervision of interns. In addition to providing work experience for the interns and Fellow, these experiential learning opportunities provided hands-on work experience in the energy and environmental field.

DISCUSSION:
Peninsula Clean Energy proposes to partner with the SMCCCD in FY 2023-24 to scale energy education to more students at the College of San Mateo, Cañada College, and Skyline College. Through this partnership, the SMCCCD will engage students to develop interactive, educational exhibits focused on clean energy, electrification, and related careers. To support local workforce development, the SMCCCD will also prioritize reaching students and faculty enrolled in trades programs.

Clean Energy Education through the Museum of Tomorrow Model
In collaboration with Peninsula Clean Energy, the SMCCCD will leverage the Museum of Tomorrow model to raise awareness of clean energy and electrification among students and faculty. The Museum of Tomorrow consists of interactive, educational exhibits similar to those at the Exploratorium, developed by students for students to empower action on the climate crisis. The SMCCCD will recruit an Outreach Project Engineer, five Student Assistants, and three Faculty Advisors to implement this partnership.

Through this proposal, the Outreach Project Engineer will recruit Student Assistants and Faculty Advisors to develop at least three interactive exhibits focused on electrification and decarbonization of buildings and transportation. Peninsula Clean Energy will provide industry expertise and advise on the content of each exhibit, which may include:

- Clean energy sources provided by Peninsula Clean Energy
- Environmental and health benefits of electric appliances or electric transportation
- How heat pumps or other clean energy technologies work
- Careers in deploying clean energy infrastructure, including electricians, contractors, or heat pump installers

Reaching Students and Faculty at Community Colleges
The Museum of Tomorrow exhibits will serve as an avenue for introducing the concepts of electrification to the campus community in a positive, engaging, and fun manner. The Outreach Project Engineer will also be responsible for marketing the exhibits with help from the Student Assistants and driving wide participation from both students and faculty.

In addition to housing the exhibits at the College of San Mateo's Sustainability Collaborative Center, the SMCCCD will rotate and display exhibits in high-traffic areas on all three community colleges campuses. Additionally, the Outreach Project Engineer will partner with student organizations as well as faculty to encourage students to participate in the exhibits as part of course curriculum or extra credit.

In 2023-24, the SMCCCD has a goal to reach hundreds of students through various strategies, including but not limited to:

- Promoting exhibits through social media: 10-30K views
- Integrating exhibit content in course curriculum: 10+ classes (150-220 students)
- Engaging classes or student organizations in exhibit ideation): 15-30 individuals
- Bringing the exhibits to campus events: 350-500 individuals

Table 1. Proposed Funding for SMCCCD Partnership

Items	Amount	Description
Outreach Project Engineer	Up to $106,439	The Outreach Project Engineer will hire and supervise the Student Assistants to develop Museum of Tomorrow interactive exhibits teaching about electrification and decarbonization. The Outreach Project Engineer will develop partnerships with faculty and student organizations to engage the broader campus community in these exhibits.
Student Assistants	Up to $26,980	SMCCCD will recruit up to five Student Assistants to support exhibit development. The Student Assistants will be responsible for researching, designing, and building three exhibits focused on clean energy, electrification, and related careers. Each position will be 250 hours each.
Training and Exhibit Material Costs	Up to $20,000	The budget includes funds for Student Assistant professional development training as well as the cost of exhibit supplies, tools, marketing, and transportation.
Faculty Support	Up to $15,000	SMCCCD will also recruit up to three faculty to serve as technical advisors for the development of exhibits, including content, hardware, and software needs. At least one Faculty Advisor will be a member of the District's building trades and training programs.
Contingency Funds	Up to $6,581	Contingency funds may be used for unforeseen program costs upon approval by Peninsula Clean Energy staff.
Total	Not-to-Exceed: $175,000	

FISCAL IMPACT:
The contract will not exceed $175,000 in the fiscal year 2023-24.

STRATEGIC PLAN:

This partnership with the San Mateo County Community Colleges District will support the following goal in the Peninsula Clean Energy Strategic Plan:

Key Tactic 2. Continue to support schools-based literacy programs focused on energy. Task 1: Work with San Mateo County Office of Education, San Mateo County Community

College District and Los Banos schools to identify and support opportunities to educate students, teachers, and administrators about energy-related environmental impact in order to inspire action.

PENINSULA CLEAN ENERGY

RESOLUTION NO. _____

PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

* * * * * *

RESOLUTION DELEGATING AUTHORITY TO THE CHIEF EXECUTIVE OFFICER TO FINALIZE AND EXECUTE AN AGREEMENT WITH THE SAN MATEO COUNTY COMMUNITY COLLEGES DISTRICT FOR AN AMOUNT NOT TO EXCEED $175,000 IN 2023-2024

RESOLVED, by the Peninsula Clean Energy Authority of the County of San Mateo, State of California, that

WHEREAS, Peninsula Clean Energy was formed on February 20, 2016; and

WHEREAS, Peninsula Clean Energy understands that the mission of reducing greenhouse gas emissions depends on educating the next generation of energy and environmental leaders; and

WHEREAS, Peninsula Clean Energy has funded energy and sustainability internships and fellowships in 2020-2022 in the San Mateo County Community Colleges District; and

WHEREAS, Peninsula Clean Energy desires to continue and expand support for student and faculty engagement in clean energy and related careers at Cañada College,

College of San Mateo, and Skyline College. This goal will be achieved through facilitating experiential learning opportunities and the development of interactive exhibits focused on renewable energy and electrification; and

WHEREAS, the funds allocated to the San Mateo County Community Colleges District will be used to recruit student interns and faculty advisors to design exhibits, expand District staff capacity to implement the program, and provide training and materials for exhibit creation; and

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board delegates authority to the Chief Executive Office to finalize and execute an agreement with the San Mateo County Community Colleges District in an amount not to exceed $175,000 in 2023-24 in a form approved by the General Counsel.

* * * * * *

AGREEMENT BETWEEN THE PENINSULA CLEAN ENERGY AUTHORITY AND SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

This Agreement is entered into this first day of September, 2023, by and between the Peninsula Clean Energy Authority, a joint powers authority of the state of California, hereinafter called "PCEA," and the San Mateo County Community College District, hereinafter called "Contractor."

* * *

Whereas, pursuant to Section 6508 of the Joint Exercise of Powers Act, PCEA may contract with independent contractors for the furnishing of services to or for PCEA; and

Whereas, it is necessary and desirable that Contractor be retained for the purpose of advancing clean energy education at all campuses of the San Mateo County Community College District.

Now, therefore, it is agreed by the parties to this Agreement as follows:

1. <u>Exhibits and Attachments</u>

The following exhibits and attachments are attached to this Agreement and incorporated into this Agreement by this reference:

Exhibit A—Services
Exhibit B—Payments and Rates

2. <u>Services to be performed by Contractor</u>

In consideration of the payments set forth in this Agreement and in Exhibit B, Contractor shall perform services for PCEA in accordance with the terms, conditions, and specifications set forth in this Agreement and in Exhibit A.

3. <u>Payments</u>

In consideration of the services provided by Contractor in accordance with all terms, conditions, and specifications set forth in this Agreement and in Exhibit A, PCEA shall make payment to Contractor based on the rates and in the manner specified in Exhibit B. PCEA reserves the right to withhold payment if PCEA determines that the quantity or quality of the work performed is unacceptable. In no event shall PCEA's total fiscal obligation under this Agreement exceed **ONE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS** ($175,000). In the event that the PCEA makes any advance payments,

Contractor agrees to refund any amounts in excess of the amount owed by the PCEA at the time of contract termination or expiration.

4. Term

Subject to compliance with all terms and conditions, the term of this Agreement shall be from September 1, 2023, through June 30, 2024.

5. Termination; Availability of Funds

This Agreement may be terminated by Contractor or by the Chief Executive Officer of the PCEA or his/her designee at any time without a requirement of good cause upon thirty (30) days' advance written notice to the other party. Subject to availability of funding, Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement that are consistent with those services described in Exhibit A and performed to the satisfaction of PCEA. Such payment shall be that prorated portion of the full payment determined by comparing the work/services actually completed to the work/services required by the Agreement.

PCEA may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits based upon the unavailability of Federal, State, or PCEA funds by providing written notice to Contractor as soon as is reasonably possible after PCEA learns of said unavailability of outside funding.

6. Relationship of Parties

Contractor agrees and understands that the work/services performed under this Agreement are performed as an independent contractor and not as an employee of PCEA and that neither Contractor nor its employees acquire any of the rights, privileges, powers, or advantages of PCEA employees.

7. Hold Harmless

a. General Hold Harmless

Contractor shall indemnify and save harmless PCEA and its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description resulting from this Agreement, the performance of any work or services required of Contractor under this Agreement, or payments made pursuant to this Agreement brought for, or on account of, any of the following:

(A) injuries to or death of any person, including Contractor or its employees/officers/agents;

(B) damage to any property of any kind whatsoever and to whomsoever belonging;

(C) any sanctions, penalties, or claims of damages resulting from Contractor's failure to comply, if applicable, with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended; or

(D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of PCEA and/or its officers, agents, employees, or servants. However, Contractor's duty to indemnify and save harmless under this Section shall not apply to injuries or damage for which PCEA has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Contractor to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

8. Assignability and Subcontracting

Contractor shall not assign this Agreement or any portion of it to a third party or subcontract with a third party to provide services required by Contractor under this Agreement without the prior written consent of PCEA. Any such assignment or subcontract without PCEA's prior written consent shall give PCEA the right to automatically and immediately terminate this Agreement without penalty or advance notice.

9. Payment of Permits/Licenses

Contractor bears responsibility to obtain any license, permit, or approval required from any agency for work/services to be performed under this Agreement at Contractor's own expense prior to commencement of said work/services. Failure to do so will result in forfeit of any right to compensation under this Agreement.

10. W-9 Form and Submission of Invoices

Invoices shall only be submitted by electronic form by sending an email to both the **PCEA project contact's email address** and to **PCEA's Finance email address** (vshin@peninsulacleanenergy.com, kandrews-schwind@peninsulacleanenergy.com, finance@peninsulacleanenergy.com). Contractor shall submit a completed W-9 form electronically to the same email addresses. Contractor understands that no invoice will be paid by PCEA unless and until a W-9 Form is received by PCEA.

11. Insurance

a. General Requirements

Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this Section has been obtained and such insurance has been approved by PCEA, and Contractor shall use diligence to obtain such insurance and to obtain such approval. Contractor shall furnish PCEA with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to PCEA of any pending change in the limits of liability or of any cancellation or modification of the policy.

b. Workers' Compensation and Employer's Liability Insurance

Contractor shall have in effect during the entire term of this Agreement workers' compensation and employer's liability insurance providing full statutory coverage. In signing this Agreement, Contractor certifies, as required by Section 1861 of the California Labor Code, that (a) it is aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and (b) it will comply with such provisions before commencing the performance of work under this Agreement.

c. Liability Insurance

Contractor shall take out and maintain during the term of this Agreement such bodily injury liability and property damage liability insurance as shall protect Contractor and all of its employees/officers/agents while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from Contractor's operations under this Agreement, whether such operations be by Contractor, any subcontractor, anyone directly or indirectly employed by either of them, or an agent of either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amounts specified below:

Yes	Comprehensive General Liability (Applies to all agreements)	$1,000,000
Yes	Motor Vehicle Liability Insurance	$1,000,000

No	Professional Liability Insurance	$1,000,000

PCEA and its officers, agents, employees, and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that (a) the insurance afforded thereby to PCEA and its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy and (b) if the PCEA or its officers, agents, employees, and servants have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this Section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, PCEA, at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work and payment pursuant to this Agreement.

12. Compliance With Laws

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances, and regulations, including but not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Federal Regulations promulgated thereunder, as amended (if applicable), the Business Associate requirements set forth in Attachment H (if attached), the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of disability in programs and activities receiving any Federal or County financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including but not limited to appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. In the event of a conflict between the terms of this Agreement and any applicable State, Federal, County, or municipal law or regulation, the requirements of the applicable law or regulation will take precedence over the requirements set forth in this Agreement.

Contractor will timely and accurately complete, sign, and submit all necessary documentation of compliance.

13. Non-Discrimination and Other Requirements

a. General Non-discrimination

No person shall be denied any services provided pursuant to this Agreement (except as limited by the scope of services) on the grounds of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information.

b. Equal Employment Opportunity

Contractor shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Contractor's equal employment policies shall be made available to PCEA upon request.

c. Section 504 of the Rehabilitation Act of 1973

Contractor shall comply with Section 504 of the Rehabilitation Act of 1973, as amended, which provides that no otherwise qualified individual with a disability shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of any services this Agreement. This Section applies only to contractors who are providing services to members of the public under this Agreement.

d. Employee Benefits

With respect to the provision of benefits to its employees, Contractor shall ensure that employee benefits provided to employees with domestic partners are the same as those provided to employees with spouses.

e. Discrimination Against Individuals with Disabilities

The nondiscrimination requirements of 41 C.F.R. 60-741.5(a) are incorporated into this Agreement as if fully set forth here, and Contractor and any subcontractor shall abide by the requirements of 41 C.F.R. 60–741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.

f. History of Discrimination

Contractor must check one of the two following options, and by executing this Agreement, Contractor certifies that the option selected is accurate:

_X_ No finding of discrimination has been issued in the past 365 days against Contractor by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or any other investigative entity.

__ Finding(s) of discrimination have been issued against Contractor within the past 365 days by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or other investigative entity. If this box is checked, Contractor shall provide PCEA with a written explanation of the outcome(s) or remedy for the discrimination.

g. Reporting; Violation of Non-discrimination Provisions

Contractor shall report to the Chief Executive Officer of PCEA the filing in any court or with any administrative agency of any complaint or allegation of discrimination on any of the bases prohibited by this Section of the Agreement or Section 13, above. Such duty shall include reporting of the filing of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission, or any other entity charged with the investigation or adjudication of allegations covered by this subsection within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include a general description of the circumstances involved and a general description of the kind of discrimination alleged (for example, gender-, sexual orientation-, religion-, or race-based discrimination).

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the Chief Executive Officer, including but not limited to the following:

i. termination of this Agreement;
ii. disqualification of the Contractor from being considered for or being awarded a PCEA contract for a period of up to 3 years;
iii. liquidated damages of $2,500 per violation; and/or
iv. imposition of other appropriate contractual and civil remedies and sanctions, as determined by the Chief Executive Officer.

To effectuate the provisions of this Section, the Chief Executive Officer shall have the authority to offset all or any portion of the amount described in this Section against amounts due to Contractor under this Agreement or any other agreement between Contractor and PCEA.

14. Retention of Records; Right to Monitor and Audit

(a) Contractor shall maintain all required records relating to services provided under this Agreement for three (3) years after PCEA makes final payment and all other pending matters are closed, and Contractor shall be subject to the examination and/or audit by PCEA, a Federal grantor agency, and the State of California.

(b) Contractor shall comply with all program and fiscal reporting requirements set forth by applicable Federal, State, and local agencies and as required by PCEA.

(c) Contractor agrees upon reasonable notice to provide to PCEA, to any Federal or State department having monitoring or review authority, to PCEA's authorized representative, and/or to any of their respective audit agencies access to and the right to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules, and regulations, to determine compliance with this Agreement, and to evaluate the quality, appropriateness, and timeliness of services performed.

15. <u>Merger Clause; Amendments</u>

This Agreement, including the Exhibits and Attachments attached to this Agreement and incorporated by reference, constitutes the sole Agreement of the parties to this Agreement and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement, or specification set forth in the body of this Agreement conflicts with or is inconsistent with any term, condition, provision, requirement, or specification in any Exhibit and/or Attachment to this Agreement, the provisions of the body of the Agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications or amendments shall be in writing and signed by the parties.

16. <u>Controlling Law; Venue</u>

The validity of this Agreement and of its terms, the rights and duties of the parties under this Agreement, the interpretation of this Agreement, the performance of this Agreement, and any other dispute of any nature arising out of this Agreement shall be governed by the laws of the State of California without regard to its choice of law or conflict of law rules. Any dispute arising out of this Agreement shall be venued either in the San Mateo County Superior Court or in the United States District Court for the Northern District of California.

17. <u>Notices</u>

Any notice, request, demand, or other communication required or permitted under this Agreement shall be deemed to be properly given when both: (1) transmitted via facsimile to the telephone number listed below or transmitted via email to the email address listed below; and (2) sent to the physical address listed below by either being deposited in the United States mail, postage prepaid, or deposited for overnight delivery, charges prepaid, with an established overnight courier that provides a tracking number showing confirmation of receipt.

In the case of PCEA, to:

Name/Title: Shawn Marshall, Chief Executive Officer
Address: 2075 Woodside Road, Redwood City, CA 94061
Telephone: 650-260-0100
Email: smarshall@peninsulacleanenergy.com

In the case of Contractor, to:

Name/Title: _____Dr. Richard Storti, Executive Vice Chancellor of Administrative Services
Address: 3401 CSM Drive, San Mateo, CA 94402
Telephone: (650) 358-6789
Email: stortir@smccd.edu

18. <u>Electronic Signature</u>

PCEA and Contractor wish to permit this Agreement, and future documents executed pursuant to this Agreement, to be digitally signed in accordance with California law. Any party that agrees to allow digital signature of this Agreement may revoke such agreement at any time in relation to all future documents by providing notice pursuant to this Agreement.

19. <u>No Recourse Against PCEA's Member Agencies</u>

Contractor acknowledges and agrees that PCEA is a Joint Powers Authority, which is a public agency separate and distinct from its member agencies. All debts, liabilities, or obligations undertaken by PCEA in connection with this Agreement are undertaken solely by PCEA and are not debts, liabilities, or obligations of its member agencies. Contractor waives any recourse against PCEA's member agencies.

* * *

In agreement with this Agreement's terms, the parties, by their duly authorized representatives, affix their respective signatures:

PENINSULA CLEAN ENERGY AUTHORITY

By: _____

Chief Executive Officer, Peninsula Clean Energy Authority

Date: _____

SAN MATEO COUNTY COMMUNITY COLLEGE DISTRICT

By: _____

_____
Name/Title of Authorized Signatory

Date: _____

Exhibit A

In consideration of the payments set forth in Exhibit B, Contractor shall provide the following services:

Sustainability Collaborative Center Overview

The San Mateo County Community College District (SMCCCD) is comprised of three colleges: Cañada College, College of San Mateo, and Skyline College. The District has been recognized nationally, within California, and by local organizations for its sustainability initiatives.

To further advance and institutionalize sustainability education, SMCCCD is piloting the Sustainability Collaborative Center with the College of San Mateo. The Center will function as a central hub for faculty and students to incorporate sustainability into teaching and learning. The Sustainability Collaborative center will offer three main areas of service:

1. Utilize the Museum of Tomorrow Model to engage students and faculty from all disciplines, with a priority on students enrolled in trades programs
2. Empower the District Sustainability Team to expand engagement of students and faculty in energy-related projects
3. Provide students, staff, and faculty with a physical space to connect, network, and explore energy and other sustainability topics

The Sustainability Collaborative Center will be situated in the College of San Mateo, which is within a 15-minute drive of both Skyline and Cañada College. Students from all three campuses will be encouraged to participate in the programs the Center offers.

Museum of Tomorrow

The Museum of Tomorrow (MoT) is a sustainability pop-up museum designed to shift the mindset on climate change from depressed to empowered. In partnership with PCEA, SMCCCD will engage students and faculty to develop at least three interactive exhibits focused on electrification and decarbonization of buildings and transportation. Exhibits may be at varying stages of completion at the end of year one, some larger exhibits might span two years to complete.

Example topics may include:

- Clean energy sources provided by PCEA
- Environmental and health benefits of electric appliances or electric transportation
- How heat pumps or other clean energy technologies work
- Careers in deploying clean energy infrastructure, including electricians, contractors, or heat pump installers

SMCCCD will engage students and faculty through various channels, including but not limited to:

- Partnership with faculty to encourage students to visit the Sustainability Collaborative Center and exhibits as part of course curriculum or extra credit
- Pop-up displays of exhibits in high-traffic areas on all three SMCCCD campuses
- Collaboration with the District Wide Sustainability Committee (DWSC), 75+ members across faculty, staff, and students
    - Plans for bringing exhibits to students of all three campuses
    - Goal for reach of exhibits, and how to achieve those goals

The Sustainability Collaborative Center aims to achieve the following goals regarding exhibit reach by the end of this Agreement term (one academic year):

- Online engagement (e.g. Instagram views): 10-30K views
- Class presentations: 10 + classes (about 150-220 students)
- Class or student organization projects (e.g., participate in exhibit ideation): 1-3 groups
- Event attendance (e.g. EarthFest, Bay Area Environmental Justice Assembly): 350-500
- (Second year) Center passerby visits (estimated using the average number of CSM library visits since center most likely will be situated in library): 3k a month, 8-9 months

The above goals will be achieved through a rigorous student assistant and faculty recruitment plan, as well as a center and event marketing plan. These will pull from a variety of strategies currently in use by the District Sustainability Team, which include the following:

Marketing Strategy	Stakeholders Reached	Potential Number Engaged
Instagram Promotion	Over 960 followers, 30-40 posts per year. Number of accounts engaged has increased 4.2% in the last two months alone.	23,549 views distributed over 12 reels in the last year.
Campus event calendars	We can release event information once per event, viewable to the public.	In 2021, the District enrolled 29,895 students and employed 1,698 people in total.
Campus webpage front page	Students and faculty regularly check their campus website for resources, event reminders, and featured news.	In 2021, the District enrolled 29,895 students and employed 1,698 people in total.

Marketing Strategy	Stakeholders Reached	Potential Number Engaged
Newsletters & Email Lists		
CSM Newsletters: -Bulldog Bulletin -Weekly Update newsletter	We can release event information and recruitment information to all CSM students and faculty once per event/recruitment.	13,000 students receiving this newsletter
Skyline Newsletters: -Skyline Shines -The Skyline View	We can release event information and recruitment information to all Skyline students and faculty once per event/recruitment. The Skyline View can print or create social media materials to promote the Center.	9,000 students receiving Skyline Shines The Skyline View has over 380 Instagram followers, and their Tiktok has 6,409 views distributed over 14 posts in the last year
Districtwide Sustainability Committee	The District Sustainability Team leads the Districtwide Sustainability Committee, open to students, staff, and faculty, which meets every other month.	Membership: 83 Includes faculty from environmental sciences, business, economics, English, and art departments
STEM Dean E-mail list	STEM Dean can send out email requests to faculty to post on Canvas, a website that students access daily for their course information.	SKY STEM Faculty: 80-90 SKY STEM Students reached: 3500-5000; 40% of SKY's enrollment are in STEM *Will repeat at other campuses*
Middle College	Middle College students must complete a set number of volunteer hours to graduate. The Center can engage Middle College students to volunteer to assist with marketing and/or support events.	1,000 students in the Middle College program across the District
Events		
Earth Fest Skyline	The District Sustainability Earth Day event to engage students, staff, faculty, and other campus & community partners. Tabling partners: MoT exhibits, Puente, Skyline Library, and Skyline Honors Society, and the CA State Parks system.	Attendance: 150 70 MoT Wish Tree petitions signed
Earth Fest CSM	The District Sustainability team Earth Day event to engage students, staff,	Attendance: 100

Marketing Strategy	Stakeholders Reached	Potential Number Engaged
	faculty, and other campus & community partners. Tabling partners: County Office of Sustainability, CSM Library, Citizens Climate Lobby, and the Assistance League of San Mateo. We engaged volunteers from the Middle College program as well.	70 MoT Wish Tree petitions signed
Flyering		
On-campus Flyering	The Center can put up flyers to promote events and recruitment in key buildings which receive the most foot traffic.	25 flyers put up per campus, in dining hall, STEM center, library, career center, and student life center.
Digital Flyering at Dining Hall	The Center can display digital flyers on the screens at our three campus dining halls, to be viewed by anyone in the building.	3,000 students across the District reached
Other		
Allied Faculty (Sustainability presentations, class projects, event commitments)	The District Sustainability Team has worked with 7 classes across the District in 2023 alone: Professors Susan Mahoney (ENVS 115 and 101), Elinor Westfold (ESL 400), Evan Kaiser (ESL 400), Eric Hetzel (ENG 110 and 165), and the SVIEP Program. Professors Mays Danfoura (ENVS), Michael Song (ENVS), and Mohsin Janatpour (ART) also brought classes to and/or supported past events.	Engaged 104 students through our class visits. We anticipate strong support from these faculty to come out to events & market for recruitment.
On-campus tabling	We can table on-campus at Skyline College Hour or outside CSM and Cañada dining halls to inform about the Center and recruit in-person.	60 students engaged with our content during October on-campus tabling
External network contacts	Our network includes multiple San Mateo County agencies and offices, as well as nonprofit partners such as Sustainable San Mateo.	N/A external organizations

SMCCCD Outreach Project Engineer

The Outreach Project Engineer will hire and guide the student assistants on the development of exhibits focused on electrification and decarbonization. This position will be supervised by SMCCCD Sustainability staff.

Key Responsibilities:

- Manage the recruitment and project implementation of five student assistants. Work closely with students throughout their assignments, ensuring timely completion of key tasks and deliverables.
- Recruit 3 faculty members from SMCCCD as technical project advisors for in-house student assistants.
- Lead students to brainstorm sustainability educational exhibits related to electrification and clean energy careers, including the building trades.
- Support SMCCCD's program tracking, reporting, and grant administration.
- Identify and connect with campus faculty interested in building academic projects focused on energy, equity, and sustainability, and infusing those concepts and activities into new and existing academic coursework.
- Assist participating faculty members with instructional planning, lesson development, direct instruction, and evaluation related to such academic projects; accurately track academic projects' progress.
- Identify and develop new opportunities to utilize the campus as a living lab for academic learning.

Museum of Tomorrow Student Assistants

SMCCCD will recruit up to five student assistants to support the development of Museum of Tomorrow exhibits focused on electrification. Each position will be 250 hours each.

Student Assistant Key Responsibilities:

- Commit at least 6-8 hours per week, 250 hours in total for Fall & Spring semester
- Brainstorm & research into electrification & decarbonization educational topics
- Develop three related exhibits with 4 other student assistants and 1-3 faculty mentors
- Attend all meetings and produce deliverables on time
- Complete specialized tool training before handling various tools such as 3D printer, laser cutters and power tools
- Co-design, and budget each exhibit
- Iterate, test and build full-scale exhibits on given timeline
- Responsible for material sourcing, price comparison and safety considerations while doing the above
- Resolve assembly and production issues, troubleshoot malfunctions and perform repairs if needed
- Curate instructional manuals for each exhibit
- Be present at MoT pop-ups at the three SMCCCD campus during Earth Month

Faculty Advisors

SMCCCD will also recruit up to three faculty to serve as technical advisors, committing 1-2 hours per week. Faculty will submit timesheets and be compensated according to either the Faculty Overload or part time non-instructional schedules. At least one Faculty Advisor will be a member of the District's building trades and training programs. Faculty recruitment would be done through academic senate & division meetings.

Key Responsibilities:

- Provide technical guidance to the engineer & student assistants on the feasibility of each brainstormed exhibits
- Provide technical support on various software & hardware such as 3D printer, laser cutter, basic power tools
- Brainstorm sustainability educational exhibits related to electrification, building trade and everything energy related with the student assistants & engineer
- Work closely with students throughout their assignments

Peninsula Clean Energy Authority (PCEA) as a Sponsor

PCEA will work with SMCCCD during the Outreach Project Engineer and Student Assistant onboarding process to share information about the mission, vision, and programs of the organization. PCEA staff will be engaged as subject matter experts and serve as a resource for energy-related projects.

Exhibit B

In consideration of the services provided by Contractor described in Exhibit A and subject to the terms of the Agreement, PCEA shall pay Contractor based on the following fee schedule and terms. Payments will be processed upon receipt or completion of all deliverables

Items	Amount	Description

Outreach Project Engineer	Up to $106,439	• Short term full time American Federation of State, County and Municipal Employee (AFSCME) hired from either:
		  ○ Internal AFSCME Step 2: $106,439
		  ○ External AFSCME Step 6: $68,039
		• Position hires student assistants, leads outreach, and supervises exhibit development
		• Up to 184 days per fiscal year

Student Assistants	Up to $26,980	• Wages for up to five 250-hour student assistants hired from either:
		  ○ Step 1: $20.37 x 1% benefits x 250 hours = $5143.43 each
		  ○ Step 2: $21.37 x 1% benefits x 250 hours = $5395.93 each

Exhibit Material Costs	Up to $20,000	• Cost of Student Assistant professional development training • Cost of exhibit supplies, tools, marketing and transportation
Faculty Support	Up to $15,000	• Recruit up to three faculty members to serve as a technical advisor • Faculty overload or part time non-instructional schedule for each faculty member is up to $5,000 each • Each faculty is compensated according to their step, hourly rate is subject to ~35% benefits
Contingency Funds	Up to $6,581	• Any use of contingency funds for unforeseen program costs must be pre-approved by Peninsula Clean Energy staff
Total	Not-to-Exceed: $175,000	

Payment 1: Administrative Preparation and Project Engineer Recruitment

- Total: $106,439 Outreach Project Engineer
- Deliverables:
    - Invite PCEA to a 1-hour training session with Outreach Project Engineer to review San Mateo County's energy landscape and the benefits of electrification
    - Submit detailed outreach plan, including:
        - Student Assistant Recruitment Plan
        - Faculty Recruitment Plan
    - Schedule monthly check-in meetings with PCEA staff
    - Acknowledgement of PCEA as a program funder on SMCCCD website, recruitment materials, and other marketing materials
- Payment Date: 9/01/2023

Payment 2: Student Assistant and Faculty Advisor Recruitment and Training

- Total: $31,188
    - Faculty Advisor Time: Up to $15,000
    - Student Assistant Cost: Up to $16,188 (60% of Student Assistant Wages)
- Deliverables:
    - Provide list of student assistants and faculty advisors, with at least one faculty advisor representing a program in the building trades
    - Coordination of mandatory training session for student assistants and faculty advisors discussing local clean energy with speakers from PCEA
    - PCEA invited to planning meetings between Project Engineer (PE), Student Assistant, faculty advisors, and other staff to develop Museum of Tomorrow exhibits and ensure accuracy of energy content
    - Acknowledgement of PCEA as a program funder on SMCCCD Sustainability website, recruitment materials, and other marketing materials
- Payment Date: 12/01/2023

Payment 3: Exhibit Development

- Total: $20,792
    - Material Costs: Up to $10,000 or 50% of Planned Exhibit Costs

    - Student Assistant Cost: Up to $10,792 (Remaining 40% of Student Assistant Wages)
- Deliverables:
    - Submit exhibit ideation concept & exhibit fabrication plan for at least three planned Museum of Tomorrow exhibits, including how each will address one or more of the following topics:
        - Clean electricity sources from PCEA
        - Role of electrification in addressing climate change, including on SMCCCD campuses
        - Health and environmental justice impacts of using fossil fuels in buildings and transportation
        - Clean energy careers, such as electricians, contractors, or electric appliance installers
        - PCEA invited to planning meetings between PE, student assistant, faculty advisors, and other staff to develop Museum of Tomorrow exhibits and ensure accuracy of energy content
    - Acknowledgement of PCEA as a program funder on SMCCCD website, exhibits, and other marketing materials
    - List of at least 10 faculty members committed to integrating exhibits in course curriculum/attending pop-up events, with at least one faculty member from a building trades program
- Payment Date: 03/01/2024

Payment 4: Exhibit Construction & Student Engagement

- Total: Up to $10,000 or Remaining 50% of Exhibit Costs
- Deliverables:
    - PCEA staff receive a tour of the Museum of Tomorrow exhibits which may be at varying stages of completion, some larger exhibits might span two years to complete
    - Submit full project report, including:
        - Number of hours completed by each student assistant
        - Description and photos of each exhibit
        - Number of students reached through each type of engagement (email, in-person tours of MoT, students dropping in at center, students attending meetings, classes, or events at the center)
        - Lessons learned
- Payment Date: 06/01/2024

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: August 17, 2023
BOARD MEETING DATE: August 24, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority (PCEA) Board of Directors

FROM: Shawn Marshall, Chief Executive Officer

SUBJECT: CEO Report

REPORT
This report is provided monthly to the Board of Directors and is informational only.

Board of Directors Survey

Thank you to the Board members who participated in last month's Board survey. We received 15 responses, and I will provide an overview of results during my CEO report at the Board meeting on August 24, 2023.

Surplus Funds Ad-Hoc Subcommittee

The Ad-Hoc Surplus Funds Subcommittee held its second meeting on August 9 and made good progress. Most committee members attended the virtual meeting, and the group received staff presentations regarding customer composition and rates, customer survey feedback, and an overview of energy programs. From there, the committee discussed various ideas and options within 4 funding allocation categories: 1) Increase reserves/days cash on hand, 2) increase customer savings through additional rate discounts or rebates, 3) provide additional funding for customer programs (residential, commercial and municipal), and 4) funding for Peninsula Clean Energy sponsored local power projects. The next meeting will be just after Labor Day with continued discussions around funding ideas, costs and priorities. The committee appears to be on track to bring recommendations to the Executive Committee and Board in the October/ November timeframe.

Below is a recap of the proposed timeline and gameplan.

MTGS.	TIMEFRAME	TOPICS/FOCUS
1	July 18	Kick-off; committee purpose, scope, gameplan; guiding principles, PCE background info/staff presentations

2	August 9	Carry over items and staff presentations from meeting 1; discussion of proposed funding categories
3/4	Early Sept	Evaluative framework; discussion of various funding options including impact and cost estimates
5	Late September	Narrow options and develop recommendations
Recommendations	October/ November	Executive Committee (October) and Board (November)

Cross Agency Initiatives

Peninsula Clean Energy has a number of cross-agency initiatives underway in which a variety of team members participate to advance our goals and support operations. Cross functional teams have been created to staff the following efforts; most will sunset when the work is completed, a few are ongoing, and new teams will form as needed. The current roster includes:

- Diversity, Equity, Access and Inclusion (DEAI) Council
- Cost of Service Rate Study
- Risk Management (energy, then enterprise)
- Data Security Audit
- Surplus Funds Committee
- Emergency Heat/Weather Response Team
- Organizational Development/Human Resources
- Remote Work committee
- Social Committee

Emergency/Heat Induced Grid Event Plan

In the aftermath of last September's 10-day heat wave, staff has been working on a 2023 grid emergency/heatwave preparation and response plan coordinated among key departments. Please see the Board packet for more information and if the Board would like a more detailed discussion, on the issue and our layered responses, we can add it to September's Board meeting agenda. We are also in conversation with Cal-CCA and plan to share our approach with other CCAs to ensure some level of standardized response/messaging across the industry.

Automation and Technology

PCE staff is working to upgrade some of its manual systems and shift to a cloud-based, automated environment with the goal of enhancing user experience and supporting efficient and effective operations. Current efforts include:

1. *Audio/Visual Updates to Peninsula Clean Energy Conference Room*
   Staff is responding to concerns from Board members and the public on audio/visual quality during hybrid meetings and will be proceeding with the following upgrades: upgraded wireless tabletop microphones, improved receiver

for wireless technology, larger television for easier viewing from across the room, and upgrades to behind-the-scenes systems.

2. *Public Meeting Agenda Management – Granicus Peak Agenda*
   Staff is working with Granicus software to automate the behind-the-scenes processes for agenda management and board packet development including review processes, improved website integrations, and, in Phase II, improved minutes that will be integrated with meeting recordings. Phase I should be implemented no later than the October Board Meeting, with Phase II following shortly thereafter.

3. *Human Resources Information System – Bamboo HR*
   BambooHR is a cloud-based Human Resource Information System (HRIS) and Applicant Tracking System (ATS) software that will digitize many HR operations and help move us away from manual management and on-line storage of employee data.

   BambooHR will allow PCE to collect and store recruiting, onboarding, new hire, and employee data in one secure place, and will empower our workforce to make changes to their own personal information and benefits plans as needed. Data imports and implementation began in early August and the implementation team plans to launch Agency-wide in mid-late September.

Industry Events & PCE in the Community

- August 1- Kirsten Andrews-Schwind tabled at Los Banos National Night Out event and met with representatives from the local school district
- August 16 - Shawn Marshall spoke at the Power Association of Northern CA meeting in Menlo Park
- August 17 – Multiple staff members attended Cal-CCA's bi-annual joint committee meetings in San Francisco; Leslie Brown spoke on a panel regarding PG&E's new Net Billing Tariff (NBT).
- August 30 – Philip Kobernick will be speaking at Sustainable San Mateo Event about PCE's EV Ready Program
- CEO attends meekly and monthly CalCCA Board meetings.
- CEO attends monthly California Community Power (CCPower) Board meetings.

Friday Office Hours

The new Friday morning office hours are going well and participation is growing. If you would like to schedule a brief virtual meeting to talk about the topic(s) of your choice, please schedule using this link.

Posted Positions - Please help us spread the word!

Chief Operating Officer

Chief Financial Officer / Director of Finance and Administration
Los Banos Community Relations Associate Manager/Manager
Regulatory Specialist/Analyst
Energy Programs Analyst or Senior Analyst

PENINSULA CLEAN ENERGY
JPA Board Correspondence

DATE: August 17, 2023
BOARD MEETING DATE: August 24, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Rafael Reyes, Director of Energy Programs
Blake Herrschaft, Programs Manager, Buildings

SUBJECT: Approval of Local Government Building Electrification Program

RECOMMENDATION

Approval of Local Government Building Electrification Program, including new $10 million revolving loan fund, and existing budgeted incentive funding to support electrification projects at local government facilities.

BACKGROUND

Peninsula Clean Energy's mission is to reduce greenhouse gas (GHG) emissions by expanding access to sustainable and affordable energy solutions. This includes an organizational priority to contribute to our community reaching a goal of 100% greenhouse gas-free in buildings and transportation by 2035. Nearly 30% of GHGs in Peninsula Clean Energy's service territory are from methane gas combustion in buildings.

Since January 2021, Peninsula Clean Energy has provided incentives for efficient electric building systems to replace equipment utilizing combustion of methane gas beginning with heat pump water heaters in residential buildings. In most cases these upgrades will also deliver operating cost reductions.

While Peninsula Clean Energy currently offers solar and transportation electrification programs for local governments, it does not offer any programs to assist local governments with existing building/facility decarbonization. Many member agencies have adopted Climate Action Plans that recommend decarbonization of government buildings and regulations adopted by the Air Quality Management District will make water and space heating systems effectively required to be electric beginning in 2027. In recent years, some agencies have had success building new all-electric buildings, but many others have had challenges funding the electrification of existing local government buildings and related facilities

Local government budgets are limited, and sometimes building electrification does not fit within currently approved capital improvement budgets. While some statewide incentive and loan programs exist for local governments, they are often not adequately funded or not a fit for local agency facilities for various reasons.

Recent analysis shows that energy operating cost impacts of electrification of local government buildings/facilities are dependent on system type, ranging from 33% energy cost savings to 2.5% energy cost increase based on engineering estimates from a statewide government and school energy efficiency program. Further detail and analysis of electrification operating costs will be provided in the staff presentation during the Board meeting.

DISCUSSION

Peninsula Clean Energy's local government programs for solar, EV charging, and fleets have been popular as a mechanism to help cities install and finance solar on government facilities and electrify their municipal fleets. Local governments are also seeking support to upgrade their facilities to clean, efficient electric space and water heating systems. Because cities have noted a need for both loans and incentives, both are proposed by PCE staff to work individually or in tandem.

In June 2023, the Board approved a budget that includes some funding for a local government electrification incentive program. Since governments do not have unlimited debt capacity, pairing loan-funded projects with some incentives will be useful to governments to help meet their electrification goals. Government building portfolios are incredibly diverse, including: offices, recreation centers, fire stations, community pools, gymnasiums, and many other types of municipal facilities.

By establishing an electrification revolving loan fund, Peninsula Clean Energy can provide capital for government building electrification, while establishing a repayment method following the highly successful residential Zero Percent Loan on-bill finance program. The proposed revolving fund limits total future program costs to Peninsula Clean Energy and provides a long-term fund that can be used for future government building electrification.

Based on analysis of local government needs, $10 million is proposed for the revolving loan fund and would include a 7-year repayment term with annual payments at a very low interest rate - likely 1% to recoup administrative costs only and be consistent with the California Energy Commission finance program. A maximum loan cap of $600,000 is proposed both per project and per-agency-per-year and can be combined with PCE's local government electrification incentives.

The project incentive budget in the approved FY24 budget is $750,000 and forecast for $1 million per year in subsequent years; this may vary based on funds availability and uptake. A $600,000 maximum incentive cap is proposed both per project and per year. Project amounts would vary using a formula based on methane gas reduction in therms which would be available to all building and system types.

The $10M seed capital for the loan pool would allow for two to ten large-to-medium sized projects to be funded annually until funds are exhausted and eventually replenished. However, the potential demand for the program could be be significantly larger. The program would operate on an annual cycle accepting proposals based on urgency, project readiness, gas/therm savings, and showcase potential. Access to the incentives and loan fund would also be contingent upon a minimum 25% cost-share of non-PCE funds. First year participation would be limited to PCE member agencies but could be opened to other local agencies and public facilities in PCE's service territory such as school districts in subsequent rounds.

FISCAL IMPACT

$750,000 in FYE '24 incentives from approved budget and $10 million in loan capital from reserves or surplus funding to seed a revolving loan fund to be repaid by participating agencies.

STRATEGIC PLAN

The proposed program supports the following elements of the strategic plan:

Goal 3 – Community Energy Programs, Objective A:

- Key Tactic 4: Establish preference for all-electric building design and appliance replacement among consumers and building stakeholders
    - *5. Develop technical assistance and incentive program for existing municipal facilities to transition to all-electric appliances*

Goal 3 – Community Energy Programs, Objective C:

- Key Tactic 1: Identify, pilot, and develop innovative solutions for decarbonization

RESOLUTION NO. _____

PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

* * * * * *

RESOLUTION CREATING LOCAL GOVERNMENT DECARBONIZATION PROGRAM

RESOLVED, by the Peninsula Clean Energy Authority of the County of San Mateo, State of California, that

WHEREAS, PCE was formed on February 29, 2016; and

WHEREAS, reducing greenhouse gasses to reduce the adverse public wellbeing and economic impacts of climate change is an organizational priority for PCE; and

WHEREAS, natural gas usage in buildings account for nearly 30% of directly inventoried GHG emissions within the service territory; and

WHEREAS, state and regional agencies are putting in place requirements to transition to electric appliances; and

WHEREAS, PCE provides low-carbon electricity that can power appliances for all building needs; and

WHEREAS, facilitating the replacement of natural gas appliances with electric appliances in existing buildings to reduce greenhouse gasses is part of PCE's program roadmap approved by the Board in 2022; and

WHEREAS, local governments have goals to decarbonize government facilities; and

WHEREAS, local governments have requested access to incentive and revolving loan funds to assist with decarbonization efforts at a variety of municipal facilities;

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board approves the creation of a local government building decarbonization program, including creating a $10 million dollar revolving loan fund and incentive funding in accordance with available approved budgets.

* * * * * *

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: August 15, 2023
BOARD MEETING DATE: August 24, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Leslie Brown, Director of Account Services

SUBJECT: Update on Net Billing Tariff

BACKGROUND

On December 15, 2022, the California Public Utilities Commission (CPUC) approved a successor to the NEM 2.0 tariff for new interconnection applications submitted after April 14th, 2023. That successor program, Net Billing Tariff (NBT), is the policy framework under which new solar applications submitted starting April 15, 2023 will be governed by NBT rules and policies.

Net Energy Metering has existed in California for over 20 years and provided the policy structure and economic support for the significant proliferation of rooftop solar throughout California. Under net metering, utility customers, with their own solar and/or wind self-generation facilities, earn credits for the excess electricity their system provides to the grid. Under NEM 1.0 and NEM 2.0, net metering policies have a one-to-one offset, meaning the price of a kWh supplied to the grid is equal to the price of pulling a kWh off the grid.

Under the Net Billing Tariff, energy exported to the grid from a customer's solar system is valued at a much lower "avoided cost calculation" (ACC) which the CPUC has determined to be the real time grid value of exported solar generation. The exact rate varies depending on the hour of the day, day of the week (i.e., weekday vs. weekend), and month a customer exports the energy: in fact, there are 576 possible export rates in total. The reduced energy export credits will have a significant impact on solar savings for new solar installations. Under NEM 2.0, most homeowners in California have a solar payback period of roughly 5 to 6 years. Under NBT, that number will shift closer to 9 to 10 years. The intent of the NBT program, per the CPUC decision, is to provide a more sustainable long-term incentive and policy framework for rooftop solar to minimize cost

shift from non-participants while encouraging more distributed energy storage with future solar installations.

DISCUSSION

When the Net Billing Tariff takes effect, it will establish the following rules:

- **New rate plans**: Homeowners who get solar panels must sign up for "highly differentiated" time of use rate plans, under which electricity is very expensive during times of peak usage, and much less expensive when usage is lower. For PG&E customers, "E-ELEC" will be the rate plan available for Residential NBT customers.
- **Energy credits**: The IOU's will offer significantly reduced credits for excess energy, compared to the retail rate credit for NEM customers. The credits are determined by the most recent Avoided Cost Calculator, or ACC (a complex tool used to calculate the cost a utility avoids for each kilowatt-hour [kWh] of electricity it doesn't buy when rooftop solar panels provide the energy instead). The ACC is a tool that has been in use for many years to assess value for primarily energy efficiency projects/rebates.
- **ACC Plus incentive**: PG&E residential customers who sign up for NBT/Solar Billing Plan in the first 5 years of the program will have access to a new incentive called the ACC Plus, which adds a little value to each kWh of exported solar energy. This means slightly better bill savings for early adopters. The ACC Plus credits will be the same for bundled and unbundled customers. ACC Plus is not available for new construction where solar is required by building code.
- **Legacy period**: The value of energy credits and ACC Plus incentives will be locked in for 9 years after signup and follow a schedule based on the state's most current ACC. After the legacy period, the customer will receive energy credits based on values from the then-current ACC. The Legacy period is however not transferrable and only applies for the original customer of record. If a home is sold/transfers ownership during the legacy period, the new resident will not be able to keep the ACC Plus incentive.
- **Low-income customers**: Residential customers of PG&E and SCE who qualify for the CARE and FERA low-income programs will get a larger ACC Plus incentive designed to allow them to see a simple payback of their cost to go solar in 9 years.
- **System oversizing**: A Net Billing customer can install a system that will produce up to 150% of their previous 12-months' energy usage as long as they attest they will increase their usage up to that amount in the next 12 months; for example, by converting natural gas appliances to electric or purchasing an EV they will charge at home.
- **Monthly bill payment**: A Net Billing customer will be responsible for paying all monthly charges on their utility bill, with any additional credit earned from exported solar energy carried over to the next month.
- **Current NEM customers**: Customers who currently receive credits under the NEM 1.0 and 2.0 programs will continue to receive those credits for 20 years after their original interconnection date. When these customers reach the end of that

period (some already have or will soon), they will not receive the ACC Plus or be covered under the legacy period. Instead, they will be subject to the current ACC values for exported solar energy.

What does this mean for PCE?

For most existing solar customers nothing will change for many years. NEM 1.0 and 2.0 customers will keep their annual net energy metering benefits for 20 years from their original system interconnection date. For legacy NEM 1.0 customers that have had their systems for 20 or more years, PG&E is proposing to begin transitioning to the new NBT program upon their next true-up date in 2024. Staff estimates that there will be approximately 250 of these legacy customers that will transition through the first year of the NBT program. In addition, any customers who have submitted new interconnection applications starting April 15, 2023 will also become NBT customers upon their system installation, staff does not have any estimates yet from PG&E on this figure but we believe it will also be a small number through this first year as many solar installers are still trying to update their sales tools and payback models to account for the new ACC compensation rates.

PCE is still responsible for setting our own rates and policies for compensation for excess solar generation for NBT customers. Over the next couple months, staff will continue to analyze the various options and will be coming back to the Board with a recommended proposal to adopt and implement in time for the CPUC directed implementation date of December 15, 2023. How effective it would be to offer an alternative compensation structure to the ACC is still under review. It should be noted that even if PCE were to offer additional compensation for excess solar generation that differed from the ACC, that incentive would only apply to the PCE (generation) portion of the bill and customers would still be subject to significantly reduced compensation from PG&E for the Transmission and Distribution (T&D) portion of the bill.

Staff will walk the Board through a brief NBT presentation and will be on hand to address any questions at the meeting.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: August 11, 2023
BOARD MEETING DATE: August 24, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Gwen Rose, Director of Marketing and Community Relations

SUBJECT: Review and Implications of Customer Research on Brand Awareness and Attitudes About Energy, Climate, And Electrification (Discussion)

RECOMMENDATION

No Action Recommended. Discussion only.

BACKGROUND:

Peninsula Clean Energy's mission is to reduce greenhouse gas (GHG) emissions by expanding access to sustainable and affordable energy solutions. In service of that mission, the Marketing and Community Relations team is tasked with elevating Peninsula Clean Energy's brand reputation as a trusted leader in the community and the industry, and educating and engaging stakeholders in order to inspire action and drive program participation.

Furthermore, in September 2021, the Board adopted a new target supporting the region in reaching 100% decarbonization in buildings and transportation by 2035, and directed staff to analyze the feasibility of that target and return with an assessment and plan. Among the critical challenges to meeting that goal are building public awareness and motivation, and making it easy to take action.

Achieving these goals requires understanding our diverse customer base and how to best reach them. To this end, Peninsula Clean Energy has a robust customer research initiative in place that uses quantitative and qualitative sources of data that examine residential attitudes and barriers to awareness and action. The cornerstone of this customer research initiative is an annual survey, which surveys a randomized sample of San Mateo County and Los Banos residents about the following:

- Peninsula Clean Energy brand
- Attitudes about climate change and electricity priorities
- Benefits, obstacles to adoption, and interest in electric vehicles (EVs)
- Benefits, obstacles to adoption, and interest in home electrification

This memo provides a summary of key findings and implications for brand strategy and marketing campaigns to motivate action on decarbonization.

DISCUSSION:

Approach
Peninsula Clean Energy's marketing team uses quantitative and qualitative sources to inform our understanding of our diverse customer base. Through one-on-one interviews, verbatim comments, and feedback from focus groups and community workshops, themes emerge that we can test and validate through our annual online survey, which is taken from a randomized sample of our entire service territory.

The annual perception survey was designed and conducted by Hiner & Partners, Inc. A letter invitation from the County of San Mateo Office of Sustainability (OOS) was mailed to a random sample of 23,150 San Mateo County residents. A similar letter invitation from the City of Los Banos was mailed to a random sample of 10,700 Los Banos customers. This sample included customers and non-customers of Peninsula Clean Energy. The letter, printed in English and Spanish, invited recipients to respond to a self-administered online survey offered in English and Spanish. Letter recipients were offered an incentive for two winners of $500 and 20 prizes of $100 each. The response rate to the invitation was 7.45% (7.43% response in San Mateo County and 7.5% in Los Banos). Participants were offered the opportunity to complete the survey over the phone and 5 of them chose to do so. The online survey took an average of 27 minutes to complete. Surveys were completed between April 4 and May 05, 2023.

The final sample was normalized to better reflect the population characteristics of the two geographies (San Mateo County and Los Banos). Non-customers were sampled down to reflect their proportion in the general population. Weights were applied to reflect census demographics for each geography's ethnicity proportions and the sample was randomly reduced to achieve the known proportion of EVs in San Mateo County (15.1%) and in Los Banos (3.3%) based on California Department of Motor Vehicles registration data. This resulted in a final, normalized sample size of **2,102**. The margin of error for the (unweighted) San Mateo sample of 1,721 at the 95% confidence level is +/- 2.3% and for the (unweighted) Los Banos sample of 802 at the 95% confidence level is +/- 3.4%. Up arrows in green and down arrows in red indicate statistically significant differences between data points.

Throughout this report, the sample size for each chart is indicated by "N=." For example, N=500 would indicate that 500 respondents answered a particular question. Where samples for each geography are noted, they are in the format of "San Mateo County sample / Los Banos sample."

San Mateo County Participant Profile
The normalized participant profiles generally align with Census data for San Mateo County.

	Survey Sample			
Self Identified Race	**2021**	**2022**	**2023**	**Census****
White	37%	37%	37%	39%
Asian / Pacific Islander	29%	29%	30%	31%
Hispanic	25%	25%	24%	24%
Other	9%	8%	9%	6%

Age	2021	2022	2023	Census*
18 – 34	17%	15%	17%	83.4%
35 – 44	26%	20%	19%	
45 – 54	19%	20%	20%	
55 – 64	17%	20%	18%	
65+	21%	24%	25%	16.6%

Home Ownership	2021	2022	2023	Census*
Owner	55%	64%	57%	60%
Renter	44%	35%	42%	40%

Income	2022	2023	Income	Census*
Less than $50K	34%	35%	Below $64,567	50%
$50K to less than $100K	39%	39%		
$100K to less than $150K	15%	18%	Above $64,567	50%
$150K to less than $250K	10%	7%		
$250K+	1%	1%		

A substantial number of apartment and condo dwellers responded to the survey.

	Survey	
Dwelling Type	2022	2023
Detached Single Family Home	84%	88%
Unit in a Larger Building (Duplex, Apt, Condo)	7%	6%
Accessory Dwelling (Granny flat, in-law unit)	1%	1%
Other	2%	1%

* Source: US Census Bureau

Los Banos Participant Profile
The normalized participant profile generally aligns with the Census data for Los Banos.

	Survey		
Self Identified Race	**2022**	**2023**	**Census***
White (not Hispanic)	18%	16%	20%
Asian / Pacific Islander	2%	2%	3%
Hispanic	70%	70%	71%
Other	9%	12%	6%

Age	2022	2023	Census*
18 – 34	19%	18%	89.7%
35 – 44	26%	24%	
45 – 54	19%	21%	
55 – 64	18%	17%	
65+	17%	19%	10.3%

Home Ownership	2022	2023	Census*
Owner	67%	66%	57.3%
Renter	31%	31%	42.7%

* Source: US Census Bureau

The vast majority of Los Banos participants were dwellers in single family homes, reflecting the preponderance of dwelling types in that jurisdiction.

	Survey	
Dwelling Type	**2022**	**2023**
Detached Single Family Home	84%	88%
Unit in a Larger Building (Duplex, Apt, Condo)	7%	6%
Accessory Dwelling (Granny flat, in-law unit)	1%	1%
Other	2%	1%

Findings

Brand Awareness

From the annual survey, 41% of **San Mateo County** respondents were aware that Peninsula Clean Energy is an energy provider from whom they can purchase electricity for their home. This "total awareness" (aided plus unaided) was flat between 2022 and 2023, while representing a statistically significant increase from the 31% captured in the 2021 survey. Unaided awareness (Peninsula Clean Energy listed by respondent, without prompting, as an energy provider) was 15%, a slight but statistically insignificant increase from the 2022 survey.

Across the base of **San Mateo County** respondents, 25% had a favorable perception (and 73% were not sure). This compares favorably to our 2022 rating, which was 22% favorability (and 75% unaware).

In Los Banos, metrics improved dramatically in the 2nd year of service. We went from 14% in 2022 to 33% in 2023 of **Los Banos** respondents were aware that Peninsula Clean Energy is an energy provider from whom they can purchase electricity for their home. Unaided awareness was measured at 9%, which compares favorably to the unaided awareness in San Mateo County in 2017, which was measured at 3% at that point in time.

Across the base of **Los Banos** respondents, those who had a favorable perception is 16% in 2023 (or 48% of those who are aware of Peninsula Clean Energy), a significant increase from 4% in 2022 (or 30% of those who are aware of Peninsula Clean Energy).

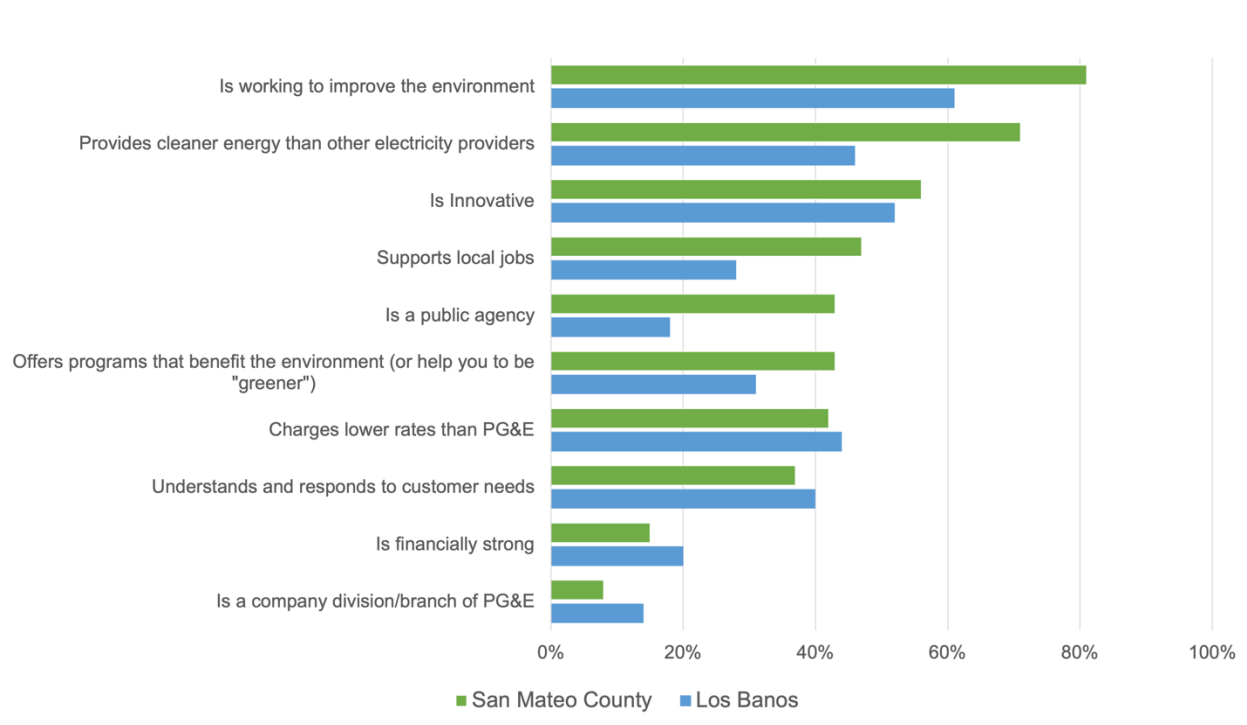
Brand Perception

We ask a series of questions to understand how well residents in our service territory associate Peninsula Clean Energy with our key messages around clean energy, lower rates and community reinvestment.

The graphs below compare the ratings of San Mateo County residents with those of Los Banos residents. Performance in San Mateo County has remained consistent with the previous two annual surveys. Note that the arrows indicate significant differences between San Mateo County and Los Banos at the 95% confidence level. Perceptions of Los Banos residents align with those of San Mateo County residents except regarding the "non-profit agency" and "charges lower rates than PG&E." The latter perception reflects our emphasis on this message in our Los Banos enrollment communications.

Question: For each statement, please indicate if you think it is true or false about Peninsula Clean Energy.

Base: Aware of Peninsula Clean Energy, N = 532/ 252



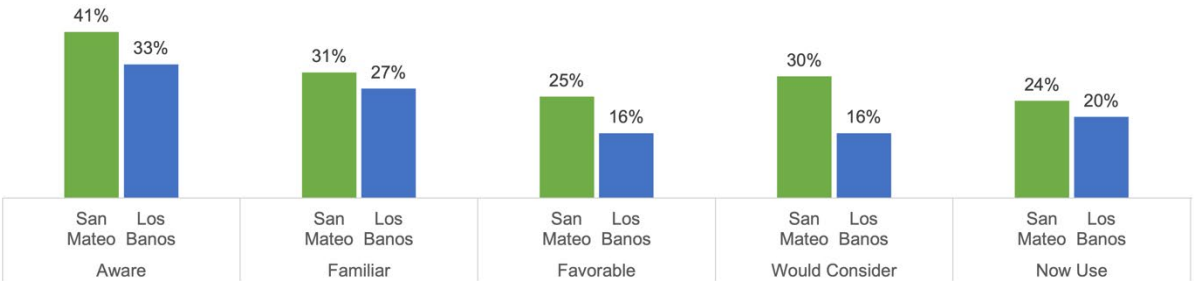
Note that a substantial portion of respondents are "not sure" about these attributes. The small percentage that are unfavorable tend to not know whether these are true or false about Peninsula Clean Energy, whereas their favorable counterparts more often have an opinion. This suggests the lack of favorability is due to a lack of familiarity.

<u>Persuasion Monitor™</u>

The concept of Persuasion Monitor deconstructs the stages of persuasion to look at where improvements are needed. These are a type of "funnel metrics" in which each subsequent stage of the funnel is dependent on the preceding stage. So, customers typically become aware before they are familiar and usually register favorability after familiarity, etc.

Looking at the differences between each stage of these metrics helps identify where our messaging and marketing is on track and can indicate where improvements could be made. So, for example, a large cliff dropping off from awareness to familiarity would indicate that our messages are not resonating with the residents. Similarly, a large dropoff between familiar and favorable, would indicate that customers may not trust or believe the claims we are making or are judging us unfavorably. Peninsula Clean Energy's persuasion metrics do not exhibit such dramatic declines from stage to stage. This would indicate that our messaging is on track but that our reach is not broad enough or frequent enough to generate the awareness that we are seeking (strategic target of 60% by 2025).

Persuasion monitor questions 1-6 covering awareness, rankings of familiarity, favorability, consideration and whether currently using.
Base: Total Sample (N = 1320 / 782)

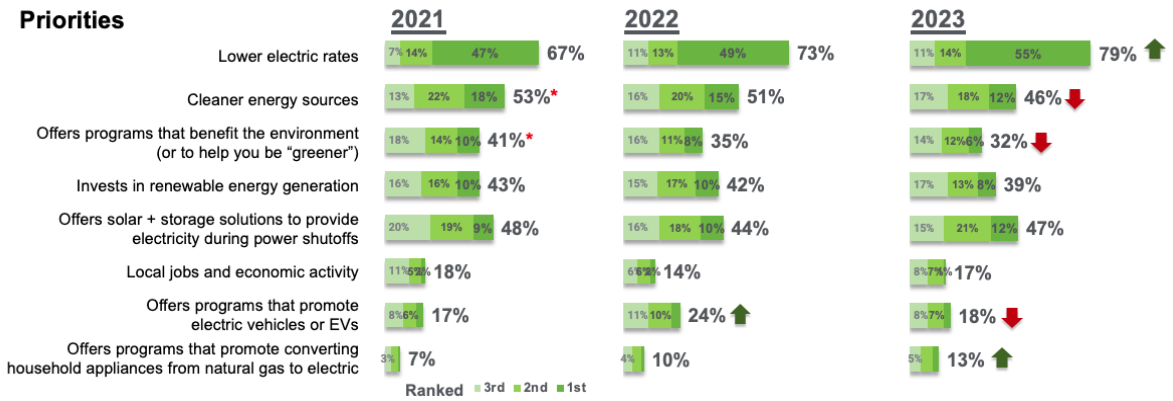


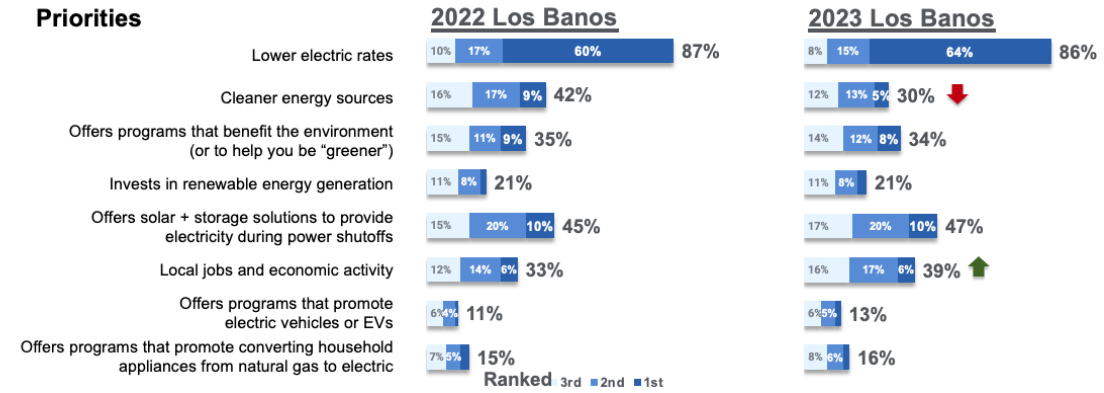
Resident Priorities

High electricity rates are increasingly on the mind of our customers. When asked about the top three advantages of importance for an electricity provider, 55% of **San Mateo County** respondents and 64% of **Los Banos** respondents choose "lower electric rates" as the top priority. In general, we observe a trent of increasing interest in lower electric rates, declining interest in cleaner energy sources and programs that help the environment, and increasing interest in programs that assist customers in controlling costs, including appliance rebates and solar + storage.

Question: If a provider of electricity to your home could offer all the advantages listed below, which three would be most important to you?

San Mateo County





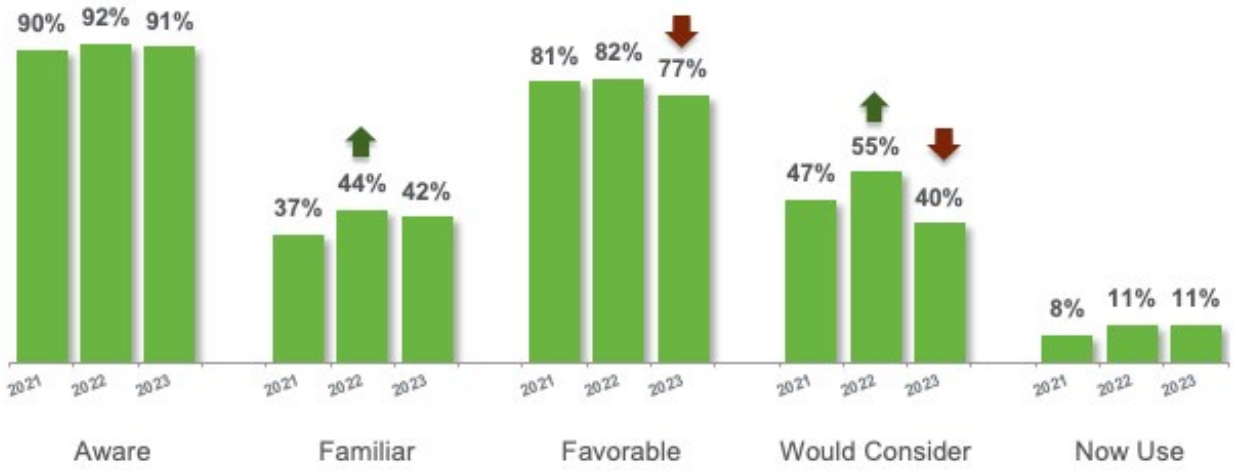
Arrows indicate statistically significant difference between San Mateo County and Los Banos at the 95% confidence level.

Electric Vehicle Awareness and Perceptions

There was a dip in favorability from 2022 to 2023 in **San Mateo**, though it is still generally high at 77%. There was a dip in willingness to consider from 55% to 40%. Note that low familiarity alongside the high awareness indicates a need for more substance in communications, such as range/price/operating cost details to overcome barriers.

EV Persuasion Monitor – San Mateo County

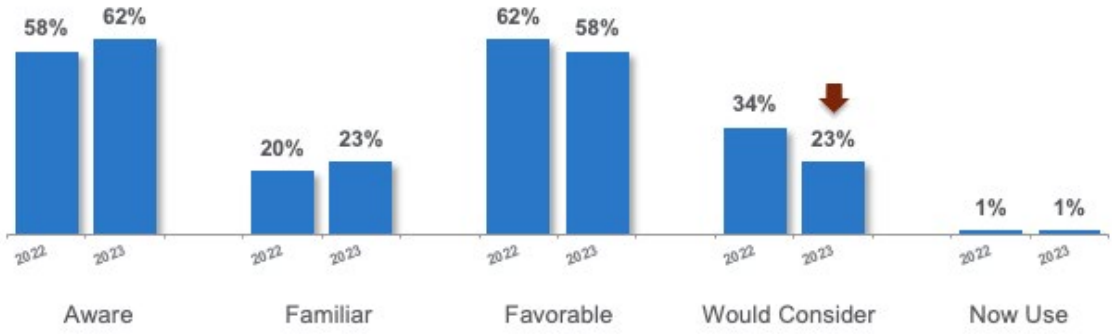
Questions: Before seeing this list, which of the electric vehicle types listed below had you heard of, as being available today in San Mateo county? and *How familiar would you say you are with the various types of electric vehicles that are available now?* and *What is your opinion of electric vehicles?* and *Which of the following types of vehicles are currently owned/leased by members of your household, including yourself? Please check all that apply.*
Base: Total Sample 2021/2022/2023 (N = *509 / 1,326 / 1,320*)



Arrows indicate statistically significant difference between 2023 and 2022 data at the 95% confidence level.

Among **Los Banos** respondents, the EV persuasion metrics are lower across the board but still exhibit the same dropoff from awareness to familiarity as is the case in **San Mateo County**. This implies that more substance in communications is needed as well as methods to improve awareness of the benefits of EVs. The dip in willingness to consider EVs that was recorded in San Mateo also shows up in Los Banos. That said, one-quarter of Los Banos residents say they would be willing to consider one of these vehicles.

EV Persuasion Monitor – Los Banos
Base: Total Sample: (N = *938 / 782*)



Arrows indicate statistically significant difference between San Mateo County and Los Banos at the 95% confidence level.

Next Household Vehicle

One in five (21%) plan to buy a vehicle within a year. In 2022, 57% of San Mateo residents said their next vehicle was likely to be an EV. This incidence dropped to 40% in 2023. It also dropped in Los Banos from 34% to 23%.

Place to Charge an EV

Across all respondents in San Mateo County and Los Banos, more than 2/3's claim they have a place to plug in, which is relatively flat compared to 69% in the 2022 survey but still substantially above 56% in 2021. This incidence is higher among higher income groups and those who live in a single-family dwelling. About half report that there is a public charging station convenient to their home or work.

Across all residents, more than 2/3's (67%) claim they have a place to plug in – an incidence that rises with household income and dwelling type. In 2022, there was an increase in those saying there was a public charging station convenient to their home. That higher incidence did not further change in 2023.

Despite a clear step back from resident's willingness to consider EVs, the primary barrier to greater acceptance is familiarity. Communications should focus on addressing this familiarity gap.

Building Electrification Awareness and Perceptions

San Mateo residents are increasingly embracing electric home appliances, with persuasion metrics improving between 2020 and 2023. Awareness that there are electric options for ranges, space heating, and water heating ranges between 81% and 94%. Favorable opinions of these options has improved for all these appliances and ranges between 46% and 60%. Willingness to Consider has also improved for all these appliances and ranges between 32% and 42% while Now Use for these electric appliances is mostly flat.

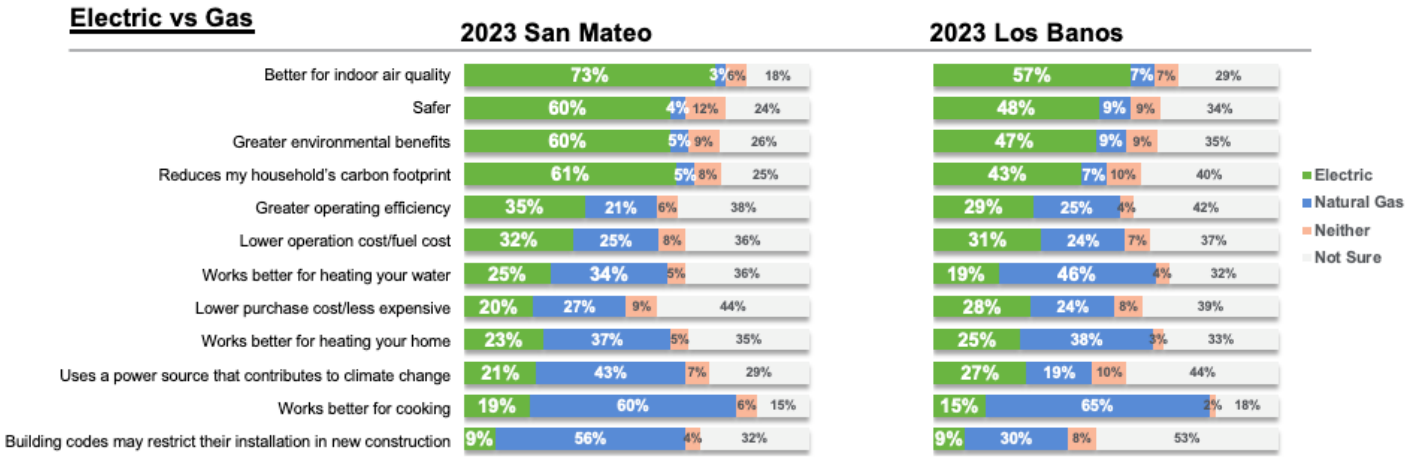
Movement has also occurred in **Los Banos**, though not as substantial. Focus is needed on building favorable opinions of electric appliance options. Awareness of electric options is high but favorable opinions of these options is only moderate indicating an need for education and demonstrations. Now use of electric options for these appliances has yet to move.

Natural Gas versus Electric Appliances

Residents in both markets agree that the top 4 statements about indoor air quality, safety, environmental benefits and carbon footprint better apply to electric appliances - just 18% to 40% are unsure.

Gas appliances are seen as better for cooking (60% vs 19% for electric in San Mateo; 65% vs. 15% in Los Banos).

Residents are divided on which is best in operating efficiency, operating costs, and initial purchase price.



Implications for Marketing

While total awareness has increased compared to the 2021 survey, there is still a long way to go to reach our target 60% awareness. In addition to that, qualitative customer comments indicates that we have some opportunities to strength the connection between the benefits and services we offer to customers in ways that will improve awareness, familiarity, and favorability metrics.

We are now in the process of conducting a brand audit and assessing the need for a brand strategy that can help us communicate consistently and cohesively about our organization, programs, and services in a way that resonates with our diverse customer base.

Furthermore, a strong brand is central to our ability to deliver messages that customers will trust about electrification and decarbonization. To meet our 2035 goals for building electrification, more robust program infrastructure is proposed to address customer barriers and make the switch easier. The Marketing team is working with programs and the rest of the organization to lay the foundation for building durable relationships with our customers by meeting them where they are and providing relevant content and messaging.

PRELIMINARY RESULTS - YEAR-END AUDIT UNDERWAY

Peninsula Clean Energy
Performance at a Glance
Results for the Fiscal Quarter Ended
June 30, 2023
($000s)

Peninsula Clean Energy
Performance at a Glance
Results for the Fiscal Quarter Ended
June 30, 2023
($000s)

Net Position Balance

Fiscal Year	Actual/Budget	Amount
June 30, 2016	Audited	($1,044)
June 30, 2017	Audited	$21,711
June 30, 2018	Audited	$85,365
June 30, 2019	Audited	$140,139
June 30, 2020	Audited	$189,072
June 30, 2021	Audited	$180,717
June 30, 2022	Audited	$167,671
June 30, 2023	Unaudited Actual	$301,827
June 30, 2023	Budget	$248,165

Unrestricted Cash/Investments Balance

Fiscal Year	Actual/Budget	Amount
June 30, 2016	Audited	$3,833
June 30, 2017	Audited	$18,882
June 30, 2018	Audited	$64,689
June 30, 2019	Audited	$114,069
June 30, 2020	Audited	$177,629
June 30, 2021	Audited	$165,652
June 30, 2022	Audited	$135,090
June 30, 2023	Unaudited Actual	$254,074
June 30, 2023	Budget	$232,830

Change in Net Position

Fiscal Year	Actual/Budget	Amount
FY2015-2016	Audited	($1,044)
FY2016-2017	Audited	$22,755
FY2017-2018	Audited	$63,655
FY2018-2019	Audited	$54,774
FY2019-2020	Audited	$48,933
FY2020-2021	Audited	($8,355)
FY2021-2022	Audited	($13,046)
June 30, 2023	Unaudited Actual	$134,156
FY2022-2023	Budget	$73,954

Cost of Electricty

Fiscal Year	Actual/Budget	Amount
June 30, 2016	Audited	$0
June 30, 2017	Audited	$64,501
June 30, 2018	Audited	$170,135
June 30, 2019	Audited	$194,035
June 30, 2020	Audited	$216,066
June 30, 2021	Audited	$213,834
June 30, 2022	Audited	$226,678
June 30, 2023	Unaudited Actual	$270,659
June 30, 2023	Budget	$264,208

Revenues

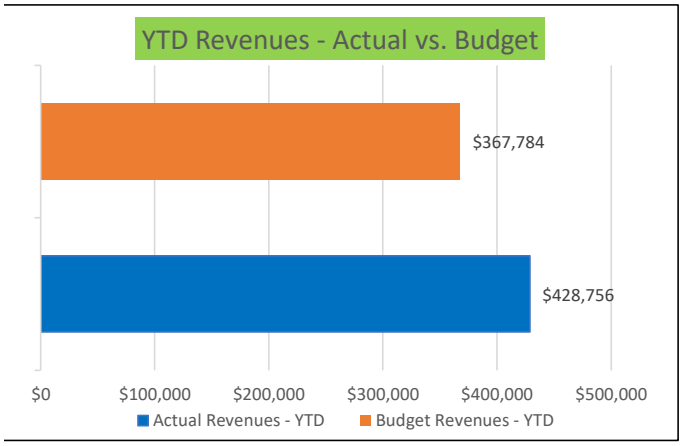
Fiscal Year	Actual/Budget	Amount
FY2015-2016	Audited	$0
FY2016-2017	Audited	$93,129
FY2017-2018	Audited	$244,738
FY2018-2019	Audited	$259,782
FY2019-2020	Audited	$278,093
FY2020-2021	Audited	$228,101
FY2021-2022	Audited	$237,899
June 30, 2023	Unaudited Actual	$428,756
FY2022-2023	Budget	$367,784

Total Operating Expenses

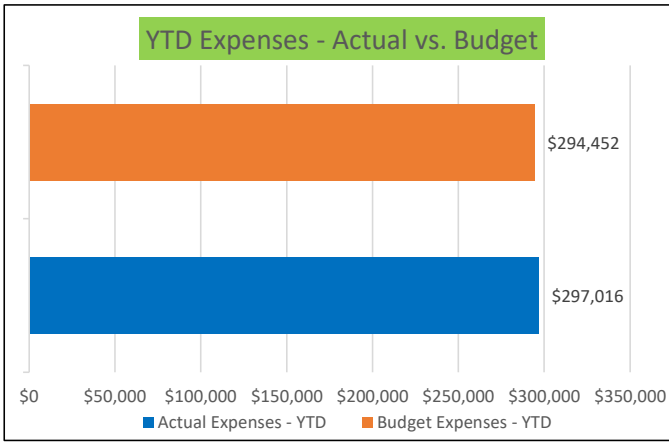
Fiscal Year	Actual/Budget	Amount
FY2015-2016	Audited	$1,041
FY2016-2017	Audited	$70,104
FY2017-2018	Audited	$180,970
FY2018-2019	Audited	$206,912
FY2019-2020	Audited	$231,337
FY2020-2021	Audited	$236,303
FY2021-2022	Audited	$246,539
June 30, 2023	Unaudited Actual	$297,016
FY2022-2023	Budget	$294,429

Peninsula Clean Energy
Performance at a Glance
Results for the Fiscal Quarter Ended
June 30, 2023
($000s)

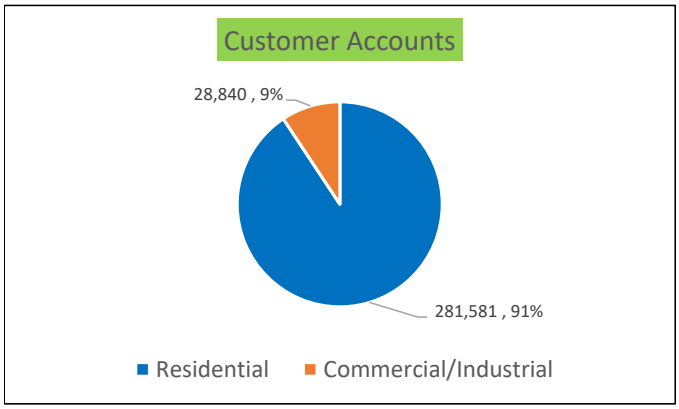
YTD Revenues



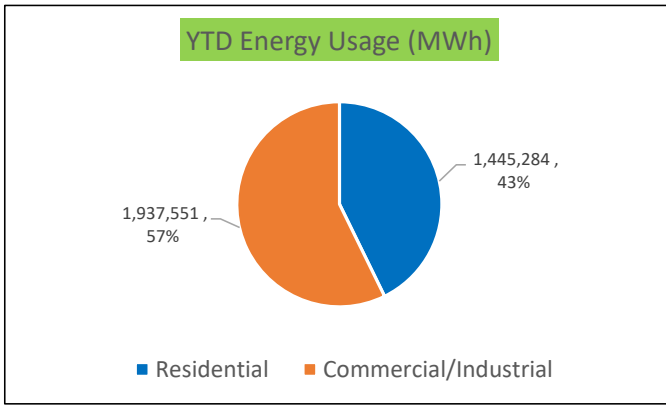
YTD Expenses



Customer Accounts



Energy Used



MAHER
ACCOUNTANCY

ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Peninsula Clean Energy Authority

Management is responsible for the accompanying financial statements of Peninsula Clean Energy Authority (PCE), a California Joint Powers Authority, which comprise the statement of net position as of June 30, 2023, and the statement of revenues, expenses, and changes in net position, and the statement of cash flows for the period then ended, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. PCE's annual audited financial statements will include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to PCE because we performed certain accounting services that impaired our independence.

Maher Accountancy
San Rafael, CA
August 4, 2023

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION
As of June 30, 2023

ASSETS	
Current assets	
Cash and cash equivalents	$ 130,225,289
Accounts receivable, net of allowance	37,224,799
Accrued revenue	22,224,560
Investments	9,473,416
Other receivables	2,068,633
Prepaid expenses	8,566,209
Deposits	16,242,233
Total current assets	226,025,139
Noncurrent assets	
Investments	113,806,280
Deposits and other assets	188,874
Lease asset, net of amortization	1,601,332
Capital assets, net of depreciation	210,336
Total noncurrent assets	115,806,822
Total assets	341,831,961
LIABILITIES	
Current liabilities	
Accrued cost of electricity	25,698,011
Accounts payable	1,161,115
Other accrued liabilities	744,201
Deferred revenue	4,844,063
User taxes and energy surcharges due to other governments	1,240,296
Deposits - energy suppliers	2,758,099
Lease liability	499,837
Total current liabilities	36,945,622
Noncurrent liabilities	
Deposits - energy suppliers	1,799,451
Lease liability	1,260,088
Total noncurrent liabilities	3,059,539
Total liabilities	40,005,161
NET POSITION	
Net investment in capital assets	51,743
Unrestricted	301,775,057
Total net position	$ 301,826,800

See accountants' compilation report.

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Twelve Months Ended June 30, 2023

OPERATING REVENUES		
Electricity sales, net	$	423,844,350
Green electricity premium		3,011,461
Liquidated damages revenue		252,060
Grant revenue		1,110,328
Total operating revenues		428,218,199
OPERATING EXPENSES		
Cost of electricity		270,659,009
Contract services		11,074,244
Staff compensation		8,001,778
Other operating expenses		6,650,426
Depreciation and amortization		567,798
Total operating expenses		296,953,255
Operating income (loss)		131,264,944
NONOPERATING REVENUES (EXPENSES)		
Grant revenue		789,539
Interest and investment income (loss)		2,164,071
Finance costs		(62,488)
Nonoperating revenues (expenses), net		2,891,122
CHANGE IN NET POSITION		134,156,066
Net position at beginning of period		167,670,734
Net position at end of period	$	301,826,800

See accountants' compilation report.

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS
Twelve Months Ended June 30, 2023

CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	$	427,757,814
Receipts from grantors		5,788,891
Receipts from supplier security deposits		
Payments to suppliers for electricity		(273,473,707)
Payments for other goods and services		(19,298,863)
Payments for staff compensation		(7,970,571)
Payments of taxes and surcharges to other governments		(6,064,477)
Net cash provided (used) by operating activities		126,739,087
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Grant revenue		789,539
Deposits and collateral received		16,363,798
Deposits and collateral paid		(26,743,771)
Net cash provided (used) by non-capital financing activities		(9,590,434)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments of lease liability		(605,965)
Payments to acquire capital assets		(23,641)
Net cash provided (used) by capital financing activities		(629,606)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from investment sales		42,294,286
Investment income received		3,440,698
Purchase of investments		(41,806,194)
Net cash provided (used) by investing activities		3,928,790
Net change in cash and cash equivalents		120,447,837
Cash and cash equivalents at beginning of period		9,777,452
Cash and cash equivalents at end of period	$	130,225,289

See accountants' compilation report.

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (continued)
Twelve Months Ended June 30, 2023

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES

Operating income (loss)	$ 131,264,944
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation and amortization expense	567,798
Provision for uncollectible accounts	1,564,535
(Increase) decrease in:	
Accounts receivable	(5,919,955)
Accrued revenue	(1,502,579)
Other receivables	1,062,627
Prepaid expenses	(3,589,638)
Increase (decrease) in:	
Accrued cost of electricity	(1,440,908)
Accounts payable	(10,688)
Deferred revenue	4,570,563
Other accrued liabilities	13,923
User taxes and energy surcharges due to other governments	158,465
Net cash provided (used) by operating activities	$ 126,739,087

[redacted]

usbank

PENINSULA CLEAN ENERGY - PFM [redacted]

Period from April 1, 2023 to June 30, 2023

MARKET VALUE RECONCILIATION

	CURRENT PERIOD 04/01/2023 TO 06/30/2023	YEAR TO DATE 07/01/2022 TO 06/30/2023
Beginning Market Value	**64,720,430.11**	**64,271,543.36**
Disbursements		
Benefit Payments	.00	- 16,855.73
Total Disbursements	**.00**	**- 16,855.73**
Asset Activity		
Taxable Interest	253,345.95	964,943.68
Realized Gain/Loss	- 466,128.93	- 1,291,791.69
Change In Unrealized Gain/Loss	- 216,767.39	327,484.59
Change In Accrued Income	47,447.60	83,003.13
Total Asset Activity	**- 382,102.77**	**83,639.71**
Net Change In Market Value	**- 382,102.77**	**66,783.98**
Ending Market Value	**64,338,327.34**	**64,338,327.34**

[redacted]

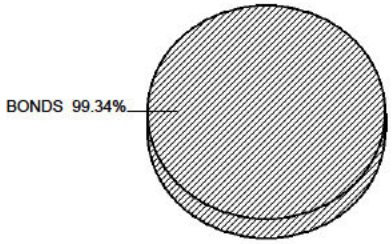
usbank

PENINSULA CLEAN ENERGY - PFM
[redacted]

Period from April 1, 2023 to June 30, 2023

ASSET SUMMARY

ASSETS	06/30/2023 MARKET VALUE	% OF MARKET
Cash And Equivalents	107,965.33	0.17
U.S. Government Issues	40,856,145.08	63.50
Corporate Issues	15,804,084.67	24.56
Foreign Issues	944,341.10	1.47
Municipal Issues	6,313,517.15	9.81
Total Assets	**64,026,053.33**	**99.51**
Accrued Income	312,274.01	0.49
Grand Total	**64,338,327.34**	**100.00**



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usbank

PENINSULA CLEAN ENERGY - FRB
[redacted]

Period from April 1, 2023 to June 30, 2023

MARKET VALUE RECONCILIATION

	CURRENT PERIOD 04/01/2023 TO 06/30/2023	YEAR TO DATE 07/01/2022 TO 06/30/2023
Beginning Market Value	**60,240,236.23**	**61,644,156.86**
Disbursements		
Cash Disbursements	- 18,061.66	- 2,071,990.86
Total Disbursements	**- 18,061.66**	**- 2,071,990.86**
Asset Activity		
Taxable Interest	360,809.11	959,892.02
Realized Gain/Loss	- 10,722.65	- 780,625.15
Change In Unrealized Gain/Loss	- 485,302.07	199,719.13
Change In Accrued Income	- 71,216.14	64,590.82
Total Asset Activity	**- 206,431.75**	**443,576.82**
Net Change In Market Value	**- 224,493.41**	**- 1,628,414.04**
Ending Market Value	**60,015,742.82**	**60,015,742.82**

[redacted]

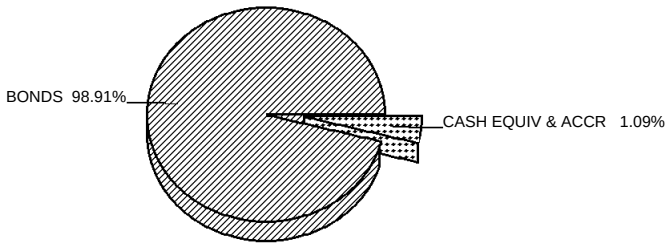
usbank

PENINSULA CLEAN ENERGY - FRB
[redacted]

Period from April 1, 2023 to June 30, 2023

ASSET SUMMARY

ASSETS	06/30/2023 MARKET VALUE	% OF MARKET
Cash And Equivalents	397,800.22	0.66
U.S. Government Issues	41,687,530.34	69.46
Corporate Issues	17,674,077.49	29.45
Total Assets	**59,759,408.05**	**99.57**
Accrued Income	256,334.77	0.43
Grand Total	**60,015,742.82**	**100.00**



PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: August 18, 2023
BOARD MEETING DATE: August 24, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Justin Pine, Strategic Accounts Manager
Shawn Marshall, Chief Executive Officer

SUBJECT: Summer Heat Event Preparedness Informational Report

DISCUSSION:

As California experiences more extreme and frequent heat waves, the state struggles to meet record breaking electricity demand with supply.

In August 2020, California experienced an extreme heat wave that ultimately forced the California Independent System Operator (CAISO) to institute rotating outages across the state. Last September, a 10-day heat wave spanning Labor Day weekend (2022) put the state at imminent risk of rotating outages. During this heat wave, a new grid peak demand of 52,000 MW was reached, marking the third time the grid had ever exceeded 50,000 MW. The CAISO contributed voluntary customer load shed and firm load interruptions by publicly operated utilities to successfully maintain grid reliability and avoid rotating outages.

Following the rotating outages of August 2020, the California Public Utilities Commission (CPUC) opened an Emergency Reliability rulemaking (R.20-11-003). One outcome of this proceeding was the creation of the Emergency Load Reduction Programs, which compensates customers for shedding load during times of grid stress. These programs are funded by Public Purpose Program funds paid for by bundled and unbundled customers, and Peninsula Clean Energy customers are encouraged to enroll.

During the September 2022 heat wave, Peninsula Clean Energy staff worked through the Labor Day weekend engaging with the Governor's Office, the CAISO, and CalCCA to respond to urgent requests to amplify the CAISO's call to customers to voluntarily reduce demand between 4 and 9 p.m. Peninsula Clean Energy staff prepared and sent emails to its customers providing resources on how to take action, and in some cases, staff made phone calls to large commercial and municipal customers to urge them to shed load and shift to back-up generators.

In preparation for the possibility of another extreme heat event this summer, staff have incorporated lessons learned into a heatwave response plan, shared here as Attachment 1. We

have established an interdepartmental heat wave response team, prepared communications including email templates and social media posts, and prepared the attached heat wave response plan to provide clear guidance on how staff should respond during different levels of emergency established by the CAISO. Customers have also been encouraged to enroll in the appropriate Emergency Load Reduction Programs sponsored by PG&E, which will notify customers when action is needed and will provide compensation for incremental load shed achieved.

We are confident that Peninsula Clean Energy is prepared to respond to future heat wave induced grid emergencies, and we will keep Board leadership informed should we experience a grid emergency reaching an Energy Emergency Alert Level 2 or 3.

ATTACHMENTS:

1. Peninsula Clean Energy Response Plan to Heatwave Induced Grid Emergencies

Peninsula Clean Energy Response Plan to Heatwave Induced Grid Emergencies

Emergency Alert Levels	Alert Level Definition	Alert Notice Period	Peninsula Clean Energy Plan of Action
Flex Alert	Call to consumers to voluntarily conserve electricity when supply may not meet demand.	Typically 24 hours in advance.	Amplify message to PCE customers through website banner and social media posts.
Energy Emergency Alert (EEA) Watch	Analysis shows all resources are committed and energy deficiencies are expected.	Typically 24 hours or more in advance.	Monitor for worsening grid conditions.
Energy Emergency Alert (EEA) 1	Real-time analysis shows all resources remain committed for use and energy deficiencies are expected.	Real-time	Response manager ensures designated staff are prepared to respond to worsening conditions through internal communications (Slack). For forecasted weekend heat events, prepare designated staff to be on-call including secondary staff members.
Energy Emergency Alert (EEA) 2	CAISO requests emergency energy from all resources an has activated emergency energy programs.	Real-time	Through CalCCA, staff are receiving real time updates and requests from CAISO and Governor's Office. At request of CAISO or Governor's Office, staff are prepared to send emails to customers emphasizing the request from the state to reduce demand.

Energy Emergency Alert (EEA) 3	CAISO is unable to maintain minimum reserve requirements and alerts utilities to prepare for rotating outages.	Real-time	Through CalCCA, staff are receiving real time updates and requests from CAISO and Governor's Office. At request of CAISO or Governor's Office, staff are prepared to send emails to customers reiterating the request from the state to reduce demand and/or activate back up generators. Further action such as direct outreach and phone calls is situational and will be addressed in real time by the response team.
Energy Emergency Alert (EEA) 3 - Firm Load Interruption	CAISO orders utilities to begin rotating power outages.	Real-time	Rotating outages have begun. PCE will not engage in real-time communication with customers once rotating outages are taking place due to the sensitiviy of the situation.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: August 10, 2023
BOARD MEETING DATE: August 24, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Gwen Rose, Director of Marketing &
Leslie Brown, Director of Account Services

SUBJECT: Update on Marketing, Outreach Activities, and Account Services

BACKGROUND

The Marketing, Community Relations, and Account Services Teams are responsible for enhancing Peninsula Clean Energy's brand reputation, educating and engaging customers, driving participation in programs, and ensuring customer satisfaction and retention. Tactics include community outreach, content creation and storytelling through owned (e.g. online, social media), earned (e.g. public relations), and paid media (advertising), school engagement programs, and customer care.

DISCUSSION

The following is an update of activities that are currently underway. Please refer to the "Strategic Plan" section below for further information/explanation as to how these activities support Peninsula Clean Energy's strategic plan objectives.

Zero Percent Loan Program and Appliance Rebates
These programs are being promoted in our Energy Programs Bulletin, which is emailed every other month to about 200,000 residential customers, and in paid search. In the last 30 days, 465 users visited the Zero Percent Loan webpage, 1,344 visited the heat pump water heater program page, and 3,662 visited the heat pump heating and cooling program page.

Electrification Messaging and Campaign Support of Decarbonization
We are encouraging electrification in email communications and online advertising. In the last 30 days, 1,226 users have visited our all-electric web page. Our search ads for this campaign are currently achieving a click-through rate of 10.8% at a cost of $1.40 per click.

The campaign supports our organizational priority to contribute to our community reaching a goal of 100% greenhouse gas-free for buildings and transportation by 2035.

Used Electric Vehicle (EV) Campaign
In the past 30 days, 2,018 users visited the main EV page on our web site. A search advertising campaign addressing barriers and benefits of electric vehicles is currently achieving a click-through rate of 5.09% at a cost of $3.03 per click.

Outreach Grants
Some recent and upcoming program highlights include:

- All grantees submitted their 6-month progress reports on time.
- Climate Resilient Communities, Grid Alternatives, and Acterra to collaborate on organizing a first-of-its-kind Spanish-language EV Showcase in East Palo Alto, focusing on reducing transportation costs. The event will feature recent participants in our Used EV Rebate program sharing how they stacked income-qualifying incentives to be able to afford their cars.
- We are also collaborating with several other outreach grantee CBOs on a series of focus groups and community workshops this fall to gain insight on customer program preferences, and to refine our Building Electrification 2.0 program through community input.

Schools and Youth Programs
Peninsula Clean Energy is supporting energy education in various ways, including:

- Funding green awareness field trips for junior high and high school students through the San Mateo County Office of Education Career and Technical Education program. The field trips are designed to interest students in careers as electricians and in other related careers that support our program implementation.
- A request for funding to support additional schools and youth through the San Mateo County Office of Education was approved by the Board in July.
- Another request for funding to serve students at the San Mateo County Community Colleges District is before Peninsula Clean Energy Board for consideration in August.
- Peninsula Clean Energy staff met with the Superintendent of the Los Banos Unified School District to discuss how to support energy and career education in Los Banos. He invited us to present at an uncoming meeting of local school principals in September.

Los Banos Update
Kirsten Andrews-Schwind and Marc Hershman are serving as interim representatives at the community and local government levels in Los Banos while we hire for the position previously held by Sandra Benetti. We appreciate leads to good candidates to fill this position.

Kirsten plans tabled with the City of Los Banos at National Night Out in on August 1st. She also met with local representatives of the Chamber of Commerce, the Boys and Girls Club, teachers, and Latino community outreach volunteers.

News & Media
Full coverage of Peninsula Clean Energy in the news can be found on our News & Media webpage.

ENROLLMENT UPDATE

ECO100 Statistics (since July report)

Total ECO100 accounts at end of July:	6,535
ECO100 accounts added in July:	33
ECO100 accounts dropped in July:	44

Enrollment Statistics
Opt-outs during July 2023 were 100, which is 39 fewer than the previous month of June 2023 (139). This includes 57 opt outs in our new service territory of Los Banos during the month of April and 43 from San Mateo County during this month. Total participation rate across all of San Mateo County as of the end of June was 97%The participation rate for the City of Los Banos as of the end of June 2023 was 88%.

In addition to the County of San Mateo, there are a total of 15 ECO100 cities which means they have elected to receive 100% renewable energy for their municipal accounts. As of July 31, 2023, the ECO100 towns and cities include: Atherton, Belmont, Brisbane, Burlingame, Colma, Foster City, Half Moon Bay, Hillsborough, Menlo Park, Millbrae, Portola Valley, Redwood City, San Carlos, San Mateo, and Woodside.

The opt-up rates below include municipal accounts, which may noticeably increase the rate in smaller jurisdictions.

Active Accounts as of July 31, 2023							
TOT	RES Count	COM Count	Active Count	Eligible Count	Participation Percent	ECO100 Count	ECO100 Percent
ATHERTON INC	2411	217	2628	2699	97%	58	2.2%
BELMONT INC	10730	910	11640	11957	97%	241	2.1%
BRISBANE INC	1984	500	2484	2546	98%	91	3.7%
BURLINGAME INC	13573	1948	15521	15879	98%	351	2.3%
COLMA INC	584	291	875	887	99%	32	3.7%
DALY CITY INC	30931	1946	32877	34036	97%	116	0.4%
EAST PALO ALTO INC	7172	437	7609	7982	95%	27	0.4%
FOSTER CITY INC	13734	859	14593	14881	98%	337	2.3%
HALF MOON BAY INC	4205	635	4840	4984	97%	116	2.4%
HILLSBOROUGH INC	3792	145	3937	4039	97%	70	1.8%
LOS BANOS INC	12211	1264	13475	15313	88%	4	0.0%
MENLO PARK INC	14249	1719	15968	16242	98%	612	3.8%
MILLBRAE INC	8805	643	9448	9751	97%	113	1.2%
PACIFICA INC	13992	863	14855	15431	96%	178	1.2%
PORTOLA VALLEY INC	1468	130	1598	1695	94%	1512	94.6%
REDWOOD CITY INC	31670	3282	34952	35761	98%	732	2.1%
SAN BRUNO INC	14812	1058	15870	16538	96%	94	0.6%
SAN CARLOS INC	12230	2065	14295	14656	98%	326	2.3%
SAN MATEO INC	39910	3836	43746	44869	97%	688	1.6%
SO SAN FRANCISCO INC	21621	3064	24685	25645	96%	126	0.5%
UNINC SAN MATEO CO	20876	2954	23830	24634	97%	650	2.7%
WOODSIDE INC	2009	211	2220	2267	98%	61	2.7%

Table reflects data as of July 31, 2023

STRATEGIC PLAN

This section describes how the above Marketing and Community Outreach activities and enrollment statistics relate to the overall goal and objectives laid out in the strategic plan. The table indicates which objectives and particular Key Tactics are supported by each of the Items/Projects discussed in this memo. The strategic goal for Marketing and Customer Care is: Develop a strong brand reputation that drives participation in Peninsula Clean Energy's programs and ensures customer satisfaction and retention.

Item/Project	**Objective A**: Elevate Peninsula Clean Energy's brand reputation as a trusted leader in the community and the industry	**Objective B**: Educate and engage stakeholders in order to gather input, inspire action and drive program participation	**Objective C**: Ensure high customer satisfaction and retention
Social Media Policy	KT3 Tell the story of Peninsula Clean Energy through diverse channels		
Zero Percent Loan and Heat Pump Rebates programs		KT6: Promote programs and services, including community energy programs and premium energy services	
Electrification Messaging Project		KT5: Provide inspirational, informative content that spurs action to reduce emissions.	
EV Campaign		KT6 (see above)	
All-Electric Leader Awards		KT6 (see above)	
Los Banos Update	KT4: Engage community through participation in local events	KT6 (see above)	
Los Banos Update	KT4: Engage community through participation in local events		

News and Media Announcements	KT1: Position leadership as experts on CCAs and the industry KT2: Cultivate relationships with industry media and influencers KT3 (see above)		
ECO100 and Enrollment Statistics			Reports on main objective C

* “KT” refers to Key Tactic

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: August 11, 2023
BOARD MEETING DATE: August 24, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority (PCE) Board of Directors

FROM: Jeremy Waen, Director of Regulatory Policy
Doug Karpa, Managing Counsel of Regulatory Policy
Matthew Rutherford, Manager of Regulatory Policy
Zsuzsanna Klara, Regulatory Compliance Analyst

SUBJECT: Update Regarding Regulatory Policy Activities

SUMMARY

Jeremy continues to direct the team, oversee the department along with key proceedings relating to the Power Charge Indifference Adjustment (PCIA) and annual rate adjustments.

Doug has been heavily focused on Resource Adequacy and Integrated Resources Planning at the California Public Utilities Commission's (CPUC). He has also engaged with the California Independent System Operator on issues of Resources Adequacy, Transmission Planning, Interconnection, and Deliverability.

Matthew has continued his work in supporting PCE's programmatic efforts through Transportation Electrification, Building Decarbonization, Resiliency, Supplier Diversity, Demand Flexibility, Demand Response, and DAC-Green Tariff matters.

Zsuzsanna worked with the Power Resources and the Programs team on coordinating the filings due in July and August. She is also focused on the future challenges on the Green-e program and issues related to privacy risk—management and contract management.

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Regulatory Compliance

Zsuzsanna coordinated the filings of data requests for the Power Resources team and the Programs to have up-to-date information about the status of the monthly ongoing filings and the July and August due filings. She started working on internal data breach prevention and response plan and review risk management policies. She is also working on the unification of a third-party contract database to find the most effective way to keep PCE's contract management system up to date. Zsuzsanna also widened the compliance management database by using Wrike program management software more extensively with colleagues for compliance related work. She works with Shayna Barnes form the Power Resources team on supplier diversity compliance.

In July/August the main compliance filings and data requests included the following:

- CPUC PAO – data request about DAC-GT – 7/13
- CalCCA data request on RA market prices – 7/26
- DAC-GT Q2 and CSGT H1 report – 7/31
- 2023 IEPR Historical & Forecast Load & Demand, and Revenue Reports, Years 2021-2034 (CEC) – 7/3 and 7/31RPS Compliance Report (CPUC) – 8/1
- IRP Midterm Reliability (MTR) Compliance filing – 8/1
- Monthly Procurement Status Report (CPUC) – 8/4

Integrated Resource Planning (IRP) & Resource Adequacy (RA)

CalCCA filed a pair of Applications for Rehearing related to the policy of banning expansions based on uncured RA deficiencies in the prior two years, arguing that the policy exceeds the statutory authority of the CPUC to approve such expansions and that the factual basis lacks merit. The deadline for a response by the Commission has passed, so CalCCA can bring suit against the Commission although a response is anticipated which will shape any decision to file suit.

In addition, the compliance requirements for 2024, which will use the existing ELCC based system, may incorporate one component from the slice-of-day methodology. The templates for filing slice-of-day filings as a "test year" in 2024 are still under development. In addition, Jeremy Waen, Roy Xu, Jeffrey Wright, and Doug Karpa held an *ex parte* meeting with advisors of CPUC President Alice Reynolds and Commissioner John Reynolds urging the CPUC to take up proposals to address the affordability crisis in the RA market.

The Commission has recently resumed its IRP-related policymaking efforts starting with further system modeling which may feed into future procurement decisions. While we await Commission actions, several Direct Access parties have filed a petition for an all-

party meeting to evaluate integration of the RA and IRP programs. Such integration could either make compliance considerably simpler or introduce new complications depending on the approach taken.

(Public Policy Objective A, Key Tactic 1, and Key Tactic 2; Public Policy Objective C, Key Tactic 3)

California Independent System Operator (CAISO)

The California independent System Operator continues to implement stakeholder processes that are likely to have critical impacts on Peninsula Clean Energy's operations. Doug is actively participating in these areas. Timely updates from these processes include:

1. **Interconnection:** CAISO has completely the initial set of workshops on the potential reforms needed to ensure that only viable projects are studied in the interconnection process and is considering the proposals raised, including a proposal for a scoring system to evaluate projects based on viability, progress toward completion and LSE interest.

(Public Policy Objective A, Key Tactic 1, and Key Tactic 2; Public Policy Objective C, Key Tactic 3)

Load Management Standard

Doug is a key advocate at the Energy Commission, along with Leslie Brown and Masha Doubrousvkaia, on the two elements of the Load Management Standard: First, the initial batch of time-variant rates were uploaded to MIDAS by the August 1 deadline, and we are now working to complete any additional uploads the Energy Commission may require by October 1. Second, Peninsula Clean Energy will be required to develop and analyze at least some marginal cost-based rates by April 2024, or have alternative programs, such as the FLEXmarket, to provide similar options to customers. Opting to provide programs instead of rates will require a robust analysis demonstrating that marginal cost-based rates are not cost effective to justify relying on programs instead.

(Public Policy Objective A, Key Tactic 1, and Key Tactic 2; Public Policy Objective C, Key Tactic 3)

Disadvantaged Communities Green Tariff (DAC-GT) and Community Solar Green Tariff (CSGT)

Matthew continues to lead PCE's engagement in policy matters related to PCE's DAC-GT and CSGT programs, and PCE continues to collaborate with fellow CCAs who

administer their own DAC-GT and CSGT programs. At issue in this proceeding is how and whether existing DAC-GT and CSGT programs should be modified to better achieve their programmatic goals of developing distributed solar in Disadvantaged Communities (DACs) and providing rate relief to low-income customers. Legislation also requires the Commission to evaluate whether to develop a new community solar program according to a set of specific criteria outlined in the statute.

The Joint CCAs' primary goals in this proceeding are to compel the Commission to do the following: (i) preserve the basic structure of the DAC-GT and CSGT programs, implement minor programmatic tweaks to improve the delivery of program benefits, and (ii) permit administrators to expand their program capacity to enable them to enroll more customers. These improvements would build upon existing structures and processes to expand equitable access to solar energy and bill relief for deserving customers.

Several parties have suggested during the proceeding that the DAC-GT and CSGT programs should be discontinued in favor of a new community solar program proposal. The new proposal that has garnered the most attention is the Net Value Billing Tariff (NVBT) that was proposed by a coalition of solar developers. The CCAs cannot be compelled to offer their own NVBT as it is a tariff program so the Joint CCAs' filings have focused on preserving DAC-GT and CSGT by correcting the record. We've pointed out that many of these parties have misapplied the statutory criteria for new program proposals when using it to evaluate the DAC-GT and CSGT programs and relied on old data when evaluating the success of the programs. The Joint CCAs' filings have also highlighted that our programs have collectively delivered millions of dollars of rate relief to low-income participants and procured enough new resources to cover roughly 2/3 of their allocated program capacity.

A small group of CCA representatives including Matthew have held *ex parte* meetings with several Commissioners' offices where they've reiterated the following points: (i) the CCAs' DAC-GT and CSGT programs have been successful by several measures; (ii) their success justifies expanding the programs' capacities to deliver benefits to even more low-income customers; and (iii) if the CPUC does decide to adopt a new structure such as the NVBT, there is no requirement to first pause or discontinue the DAC-GT program.

A recent Ruling directed parties to evaluate existing and proposed programs using standardized cost effectiveness and cost shift metrics. The Joint CCAs' comments emphasized that the DAC-GT and CSGT programs, as *equity-focused* programs, should not be evaluated with these cost effectiveness screening tools because they have different programmatic goals than programs that are designed to deliver benefits to the general market. The comments also referenced the considerable Commission precedent that supports this position. The Joint CCAs' comments have also reminded stakeholders that many benefits of the programs (*e.g.,* developing solar projects in DACs which exhibit low air and environmental quality metrics) are not currently quantifiable, making any quantitative analysis of the programs incomplete at best.

A Proposed Decision is still anticipated for Q3 2023.

(Public Policy Objective A, Key Tactic 1, Key Tactic 2, and Key Tactic 3)

Building Decarbonization & Transportation Electrification

The Commission's proceedings relating to building and transportation electrification remain quiet as well. As such, staff bandwidth has shifted towards supporting PCE's other programmatic objectives such aiding the implementation of the Disadvantaged Communities (DAC-GT) program and PCE's FLEXmarket program.

(Public Policy Objective A, Key Tactic 1, and Key Tactic 2; Public Policy Objective C, Key Tactic 3)

STAKEHOLDER OUTREACH

Dr. Karpa did not host Peninsula Clean Energy's regular monthly call with environmental justice and environmental advocates and other CCA staff in July given the lack of movement in key dockets and the unavailability of many of the regular participants.

(Public Policy Objective A, Key Tactic 2)

FISCAL IMPACT

Not applicable.

PENINSULA CLEAN ENERGY AUTHORITY
Board Correspondence

DATE: August 11, 2023
BOARD MEETING DATE: August 24, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Marc Hershman, Director of Government Affairs

SUBJECT: Update on Peninsula Clean Energy's Legislative Activities

SACRAMENTO SUMMARY:

The leadership of the state Assembly changed on July 1. Assemblymember Robert Rivas (D-Hollister) became the Speaker of the state Assembly, replacing Speaker Anthony Rendon. That change set in motion several other changes in the Assembly. Notably, San Mateo County Assembly Member Diane Papan is now a part of the leadership team.

Additionally, Los Banos's representative in the state Assembly, Esmeralda Soria, is the new chair of the Committee on Agriculture and she was also given a seat on the Appropriations Committee.

The Legislature's summer recess ran from July 14 to August 14.

Leading up to the recess, all legislation was required to clear policy committees.

The legislature returned on August 14. There are five weeks left in the legislative session to tackle all remaining bills. Adjournment for the year is scheduled for September 14.

PENINSULA CLEAN ENERGY SPONSORED LEGISLATION - BROWN ACT BILL

SB 537, introduced by Senator Josh Becker and sponsored by Peninsula Clean Energy, addresses the ability of board members of multijurisdictional bodies, like ours, to attend meetings virtually from remote locations.

SB 537 was heard in the Senate Committee on Governance and Finance on April 19. Peninsula Clean Energy Vice Chair Donna Colson was a lead witness and aided by her strong testimony the bill passed that committee by a vote of 6-2.

We greatly appreciate the many letters of support for SB 537 from local jurisdictions and elected officials. These include Atherton, Brisbane, Burlingame, Colma, Menlo Park, San Bruno, San Carlos, San Mateo, South San Francisco, Menlo Park Councilmember Betsy Nash, and Hillsborough Councilmember Leslie Ragsdale.

In addition to local support, letters and official support was also lodged by the Bay Area Air Quality Management District, California Association of Councils of Governments, League of California Cities, CalCCA, Streets for All, Los Angeles County Sanitation Districts, Transportation Agency for Monterey County and sister CCAs Sonoma Clean Power and San Diego Community Power.

Opposition to the bill has come from the ACLU, California News Publishers, Cal Aware, California Broadcasters Association, California Common Cause, CCNMA: Latino Journalists of California, First Amendment Coalition, Howard Jarvis Taxpayers Association, and the Leadership Council for Justice and Accountability, National Press Photographers Association, Nlgja: Association of LGBTQ+ Journalists, Northern California Society of Professional Journalists, Orange County Press Club, Pacific Media Worker Guild, Radio Television Digital News Association, San Diego Pro Chapter of Society of Professional Journalists, Society of Professional Journalists, Greater Los Angeles Chapter.

At the insistence of the Senate Committee on Governance and Finance, several amendments to the bill were made. Of greatest significance, the bill was amended so that virtual participation has been limited to board members who reside more than 40 miles from the venue in which the meeting is being held and the location of the participant must be included in the agenda of the meeting.

SB 537 was then heard by the Senate Committee on the Judiciary on Tuesday, May 2. Peninsula Clean Energy Director Marty Medina provided compelling lead testimony and the Committee voted 9-2 in support of SB 537.

SB 537 was considered by the full Senate on May 30. It was passed off the floor of the Senate by a vote of 32-8.

SB 537 was referred to only one committee in the Assembly. On July 12, SB 537 was heard in the Assembly Committee on Local Government with its new Chair Juan Carrillo. Peninsula Clean Energy Director Anders Fung offered strong lead testimony and the Committee voted 6-1 in support of SB 537.

We also wish to acknowledge the continuing support of the Bay Area Air Quality Management District for also providing lead testimony in each of the legislative hearings.

One significant amendment that was taken from the Assembly committee will require any person who receives compensation for their service on the eligible board to participate in person.

We continue to work with the author and Committee representatives to improve the bill and ensure its passage. We anticipate SB 537 will next come to the floor of the Assembly after the Legislature returns from its summer recess.

AB 538 (Holden) – LEGISLATION TO REGIONALIZE THE GRID

AB 538 is a renewed effort by Assemblymember Holden to move California away from the California Independent System Operator as the manager of our state's electric grid and in its place have California join a multi-state regional transmission system.

Proponents have argued that a regional system could accelerate California's ability to meet its clean energy goals, ensure the reliability of the grid and enable the system to scale up to meet the needs of the state's customers. It has also been posited that a regional system will be more transparent around energy prices and emissions while saving money.

Opponents theorize that joining a regional transmission system would dilute California's ability to meet those very same needs and diminish our state's voice on critical clean energy issues. Of significant concern is the impact a regional system would have on California utility workers.

AB 538 was heard in the Assembly Committee on Utilities and Energy. It was passed out of the committee on April 26 after the author, Assemblymember Holden, agreed to work on changes to the bill. Before the bill was amended and could come up for a vote in the Assembly Committee on Appropriations, which Mr. Holden chairs, the bill was withdrawn from consideration.

Shortly thereafter Governor Newsom issued a press release indicating his interest in advancing regionalization.

On July 14, the date on which the Legislature began its summer recess, a letter signed by leaders of key regulatory agencies across multiple states (including California, Oregon, Washington, Arizona, & New Mexico) was submitted to the California Energy Commission arguing for the creation of a non-profit forum to enable a multistate regulatory dialogue to further explore the facts and politics surrounding possible regionalization. It appears that Governor Newsom's administration is supportive of this request. Peninsula Clean Energy staff is tracking this matter to see what comes of the request and whether there is an opportunity for our agency to engage.

FY 2023-24 State Budget / AB 1373 (E. Garcia)

As noted in previous Legislative Updates, the Governor introduced a budget trailer bill earlier this year that has raised significant concerns. In the trailer bill proposal, the

Governor seeks to broaden the scope of procurement by enabling the Department of Water Resources to act as a central procurement entity. The trailer bill also adds a capacity payment penalty for Resource Adequacy deficiencies. Further it seeks to clarify the California Public Utilities Commission's Integrated Resource Plan authority over CCAs.

Peninsula Clean Energy and CalCCA have met with legislators, their staff members and Administration officials to try and move this from a budget bill, which would short circuit the hearing process, to a policy bill. We were successful in the Assembly as AB 1373 (E. Garcia) was introduced in April.

In meetings with legislative staff, we have expressed our concerns with the substance of AB 1373, and we filed a letter taking the position of "Oppose Unless Amended". Our letter questioned the need for a central procurement entity and highlighted our biggest concerns: interconnection and the transmission system.

Along with the Municipal Utilities, CalCCA provided the lead testimony expressing our concerns with the bill in the Assembly hearing on AB 1373. We also expressed our opposition to the bill's proposal giving the Public Utilities Commission an expanded, ill-defined Integrated Resource Plan jurisdiction over CCA procurement autonomy. And we raised objection to the bill proposal of a capacity penalty payment for Resource Adequacy deficiencies.

AB 1373 passed the Assembly Committee on Utilities and Energy. It then went to the Committee on Appropriations where it passed on May 18. The bill was then sent to the floor of the Assembly where on May 26 it passed by a vote of 57-17 with the support of Assembly Members Berman, Papan, Soria and Ting.

We continued to work with local legislators and other stakeholders to refine the bill to address our issues of concern. We are pleased to report that the Assembly adopted many of the amendments CCAs sought and the version of AB 1373 that was passed off the floor of the Assembly on May 26 was significantly improved. As a result, we have submitted a letter withdrawing our opposition and moving to a neutral position on the legislation.

AB 1373 was not heard in a policy committee in the Senate and the budget trailer bill on these energy issues introduced by the Governor has also not advanced.

There is a significant chance that a new energy budget trailer bill or other legislation will emerge in the last month of the 2023 session that will address some or all the issues raised in AB 1373 and the Governor's trailer bill proposal.

2024 Climate Bond

Two pieces of legislation, AB 1567 (E.Garcia) in the Assembly and SB 867 (Allen) in the Senate, would create a climate bond for the 2024 ballot. Each piece of legislation proposes approximately $15 billion in investment in climate areas, including resilience

measures for water, wildfire, flood, drought and the coast, heat mitigation, and support for agriculture and parks. There is also a clean energy component of approximately $2 billion.

The size of the bond will likely shrink considerably before it comes to the floor for consideration. Still to be decided is whether to place the bond on the March or November 2024 ballot.

(Public Policy Objective B, Key Tactic 1)

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: Aug. 10, 2023
BOARD MEETING DATE: Aug. 24, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Rafael Reyes, Director of Energy Programs

SUBJECT: Community Programs Report

SUMMARY

The following programs are in progress, and detailed information is provided below:

1. Highlights from Prior Month
2. Building and EV Reach Codes
3. Buildings Programs
   - 3.1. Appliance Rebates and On-Bill Financing
   - 3.2. Low-Income Home Upgrades & Electrification
   - 3.3. Building Pilots
   - 3.4. Refrigerator Recycling
4. Distributed Energy Programs
   - 4.1. Solar and Storage for Public Buildings
   - 4.2. Residential Solar + Battery Backup
   - 4.3. FLEXmarket
   - 4.4. Community Solar, DAC-GT
5. Transportation Programs
   - 5.1. “EV Ready” Charging Incentive
   - 5.2. Used EV Rebate
   - 5.3. EV Ride & Drives/EV Rental Rebate
   - 5.4. E-Bikes for Everyone Rebate
   - 5.5. Municipal Fleets
   - 5.6. Transportation Pilots

DETAIL

1 Highlights from Prior Month

- EV Ready, the EV charging technical assistance and rebate program, surpassed 500 chargers installed, at a price of about $4,000 per charger, more than 4X less expensive than other utility programs.

- The buildings program has crossed over 1,000 electric heat pump water heaters and heat pump space conditioning systems since inception in 2021
- PCE finished developing its Commercial FLEXmarket and is planning its launch in Q3 2023.

2 Building and EV Reach Codes

Background: In 2018 the Board approved a building "reach code" initiative to support local governments in adopting enhancements to the building code for low-carbon and EV ready buildings. The initiative is a joint project with Silicon Valley Clean Energy (SVCE) and East Bay Community Energy (EBCE). The program includes no-cost technical assistance, model codes and other tools. The tools and model code language are available on the project website (www.BayAreaReachCodes.org).

In addition, in January 2020 the Board approved an extension of the reach code technical assistance plus additional elements – Education and training for developers and contractors, and consumer education program on the benefits of all-electric buildings. This technical assistance is publicly available at www.AllElectricDesign.org. In December 2020, the Board approved to extend the contract with TRC Engineers include technical assistance for developing policy for existing buildings. In February 2022 the Board extended the initiative for another two years.

Model Code Summary

- New construction building electrification codes require all-electric and include a menu of exceptions for cities to choose from
- New construction EV codes are the same as last cycle for most building types, requiring more access than the state code. Multi-family buildings are required to provide at least one level 2 charging access point for every dwelling unit. 15% must be Level 2 charging stations. 85% can be low-power Level 2 EV ready.
- Existing building model codes provide a full menu of options for cities to choose from, including: end of flow requirements, time-of-replacement mandates, time of sale disclosure requirements, and a requirement to upgrade existing EV-capable circuits to EV-ready by a time-certain deadline.
- TRC is updating new construction model code options in response to the Berkeley ruling, and expects the new codes to be available in August for jurisdictions to consider.

Status:

- **City Progress**: Most cities with reach codes from the prior cycle have re-adopted or adopted for the first time, including:
    - New construction
        - Adopted: Atherton, Belmont, Brisbane, Burlingame, County of San Mateo, Daly City, Half Moon Bay, Hillsborough, Menlo Park, Millbrae, Pacifica, Portola Valley, Redwood City, San Bruno, San Carlos, San Mateo, East Palo Alto

        - Continuing reach codes from 2019: Hillsborough
        - In Progress: South San Francisco, Colma
    - Existing buildings
        - Adopted: Portola Valley, City of San Mateo
        - Exploring: San Carlos, Menlo Park, County of San Mateo
- Berkeley 9th circuit ruling – The 9th circuit court of appeals has ruled against Berkeley in a case brought by the California Restaurant Association and funded by Sempra (SoCalGas.) Berkeley's has requested an En Banc rehearing from the 9th circuit. The next step after that, for either party, would be an appeal to the Supreme Court.
    - The 9th circuit ruling is specific to the Berkeley code. Most cities adopted a different code based on the state energy code.
    - Our legal staff is available to connect with Cities' attorney and has already done that for some jurisdictions. Ultimately, it is up to each jurisdiction how they move forward at the moment.
    - Our team is developing alternative code approaches to provide options for cities to continue to support building decarbonization

Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

- Key Tactic 3: Ensure nearly all new construction is all-electric and EV ready
- Key Tactic 4: Establish preference for all-electric building design and appliance replacement among consumers and building stakeholders

3 Buildings Programs

3.1 Appliance Rebates and Zero Percent Loans

Background: In May 2020, the Board approved an initial 4-year plan for electrifying existing buildings. This included implementing an appliance rebate program. Peninsula Clean Energy successfully launched the heat pump water heater (HPWH) rebates on January 01, 2021. Peninsula Clean Energy rebates were exclusively offered in partnership with BayREN's Home+ program, which offers additional rebates for HPWHs that are combined with Peninsula Clean Energy's. Additionally, in August 2021, the Board approved an On-Bill Financing program (now referred to as the Zero Percent Loan program) to be treated as a balance sheet asset and not part of the annual budget. The program offers qualified residential customers a 0% interest loan up to $10,000 to fund the cost of eligible electrification and complementary electrical and energy efficiency upgrades.

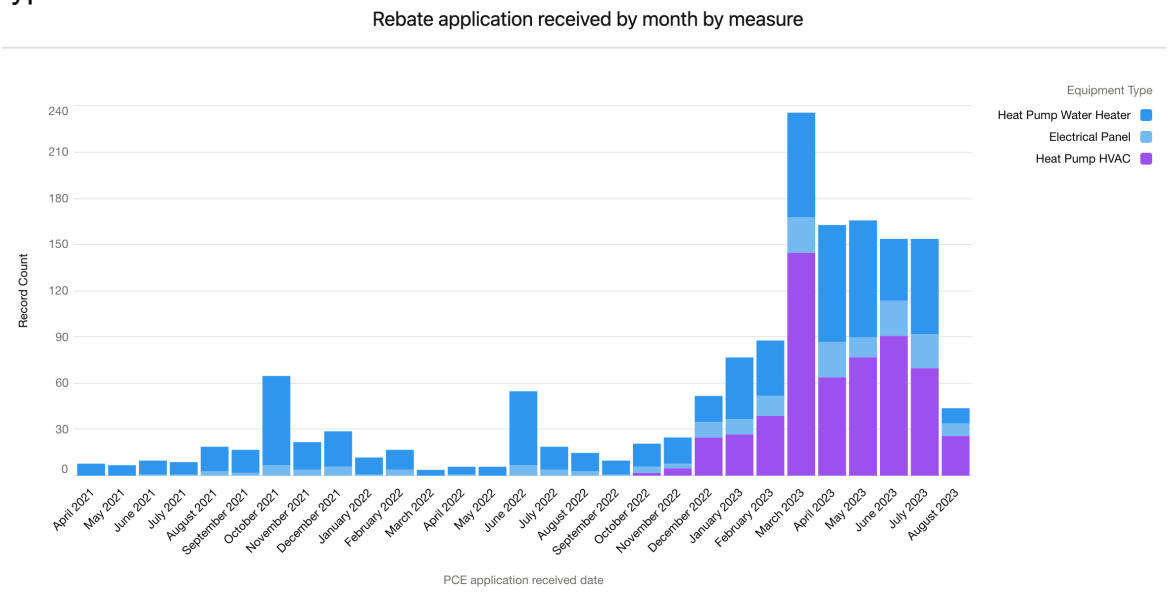
On October 17, 2022, Peninsula Clean Energy launched its Zero Percent Loan program and rolled out modifications and enhancements to the Appliance Rebates Program including increasing its HPWH rebate, launching a new heat pump heating ventilation and

air conditioning (HVAC) rebate, adjusting the eligibility criteria for its electrical panel upgrade bonus rebate, and creating a rebate application process for customers not working with BayREN contractors, while still maintaining the integrated application process with the BayREN Home+. These modifications were made to A) bring fuel switching/electrification to at least cost parity with gas replacements, B) backstop the loss of state incentives, and C) support the adoption of existing building reach codes.

Status: The table below summarizes the number of rebates issued as of August 10, 2023. Rebates from state programs are undergoing adjustment and PCE is looking to adjust in the coming months incentive levels and certain loan terms to maintain complementarity.

Upgrade Type	Count
HPWH rebates	691
Heat pump HVAC rebates	482
Electrical panel rebates	166
Zero percent loans completed	187 for $1,730,719
Additional zero percent loans reserved	71 for $702,131

The chart below summarizes the number of applications received by month by upgrade type.



Staff will be making a couple of changes to the Appliance Rebates and Zero Percent Program effective October 1, 2023:

1. **Reduce HPWH rebate:** The Self-Generation Incentive Program (SGIP), a statewide program that will offer incentives of $3,100+ for HPWHs, is tentatively anticipated to launch in Q3. To avoid confusion but also not over incentivize, PCE will be reducing its HPWH to rebate to $2,000, from the current $3,000, and allow it to stack with SGIP.

2. **Reduce HP HVAC rebate:** Demand for heat pump HVAC rebate has been higher than anticipated. PCE will be reducing its HP HVAC rebate to $2,500, from the current $3,500.
3. **Reduce panel upgrade rebate:** PCE will be reducing its electrical panel upgrade rebate to $1,000, from the current $1,000. With the reduced amounts, PCE's rebate amounts will be the same as SVCE's rebates, providing some consistency across the neighboring territories.
4. **Reduce loan term:** Currently, PCE's loan can be repaid for up to 10 years (85% of participants chose this maximum term). To allow the program to grow while reducing repayment risk, PCE will reducing the maximum loan term to 5 years.

Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

- Key Tactic 4: Establish preference for all-electric building design and appliance replacement among consumers and building stakeholders

3.2 (Low-Income) Home Upgrade Program

Background: In May 2020, the Board approved $2 million for implementing a turnkey low-income home upgrade program to offer minor home repair, energy efficiency, and electrification measures to income-qualified homeowners at no cost to them. The measures implemented in each home will vary depending on the home's needs but will include at least one electrification measure such as installing a HPWH or replacing a gas stove with an electric induction stove. The Board approved a contract extension for $1.5 million in February 2023 which included more homes for the current service plus 4-6 whole home electrification upgrades.

Status: The program was announced on September 28, 2021. The below table summarizes the program's status as of the end of July.

Stage/category	#s
Leads	5026
Reached	1745
Pre-assessments	740
Enrolled and eligible	270
Installations in progress	27
Fully complete	200

The following table summarizes the number of electrification measures implemented on the fully complete homes.

Measure	Count
Heat pump water heater	83
Induction cooktop/range	54
Electric dryer	50
Central or mini split heat pump (HVAC)	3
Window or wall mounted heat pump (HVAC)	14
Portable heat pump (HVAC)	46

Strategic Plan:

Goal 3 – Community Energy Programs

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities

- Key Tactic 1: Invest in programs that benefit underserved communities
- Key Tactic 3: Support workforce development programs in the County

3.3 Building Pilots

Background: In May 2020, The Board approved $300,000 for piloting a new innovative technology from Harvest Thermal Inc., a Bay Area-based startup, that combines residential space and water heating into a unified heat pump electric system with a single water storage tank. Through this project, this technology was installed in 4 homes within the San Mateo County to assess its performance and demonstrate its effectiveness for emission reductions.

Status (no updates from last month): The home recruitment process began in late April 2021 and the project received 290 applications. Homes were selected based on technical criteria (home characteristics, energy usage patterns, and technical feasible of the upgrade within budget). The four pilot homes are located in Daly City, South San Francisco, Redwood City, and Menlo Park. As of September 7, 2022, all four homes have had their system installed. The consulting firm TRC has been contracted to provide independent measurement and verification services for the project and have begun collecting data on the homes installed. The 12-month data collection period ended on 4/23 and the final analysis report is being finalized.

Strategic Plan:

Goal 3 – Community Energy Programs

Objective C: Innovation and Scale: Leverage leadership, innovation, and regulatory action for scaled impact

- Key Tactic 1: Identify, pilot, and develop innovative solutions for decarbonization

3.4 Refrigerator Recycling

Background: In April 2019, Peninsula Clean Energy launched a small turnkey refrigerator recycling program with a budget of $75,000 as part of the Community Pilots program. The program administrator, ARCA Recycling, manages orders intake, pick up scheduling, and rebate processing. The objective of the program is to capture high impact greenhouse gas gases from old appliances by facilitating proper recycling of the appliance's refrigerants and foaming agents for insulation.

Peninsula Clean Energy executed an amendment effective March 1, 2023 to add $95,000 to the residential program and remove bulk pickups.

Status:
We will be winding down and cancelling this program due to numerous customer complaints. We are no longer accepting any new appliance pickups. ARCA will honor any pickup that is currently outstanding. We expect this process to take 1-2 months.

Since inception in April 2019, the recycling program has recycled 861 refrigerators and freezers resulting in over 1,600 MTCO2e in greenhouse gas reduction.

Strategic Plan:
Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

- Key Tactic 4: Establish preference for all-electric building design and appliance replacement among consumers and building stakeholders

4 Distributed Energy Programs

Peninsula Clean Energy has Board-approved strategies for the promotion of 20 MW of new distributed energy resources in San Mateo County and is advancing distributed energy resources to provide resilience, lower decarbonization costs, provide load shaping to support our strategic goal for 24/7 renewables. The projects described below are efforts towards meeting both of these goals.

4.1 Solar and Storage for Public Buildings

Background: The Solar and Storage for Public Buildings is aimed at aggregating local government facilities into a group procurement of solar and optionally storage systems. Peninsula Clean Energy provides no-cost site assessments and preliminary designs as well as manages the procurement process. Participating sites have systems installed as part of power purchase agreements directly with Peninsula Clean Energy. As part of the pilot phase, in October 2020, the Board approved a Solar Site Evaluation Services

contract with McCalmont Engineering for Solar site evaluation and designs for County and municipal facilities identified as candidates for solar-only or solar + storage resilience projects. In March 2022, the board approved up to $8 million in capital for system installations to be repaid over 20 years and $600,000 for technical assistance on the second round of the aggregated solar program. Intermountain Electric Company was selected in the competitive solicitation on the basis of its pricing, experience, labor practices, and other metrics. Intermountain is a local union firm with an excellent reputation. At the January, 2023 Board Meeting, the Board of Directors granted authority to the CEO to execute the installation contract and power purchase agreements with participating agencies in the first round. 12 PPAs were signed with 10 jurisdictions for a total of 1.74 MW DC solar PV. Battery storage systems are planned for 3 of the sites, but will not move forward until after the solar systems are operational due to NEM2 grandfathering rules.
In December 2022, the CPUC finalized a decision to change rules to net metering, which will reduce the value of solar exported to the grid during the day. Customers can get grandfathered into current net metering rules ("NEM 2.0") before the rules go into effect ("Net Billing Tariff" or "NBT"). Interconnection applications were submitted for the first portfolio of systems in October 2022 to secure a grandfathered position under NEM 2.0.

Staff is running the second round of the program. Staff expects to increase the size of the portfolio from round one and help our customers lock-in NEM 2.0 for their projects.

Status
Intermountain Electric Company is finalizing technical designs and related documentation for all sites and submitting for relevant permits with local authorities. Construction is expected to begin by the end of this calendar year, with all sites being complete by end of Q1, 2024.

A total of 23 agencies expressed interest in the second round of the program, providing staff with 120 facilities to evaluate for their solar potential. Site walks have were executed in Q2 with engineering firms NV5 and SepiSolar. 38 interconnection applications for >16 MWdc were submitted by the April 14th deadline to grandfather them into the more favorable NEM 2.0 rules. Other sites considered were disqualified for technical reasons.

Staff is currently developing the energy contract, construction contract, and financial proposal. A competitive solicitation for the procurement of EPC services will launch in Q3 2023 as part of the second round.

4.2 Residential Solar + Battery Backup

Background: The Residential Solar + Battery Backup offers energy resiliency program in partnership with Sunrun. This program provides energy storage systems paired with solar power to single family customers. Customers who sign up for this program receive an incentive up to $500. At Peninsula Clean Energy's direction, Sunrun will dispatch the

stored energy during evening hours when renewable generation on the California grid is low and electricity prices are high. This will also help Peninsula Clean Energy to reduce its peak load and thereby reduce our resource adequacy requirements.

Status: The program has commenced dispatching customer batteries in the evening to help reduce Peninsula Clean Energy's net peak. Sunrun continues to enroll new customers throughout 2023 and, as they enroll more customers, available capacity from their distributed battery storage fleet continues to increase as well. Sunrun and staff included distributed battery storage in their 2024 load forecast submission, which will result in a lower net peak and smaller RA allocation for calendar year 2024.

In Summer 2023, Sunrun and Peninsula Clean Energy are piloting a dispatch strategy that focuses on reducing customer energy usage during times when Peninsula Clean Energy experiences its local net peak. We expect this will result in greater capacity from the same battery storage resources.

4.3 FLEXmarket

Background: In November 2021 the Board approved a program plan for the establishment of an innovative "virtual power plant" using what is known as FLEXmarket. FLEXmarket is a market-based program structure that provides incentives to program "aggregators" to implement programs for energy efficiency and load shaping. The novel elements of the structure include a "pay-for-performance" approach which only provides incentives on confirmed performance using meter data. This novel structure was innovated by MCE and is also being implemented by East Bay Community Energy and Sonoma Clean Power. In addition, the program plan was developed for submission to the CPUC to allow Peninsula Clean Energy to run the program with fully reimbursed funding through the CPUC. Peninsula Clean Energy's billing data services provider Calpine has entered into a strategic partnership with the firm Recurve to provide FLEXmarket services through a streamlined structure.

Status: The residential FLEXmarket is officially open. Providers of energy efficiency and building electrification equipment can apply for incentives through this program. In addition, Peninsula Clean Energy is submitting its own projects to receive CPUC funds under the program.

Staff developed the commercial version of the program and launched the market in July 2023. Like the residential version, providers of commercial energy efficiency and building electrification equipment, as well as aggregators of these projects, can pursue incentives through the Commercial FLEXmarket.

4.4 Community Solar, DAC-GT & CSGT

Background: The Disadvantaged Communities Green Tariff program ("DAC-GT") and associated Community Solar Green Tariff ("CSGT") are community solar programs developed by the California Public Utilities Commission (CPUC) to enable DAC residents to participate in renewable energy projects, and to promote development of renewable

projects in DACs. Participating customers will receive a 20% discount on their full electric bill (PG&E and Peninsula Clean Energy charges). Peninsula Clean Energy administers these programs on behalf of its customers.

Peninsula Clean Energy began enrolling DAC-GT customers in San Mateo County in January 2022 and customers in Los Banos in April 2022. Those customers are currently served by an interim resource procured from Marin Clean Energy pending Peninsula Clean Energy's procurement of a new renewable resource for the program.

Per the CPUC DAC program guidelines, Peninsula Clean Energy is authorized to procure up to 3MW of solar capacity. Until a new solar resource is procured, Peninsula Clean Energy will serve customers from MCE's interim resource. Peninsula Clean Energy executed a PPA with Marin Clean Energy for its existing Goose Lake Solar project, which meets DAC program guidelines, to provide for its DAC customers until a permanent resource is procured.

Status: The program is currently serving approximately 1,000 customers. Peninsula Clean Energy signed a PPA with Renewable America, LLC for a 3MW solar resource located in Dos Palos, CA, approximately 15 miles southeast of the City of Los Banos. The Dos Palos Clean Power solar project has a Commercial Operation Date of August 1, 2023. In June, staff expanded their contract with MCE's interim resource Goose Lake Solar to 3.74MWdc. This will allow more customers to subscribe to the program and receive on-bill benefits.

Staff launched a Request for Proposals for 402kW of solar as part of their Community Solar Green Tariff ("CSGT"). Staff is nearing a selection of one project that is approximately the size of the program's total capacity, and will likely make this selection in Q3 2023 with contracting to follow.

Strategic Plan

- Distributed Energy Resources: Support strategic decarbonization and local power
  - Key Tactic 1: Create minimum of 20 MW of new local renewable power sources in PCE service territory by 2025
  - Key Tactic 2: Support distributed energy resources to lower costs, support reliability, and advance distributed and grid decarbonization
  - Key Tactic 3: Foster Resilience

5 Transportation Programs

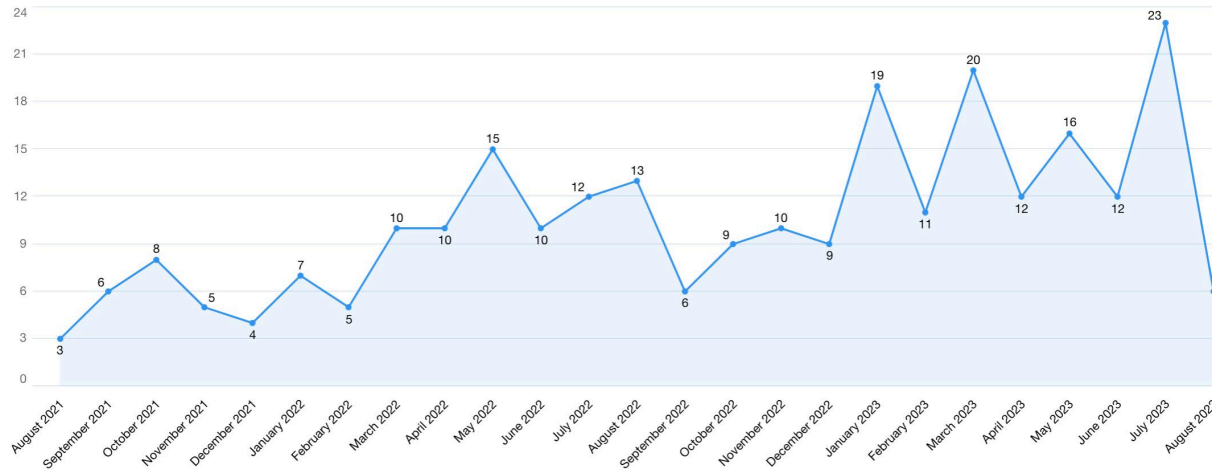
5.1 Used EV Rebate Program

Background: Launched in March 2019, the Used EV Rebate Program (formerly referred to as "DriveForward Electric") provided an incentive up to $4,000 for the purchase of used plug-in hybrid electric vehicles (PHEVs) and full battery electric vehicles (BEVs) to income-qualified San Mateo County residents (those making 400% of the Federal Poverty Level or less).

In October 2020, the Board approved expanding the program to offer used EV incentives to all San Mateo County and Los Banos residents, while maintaining the increased incentives for income-qualified residents. In February 2021, Peninsula Clean Energy executed a competitively bid contract with GRID Alternatives ("GRID") to administer the expanded program. This rebate is available point-of-sale at qualifying dealerships or post-purchase. The incentives may be combined with other state-funded income-qualified EV incentive programs.

Status: Since the re-launch of the program in August 2021, 267 rebates have been provided under the new program (see monthly chart below).

Used EV rebates paid by month



Strategic Plan

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

- Key Tactic 1: Drive personal electrified transportation to majority adoption

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities

- Key Tactic 1: Invest in programs that benefit underserved communities

5.2 "EV Ready" Charging Incentive Program

Background: In December 2018 the Board approved $16 million over four years for EV charging infrastructure incentives ($12 million), technical assistance ($2 million), workforce development ($1 million), and administrative costs ($1 million). Subsequent to authorization of funding, Peninsula Clean Energy successfully applied to the California Energy Commission (CEC) for the CEC to invest an additional $12 million in San Mateo County for EV charging infrastructure. Of Peninsula Clean Energy's $12 million in incentives, $8 million was previously administered through the CEC's California Electric Vehicle Incentive Project (CALeVIP) and $4 million under a dedicated, complementary Peninsula Clean Energy incentive fund. The dedicated Peninsula Clean Energy incentives address Level 1 charging, assigned parking in multi-family dwellings, affordable housing new construction, and public agency new construction. In August, Peninsula Clean Energy elected to directly administer the not yet approved pool of funds that were previously administered through CALeVIP, worth approximately $4 million, further described below.

Status: Peninsula Clean Energy implemented changes in August 2022 to expedite installations, including providing customers with greater flexibility in selecting contractors, adjusted incentive levels to account for rising costs, and direct management of all Level 2 projects not already approved by the Center for Sustainable Energy in the CALeVIP program (worth approximately $4 million in funding). Since the changes were implemented in mid-August, there has been significant uptake in the program. Over ten new contractors have been added to the Technical Assistance component of the program, including 4 minority or woman-owned businesses. Customers receiving Technical Assistance may choose from these contractors or another of their choosing. The program has installed 500+ chargers. A press release was issued, showcasing our right-sizing approach to deploy equitable access to charging at lower cost.

Summary of program metrics is outlined in the table below:

	Sites/ Applications	Ports	Incentive Amount
# of sites in PCE Technical Assistance	215	2,000+	-
# of Technical Assistance site evaluations approved by PCE	161	2,000	-
Total # of funding applications approved in Peninsula Clean Energy incentive program (in progress or completed)	114	1,800	$6.5 million
# of approved funding applications currently in progress in Peninsula Clean Energy incentive program	88	1,400	$5.6 million
# of currently in progress CALeVIP applications*	37	601	
Total # of ports installed	26	528	$1.8 million

*Includes DCFC and L2 ports: 296 DCFC, 305 L2 ports

Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

- Key Tactic 1: Drive personal electrified transportation to majority adoption
- Key Tactic 5: Support local government initiatives to advance decarbonization

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities

- Key Tactic 3: Support workforce development programs in the County

5.3 E-Bikes for Everyone Rebate Program

Background: The Board initially approved the income-qualified E-Bikes Rebate program in July 2020 with a budget of $300,000, approved an increase of an additional $300,000 in December 2022, and approved a further increase of $150,000 in August 2022, bringing the total program budget to $750,000.

The program runs in annual cycles and is available to residents with low to moderate incomes. The program has provided 650+ rebates since 2021. Customers can use the rebate either at qualifying bike shops for a point-of-sale discount, or at any other shop for a post-purchase rebate. Enrolled bike shops include Summit Bicycles, Mike's Bikes, Sports Basement, Chain Reaction,Epicenter Cycling, and Pedego Menlo Park. Rebates are being distributed on a first-come, first-served basis.

Status: This program reopened on June 12 for income-qualifying customers and is still open.

Since this iteration of the program launched in June, 150+ bikes have been purchased.

Staff marketed this program to CARE/FERA customers and through Peninsula Clean Energy's Outreach Grant partners.

Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

- Key Tactic 1: Drive personal electrified transportation to majority adoption

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities

- Key Tactic 1: Invest in programs that benefit underserved communities

5.4 Public EV Fleet Program

Background: The Board approved the Public EV Fleet Program in November 2020. This program will run for three years with a total budget of $900,000 and is comprised of three components to help local agencies begin their fleet electrification efforts: hands-on technical assistance, gap funding, and a vehicle to building resiliency demonstration that will assess the costs and benefits of utilizing fleet EVs as backup power resources for agencies in grid failures and other emergencies. In August 2022, the Board of Directors approved a contract with Optony to assist in administration of this program. A workshop was held on November 16 to promote the program and recruit local agency fleet managers.

Status: The program has now started. Menlo Park, Burlingame, San Mateo, South San Francisco, Daly City, and San Carlos are now receiving technical assistance. Menlo Park will be installing 25+ charging stations for fleet vehicles at the City Hall, Police Department, and Corporation Yard. Pre-construction site designs have been developed for Menlo Park and are commencing for San Mateo and Burlingame shortly. Vehicle Replacement Plans and Charging Needs Assessments have been delivered to Burlingame and San Mateo. Other agencies are encouraged to apply, when ready, at https://www.peninsulacleanenergy.com/public-ev-fleets-program/.

Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation and initiate the transition to clean energy buildings

- Key Tactic 2: Bolster electrification of fleets and shared transportation
- Key Tactic 5: Support local government initiatives to advance decarbonization

Objective C: Innovation and Scale: Leverage leadership, innovation, and regulatory action for scaled impact

- Key Tactic 1: Identify, pilot, and develop innovative solutions for decarbonization

5.5 Transportation Pilots

Ride-Hail Electrification Pilot

Background: This pilot, approved by the Board in March 2020, is Peninsula Clean Energy's first program for the electrification of new mobility options. The project partners with Lyft and FlexDrive, its rental-car partner, to test strategies that encourage the adoption of all-electric vehicles in ride-hailing applications with up to 100 EVs. Because ride-hail vehicles drive much higher than average miles per year, each vehicle in this electrification pilot is expected to save over 2,000 gallons of gas and 20 tons of greenhouse gas emissions per year.

Status: The 100 EV fleet has been put into service by Lyft and Peninsula Clean Energy is monitoring progress. Over 250 thousand rides have been provided. 350+ unique drivers have already rented them, with each rental averaging over three months. Over 3.5 million all electric miles have been driven so far with an average of 120 miles/day

per vehicle, comparable to gas counterparts. Vehicles include a customer-facing PCE branded placard that informs riders about the pilot and directs them to the PCE website for more information. The pilot is concluding this month.

Strategic Plan

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation and initiate the transition to clean energy buildings

- Key Tactic 2: Bolster electrification of fleets and shared transportation

Objective C: Innovation and Scale: Leverage leadership, innovation, and regulatory action for scaled impact

- Key Tactic 1: Identify, pilot, and develop innovative solutions for decarbonization

EV Managed Charging Pilot

Background: Peninsula Clean Energy aims to facilitate EV charging that avoids expensive and polluting evening hours through "managed charging" systems. This work is in the second phase of a pilot. In 2020, Peninsula Clean Energy ran a proof-of-concept pilot for EV managed charging with startup FlexCharging to test timing of EV charging through vehicle-based telematics. This was a limited pilot with approximately 10 vehicles. The system utilizes existing Connected Car Apps and allows Peninsula Clean Energy to manage EV charging via algorithms as a non-hardware-based approach to shift more charging to occur during off-peak hours. The pilot is moving to Phase 2 intended for a larger set of 1,000+ vehicles. In October of 2021, the Board approved a contract up to $220,000 with the University of California, Davis' Energy Economics Program (DEEP) to develop and advise on an incentive structure experiment that will be used to inform the Peninsula Clean Energy managed charging program design. This collaboration has been ongoing. In November, the Board approved a contract up to $220,000 with ev.energy as the platform provider for EV managed charging services.

Status: The project began development in December, including platform and data warehouse systems preparation. Large-scale recruitment recently launched, targeting a random sample of EV drivers, with the goal of recruiting at least 1,000 customers for the pilot. 500+ participants have already joined after the initial recruitment round, additional recruitment campaigns are ongoing. A Technical Advisory Committee, consisting of staff from CEC, CPUC, CCAs, and NGOs, is also informing the pilot, with a recent meeting in July.

Strategic Plan

Goal 3 – Community Energy Programs

Community Benefits: Deliver tangible benefits throughout our diverse communities

- Key Tactic 1: Invest in programs that benefit underserved communities

Innovation and Scale: Leverage leadership, innovation and regulatory action for scaled impact

- Key Tactic 1. Identify, pilot, and develop innovative solutions for decarbonization
    - Pilot and scale EV load shaping programs to ensure that 50% of energy for EV charging takes places in non-peak hours

PENINSULA CLEAN ENERGY
JPA Board Correspondence

DATE: August 11, 2024
BOARD MEETING DATE: August 24, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Shawn Marshall, Chief Executive Officer
Roy Xu, Director of Power Resources

SUBJECT: Energy Supply Procurement Report – August 2023

BACKGROUND
This memo summarizes energy procurement agreements entered into by the Chief Executive Officer since the last regular Board meeting in July. This summary is provided to the Board for information purposes only.

DISCUSSION

Execution Month	Purpose	Counterparty	Term
July	Sale of Resource Adequacy	Central Coast Community Energy	3 Months
July	Sale of GHG-Free Energy	San Diego Community Power	5 Months
August	Sale of Resource Adequacy	East Bay Community Energy Authority	1 Month
August	Purchase of Resource Adequacy	East Bay Community Energy Authority	1 Month
August	Purchase of Resource Adequacy	Chevron Power Holdings Inc.	2 Months
August	Purchase of Resource Adequacy	Calpine Energy Service L.P.	1 Month
August	Sale of PCC1 Energy	Shell Energy North America (US), L.P.	5 Months
August	Sale of Import Allocation Rights for Resource Adequacy	San Diego Community Power	1 Month
August	Purchase of Energy Hedge	Morgan Stanley Capital Group Inc.	12 Months

August	Purchase of Energy Hedge	Calpine Energy Services, L.P.	12 Months
August	Purchase of Energy Hedge	TransAlta Energy Marketing (U.S.) Inc.	3 Months
August	Purchase of Energy Hedge	TransAlta Energy Marketing (U.S.) Inc.	3 Months
August	Purchase of Energy Hedge	TransAlta Energy Marketing (U.S.) Inc.	12 Months
August	Purchase of Energy Hedge	Morgan Stanley Capital Group Inc.	12 Months

In January 2020, the Board approved the following Policy Number 15 – Energy Supply Procurement Authority.

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

1) **Short-Term Agreements:**
   a. Chief Executive Officer has authority to approve Energy Procurement contracts with terms of twelve (12) months or less, in addition to contracts for Resource Adequacy that meet the specifications in section (b) and in Table 1 below.
   b. Chief Executive Officer has authority to approve Energy Procurement contracts for Resource Adequacy that meet PCE's three (3) year forward capacity obligations measured in MW, which are set annually by the California Public Utilities Commission and the California Independent System Operator for compliance requirements.
   c. Chief Financial Officer has authority to approve any contract for Resource Adequacy with a term of twelve (12) months or less if the CEO is unavailable and with prior written approval from the CEO.
   d. The CEO shall report all such agreements to the PCE board monthly.

Table 1:

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

	– September) by November 31st of the prior year	
Flexible Resource Adequacy	In year 1, must demonstrate capacity to meet 90% of monthly flexible obligation by November 31st of the prior year	Up to 12 months

2) **Medium-Term Agreements:** Chief Executive Officer, in consultation with the General Counsel, the Board Chair, and other members of the Board as CEO deems necessary, has the authority to approve Energy Procurement contracts with terms greater than twelve (12) months but not more than five (5) years, in addition to Resource Adequacy contracts as specified in Table 1 above. The CEO shall report all such agreements to the PCE board monthly.

3) **Intermediate and Long-Term Agreements:** Approval by the PCE Board is required before the CEO enters into Energy Procurement contracts with terms greater than five (5) years.

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

STRATEGIC PLAN

The contracts executed in July and August support the Power Resources Objective 2 for Procurement: Procure power resources to meet regulatory mandates and internal priorities at affordable cost.

California Community Power

901 H St, Ste 120 PMB 157, Sacramento, CA 95814 | cacommunitypower.org

TO: CC Power Board of Directors and Alternates **DATE:** 6/21/2023
FROM: Alex Morris – General Manager
SUBJECT: **Report on CC Power Regular Board of Directors Meeting – June 21, 2023**

The CC Power Board of Directors held its regularly scheduled meeting on Wednesday, June 21, 2023, via Zoom. Details on the Board packet, presentation materials, and public comment letters can be found under the Meetings tab at the CC Power website: Meetings and Agendas – ca community power

Highlights of the meeting included the following:

- **Matters subsequent to posting the Agenda.** None.

- **Public Comment.** None.

- **Consent Calendar** - The Board approved the following items:
  - Minutes of the Regular Board Meeting held on March 15, 2023. (Re-approved after a technical issue at the April Board Mtg.)
  - Minutes of the Regular Board Meeting held on April 19, 2023
  - Acknowledgement of Receipt and Review of 2021 and 2022 Audit of the Financial Statements of CC Power
  - The Initial Draft of CC Power Benefits Plan
  - Amendment to General Manager Employment Agreement to Update the Benefit Components of the Agreement
  - Delegation of Authority to General Manager to Hire a Resource Planning Manager

- **Approval of Strategic Actions Towards Offshore Wind Request for Offers** – The Board approved a suite of actions designed to advance CC Power's expected future pursuit of Offshore Wind capacity and contracts. These actions include compiling a plan on timing and MW amounts for a future RFO, targeted for 2025-2027. The RFO will inform developers on timing and size of contracts, such that they may take steps to further prepare themselves for contracting. Additional actions related to exploring pilots, learning best practices from other areas of offshore wind development, collaborating and engaging with community members and stakeholder groups, recommending actions for the state regarding ports, supply-chain, and permitting, informing transmission build-out through Integrated Resource Plans, and exploring possible pilots were also identified as strategic actions as approved. CC Power will update the board following this resolution at future Board meetings.

- **General Manager Update regarding Operating Structures and Workplans –** the Board reviewed progress to date in establishing working groups, project advisory subcommittees, and other activities and new tools designed to respond to the CC Power Strategic plan,

approved in December 2022. These operational processes, tools, and norms, all support the ongoing operations of CC Power and better enable efficient participation from member-CCAs. The main working groups include: Resource Planning Working Group, Shared-Services Working Group, and Customer Programs Working Group.

- **Discussion of Inflation Reduction Act Project** – The Board discussed a project to strategically assess the Inflation Reduction Act so as to inform possible strategic actions CC Power may wish to pursue. Such actions may include ownership of resources, procurement of specific technologies or projects with specific benefits, or development of customer programs enabled by Inflation Reduction Act benefits. This work-effort will occur primarily from July – September. No vote was taken.

- **Decision to Commend and Thank Jan Pepper for her Service to California Community Power –** The Board approved a resolution to recognize Jan Pepper for her service, leadership, and contributions. Jan will partially retire by July 1 and will end her service on the CC Power Board. Jan was recognized as a first mover and key leader in the CCA space.

- **Decision to Commend and Thank Tim Haines for his Service to California Community Power –** The Board approved a resolution to recognize Tim Haines for his service, leadership, and contributions. Tim completes his time with CC Power on June 30th, and was recognized for helping shepherd CC Power through a major growth and development phase in which four contracts for 200+ MW were signed.

- **Other items**
    - The Board expressed interest in CC Power's planned September 29, 2023 Workshop, "Getting It Built Right", where CC Power will welcome feedback and dialogue with stakeholders on what may be involved in project success.

California Community Power

901 H St, Ste 120 PMB 157, Sacramento, CA 95814 | cacommunitypower.org

TO: CC Power Board of Directors and Alternates **DATE:** 8/16/2023
FROM: Alex Morris – General Manager
SUBJECT: **Report on CC Power Regular Board of Directors Meeting – August 16, 2023**

The CC Power Board of Directors held its regularly scheduled meeting on Wednesday, August 16, 2023, via Zoom. Details on the Board packet, presentation materials, and public comment letters can be found under the Meetings tab at the CC Power website: Meetings and Agendas – ca community power

Highlights of the meeting included the following:

- **Matters subsequent to posting the Agenda.** None.

- **Public Comment.** None.

- **Consent Agenda** - The Board approved the following items:
  - Minutes of the Regular Board Meeting held on June 21, 2023.
  - Adoption or provider for 401(a) Defined Contribution Plan and 457(b) Deferred Compensation Plan, in line with CC Power Benefits package as approved June 21, 2023.

- **General Manager Report –** the Board reviewed updates regarding multiple areas of CC Power's operations, including: i) CC Power's Getting It Built Right event, scheduled for November 3, 2023, ii) planning and preliminary actions related to a future CC Power Request for Offers for CA Offshore Wind, with RFO anticipated to occur in 2025-2027, iii) research findings and likely areas for CC Power project exploration due to the Inflation Reduction Act, iv) new participation policies for member staff and v) up-and-coming work areas, in line with the CC Power Strategic Plan.

- **Discussion of Any Individual Member Items –** none

COMMONLY USED ACRONYMS AND KEY TERMS

AB xx – Assembly Bill xx
ALJ – Administrative Law Judge
AMP- Arrears Management Plans
AQM – Air Quality Management
BAAQMD – Bay Area Air Quality Management District
BLPTA – Buyer Liability Pass Through Agreement
CAC – Citizens Advisory Committee
CAISO – California Independent System Operator
CalCCA – California Community Choice Association
CAM – Cost Allocation Mechanism
CAP – Climate Action Plan
CAPP – California Arrearage Payment Program
CARB – California Air Resources Board, or California ARB
CARE- California Alternative Rates for Energy Program
CBA – California Balancing Authority
3CE- Central Coast Community Energy (Formerly Monterey Bay Community Power-MBCP)
CCA – Community Choice Aggregation (aka Community Choice Programs (CCP) or
CCE – Community Choice Energy (CCE)
CCP – Community Choice Programs
CEC – California Energy Commission
CPP- Critical Peak Pricing
CPSF – Clean Power San Francisco
CPUC – California Public Utility Commission (Regulator for state utilities) (Also PUC)
CSD – California Department of Community Services and Development
CSGT - Community Solar Green Tariff
DA – Direct Access
DAC-GT - Disadvantaged Communities Green Tariff
DER – Distributed Energy Resources
DG – Distributed Generation
DOE – Department of Energy
DR – Demand Response
DRP – Demand Response Provider
DRP/IDER – Distribution Resources Planning / Integrated Distributed Energy Resources
EBCE – East Bay Community Energy
ECOplus – PCE's default electricity product, 50% renewable and 50% carbon-free (in 2021)
ECO100 – PCE's 100% renewable energy product
EDR – Economic Development Rate
EE – Energy Efficiency
EEI – Edison Electric Institute; Standard contract to procure energy & RA
EIR – Environmental Impact Report
ELCC – Effective Load Carrying Capability
ESP – Electric Service Provider

ESS – Energy Storage Systems
ESSA – Energy Storage Services Agreement
ERRA – Energy Resource Recovery Account
EV – Electric Vehicle
EVSE – Electric Vehicle Supply Equipment (Charging Station)
FERA- Family Electric Rate Assistance Program
FERC – Federal Energy Regulatory Commission
FFS – Franchise Fee Surcharge
GHG – Greenhouse gas
GHG-Free – Greenhouse gas free
GTSR – Green Tariff Shared Renewables
GWh – Gigawatt Hours (Energy) = 1000 MWh
IDER – Integrated Distributed Energy Resources
IOU – Investor-Owned Utility (e.g. PG&E, SCE, SDG&E)
IRP – Integrated Resource Plan
IVR – Interactive Voice Response
ITC – Investment Tax Credit (it's a solar tax credit)
JCC – Joint Cost Comparison
JPA – Joint Powers Authority
JRC – Joint Rate Comparison
JRM – Joint Rate Mailer
kW – kilowatt (Power)
kWh – Kilowatt-hour (Energy)
LDS – Long Duration Storage
LDES – Long Duration Energy Storage
LIHEAP- Low Income Home Energy Assistance Program
Load Shaping – changing when grid energy is used
LSE – Load Serving Entity
MCE – Marin Clean Energy
Methane Gas - formerly known as 'natural gas'
Microgrid – building or community energy system
MW – Megawatt (Power) = 1000 kW
MWh – Megawatt-hour (Energy) = 1000 kWh
MUD – Multi-unit Dwelling
NBCs – non-bypassable charges
NEM – Net Energy Metering
NERC – North American Electric Reliability Corporation
NDA – Non-Disclosure Agreement
NG – Natural Gas
OBF – On-bill Financing
OBR – On-bill Repayment
OES – Office of Emergency Services
OIR – Order Instituting Rulemaking
PACE – Property Assessed Clean Energy
PCC – Portfolio Content Category (aka "buckets") – categories for RPS compliance
PCC1 – Portfolio Content Category 1 REC (also called bucket 1 REC)
PCC2 – Portfolio Content Category 2 REC (also called bucket 2 REC)
PCC3 – Portfolio Content Category 3 REC (also called bucket 3 REC or unbundled REC)

PCE – Peninsula Clean Energy Authority
PCIA – Power Charge Indifference Adjustment
PCL – Power Content Label
PLA – Project Labor Agreement
POU – Publicly Owned Utility
PPA – Power Purchase Agreement
PPSA – Project Participation Share Agreement (CC Power)
PSPS – Public Safety Power Shutoff
PV – Photovoltaics (solar panels)
RA – Resource Adequacy
RE – Renewable Energy
REC – Renewable Energy Credit/Certificate
RICAPS - Regionally Integrated Climate Action Planning Suite
RPS – California Renewable Portfolio Standard
SB xx – Senate Bill xx
SCP – Sonoma Clean Power
SJCE – San Jose Clean Energy
SJVAPCD - San Joaquin Valley Air Pollution Control District
SMD – Share My Data, interval meter data
SQMD – Settlement Quality Meter Data
SVCE – Silicon Valley Clean Energy
TEF – Transportation Electrification Framework (CPUC Proceeding)
TNCs – Transportation Network Companies (ridesharing companies)
TOB – Tariff on Bill
TOU RATES – Time of Use Rates
VGI – Vehicle-Grid Integration
V2G – Vehicle-to-Grid
VPP – Virtual Power Plant
WECC – Western Energy Coordinating Council
WREGIS – Western Renewable Energy Generation Information System
WSPP – Western Systems Power Pool; standard contract to procure energy and RA