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)
AGENDA

Thursday, November 20, 2025
6:30 pm

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

Zoom, **Virtual Meeting Link:** https://pencleanenergy.zoom.us/j/87496649657
Meeting ID: 874-9664-9657 **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 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/meetings-events following the meeting.

Public Participation

The PCEA Board meeting may be accessed through Zoom online at https://pencleanenergy.zoom.us/j/87496649657. The webinar ID is: 874-9664-9657 and the passcode is 2075. The meeting may also be accessed via telephone by dialing +1(669) 444-9171. Enter the webinar ID: 874-9664-9657, 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.

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

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.

Public Comments for Items Not on the Agenda

ACTION TO SET AGENDA AND TO APPROVE CONSENT AGENDA ITEMS

1. Approval of the Revisions to the Solar Billing Plan Effective January 1, 2026
2. Approval of EV Ready Technical Assistance Contract with Ecology
3. Approval of Schools Building Electrification (BE) Agreement with the Menlo Park School District
4. Approval of the Audited Financial Statements for Fiscal Year 2024-2025
5. Approval of the 2026 Board of Directors Regular Meeting Schedule
6. Approval of Minutes from the October 23, 2025 Board of Directors Meeting

REGULAR AGENDA

7. Chair Report (Discussion)
8. CEO Report (Discussion)
9. Community Advisory Committee Report (Discussion)
10. Presentation by Ian Bain, Executive Director of Strategy and Communications, San

Mateo County Office of Education (Discussion)

11. Approval of 2026-2030 Strategic Plan (Action)

12. Approval of Match Funding for the Microgrid Incentive Program Grant Funding Opportunity (Action)

13. Sunset the Community Advisory Committee (CAC) and Support Recommendation to Establish a Community Feedback Forum (Action)

14. Approval of Three Contracts with Fuse Service Inc., Super Brothers Plumbing Heating & Air, & Villquin Air Services, Inc., in a Collective Amount Not-to-Exceed $18M, to Provide Residential Full-Service Electrification Services and Emergency Water Heater Replacement Services to Customers (Action)

15. Board Open Forum Regarding Constituent Feedback, Board Member Priorities, Questions and/or Suggestions by Directors (Discussion) (CONTINUED FROM OCTOBER 23, 2025 BOARD OF DIRECTORS MEETING)

16. Board Members' Reports (Discussion)

INFORMATIONAL REPORTS

17. Social Media FAQ's

18. Acronym List

ADJOURNMENT

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

Instructions for Joining a Zoom Meeting via Computer or Phone

Best Practices:

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

Options for Joining

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

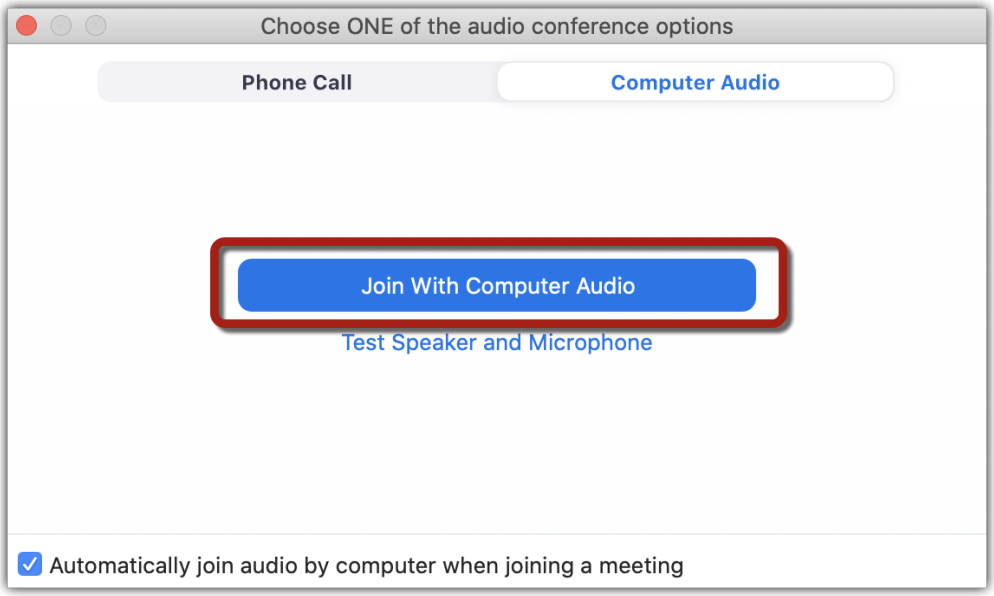
Videoconference Options:

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

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

Option 1 Videoconference with Computer Audio:

- From your computer, click on the following link that is also included in the meeting calendar invitation: https://pencleanenergy.zoom.us/j/87496649657
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- After the application opens, the pop-up screen below will appear asking you to choose ONE of the audio conference options. Click on the Computer Audio option at the top of the pop-up screen.

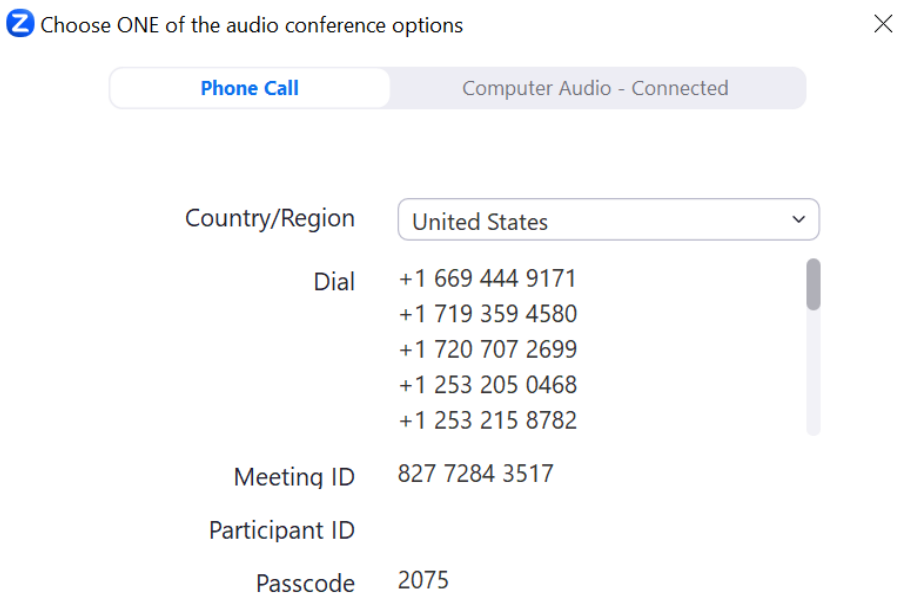


- Click the blue, "Join with Computer Audio" button.
- In order to enable video, click on "Start Video" in the bottom left-hand corner of the screen. This menu bar is also where you can mute/unmute your audio.

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- From your computer, click on the following link that is also included in the meeting calendar invitation: https://pencleanenergy.zoom.us/j/87496649657
- The Zoom Application will open on its own or you will be instructed to Open Zoom.

- After the application opens, the pop-up screen below will appear asking you to choose ONE of the audio conference options. Click on the Phone Call option at the top of the pop-up screen.



- Please dial +1 (669) 444-9171.
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- You will be instructed to enter in your participant ID. Your participant ID is unique to you and is what connects your phone number to your Zoom account.
- After a few seconds, your phone audio should be connected to the Zoom application on your computer.
- In order to enable video, click on "Start Video" in the bottom left-hand corner of the screen. This menu bar is also where you can mute/unmute your audio.

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

Option 3: Calling in via Telephone/Landline:

- Please dial +1 (669) 444-9171.
- You will be instructed to enter the meeting ID: **874-9664-9657 followed by #**.
- You will be instructed to enter your **Participant ID** followed by #. If you do not have a participant ID or do not know it, you can press # to stay on the line.
- You will be instructed to enter the meeting passcode **2075 followed by #.**

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: November 10, 2025
MEETING DATE: November 20, 2025
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Nelly Wogberg, Board Clerk

SUBJECT: Public Comments for Items Not on the Agenda

RECOMMENDATION

Informational Only.

ATTACHMENTS:
Public Comment 1.pdf
Public Comment 2.pdf

Dear Board Members,

I don't think that most board members realize how momentous the recent change of **Peninsula Clean Energy's** name to **West Light Energy** is. It signals a dramatic shift of the organization away from one that was "community-based" to one on a trajectory to become a growth-focused corporate-like entity. The name change also appears to abandon, or at least reduce in importance, the original purpose of the organization — to combat climate change! The inadequate name change process, and outcome may be a harbinger of other problematic changes on the horizon.

The renaming process was flawed, and the resulting name is mediocre at best. At PCE's October 23 board meeting, the board was asked to vote on the proposed name change after a presentation and discussion lasting 47 minutes. There was virtually no discussion of the wisdom of changing the name. It was assumed to be imperative. And a number of board members had no awareness of the proposed new name prior to the meeting. Also, there was no opportunity for real input from the public. The process was a rush to judgement with the outcome determined in advance.

There was logic in exploring a new name given the similarity between the name *Peninsula Clean Energy* and *Pacific Gas and Electric*. But I think that dropping the words "Clean Energy" was a huge mistake. Those words are the foundation on which the organization was, and hopefully still are, built!

And I think that the replacement name *West Light Energy* is pathetic. In its presentation to the board, the staff said that the new name should be "bold, collaborative, ambitious and innovative." Please tell me if you find those characteristics in that new name. It sounds more like an organization that

installs lights along the pacific coast highway. I asked several friends what they thought about the name and two of them asked me “what is *light energy*?” One said, “Is it the opposite of “dark energy” or perhaps “heavy energy”? The adoption of a such a lousy name shows that one can hire expensive consultants and go through an elaborate selection process and nevertheless fail! And after that, not have the courage to admit you’ve failed.

Now it appears we are stuck with the name *West Light Energy.* And, since “brand recognition” is something we all value, the organization will need to spend a great deal of effort trying to make our customers aware of the new name. But this will not be easy — even with billboards and perhaps TV ads. It took a decade for 50% of its customers to understand that Peninsula Clean Energy was their electricity provider. How many years will it take even to reach that percentage of customer awareness of the new name?

Also, how much money has and will need to be spent on this enterprise? I think the answer is hundreds of thousands of dollars! Is this the best way to spend all this money? It’s too late now of course. But what if this significant amount of money was spent on developing innovative programs instead of on a name change? What if PCE **made a name for itself** by using that money to do great things in local renewable energy generation and carbon reduction rather than spending a lot of time, energy and money searching for a new name?

By the way, these are the kind of questions that members of the Community Advisory Committee would have asked if we had been given the opportunity to weigh in on the pros and cons of a new name for PCE. (And this is why the staff and some board members want to eradicate the Community Advisory Committee. We are viewed as a troublesome bunch.)

As I noted at the start of this missive, I think that the big push for a name change signals the likelihood of other significant staff-initiated changes coming in the months ahead. For example, I detect among the senior staff a desire to greatly expand the organization's size and scope. Getting "Peninsula" out of the name provides the opportunity for the organization to move into other counties in California. Is organizational geographic expansion also the goal of the board? Will it increase the organization's effectiveness?

In recent years, with the departure of most of the organization's founding board members, PCE shifted from a board-driven to a staff-driven organization. The departure of early leaders was inevitable. But board passivity is not. I urge current board members to challenge the growth fixation that appears to prevail among senior staff members.

Shawn and Shalini are fine and very talented people. We are lucky to have them. But I fear that they may have been seduced by the idea that the bigger the organization, the better it will become. There is a critical difference between "quantitative expansion" and "qualitative improvement." We don't need to become larger to become more effective. In fact, all the bureaucracy that accompanies growth (especially the complexity of expanding into other counties) could be distracting and make us less effective. I think we can be most effective by serving as an innovative role model that demonstrates exciting and visible ways to create local clean energy in our own county.

In summary, we need a fully engaged and well-informed board of directors for the organization to achieve its full potential promoting and creating local clean energy. I hope you can learn from this name-change debacle.

Michael Closson, member of the Community Advisory Committee

PENINSULA CLEAN ENERGY

Nelly Wogberg <nwogberg@peninsulacleanenergy.com>

Public comment for PCE board meeting

1 message

Gerard Manning <ger@ceolas.org> Sat, Nov 8, 2025 at 3:48 PM
To: nwogberg@peninsulacleanenergy.com

Dear Ms. Wogberg,

I'd like to submit the following comment to the BOD of PCE, either as a public comment for the next board meeting (no agenda item number) or simply to forward as an email to the board members, since I cannot find all their individual email addresses.

Many thanks,

-Gerard Manning

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Dear PCE Board members,

I simply wish to express my extreme thanks and admiration for what PCE has done and continues to do, serving San Mateo and combating the existential threat of climate change. From sourcing and supporting renewable energy sources to researching 24/7/365 renewable energy, from developing rebates for electrical appliances to pioneering innovative financing options and much much more, PCE has been and continues to be a breakthrough leader in energy supply. In a world where most of the news is bad, and most of it is outside of our control, I am beyond delighted that our locally-elected utility is doing such outstanding work. You are truly inspiring.

You are showing true leadership, acting on the concerns of the vast majority of San Mateans that worry and care about climate change and the world we will give to our children, even well before we individually take action. I wish that other electeds had even a fraction of your leadership and foresight.

Please give yourselves a major pat on the back for your collective work, and please keep up this exceptional work.

Sincerely,

-Gerard Manning.

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: November 14, 2025
MEETING DATE: November 20, 2025
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Justin Kudo, Associate Director, Rates and Strategic Analysis

SUBJECT: Approval of the Revisions to the Solar Billing Plan Effective January 1, 2026

RECOMMENDATION

Approval of the Revisions to the Solar Billing Plan Changes Effective January 1, 2026

BACKGROUND

On December 15, 2022, the California Public Utilities Commission (CPUC) approved implementation of the Net Energy Metering (NEM) successor program, commonly known as the Solar Billing Plan (SBP). Customers with self-generating renewable energy systems (typically solar) ineligible for NEM, generally customers who have had NEM for over 20 years or installations submitted for interconnection after April 14, 2023, are enrolled in SBP to determine how their credits are earned and applied to their bills. PG&E first began moving residential customers to SBP in 2024 and is expected to move non-residential customers to SBP in spring 2026.

SBP measures customer imports from the grid and exports to the grid on an hourly basis and applies different prices for each, unlike NEM where such imports and exports are netted out at the same rate. Under SBP:

- **Imports**: Electric consumption (imports) is charged at the time-of-use rate.
- **Exports**: Excess self-generated electricity sent to the grid (exports) is credited at an hourly Energy Export Credit (EEC) rate, determined by the wholesale value of electricity during that hour, which is generally less than the time-of-use rate.
- **Net Billing**: Export credits are netted against charges due each month, with any remaining credit balance carried forward into the next month in a credit account.
- **Net Surplus Compensation**: At the end of each annual period, or upon account closure, customers with a credit balance are eligible for Net Surplus Compensation (NSC), currently $0.03/kWh.
- **Export Credit Reversal**: To avoid crediting a customer twice for the same exports, for each kWh eligible for NSC, customers are charged to retroactively remove the initial export credits, at a rate of approximately $0.08/kWh.

On October 26, 2023, PCE's Board approved the creation of PCE's SBP tariff which outlines the rules and methodology for compensating PCE customers for their excess renewable electricity exports. This tariff was developed in advance of PG&E's program being finalized to ensure PCE could provide credits to SBP customers on day one. As a result, PCE's program does not yet contain an Export Credit Reversal provision.

On November 10, 2025, PCE's Executive Committee unanimously recommended to the Board of Directors the approval of the proposed revisions to the Solar Billing Plan tariff.

DISCUSSION

PCE's current SBP tariff has several challenges that staff seeks to address with the recommended tariff changes:

1. **Revolving Credit Balances**: Customers that accrue large credit balances are likely to continue the same behavior in future years, and unable to apply the full credit without adding load.
2. **Additive Credits for Same Export**: NSC payments are in addition to the original export credit payment already granted by PCE.
3. **Payments That Don't Match Credits**: Customers currently accumulate large credit balances, but receive much smaller NSC payments.

The proposed revisions to PCE's SBP tariff would replace NSC rates and payments by making each customer's accrued export credit balance cash-out eligible. Upon annual true-up, customers would simply be paid out the full export credit balance seen on their billing statements.

From the customer's perspective, these changes would ensure exported electricity retains its initial value. Credit balances would be paid out each year instead of rolling over and perpetually growing. Payments to customers for surplus credits would match their on-bill credit balance, eliminating the complexity and lost value of revaluing energy at the typically lower NSC rate.

From PCE's perspective, PCE would no longer be giving additive credits for the same electricity exported. PCE would no longer carry large customer credit balances forward into the following year, instead paying them out in full to customers each year.

Staff notes that PCE is the first CCA to consider this issue. The flaws of continuing to use NSC have not been considered by utilities or regulators, and most load-serving entities in California continue to use NSC to determine payments for solar exports. The proposed revisions would set a simple, accurate and market-driven approach to compensate customers for surplus generation.

Staff has also undertaken a significant rewrite of the SBP tariff, which has no substantive changes in how SBP operates but should make it significantly easier for readers to understand.

FISCAL IMPACT

These changes will have an minimal impact on PCE's budget. Annual NSC payments would

increase by approximately $27,000 based on existing enrollment levels but could increase as more customers are enrolled in SBP over time.

ATTACHMENTS:
PCE Net Billing Tariff Eff. 1.1.2026 (Clean).docx

RESOLUTION NO. _____

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

APPROVAL OF THE REVISIONS TO THE SOLAR BILLING PLAN EFFECTIVE JANUARY 1, 2026

RESOLVED, by the Peninsula Clean Energy Authority of the County of San Mateo and the City of Los Banos, State of California ("Peninsula Clean Energy" or "PCE"), that

WHEREAS, Peninsula Clean Energy (PCE) was formed on February 29, 2016; and

WHEREAS, promoting renewable energy usage and reducing greenhouse gas emissions are organizational priorities for PCE; and

WHEREAS, revisions to PCE's Solar Billing Plan tariff better align payments for exported solar with their market value; and

WHEREAS, revisions to PCE's Solar Billing Plan tariff will ensure the full value of export credits can be retained and used annually by customers.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board approves the amended Solar Billing Plan tariff, effective January 1, 2026.

Solar Billing Plan (Net Billing Tariff)

Effective Date: 1/1/2026

PCE's Solar Billing Plan (SBP) tariff provides the billing mechanism for crediting energy sent to the grid ("exported") by customers with eligible renewable energy self-generation or storage and enrolled in PG&E's Net Billing Tariff (NBT), sometimes described as PG&E's Solar Billing Plan.

APPLICABILITY: Customers must be eligible for and enrolled in PG&E's NBT program. Customers do not need to separately apply for interconnection with PCE.

TERRITORY: The entire Peninsula Clean Energy service area.

RATES: PCE's SBP tariff determines how customers are billed and credited for energy exports under PG&E's NBT program. Customers continue to be served by their otherwise applicable rate schedule for other charges. Customers served under this tariff are still responsible for all billed usage charges according to their PCE rate schedule, including volumetric usage, demand charges, ECO100 fees, taxes, and all other charges owed to PCE.

Exported electricity will be credited at the customer's applicable Energy Export Credit rate.

BILLING: Customers with SBP service will be billed as follows:

1. **Import Charges** – When a customer uses any metered electricity supplied by PCE, usage will be billed according to the generation rates on a customer's otherwise applicable rate schedule plus any applicable service charges.
2. **Export Credits** – When a customer supplies metered electricity to PCE, energy will be credited on an hourly basis according to the customer's applicable generation Energy Export Credit rate, found on PCE's website.
3. **Monthly Netting of Charges and Credits** – SBP customers will receive a statement in their monthly PG&E bills indicating any accrued charges for their usage during the billing cycle. Each customer's monthly bill will contain the sum of import charges and export credits. Excess credits may be carried forward as an "Export Credit Balance".
4. **Export Credit Balances** – These credit balances will automatically be applied against future customer net monthly charges due.
5. **Annual True-Up and Export Compensation** - After each year's April billing cycle, each customer's Export Credit Balance will be applied as an equivalent payment to the customer's PG&E account. Payments greater than $500 will instead be issued as a check to the mailing address associated with the account.

6. **Return to PG&E Bundled Service**: Peninsula Clean Energy customers with SBP service may opt out and return to PG&E bundled service at any time, subject to PCE and PG&E's Terms and Conditions for return to bundled service. Upon opt-out, PCE will perform an annual true-up and payment of any export compensation due.

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: November 14, 2025
MEETING DATE: November 20, 2025
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Melanie Jasper, Associate Program Manager

SUBJECT: Approval of EV Ready Technical Assistance Contract with Ecology

RECOMMENDATION

Approve a five-year contract with Ecology Action to provide technical assistance services in the EV Ready program for an amount not to exceed $3,000,000.

BACKGROUND

In December 2018, the Board approved PCE's EV charging infrastructure program intended to accelerate EV adoption in San Mateo County. The program, later named the "EV Ready Program," provides incentives and no-cost technical assistance to eligible property types, which include: 1) Affordable Housing, 2) Multi-Unit Dwellings (such as apartments and condominiums), 3) Employee Charging, including fleet, and 4) All Publicly Accessible, Non-Residential Locations. The program provides incentives for several different EV charging types, as part of the programs "right-sizing" strategy to install cost-effective charging options, depending on the use case. These incentivized charging options include: 1) Level 1 or Level 2 outlets, 2) Level 2 EV charging stations, 3) Make-Ready parking spaces, to encourage future proofing, and 4) panel updates for multi-family property sites. These incentives range from $1,000 to $5,000 per charger, depending on property type, retrofit vs new build projects, and charging type.

Since the program launch in 2020, PCE has offered free technical assistance to customers planning to install EV charging through a contract with CLEAResult.

EV Ready technical assistance provides customers with one-on-one education on various EV charging options, including "right-sized" and lower-cost opportunities, project planning guidance, electrical load studies, various site design options with project cost estimates, contractor referrals (if requested), and access to negotiated pricing on EV charging equipment. Right-sized EV charging often includes the use of Level 1 and low-power or load-managed Level 2 charging for multifamily or workplace sites where vehicles have a longer dwell time. For multifamily especially, where the typical project objective is to provide everyone a place to plug in at their assigned parking space, right-sizing dramatically reduces project costs by avoiding costly electrical infrastructure upgrades and has enabled program customers to

install more charging ports at a lower cost. The use of right-sized EV charging also helps to avoid or minimizing front of meter distribution costs, reducing costs to ratepayers and mitigating upward pressure on rates.

The technical assistance offering has proved to be a vital component of the EV Ready program by enabling customers to increase the scope of their projects at lower cost. Customers receiving technical assistance in the EV Ready program have on average, doubled the number of EV chargers from what they initially requested. Multi-family properties have been a particular focus of the program, essential for equitable access to EVs and a particular challenge which most programs have had limited success in. PCE's approach has resulted in an average increase of 2.5 times the initially requested number of ports.

Since program launch, the EV Ready program has provided funding for over 2,100 charging ports and a similar number of chargers are expected to be completed in the next year. About 2/3 of those of all EV chargers in the EV Ready program are at multifamily properties. Over 300 customers have received technical assistance, and the program aims to serve twice as many over the next 5 years. EV Ready customers pay $7.000 per port on average and less than $3,000 per port on average for outlet projects, much lower than other comparable programs. For instance, in CEC programs, typical Level 2 charger costs average about $10,000 per charger.

The EV Ready program recently celebrated major milestones, including some of the largest multi-family EV charging projects in California. In September 2025, PCE held a ribbon cutting for Bayview Condominiums, featured below, to celebrate the installation of 143 EV charging ports. The event featured Assemblymember Papan, Directors Medina and Anders Fung, and PCE CEO Shawn Marshall.

PCE's successful strategy to install EV charging at multifamily properties has been adopted by several other programs, most recently at the state level. The California Energy Commission's Communities in Charge program, part of the state's most significant light-duty EV charging efforts, recently authorized the use of Level 1 charging at multifamily assigned parking spaces in that funding program, following PCE-led advocacy. Level 1 EV charging was also maintained as a key retrofit strategy in the state's green building code (CALGreen) and low power smart outlets are now the main code-required EV charging systems for multifamily new builds across the state, following the novel adoption of EV reach codes by local member jurisdictions.

Bayview Condominiums EV Charging Ribbon Cutting



DISCUSSION

CLEAResult has been providing technical assistance services in the EV Ready Program since inception. In August 2025, PCE released a Request For Proposals to go back to the market and seek solicitations for the continuation of these technical services. The RFP review committee included staff from City of Palo Alto Utilities, MCE, Silicon Valley Clean Energy, and San Jose Clean Energy, in addition to PCE staff.

Priorities during the selection process included:

1. Relevant staff expertise
2. Credentials and capacity to execute on similar program services
3. Depth of experience with multifamily properties
4. Marketing success for similar programs
5. Existing relationships with electrical contractors and project developers

The consensus of the review committee and PCE staff was that of the four proposals received, Ecology Action provided the strongest proposal and is recommended to the Board for approval.

Ecology Action is a Santa Cruz-based Ecology Action is a 501c3 not-for-profit organization program implementer specializing in delivering energy and electrification projects to equity communities in multifamily and commercial sectors across California. The organization has been a pioneer of right-sized EV charging for multi-family properties, in alignment with PCE's proven strategy, and has managed over 1,000 EV charging projects. Also similar to PCE, Ecology Action is highly focused on delivering results for underserved communities such as residents of multi-family housing.

The 5-year technical assistance program keeps many of the currently used structures and customer offerings of the existing EV Ready program as these have served the program well.

However, the new contract has a slightly expanded scope that includes greater emphasis on lead generation and marketing, to increase participation in the program, and thought-leadership activities to help PCE promote best practices.

The partnership with Ecology Action aims to make access to EV charging equitable and ubiquitous across the PCE service territory by facilitating the installation of at least 2,000 ports by delivering 720 or more charging evaluations and maximizing the quantity of ports installed at properties to support EV growth overall. The contract includes a pay for performance component, representing about 15% of total contract value, similar in structure to the existing contract with CLEAResult.

FISCAL IMPACT

Funding for this project has been included in the Board-approved FY 2025-2026 budget.

STRATEGIC PLAN

Goal 3 – Community Energy Programs:

- Objective A: Develop market momentum for electric transportation
    - Key Tactic 1: Drive personal electrified transportation to majority adoption
- Objective B: Deliver tangible benefits throughout our diverse communities
    - Key Tactic: Expand charging access and equity to low income communities

ATTACHMENTS:
2025.11.20_BOD_Programs_Contract-Ecology_Action_Oct2025__2_.docx

RESOLUTION NO. _____

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

APPROVAL OF EV READY TECHNICAL ASSISTANCE CONTRACT WITH ECOLOGY

RESOLVED, by the Peninsula Clean Energy Authority of the County of San Mateo and the City of Los Banos, State of California ("Peninsula Clean Energy" or "PCE"), that

WHEREAS, Peninsula Clean Energy was formed on February 29, 2016; and

WHEREAS, expanding access to charging in increases adoption of electric vehicles to reduce greenhouse gasses is part of Peninsula Clean Energy's program roadmap approved by the Board; and

WHEREAS, in December 2018, the Peninsula Clean Energy Board of Directors approved $16 million in initial funds for an EV charging infrastructure program, which came to be called the "EV Ready" program; and

WHEREAS, technical assistance supports electric vehicle charging infrastructure deployment by providing education and technical project support to decrease barriers to install charging; and

WHEREAS, Ecology Action was selected as the Technical Assistance Contractor in 2025 as the result of a competitively issued solicitation; and

WHEREAS, the Board wishes to delegate to the Chief Executive Officer authority to execute a 5-year contract with Ecology Action to support customers seeking to install electric vehicle chargers with technical assistance.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board delegates authority to the Chief Executive Officer to finalize and execute a contract with Ecology Action for an amount not-to-exceed $3,000,000, beginning December 1, 2025, and through December 31,2030 in a form approved by the General Counsel.

AGREEMENT BETWEEN THE PENINSULA CLEAN ENERGY AUTHORITY AND ECOLOGY ACTION

This Agreement is entered into this 21st day of November, 2025, by and between the Peninsula Clean Energy Authority, a joint powers authority of the state of California, hereinafter called "PCEA," and Ecology Action, 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 providing technical assistance and customer support for the EV Ready charging infrastructure program.

Now, therefore, it is agreed by the parties to this Agreement as follows:

1. Exhibits and Attachments

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. Services to be performed by Contractor

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. Payments

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 three million dollars ($3,000,000). 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 December 1, 2025, through December 31, 2030.

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. Intellectual Property and Ownership of Work Product

PCEA shall and does own all titles, rights, and interests in all materials, tangible or not, created in whatever medium pursuant to this Agreement, including without limitation publications, promotional or educational materials, reports, manuals, specifications, drawings and sketches, computer programs, software and databases, schematics, marks, logos, graphic designs, notes, matters and combinations therefore, and all forms of intellectual property ("Work Products") created by Contractor and any subcontractors under this Agreement. Contractor hereby assigns all titles, rights, and interests in all Work Products to PCEA. At the end of this Agreement, or in the event of termination, all Work Products shall be promptly delivered to PCEA.

Contractor may not sell, transfer, or permit the use of any Work Products without the express written consent of PCEA. Contractor shall not dispute, directly or indirectly, PCEA's exclusive right and title to the Work Products, nor the validity of the intellectual property embodied therein.

Contractor may (1) retain its rights to and ownership of pre-existing or open-source materials and/or (2) retain one copy of Work Products for archival use, but in either

instance must notify PCEA and identify any such materials in writing prior to the commencement of work under this Agreement.

7. 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.

8. 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.

9. 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.

10. 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.

11. 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** (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.

12. 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
Yes	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.

13. 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.

14. 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.

15. Confidential Information

(a) Contractor shall maintain in confidence and not disclose to any third party or use in any manner not required or authorized under this Agreement any and all Confidential Information held by PCEA.

(b) The term “Confidential Information” includes all information, documents, and materials owned by PCEA, including technical, financial, business, or PCEA customer information, which is not available to the general public, as well as information derived from such information. Information received by Contractor shall not be considered Confidential Information if: (i) it is or becomes available to the public through no wrongful act of Contractor; (ii) it is already in the possession of Contractor and not subject to any confidentiality agreement between the Parties; (iii) it is received from a third party without restriction for the benefit of PCEA and without breach of this Agreement; (iv) it is independently developed by Contractor; (v) it is disclosed pursuant to a requirement of law, including, but not limited to, the California Public Records Act (Cal. Gov’t Code Section 6250, et seq.); or (vi) is disclosed to or by a duly empowered government agency, or a court of competent jurisdiction after due notice and an adequate opportunity to intervene is given to PCEA, unless such notice is prohibited.

(c) As practicable, PCEA shall mark Confidential Information with the words "Confidential" or "Confidential Material" or with words of similar import, or, if that is not possible, PCEA shall notify the Contractor (for example, by cover e-mail transmitting an electronic document) that the material is Confidential Information. PCEA's failure or delay, for whatever reason, to mark or notify Contractor at the time the material is produced shall not take the material out of the coverage of this Agreement.

(d) Contractor will direct its employees, contractors, consultants, and representatives who have access to any Confidential Information to comply with the terms of this Section.

(e) Upon termination or expiration of this Agreement, Contractor shall, at PCEA's exclusive direction, either return or destroy all such Confidential Information and shall so certify in writing, provided, however, any Confidential Information (i) found in drafts, notes, studies, and other documents prepared by or for PCEA or its representatives, or (ii) found in electronic format as part of Contractor's off-site or on-site data storage/archival process system, will be held by Contractor and kept subject to the terms of this provision or destroyed at Contractor's option. The obligations of this provision will survive termination or expiration of this Agreement.

16. Data Security

If, pursuant to this Agreement, PCEA shares with Contractor personal information as defined in California Civil Code Section 1798.81.5(d) about a California resident ("Personal Information"), Contractor shall maintain reasonable and appropriate security procedures to protect that Personal Information and shall inform PCEA immediately upon learning that there has been a breach in the security of the system or in the security of the Personal Information. Contractor shall not use Personal Information for direct marketing purposes without PCEA's express written consent. For purposes of this provision, security procedures are "reasonable and appropriate" when they (i) adequately address all reasonably foreseeable threats to Personal Information, (ii) are appropriate to the quantity, sensitivity, and type of Personal Information accessed and the way that information will be accessed, and (iii) comply with all laws, regulations, and government rules or directives applicable to the Contractor in connection with its access of Personal Information.

17. 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.

18. Merger Clause; Amendments

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.

19. Controlling Law; Venue

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.

20. Notices

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: 650-474-5002
Email: smarshall@peninsulacleanenergy.com

In the case of Contractor, to:

Name/Title: Jane McClellan
Address: 877 Cedar Street, Suite 240, Santa Cruz, CA 95060
Telephone: 831.515.1397
Email: jmcclellan@ecoact.org

21. Electronic Signature

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.

22. No Recourse Against PCEA's Member Agencies

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: _____

Shawn Marshall, Chief Executive Officer

Date: _____

ECOLOGY ACTION

By: _____

Name: _____

Title: _____

Date: _____

Exhibit A

In consideration of the payments set forth in Exhibit B, Contractor shall provide the following services:

Overview

The Peninsula Clean Energy EV Ready program is an EV charging infrastructure and technical assistance program supporting the installation of EV charging infrastructure at affordable housing, multifamily, workplace, and all other publicly accessible locations. The program is open to all eligible properties within Peninsula Clean Energy's service territory: San Mateo County and the City of Los Banos. The EV Ready program is designed to reduce barriers to EV adoption by addressing the growing charging infrastructure needs with an emphasis on supporting residents with limited access to charging such as those in multifamily housing.

Contractor will provide technical assistance and customer support in the EV Ready program. The technical assistance offering of the program will use best practices, including right-sizing, to help customers decide on the best EV charging solution for their property and to introduce technologies to customers that advance EV adoption at scale such as smart outlets and load-managed charging.

Objectives

The program aims to make access to EV charging equitable and ubiquitous across the PCE service territory by:

1. Facilitating the installation of at least 2000 ports by delivering 720 or more charging evaluations.
2. Maximizing the quantity of ports installed at properties to support EV growth overall and design for a future where every multifamily parking space has a charger or outlet.
3. Providing charging service levels that satisfy the everyday needs of most EV drivers (<40 miles) within expected dwell times
4. Minimizing installation costs by offering low-cost options that avoid expensive distribution service upgrades for customers wherever possible.
5. Mitigating grid impacts, including distribution infrastructure and peak generating capacity, by maximizing port count within existing electrical service or transformer capacity.
6. Reducing the cost to charge for EV drivers, with the aim of approaching parity with the cost to charge at single-family homes.

7. Influencing other programs to adopt best practices, including developing technical resources and other guidance, participating in conferences and other thought leadership, etc.

Program Tasks:

1. Administrative Tasks

1.1. Schedule kickoff call

1.2. Weekly pipeline check ins – provide a weekly pipeline update that includes key program updates, program enrollments, pipeline status changes, and key projects, etc. Meeting frequency may be adjusted by mutual determination.

1.3. Monthly progress report that includes key program KPIs such as outreach and enrollments of different property types, total ports proposed and accepted, etc. Meeting frequency may be adjusted by mutual determination.

1.4. Regularly (daily, or more frequently) update customer data in data system further described in below section, including customer status (Site Evaluation, Bidding, Installation, etc.), customer and property data, Charging Evaluation details including recommended solutions, etc. Exact data fields to be determined.

1.5. Monthly invoice for program services, further described in Exhibit B

2. Systems Development and Data

2.1. All data collected from customers by Contractor must be shared with PCE. These data may include, but are not limited to, photos taken during a site walk, etc.

2.2. In close coordination with PCE, determine methodology for program and customer data transfer and/or direct access to PCE CRM (Salesforce), subject to PCE's approval.

2.3. In close coordination with PCE, determine data to be collected from customer by Contractor (e.g. during site walks, customer intake, etc.).

2.4. As applicable, host customer EV charging project records and integrate with Peninsula Clean Energy CRM via regular automated data transfer or other method to be determined. Integrations, if utilized, may include API or other file transfer with industry standard encryption and security.

2.5. Optional: contractor hosted program website where customers can log in, view their charging evaluations, select solutions, connect contractors, and track bids.

3. Inform Program Strategy

3.1. In collaboration with PCE, stay current on EV charging market trend and relevant legislation.

3.2. Develop resources and other guidance to promote best practices to program customers and/or other utility programs, subject to PCE approval. All external materials will be co-branded with prior PCE review and approval, consistent with PCE branding.

3.3. Participate in annual program review with PCE to evaluate opportunities for further improvement.

4. Customer Acquisition and Educational Campaigns

4.1. In collaboration with PCE, develop a customer acquisition strategy that includes target customers, channels, messaging, and goals.

4.2. Identify channels specifically for reaching multifamily, workplace, hospitality, and other property owners. Describe how the customer acquisition strategy would utilize these outreach channels.

4.3. Develop of case studies, webinars, videos, and other educational materials, subject to PCE approval, that promotes customer enrollment in technical assistance and provide general education that reduces barriers to EV adoption.

4.4. In close collaboration and subject to prior approval of PCE, organize and execute other outreach campaigns such as outbound call campaigns, email outreach, direct mail, paid search, etc. to promote the program to target audiences.

4.5. Contractor should develop campaign budgets and receive PCE approval before initiating campaigns.

5. Technical Assistance for Program Customers

The technical assistance product is a core element of the EV Ready program. This includes one-on-one design assistance to help qualified property owners or their representatives understand the best EV charging options for their property. The technical assistance services must include, but are not limited to:

5.1. Customer intake and introductory call

5.2. Customer Site Evaluation:

5.2.1. Conduct in-person or virtual property site walk to gather data and information on site conditions.

5.2.2. Assess customer property electrical capacity.

5.2.3. Discuss parking configuration and customer charging needs.

5.2.4. Provide education to customers on solutions that maximize ports installed while keeping costs low and avoiding service or transformer upgrades.

5.3. Charging Evaluation Report

5.3.1. Provide each interested customer with 2 to 3 charging solutions in a report format that is ready to take to an electrical contractor for bidding. Determination of the number of reports and report contents are subject to PCE approval before presentation to customers.

5.3.2. Solution 1: Exactly the number and type of chargers the customer asked for.

5.3.3. Solution 2: The maximum number of chargers the customer can install while optimizing incentives to minimize the cost per port to the customer, taking advantage of low-cost options such as outlets and low-power or load-managed solutions to avoid service upgrades.

5.3.4. Solution 3: The total number of chargers required to fully future-proof the site for EV charging. For multifamily properties with assigned parking, this would ideally result in an outlet or charger in every parking space. For multifamily properties with shared parking this may be decided on a case-by-case basis.

5.3.5. Present the charging solutions to the customer and help them understand and select the best option for their property.

5.3.6. Charging options include detailed infrastructure project details, and preliminary designs for construction.

5.3.7. Provide ROM (rough order of magnitude) project cost estimates and incentive estimates to help the customer compare charging project options.

5.3.8. Provide specific charging equipment recommendations, including networking and automated load management solutions.

5.3.9. Include charging operating models and fee recommendations, when appropriate.

5.4. Incentive Application Support

5.4.1. Assist customers with PCE incentive application submission

5.4.2. Assist customers with gathering supporting documentation to claim incentives post-construction.

5.4.3. Assist customers with third-party incentive applications as appropriate.

5.5. Electrical Contractor Selection and Bidding Support

5.5.1. Connect customers with electrical contractors and answer customer questions that arise during the bidding process. Review bids when requested by the customer.

5.6. Installation and Permitting Support

5.6.1. Answer customer or trade ally questions that arise during installation and permitting, stay abreast of timelines for project completion, and track common permitting issues that may arise.

5.7. Commissioning Support

5.7.1. Provide equipment commissioning support including guidance on complying with California Weights and Measures regulations as necessary and appropriate. This may include meeting with customers to assist them in understanding operation and maintenance for their equipment, support them in setting a reasonable price for electricity for drivers, and ensuring power management settings are configured correctly.

5.8. Post-installation Support

5.8.1. Contractor to provide post-installation check-ins within 60-90 days of installation completion to address any potential troubleshooting needs, followed by annual, or other schedule to be mutually determined, check-ins to answer potential questions and guarantee equipment is still operational.

5.9. Trade Ally Partnerships

5.9.1. In partnership with PCE, maintain a list of reliable, responsive, and quality electrical contractors and connect these contractors to technical assistance customers interested in receiving bids for their projects. Vet contractors to ensure alignment on strategy, customer responsiveness, overall quality, etc.

5.9.2. Develop and provide electrical contractor education and resources, such as program strategy and education on industry trends, best practices, and current technologies. Onboard new electrical contractors and familiarize them with program materials such as bid requests and program approach and strategy.

5.9.3. In partnership with PCE, maintain a list of suggested EV charging equipment and charging network/service providers recommended to customers who receive technical assistance. Ensure recommended equipment complies with relevant state and federal regulations and complies with PCE program requirements. Organize and administer solicitations to update pricing and charging equipment and

network/service provider selections annually or another schedule, as mutually determined.

5.10. Customer Support

Contractor to provide general EV charging related support to property owners and managers regardless of their enrollment in 1:1 technical assistance. Contractor should provide on-going program customer support which includes at minimum the following:

5.10.1. Provide a dedicated email address and phone line for PCE customers to utilize when seeking assistance with EV charging projects, but not otherwise enrolled in technical assistance. Other support features such as live chat, AI-powered responses may be considered, subject to approval by PCE.

5.10.2. Provide timely responses to customer inquiries. See Service Level Requirements Summary below.

5.10.3. Track relevant metrics of customer inquiries.

5.10.4. Develop and maintain general resources on EV charging for customers on the PCE website (e.g. “How to choose a price for EV charging,” “Guidance on EV charging for multi-family property owners,” etc.)

6. Service Level Requirements Summary

To ensure a consistent and timely customer experience, the Contractor must meet the following minimum delivery timelines. These will be tracked as part of contract performance and evaluated regularly.

1. Initial Customer Vetting
    a. Requirement: Acknowledge customer application and confirm property, project type and/or other eligibility within 3 business days of submission.
    b. Metric: Average number of days in “Site Qualification” (or similar) status.
2. Charging Evaluation Delivery
    a. Requirement: Deliver a Charging Evaluation report within 30 calendar days of a completed Site Evaluation.
    b. Metric: Average number of days in “Charging Evaluation” (or similar) status.
3. Customer Communication
    a. Requirement: Respond to all customer emails and calls within 1 business day, or 2 business days in the event that a full answer is not immediately available (with acknowledgement and estimated reply time).
4. Other Milestone Touchpoints
    a. Requirement: Provide proactive email and/or phone check ins to customers at key project milestones, such as:
        i. 1 week from Charging Evaluation delivery
        ii. Monthly or more frequently during project bidding, as applicable

iii. Bi-weekly or more frequently during active project installation
iv. Within 1 month from project commissioning

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:

1. Payments will not exceed the contract total of $3,000,000, further outlined below.
    a. Time and Materials, not to exceed $2,656,000, and consisting of the following:
        i. Administrative Tasks, Systems Development & Data, and Program Strategy: $150,000
        ii. Customer Acquisition and Marketing: $400,000
        iii. Technical Assistance for Program Customers, Trade Ally Partnerships and Customer Support: $2,106,000
    b. Deliverable Pay for Performance (see below), not to exceed $344,000.

Contractor Deliverable Pay for Performance Budget:

Deliverable	Unit	Price	Estimated units over 60 month period (2026-2030)
Charging evaluation reports delivered to customer	Per report	$200	720
Charging ports installed through technical assistance (after a customer has received a charging evaluation).	Per Port	$100	2,000

2. Major activities (e.g. 30+ minute meetings, significant Charging Evaluation development time, site walks, etc.) in support of the Technical Assistance for Program Customers and Customer Support categories to be tracked on a per customer basis, when reasonably practical, and reported to PCE. Contractor to seek PCE approval before exceeding $10,000 in Technical Assistance and Customer Support expenses per customer.

3. Contractor will invoice Peninsula Clean Energy monthly on a Time and Materials basis, according to the hourly rates specified below, and a Project Deliverable basis, according to the Pay for Performance pricing above.
4. Payment terms shall be on a net-30 basis.

Average Contractor Hourly Rates for Time and Materials Budget:

Job Classification	Billing Rate
Program Director	$ 235.00
Electrician - Team Manager	$ 176.00
Program Manager	$ 166.00
Project Manager	$ 158.00
Senior Business System Analyst	$ 146.00
Creative Director	$ 226.00
Director, Marketing Strategy	$ 226.00
Program Specialist	$ 110.00

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: November 14, 2025
MEETING DATE: November 20, 2025
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Blake Herrschaft, Building Electrification Programs Manager

SUBJECT: Approval of Schools Building Electrification (BE) Agreement with the Menlo Park School District

RECOMMENDATION

Approval of an agreement with the Menlo Park City School District in an amount not to exceed $600,000 in incentives for clean energy projects under PCE's Schools Building Electrification (SchoolsBE) Program's rolling solicitation.

BACKGROUND

Peninsula Clean Energy's mission is to expand access to sustainable and affordable energy solutions. As part of that mission, in August 2023, the Board approved a program to assist in funding electrification at local government buildings in Peninsula Clean Energy's service territory (GovBE).

Funding includes a $10 million-dollar revolving loan fund and incentives budgeted at $1 million per year in the current and upcoming Energy Programs annual budgets. The loan, which carries a low, 1 percent interest rate, and the incentives are each capped at $600,000 per project and requires a 25 percent match of non-PCE funds. Incentive funds are based on annual methane gas savings of the project, equivalent to $16 per therm saved per year. The value per therm saved is similar to the dollars per therm saved through the PCE residential Home Upgrade Services program. Funds are paid out at the conclusion of a project with verified documentation.

In December 2023, the Board approved a $68 million surplus funds reinvestment plan, which included $5 million specifically for electrification of schools in the community, to be administered under the approved GovBE program design approach.

SchoolsBE Program Structure and Current Status

In summer 2025, PCE Programs staff opened the SchoolsBE program to public K-12 schools and community colleges in PCE service territory, including San Mateo County Office of Education facilities.

Recognizing the unique constraints of school construction schedules, SchoolsBE operates as a rolling solicitation (first-come, first-served) rather than timed application rounds. To ensure equitable access, each district may receive no more than $600,000 in cumulative incentives across the life of the program.

DISCUSSION

A total of three local school projects applied as part of the recently opened SchoolsBE program. Two are below $250,000 in contract value and are within the CEO's budget signing authority. The application from Menlo Park City School District, for a $600,000 incentive to electrify HVAC systems at five schools, exceeds $250,000 and is being submitted for Board approval per the PCE policy that contracts exceeding $250,000 in either incentive and/or loan funding per agency are subject to approval by the Board.

The table below summarizes the proposed awards for all three applications received.

District Name	Project Name	Incentive Award	Loan Request
San Mateo County Office of Education	Electrification of seven (7) water heaters	$28,896	$0
Hillsborough School District	Electrification of HVAC systems at South Hillsborough Elementary School and Crocker Middle Schools	$236,352	$0
Menlo Park City School District	Electrification of HVAC systems at five (5) schools	$600,000 (Maximum)	$0

FISCAL IMPACT

Funding for this program is within the Board-approved Community Energy Programs budget in FY 2025-2026.

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
Goal 3 Community Energy Programs, Objective B:
Key Tactic 1: Invest in programs that benefit underserved communities

ATTACHMENTS:
2025.11.20_BOD_Programs_-_SchoolsBE_Incentive_Draft_Agreement_2025_-_Menlo_Park__1_.docx

RESOLUTION NO. _____

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

APPROVAL OF SCHOOLS BUILDING ELECTRIFICATION (BE) AGREEMENT WITH THE MENLO PARK SCHOOL DISTRICT

RESOLVED, by the Peninsula Clean Energy Authority of the County of San Mateo and the City of Los Banos, State of California ("Peninsula Clean Energy" or "PCE"), that

WHEREAS, PCE was formed on February 29, 2016; and

WHEREAS, PCE was formed to support decarbonization, provide local electricity services, and to reduce the adverse public wellbeing and economic impacts of climate change in its member jurisdictions; and

WHEREAS, PCE has created a program to incentivize its Customer Agencies, those being served by an electric meter and currently receiving electricity as a PCEA customer, to undertake projects that replace fossil fuel equipment with heat pump or electric equipment; and

WHEREAS, PCE invited Customer Agencies to apply for PCE-provided funding for such projects in the form of its SchoolsBE Loan Program; and

WHEREAS, PCE has approved SchoolsBE projects from the Customer Agency applicants that have applied for funding based on urgency, shovel-readiness, total fossil fuel savings, community visibility, and Diversity Equity and Inclusion (DEAI) benefit; and, if required, these Agreements have been approved by the PCEA Board of Directors; and

WHEREAS, PCE has selected SchoolsBE projects from the Customer Agency applicants that have applied for funding on a first-come, first-serve basis; and, if required, these Agreements are submitted to the PCEA Board of Directors; and

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board delegates authority to the Chief Executive Officer to finalize and execute an incentives agreement with Menlo Park City School District for an amount not-to-exceed $600,000, beginning November 30, 2025, and through November 3,2028 in a form approved by the General Counsel.

INCENTIVE AGREEMENT
BETWEEN THE PENINSULA CLEAN ENERGY AUTHORITY AND
MENLO PARK CITY SCHOOL DISTRICT

This Agreement is entered into this 30th day of November, 2025 by and between the Peninsula Clean Energy Authority, a joint powers authority of the state of California, hereinafter called "PCEA," and Menlo Park City School District hereinafter called "Customer Agency."

* * *

WHEREAS, PCE was formed on February 29, 2016; and

WHEREAS, PCE was formed to support decarbonization, provide local electricity services, and to reduce the adverse public wellbeing and economic impacts of climate change in its member jurisdictions; and

WHEREAS, PCE has created a program to incentivize its Customer Agencies, those being served by an electric meter and currently receiving electricity as a PCEA customer, to undertake projects that replace fossil fuel equipment with heat pump or electric equipment; and

WHEREAS, PCE invited Customer Agencies to apply for PCE-provided funding for such projects in the form of its SchoolsBE Loan Program; and

WHEREAS, PCE has approved SchoolsBE projects from the Customer Agency applicants that have applied for funding based on urgency, shovel-readiness, total fossil fuel savings, community visibility, and Diversity Equity and Inclusion (DEAI) benefit; and, if required, these Agreements have been approved by the PCEA Board of Directors; and

WHEREAS, PCE has selected SchoolsBE projects from the Customer Agency applicants that have applied for funding on a first-come, first-serve basis; and, if required, these Agreements have been approved by the PCEA Board of Directors; and

NOW, THEREFORE, in consideration of the mutual promises and benefits set forth herein, the sufficiency of which is hereby acknowledged, it is agreed by the Parties to this Agreement as follows:

1. Exhibits and Attachments

The following exhibits and attachments are attached to this Agreement and incorporated into this Agreement by this reference:

Exhibit A—Program Terms & Conditions
Exhibit B—Funding
Exhibit C—Project Description

2. Project Performance by Customer Agency

In consideration of the funding set forth in this Agreement and in Exhibit B, Customer Agency shall perform the Project defined in Exhibit C in accordance with the terms, conditions, and specifications set forth in this Agreement and in Exhibit A.

3. Funding

For each Project PCEA shall make incentive payments to Customer Agency as specified in Exhibit B. The total not to exceed amount for this Agreement shall not exceed Six hundred thousand dollars. ($600,000). In the event that the PCEA makes any advance payments, Customer Agency agrees to refund any amounts in excess of the amount owed by the PCEA at the time of contract termination or expiration. PCEA reserves the right to withhold payment if PCEA determines that the Customer Agency has not complied with the provisions of this Agreement, inclusive of all Exhibits.

4. Term

Subject to compliance with all terms and conditions, the term of this Agreement shall be from November 30, 2025 through November 30, 2028

5. Termination; Availability of Funds

This Agreement may be terminated by Customer Agency or by the Chief Executive Officer of the PCEA or his/her designee at any time in the event that Customer Agency terminates the Project or Customer Agency exceeds the timeline to complete the Project.

PCEA may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits in the event of unavailability of PCEA funds by providing written notice to Customer Agency as soon as is reasonably possible after PCEA learns of said unavailability funding.

6. Relationship of Parties

Customer Agency understands and agrees that it is solely responsible for all aspects of the Project, including, but not limited to, design, consultation, maintenance, and operations. Customer Agency is responsible for securing industry professionals for all aspects of their Project and PCEA shall not provide, select, or hire professional staff for the completion of the Project. In addition, Customer Agency 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 Customer Agency nor its employees acquire any of the rights, privileges, powers, or advantages of PCEA employees.

7. Hold Harmless

a. General Hold Harmless

Customer Agency 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 Customer Agency 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 Customer Agency 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 Customer Agency'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, Customer Agency'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 Customer Agency 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. Payment of Permits/Licenses

Customer Agency bears responsibility to obtain any license, permit, or approval required from any agency for work/services to be performed under this Agreement at Customer Agency'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.

9. Insurance

PCE shall not be responsible for the provision of any insurance policy on behalf of the Customer Agency.

The parties understand and agree that Customer Agency shall not commence work without insurance coverage appropriate to its specific project and as reviewed by Grantee's own legal counsel and/or Risk Manager.

10. Goodwill and Publicity

Either Party may make any press release or public announcement of the specific terms of this Agreement or the Project including, but not limited to, regarding the financing or building systems thereunder (except for filings or other statements or releases as may be required by applicable law) without the prior written consent of the other Party. Both Parties shall make reasonable efforts to coordinate with the other regarding publicity under this paragraph. The Customer Agency shall credit Peninsula Clean Energy in any and all publicity, notices, and announcements regarding the Project and/or this Agreement.

11. Right to Inspect

Peninsula Clean Energy has a right to inspect the physical location of the Project upon twenty-four (24) hours written notice to the Customer Agency.

12. Compliance With Laws

The Project to be performed by Customer Agency 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 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. The Project 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.

13. Retention of Records; Right to Monitor and Audit

(a) Customer Agency 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 Customer Agency shall be subject to the examination and/or audit by PCEA, a Federal grantor agency, and the State of California.

(b) Customer Agency shall comply with all program and fiscal reporting requirements set forth by applicable Federal, State, and local agencies and as required by PCEA.

(c) Customer Agency 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.

14. Merger Clause; Amendments

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.

15. Controlling Law; Venue

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.

16. Notices

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: Shalini Swaroop, Chief Operating Officer
Address: 2075 Woodside Road, Redwood City, CA 94061
Telephone: 650-474-5002
Email: sswaroop@peninsulacleanenergy.com

In the case of Customer Agency, to:

Name/Title: Kristen Gracia, Superintendent
Address: 181 Encinal Avenue, Atherton, CA 94027
Telephone: (650) 321-7140
Email: kgracia@mpcsd.org

17. Electronic Signature

PCEA and Customer Agency 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.

18. No Recourse Against PCEA's Member Agencies

Customer Agency 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. Customer Agency 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	MENLO PARK CITY SCHOOL DISTRICT
_____	_____
Shalini Swaroop, Chief Operating Officer	Kristen Garcia, Superintendent
Date:_____	Date: _____

Exhibit A
Terms and Conditions

1. Definitions

- Customer Agency –For the SchoolsBE Program, a Local School Agency Customer (Agency) is defined as a public school or public school district serving students between the grades K-14, including:
    - Public elementary, middle, and high schools
    - Community colleges
    - Public charter schools
    - San Mateo County Office of Education
- Project – a planned electrification retrofit construction project at an Agency's building, facility, or group of buildings and/or facilities.
- Project Site – The physical address or addresses, and/or facilities where the Project will occur.
- Therm – a unit of measure for the sale of methane gas is equivalent to 100,000 British Thermal Units.
- Fossil Fuel – a greenhouse gas emitting fuel, including methane gas, propane, fuel oil, diesel, or gasoline
- GHG – greenhouse gasses

2. Customer and Project Eligibility

Eligible Projects must meet the following criteria:

1. Projects must be located at facilities currently served by PCE, and the proposed equipment must be served by electric meters which are served by PCE.
2. Projects must be located at an existing public school, public school district, or the County Office of Education.
3. Project construction may not have commenced prior to the date of application of the project,
4. The Project must replace fossil fuel equipment on-site used for space heating, water heating, cooking, clothes drying, pool heating, lab processes, or other use types with heat pump or electric equipment. Replacement of backup gas generators or cogeneration systems is an ineligible measure.
5. The Project must be past the concept phase and can feasibly begin construction in the 18-month period following submission of the application.

3. Customer Eligibility

Customer Agency must meet the following criteria:

1. Is a current Peninsula Clean Energy customer
2. The customer must be a county or local government Agency (see Definitions)
3. The Customer currently receives service from Peninsula Clean Energy at the location of the retrofit project and meters to serve the equipment to be installed.
4. The Customer must be in good credit standing from when the Customer's program application is approved through the funding of the loan. A Customer's credit standing will be determined according to a Payment History Screening, which may be based upon the existence of any 24-hour disconnection notices and payment plans in the last 12 months.

4. Eligible Costs

Eligible electrification project costs that may be covered under the incentive or loan may include projects costs may include:

- Electrification equipment costs
- Implementation costs, such as material costs, labor, lift rentals, etc.
- Engineering and Design
- Costs associated with building code compliance which must be addressed in direct relation to electrification measures
- Initial and ongoing Measurement & Verification (M&V) expenses, only if paid upfront
- under the loan disbursement
- Training, if paid upfront under the loan disbursement
- Quality Assurance (QA) Provider costs

The following charges are not eligible for project funding

- In-house labor or project management costs for electrification measure installation
- Equipment installed prior to project application
- Efficiency projects that save electricity usage but do not result in fuel switching or reduce methane gas usage
- User behavioral activities: behavioral measures, e.g., customer staffing or occupant behavior programs
- Add-ons to existing renovation projects

Exhibit B

In consideration of the project by Customer Agency described in Exhibit C and subject to the terms of the Agreement and Exhibit A, PCEA shall pay Customer Agency based on the following fee schedule and terms:

SchoolsBE incentive amount and therm savings

SchoolsBE program incentives

- Maximum incentive based on projected methane savings at a rate of $16 per therm saved per year
- Additional equity incentive based on unduplicated student count reported through CALPADS enrolled in the school during the 2024-25 school year at a rate of $500 per unduplicated student per year. This category documents students eligible for free/reduced price meals, English learners, and/or foster youth.
- The maximum amount of incentive support available for each jurisdiction is $600,000 per year
- Must meet minimum 25% match requirements

Project fossil fuel savings and associated incentive

- Estimated Therm Savings: 49,750 per year
- Estimated Therm Incentive: $600,000 (the maximum per district amount)
- Student Equity Incentive: N/A since these projects hit the maximum threshold
- Estimated Equity Incentive: N/A
- Total SchoolsBE incentive value: $600,000

Project cost and match funding

- Total project cost: $14,462,020
- Match funding amount from non-PCEA dollars: $13,862,020
- Source of match funding: Measure U Bond Funding

Payment schedule and invoicing

- Payments will be made upon completed project installation
- Invoicing will be initiated by Customer Agency via email to PCEA to email address as determined by PCEA. Invoice will include verification of completed

installation as signified by ribbon-cutting, certificate of occupancy, final invoice from contractor, or other verification as determined by PCEA.

Documentation of Therms savings calculation

	Estimated Therm Savings	Incentive at $16 per therm
Encinal School	10,743	$171,888
Hillview Middle School	11,321	$181,136
Oak Knoll Elementary	9,460	$151,360
Laurel School Upper Campus	10,605	$169,680
Laurel School Lower Campus	7,621	$121,936
Total Potential Incentive Size	49,750	$796,000
Calculated by Blake Herrschaft on Nov 6, 2025		
Because the projects will result in a combined incentive of above the program's $600,000 per district limit, the CALPADS equity adder has not been included in the calculation.		

Exhibit C

Summary Project Description

Full HVAC replacement at Encinal School, Hillview Middle School, Oak Knoll Elementary School, Laurel School Upper Campus, and Laurel School Lower Campus, including electrification of HVAC systems via heat pump; providing the additional benefit of air conditioning in areas that previously lacked cooling. The projects are scheduled to be installed over the summer of 2026 and 2027.

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: November 10, 2025
MEETING DATE: November 20, 2025
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Nicholas Bijur, Chief Financial Officer

SUBJECT: Approval of the Audited Financial Statements for Fiscal Year 2024-2025

RECOMMENDATION

Approval of the Audited Financial Statements for Fiscal Year 2024-2025.

BACKGROUND

The financial statements for Fiscal Year 2024-2025 have been prepared by Peninsula Clean Energy's (PCE) finance team, with support from Maher Accountancy, and audited by Sorren CPAs, P.C. (Sorren), a licensed independent auditing firm. Note that PCE's prior independent auditing firm, Pisenti & Brinker, was recently acquired by Sorren; there has been no change to the team of professionals working with PCE.

Sorren has issued an unmodified audit opinion with no significant deficiencies or material weaknesses.
On November 10, Director McCune and Director Colson had the opportunity to meet with the lead auditing partner from Sorren to conduct a review of the process and results. Director McCune and Director Colson have stated that they are satisfied that the audit was successfully implemented with no obstructions and no additional concerns, and recommend that the Board of Directors approves the audited financial statements for Fiscal Year 2024-2025.

ATTACHMENTS:
PCE - Letter to Those Charged with Govenance 6.30.2025.pdf
Peninsula Clean Energy Authority 6.30.2025 Financial Statements.pdf
Sorren Presentation - Peninsula Clean Energy Board 11.20.2025.pdf

RESOLUTION NO. _____

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

APPROVAL OF THE AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR 2024-2025

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

WHEREAS, Pisenti & Brinker, LLP, certified public accountants, was selected as independent auditors to audit PCEA's financials for the fiscal years ending June 30, 2018, June 30, 2019, June 30, 2020, June 30, 2021, June 30, 2022, June 30, 2023, and June 30, 2024; and

WHERAS, Pisenti & Brinker, LLP and Sorren CPAs, P.C. combined practices with several other like-sized firms in May 2025 and rebranded as one unified firm called "Sorren"; and

WHEREAS, Sorren, certified public accountants, was selected as independent auditors to audit PCEA's financials for the fiscal year ending June 30, 2025; and

WHEREAS, Sorren conducted the fieldwork to audit the financial statements for the fiscal year ending June 30, 2025; and

WHEREAS, Sorren has issued an unmodified opinion with no significant deficiencies or material weaknesses; and

NOW, THEREFORE, IT IS HEREBY RESOLVED that the PCEA Board of Directors approves the audited financial statements for Fiscal Year 2024-2025.



Report to the Board of Directors

Peninsula Clean Energy Authority

For the year ended June 30, 2025

sorren CPAs, PC

To the Board of Directors
Peninsula Clean Energy Authority
2075 Woodside Road
Redwood City, CA 94061

We are pleased to present this report related to our audit of the financial statements of Peninsula Clean Energy Authority ("PCE") as of and for the year ended June 30, 2025. Our report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for PCE's financial reporting process.

This report is intended solely for the information and use of the Audit and Finance Committee, Board of Directors and management of PCE and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to Peninsula Clean Energy Authority.

Sorren CPAs P.C.

Santa Rosa, California
October 30, 2025

cc: Nick Bijur, Chief Financial Officer

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Appendix A—Significant Written Communications Between Management and Our Firm

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REQUIRED COMMUNICATIONS

The following required communications summarize our responsibilities regarding the financial statement audit as well as observations from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Our Responsibilities

We described our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our engagement letter dated September 29, 2025. Our audit of the financial statements does not relieve management or you of your responsibilities, which are also described in that letter.

Planned Scope and Timing

We previously issued a separate communication dated August 26, 2025 regarding the planned scope and timing of our audit and identified significant risks.

Accounting Policies and Practices

Preferability of Accounting Policies and Practices
Under accounting principles generally accepted in the United States of America, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

Adoption of, or Change in, Accounting Policies
Management has the ultimate responsibility for the appropriateness of the accounting policies used by PCE. PCE did not change any existing significant accounting policies. As disclosed in Note 12, PCE adopted GASB 102-104 which did not have a significant effect on the financial statements.

Significant Accounting Policies
We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant or Unusual Transactions
We did not identify any significant unusual transactions.

Management's Judgments and Accounting Estimates
Summary information about the process used by management in formulating particularly sensitive accounting estimates and about our conclusions regarding the reasonableness of those estimates is in the attached Summary of Significant Accounting Estimates.

Audit Adjustments and Uncorrected Misstatements

Management chose to pass on one adjustment related to GASB 96 which management concluded wasn't material. We are not aware of any other passed adjustments that were not trivial.

Observations About the Audit Process

Disagreements With Management
We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit or significant disclosures to be included in the financial statements.

Consultations With Other Accountants
We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed With Management
No significant issues arising from the audit were discussed or were the subject of correspondence with management.

Significant Difficulties Encountered in Performing the Audit
We did not encounter any significant difficulties in dealing with management during the audit.

Shared Responsibilities for Independence

Auditor independence is a joint responsibility and is managed most effectively when management, audit committees, and audit firms work together in considering compliance with applicable independence rules. For Sorren CPAs P.C. (the Firm) to fulfill its professional responsibility to maintain and monitor independence, management, the Board of Directors, and the Firm each play an important role.

Our Responsibilities

- We are required to maintain both independence of mind and in appearance when providing audit and other attestation services. It is our responsibility to ensure that the general requirements for performing nonattest services are adhered to and included in all letters of engagement.
- We are required to maintain a system of quality management over compliance with independence rules and firm policies.

PCE's Responsibilities

- Timely inform the Firm, before the effective date of transactions or other business changes, of the following:
  - New affiliates, directors, or officers.
- Understand and conclude on the permissibility, prior to PCE's, officers, directors, or persons in a decision-making capacity, engaging in business relationships with the Firm.
- Not entering into relationships resulting in close family members of the Firm covered persons, temporarily or permanently acting as an officer, director, or person in an accounting or financial reporting oversight role at the Company.

Significant Written Communications Between Management and Our Firm

Copies of significant written communications between our firm and the management of PCE, including the representation letter provided to us by management, are attached as Appendix A

SIGNIFICANT ACCOUNTING ESTIMATES

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events, and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The following summarizes the significant accounting estimates reflected in PCE's June 30, 2025 financial statements.

Significant Accounting Estimates	
Accrued Revenue	
Accounting policy/ Management's estimation process	Management's estimate of accrued revenue includes historical trends and anticipated energy usage.
Basis for our conclusion on the reasonableness of the estimate	We tested management's estimate analytically and determined management's estimate to be reasonable in relation to the financial statements taken as a whole.
Cost of Electricity	
Accounting policy/ Management's estimation process	Management's estimate of accrued cost of electricity includes historical trends and anticipated energy usage.
Basis for our conclusion on the reasonableness of the estimate	We tested management's estimate through subsequent disbursements and analytical procedures and determined management's estimate to be reasonable in relation to the financial statements taken as a whole.
Allowance for Uncollectible Accounts	
Accounting policy/ Management's estimation process	Management's estimate of the allowance for uncollectible accounts includes historical collection trends and anticipated future collections.
Basis for our conclusion on the reasonableness of the estimate	We evaluated the key factors and assumptions used to develop the estimate in determining that the allowance is reasonable in relation to the financial statements taken as a whole.

APPENDIX A

Significant Written Communications Between Management and Our Firm

October 30, 2025

Sorren CPAs, P.C.
3562 Round Barn Circle, Suite 200
Santa Rosa, CA 95403

This representation letter is provided in connection with your audit of the basic financial statements of Peninsula Clean Energy Authority (PCE) as of and for the years ended June 30, 2025 and 2024 for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, that as of October 30, 2025:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated September 29, 2025 for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.

2. We acknowledge our responsibility for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

3. We acknowledge our responsibility for the design, implementation and maintenance of controls to prevent and detect fraud.

4. The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of U.S. GAAP, and reflect our judgment based on our knowledge and experience about past and current events, and our assumptions about conditions we expect to exist and courses of action we expect to take.

5. Related-party transactions have been recorded in accordance with the economic substance of the transaction and appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

6. The financial statements properly classify all funds and activities in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as amended.

7. All events subsequent to the date of the financial statements, and for which U.S. GAAP requires adjustment or disclosure, have been adjusted or disclosed.

8. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.

9. Management has followed applicable laws and regulations in adopting, approving and amending budgets.

10. Risk disclosures associated with deposit and investment securities and derivative transactions are presented in accordance with GASB requirements.

11. Provisions for uncollectible receivables have been properly identified and recorded.

12. Capital assets, including infrastructure, intangible assets, and right of use assets are properly capitalized, reported and, if applicable, depreciated.

13. The government properly separated information in debt disclosures related to direct borrowings and direct placements of debt from other debt and disclosed any unused lines of credit, collateral pledged to secure debt, terms in the debt agreements related to significant default or termination events with finance-related consequences and significant subjective acceleration clauses in accordance with GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*.

14. Components of net position (net investment in capital assets, restricted, and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.

15. Leases have been properly identified, recorded, and disclosed in accordance with GASB Statement No. 87, *Leases*.

16. Subscription-based technology information arrangements (SBITAs) have been properly identified, recorded, and disclosed in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

17. There are no concentrations or constraints requiring disclosure in accordance with GASB Statement No. 102, *Certain Risk Disclosures*.

18. We have no direct or indirect legal or moral obligation for any debt of any organization, public or private, or to special assessment bond holders, that is not disclosed in the financial statements.

19. We have complied with all aspects of laws, regulations and provisions of contracts and agreements that would have a material effect on the financial statements in the event of noncompliance. In connection therewith, we specifically represent that we are responsible for determining that we are not subject to the requirements of the Single Audit Act because we have not received, expended or otherwise been the beneficiary of the required amount of federal awards during the period of this audit.

20. We have no knowledge of any uncorrected misstatements in the financial statements.

Information Provided

21. We have provided you with:

    a. Access to all information of which we are aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation and other matters.

    b. Additional information that you have requested from us for the purpose of the audit.

    c. Unrestricted access to persons within PCE from whom you determined it necessary to obtain audit evidence.

d. Minutes of the meetings of the governing board and committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.

22. All transactions have been recorded in the accounting records and are reflected in the basic financial statements.

23. We have disclosed to you the results of our assessment of risk that the basic financial statements may be materially misstated as a result of fraud.

24. We have no knowledge of allegations of fraud or suspected fraud affecting PCE's basic financial statements involving:

    a. Management.

    b. Employees who have significant roles in internal control.

    c. Others where the fraud could have a material effect on the basic financial statements.

25. We have no knowledge of any allegations of fraud or suspected fraud affecting PCE's basic financial statements received in communications from employees, former employees, analysts, regulators, or others.

26. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations.

27. We are not aware of any pending or threatened litigation, claims or assessments; unasserted claims or assessments that are probable of assertion and must be disclosed in accordance with Accounting Standards Codification (ASC) Topic 450, Contingencies; violations or possible violations of laws and regulations; or other matters, including gain or loss contingencies, whose effects should be considered when preparing the financial statements.

28. We have disclosed to you the identity of all of PCE's related parties and all the related-party relationships and transactions of which we are aware.

29. We are aware of no significant deficiencies in internal control over financial reporting, including significant deficiencies or material weaknesses, in the design or operation of internal controls that could adversely affect PCE's ability to record, process, summarize and report financial data.

30. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

Supplementary Information

31. With respect to the Management's Discussion and Analysis presented as required by GAAP and the Governmental Accounting Standards Board to supplement the basic financial statements:

    a. We acknowledge our responsibility for the presentation of such required supplementary information.

    b. We believe such required supplementary information is measured and presented in accordance with guidelines prescribed by U.S. GAAP.

    c. The methods of measurement or presentation have not changed from those used in the prior period.



Nicholas Bijur, Chief Financial Officer
Peninsula Clean Energy Authority

Michael Maher

Mike Maher, Accountant

FINANCIAL STATEMENTS

FISCAL YEARS ENDED JUNE 30, 2025 AND 2024

WITH REPORT OF

INDEPENDENT AUDITORS

PENINSULA CLEAN ENERGY

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Independent Auditor's Report

To the Board of Directors
Peninsula Clean Energy Authority

Opinion

We have audited the accompanying financial statements of Peninsula Clean Energy Authority (PCE), which comprise the statements of net position as of June 30, 2025 and 2024, the related statements of revenue, expenses and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PCE as of June 30, 2025 and 2024, and the results of its operations and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of PCE and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about PCE's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued, including any currently known information that may raise substantial doubt shortly thereafter.

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of PCE's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about PCE's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Independent Auditor's Report (continued)

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Sorren CPAs P.C.

Santa Rosa, California
October 30, 2025

The purpose of management's discussion and analysis (MD&A) is to help stakeholders and other readers understand what the financial statements and notes in this report say about Peninsula Clean Energy Authority's (PCE) financial health and why it has changed since last year. It contains information drawn from other parts of the report, accompanied by explanations informed by the finance staff's knowledge of PCE's finances.

If you have questions about this report or require further information, please contact PCE at info@PenCleanEnergy.com.

Overview of the Financial Statements

PCE's financial report contains basic financial statements, which include:

- The *Statements of Net Position* include all of PCE's assets, liabilities, and net position and provide information about the nature and amounts of resources and obligations at a specific point in time.

- The *Statements of Revenues, Expenses, and Changes in Net Position* report all of PCE's revenue and expenses for the years shown.

- The *Statements of Cash Flows* report the cash provided and used by operating activities, as well as other sources and uses, such as capital and investing activities.

- The notes to the Basic Financial Statements provide additional details and information related to the basic financial statements.

Financial Summary

PCE's Net Position

	2025	2024	2023
Current assets	$296,837,851	$271,029,376	$230,229,924
Noncurrent assets:			
Capital assets, net	13,884,602	7,192,785	3,245,102
Other noncurrent assets	218,321,725	196,984,028	115,190,369
Total noncurrent assets	232,206,327	204,176,813	118,435,471
Total assets	**529,044,178**	**475,206,189**	**348,665,395**
Current liabilities	40,178,389	55,478,759	37,979,864
Noncurrent liabilities	2,571,232	2,527,330	3,059,539
Total liabilities	**42,749,621**	**58,006,089**	**41,039,403**
Deferred inflows of resources	**128,000,000**	**68,000,000**	**-**
Net position			
Net Investment in capital assets	12,420,556	5,455,117	399,493
Unrestricted	345,874,001	343,744,983	307,226,499
Total net position	**$358,294,557**	**$349,200,100**	**$307,625,992**

As of June 30, 2025, PCE's total net position was approximately $358,000,000, an increase of $9,000,000 or 3% as compared to June 30, 2024. See the discussion in the following section for the changes in the various components.

PCE's Changes in Net Position

	2025	2024	2023
Operating revenues	$ 391,935,615	$ 388,612,693	$ 428,218,199
Nonoperating revenues	26,275,124	14,844,423	2,953,610
Total revenues	**418,210,739**	**403,457,116**	**431,171,809**
Operating expenses	409,064,698	361,835,489	291,154,063
Nonoperating expenses and losses	51,584	47,519	62,488
Total expenses	**409,116,282**	**361,883,008**	**291,216,551**
Change in net position	**$ 9,094,457**	**$ 41,574,108**	**$ 139,955,258**

The increase in electricity sales in 2025 were offset by the $60,000,000 voluntary deferral into the Rate Stabilization Fund. The cost of electricity, a component of operating expenses, increased from fiscal year (FY) 2024 to FY 2025 due to increases in renewable energy and resource adequacy (RA) market costs. See the following section for a detailed discussion.

Detailed Analysis

Current assets increased from $271,029,000 at the end of FY 2024 to $296,838,000 at the end of FY 2025, an increase of approximately $25,809,000 (9.6%). The increase was the result of normal operating results and investment earnings. At June 30, 2025, current assets consisted mainly of cash and investments of $228,077,000, accounts receivable of $30,563,000, and accrued revenue of $23,609,000. Included in cash and investments is $128,000,000 held in the Rate Stabilization Fund, which PCE uses to defer revenue to future years to allow PCE to mitigate potential future volatility in energy procurement costs and maintain stable and competitive customer rates. By comparison, the Rate Stabilization Fund balance at June 30, 2024 was $68,000,000. Also included in current assets are loans related to PCE's On-Bill-Financing program. Under this program retail customers finance qualifying home electrification projects and make repayments with their monthly utility bills. PCE recognizes a current and noncurrent balance on its Statement of Net Position in accordance with the terms of the loans.

Noncurrent assets totaled $232,206,000 at June 30, 2025, up from $204,177,000 in FY 2024, reflecting investments of $211,007,000 (versus $192,300,000 in FY 2024) and capital assets of $13,885,000 (versus $7,193,000 in FY 2024). Growth in capital assets is attributable to investments in rooftop solar and battery storage assets.

Current liabilities decreased from $55,479,000 at June 30, 2024 to $40,178,000 at June 30, 2025, a reduction of $15,301,000 (27.6%). The primary driver was lower accrued cost of electricity, which totaled $33,039,000 at the end of FY 2025, compared to $43,669,000 at the end of FY 2024. These balances fluctuate annually based on the timing of energy purchases and payments, as well as wholesale market conditions.

Noncurrent liabilities remained relatively stable, totaling $2,571,000 in FY 2025 compared to $2,527,000 in FY 2024. These liabilities primarily represent supplier security deposits and the long-term portion of the lease liability for PCE's office premises.

Total net position increased from $349,200,000 in FY 2024 to $358,295,000 in FY 2025, an increase of $9,095,000 (3%). Of the net position at the end of FY 2025, $12,421,000 represents PCE's investment in capital assets, while the remaining $345,874,000 is unrestricted and available to support future operating activity, programs and rate stabilization efforts.

Operating revenues were $391,936,000 in FY 2025, up slightly from $388,613,000 in FY 2024 (0.9% increase), though down from $428,218,000 in FY 2023 (8.5% decrease). The modest year-over-year increase for 2025 reflects (a) a decrease of $7,260,000 in retail electricity sales, (b) a reduction of $8,000,000 offset for the deferred amount transferred to the Rate Stabilization Fund and (c) an increase of $4,185,000 in revenue from liquidated damages revenue received primarily as compensation for supplier contract delays.

Detailed Analysis (continued)

Grant revenue totaled $2,961,000 in FY 2025 compared to $3,271,000 in FY 2024. Investment income increased significantly to $22,621,000 in FY 2025, compared to $14,844,000 in FY 2024 and $2,164,000 in FY 2023, due to both higher interest rates and growth in invested balances.

Total operating expenses rose from $361,835,000 in FY 2024 to $409,065,000 in FY 2025, an increase of $47,230,000 (13%), following a larger increase of $70,681,000 (24%) from FY 2023 to FY 2024. The primary driver continues to be the cost of electricity, which was $365,972,000 in FY 2025 compared to $325,171,000 in FY 2024 and $265,208,000 in FY 2023. Rising costs in the RA market played a major role in driving this increase. Staff compensation also grew to $14,611,000 in FY 2025 (up from $9,842,000 in FY 2024 and $8,002,000 in FY 2023), reflecting continued program expansion and workforce growth.

Significant Capital Asset and Long-Term Financing Activity

Capital assets include office equipment, furniture, leasehold improvements, and rooftop solar and battery storage systems. During FY 2025, capital asset acquisitions totaled $7,634,000, primarily for the continued deployment of solar and battery storage on public buildings in partnership with San Mateo County cities. Depreciation and amortization expense was $653,000 in FY 2025.

Currently Known Facts, Decisions, or Conditions

PCE expects to experience steady load growth over the next 10 years due to organic load growth, addition of new customers, increase in building electrification, and higher electric vehicle (EV) adoption rates. At the same time, rising costs for procurement of renewable energy and storage projects, RA, and environmental attributes will increase the cost of energy. Despite these challenges, PCE remains committed to its goal of delivering 100% renewable energy by 2030 while maximizing renewable energy matching against load on a time-coincident basis. Currently, 55% of PCE's energy mix is sourced from renewable resources, and PCE is focused on balancing sustainability, affordability, and reliability as demand continues to grow.

PCE has a portfolio of energy programs supporting electrification of buildings and transportation, load shaping, and fostering local solar and storage. In PCE 2026-26, PCE is investing over $30 million in programs including technical assistance for solar and EV charging installations, finance support for electrification and solar systems, and financial incentives for EVs, EV charging, and electric appliances. Adoption of clean energy technologies is in a period of accelerating adoption contributing to customer load growth. In addition, local and regional agencies continue to adopt policies accelerating the transition to clean electric buildings and transportation systems.

In the past, PCE's rates were linked to Pacific Gas and Electric's (PG&E), consistently offering a 5% discount compared to PG&E's generation rates. However, PCE recently decoupled from PG&E, allowing greater flexibility in setting PCE's rates. PCE's current rates are designed to cover the full cost of energy delivery, including RA, operating expenses, and funding for customer programs. Additionally, this change enables PCE to better meet its financial goals, such as maintaining reserves and liquidity.

BASIC FINANCIAL STATEMENTS

PENINSULA CLEAN ENERGY AUTHORITY
STATEMENTS OF NET POSITION
JUNE 30, 2025 AND 2024

ASSETS	**2025**	**2024**
Current assets		
Cash and cash equivalents	$ 216,555,767	$ 179,932,959
Accounts receivable, net of allowance	30,562,761	32,381,329
Accrued revenue	23,609,119	25,740,350
Investments	11,520,856	16,828,861
Other receivables	9,141,461	6,315,467
Prepaid expenses	3,077,647	4,611,128
Deposits and other assets	2,370,240	5,219,282
Total current assets	296,837,851	271,029,376
Noncurrent assets		
Investments	211,007,402	192,300,331
Loans receivable	7,122,104	4,493,035
Deposits and other assets	192,219	190,662
Capital assets, net of depreciation and amortization	13,884,602	7,192,785
Total noncurrent assets	232,206,327	204,176,813
Total assets	529,044,178	475,206,189
LIABILITIES		
Current liabilities		
Accrued cost of electricity	33,038,673	43,668,621
Accounts payable	3,155,099	2,950,037
Other accrued liabilities	1,567,473	899,037
Deferred revenue	1,087,084	4,372,157
User taxes and energy surcharges due to other governments	643,960	1,166,699
Deposits - energy suppliers	120,000	1,889,999
Lease liability	566,100	532,209
Total current liabilities	40,178,389	55,478,759
Noncurrent liabilities		
Deposits - energy suppliers	2,409,451	1,799,451
Lease liability	161,781	727,879
Total noncurrent liabilities	2,571,232	2,527,330
Total liabilities	42,749,621	58,006,089
DEFERRED INFLOWS OF RESOURCES		
Rate Stabilization Fund	128,000,000	68,000,000
NET POSITION		
Net investment in capital assets	12,420,556	5,455,117
Unrestricted	345,874,001	343,744,983
Total net position	$ 358,294,557	$ 349,200,100

The accompanying notes are an integral part of these financial statements.

PENINSULA CLEAN ENERGY AUTHORITY
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
Electricity sales, net	$ 437,922,956	$ 445,183,763
Rate stabilization fund transfer	(60,000,000)	(68,000,000)
Liquidated damages revenue	10,740,686	6,555,711
Grant revenue	2,961,165	3,270,369
Other income	310,808	1,602,850
Total operating revenues	391,935,615	388,612,693
OPERATING EXPENSES		
Cost of electricity	365,971,833	325,171,050
Contract services	12,382,693	12,534,557
Staff compensation	14,610,948	9,841,887
Program incentives	12,579,039	11,273,657
Other operating expenses	2,867,532	2,436,014
Depreciation and amortization	652,653	578,324
Total operating expenses	409,064,698	361,835,489
Operating income (loss)	(17,129,083)	26,777,204
NONCAPITAL SUBSIDIES		
Income from solar energy investment credit	3,654,609	-
Operating income (loss) and noncapital subsidies	(13,474,474)	26,777,204
OTHER NONOPERATING REVENUES (EXPENSES AND LOSSES)		
Investment income	22,620,515	14,844,423
Loss on disposal of assets	(20,022)	-
Finance costs	(31,562)	(47,519)
Total other nonoperating revenues (expenses and losses)	22,568,931	14,796,904
CHANGE IN NET POSITION	9,094,457	41,574,108
Net position at beginning of year	349,200,100	307,625,992
Net position at end of year	$ 358,294,557	$ 349,200,100

The accompanying notes are an integral part of these financial statements.

PENINSULA CLEAN ENERGY AUTHORITY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	$ 446,771,516	$ 457,426,586
Receipts from grantors	1,503,049	3,270,369
Receipts of deposits and collateral	9,977,148	14,735,000
Receipts of liquidated damages	10,740,686	6,555,711
Receipts from wholesale sales and other operating activities	39,870,144	17,141,880
Payments to suppliers for electricity	(416,380,959)	(321,205,879)
Payments for other goods and services	(27,873,852)	(30,617,940)
Payments of deposits and collateral	(8,959,245)	(2,238,725)
Payments of staff compensation	(14,107,483)	(9,643,002)
Payments of taxes and surcharges to other governments	(6,650,008)	(6,346,905)
Net cash provided by operating activities	34,890,996	129,077,095
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Receipt of solar energy investment credit	325,365	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	(7,105,906)	(5,113,486)
Payments of lease liability	(563,770)	(547,354)
Net cash used by capital and related financing activities	(7,669,676)	(5,660,840)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	64,778,115	57,048,636
Investment income received	16,351,114	9,947,512
Purchase of investments	(72,053,106)	(140,704,733)
Net cash provided (used) by investing activities	9,076,123	(73,708,585)
Net change in cash and cash equivalents	36,622,808	49,707,670
Cash and cash equivalents at beginning of year	179,932,959	130,225,289
Cash and cash equivalents at end of year	$ 216,555,767	$ 179,932,959
NONCASH INVESTING ACTIVITIES		
Change in fair value of investments	$ 6,269,401	$ 4,896,911
NONCASH CAPITAL FINANCING ACTIVITIES		
Capital acquisitions included in accounts payable and other liabilities	$ 736,165	$ 477,580

The accompanying notes are an integral part of these financial statements.

PENINSULA CLEAN ENERGY AUTHORITY
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2025 AND 2024

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	2025	2024
Operating income (loss)	$ (17,129,083)	$ 26,777,204
Adjustments to reconcile operating income (loss) to net cash provided by operating activities		
Depreciation and amortization expense	652,653	578,324
Loss on disposal of assets	20,022	-
(Increase) decrease in:		
Accounts receivable, net of allowance	1,818,568	4,843,470
Accrued revenue	2,131,231	(3,515,790)
Other receivables	(2,204,127)	(1,418,862)
Prepaid expenses	1,533,481	3,955,081
Deposits and other assets	3,051,098	11,783,042
Increase (decrease) in:		
Accrued cost of electricity	(10,629,948)	18,022,051
Accounts payable	(53,523)	1,311,342
Other accrued liabilities	668,436	154,836
Deferred revenue	(3,285,073)	(471,906)
User taxes and energy surcharges due to other governments	(522,739)	(73,597)
Deposits - energy suppliers	(1,160,000)	(868,100)
Rate Stabilization Fund	60,000,000	68,000,000
Net cash provided by operating activities	$ 34,890,996	$ 129,077,095

The accompanying notes are an integral part of these financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

Peninsula Clean Energy Authority (PCE) is a joint powers authority created on February 29, 2016. As of June 30, 2025, parties to its Joint Powers Agreement consist of the following local governments:

County	Cities and Towns	
San Mateo	Atherton	Menlo Park
	Belmont	Millbrae
	Brisbane	Pacifica
	Burlingame	Portola Valley
	Colma	Redwood City
	Daly City	San Bruno
	East Palo Alto	San Carlos
	Foster City	San Mateo
	Half Moon Bay	South San Francisco
	Hillsborough	Woodside
	Los Banos	

PCE is separate from and derives no financial support from its members. PCE is governed by a Board of Directors (Board) whose membership is composed of elected officials representing the member governments.

A core function of PCE is to provide electric service that includes renewable sources, and it operates as a Community Choice Aggregation Program subject to California Public Utilities Code Section 366.2.

PCE began its energy delivery operations in October 2016. Electricity is acquired from electricity suppliers and delivered through existing physical infrastructure and equipment managed by Pacific Gas and Electric Company.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

BASIS OF ACCOUNTING

PCE's financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements.

PCE's operations are accounted for as a governmental enterprise fund and are reported using the economic resources measurement focus and the accrual basis of accounting – similar to business enterprises. Accordingly, revenues are recognized when they are earned, and expenses are recognized at the time liabilities are incurred. Enterprise fund-type operating statements present increases (revenues) and decreases (expenses) in total net position. Reported net position is segregated into two categories – net investment in capital assets and unrestricted.

When both restricted and unrestricted resources are available for use, it is PCE's policy to use restricted resources first, and then unrestricted resources as they are needed.

CASH AND CASH EQUIVALENTS

For purposes of the Statements of Cash Flows, PCE defines cash and cash equivalents to include cash on hand, demand deposits and short-term investments with an original maturity of three months or less.

ACCRUED REVENUE

Accrued revenue reflects the estimated value of electricity delivered to customers during the reporting period for which invoices had not been issued by the end of the fiscal year.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

INVESTMENTS

Investments are stated at fair value based on prices listed on a national exchange for debt securities. Certificates of deposits are stated at cost. PCE intends to hold its securities to maturity. Investments with a maturity of less than one year are shown as current assets in the Statement of Net Position. Investments with a maturity of one year or more are shown as noncurrent assets in the Statement of Net Position.

PCE's Investment Policy permits the following types of investments:

U.S. Treasury obligations	Repurchase agreements
Obligations of the State of California	Local Agency Investment Fund
Bonds of any of the other 49 states	San Mateo County Pool
Commercial paper	Local Government Investment Pools
Negotiable certificates of deposits	Bankers' acceptances
Demand deposits	Medium-term notes
Passbook savings accounts	Asset-backed securities
Money market funds	Supranationals

PREPAID EXPENSES

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid expenses.

DEPOSITS

Contracts to purchase energy may require PCE to provide the supplier with advanced payments or security deposits. Deposits are generally held for the term of the contract and are classified as current or noncurrent assets depending on the length of time the deposits will be outstanding.

LOANS RECEIVABLE

PCE provides an On-Bill-Financing program to its retail customers. Under this program customers finance qualifying home electrification projects and make repayments when they pay their monthly utility bills. PCE recognizes a current and noncurrent balance in the Statement of Net Position in accordance with the terms of the loans.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

LEASE ASSET AND LEASE LIABILITY

PCE recognizes an asset and liability when it enters into certain leasing arrangements. The leased asset is amortized over the term of the lease. The lease liability is the present value of payments expected to be paid to the lessor during the lease term. PCE's leased asset and liability relate to its office premises.

CAPITAL ASSETS AND DEPRECIATION

PCE's policy is to capitalize furniture and equipment valued over $5,000 that is expected to be in service for over one year. Depreciation is computed according to the straight-line method over estimated useful lives of three years for electronic equipment, seven years for furniture, ten years for leasehold improvements and twenty years for solar and battery storage.

DEFERRED REVENUE

Deferred revenue consists of payments received in advance from customers for which revenue has not been earned and is shown as a current liability in the Statement of Net Position.

DEPOSITS – ENERGY SUPPLIERS

Various energy contracts entered into by PCE require the supplier to provide PCE with a security deposit. These deposits are generally held for the term of the contract or until the completion of certain benchmarks. Deposits are classified as current or noncurrent, depending on the length of time the deposits will be held.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

RATE STABILIZATION FUND

In May 2024, PCE created a Rate Stabilization Fund (RSF) that is reported in accordance with GASB Statement No. 62. The purpose of the RSF is to allow PCE to defer revenue in years when financial results are strong for use in future years when financial results may decline. Withdrawals of revenues from the RSF can be made in a fiscal year when change in net position is projected to be negative or if necessary to satisfy any covenants and contractual obligations. The amount deposited into the Fund is shown as a reduction in operating revenues and reported on the statements of net position as a deferred inflow of resources. Transfers to this Fund were $60,000,000 and $68,000,000 in fiscal years 2025 and 2024, respectively.

NET POSITION

Net position is presented in the following components:

Net Investment in capital assets: This component of net position consists of capital assets, net of accumulated depreciation and amortization and reduced by a lease obligation that is attributable to the acquisition, construction, or improvement of those assets.

Unrestricted: This component of net position consists of net position that does not meet the definition of "investment in capital assets" or "restricted."

OPERATING AND NONOPERATING REVENUES

Operating revenues include energy sales to retail and wholesale customers, grant revenue earned from the delivery of program activities, and liquidated damages from suppliers that fail to meet delivery commitments.

Investment income and grants that are not earned from the delivery of program activities are considered "nonoperating revenues".

REVENUE RECOGNITION

PCE recognizes revenue according to the accrual basis. This includes invoices issued to customers during the reporting period and electricity estimated to have been delivered but not yet billed. Management estimates that a portion of the billed amounts will be uncollectible. Accordingly, an allowance for uncollectible accounts has been recorded.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

OPERATING AND NONOPERATING EXPENSES

Operating expenses include the costs of electricity, services, administrative expenses, and depreciation of capital assets. Nonoperating expenses are expenses related to financing and loss on asset disposals.

COST OF ELECTRICITY

During the normal course of business, PCE purchases electrical power from numerous suppliers. Electricity costs include the cost of energy and capacity arising from bilateral contracts with energy suppliers as well as generation credits, and load and other charges arising from PCE's participation in the California Independent System Operator's centralized market. The cost of electricity and capacity is recognized as "Cost of Electricity" in the Statements of Revenues, Expenses and Changes in Net Position.

To comply with the State of California's Renewable Portfolio Standards (RPS) and self-imposed benchmarks, PCE acquires RPS eligible renewable energy evidenced by Renewable Energy Certificates (Certificates) recognized by the Western Renewable Energy Generation Information System. PCE obtains Certificates with the intent to retire them and does not sell or build surpluses of Certificates with a profit motive.

PCE purchases capacity commitments from qualifying generators to comply with the California Public Utilities Commission's Resource Adequacy (RA) Program. The goals of the RA Program are to provide sufficient resources to the California Independent System Operator to ensure the safe and reliable operation of the electrical grid in real-time and to provide appropriate incentives for the siting and construction of new resources needed for reliability in the future.

STAFFING COSTS

PCE pays employees semi-monthly and fully satisfies its obligation for health benefits and contributions to its defined contribution retirement plan. PCE does not provide post-employment healthcare or other fringe benefits and, accordingly, no related liability is recorded in these financial statements.

PCE provides compensated absences, including paid time off, which are accrued when earned and recorded as part of accrued liabilities. The liability includes leave that is attributable to services already rendered, accumulates, and is more likely than not to be used or paid. The liability is measured using the employee's pay rate as of the financial statement date.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

INCOME TAXES

PCE is a joint powers authority under the provision of the California Government Code and is not subject to federal or state income or franchise taxes.

ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

RECLASSIFICATIONS

Certain amounts in the prior year's financial statements have been reclassified for comparative purposes to conform to the presentation of the current year's financial statements. These reclassifications did not result in any change in previously reported net position or change in net position.

2. CASH AND CASH EQUIVALENTS

PCE maintains its cash in both interest-bearing and non-interest-bearing deposit accounts in several banks. PCE's deposits are subject to California Government Code Section 16521, which requires banks to provide collateral of 110% of account balances in excess of the $250,000 insurance coverage by Federal Deposit Insurance Corporation. Accordingly, the amount of risk is not disclosed for bank deposits. The risk disclosures in Note 4 address the risks related to certain short-term investments with original maturities of less than three months that are classified as cash and cash equivalents in the statements of net position and statements of cashflow. PCE monitors its risk exposure on an ongoing basis.

3. ACCOUNTS RECEIVABLE

Accounts receivable were as follows as of June 30:

	2025	2024
Accounts receivable from customers	$37,591,761	$37,763,313
Allowance for uncollectible accounts	(7,029,000)	(5,381,984)
Net accounts receivable	$30,562,761	$32,381,329

The majority of account collections occur within the first few months following the issuance of customer invoices. PCE estimates that a portion of the billed accounts will not be collected. PCE continues collection efforts on accounts in excess of *de minimis* balances regardless of the age of the account. Although collection success generally decreases with the age of the receivable, PCE continues to have success in collecting older accounts.

4. INVESTMENTS

During the years ended June 30, 2025 and 2024, PCE held investments with original maturities of three months or more. As of June 30, the fair value of investments was as follows:

	2025	2024	Level
Current Investments:			
U.S. Treasury securities	$ 9,866,789	$ 8,015,940	1
U.S. agency obligations	-	592,613	2
Corporate bonds - U.S.	931,097	7,154,986	2
Municipal bonds	722,970	1,065,322	2
Total current investments	$ 11,520,856	$ 16,828,861	

	2025	2024	Level
Noncurrent Investments:			
U.S. Treasury securities	$ 106,057,258	$ 132,450,396	1
U.S. agency obligations	31,698,244	612,325	2
Corporate bonds - U.S.	66,650,942	56,311,594	2
Corporate bonds - foreign	4,762,116	-	2
Municipal bonds	1,838,842	2,926,016	2
Total noncurrent investments	$ 211,007,402	$ 192,300,331	

FAIR VALUE MEASUREMENT

GASB Statement No. 72, *Fair Value Measurement and Application*, sets forth the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. PCE's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

4. INVESTMENTS (continued)

CREDIT RISK

Credit risk is the risk an issuer or other counterparty to an investment will not fulfill its obligations. Certain investments, such as obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are considered to have no credit risk. As of June 30, 2025 and 2024, PCE's investments were rated as follows:

	Moody's Investors Service	
	2025	2024
U.S. Treasury securities	NR and Aaa	NR and Aaa
U.S. agency obligations	NR and Aaa	NR and Aaa
Corporate bonds-U.S.	NR & A to Aaa	NR & Baa to Aaa
Corporate bonds-foreign	A to Aaa	-
Municipal Bonds	Aa	NR & Aa to Aaa

PCE's investment policy addresses this risk by limiting investments to those allowed by Section 53601 of the California Government Code.

CUSTODIAL CREDIT RISK

Cash and cash equivalents

Custodial credit risk is the risk that in the event of a financial institution failure, PCE's deposits may not be returned to PCE. PCE's deposits are fully insured or collateralized.

As of June 30, 2025 and 2024, none of PCE's bank balances are known to be exposed to credit risk.

Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, PCE would not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. All of PCE's investments are exposed to credit risk.

PCE's investment policy addresses custodial credit risk. All investments owned by PCE shall be held in safekeeping by a third-party custodian, acting as an agent for PCE under the terms of a custody agreement.

4. INVESTMENTS (continued)

INTEREST RATE RISK

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Duration is a measure of the price sensitivity of a fixed income portfolio to changes in interest rates. It is calculated as the weighted average time to receive a bond's coupon and principal payments. The longer the duration of a portfolio, the greater its price sensitivity to changes in interest rates. PCE manages its exposure to declines in fair values by limiting the weighted average maturity of its investments.

Following is a summary of investment maturities as of June 30, 2025:

		Investment Maturities		
Investment Type	Fair Value	Less Than 1 Year	1-5 Years	More than 5 years
U.S. Treasury securities	$ 115,924,047	$ 9,866,789	$ 106,057,258	$ -
U.S. agency obligations	31,698,244	-	31,698,244	-
Corporate bonds-U.S.	67,582,039	931,097	66,650,942	-
Corporate bonds-foreign	4,762,116	-	4,762,116	-
Municipal bonds	2,561,812	722,970	1,838,842	-
	$ 222,528,258	$ 11,520,856	$ 211,007,402	$ -

Following is a summary of investment maturities as of June 30, 2024:

		Investment Maturities		
Investment Type	Fair Value	Less Than 1 Year	1-5 Years	More than 5 years
U.S. Treasury securities	$ 140,466,336	$ 8,015,940	$ 131,174,241	$ 1,276,155
U.S. agency obligations	1,204,938	592,613	612,325	-
Corporate bonds-U.S.	59,795,065	7,154,986	52,640,079	-
Corporate bonds-foreign	3,671,515	-	3,671,515	-
Municipal bonds	3,991,338	1,065,322	2,926,016	-
	$ 209,129,192	$ 16,828,861	$ 191,024,176	$ 1,276,155

CONCENTRATION OF CREDIT RISK

Concentration of credit risk is the risk of loss to the magnitude of PCE's investment in a single issuer. PCE manages the concentration of credit risk by diversifying its portfolio so that reliance on any one issuer will not place an undue burden on PCE.

As of June 30, 2025 and 2024, PCE's investment portfolio was concentrated as follows:

		Percentage of Portfolio	
Issuer	Investment Type	2025	2024
Federal Home Loan Mortgage Corporation (Freddie Mac)	U.S. agency implicitly guaranteed	13.7%	10.6%

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025 was as follows:

	Beginning balance	Increases	Decreases	Ending balance
Capital assets not being depreciated:				
Construction in progress	$ 5,322,353	$ 7,364,491	$ (7,633,800)	$ 5,053,044
Capital assets being depreciated and amortized:				
Furniture and equipment	430,534	-	(93,135)	337,399
Leasehold improvements	268,414	-	(12,878)	255,536
Solar and battery storage	606,000	7,633,800	-	8,239,800
Lease asset	3,079,488	-	-	3,079,488
Total capital assets being depreciated and amortized	4,384,436	7,633,800	(106,013)	11,912,223
Less accumulated depreciation and amortization:				
Furniture, equipment and leasehold improvements	(543,128)	(159,935)	85,992	(617,071)
Lease asset	(1,970,876)	(492,718)	-	(2,463,594)
Total accumulated depreciation and amortization	(2,514,004)	(652,653)	85,992	(3,080,665)
Total capital assets, net of depreciation and amortization	$ 7,192,785	$14,345,638	$ (7,653,821)	$13,884,602

Capital asset activity for the year ended June 30, 2024 was as follows:

	Beginning balance	Increases	Decreases	Ending balance
Capital assets not being depreciated:				
Construction in progress	$ 1,433,434	$ 4,494,919	$ (606,000)	$ 5,322,353
Capital assets being depreciated and amortized:				
Furniture and equipment	444,402	-	(13,868)	430,534
Leasehold improvements	236,873	31,541	-	268,414
Solar and battery storage	-	606,000	-	606,000
Lease asset	3,079,488	-	-	3,079,488
Total capital assets being depreciated and amortized	3,760,763	637,541	(13,868)	4,384,436
Less accumulated depreciation and amortization:				
Furniture, equipment and leasehold improvements	(470,939)	(85,604)	13,415	(543,128)
Lease asset	(1,478,156)	(492,720)	-	(1,970,876)
Total accumulated depreciation and amortization	(1,949,095)	(578,324)	13,415	(2,514,004)
Total capital assets, net of depreciation and amortization	$ 3,245,102	$ 4,554,136	$ (606,453)	$ 7,192,785

6. LEASE

A lease asset is reported in accordance with Governmental Accounting Standards Board No. 87 (GASB 87).

On August 1, 2017, PCE entered into an 86-month non-cancelable lease for its office premises. The rental agreement includes an option to renew the lease for two additional five-year terms. In September 2019, the lease was extended an additional two years to September 30, 2026. As part of the extension, PCE leased additional office space through the same termination date.

Rental payments under this lease were $593,000 and $573,000 for the years ended June 30, 2025 and 2024, respectively.

As of June 30, 2025, future minimum lease payments under this lease were projected as follows:

Year ending June 30,	Principal	Interest	Total
2026	$ 566,100	$ 14,586	$ 580,686
2027	161,781	877	162,658
Total	$ 727,881	$ 15,463	$ 743,344

7. GRANTS

PCE participates in various grants from the California Public Utilities Commission (CPUC) and other sources.

The Disadvantaged Communities Green Tariff (DAC-GT) grant provides bill discounts for eligible customers. The FLEXmarket grant provides incentives for customers to install various energy saving equipment in their homes or businesses.

The following is a summary of grant revenue for the years ended June 30:

	2025	2024
Operating grants:		
DAC-GT	$ 1,322,471	$ 1,182,963
FLEXmarket	1,458,116	2,087,406
Other	180,578	-
	$ 2,961,165	$ 3,270,369

8. DEFINED CONTRIBUTION RETIREMENT PLAN

PCE provides retirement benefits through the County of San Mateo 401(a) Retirement Plan (Plan). The Plan is a defined contribution retirement plan that is compliant with Internal Revenue Code 401(a) and was established to provide benefits at retirement to qualified employees admitted by the Plan. The Plan is administered by Empower. As of June 30, 2025, there were 65 plan participants. PCE is required to contribute 6% of covered payroll and up to an additional 4% of annual covered payroll to match employee contributions. PCE contributed $1,022,000 and $698,000 during the years ended June 30, 2025 and 2024, respectively. Plan provisions and contribution requirements are established and may be amended by the Board.

9. RISK MANAGEMENT

PCE is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions. During the year, PCE purchased insurance policies from highly rated commercial carriers to mitigate risks that include those associated with earthquakes, theft, general liability, errors and omissions, and property damage. Settled claims have not exceeded coverage in the last two years. There were no significant reductions in coverage compared to the prior year. PCE has general liability coverage of $2,000,000 as well as a $10,000,000 umbrella policy. Deductibles on the various policies range from $0 to $25,000.

From time to time, PCE may be party to various pending claims and legal proceedings. PCE has no current litigation or claims pending that are expected to have a material adverse effect on PCE's financial position or results of operations.

PCE maintains risk management policies, procedures and systems that help mitigate credit, liquidity, market, operating, regulatory and other risks that arise from participation in the California energy market. Credit guidelines include a preference for transacting with highly rated counterparties, evaluating counterparties' financial condition and assigning credit limits as applicable. These credit limits are established based on risk and return considerations under terms customarily available in the industry. In addition, PCE enters into netting arrangements whenever possible and where appropriate obtains collateral and other performance assurances from counter parties.

10. PURCHASE COMMITMENTS

In the ordinary course of business PCE enters into various power purchase agreements to acquire renewable and other energy and electric capacity. The price and volume of purchased power may be fixed or variable. Variable pricing is generally based on the market price of either natural gas or electricity at the date of delivery. Variable volume is generally associated with contracts to purchase energy from as-available resources such as solar, wind, and hydro-electric facilities.

The following table details the obligations to purchase existing energy, renewable, and RA contracts as of June 30, 2025:

Year ending June 30,	
2026	$ 310,900,000
2027	306,900,000
2028	290,100,000
2029	279,400,000
2030	263,600,000
2031-2048	2,235,800,000
Total	$3,686,700,000

11. JOINT VENTURE

PCE participates in a joint powers agreement (JPA) through the California Community Choice Financing Authority (CCCFA). CCCFA was formed to assist its members by undertaking the financing or refinancing of energy prepayments through tax-advantaged bonds on behalf of one or more of the members by issuing or incurring bonds and entering into related contracts with its members. Any debt or liability incurred by CCCFA on behalf of a member to prepay for renewable energy is not a debt or liability of that member. Furthermore, the assets of CCCFA in the form of prepaid energy or reserves held by the respective bond trustees for any prepayment transaction undertaken on behalf of a member do not constitute an asset or reserve of that member.

CCCFA issued the following bonds, excluding original issue premium, which are to be used to finance energy purchases that will be delivered to PCE. No debt, liability, or obligation of CCCFA is a debt, liability, or obligation of PCE.

Deal	Date issued	Amount
2024C	October 2024	$ 959,825,000

11. JOINT VENTURE (continued)

PCE will purchase energy from CCCFA in the same manner as it purchases energy from other suppliers. PCE purchased approximately $14,517,000 and $0 from CCCFA during fiscal years 2025 and 2024, respectively. The outstanding purchase commitments related to these financing facilities are included in Note 10. This amount represents executed energy contracts assigned to CCCFA at June 30, 2025. Additional contracts will be assigned throughout the full bond period.

The financial statements of CCCFA are available online at http://www.cccfa.org/key-documents.html

12. RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

PCE implemented GASB Statement No. 102, *Certain Risk Disclosures*, which requires additional disclosures regarding concentrations and constraints that could impact PCE's financial position or results of operations. Implementation of this statement did not have a material effect on the financial statements.

PCE also implemented GASB Statement No. 103, *Financial Reporting Model Improvements*, which establishes revised guidance for the presentation of financial statements by state and local governments. The adoption of this statement did not have a material effect on PCE's financial statements.

In addition, PCE adopted GASB Statement No. 104, *Disclosure of Certain Capital Assets*. Implementation of this statement did not have a material effect on the financial statements.

Peninsula Clean Energy Authority
Report to the Board of Directors
November 20, 2025



Introduction

Kellin Gilbert, CPA
Audit Partner
17 years in public accounting and performing audits of government entities
Currently working with several CCA's throughout California

Aliandra Schaffer
Engagement Supervisor
6 years in public accounting and performing audits of governments (CCA's)

Alauna Rico
Audit Senior Associate
4 years in public accounting and performing audits of governments (CCA's)

Transition to Sorren CPAs P.C.

As of May 2025, legacy Pisenti & Brinker combined practices with several other like-sized firms and rebranded as one unified firm “Sorren.”

By combining resources with the strategic merger, we can make even greater investments in technology as well as our greatest assets, our people and clients.

Sorren is a new national top 50 firm and currently has twenty-three office locations and almost a thousand employees.

The Santa Rosa office will continue to be the lead office for Peninsula Clean Energy Authority. No changes to the current engagement team, costs or timing of the services we provide to PCE.

Results of Current Year Audit

The audit is complete. We reported the following:

- Unmodified opinion – Based on our audit, the financial statements are materially accurate.
- No significant deficiencies or material weakness in internal control noted.

Audit of the year ended June 30, 2025
Financial Statements

Relative Roles & Responsibilities

- **Management** is responsible for preparing the Financial Statements and establishing a system of internal control.

- **Auditor** is responsible for auditing the Financial Statements
  - Considering risks of material misstatement in the Financial Statements
  - Considering internal controls relevant to the Financial Statements
  - Performing tests of year-end balances based on risk assessment
  - Evaluating adequacy of disclosures

Risk Assessment for the year ended June 30, 2025

Our audit is a risk-based audit. Risk assessment procedures include:

- Gain understanding of the entity's operating characteristics, practices, and procedures.
- Compare to our knowledge of similar entities, industry and professional guidance.
- Review procedures and controls surrounding significant transaction cycles and business processes.

Risk Assessment for the year ended June 30, 2025

Significant areas of focus for the audit:

- Revenue recognition
  - Accounts receivable and accrued revenue
    - Test a sample of customer billings
    - Relate total cash received during the year to revenue
    - Review revenue recognition through year-end and method for determining (accrued revenue)
- Cash & Investments
  - Confirmations sent to financial institutions
- Accrued Cost of Electricity
  - Review subsequent bills from electricity providers and cash payments
- Financial Statement Note Disclosures – Complete and without bias

Required Board Communications

- As discussed in Note 12, PCE adopted GASB 102 through 104 which did not have a material effect on the financial statements.
- We did not propose any adjustments to the financial statements.
- We did not identify any significant or unusual transactions or applications of accounting principles where a lack of authoritative guidance exists.
- There have been no disagreements with management concerning the scope of our audit and we have not encountered any difficulties in dealing with management during the performance of our audit.
- We issued a letter to the board dated October 30th detailing these required communications.


Thank You

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: November 14, 2025
MEETING DATE: November 20, 2025
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Brianna Arroyo, Interim Board Clerk

SUBJECT: Approval of the 2026 Board of Directors Regular Meeting Schedule

RECOMMENDATION

Approval of the 2026 Board of Directors Regular Meeting Schedule

BACKGROUND

Approval of the 2026 Meeting Schedule

ATTACHMENTS:
2026 Board of Directors Meeting Schedule.pdf

PENINSULA CLEAN ENERGY

2026 Board of Directors Meeting Schedule

Location: Video/Teleconference/PCEA Lobby/Check Agenda

Meeting Date:	Time:	Location:
January 22, 2026	6:30 pm	Video/Teleconference/PCEA Lobby/Check Agenda
February 26, 2026	6:30 pm	Video/Teleconference/PCEA Lobby/Check Agenda
March 26, 2026	6:30 pm	Video/Teleconference/PCEA Lobby/Check Agenda
April 23, 2026	6:30 pm	Video/Teleconference/PCEA Lobby/Check Agenda
May 28, 2026	6:30 pm	Video/Teleconference/PCEA Lobby/Check Agenda
June 25, 2026	6:30 pm	Video/Teleconference/PCEA Lobby/Check Agenda
July 23, 2026	6:30 pm	Video/Teleconference/PCEA Lobby/Check Agenda
August 27, 2026	6:30 pm	Video/Teleconference/PCEA Lobby/Check Agenda
September 24, 2026	6:30 pm	Video/Teleconference/PCEA Lobby/Check Agenda
October 22, 2026 (**Retreat**)	5:30-9:30pm	Video/Teleconference/PCEA Lobby/Check Agenda
November 19, 2026 (**3rd Thursday**)	6:30 pm	Video/Teleconference/PCEA Lobby/Check Agenda
December 17, 2026 (**3rd Thursday**)	6:30 pm	Video/Teleconference/PCEA Lobby/Check Agenda

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: October 17, 2025
MEETING DATE: November 20, 2025
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Nelly Wogberg, Board Clerk

SUBJECT: Approval of Minutes from the October 23, 2025 Board of Directors Meeting

RECOMMENDATION

Approval of Minutes from the October 23, 2025 Board of Directors Meeting.

ATTACHMENTS:
10-23-2025 BOD Draft Minutes.pdf

Regular Meeting of the Board of Directors of the Peninsula Clean Energy Authority (PCEA)
Minutes

Thursday, October 23, 2025
5:30 p.m.
Zoom Video Conference and Teleconference

CALL TO ORDER

Meeting was called to order at 5:38 p.m. in virtual teleconference, in the Peninsula Clean Energy Authority lobby and in the Los Banos City Hall conference room A.

SWEARING IN OF NEW BOARD MEMBERS YouTube

Jennifer Stalzer, General Counsel, presided over the swearing-in ceremony for Board Alternate Mark Dinan from East Palo Alto.

ROLL CALL YouTube

Participating:

Jackie Speier, San Mateo County
Jasneet Sharma, San Mateo County
Rick DeGolia, Atherton
Tom McCune, Belmont, arrived at 6:04 p.m.
Coleen Mackin, Brisbane
Donna Colson, Burlingame, *Chair*
Ken Gonzalez, Colma
Mark Dinan, East Palo Alto
Stacy Jimenez, Foster City
Patrick Jonsson, Half Moon Bay
Leslie Ragsdale, Hillsborough
Gary Brizee, Los Banos, participating from Los Banos
Betsy Nash, Menlo Park
Christine Boles, Pacifica
Rebecca Flynn, Portola Valley
Elmer Martinez Saballos, Redwood City, arrived at 5:54 p.m.
Marty Medina, San Bruno, *Vice Chair*
John Dugan, San Carlos
Adam Loraine, San Mateo

Absent:

Roderick Daus-Magbual, Daly City
Anders Fung, Millbrae
James Coleman, South San Francisco

Hassan Aburish, Woodside

A quorum was established.

PUBLIC COMMENT YouTube

None

ACTION TO SET THE AGENDA AND APPROVE REMAINING CONSENT AGENDA ITEMS YouTube

Public Comment: None

MOTION: Director DeGolia moved, seconded by Vice Chair Medina, to set the Agenda, and approve Agenda Item Numbers 1-4.

1. Approval of 2025 Amended Conflict of Interest Code

2. Approval of the Execution and Delivery of a Clean Energy Purchase Contract and Certain Other Documents in Connection with the Issuance of California Community Choice Financing Authority Clean Energy Project Revenue Bonds; and Certain Other Actions Required to Ensure the Reduction in the Cost of Renewable Energy

3. Approval to Hire Jennifer Stalzer as Peninsula Clean Energy's In-House General Counsel

4. Approval of the Minutes for the September 25, 2025 Meeting.

MOTION PASSED FOR AGENDA ITEMS 1 AND 3: 17-0 (Absent: Belmont, Daly City, Millbrae, Redwood City, South San Francisco, Woodside)
MOTION PASSED FOR AGENDA ITEM 2: 15-0 (Abstain: San Mateo County, Portola Valley Absent: Belmont, Daly City, Millbrae, Redwood City, South San Francisco, Woodside)
MOTION PASSED FOR AGENDA ITEM 4: 16-0 (Abstain: Portola Valley Absent: Belmont, Daly City, Millbrae, Redwood City, South San Francisco, Woodside)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Speier	X		Item 2	
San Mateo County	Director Sharma	X			
Atherton	Director DeGolia	X			
Belmont	Director McCune				X
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			
Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual				X

East Palo Alto	Director Dinan	X			
Foster City	Director Jimenez	X			
Half Moon Bay	Director Jonsson	X			
Hillsborough	Director Ragsdale	X			
Los Banos	Director Brizzee	X			
Menlo Park	Director Nash	X			
Millbrae	Director Fung				X
Pacifica	Director Boles	X			
Portola Valley	Director Flynn	X		Items 2 and 4	
Redwood City	Director Martinez Saballos				X
San Bruno	Director Medina	X			
San Carlos	Director Dugan	X			
San Mateo	Director Loraine	X			
South San Francisco	Director Coleman				X
Woodside	Director Aburish				X
	Total	17		2	6

REGULAR AGENDA

5. Chair Report (Discussion) YouTube

Donna Colson, Chair, gave a report including the hiring of in-house general counsel, Jennifer Stalzer, and a request for volunteers to fill the vacant position on the Audit and Finance Committee.

6. CEO Report (Discussion) YouTube

Shawn Marshall, Chief Executive Officer, gave a brief report including an update on two ribbon cuttings in Los Banos, site visits to Sunzia and Hetch Hetchy, upcoming visits to CAISO and Diablo Canyon, a press conference held with Caltrain and an update on Assemblymember Papan's related bill on regenerative braking, and an update on an upcoming portable battery program for vulnerable customers.

7. Community Advisory Committee Report YouTube

Jason Mendelson, Community Advisory Committee (CAC) Chair, gave a report with a recap of the October 9, 2025 CAC meeting.

Public Comment: Jason Mendelson, Michael Closson

8. Industry Outlook with Guest Speaker Chris Seiple, Vice Chairman, Power and Renewables Group, Wood Mackenzie (Discussion) YouTube

Chair Colson introduced Chris Seiple, Vice Chairman of Power and Renewables Group at Wood Mackenzie who gave a presentation on the energy industry outlook.

Public Comment: None

9. 2026-2030 Strategic Plan: Final Summary and Five-Year Goals Overview (Discussion) YouTube

Shalini Swaroop, Chief Operating Officer, presented the final summary and five-year goals for the 2026-2030 Strategic Plan.

Public Comment: Brian Schmidt from Menlo Spark

10. Consider Adoption of a New Agency Name (Action) YouTube

Shawn Marshall, Chief Executive Officer, introduced the item and Gwen Rose, Director of Marketing and Community Relations, gave a presentation with background and potential updated agency name options.

Public Comment: Michael Closson

MOTION: Chair Colson moved, seconded by Director Dugan to Approve a Resolution selecting the Agency's market-facing name as Westlight Energy and additionally authorizing staff to implement a brand awareness campaign of the selected name across marketing, communications, and public-facing materials beginning in 2026.

MOTION PASSED: 16-2 (Abstain: San Mateo County Absent: Daly City, Millbrae, South San Francisco, Woodside)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Speier			X	
San Mateo County	Director Sharma	X			
Atherton	Director DeGolia	X			
Belmont	Director McCune		X		
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			
Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual				X
East Palo Alto	Director Dinan	X			
Foster City	Director Jimenez	X			
Half Moon Bay	Director Jonsson	X			
Hillsborough	Director Ragsdale	X			
Los Banos	Director Brizzee	X			
Menlo Park	Director Nash	X			
Millbrae	Director Fung				X
Pacifica	Director Boles	X			
Portola Valley	Director Flynn	X			
Redwood City	Director Martinez Saballos		X		

San Bruno	Director Medina	X			
San Carlos	Director Dugan	X			
San Mateo	Director Loraine	X			
South San Francisco	Director Coleman				X
Woodside	Director Aburish				X
	Total	16	2	1	4

11. Approval Delegating Authority to the Chief Executive Officer to Complete Lease Negotiations and Execute a Lease Agreement for Office Space at 400 S. El Camino Real in San Mateo, CA (Action) YouTube

Nicholas Bijur, Chief Financial Officer, gave a presentation on proposed office space in San Mateo.

Public Comment: None

MOTION: Director Speier moved, seconded by Director Loraine to Approve the Delegating Authority to the Chief Executive Officer to complete lease negotiations and execute a lease agreement for office space at 400 S. El Camino Real in San Mateo, CA.

MOTION PASSED: 19-0 (Absent: Daly City, Millbrae, South San Francisco, Woodside)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Speier	X			
San Mateo County	Director Sharma	X			
Atherton	Director DeGolia	X			
Belmont	Director McCune	X			
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			
Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual				X
East Palo Alto	Director Dinan	X			
Foster City	Director Jimenez	X			
Half Moon Bay	Director Jonsson	X			
Hillsborough	Director Ragsdale	X			
Los Banos	Director Brizzee	X			
Menlo Park	Director Nash	X			
Millbrae	Director Fung				X
Pacifica	Director Boles	X			
Portola Valley	Director Flynn	X			
Redwood City	Director Martinez Saballos	X			
San Bruno	Director Medina	X			
San Carlos	Director Dugan	X			
San Mateo	Director Loraine	X			
South San Francisco	Director Coleman				X

Woodside	Director Aburish				X
	Total	19			4

12. Planning Discussion for Agency's 10-Year Anniversary (Discussion)

CONTINUED TO A FUTURE BOARD OF DIRECTORS MEETING.

13. Board Open Forum (Discussion)

CONTINUED TO A FUTURE BOARD OF DIRECTORS MEETING.

14. Board Members' Reports (Discussion) YouTube

Director Ragsdale gave an update on an upcoming event with the California Association of Youth Commissions where Director Speier will be a guest speaker.

Public Comment: None

ADJOURNMENT

Meeting was adjourned at 8:49 p.m.

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: October 17, 2025
MEETING DATE: November 20, 2025
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Executive Committee

FROM: Shawn Marshall, Chief Executive Officer

SUBJECT: CEO Report (Discussion)

BACKGROUND

During the Board meeting, CEO Shawn Marshall will provide an update on a variety of PCE topics and upcoming events of interest.

PCE In the Community

12/4	Belle Haven Home Upgrade Workshop - English and Spanish, Menlo Park
12/9	PCE Rebates Presentation, Foster City
12/9	Senior Coastsiders Focus Group, Half Moon Bay

PCE Staffing Update

Welcome
Jennifer Stalzer, Legal Counsel, starting December, 8

Open Positions - Please share!
Associate Manager / Manager, Energy Programs, VPPs

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: October 28, 2025
MEETING DATE: November 20, 2025
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Shalini Swaroop, Chief Operating Officer and Nelly Wogberg, Board Clerk

SUBJECT: Approval of 2026-2030 Strategic Plan (Action)

RECOMMENDATION

Approval of 2026-2030 Peninsula Clean Energy Strategic Plan.

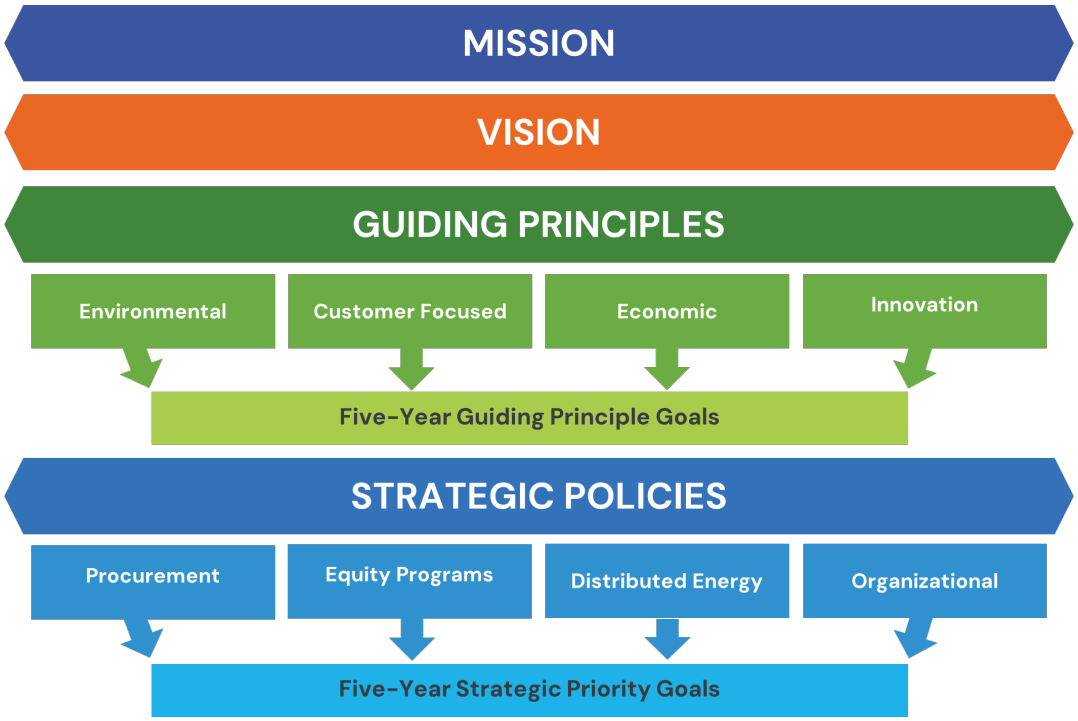
BACKGROUND

Peninsula Clean Energy (PCE) launched a strategic planning process in Summer 2024 to focus its efforts through 2030. Iterative conversations included various community partners, the Community Advisory Committee, PCE Staff, the Board Ad Hoc Committee, and the Board of Directors. These conversations focused on identifying the critical questions PCE needed to address in its next phase of growth and operations. From there, contributing participants provided input into guiding principles and strategic policies in response to those questions. PCE's 2026-2030 Strategic Plan includes the following core elements:

- Updated Mission and Vision statements
- 4 Guiding Principles
- 4 Strategic Policies
- 8 Five-year Goals that "feed up" to a guiding principle or strategic policy

This latest iteration of Peninsula Clean Energy's Strategic Plan outlines an updated mission and vision statement, four guiding principles, four strategic policies, and eight corresponding agency-wide goals to be achieved during the 2026–2030 period. These goals were presented the Executive Committee, the Community Advisory Committee, and this Board for feedback over the past three months.

A structural overview of the 2026-2030 Strategic Plan framework is below:



DISCUSSION

Attached are two documents: "Our Path Forward: 2026–2030 Strategic Plan," which provides full background, detail, and rationale for every element of the Plan, and "Our Strategy at a Glance: 2026–2030 Strategic Plan," a concise executive summary for quicker review.

The 2026-2030 Strategic Plan includes the following updated and new elements:

Updated Mission:

To provide affordable, clean electricity and advance local solutions that lower costs, reduce pollution, and strengthen community resilience.

Updated Vision:

A fossil-free future where everyone thrives through clean energy that's accessible and affordable to all.

Guiding Principles

1. Environmental Impact

PCE was founded on the vision of a sustainable world for everyone; a world in which energy choice can dramatically reduce harmful greenhouse gas emissions by accelerating the transition from a fossil-based grid to one that runs principally on carbon-free and renewable resources. PCE will continue to be a champion for the environment in its procurement and program initiatives. PCE will continue to include environmental justice in its decision-making as well as new clean energy technologies that leverage local renewables to support energy resilience and reliability.

2. Customer-Focused Approach

PCE would not exist without its customers and participating local governments. Keeping customer and community needs at the forefront of decision-making and program design while seeking to provide affordable energy is central to PCE's continued success and will be at the core of what differentiates PCE from other providers in the future. PCE's customers are not only the clients it serves; they are PCE's critical partners in the transition to a clean energy future.

3. Economic Development

In its quest to expand renewable energy production, support electrification, and reduce greenhouse gases, PCE will serve as an economic engine for its service area. This includes maintaining affordable electric generation rates, investing in local decarbonization and electrification efforts, supporting the development of electrified housing, advancing new local renewable energy projects, and strengthening the green economy through local workforce development and jobs.

4. Driving Innovation

PCE will continue to be an innovator and thought leader in the CCA industry — recognized locally, statewide and nationally for its leading-edge renewable procurement strategies, scalable building and transportation programs and policies, workforce DEAI initiatives, and piloted distributed energy resource projects. These efforts, designed to be replicated, will maximize environmental, economic, and customer impact while resulting in broader market change.

Strategic Policies

1. Procurement

PCE will maintain a 100% zero-carbon power resource portfolio while working towards delivering 100% renewable energy on an annual basis by 2030 through strategic and cost-effective procurement that can maximize PCE's 24/7 hourly matching of renewable energy to PCE's load while prioritizing reducing grid emissions and lowering customer costs.
This policy statement encompasses the following key elements:

- Continued commitment to achieving industry-leading renewable energy targets.
- Built-in flexibility on the 24/7 hourly matching goal to balance against cost impacts on PCE's customers.
- Emphasis on strategic procurement to minimize cost and risk exposure to PCE, limit cost pressures for customers, and maintain PCE's financial health.
- Targeted 60% minimum Renewable Portfolio Standard (RPS) of PCE's annual retail sales prior to 2030, with flexibility on the remaining portfolio composition to balance incremental gains toward the 100% renewable goal while maintaining cost-competitiveness.
- Operating PCE's resource fleet to reduce grid emissions by displacing fossil fuel generation.

2. Equity Programs

PCE will reduce GHGs as quickly as possible by continuing to deliver programs and services

that benefit all customers, including designing certain programs and services with equity and vulnerable customers' needs in mind by:

- Prioritizing rate affordability for all customers.
- Advancing policy initiatives and utilizing external (not collected by PCE) funding for programs that benefit vulnerable and equity customers, improving affordability and access to PCE services and benefits.
- Partnering with community-based organizations (CBOs) as outreach partners to engage diverse and vulnerable communities, support equity customers, and gather feedback on ways to improve its services.

3. Distributed Energy Resources

PCE will accelerate the development of carbon-free distributed energy resources (DERs) to drive innovation and market transformation of distributed and advanced energy technologies, accelerate greenhouse gas (GHG) reductions, and enhance community resilience, including:

- Expanding DER project development support.
- Increasing customer access to capital for DER/electrification projects.
- Providing technical assistance and support for local resiliency projects.
- Advancing relevant policy development and advocacy.

4. Organizational Excellence

PCE will invest in its people, infrastructure, systems, and processes to strengthen effectiveness, efficiency, and resiliency. PCE operations will align with industry best practices, leverage technology, and support a high-performing workforce equipped to meet evolving customer and stakeholder needs, while advancing the Agency's commitments to diversity, equity, and inclusion. Operational enhancements that support PCE's ability to meet its mission include:

- Maintaining strong and effective Agency governance.
- Best-in-class rate analysis/design and prudent financial management.
- Scaling project and process optimization through effective use of technology.
- Empowering an agile, motivated, and diverse workforce.
- Driving decisions with quality data.
- Ensuring cybersecurity and IT resilience.
- Promoting equity and accessibility in operations.
- Managing risk and maintaining regulatory compliance.

2026-2030 Five Year Agency Goals

1. Environmental Impact

In order to achieve targeted decarbonization by 2035, PCE will double the reductions of greenhouse gas emissions to 100,000 metric tons annually by accelerating electrification of transportation and buildings and the continued supply of carbon-free power. This will be achieved through energy procurement, programs, and potential load growth.

2. Customer-Focused Approach

Maintain customer participation rates above 96%, increase customer participation in energy programs by 200%, achieve at least 60% brand awareness across PCE's service area, and achieve high ratings for customer and member agency confidence and satisfaction as defined by operational objectives and measured by targeted customer feedback and surveys.

3. Economic Development

Contain costs to keep customer rates below competitors, targeting $100 million in aggregated savings over five years. Invest at least $150 million in advanced energy solutions and local clean energy projects and programs in order to reduce emissions, strengthen community resilience, promote energy efficient housing, and create local clean energy jobs. Together, these investments will deliver broad economic benefits across PCE's service area.

4. Driving Innovation

Advance PCE's leadership in clean energy innovation by developing and sharing replicable solutions — including programs, policies, procurement models, and operational tools — that influence or are adopted by peer CCAs, local governments, policy makers, or other market participants. Track both the number and the significance of these adoptions or co-developments to demonstrate impact and learning.

5. Procurement

Advance 2030, execute contracts for an additional 500 MW of new renewable resources and minimize the reliance on fossil fuel resources to meet capacity needs while maintaining 100% compliance in an increasingly complex regulatory environment.

6. Equity Programs

Secure at least $20 million in external grant funding to design, launch, and grow equity-focused energy programs that deliver direct benefits to vulnerable customers and communities. Expand PCE's work with local community partners on effective program design, customer access and feedback.

7. Distributed Energy Resources

Accelerate distributed energy resource adoption by adding at least 15 MW of local solar, 35 MWh of storage at customer sites, and launching at least one 10 MW virtual power plant that delivers value to customers, communities, and the grid.

8. Operational Excellence

Implement meaningful improvements in operational effectiveness, efficiency, equity, and resilience and provide evidence through data and performance metrics on an annual basis.

ATTACHMENTS:

Our Strategy at a Glance - 2026-2030 Strategic Plan.pdf
Our Path Forward - 2026-2030 Strategic Plan.pdf

RESOLUTION NO. _____

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

APPROVAL OF 2026-2030 STRATEGIC PLAN (ACTION)

RESOLVED, by the Peninsula Clean Energy Authority of the County of San Mateo and the City of Los Banos, State of California ("Peninsula Clean Energy" or "PCE"), that

WHEREAS, the Peninsula Clean Energy Authority ("PCEA") was formed on February 29, 2016, as a Community Choice Aggregation ("CCA") program to provide cleaner energy at competitive rates to its customers and to advance local decarbonization and economic development; and

WHEREAS, in November 2016, the Board of Directors established PCE's mission and strategic goals to guide the agency, and in 2020 adopted the 2020–2025 Strategic Plan; and

WHEREAS, in Summer 2024, Peninsula Clean Energy launched a comprehensive strategic planning process to define the agency's priorities and focus areas through 2030, engaging the Board of Directors, Board Ad Hoc Committee, Community Advisory Committee, PCE staff, and numerous community partners in an iterative process to identify key questions and shape the agency's next phase of growth and operations; and

WHEREAS, this inclusive process was facilitated by La Piana Consulting Group, which conducted stakeholder interviews, Board and Committee sessions, and workshops from May through December 2024, including in a Strategic Planning Retreat with the Board of Directors in October 2024; and
WHEREAS, in 2025 Peninsula Clean Energy advanced this work by refining the overall structure of the Strategic Plan, developing and finalizing the agency goals, and gathering and integrating additional feedback from the Community Advisory Committee, Executive Committee, and the Board of Directors; and

WHEREAS, this process resulted in the development of Peninsula Clean Energy's 2026–2030 Strategic Plan; and

WHEREAS, the 2026–2030 Strategic Plan includes the following core elements:

- Updated Mission and Vision statements;
- Four Guiding Principles;
- Four Strategic Policies; and
- Eight Five-Year Agency Goals aligned to those guiding principles and policies; and

WHEREAS, the Strategic Plan outlines a clear framework for advancing PCE's mission of providing affordable, clean electricity and local energy solutions that lower costs, reduce pollution, and strengthen community resilience, and a vision of a fossil-free future where everyone thrives through clean, accessible, and affordable energy; and

WHEREAS, the Board of Directors finds that the 2026–2030 Strategic Plan accurately reflects the agency's mission, values, and priorities, and provides a comprehensive roadmap for environmental impact, customer focus, economic development, innovation, organizational excellence, equity, and distributed energy resource advancement;

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED

1. The Board of Directors of Peninsula Clean Energy hereby adopts the 2026–2030 Strategic Plan as the official guiding document for the agency's policies, programs, and operations.

2. The Board affirms and adopts the updated Mission and Vision statements, Guiding Principles, Strategic Policies, and Five-Year Agency Goals as articulated in the 2026–2030 Strategic Plan.

3. Staff is directed to use the Strategic Plan to inform annual budgets, work plans, and performance measurement, and to report progress to the Board on an annual basis.

4. The Chief Executive Officer is authorized to make non-substantive edits to the Strategic Plan for clarity, formatting, and updated data prior to publication and on an ongoing basis, and to incorporate modifications or additions as directed or approved by the Board of Directors through future actions or policy decisions.

Our Strategy at a Glance

2026–2030 Strategic Plan



PCE Strategic Plan



Mission

To provide affordable, clean electricity and advance local solutions that lower costs, reduce pollution, and strengthen community resilience.

Guiding Principles

- Environmental Impact
- Customer-Focused Approach

Strategic Policies

- Procurement
- Equity Programs

Vision

A fossil-free future where everyone thrives through clean energy that's accessible and affordable to all.

- Economic Development
- Driving Innovation
- Distributed Energy Resources
- Organizational Excellence

Guiding Principle

Environmental Impact

PCE was founded on the vision of a sustainable world for everyone; a world in which energy choice can dramatically reduce harmful greenhouse gas emissions by accelerating the transition from a fossil-based grid to one that runs principally on carbon-free and renewable resources. PCE will continue to be a champion for the environment in its procurement and program initiatives. PCE will continue to include environmental justice in its decision-making as well as new clean energy technologies that leverage local renewables to support energy resilience and reliability.



Five-Year Goal

In order to achieve targeted decarbonization by 2035, PCE will double the reductions of greenhouse gas emissions to 100,000 metric tons annually by accelerating **electrification** of transportation and buildings and the continued supply of carbon-free power. This will be achieved through energy procurement, programs, and potential load growth.

Guiding Principle

Customer-Focused Approach

PCE would not exist without its customers and participating local governments. Keeping customer and community needs at the forefront of decision-making and program design while seeking to provide affordable energy is central to PCE's continued success and will be at the core of what differentiates PCE from other providers in the future. PCE's customers are not only the clients it serves; they are PCE's critical partners in the transition to a clean energy future.

Five-Year Goal

Maintain customer participation rates above 96%, increase customer participation in energy programs by 200%, achieve at least 60% brand awareness across PCE's service area, and achieve high ratings for **customer** and member agency **confidence** and satisfaction as defined by operational objectives and measured by targeted customer feedback and surveys.



Guiding Principle

Economic Development

In its quest to expand renewable energy production, support electrification, and reduce greenhouse gases, PCE will serve as an economic engine for its service area. This includes maintaining affordable electric generation rates, investing in local decarbonization and electrification efforts, supporting the development of electrified housing, advancing new local renewable energy projects, and strengthening the green economy through local workforce development and jobs.



Five-Year Goal

Contain costs to keep customer rates below competitors, targeting $100 million in aggregated savings over five years. Invest at least $150 million in advanced energy solutions and local clean energy projects and programs in order to reduce emissions, strengthen community resilience, promote energy efficient housing, and create local clean energy jobs. Together, these investments will deliver **broad economic benefits** across PCE's service area.

Guiding Principle

Driving Innovation

PCE will continue to be an innovator and thought leader in the CCA industry — recognized locally, statewide and nationally for its leading-edge renewable procurement strategies, scalable building and transportation programs and policies, workforce DEAI initiatives, and piloted distributed energy resource projects. These efforts, designed to be replicated, will maximize environmental, economic, and customer impact while resulting in broader market change.

Five-Year Goal

Advance PCE's leadership in **clean energy innovation** by developing and sharing replicable solutions — including programs, policies, procurement models, and operational tools — that influence or are adopted by peer CCAs, local governments, policy makers, or other market participants. Track both the number and the significance of these adoptions or co-developments to demonstrate impact and learning.



Strategic Priority

Procurement

PCE will maintain a 100% zero-carbon power resource portfolio while working towards delivering 100% renewable energy on an annual basis by 2030 through strategic and cost-effective procurement that can maximize PCE's 24/7 hourly matching of renewable energy to PCE's load while prioritizing reducing grid emissions and lowering customer costs.

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- Operating PCE's resource fleet to reduce grid emissions by displacing fossil fuel generation.



Five-Year Goal

Advance 2030, execute contracts for an additional 500 MW of **new renewable resources** and minimize the reliance on fossil fuel resources to meet capacity needs while maintaining 100% compliance in an increasingly complex regulatory environment.

Strategic Priority

Equity Programs

PCE will reduce GHGs as quickly as possible by continuing to deliver programs and services that benefit all customers, including designing certain programs and services with equity and vulnerable customers' needs in mind by:

- Prioritizing rate affordability for all customers.
- Advancing policy initiatives and utilizing external (not collected by PCE) funding for programs that benefit vulnerable and equity customers, improving affordability and access to PCE services and benefits.
- Partnering with community-based organizations (CBOs) as outreach partners to engage diverse and vulnerable communities, support equity customers, and gather feedback on ways to improve its services.

Five-Year Goal

Secure at least $20 million in external grant funding to design, launch, and grow equity-focused energy programs that deliver direct **benefits to vulnerable customers** and communities. Expand PCE's work with local community partners on effective program design, customer access and feedback.



Strategic Priority

Distributed Energy Resources

PCE will accelerate the development of carbon-free distributed energy resources (DERs) to drive innovation and market transformation of distributed and advanced energy technologies, accelerate greenhouse gas (GHG) reductions, and enhance community resilience, including:

- Expanding DER project development support.
- Increasing customer access to capital for DER/electrification projects.
- Providing technical assistance and support for local resiliency projects.
- Advancing relevant policy development and advocacy.



Five-Year Goal

Accelerate distributed energy resource adoption by adding at least 15 MW of local solar, 35 MWh of storage at customer sites, and launching at least one 10 MW **virtual power plant** that delivers value to customers, communities, and the grid.

Strategic Priority

Organizational Excellence

PCE will invest in its people, infrastructure, systems, and processes to strengthen effectiveness, efficiency, and resiliency. PCE operations will align with industry best practices, leverage technology, and support a high-performing workforce equipped to meet evolving customer and stakeholder needs, while advancing the Agency's commitments to diversity, equity, and inclusion. Operational enhancements that support PCE's ability to meet its mission include:

- Maintaining strong and effective Agency governance.
- Best-in-class rate analysis/design and prudent financial management.
- Scaling project and process optimization through effective use of technology.
- Empowering an agile, motivated, and diverse workforce.
- Driving decisions with quality data.
- Ensuring cybersecurity and IT resilience.
- Promoting equity and accessibility in operations.
- Managing risk and maintaining regulatory compliance.

Five-Year Goal

Implement meaningful improvements in **operational effectiveness**, efficiency, equity, and resilience and provide evidence through data and performance metrics on an annual basis.



PENINSULA
CLEAN ENERGY

info@peninsulacleanenergy.com



Our Path Forward:

2026–2030 Strategic Plan

November 20, 2025

PENINSULA CLEAN ENERGY

2026-2030 Strategic Plan

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PENINSULA CLEAN ENERGY

Powering a fossil-free future

Peninsula Clean Energy is leading the transition to a fossil-free future that benefits everyone. This plan sets a clear course to cut carbon emissions, modernize our energy system, and strengthen community resilience. By investing locally, advancing innovation, and keeping energy affordable, we're proving that climate progress and economic stability go hand in hand. Together, we're building a healthier, more sustainable tomorrow.



History

Peninsula Clean Energy (PCE) was founded in 2016 with a simple but ambitious mandate: deliver cleaner electricity at lower rates and reinvest savings back into the community. The Agency's first Strategic Plan (2020–2025) set bold goals — delivering 100% renewable power annually, advancing community-wide decarbonization of buildings and transportation, and leading with affordability, equity, and innovation.

Over the past five years, PCE consistently delivered on these commitments. The Agency expanded its energy portfolio tenfold, contracting for more than 1.4 gigawatts of renewable and storage capacity — including 600 MW of new renewable generation and 500 MW of storage — with over 900 MW already online by 2025. These procurements solidified PCE's position as a leader in clean energy innovation, with pioneering advances such as time-coincident renewable matching, virtual power plant pilots, and innovative financing tools. Throughout these years of progress, PCE has never lost sight of its founding promise: that environmental leadership and affordability are not competing goals but inseparable drivers of community trust and long-term success.

PCE"s accomplishments have extended well beyond procurement. PCE launched the Bay Area's largest building electrification program, championed Reach codes that shaped statewide policy, and advanced transportation electrification through charging standards, Electric Vehicle (EV) incentives, and fleet programs. The Agency also embedded equity more deeply into its work, adopting a Diversity, Equity, Accessibility, and Inclusion (DEAI) Policy and Action Plan, expanding bill assistance for vulnerable households, and partnering with community-based organizations to ensure equitable access to clean energy benefits.

At the same time, experience revealed the opportunity and need to adapt. As California's energy landscape continued to evolve, new realities tested even the most ambitious goals. PCE's early success in delivering 100 percent carbon-free energy each year proved that leadership in procurement was possible and impactful. Yet it also showed that achieving truly round-the-clock renewable power would demand a thoughtful balance between ambition, affordability, and innovation.

In 2022, at the direction of the Board, PCE staff developed a comprehensive Decarbonization Analysis and Plan to identify the most effective pathways for reducing greenhouse gas emissions across its service territory. The analysis included an in-depth assessment of market segments, technologies, costs, and resources, pinpointing the areas where PCE is best positioned to drive impact and the key enablers needed to achieve it. Guided by an expert advisory group that included former California Energy Commission and Public Utilities Commission leaders, this nearly year-long effort now serves as the foundation for PCE's community-wide decarbonization strategy that will carry forward into this 2026-2030 Plan.

The 2035 decarbonization goal illuminated both the promise and the challenge of transforming how homes and vehicles are powered. It underscored that lasting progress depends on scaling electrification through sustained investment, creative financing, and new sources of revenue that keep clean energy accessible to all. Within the agency itself, rapid growth and maturation brought fresh urgency to strengthening systems, empowering staff, and advancing organizational excellence. These lessons shaped the foundation for this plan: to lead boldly, act pragmatically, and build the capacity to deliver on a shared vision for a cleaner, more equitable future.

This 2026-2030 Strategic Plan builds directly on those lessons. It honors past achievements while charting a course for the years ahead. The Plan keeps decarbonization, affordability, equity, and innovation at the core of PCE's mission. It positions the Agency to scale its impact across its member communities and beyond. In doing so, PCE reaffirms its role as both a trusted local partner and a statewide thought leader. The Agency proves that a cleaner, fairer, and more resilient energy future is not only possible — it is already within our reach.



Building on this foundation of progress and reflection, Peninsula Clean Energy designed a strategic planning process that was as ambitious as its mission — one rooted in collaboration, informed by data, and structured to translate vision into action. This Plan continues that tradition — advancing ambitious environmental goals while protecting affordability for every customer PCE serves.

Methodology

Peninsula Clean Energy's strategic planning process was intentionally sequenced in two phases to ensure that the organization's identity and long-term vision were firmly grounded in strategic realities.

- **Phase I (Summer–Fall 2024)** emphasized stakeholder engagement and organizational strategy. This phase was designed to surface the critical questions facing the Agency over the next five years and to establish a foundation for decision-making. As a result, PCE developed four strategic policies, articulated its future value proposition, and adopted decision-making criteria.

- **Phase II (2025)** built on Phase I's strategic foundation by focusing on programmatic and operational strategy and goals. With updated direction established in Phase I, PCE revisited and refined its core identity — refreshing its mission and vision statements and adopting four guiding principles. These elements were intentionally crafted as evergreen, enduring across multiple strategic planning cycles for a consistent foundation in a rapidly changing energy market.

Finally, in Summer 2025, PCE defined five-year goals aligned with the guiding principles and strategic policies. Together, these components form a robust and adaptive framework; one that provides durable infrastructure for the organization's future while allowing flexibility to respond to evolving market conditions through shorter-term goals.

Stakeholder engagement

In early summer 2024, PCE engaged La Piana Consulting to guide its strategic planning process. The goal was to create a strategic framework that would not only provide clear direction but also remain flexible enough to anticipate and respond to the fast-changing energy landscape.

The process was intentionally designed to be highly participatory, drawing insight from multiple layers of the organization and the community it serves. A three-member Project Team partnered closely with La Piana, meeting biweekly to act as thought partners and provide logistical support, ensuring the process stayed both disciplined and inclusive. The Board's Ad Hoc Strategic Planning Committee, composed of five members, convened several times throughout the process to help frame the critical questions at the heart of the plan, review proposed strategies, and provide governance-level guidance.

Senior staff were deeply engaged in every stage of the process. They participated in all Board Ad Hoc Strategic Planning Committee meetings and met independently on six to eight occasions to review findings, translate community and staff input into draft policy concepts, and ensure proposals were practical and implementable. All staff members were engaged through small group conversations and all-staff meetings held during both the formative and latter stages of the process, creating meaningful opportunities for reflection and contribution from across the Agency.

Community voices were intentionally integrated from the outset. Early consultations included the PCE Community Advisory Committee, PCE partner community-based organizations, labor representatives, and city and county sustainability staff. The Community Advisory Committee and its Strategic Planning Working Group provided feedback at multiple points, ensuring that the perspectives and priorities of the community were not only heard but embedded into the evolving framework.

These layers of engagement — governance, senior leadership, staff at all levels, and diverse community stakeholders — made the process both rigorous and inclusive. Together, they provided the foundation for conversations that addressed a series of core framing questions:

- What is most needed from this process?
- Who else operates in PCE's sector?
- What are PCE's strengths and differentiators?
- What trends are shaping the sector?
- What critical issues must PCE resolve in the coming years?
- What organizational and infrastructure needs must be addressed?

The insights that emerged from these discussions grounded every subsequent step of the planning process and ultimately shaped the four critical questions that defined the scope and direction of PCE's strategic plan.

Development of critical questions

The initial assessment process generated a comprehensive picture of PCE's current position, strengths, and challenges, as well as the broader forces shaping the energy landscape. Stakeholder feedback was consistent and candid, offering clear insights that ultimately distilled into the four critical questions guiding this plan.

PCE's Impact

Across staff, Board members, and community partners, there was strong agreement that PCE's most important contribution lies in leveraging affordability and trust to accelerate decarbonization. As one participant observed, *"We buy trust with the public through low-cost service — that trust creates space to decarbonize."* Others highlighted PCE's role as a model-builder and catalyst, demonstrating solutions that others across California can adopt.

Competitive Landscape

While stakeholders saw PCE as well-positioned, they also underscored the complexity of its operating environment. In addition to traditional competition around procurement and customer retention, PCE faces what many called "mission competition" from fossil fuel interests, which continue to shape public opinion, regulatory frameworks, and legislative outcomes. Several noted that *"much of the public does not know the difference between PG&E and PCE,"* highlighting the urgency of clarifying PCE's brand and value proposition.

Strengths and Differentiators

Stakeholders repeatedly cited innovation, financial strength, and a deeply mission-driven culture as PCE's defining strengths. The Agency was described as a place where staff are both capable and committed, leadership is willing to take calculated risks, and collaboration is embedded in the culture. As one staff member put it, *"We have capable, influential, high-profile staff — but also junior staff who are super committed. That mix is a real strength."* Others noted that PCE's not-for-profit, public mission is itself a differentiator, enabling the organization to reinvest resources for community benefit rather than shareholder value.

Sector Trends

Looking outward, participants identified sector-wide shifts that PCE must be prepared to navigate:

- The growing challenge of managing load and time-of-use, especially with increasing electrification and the need for storage.
- Rising transmission and distribution costs that are creating an affordability crisis for customers statewide.
- Political and policy volatility that can reshape incentives and funding streams overnight.
- The need to design programs that address a wider range of customer circumstances — moving beyond income alone to broader measures of geography and access.

These trends underscored that affordability, policy influence, and customer equity will remain defining issues for the foreseeable future.

Organizational Needs and Opportunities

Internally, stakeholders emphasized that PCE's rapid growth requires matching investments in infrastructure, systems, and people. While core operations remain strong, there is a clear opportunity to scale organizational capacity, so it keeps pace with its ambition. Staff called for stronger planning tools, improved operational systems and processes, clearer decision-making frameworks, and enhanced cross-team coordination to ensure seamless execution. Importantly, participants highlighted the need to continue institutionalizing PCE's DEAI plan, so it becomes an integrated feature of how PCE operates across every team. These insights point not to gaps alone but to new opportunities: to build upon a culture and infrastructure of **organizational excellence** that can sustain innovation, support staff, and deliver consistent, high-quality results as PCE continues to mature.

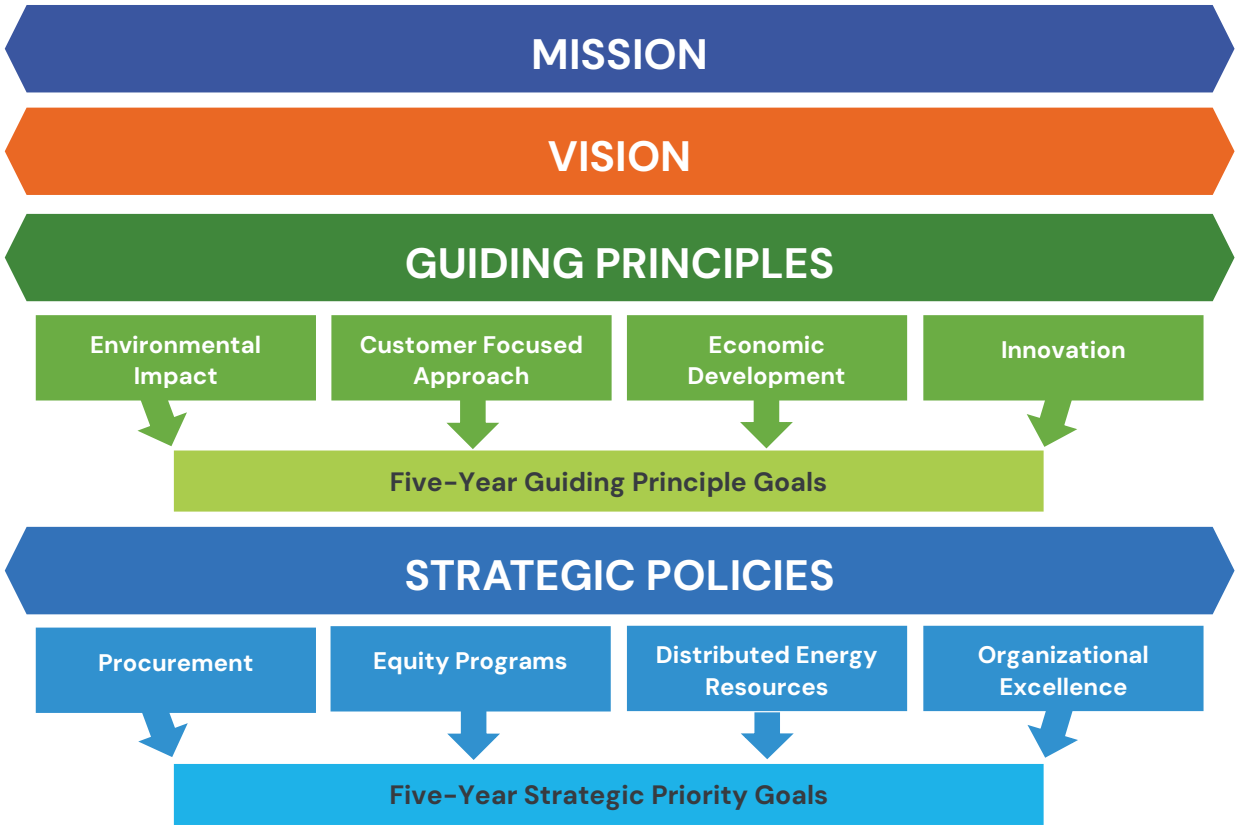
From Insights to Questions

Together, these themes crystallized into four critical questions that framed the first phase of the strategic planning process:

- What are PCE's procurement priorities, and how do affordability concerns affect these priorities?
- How can PCE continue to deliver services within an equity framework while also scaling decarbonization?
- Are there new or enhanced areas of work that PCE should engage with to further support decarbonization and electrification in California?
- How must PCE strengthen its organizational capacity — including infrastructure, systems, and processes — to ensure excellence in execution as it grows?

These critical questions emerged from hundreds of conversations across the organization and community, distilling the wisdom, concerns, and aspirations of PCE's stakeholders. They represented not just abstract dilemmas, but the real choices and opportunities that will shape the Agency's future. Phase I of the planning process moved decisively from insight to action: the questions became the foundation for four **strategic policies** and a set of **decision-making criteria** that uplifts PCE's future value proposition. Together, these outcomes transformed collective input into direction, ensuring that PCE's strategy is both rooted in lived perspectives and aspirational enough to guide the Agency with clarity, ambition, and pragmatism.

Phase II then built upon this foundation by turning inward to refine the Agency's identity and outward to set its long-term course. With the four strategic policies established, PCE revisited and refreshed its mission and vision, articulating them in ways that reflect timeless purpose, everyday language, and the realities of today's energy landscape. In addition, four guiding principles were adopted to anchor decisions and maintain continuity across future planning cycles. To connect these foundations and policies with measurable outcomes, PCE then defined a set of five-year goals that translate strategic direction into measurable action. Together, the results of Phases I and II form a strategic framework that is both durable and adaptive: durable in its mission, vision, and guiding principles, yet adaptive through policies and goals that can respond to evolving markets, changing policy, and community needs. The sections that follow present this framework in full, organized around Mission, Vision, Guiding Principles, Strategic Policies, and Five-Year Agency Goals.



Mission

As noted above, with the strategic policies in place, PCE turned to refresh its identity in the form of mission, vision, and guiding principles. In Phase II, PCE initiated a review of its mission and vision statements to ensure they remain aligned with the organization's evolving priorities and newly adopted guiding principles. This effort, led by management and marketing staff, engaged the full range of stakeholders — including PCE staff, the Board's Executive Committee, the Board's Ad Hoc Strategic Planning Committee, and the Community Advisory Committee's Strategic Planning Working Group.

PCE's existing mission — "To reduce greenhouse gas emissions by expanding access to sustainable and affordable energy solutions" — was praised for its focus on sustainability and affordability. However,

stakeholders found it too broad, noting that it did not fully capture how PCE delivers value or convey its community focused approach.

Building on this input, the updated mission emphasizes clarity, scalability, equity, and community benefit, while retaining the central focus on emissions reduction and affordability:

Updated Mission:

To provide affordable, clean electricity and advance local solutions that lower costs, reduce pollution, and strengthen community resilience.

Vision

PCE's current vision — "A sustainable world with clean energy for everyone"— has provided broad, aspirational guidance since the agency's inception. Stakeholders noted that while the statement was inclusive and future-oriented, it also missed the opportunity to highlight PCE's unique role as a community-rooted, innovative leader in California's clean energy transition.

Feedback emphasized the need for a vision that is bold, distinctive, and inspiring — one that centers equity, innovation, and community resilience while affirming PCE's role in shaping markets and leading climate action. The updated vision reflects these aspirations.

Updated Vision:

A fossil-free future where everyone thrives through clean energy that's accessible and affordable to all.

Guiding Principles

Peninsula Clean Energy's previous strategic plan and associated actions provide the through-line to the guiding principles that will guide the organization's next chapter. The previous strategic plan focused on decarbonization, affordability, community investment, and innovation. As PCE advanced through its current strategic planning process, it became clear that the organization needed a permanent set of guiding principles to bridge its mission and vision with day-to-day decision-making. While the mission defines PCE's enduring purpose and the vision articulates its long-term aspirations, the guiding principles provide the touchstones for how the Agency will pursue its goals. They express the values and approaches that will shape priorities, inform trade-offs, and keep scalable decarbonization, equity and community benefit at the center of PCE's work.

The guiding principles also serve to enhance PCE's evolving value proposition. They articulate the qualities that distinguish PCE as a trusted, innovative, and equity-driven public agency, and they provide continuity

across planning cycles even as policies, programs, and market conditions change. In this way, the principles anchor the strategic framework, ensuring that PCE's decisions remain consistent with its commitments and that its work delivers lasting mission impact. These guiding principles were vetted with the Board Ad Hoc Strategic Planning Committee, the Executive Committee, and the Community Advisory Committee. Each principle is paired with a five-year Agency Goal that translates its intent into measurable outcomes.

Together, mission, vision, guiding principles, and strategic policies establish the framework for PCE's long-term direction. Agency goals extend this framework into action, defining what success will look like by 2030 through ambitious but achievable milestones. Each goal is explicitly tied to a guiding principle, ensuring alignment across the organization and accountability to commitments. Reported annually through associated Objectives and Key Results (OKRs), these goals provide a bridge between PCE's strategic ambitions and the tangible results that staff, customers, and community partners can expect.

PCE's Guiding Principles are:

Environmental Impact

PCE was founded on the vision of a sustainable world for everyone; a world in which energy choice can dramatically reduce harmful greenhouse gas emissions by accelerating the transition from a fossil-based grid to one that runs principally on carbon-free and renewable resources. PCE will continue to be a champion for the environment in its procurement and program initiatives. PCE will continue to include environmental justice in its decision-making as well as new clean energy technologies that leverage local renewables to support energy resilience and reliability.

2035 Decarbonization and Scalability



The 2035 Decarbonization Analysis and Plan clarified that while comprehensive decarbonization across all sectors was not feasible by 2035, PCE could drive substantial progress in areas where it is best positioned to impact change: personal vehicles and small residential buildings. At the highest level, the plan identified three essential needs: building public awareness and motivating adoption, making it easy for customers to take action, and ensuring access to capital to enable that action. The strategic plan addresses access to capital and ease of action in the sections below, while public awareness and motivation are discussed under Customer-Focused Approach below.

The reduction in federal and state support since this goal was adopted in the previous strategic plan will have a material impact on the pace of progress. Even so, the plan's central objective remains unchanged: to mobilize market forces to drive scalable, long-term decarbonization. Doing so will require targeted investment, strategic program design and policy intervention in addition to implementation and replication of strategies as discussed below under Driving Innovation.

Looking Ahead (2026–2030)

Building on the 2035 Decarbonization Plan, which established the technical potential for significant electrification progress in homes and vehicles, PCE will focus on scaling decarbonization in ways that are both effective and equitable. The emphasis will be on designing programs and policies that can achieve broad market transformation while ensuring greater support for equity customers. Priorities include:

- **Electric transportation:** Expanding scalable EV charging infrastructure to ensure multifamily residents have access to charging, further opening the market to electric vehicles for renters and lower-income residents.
- **Building electrification:** Reducing the cost of electrification and providing high-touch support to develop a viable electrification ecosystem capable of sustaining long-term market momentum and enabling future electrification policy measures.
- **Financing Innovation:** Scaling private finance to remove upfront cost barriers to integrating solar, storage, and electrification offerings to strengthen the overall financial value proposition for customers.
- **Policy support:** Continuing to advance local and statewide policy efforts, Reach Codes and Air District measures, while positioning program investments as key enablers of policy mandates.



Five-year goal: In order to achieve targeted decarbonization by 2035, PCE will double the reductions of greenhouse gas emissions to 100,000 metric tons annually by accelerating electrification of transportation and buildings and the continued supply of carbon-free power. This will be achieved through energy procurement, programs, and potential load growth.

Rationale

This goal centers PCE's work on its founding commitment: reducing harmful greenhouse gas emissions while making clean energy solutions accessible. The 100,000 $MTCO_2e$ target reflects the cumulative annual reduction achievable by 2030 through electrification programs and the continued supply of carbon free power. It is based on actions already implemented — such as EV charging stations, vehicle incentives, and appliance upgrades — combined with the additional installations expected under PCE's forecasted budget. While Reach Codes provided the majority of buildings emissions reduction benefits through 2025, the next planning horizon will see most reductions from retrofits, with over half projected to come from expanded EV charging, vehicle adoption, and appliance electrification. Additional benefits will continue from new construction codes, now incorporated into the state building code following PCE's local and state thought leadership.

Metric and Measurement

- **Primary metric:** Annual reduction of 100,000 metric tons of CO_2e from electrification through programs and clean power supply.
- **How it will be tracked:** PCE will use standard emissions accounting consistent with regulatory reporting requirements and Power Content Label methodology, supplemented by program evaluation data. Annual adoption levels for PCE-initiated EV, appliances, and charging infrastructure will be tracked.

Customer-Focused Approach

PCE would not exist without its customers and participating local governments. Keeping customer and community needs at the forefront of decision-making and program design while seeking to provide affordable energy is central to PCE's continued success and will be at the core of what differentiates PCE from other providers in the future. PCE's customers are not only the clients it serves; they are PCE's critical partners in the transition to a clean energy future.

Five-year goal: Maintain customer participation rates above 96%, increase customer participation in energy programs by 200%, achieve at least 60% brand awareness across PCE's service area, and achieve high ratings for customer and member agency confidence and satisfaction as defined by operational objectives and measured by targeted customer feedback and surveys.

Rationale



This goal translates the guiding principle of customer focus into measurable outcomes that reflect both stability and growth. High customer participation rates ensure PCE continues to deliver community-wide benefits while maintaining the resilience of its financial base. Expanding program participation by 200% reflects the importance of engaging customers directly in electrification and decarbonization, moving beyond procurement alone. Increasing brand awareness to 60% addresses a persistent challenge: many customers still conflate PCE with PG&E, limiting recognition of PCE's distinct value. Finally, customer and member agency confidence and satisfaction are essential to maintaining trust and fostering deeper engagement, particularly as new programs and technologies are introduced. As participation grows, customer engagement becomes a force multiplier for decarbonization — each new adopter contributing to lower community emissions. Together, these targets create a comprehensive

framework for measuring how effectively PCE is meeting customer needs and positioning itself as a trusted community partner.

Metric and Measurement

- **Primary metric:** Annual reduction of 100,000 metric tons of CO_2e from electrification through programs and clean power supply.
  - Participation rate: maintain ≥96% of customer enrollment in PCE service.
  - Program engagement: 200% increase in customer participation across energy programs.
  - Brand awareness: achieve ≥60% awareness across the service area.
  - Customer satisfaction and confidence: achieve high ratings, defined by survey benchmarks.
- **How will they be tracked:**
  - Customer participation rates measured continuously through enrollment data.
  - Program participation tracked via program records and verified through third-party evaluators where applicable.
  - Brand awareness measured through market research surveys conducted at least every two years.
  - Customer confidence is measured through market research surveys at least every two years, while customer satisfaction is measured through feedback on specific experiences, like participating in a program or calling the Contact Center. Together, these results help us understand both how people feel about PCE and how well we are serving them, and we'll use the insights to improve program design and communications strategies.

Economic Development

In its quest to expand renewable energy production, support electrification, and reduce greenhouse gases, PCE will serve as an economic engine for its service area. This includes maintaining affordable electric generation rates, investing in local decarbonization and electrification efforts, supporting the development of electrified housing, advancing new local renewable energy projects, and strengthening the green economy through local workforce development and jobs.

Five-year goal: Contain costs to keep customer rates below competitors, targeting $100 million in aggregated savings over five years. Invest at least $150 million in advanced energy solutions and local clean energy projects and programs in order to reduce emissions, strengthen community resilience, promote energy efficient housing, and create local clean energy jobs. Together, these investments will deliver broad economic benefits across PCE's service area.

Rationale

This goal operationalizes PCE's role as an economic engine for the communities it serves. By keeping rates lower than competitors, such as PG&E, PCE ensures affordability for households and businesses while strengthening trust in its value proposition. The commitment to invest at least $150 million in advanced energy solutions, local clean energy projects, and workforce development reflects the Agency's dual mandate: decarbonization paired with equitable economic growth. These investments not only reduce emissions and enhance resilience but also stimulate the local economy by supporting electrified housing, clean energy infrastructure, and green jobs. Together, the savings and investments demonstrate that PCE's work delivers tangible financial benefits while accelerating the transition to a carbon-free economy.

Metric and Measurement



- **Primary metric:**
  - Rate competitiveness: maintain generation rates below PG&E's, resulting in at least $100 million in cumulative customer savings between 2026-2030.
  - Local investment: invest at least $150 million in advanced energy solutions and local clean energy projects.
- **Budget basis:**
  - The investment figure is drawn from the five-year budget forecast of PCE funds applied to Programs, reduced to account for uncertainties. It includes approximately $80–100 million in expenditures such as incentives and technical assistance, as well as $50–70 million in finance such as on-bill finance and solar PPAs. Finance investments return to PCE in various terms depending on the program, effectively acting as a revolving fund to support ongoing community benefits.
- **How they will be tracked:**
  - Rate savings calculated annually by comparing PCE's generation rates against PG&E's for equivalent customers, aggregated across the service area.
  - Investments tracked through PCE's budget and capital allocation processes, on total dollars committed and disbursed, along with associated project and workforce impacts.

Driving Innovation

PCE will continue to be an innovator and thought leader in the CCA industry — recognized locally, statewide and nationally for its leading-edge renewable procurement strategies, scalable building and transportation programs and policies, workforce DEAI initiatives, and piloted distributed energy resource projects. These efforts, designed to be replicated, will maximize environmental, economic, and customer impact while resulting in broader market change.

Five-year goal: Advance PCE's leadership in clean energy innovation by developing and sharing replicable solutions — including programs, policies, procurement models, and operational tools — that influence or are adopted by peer CCAs, local governments, policy makers, or other market participants. Track both the number and the significance of these adoptions or co-developments to demonstrate impact and learning.

Rationale

Peninsula Clean Energy's leadership in clean energy depends not only on serving its own customers, but also on shaping broader market transformation. PCE has already demonstrated influence by advancing procurement strategies, right-sized EV charging standards, home electrification approaches, Reach Codes, and on-bill finance programs that have been replicated across California. This goal ensures that innovation remains a deliberate and measurable part of PCE's identity — positioning the Agency as a thought leader whose programs and models extend benefits far beyond its service territory. In doing so, PCE amplifies the climate, equity, and affordability impacts of its work while enhancing its credibility with legislators, regulators, funders, and community partners.



Metric and Measurement

> **Primary metric:** Track the adoption, adaptation, or co-development of PCE-originated innovations by external partners between 2026 and 2030, targeting approximately 10 significant examples that reflect measurable impact or policy influence.

> **What counts:** adoption may take several forms:

- **Replication:** Another CCA, utility, or jurisdiction directly implements a PCE-developed program, policy, or model.
- **Adaptation:** A state or regulatory body incorporates PCE practices or standards into broader policy or code.

- **Co-Development:** PCE partners with other entities on pilot or joint initiatives that scale to statewide or regional use.
- **Reciprocal Learning:** PCE adopts peer innovations that strengthen its own programs, demonstrating sector-wide collaboration and knowledge exchange.

> **How it will be tracked:** PCE will maintain an innovation adoption log, updated annually, that documents:

- The innovation (program, policy, or tool) adopted, adapted, or co-developed.
- The adopting or partnering entity (e.g., another CCA, municipality, utility, or state agency).
- The form of influence (replication, adaption, co-development, or reciprocal learning).
- Any measurable outcomes tied to replication (e.g., number of customers reached, emissions reduced, or dollars invested).

Strategic Policies

Strategic policies are the bridge between PCE's long-term mission and vision and the practical decisions that will shape the Agency's next chapter. Where guiding principles provide timeless values, strategic policies translate those values into directional commitments in the areas most critical to PCE's future in this strategic plan time horizon. These include procurement, equity programs, distributed energy resources, and organizational excellence. Each policy originated from the critical questions identified in Phase I of the planning process and reflects extensive input from staff, the Board, and community stakeholders. Together, they provide the high-level guardrails that will guide PCE's work-strategy decisions, balancing ambition with pragmatism, and ensuring the Agency's work remains both mission-driven and responsive to the rapidly evolving energy landscape. As with guiding principles above, each strategic policy is paired with an agency goal that translates its intent into measurable outcomes and will result in reportable OKRs.

PCE's Strategic Policies are related to procurement, equity programs, distributed energy resources, and organizational excellence.

Procurement



A central critical question identified in Phase I was: *What are PCE's procurement priorities, and how do affordability concerns affect these priorities?* Stakeholder input underscored the importance of balancing ambitious renewable targets with the need to protect customers from cost volatility. This question ultimately guided the development of PCE's Strategic Policy on Procurement, which formalizes a commitment to both decarbonization and affordability.

Over the past five years, Peninsula Clean Energy has transformed its power supply portfolio and consistently delivered on its procurement commitments. Since 2020, PCE has contracted more than 1.4 gigawatts of renewable and storage capacity, including 600 MW of new renewable generation and 500

MW of storage. Of this portfolio, over 900 MW is already online, with the remainder under development. These procurements have expanded PCE's operating resources tenfold, from roughly 100 MW in 2020 to close to 1,000 MW by 2025.

Together, these achievements demonstrate steady progress toward PCE's 2030 100% annual renewable commitment and establish a strong foundation for leadership in 24/7 hourly matching of renewable supply and customer load.

Procurement Strategic Policy Statement

PCE will maintain a 100% zero-carbon power resource portfolio while working towards delivering 100% renewable energy on an annual basis by 2030 through strategic and cost-effective procurement that can maximize PCE's 24/7 hourly matching of renewable energy to PCE's load while prioritizing reducing grid emissions and lowering customer costs.

This policy statement encompasses the following key elements:

- Continued commitment to achieving industry-leading renewable energy targets.
- Built-in flexibility on the 24/7 hourly matching goal to balance against cost impacts on PCE's customers.
- Emphasis on strategic procurement to minimize cost and risk exposure to PCE, limit cost pressures for customers, and maintain PCE's financial health.
- Targeted 60% minimum Renewable Portfolio Standard (RPS) of PCE's annual retail sales prior to 2030, with flexibility on the remaining portfolio composition to balance incremental gains toward the 100% renewable goal while maintaining cost-competitiveness.
- Operating PCE's resource fleet to reduce grid emissions by displacing fossil fuel generation.

Looking Ahead (2026–2030)

As staff prepares PCE's Integrated Resource Plan for submission to the California Public Utilities Commission in 2026, this policy will guide procurement choices and portfolio development. The focus will be on strengthening resilience, continuing progress toward 24/7 hourly renewable matching, and ensuring procurement decisions balance affordability, innovation, and regulatory compliance.

Five-year goal: Advance 2030, execute contracts for an additional 500 MW of new renewable resources and minimize the reliance on fossil fuel resources to meet capacity needs while maintaining 100% compliance in an increasingly complex regulatory environment.

Rationale

Between 2020 and 2025, Peninsula Clean Energy contracted more than 1,400 MW of renewable and storage resources, including 1,100 MW of new projects. These procurements expanded PCE's portfolio more than five-fold and solidified its leadership in advancing California's clean energy transition. Looking forward,

continued procurement is essential to meet customer demand, achieve state decarbonization goals, and sustain PCE's commitment to affordability and reliability.

The 500 MW target reflects staff's current assessment of the additional renewable and storage capacity PCE can reasonably integrate into its portfolio by 2030, subject to refinement in the 2026 Integrated Resource Plan. At the same time, PCE will work to reduce reliance on fossil fuel resources for capacity needs — a growing challenge as regulatory requirements evolve — while sustaining its record of strong regulatory compliance. Together, these priorities ensure that PCE's procurement strategy continues to deliver on its mission of providing affordable, clean electricity and driving systemic decarbonization.

Metric and Measurement

- **Additional Capacity Procured**: Track cumulative new renewable and storage capacity contracted between 2026 and 2030, with a target of 500 MW.
- **Fossil Reliance:** Monitor annual reliance on fossil fuel capacity resources in Resource Adequacy compliance filings, with the objective of year-over-year reduction.
- **Regulatory Compliance:** Maintain 100% compliance with all CPUC, CEC and CAISO procurement-related requirements, verified annually.

Equity Programs

One of the four critical questions that emerged from Phase I was: *How can PCE continue to deliver programs and services within an equity framework while also scaling decarbonization?* The work that followed made it clear that addressing this question required a formal policy commitment. The result is the Strategic Policy on Equity Programs, which directs PCE to design and deliver programs that accelerate emissions reductions while ensuring vulnerable customers share fully in the benefits of the clean energy transition.



PCE recognizes that achieving its long-term decarbonization goals requires a focus on equity in program design and delivery. In 2021, the Board adopted both a Strategic Plan Priority of helping the community reach 100 percent greenhouse gas-free buildings and transportation by 2035, and a DEAI Policy with a companion Action Plan. These actions established that equity is not an add-on, but a core commitment of PCE's strategy. As of Fall 2025, over 90% of the DEAI Action Plan had been completed and the remainder will be transitioned to this strategic plan framework to ensure continuity and consistency in goal setting and reporting.

To guide implementation, PCE developed a DEAI Decision-Making Framework to ensure investments do not inadvertently exacerbate inequities — for example, by shifting ratepayer funds from less wealthy to wealthier customers. This framework directs PCE to intentionally design programs that address barriers faced by "equity customers," including low-income households, disadvantaged communities, and customers with heightened vulnerability to economic, environmental, or social pressures.

Equity Programs Strategic Policy Statement

PCE will reduce GHGs as quickly as possible by continuing to deliver programs and services that benefit all customers, including designing certain programs and services with equity and vulnerable customers' needs in mind by:

- Prioritizing rate affordability for all customers.
- Advancing policy initiatives and utilizing external (not collected by PCE) funding for programs that benefit vulnerable and equity customers, improving affordability and access to PCE services and benefits.
- Partnering with community-based organizations (CBOs) as outreach partners to engage diverse and vulnerable communities, support equity customers, and gather feedback on ways to improve its services.

Looking Ahead (2026–2030)

In the next five years, PCE will strengthen how equity is integrated into customer-facing initiatives. The Agency will also focus on improving how existing programs reach and benefit vulnerable customers, guided by data, stronger partnerships, and sustainable funding that supports long-term affordability.

Key areas of focus will include:

- **Embedding Equity in Program Design:** Applying the DEAI Decision-Making Framework early in project development to ensure that new customer-facing initiatives identify and address potential inequities before launch.
- **Expanding External Funding:** Pursuing diverse state funding streams to enhance affordability and reduce dependence on ratepayer dollars, while supporting programs that deliver measurable community benefits.
- **Strengthening Partnerships:** Deepening collaboration with community-based organizations (CBOs) to co-design outreach strategies, inform program evaluation, and strengthen trust in underrepresented communities.
- **Improving Data and Metrics:** Building systems to track participation, benefits, and barriers for equity customers, integrating equity data into PCE's enterprise reporting, and using it to drive program adjustments and continuous improvement.

Five-year goal: Secure at least $20 million in external grant funding to design, launch, and grow equity-focused energy programs that deliver direct benefits to vulnerable customers and communities. Expand PCE's work with local community partners on effective program design, customer access and feedback.

Equity customers are disproportionately impacted by climate change and often face higher energy burdens, lack of capital, and barriers to adopting clean technologies. Without intentional investment, these customers risk being left behind in the transition to a decarbonized economy.

Securing external funding is critical to scale programs that deliver meaningful benefits while maintaining affordability for all ratepayers. Partnering with community-based organizations will ensure programs are culturally competent, accessible, and responsive to local needs.

Metric and Measurement

- **Grant Funding Secured:** Track cumulative external funding awarded for equity-focused programs, targeting at least $20 million over five years.
- **Program Reach:** Monitor participation of equity customers (low-income households, disadvantaged communities, and vulnerable customers) across major program areas, using disaggregated data to ensure equitable access.
- **Community Partnership:** Document the number and depth of formal partnerships with community-based organizations involved in program design, outreach, and evaluation.

Distributed Energy Resources



A central critical question identified in Phase I was: Are there new or enhanced areas of work that PCE should engage with to further support decarbonization and electrification in California? Stakeholders emphasized the need for PCE to explore opportunities beyond centralized procurement and customer programs, particularly by fostering distributed energy resources (DERs) that could strengthen resilience, improve customer economics, and drive innovation. This input guided the development of PCE's Strategic Policy on DERs, which formalizes the Agency's role in advancing both behind-the-meter and front-of-the-meter distributed solutions.

PCE has already made meaningful progress in deploying distributed resources at both institutional and residential levels. The Local Government Photovoltaic (GovPV) program now spans 36 sites with more than

5 MW of capacity, 12 of which are already complete as of Fall 2025. When fully built, the program is expected to deliver nearly $50 million in savings to participating public agencies under its innovative financing model. On the residential side, more than 200 income-qualified households will benefit from new and no-cost solar and storage installations, enhancing resilience and affordability for vulnerable customers. In parallel, PCE has initiated a virtual power plant through a new Distributed Energy Resource Management System (DERMS) platform, laying the groundwork for advanced demand management and grid support over the next five years. Together, these programs demonstrate PCE's ability to design, finance, and scale distributed solutions that deliver tangible benefits to customers and communities.

Distributed Energy Resources Strategic Policy Statement

PCE will accelerate the development of carbon-free distributed energy resources (DERs) to drive innovation and market transformation of distributed and advanced energy technologies, accelerate greenhouse gas (GHG) reductions, and enhance community resilience, including:

- Expanding DER project development support.
- Increasing customer access to capital for DER/electrification projects.
- Providing technical assistance and support for local resiliency projects.
- Advancing relevant policy development and advocacy.

Looking Ahead (2026–2030)

In the years ahead, PCE will build on its early DER successes to create a more comprehensive and scalable approach while continuously evaluating business models. Key opportunities include deploying at least one virtual power plant by aggregating customer-sited assets for grid flexibility, advancing community solar and storage projects, and expanding financing tools like on-bill repayment and third-party partnerships. PCE will also deepen its role as a trusted advisor by offering technical assistance and educational resources, while advocating for policies that reduce regulatory barriers to DER adoption. By combining innovation, local investment, and customer-centered solutions, PCE can accelerate distributed decarbonization in ways that complement its large-scale procurement strategy.



Five-year goal: Accelerate distributed energy resource adoption by adding at least 15 MW of local solar, 35 MWh of storage at customer sites, and launching at least one 10 MW virtual power plant that delivers value to customers, communities, and the grid.

Rationale

DERs are an essential complement to PCE's centralized procurement strategy, enabling customers and communities to directly participate in decarbonization while improving resilience and affordability. PCE's early investments in GovPV, residential solar and storage for income-qualified households, and a nascent virtual power plant demonstrate both local impact and scalable models. The 2026–2030 goal builds on

this foundation with a focus on measurable deployment, while also testing new business models, financing tools, and customer pathways that can expand access and impact.

Metric and Measurement

Progress will be tracked against three primary indicators:

- **Local Solar**: Deploy at least 15 MW of new local solar capacity.
- **Customer-sited Storage**: Install at least 35 MWh of storage across customer sites.
- **Virtual Power Plant:** Launch a 10 MW aggregated, dispatchable virtual power plant that delivers measurable value to customers — including equity customers — and supports grid reliability.

Organizational Excellence

A critical question identified in Phase I was: How must PCE strengthen its organizational capacity — including infrastructure, systems, and processes — to ensure excellence in execution as it grows and matures? Stakeholders consistently emphasized that PCE's start-up systems no longer matched its size or ambitions. The Strategic Policy on Organizational Excellence responds by committing the Agency to build durable infrastructure, empower staff, and embed equity and resilience into daily operations.



Over the past five years, PCE has grown from a lean start-up into a mature agency with the scale, credibility, and financial strength to lead California's clean energy transition. The Agency has maintained strong fiscal health — including the recent addition of a significant rate stabilization fund and an upgraded credit rating — while introducing new tools for risk management and ratemaking. At the same time, PCE has professionalized its internal operations by building out a People & Culture team, implementing new Human

Resources, Information Technology and governance systems, enhancing the PCE website, and investing in staff development. Customer service and community engagement have expanded significantly, with a new multilingual call center, stronger digital tools, and deeper partnerships across the service area. Together, these achievements demonstrate that PCE can manage growth effectively while staying true to its mission and community focus.

Organizational Excellence Strategic Policy Statement

PCE will invest in its people, infrastructure, systems, and processes to strengthen effectiveness, efficiency, and resiliency. PCE operations will align with industry best practices, leverage technology, and support a high-performing workforce equipped to meet evolving customer and stakeholder needs, while advancing the Agency's commitments to diversity, equity, and inclusion. Operational enhancements that support PCE's ability to meet its mission include:

- Maintaining strong and effective Agency governance.
- Best-in-class rate analysis/design and prudent financial management.
- Scaling project and process optimization through effective use of technology.
- Empowering an agile, motivated, and diverse workforce.
- Driving decisions with quality data.
- Ensuring cybersecurity and IT resilience.
- Promoting equity and accessibility in operations.
- Managing risk and maintaining regulatory compliance.

Looking Ahead (2026–2030)

In the years ahead, PCE will focus on scaling its operational infrastructure to match its mission impact. This means strengthening financial resilience, deepening workforce capacity, expanding customer-facing services, and leveraging advanced technology to optimize efficiency and measure performance. It also means continuing to embed equity and accessibility into core operations, ensuring that as the Agency grows, its benefits remain broadly shared.

Five-year goal: Implement meaningful improvements in operational effectiveness, efficiency, equity, and resilience and provide evidence through data and performance metrics on an annual basis.

Rationale

PCE's transition from start-up to mature agency requires an all-hands operational strategy. Every department — Account Services, Administration, Counsel, Data/IT, Energy Programs, Finance, Government Affairs, Innovation Strategy, Marketing and Community Relations, People & Culture, Procurement, and Regulatory — contributes directly to operational excellence. Fiscal strength and governance remain foundational, but resilience also depends on a skilled and supported workforce, secure IT systems, reliable data, streamlined administrative processes, effective program delivery, robust legal/regulatory compliance, and responsive customer-facing services.

Equally important, operational practices must align with PCE's guiding principles, ensuring that effectiveness is matched with accountability, equity, and accessibility. Strengthening internal systems, supporting staff, and leveraging technology enables PCE to deliver consistent and transparent values to customers and communities. Embedding accountability across all departments ensures that efficiency and resilience are achieved in ways that advance these principles, so that operational improvements create both organizational strength and community benefit.

Metric and Measurement

Progress will be measured through:

- **Operational performance:** Annual reporting on improvements to systems and processes, with evidence of increased efficiency, resilience, and scalability.
- **Financial stewardship:** Tracking credit rating, days cash on hand, and compliance with procurement and risk management standards.
- **Workforce strength:** Measurement of staff engagement, retention, and development, ensuring a high-performing and agile team.

Objective and Key Results

PCE's agency goals define the outcomes the organization will achieve over the next five years. However, achieving these goals requires ongoing, measurable progress that adapts to changing market realities, emerging opportunities, and day-to-day operational needs. To bridge this gap, PCE will implement an Objectives and Key Results (OKR) framework across the organization.

How OKRs Work

- Short- to medium-term horizon: OKRs are designed to last anywhere from three months to two years, providing milestones on the path to achieving agency goals.
- Alignment and cascade: Organizational OKRs will be cascaded into team- and individual-level OKRs, ensuring that every department and staff member can see how their work contributes directly to agency goals.
- Flexibility and responsiveness: Unlike five-year agency goals, OKRs can be updated more frequently. This enables PCE to remain nimble in responding to market shifts, policy changes, or community needs, while staying aligned with long-term strategy.

- Accountability and measurement: Each OKR includes clear, measurable results, making progress transparent and enabling course corrections when needed.

Reporting and Oversight

The OKR framework also provides a practical way to report progress to the Board and community. While agency goals offer a durable strategic roadmap, OKRs capture both ongoing day-to-day work and new strategic initiatives that cannot be fully represented in static five-year targets. Annual reporting on OKRs will therefore give the Board a more complete picture of how PCE is delivering on its mission in real time, balancing long-term commitments with short-term adaptability.

By linking long-term goals with near-term execution, OKRs create a clear "line of sight" from the Agency's mission and guiding principles down to the daily work of individual staff. Staff will engage in annual department planning as well as individual annual goal planning that reflects the organization's overall OKRs. This ensures that strategy does not sit on the shelf but is actively lived out across the organization in measurable, adaptable, and accountable ways.

Decision-Making Criteria

As PCE continues to set and refine OKRs and near-term goals in response to changing market and policy conditions, the Agency requires a consistent "strategy screen" to guide choices. The purpose of this screen is to ensure that day-to-day decisions — whether programmatic, operational, or financial — remain aligned with PCE's long-term strategic plan.

The foundation for this strategy screen comes from PCE's **Future Value Proposition**, developed through extensive community engagement, Board direction, and staff input. This value proposition reflects the qualities that will continue to set the Agency apart as the energy sector evolves:

- **Community Leadership**: Being recognized as a leader in the communities it serves, leveraging its mission-based purpose to dramatically reduce emissions, lower energy rates, and reinvest in local communities rather than shareholders.
- **Customer Partnership**: Putting customers first by listening to their needs, acting as a trusted partner, and supporting decisions that enable households and businesses to take meaningful action on climate change.
- **Innovation and Market Leadership**: Developing and scaling solutions in clean energy and electrification that deliver customer value while shaping statewide and national markets.

This value proposition provides a touchstone for how PCE will define success beyond compliance — as an Agency trusted locally, advancing equity, delivering affordability, and driving innovation.

To ensure alignment with this value proposition and with the mission, vision, and guiding principles, PCE has developed a set of **Decision-Making Criteria**. These criteria are not intended as rigid rules, but as a structured guide to help staff and Board weigh trade-offs, challenge assumptions, and ensure consistency

in decision-making. They provide a framework that can be applied across levels — from high-level policy direction to program design — to keep PCE focused on its "north star."

Tier One Criteria: Use to Drive Preliminary Decisions



When evaluating strategic options, the first pass of decision-making should ask whether the choice will:

- Build PCE's Future Value Proposition by:
  - Strengthening PCE's leadership role in the community and advancing emissions reductions.
  - Putting customers first by acting as a trusted partner and enabling customer-driven climate action.
  - Leading innovation in ways that scale the market and create additional customer and community value.
- Advance PCE's commitment to equity,[1] including:
  - Enhancing equitable access to the benefits of clean energy.
  - Growing internal culture of diversity, equity, accessibility, and inclusion.
  - Considering which customers would benefit or not from a course of action.
  - Prioritizing affordability, particularly for energy-burdened customers.
- Align with and advance PCE's Guiding Principles:
  - Environmental Impact
  - Customer-Centric Approach
  - Economic Development
  - Driving Innovation
- Account for financial and customer impacts, weighing both Peninsula Clean Energy's fiscal sustainability and customer affordability.

[1] PCE's Diversity, Equity, Accessibility, and Inclusion Policy indicates: "*Peninsula Clean Energy has a vision of a sustainable world with clean energy for everyone. We recognize there are longstanding systemic barriers that impede the advancement of fair and inclusive policies and limit the full participation of historically underserved and disadvantaged communities. This includes our stakeholders that face the most adverse impacts from economic, health, and environmental burdens. Peninsula Clean Energy recognizes that we have an obligation to maximize our efforts to eliminate disparities and ensure that our programs, policies, and practices are inclusive and accessible for everyone in the geographic markets we serve.*" PCE has also created internal DEAI decision-making criteria that is incorporated within this section.

Tier Two Criteria: Use in Planning and Implementation

As decisions move into programmatic and operational planning, a second pass should address how the choice will:

- Align with and strengthen PCE's organizational strategy and existing service portfolio.
- Account for operational impacts, including staff capacity, expertise needs, and effects on load profiles.
- Identify and mitigate potential risks, including financial, reputational, and regulatory risks.
- Ensure compliance with state and federal mandates while enhancing PCE's reputation as a trusted, transparent, and innovative public agency.



Conclusion

Peninsula Clean Energy's 2026–2030 Strategic Plan charts a bold course for the Agency at a pivotal moment in California's clean energy transition. This plan reflects the voices of PCE's staff, Board members, community partners, and advisory committee members. Together, their input has created a framework that is ambitious enough to meet the climate challenge and pragmatic enough to guide daily decisions.

At its foundation are a refreshed **mission** and **vision** — a clear articulation of PCE's purpose to provide affordable, clean electricity and advance local solutions, and an aspirational vision of a fossil-free future where everyone thrives. These are anchored by four **guiding principles** — environmental impact, customer focus, economic development, and innovation — that ensure every strategic choice remains true to PCE's values.

Building on this foundation, four **strategic policies** address the central questions raised through the planning process:

- How to procure clean energy in ways that balance ambition with affordability.
- How to deliver programs that decarbonize while centering equity.
- How to expand into new areas, such as distributed energy resources, that shape the market and build resilience.
- How to strengthen organizational systems and capacity to ensure excellence in execution.

Each of these principles and policies are paired with measurable **five-year agency goals** — from procuring an additional 500 MW of clean energy, to securing $20 million in funding for equity programs, to launching a 10 MW virtual power plant, to embedding operational excellence across the agency. These goals define what success looks like by 2030 and provide clear milestones against which progress will be measured.

To connect strategy with execution, PCE will use **OKRs** to cascade organizational goals down to teams and individuals, allowing the Agency to stay responsive to a rapidly evolving market. And with a structured set of **decision-making criteria**, PCE will ensure every choice reflects its future value proposition, advances equity, and balances innovation with financial and operational sustainability.

This plan is not a static document. It is a living guide — a framework that can evolve as conditions change while remaining grounded in the commitments that define PCE. It reaffirms decarbonization as the Agency's enduring measure of environmental progress and public leadership, and it upholds affordability as a lasting promise to deliver reliable, cost-effective service for every customer.

Designed to inspire action, ensure accountability, and deliver lasting impact, this plan reinforces PCE's role as a leader and trusted partner in: reducing greenhouse gases, keeping energy affordable, strengthening communities, and driving innovation. The next five years will be critical — and with this framework, PCE is prepared to meet the moment, advance a fossil-free future, and ensure that everyone in its communities has the opportunity to thrive through clean energy that is accessible and affordable to all.

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: November 7, 2025
MEETING DATE: November 20, 2025
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jana Kopyciok-Lande, Director of Innovation Strategy and Ross Fisher, Associate Program Manager, Distributed Energy Resources

SUBJECT: Approval of Match Funding for the Microgrid Incentive Program Grant Funding Opportunity (Action)

RECOMMENDATION

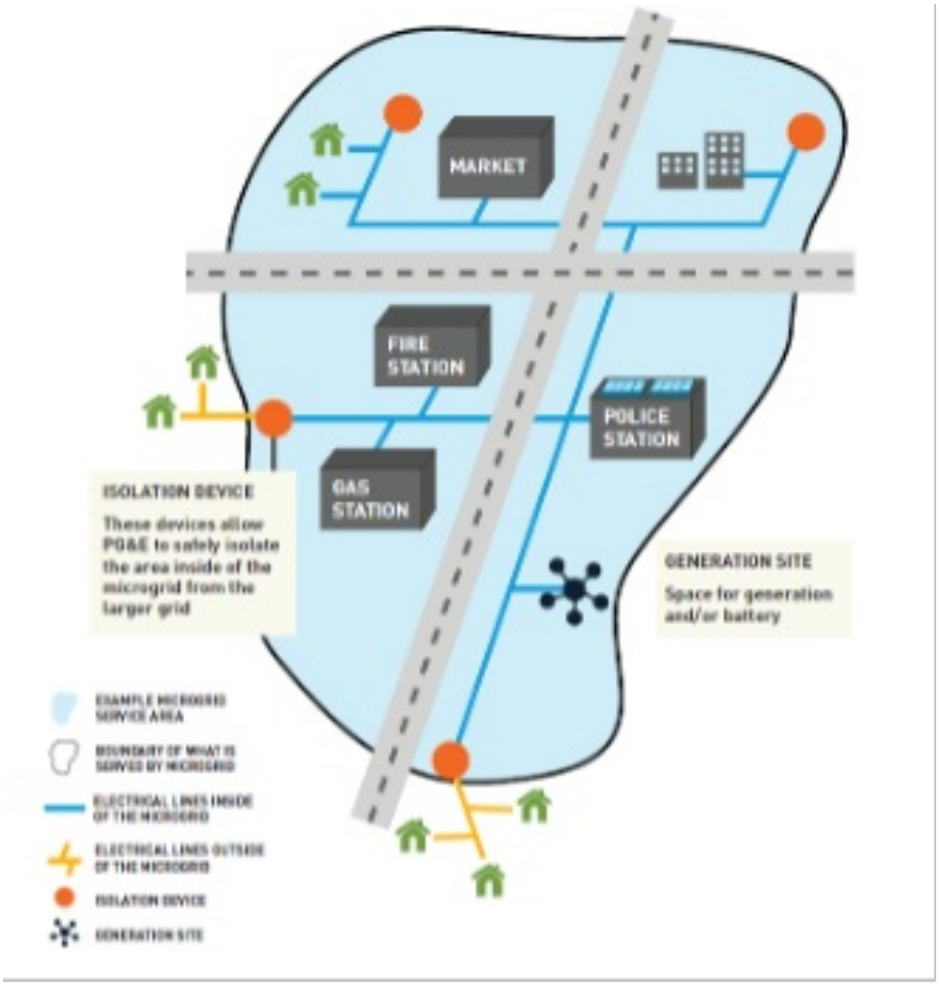
Approval to contribute 60% of the forecasted project development costs in match funding for one of the Community Microgrid applications under California Public Utilities Commission's Microgrid Incentive Program (MIP) with a not-to-exceed budget of $10 million.

BACKGROUND

Peninsula Clean Energy's mission is to reduce greenhouse gas emissions by expanding access to sustainable and affordable energy solutions. In 2018, PCE initiated customer and community programs, which have been developed within three major pillars: Building decarbonization, transportation decarbonization, and Distributed Energy Resources (DERs). In 2024, PCE created an Innovation Strategy (IS) department with the goal of diversifying its revenues by identifying public funding opportunities to expand its customer programs. One of the core goals of the IS department is to explore new business models for utility-connected DERs such as community solar and microgrids. Guided by Goal 4 of PCE's DER Framework 2025 – 2030, which was approved by this Board in April 2025, PCE staff has been pursuing public funding opportunities to support the development of multi-customer, community-based microgrids ("Community Microgrids") in its service area.

Community Microgrids are energy systems that power multiple customers and critical facilities within a defined boundary through a clean solar and battery energy storage system that is directly connected to the utility's distribution grid (also called a front-of-the-meter (FTM) system). The microgrid operates in parallel with the grid during normal conditions (also called "Blue Sky Mode") but can disconnect from the larger grid and operate in "Island Mode" during times when the larger grid experiences an outage. The Community Microgrid keeps the lights on for all customers and critical facilities within the defined boundary during grid outages, thereby greatly increasing the resilience of a community.

Figure 1: Multi-Customer Community Microgrid



The Microgrid Incentive Program (MIP) is a statewide program overseen by the California Public Utilities Commission (CPUC) and administered by Pacific Gas and Electric (PG&E) in PCE's service area. The MIP provides incentives for both the development of the solar and storage resources, as well as required grid upgrades and control equipment to enable the Community Microgrids. PG&E also provides essential technical support through the program and works to identify the required grid upgrades to implement the Community Microgrids. MIP funding is dispersed via tranches under a competitive grant process. The second tranche of funding was released in spring 2025 and applications for funding are due on December 17, 2025. To develop a MIP application for two potential community microgrids in San Mateo County, PCE has been meeting with a variety of stakeholders over the past six months. This includes engaging with our local jurisdictions, including the City of Half Moon Bay and multiple offices in the County of San Mateo, as well as community partners by Arriba Southcoast. PCE is supported in its technical analyses by the Clean Coalition.

DISCUSSION

The following outlines the MIP application process to date for the proposed Community Microgrids in Pescadero and Half Moon Bay and outlines the reasons for the match funding request.

Identifying Eligible Communities

The MIP provides incentives for Community Microgrids located in disadvantaged or vulnerable

communities (DVCs) that are prone to outages. DVCs are defined as low-income communities, tribal communities, disadvantaged communities (DACs), or rural areas. In PCE's service area, the coastal area of San Mateo County meets both MIP eligibility requirements and stands out as an area that experiences repeated and extended electricity outages. The distribution grid feeder serving Pescadero experienced 442 outages in 2021 and 2022 with an average outage duration of 8 hours. 28 outages lasted longer than 24 hours. During the same timeframe, the distribution grid feeder serving the downtown area of Half Moon Bay experienced 118 outages. 4 of those outages lasted longer than 24 hours.

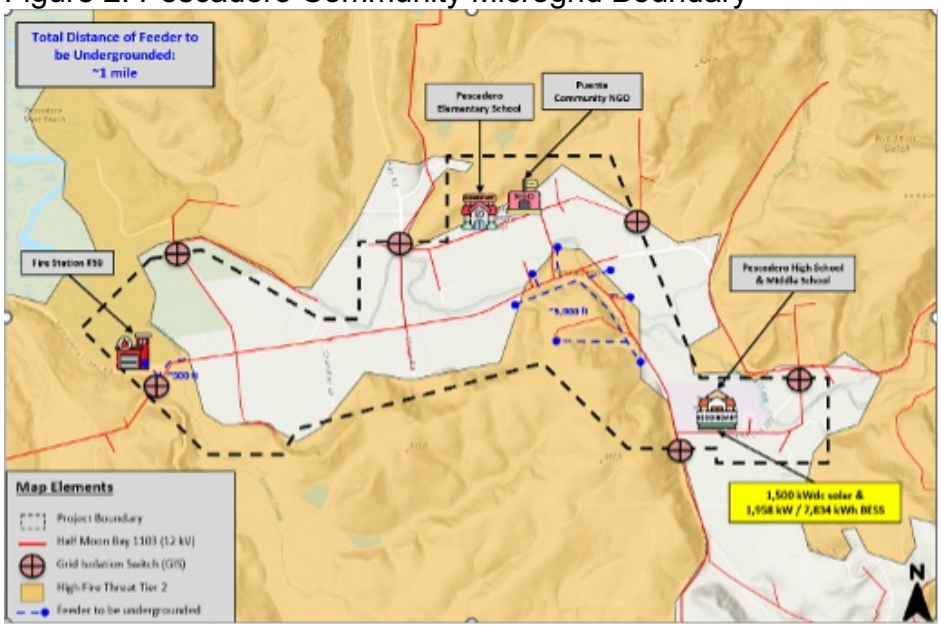
Community Microgrids can serve any customer or building but must be centered around "Critical Facilities", i.e., facilities that provide essential services to a community such as government facilities (schools, homeless shelters, community centers etc.), healthcare facilities, water and wastewater facilities, communication facilities etc.

Based on these factors, in summer 2025, PCE staff analyzed potential Community Microgrid sites in its service area and identified two potential sites – one in the town of Pescadero and one in the City of Half Moon Bay. Other eligible communities, such as South San Francisco, were analyzed as well but turned out to be infeasible due to locational restrictions of siting large solar systems in urban areas.

Specifying the Community Microgrid Boundaries

As a next step, PCE staff then reached out to community members and local government stakeholders in both Pescadero and Half Moon Bay to inquire about their interest in developing a Community Microgrid in their communities. Community partners such as Arriba Southcoast, San Mateo County staff, and City of Half Moon Bay staff, have been essential in representing the voice of the community in the development of the Community Microgrid proposals. PCE staff has worked with these stakeholders to shape the proposed boundaries of the Community Microgrids. After several months of discussion and analysis, the following boundaries for the two Community Microgrids were established:

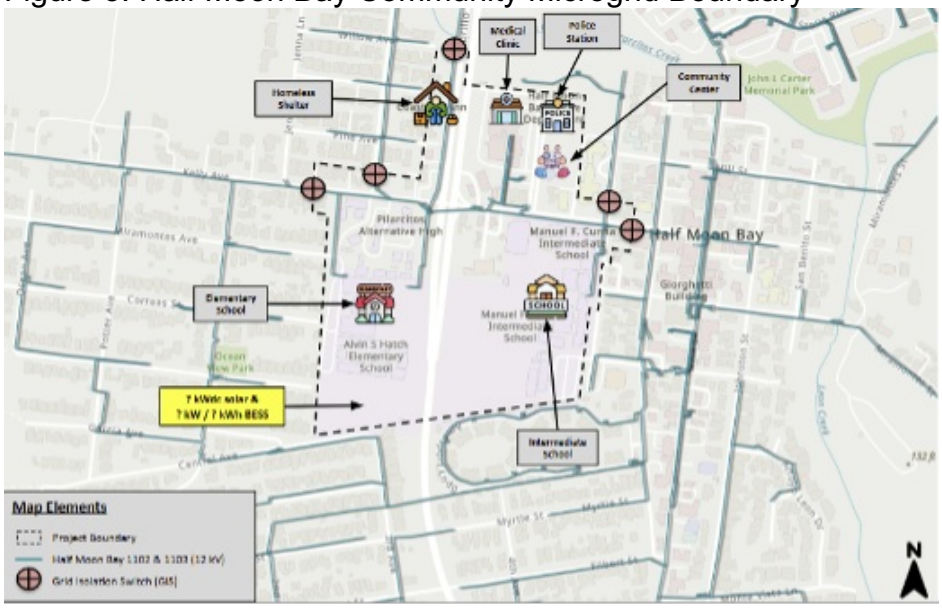
Figure 2: Pescadero Community Microgrid Boundary



In Pescadero, the proposed Community Microgrid will cover the entire town of Pescadero,

making it one of the largest – if not the largest – Community Microgrid in the state of California. The Pescadero Community Microgrid will cover more than 5 critical facilities (3 schools, the fire station, Puente Resource Center and Community Health Services, and various community centers), as well as over 100 residences and businesses.

Figure 3: Half Moon Bay Community Microgrid Boundary



In Half Moon Bay, City Council discussed various options for microgrid siting and ultimately decided on a location in downtown that covers a high concentration of critical facilities (two schools, a medical clinic, police station, community center, and transitional housing).

Establishing the Proposed System Size

Based on these microgrid boundaries, PG&E provided the associated load data to PCE, which was used as a basis for developing the forecasted solar and battery system sizes. In Pescadero, a roughly 1.5 MW solar and 8 MWh storage system is proposed. In Half Moon Bay, a roughly 750 kW solar and 16 MWh storage system is proposed. Both systems were developed to meet at least 24 hours of resilience under the MIP's conservative forecasting assumptions (i.e., assuming 90th percentile load, during the worst winter conditions, and considering both load growth and system degradation over 10 years). To put this into perspective, the Pescadero Community Microgrid can provide over 7 days of resilience during the summer months. If one assumes average load during the winter months (instead of 90th percentile load), the system can provide 3 days of resilience during the first year of operation, and more than 7 days of resilience assuming "essential load" (i.e., considering the fact that customers will likely reduce load during times of grid outages).

It must be noted that PCE does not have to commit to a specific location for the solar and battery system at the time of the MIP application. PCE is engaging with both the Pescadero La Honda Unified School District and the Cabrillo Unified School District to discuss potential project siting at the local schools. However, other siting options can be considered as well and would be further discussed if MIP funding is awarded.

Project Funding

The MIP provides funding in 3 categories:

1. **MIP incentive for project development**; i.e., solar and battery resource, ancillary system costs, land leases,, and project management costs;
2. **Allowance of up to $3 million for grid upgrades**; i.e., isolation devices, distribution grid undergrounding, and microgrid controllers;
3. **Allowance of up to $1 million for interconnection costs**; i.e., the costs associated with interconnecting the solar and battery system to the distribution grid.

With the submission of the MIP application on December 17, 2025, PCE will be requesting a defined level of MIP incentive funding for project development. The costs for grid upgrades and interconnection will not be known until late 2027, as PG&E will only evaluate these requirements if the project is awarded MIP funding. It should be noted that additional grid upgrade or interconnection costs may emerge at that time—particularly any costs exceeding the MIP program's $4 million allowance. If necessary, PCE staff may return to the Board of Directors in 2027 to request additional funding.

The MIP incentive that PCE requests in the MIP application is directly related to the chances of winning funding under the program. Each grant application is scored based on a "Benefits Score" with benefits being defined as customer and community benefits, resilience benefits, and environmental benefits. This Benefits Score is divided by the MIP incentive request, leading to the final Project Score. Inherently, projects with a lower MIP incentive request will have a better chance of winning MIP funding, demonstrating the need for match funding.

PCE staff recommend that PCE contribute 60% of the forecasted project development costs for one of the Community Microgrid projects, with a not-to-exceed amount of $10 million. Staff further recommend using funds already allocated for "Local Power Projects" within the PCE Surplus Fund to cover this contribution. This match-funding request is contingent upon the project being selected under the MIP. In addition, PCE staff are actively exploring other potential sources of match funding to strengthen the competitiveness of the MIP applications.

Given the substantial costs involved, PCE can only commit funding to one of the two proposed Community Microgrid projects. PCE will submit two MIP applications in December 2025—for Pescadero and Half Moon Bay—to preserve optionality in case one project proves technically infeasible or does not receive MIP funding. Ultimately, only one project will move forward. In the unlikely event that both projects are awarded MIP funding, PCE staff will work with community members and local stakeholders to determine which project to advance, considering technical feasibility and overall cost.

On November 6, 2025, PCE staff presented on the Pescadero and Half Moon Bay Community Microgrids in front of PCE's Community Advisory Committee (CAC). The CAC made the following recommendation to staff and the Board: "Due to the enormous benefits to the community and the mission of Peninsula Clean Energy, the CAC recommends the Board approve the staff recommendation on the match funding for the MIP project and explore undertaking both projects even if the MIP funding does not fully materialize, with alternative funding sources."

FISCAL IMPACT

The not-to-exceed budget for the Community Microgrids amounts to $10 million. PCE has already set aside $15 million in funding for "Local Power Projects" through the 2023 Surplus Fund effort, and will access those funds to cover the costs of the Community Microgrids.

STRATEGIC PLAN

The proposed Community Microgrids support the following elements of PCE's DER Framework 2025 - 2030:

- Goal 4 – Explore business models to foster the development of front-of-the-meter Distribution Resources in PCE's service area.

RESOLUTION NO. _____

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

APPROVAL OF MATCH FUNDING FOR THE MICROGRID INCENTIVE PROGRAM GRANT FUNDING OPPORTUNITY (ACTION)

RESOLVED, by the Peninsula Clean Energy Authority of the County of San Mateo and the City of Los Banos, State of California ("Peninsula Clean Energy" or "PCE"), that

WHEREAS, PCE was formed on February 29, 2016; and

WHEREAS, support for Community Microgrids is part of PCE's distributed energy resource (DER) framework for 2025 – 2030; and

WHEREAS, Community Microgrids can increase the resilience of communities that experience frequent and extended electricity outages; and

WHEREAS, support for disadvantaged and vulnerable communities is an identified priority for PCE; and

WHEREAS, the Microgrid Incentive Program (MIP) is a high-value opportunity to receive funding and technical support for the development of Community Microgrids; and

WHEREAS, the chances of winning MIP incentive funding are increased if match funding for the project is identified; and

WHEREAS, PCE is only requesting match funding for the MIP incentive (i.e., project development costs) at this time. PCE may request additional funds for grid upgrade and interconnection costs in the future if costs exceed the allowances provided by the MIP; and

WHEREAS, the PCE match funding is contingent upon the award of the individual applications under the MIP; and

WHEREAS, PCE intends to fund one of the two proposed Community Microgrids considering the significant costs associated with such a project. Which project will be chosen will depend on the selection under the MIP, as well as technical and cost considerations.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board of Directors authorize the Chief Executive Officer, in consultation with the General Counsel, to contribute 60% of the forecasted project development costs for one of the two proposed Community Microgrid projects with a not-to-exceed budget of $10 million. PCE has already set aside $15 million in funding for "Local Power Projects" in the PCE Surplus Fund and will

access those funds to cover the costs of the Community Microgrids.

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: November 12, 2025
MEETING DATE: November 20, 2025
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Peninsula Clean Energy Authority Board Committee to Review Committee Efficacy

SUBJECT: Sunset the Community Advisory Committee (CAC) and Support Recommendation to Establish a Community Feedback Forum (Action)

RECOMMENDATION

Sunset the CAC at the end of 2025 and continue the working groups as needed and support the recommendation for a new Community Feedback Forum(CFF), targeting 6 meetings annually subject to staff review, and a plan to review the CFF format after a year.

BACKGROUND

In 2017, the Peninsula Clean Energy Board of Directors created a Community Advisory Committee (CAC) as a 15-member Brown Act body that initially included many of the local community advocates who worked to establish PCE. CAC members are appointed by the Board for up to three, three-year terms and fulfill objectives defined by the Board of Directors which include advising on public-facing programs and policy, as well as community outreach and advocacy.

Over the years, the CAC has proven to be a valuable resource, particularly in the realm of community outreach and input on public-facing programs, especially in PCE's earlier years, when it was newer, smaller, and its services were often unknown. CAC members have provided expertise and exhibited dedication in fulfilling their roles over the years. Their contributions have included input on program design, strategic planning, advocacy support for local REACH codes, input on PCE's DEAI initiative, engagement with schools, and other efforts. The Ad-Hoc Committee acknowledges their contributions of time, expertise, and service to date.

Approaching nearly a decade of PCE operations, in Spring 2025, the PCE Board of Directors formed a Board Ad-Hoc Committee to review standing committee efficacy and to recommend any changes with the next 10 years of PCE's needs and operations in mind. The Ad-Hoc Committee met several times over the summer and early fall of 2025 and reviewed research, other Community Choice Aggregation (CCA) practices, and options provided by staff, including successful community engagement and stakeholder feedback models used by other

CCAs and public agencies.

This memo focuses on the recommended sunset of PCE's CAC and the recommendation to support establishment of a broader and more inclusive Community Feedback Forum (CFF). Recommendations regarding PCE's other standing committees—the Executive Committee and Audit and Finance Committee—will be shared with the Executive Committee and Board of Directors next month.

DISCUSSION

Staff and Ad-Hoc Committee members discussed the current landscape of CCA community advisory boards and committees around the State. About half of the CCAs have active community committees, only some of which are Brown Act committees. The Ad-Hoc Committee also discussed which models would be most beneficial to PCE going forward, reflecting PCE's growth and expertise of professional staff, more mature operations, and a deepening focus on customer service and engagement across a broad spectrum of customers representing diverse needs, ideas, and viewpoints.

During its discussions, the Ad-Hoc Committee learned of MCE's model, which engages approximately 200 community-based organizations in its service territory in discussions on customer energy programs and policies. The Ad-Hoc Committee liked MCE's approach and worked with PCE staff to craft a proposal that borrows from their model but tailors it to meet the local stakeholder needs and PCE's different and smaller service territory.

PCE regularly engages with approximately 15 community-based organizations (CBOs) through its outreach grantee program. There are an additional 40+ CBOs that PCE Board members and staff have communicated with in the past, but the Agency doesn't have a mechanism to regularly engage with them. Even beyond that group of stakeholders, there is rich local expertise and opportunity for meaningful engagement with local nonprofit and community leaders who share similar goals of environmental stewardship, affordability, and equity with PCE.

To meet our ambitious agency goals in the coming years, PCE needs a "bigger tent," a forum for regular engagement with our grassroots community leaders that makes the best use of their time and ours. The Board and staff must cultivate broad community support for local climate policy and the myriad of ways that PCE supports those climate goals. Thus, the Board Ad-Hoc Committee recommends that staff shift its time and focus from managing small, monthly CAC meetings to convening a Community Feedback Forum (CFF), a new structure for PCE to regularly engage a larger and more diverse group of grassroots community leaders. Under this proposal, current CAC members would be offered opportunities to continue to engage with PCE staff in informal working groups on key topics such as building electrification and marketing, as well as help shape the Community Feedback Forum to make it a success. Please see attached for more detail on the proposed CFF.

A key benefit of the proposed CFF is that it will directly augment and support PCE's new Voice of the Customer initiative, which focuses on deep listening to key customer segments in order to serve them better and boost participation. Forum meetings will be designed to both educate participants about PCE programs and activities and gather meaningful feedback at early stages of planning and design, when that feedback can be best incorporated. The new CFF format will also allow for multi-lingual presentations, more public participation, and creative

facilitation.

In addition, the CFF model invites broad participation such that PCE will not need to turn away interested stakeholder participants due to a cap on membership. In the previous two cycles of open recruitment for the CAC, PCE had to turn away over 25 qualified and enthusiastic applicants due to its size limit. This rejection does not result in a good experience for those volunteers who are also PCE customers. We anticipate no such limitations on CFF participation; in fact, the goal is to engage as many customers and community leaders as possible.

In its research, the Ad-Hoc Committee also evaluated the staff time required to implement various models for community engagement compared to the time it spends administering the CAC:

- CAC: estimated 340 hours of staff time annually for the application and selection process and 11 meetings per year
- Community Feedback Forum: Approximately 150 hours annually for six meetings per year

To make the best use of staff time and foster a sense of community ownership, the Ad-Hoc committee recommends partnering with interested CAC members and community outreach grantees to plan and coordinate various CFF meetings in the future. In addition, the Ad-Hoc Committee recommends that staff continue to engage with CAC members and other community stakeholders in various working groups, as needed.

The CAC discussed the proposed CFF at its October 9, 2025 Regular Meeting and made the following recommendation: “The CAC approves the recommendation for a Community Feedback Forum with the amendment that the CAC continue in a way that the aggregated effect is to not increase staff effort and time.”

The Ad-Hoc Committee received the CAC’s feedback and considered various options to “do both.” Based on the staff time estimates above, the Committee concluded that moving away from the CAC meetings and toward a larger, and more inclusive CFF model was the most effective use of staff time and has the greatest potential benefit to PCE and its customers as it moves into its next 10 years.

The Ad-Hoc Committee is also recommending that staff provide written post-CFF meeting reports to keep Board members appraised of discussion topics and key learnings.

At the November 10, 2025 Executive Committee meeting, the Committee made the recommendation to sunset the CAC at the end of 2025 and continue the working groups as needed. The Executive Committee also supported the recommendation for a new Community Feedback Forum, targeting 6 meetings annually subject to staff review, and a plan to review the CFF format after a year.

ATTACHMENTS:

PCE Community Feedback Forum Proposal

RESOLUTION NO. _____

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

SUNSET THE COMMUNITY ADVISORY COMMITTEE (CAC) AND SUPPORT RECOMMENDATION TO ESTABLISH A COMMUNITY FEEDBACK FORUM (ACTION)

RESOLVED, by the Peninsula Clean Energy Authority of the County of San Mateo, and City of Los Banos, State of California, ("Peninsula Clean Energy" or "PCE"), that

WHEREAS, Peninsula Clean Energy was formed on February 29, 2016; and

WHEREAS, Section 3.5 of the PCE Joint Powers Agreement states that the "Board may establish any advisory commissions, boards, and committees as the Board deems appropriate to assist the Board"; and

WHEREAS, the Board approved the creation of a Citizens Advisory Committee ("Committee" or "CAC") on February 23, 2017, to be appointed by the PCE Board through an application process including review and recommendation by a committee of the PCE Board; and

WHEREAS, the Board appointed fifteen members to the Citizens Advisory Committee on May 24, 2017, and

WHEREAS, in July 2023 the PCE Board of Directors approved changing its name from "Citizens Advisory Committee" to "Community Advisory Committee"; and

WHEREAS, CAC members have provided expertise and exhibited dedication in fulfilling their roles over the years, and PCE acknowledges and expresses gratitude for their contributions of time, expertise, and service to date; and

WHEREAS, in Spring 2025, the PCE Board of Directors formed a Board Ad-Hoc Committee to review standing committee efficacy and to recommend any changes with the next 10 years of PCE's needs and operations in mind; and

WHEREAS, to regularly engage a larger and more diverse group of community leaders and customers, the Board Ad-Hoc Committee recommends that staff shift its time and focus from managing monthly CAC meetings to convening a Community Feedback Forum (CFF); and

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board approves the recommendation to Sunset the CAC at the end of 2025 and continue the working groups as needed and support the recommendation for a new Community Feedback Forum(CFF), targeting 6 meetings annually subject to staff review, and a plan to review the CFF format after a year.

Proposal for the PCE Community Feedback Forum (CFF)

Alternative name: Community Engagement Forum

A proposal to sunset the current Community Advisory Committee and evolve our approach to community engagement by launching a new Community Feedback Forum, adapted from MCE's Community Power Coalition model.

Proposed Purpose/Scope

- Build knowledge of and support for PCE's climate goals and actions among a much wider group of local community leaders
- Invite ideas and feedback on PCE's customer-facing activities from a more diverse group of stakeholders in PCE's service territory
- Provide community-friendly, flexible, and accessible forums for community listening beyond what is permissible under the rules of the Brown Act

Benefits of the Community Engagement Forum

To meet our ambitious Agency goals, PCE needs to expand awareness of, solicit feedback on, and build broad community support for its local climate and energy related policies and actions. The Community Feedback Forum creates a new structure for PCE to regularly and more deeply engage a larger and more diverse group of grassroots community leaders than is currently practical through our Community Advisory Committee (CAC), a legally restricted Brown Act body.

The proposed Community Feedback Forum augments and supports PCE's new Voice of Customer initiative, focusing on deep listening to key customer segments in order to serve them better. Forum meetings will be designed to both inform participants about PCE programs and activities and to also gather meaningful feedback at early stages of our planning, when that feedback can be best incorporated and acted upon.

Currently, PCE has deep collaboration with up to 15 members of our Community Advisory Committee, representing themselves as individuals at monthly Brown Act meetings. PCE also engages approximately 15 local community-based organizations (CBOs) through our annual outreach grant program. That's a great start, but there are many more community groups and grassroots leaders we could be engaging to broaden our base of awareness, feedback, and support. There are an additional 40+ CBOs that PCE staff have communicated with in the past, but limited staff resources have prevented engagement on a more consistent basis. Meanwhile, there are over 600 nonprofits registered in San Mateo County alone, and 200 that are active members of the Thrive Alliance. As it rounds the corner on a decade of service, PCE

needs a broader forum for regular engagement with our grassroots community leaders that makes best use of both PCE's staff time and theirs.

The Brown Act is important for legislative bodies, but places artificial limitations on genuine and respectful community dialogue. The legal rules of Brown Act meetings make speaking up intimidating for many community members. This is especially a concern for English-language learners and under-represented groups who have less experience engaging with local government. Public comment under the Brown Act limits two-way dialogue with members of the public, as it is discouraged to respond or follow up on their comments within strict limitations. Yet, it is exactly these groups that are less likely to participate in our Brown Act CAC meetings that we need to reach in order to grow our community impact in reducing greenhouse gases.

Organizing the Community Feedback Forum as a non-Brown Act body provides flexibility in customer participation and listening. This includes dialoging with participants in a meaningful way. We can have small group breakout conversations, including in multiple languages, that are prohibited under the Brown Act. We can experiment with holding meetings at different times, days and places to meet the community where they are, and with different formats and best practices for effective community engagement.

Finally, running the Community Feedback Forum is estimated to take considerably less staff time than administering the CAC, while potentially reaching far more community members and stakeholders. This frees up additional time for PCE's new Voice of the Customer initiative and expanded community outreach efforts. Staff would leverage existing CAC and community grant relationships to help with Forum planning and recruitment, further optimizing staff time and local impact.

Current CAC members will be invited to help shape the Community Feedback Forum, and of course to participate in the meetings themselves. They will also be invited to continue engaging in informal working groups so the Agency does not lose their expertise.

Proposed Forum Composition and Operations

- The PCE Community Feedback Forum will consist of a voluntary group of interested individuals and community organizations and that are either 1) based in PCE's service territory or 2) organizations that have significant members, clients, or community activities in PCE's service territory.
- Any individual or organization that meets these criteria may sign up to be notified of meetings. PCE may also do additional outreach to invite individuals and organizations with specific expertise in the topic to be discussed.
- PCE may also invite additional PCE customers to specific meetings to weigh in on a topic in which they have experience. For example, for a forum focused on gathering

feedback on customer needs for launching a new residential solar offering, we may invite customers who have recently installed rooftop solar to speak to their experiences.

- The Community Feedback Forum will be coordinated and led by designated PCE staff. PCE staff commit to developing agendas based on current organizational needs for community feedback, facilitating the meetings, synthesizing the feedback, and reporting it to relevant PCE staff leadership and the Board of Directors.
- Meeting frequency will be 4-6 times per year, but not less than quarterly.
- Staff may experiment with different times, formats, and locations for these meetings in order to make them most effective and accessible by those with the greatest interest and expertise in the given topics.

Forum Staffing

The new Community Feedback Forum will be coordinated by Kirsten Andrews Schwind and Vanessa Shin. Other PCE staff and Board members would be invited to participate on a topical/as needed basis.

Proposed Timeline

- September 2025: Board Ad Hoc Committee works with staff to evaluate options and develop CFF proposal.
- October 2025: Draft proposal brought to the current CAC for discussion and feedback
- November 2025: Ad Hoc Committee updates proposal if needed and makes recommendation(s) to the Board.
- December 2025: If approved, final CAC meeting focused on celebrating and appreciating CAC members and their contributions.
- Q1 2026: Launch Community Feedback Forum and facilitate first meeting.

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: November 14, 2025
MEETING DATE: November 20, 2025
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Phillip Kobernick, Associate Director of Energy Programs

SUBJECT: Approval of Three Contracts with Fuse Service Inc., Super Brothers Plumbing Heating & Air, & Villquin Air Services, Inc., in a Collective Amount Not-to-Exceed $18M, to Provide Residential Full-Service Electrification Services and Emergency Water Heater Replacement Services to Customers (Action)

RECOMMENDATION

Delegate authority to the Chief Executive Officer to execute a 3-year contract with Fuse Service Inc. to provide residential full-service electrification services and emergency water heater replacement services in an amount not to exceed $7M, and two 3-year contracts with Super Brothers Plumbing Heating & Air, and Villquin Air Services, Inc. to provide residential full-service electrification services in an amount not to exceed $5.5M each, for a total amount not to exceed $18M across the three selected contractors.

BACKGROUND

Peninsula Clean Energy's mission is to reduce greenhouse gas (GHG) emissions by expanding access to sustainable and affordable energy and energy program solutions. Nearly 30% of GHGs in San Mateo County are from methane gas usage in buildings. Reducing GHG emissions from the existing building stock is critical in achieving decarbonization in Peninsula Clean Energy member communities.

Electrification of the building sector in Peninsula Clean Energy service territory and California at large is very early in its development. Per analysis by PCE in 2022, in San Mateo County, 98% of small residential homes have gas water heaters and 68% have gas furnaces, which make up the largest sources of methane gas combustion in the home. Some of the main challenges that customers face in switching to electric systems include high installation costs, lack of familiarity with technology, and limited support from contractors.

In September 2018, the Board approved the PCE Program Roadmap, which identifies programs for 2019 and beyond to include building electrification programs as a key component. In May 2020, the Board approved an Existing Building Electrification plan for existing buildings covering appliance incentives, home upgrades for low-income households and innovation pilots.

As directed by the Board, staff presented more detailed targets and program concepts for the decarbonization of buildings in September 2022. This "2035 Plan," adopted by the Board, identified "small residential" existing buildings (single-family and small multi-family residential units) as priority targets where PCE was best positioned to deliver high impact. The plan calls for reach codes and regulatory requirements to drive the market. However, for such regulations to be feasible and successful, there need to be robust programs in place to support residents in making this transition. The 2035 Plan established that flexible incentives, high-touch support, and links to finance should be the primary objectives for future building electrification programs.

The program has gone through multiple phases, including the addition of incentives (begun in 2021 and expanded in late 2022), first phase of income-qualified direct install (2021), addition of the Zero Percent Loan (2022), and second phase of direct-install and turnkey services discussed below. The current incentive program offers up to $3,500 in rebates for efficient electric heat pump water heaters and heat pump "2-way AC" HVAC systems, and up to $10,000 through the Zero Percent Finance service. Over 4,400 customers have participated to date installing over 5,000 measures.

While the aforementioned rebates and loans provide important tools and resources for customers seeking to manage their own projects, many customers expressed the need for additional assistance with project management and equipment selection. Therefore, in August 2023, staff issued a request for proposals (RFP) to select an implementation team for a multi-year single-family home electrification "full service" installation service and emergency water heater replacement service to further expand the Home Upgrade program. The RFP was developed in collaboration with Silicon Valley Clean Energy (SVCE) and Franklin Energy was jointly selected and the partner to implement the program, with Enso Building Solutions and Fuse Service as subcontractors performing installations. In February 2024, the Board approved a three-year contract with Franklin Energy.

In September 2024, the new full-service installation and emergency water heater programs were launched to customers. After several months of unsatisfactory performance and budget challenges, PCE staff determined in Q2 2025 to significantly change the program by ending the contract with Franklin Energy. Instead, PCE decided to administer the program internally, including directly contracting with contractors to provide full-service installations to PCE customers. The details of the newly reconfigured program are further described in the Discussion section below.

Current Metrics (as of November 2025) under Franklin Energy Contract	
Assessments Completed	181
Customer Participation Agreements Signed	78
Projects Completed	36
Emergency Water Heaters Completed	8

The table below provides a high-level overview of the Home Upgrade Services Program

customer offerings.

Home Upgrade Services Current Program Overview			
"Self Service"	**Personalized Support**	**"Full Service" Installation**	**Emergency Water Heater Replacement**
Administered currently by PCE staff	Provided currently by PCE staff	To be provided by Fuse, Super Brothers, and Villquin	To be provided by Fuse
· Customers choose their own contractors and equipment, manage their own projects · Rebates and 0% financing available · Customers apply for rebates post installation and/or pre-apply for financing with approved contractors	· Free guidance from PCE experts on project scoping, cost estimate reviews, etc. as well as rate optimization and post-installation support · Warranty coordination when required	· Installation and equipment selection led by PCE-selected contractors · Project managed by contractors with PCE oversight · Two customer segments: Low income (all work paid for by PCE), not low-income (fixed pricing to customer, rebates and financing available)	· Heat pump replacement or temporary gas loaner within 48 hours · No cost for low-income residents, fixed pricing for non-low-income customers · Service currently provided by Fuse, will continue

DISCUSSION

PCE expects to provide a better customer experience and lower customer costs under the new internally managed structure. To implement the program changes, PCE released an RFP in August to directly hire multiple contractors to provide full-service installation services and emergency water heater replacement services to customers in the Home Upgrade Services program. The responses were highly competitive with over a dozen bid responses received and reviewed carefully by PCE staff. Multiple criteria were considered during the review including: experience with installing residential heat pump systems, alignment with PCE program structure and design thinking, overall cost to PCE and customers, customer reviews, etc. PCE staff negotiated with the finalist bidders to achieve equal alignment on fixed pricing, as well as cost savings to PCE and customers. Fuse Service, Super Brothers Plumbing Heating & Air, and Villquin Air Services provided the strongest overall proposals and are recommended to the Board for approval for Full-Service Installation services and, in addition, Fuse Service is also recommended to the Board for approval for emergency water heater replacement services. Also, of note, Fuse Service is a leading contractor in the Home Upgrade "Self-Service" option, providing a high volume of rebates and loans to customers separate from the proposed contract here. PCE staff will return to the Board shortly with an update on contractors in the Self-Service component of the program.

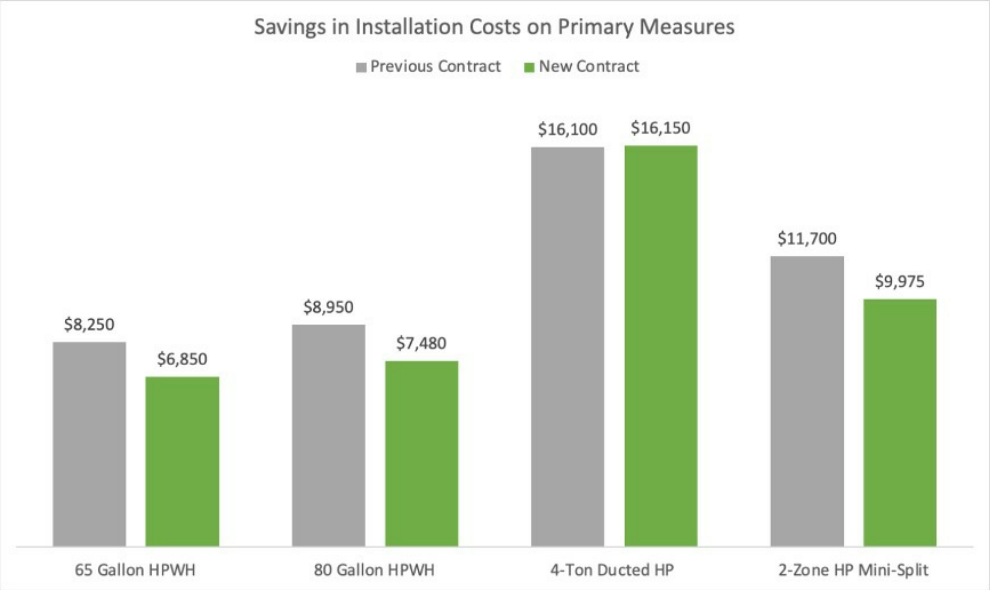
The newly reconfigured program structure, in which PCE is directly administering the program, offers several cost and experiential improvements to customers over the previous program structure. For example, while the prior program required two separate home visits, one by a

home energy assessor for initial scoping followed by another with a contractor, the new program consolidates this into a single visit by the contractor for scoping and proposal development. The new contracts also include detailed service-level expectations for timely project delivery, with defined turnaround times at each stage of the process and a primary requirement to complete projects within two months of a customer signing a participation agreement.

Another customer improvement in the newly reconfigured program is post-installation support in the form of an extended warranty. In the new contract, all contractors have agreed to provide a three-year parts and labor warranty. PCE will utilize manufacturer parts warranties whenever possible to reduce costs and backfill when needed to provide the three-year warranty for all appliances installed in the program.

Cost savings were also achieved in the new contract. For example, for the installation of 65-gallon heat pump water heaters, a very common project type, PCE achieved a savings of over 15%. Other notable cost reductions are outlined in the chart below.

Costs Savings Achieved in New Contract Compared to Prior Contract for Common Full-Service Installation Measures



The new program will be administered by PCE staff, providing for a quicker and more streamlined experience for customers. Customers interested in full-service installation services will go through the following customer journey:

1. Customers apply on the PCE website
2. PCE staff will then determine income eligibility for no-cost services
3. One of the three contractors will be dispatched to the customers home to create a proposal
4. PCE approves the proposal (as appropriate) and sends the customer a participation agreement
5. Contractor completes the work within 60 days, provides customer with education on new

equipment
6. Customer receives post-installation support, including warranty support as needed, by PCE Personalized Support program

Customers requesting emergency water heater replacements will contact Fuse Service directly (contact information posted on the PCE website) to coordinate for the emergency installation of a heat pump water heater or temporary gas water heater in the event that a heat pump water heater is not able to be installed quickly.

Peninsula Clean Energy required all contractors in the Full-Service Installation part of the Home Upgrade Program to provide prevailing wage. PCE intends to hire a third-party to perform independent audits and a Request for Information (RFI) will be released shortly to select an organization to provide these services.

To maximize value to PCE and customers, the full-service electrification service will leverage any local, federal, and state incentives for building electrification ("third party incentives"). Using design approaches developed by PCE to avoid service upgrades and other expenses, the average cost to fully electrify a home under the program is expected to be about $35,000 for typical homes, before factoring in any third-party incentives. Third-party incentives will reduce PCE's costs for low-income projects–where it pays for the entire cost–and reduce customer's cost in the case of non-low income rate projects where the customer is paying for the upgrades.

The newly reconfigured program largely draws upon existing staff. However, an additional full-time temporary employee (with possible transition to permanent position) has been added to further support the overall program, including the processing of rebates and loan applications, bringing the administrative staff support to approximately 2 FTE, complementing the overall team consisting of managers, an analyst, and senior engineer. Even with the added FTE, PCE expects to save $50,000+ per month in administrative costs compared to the Franklin Energy contract.

The following table outlines the total proposed budget by service and the *minimum* number homes to be served with this budget. This is the number of homes served if every home was fully electrified, however, there will be some homes that only require one or two measures to attain full electrification, and thus the total number of homes served may be greater. These numbers also do not reflect third-party incentives, though PCE will seek to utilize third-party incentives whenever available and appropriate, to reduce costs to PCE.

Measure	Home Upgrade Program Full-Service Installation Costs				
	FY 25-26	FY 26-27	FY 27-28	FY 28-29[1]	Total
Full-Service Installation (Low Income)[2]	$3.1M (Appx. 90 homes)	$5.25M (Appx. 150 homes)	$5.25M (Appx. 150 homes)	$2.65M (Appx. 75 homes)	$16.25M

1-

Full-Service Installation (Non Low-Income)[3]	$50,000 (Appx. 100 homes)	$75,000 (Appx. 150 homes)	$75,000 (Appx. 150 homes)	$50,000 (Appx. 100 homes)	Appx. $0.25M
Emergency Water Heater Replacement (Low Income)[4]	$0.25M (Appx. 35 replacements)	$0.5M (Appx. 70 replacements)	$0.5M (Appx. 70 replacements)	$0.25M (Appx. 35 replacements)	$1.5M
Total					$18M

Proposed contracts run through December 2028, approximately halfway through FY 28-29.

2- Approximately $35,000 per home, on average, without third-party incentives

3- Customers pay contractors directly at fixed prices pre-negotiated by PCE. Price here includes appx. $500 PCE costs to perform home assessment and third-party rebate application support. PCE-provided rebates not included in these costs.

4- Replacements for low-income customers paid for by PCE at appx. $7,000 each (without third-party incentives), non-low income customers pay contractors at fixed prices pre-negotiated by PCE.

These program updates were presented by staff to the Community Advisory Committee on October 9, which made the following recommendation to the Peninsula Clean Energy Board of Directors: "The CAC endorses the staff recommendation to enhance the Home Upgrade Services Program. The CAC requests that staff provide the public with data on program adoption."

FISCAL IMPACT

Proposed expenditures are consistent with program department budget forecasts.

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

Goal 3 – Community Energy Programs, Objective B:

- Key Tactic 1: Invest in programs that benefit underserved communities

ATTACHMENTS:
2025.11.20_BOD_Programs_-_Contract_for_Residential_Electrification_Installation_Services__-_Villquin.docx
2025.11.20_BOD_Programs_Contract_for_Residential_Electrification_Installation_Services__-

_SuperBros.docx
2025.11.20_BOD_Programs_-_Contract_for_Residential_Electrification_Installation_Services__Short_Term_-_Fuse_-_Full_term.docx

RESOLUTION NO. _____

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

**APPROVAL OF THREE CONTRACTS WITH FUSE SERVICE INC., SUPER BROTHERS PLUMBING HEATING & AIR, & VILLQUIN AIR SERVICES, INC., IN A COLLECTIVE AMOUNT NOT-TO-EXCEED $18M, TO PROVIDE RESIDENTIAL FULL-SERVICE ELECTRIFICATION SERVICES AND EMERGENCY WATER HEATER REPLACEMENT SERVICES TO CUSTOMERS (ACTION) **

RESOLVED, by the Peninsula Clean Energy Authority of the County of San Mateo and the City of Los Banos, State of California ("Peninsula Clean Energy" or "PCE"), 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 30% of directly inventoried GHG emissions within the County; 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; and

WHEREAS, state and regional agencies are putting in place requirements to transition to electric appliances; and

WHEREAS, more robust program infrastructure is needed to address customer barriers and make the switch to electric appliances easier for all types of residential customers; and

WHEREAS, PCE issued a request for proposals in August 2025 seeking proposals from contractors to provide full-service electrification installation services for single-family homes, which includes no-cost electrification upgrades for income-qualified homes, installation services for non-income-qualified residents at a cost, and an emergency water heater replacement service; and

WHEREAS, Fuse Energy Service, Super Brothers Heating Plumbing & Air, and Villquin Air Services were selected for their overall experience with electrification, alignment with PCE program and design standards, and cost-effectiveness; and

WHEREAS, PCE staff and Fuse Service have negotiated and agree on the core terms of an agreement to be effective from approximately December 2025 through December 2028 to provide full-service installation services and emergency water heater replacement services, in an amount not to exceed $7,000,000; and

WHEREAS, PCE staff and Super Brothers Heating Plumbing & Air have negotiated and agree on the core terms of an agreement to be effective from approximately December 2025 through December 2028 to provide full-service installation services in an amount not to exceed $5,500,000; and

WHEREAS, PCE staff and Villquin Air Services have negotiated and agree on the core terms of an agreement to be effective from approximately December 2025 through December 2028 to provide full-service installation services in an amount not to exceed $5,500,000; and

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board delegates authority to the Chief Executive Officer to finalize and execute three agreements with Fuse Service, Super Brothers Heating Plumbing & Air, and Villquin Air Services in a collective amount not to exceed $18,000,000 over three years through December 2028 and in a form approved by the General Counsel.

AGREEMENT BETWEEN THE PENINSULA CLEAN ENERGY AUTHORITY AND VILLQUIN AIR SERVICES INC.

This Agreement is entered into this 21st day of November 2025 by and between the Peninsula Clean Energy Authority, a joint powers authority of the state of California, hereinafter called "PCEA," and Villquin Air Services Inc., 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 providing Single-Family Residential Electrification Installation Services.

Now, therefore, it is agreed by the parties to this Agreement as follows:

1. Exhibits and Attachments

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. Services to be performed by Contractor

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. Payments

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 five million, five hundred thousand dollars ($5,500,000.00). 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 December 1, 2025, through December 1, 2028.

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. Intellectual Property and Ownership of Work Product

PCEA shall and does own all titles, rights, and interests in all materials, tangible or not, created in whatever medium pursuant to this Agreement, including without limitation publications, promotional or educational materials, reports, manuals, specifications, drawings and sketches, computer programs, software and databases, schematics, marks, logos, graphic designs, notes, matters and combinations therefore, and all forms of intellectual property ("Work Products") created by Contractor and any subcontractors under this Agreement. Contractor hereby assigns all titles, rights, and interests in all Work Products to PCEA. At the end of this Agreement, or in the event of termination, all Work Products shall be promptly delivered to PCEA.
Contractor may not sell, transfer, or permit the use of any Work Products without the express written consent of PCEA. Contractor shall not dispute, directly or indirectly, PCEA's exclusive right and title to the Work Products, nor the validity of the intellectual property embodied therein.

Contractor may (1) retain its rights to and ownership of pre-existing or open-source materials and/or (2) retain one copy of Work Products for archival use, but in either instance must notify PCEA and identify any such materials in writing prior to the commencement of work under this Agreement.

7. 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.

8. 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.

b. Release and Hold Harmless in Customer/Subcontractor Contracts

PCEA shall have the opportunity to review, prior to their execution, any contracts executed by Contractor to implement this Agreement. In addition, unless waived in advance in writing by PCEA, any such contracts shall contain the following terms:

c. Release of Claims Against, and Hold Harmless of, Peninsula Clean Energy Authority

Customer/Subcontractor also discharges and releases the Peninsula Clean Energy Authority (PCEA) and its officers, employers, employees, and agents from and against any and all claims, demands, liabilities, obligations, damages or chose in action, legal or equitable, of whatever kind or nature, including negligence by PCEA, in which Customer/Subcontractor, and Customer/Subcontractor's successors in interest, heirs, estates or personal representatives, or family members, now may have or assert, or may have had in the past or may have in the future, against PCEA as the result of, based upon, arising out of, or connected with PCEA's involvement with the Project. Customer/Subcontractor is on notice of and hereby specifically and expressly waives the provisions of California Civil Code § 1542, which provides that a "general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

Customer/Subcontractor also agrees to indemnify and hold harmless PCEA from any and all claims, actions, suits, procedures, costs, expenses, damages, and liabilities, including attorney's fees and costs, brought as a result of PCEA's involvement with the Project, and to reimburse PCEA for any such expenses incurred.

For purposes of this provision, PCEA is hereby intended to be a third-party beneficiary of any and all contracts executed by Contractor to implement this Agreement, pursuant to California Civil Code § 1559.

9. 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.

10. 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.

11. 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** (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.

12. 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 per occurrence and $2,000,000 aggregate for bodily injury and property damage
Yes	Motor Vehicle 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.

13. 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.

14. Warranties

a. Construction Warranty

The Contractor hereby warrants to PCEA and Property Owner that all materials and equipment furnished with respect to the Property are new and the work performed by the Contractor with respect to the Property is of good and workmanlike quality, free from faults and defects, and in conformance with all contract documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. The foregoing warranty excludes remedy for damage or defect caused by abuse, modifications not executed by the Contractor, improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. Upon request of PCEA and/or the Property Owner, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment.

b. Repair Warranty

If, within one year after the date of Completion of the Work in properties served by the program or designated portion thereof, any of the Work is found to be not in accordance with the requirements of the Contract Documents, the Contractor shall correct it promptly after receipt of written notice from the Property Owner to do so unless the Owner has previously given the Contractor a written acceptance of such condition. This period of one year shall be extended with respect to portions of the Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual performance of the Work. The obligation under this Subparagraph 14b shall survive acceptance of the Work under the Contract and termination of the Contract. The Property Owner or PCE shall give such notice promptly after discovery of the condition.

15. 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.

16. Confidential Information

(a) Contractor shall maintain in confidence and not disclose to any third party or use in any manner not required or authorized under this Agreement any and all Confidential Information held by PCEA.

(b) The term “Confidential Information” includes all information, documents, and materials owned by PCEA, including technical, financial, business, or PCEA customer information which is not available to the general public, as well as information derived from such information. Information received by Contractor shall not be considered Confidential Information if: (i) it is or becomes available to the public through no wrongful act of Contractor; (ii) it is already in the possession of Contractor and not subject to any confidentiality agreement between the Parties; (iii) it is received from a third party without restriction for the benefit of PCEA and without breach of this Agreement; (iv) it is independently developed by Contractor; (v) it is disclosed pursuant to a requirement of law, including, but not limited to, the California Public Records Act (Cal. Gov’t Code Section 6250, et seq.); or (vi) is disclosed to or by a duly empowered

government agency, or a court of competent jurisdiction after due notice and an adequate opportunity to intervene is given to PCEA, unless such notice is prohibited.

(c) As practicable, PCEA shall mark Confidential Information with the words "Confidential" or "Confidential Material" or with words of similar import, or, if that is not possible, PCEA shall notify the Contractor (for example, by cover e-mail transmitting an electronic document) that the material is Confidential Information. PCEA's failure or delay, for whatever reason, to mark or notify Contractor at the time the material is produced shall not take the material out of the coverage of this Agreement.

(d) Contractor will direct its employees, contractors, consultants, and representatives who have access to any Confidential Information to comply with the terms of this Section.

(e) Upon termination or expiration of this Agreement, Contractor shall, at PCEA's exclusive direction, either return or destroy all such Confidential Information and shall so certify in writing, provided, however, any Confidential Information (i) found in drafts, notes, studies, and other documents prepared by or for PCEA or its representatives, or (ii) found in electronic format as part of Contractor's off-site or on-site data storage/archival process system, will be held by Contractor and kept subject to the terms of this provision or destroyed at Contractor's option. The obligations of this provision will survive termination or expiration of this Agreement.

17. Data Security

If, pursuant to this Agreement, PCEA shares with Contractor personal information as defined in California Civil Code Section 1798.81.5(d) about a California resident ("Personal Information"), Contractor shall maintain reasonable and appropriate security procedures to protect that Personal Information and shall inform PCEA immediately upon learning that there has been a breach in the security of the system or in the security of the Personal Information. Contractor shall not use Personal Information for direct marketing purposes without PCEA's express written consent. For purposes of this provision, security procedures are "reasonable and appropriate" when they (i) adequately address all reasonably foreseeable threats to Personal Information, (ii) are appropriate to the quantity, sensitivity, and type of Personal Information accessed and the way that information will be accessed, and (iii) comply with all laws, regulations, and government rules or directives applicable to the Contractor in connection with its access of Personal Information.

18. 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.

19. Merger Clause; Amendments

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.

20. Controlling Law; Venue

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.

21. Notices

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: 650-474-5002
Email: smarshall@peninsulacleanenergy.com

In the case of Contractor, to:

Name/Title: Adalberto Villalobos Quintana, Owner
Address: 27333 Industrial Blvd, Ste H, Hayward, CA 94544
Telephone: (510) 969-4380
Email: airservice@villquin.com

22. Electronic Signature

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.

23. No Recourse Against PCEA's Member Agencies

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: _____

VILLQUIN AIR SERVICES

_____
Contractor's Signature

Date: _____

Exhibit A

In consideration of the payments set forth in Exhibit B, Contractor shall provide the following services:

Overview

PCE's mission is to reduce greenhouse gas emissions and reinvest in customers in communities of San Mateo County and Los Banos. PCE's Home Upgrade Services (HUS) offers various incentives and services to help residential customers electrify their homes. This Agreement includes the following HUS offerings:

1. **Full-Service Installation** –Whole-home electrification delivered by PCE-vetted contractors, using fixed pricing for standard measures. There are two levels of incentives available, depending on the customer type:
    a. "Income-Qualified:" Homes meeting income and other qualifications receive no-cost whole-home electrification services, fully paid by PCE.
    b. "Market-Rate:" Non-income-qualified customers can access fixed standard measure pricing and PCE's rebates and loans.

Program Goals and Objectives

1. Electrify at least 200 income-qualified homes and 100-150 market-rate homes per year across the program, translating to roughly 60 income-qualified homes and 30 – 50 market-rate homes annually per contractor.
2. Provide an affordable, accessible, convenient and timely service for customers to electrify their home appliances.
3. Deliver high-quality customer experience through a network of trusted, experienced installers using advanced strategies to minimize PG&E service upgrades.

Contractor Tasks

1 Program Set Up

1.1 Kickoff and Check-in Meetings

Contractor will attend in-person program kickoff meeting with PCE to review program goals and objectives, contractor expectations, and procedures at a mutually determined date within two weeks of contract execution.

Task 1.1 Deliverable: Attend in-person PCE kick off meeting

1.2 Finalize Program Documents & Procedures

Contractor will assist PCE in finalizing program documents and implementation procedures. While PCE will lead the development of internal and external program documentation, the Contractor is expected to review and provide feedback as requested. Prior to program launch, the Contractor will:

1.2.1 Review PCE's Program Handbook, which outlines contractor procedures and expectations, equipment procurement protocols, customer and property eligibility criteria, and other relevant guidelines.

1.2.2 Develop templates for customer-facing documents, including the project proposal, change order forms, project completion sign-off form, and any electrification education materials.

1.2.3 Finalize the list of minimum data points to be collected during initial site assessments and post-installation (e.g., existing equipment, electrical infrastructure, home conditions) and determine how and when this information will be provided to PCE.

1.2.4 Review and provide input on PCE's Technical Design Guidelines for residential building electrification. These guidelines shall be used to inform the development of customer's proposals.

1.2.5 Finalize load calculation strategy to minimize service capacity upgrades.

Task 1.2 Deliverables:

1. *Review and acceptance of PCE's Program Handbook including contractor procedures and expectations*
2. *Review of and acceptance of customer-facing document templates*
3. *Review of and acceptance of complete list of data points to be collected for every project*
4. *Documentation of load calculation strategy to minimize service capacity upgrades*

1.3 Enroll in State or Local Programs

Complementary regional and state electrification incentive programs ("third-party programs") may be available during the program term, including but not limited to, TECH Clean CA, CA Smart Energy Homes, Golden State Rebates, GoGreen Financing. Maximizing third-party program incentives is necessary to reduce project costs for both PCE and customers. As such:

1.3.1 Contractor shall enroll in third-party programs as directed by PCE and provide PCE with proof of enrollment.

1.3.2 Although PCE will submit rebate applications to third-party programs on behalf of the customer and contractor, the Contractor must collect required documentation in the field (e.g., photos, forms) and submit it to PCE.

Task 1.3 Deliverables:

1. *Proof of enrollment in other incentive programs as directed by PCE*
2. *Required project documentation for third-party program submissions, as requested*

2 Ongoing Program Activities

2.1 Schedule Customer Home Assessment & Proposal Visit

Customers will apply for the program directly through PCE. PCE will screen customers, verify their customer eligibility, and categorize them as income-qualified or market-rate. Once customer eligibility is verified, PCE will assign the project to the Contractor and schedule an in-person home assessment and proposal visit. Contractor will:

2.1.1 Provide an interface with an automated scheduling system or contact the customer within two (2) days to schedule the initial assessment. The assessment shall take place within ten (10) days of customer contact, unless the customer requests a later date.

2.1.2 Gather preliminary information from the customer (e.g. initial scope of work requested), provide customer with an overview of what to expect, answer questions about process or electrification in general, inquire about any pre-visit preparation that a customer may need to complete prior to the home assessment (e.g. ensuring access to electrical panel and other equipment).

2.1.3 Serve as the customer's principal point of contact for the Program.

2.2 Perform Home Assessment and Develop Project Proposal

Contractor will perform the in-person visit at the scheduled time per Section 2.1. Contractor will:

2.2.1 Ensure property meets eligibility as defined in Program Handbook (Task 1.2.1)

2.2.2 Gather required data as defined in Task 1.2.3.

2.2.3 Develop a Proposal with complete scope of work and costs that are consistent with the PCE Pricing in Exhibit B and Technical Design Guidelines.

2.2.4 Within three (3) days of the visit, deliver Proposal to both PCE and customer by email using the PCE template developed per Task 1.2.2. All Proposals are subject to review and approval by PCE.

2.2.5 After sending Proposal to customer, address any questions customer may have on it. At the customer's request, Contractor may provide multiple Proposal options (e.g. pricing for ducted vs. ductless heat pump system).

2.2.6 Once the customer approves the proposal and PCE approval is obtained (if required), PCE will send the Program Participation Agreement to customer for signature.

2.2.7 Any measures indicated as "case by case basis" in the fixed measure pricing are to be evaluated by the Contractor, customer, and PCE on a case-by-case basis. If a "case by case" measure is determined necessary by the Contractor during the Home Assessment, Contractor to provide a written estimate for the work to be performed. This estimate is subject to approval by PCE (and the Customer, for Market Rate homes), prior to the start of work.

2.3 Install Measures and Close Out Permit

Contractor will be notified when customer signs the Program Participation Agreement. No installation work may begin until the customer has signed the Program Participation Agreement. From that point, Contractor will:

2.3.1 Within two (2) days, contact customer to schedule installation date(s) and go over next steps for installation, including any preparation needed.

2.3.2 Within ten (10) days, apply for building permits with the local Authority Having Jurisdiction (AHJ,) on behalf of the customer.

2.3.3 Oversee installation and manage subcontractors, if any, installing measures outlined in the Participation Agreement.

1. All equipment must be installed in accordance with all applicable federal, state, and local laws, building codes, manufacturer's specifications and permitting requirements.
2. Installation must be completed within 30 days (single-measure projects) or 60 days (multi-measure projects) per the Contractor service level expectations (SLEs) outlined further in this Agreement. Contractor must notify PCE of any delays that may impact SLE compliance.
3. Contractor, customer, or PCE may request changes in the scope of work as outlined in customer's Participation Agreement. Such changes shall be initiated by a written change order signed by the customer, PCE, and the Contractor. The change order shall include a description of the change, the cost impact, and any necessary adjustments to the contract time. No changes shall be compensated without a written and signed change order.

2.3.4 Within five (5) days after installation, initiate project close-out by scheduling inspection with local AHJ for the soonest available date. Contractor will work with local AHJ to resolve any inspection issues and ensure permit closure.

2.3.5 Immediately after installation, educate customer in successfully operation and maintenance of the newly installed equipment.

2.3.6 Provide customer with technical manuals, equipment and installation warranty documentation, and register equipment with manufacturer as applicable.

2.4 Update PCE CRM & Provide Supporting Documentation for Completed Projects

Maintaining accurate records in PCE customer relationship management (CRM) system is critical to manage the project pipeline, respond to inquiries, and assess program performance. While Contractor may use its own CRM internally, it must also keep PCE's CRM updated. Contractor must:

2.4.1 Update PCE CRM at least once per week with projects' details. This includes key dates (home assessment visit, Proposal sent date, permit applied date, others) and current project status.

2.4.2 Upload completed project close-out documentation within 5 days of installation. This includes customer-signed project completion sign-off form, installation data (e.g., previous and new equipment info), photos, and permits. Projects may be submitted prior to inspection close-out to expedite payment, but Contractor is still responsible for completing the inspection and ensuring permit closure.

2.4.3 PCE will review project close-out documentation within five (5) days of submission and will issue payment via ACH within thirty (30) days of approval. Approval is defined as written confirmation from PCE that all close-out information is complete and accurate. If any information is missing or inaccurate, PCE will provide the Contractor with a detailed description of the deficiencies. The Contractor must then supply the required information to PCE to obtain approval.

2.5 Regular Check-Ins

2.5.1 Meet with PCE team once per week to discuss customer issues and review the project pipeline.

2.5.2 Meet with PCE annually for a deep dive to review program elements and technical design refinement needs; this meeting is expected to be in person.

2.6 Coordinate with PCE Auditing

2.6.1 PCE may request site visits of approximately 10 homes per year receiving services. Contractor shall participate in project site visits with the designated PCE staff member(s), or PCE Consultant, at a mutually determined date.

2.6.2 Provide paystubs to PCE or PCE Consultant for prevailing wage auditing. This is anticipated to occur about twice per year.

2.7 Workmanship and Warranty

2.7.1 Provide industry guarantees for workmanship. Respond to workmanship warranty calls as needed and assist customers in navigating product warranty issues. All warranty-related issues must be addressed to the reasonable satisfaction of the customer. Contractor is expected to provide a minimum three-year labor warranty from the date of installation completion.

2.7.2 For projects that include Heating, Ventilation, and Air Conditioning (HVAC) heat pump installations, Contractors to perform one equipment inspection and tune-up at or around one year from the installation date at no cost to the customer.

3 Service Level Expectations (SLE) Summary

PCE aims to provide high-quality customer service through timely project completion and clear, proactive communication throughout the process. The below Service Level Expectations (SLEs) define the key requirements Contractors must meet. Additional SLEs for specific customer touchpoints are also addressed in this Agreement.

1. Provide customer with home assessment visit within ten (10) days of initial customer enrollment.
2. For homes receiving a single electrification measure, install and energize equipment within thirty (30) days of customer participation agreement signature, barring demonstrated PG&E service upgrade or permitting delays outside of Contractor's control.
3. For homes receiving two (2) or more electrification measures, install and energize all equipment within sixty (60) days of customer participation agreement signature, barring demonstrated PG&E service upgrade or permitting delays outside of Contractor control.
4. Electric replacements must be installed, functional, and operating within forty-eight (48) hours of the gas appliance(s) removal.
5. Achieve 90% satisfaction rating from customer surveys collected by PCE.

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:

1. Total payments to Contractor shall not exceed the total value of this Agreement.

2. Payments to Contractor will be based on information submitted by Contractor in the PCE CRM once a project is completed as outlined in section 2.4 of this Agreement.

3. PCE will issue payment via ACH within thirty (30) days of Project close-out documentation approval as defined in Section 2.4 of this Agreement.

4. Payment will be based on the Measures and Fixed Pricing outlined in the tables below.

5. Measures and Fixed Pricing terms may be modified per mutual determination by PCE and Contractor

6. Any costs not specified in the fixed pricing below, including all “case by case basis,” change orders, and other costs will not be paid unless approved by PCE and/or customer as outlined in sections 2.2.7 and 2.3.3 of this Agreement.

Fixed Pricing, by Measure
Through December 31, 2026

Core Measures

Measure Name	Description	Price
In-person home assessment & proposal development	Home visit and proposal, which may involve scoping a single measure or an entire whole-home electrification project.	$275
Standard Electrification Measures		
Heat pump water heater (40 gallon)	Install HPWH in same location. Remove existing gas water heater and properly dispose of it. Cap the gas line. Install a new circuit (240v or 120v) where required. Install the drain pan, water heater, and condensate drainage system per the manufacturer's instructions based on location, including condensate pump when required. Install new safety straps and venting in accordance with manufacturer's instructions. Venting may include ducting kit where required, or installation of louvered door where required. Include noise and vibration reduction components such as flexible pipe connectors, rubber mat, rubber grommets at pipe-wall penetrations, and rubber grommets where seismic strapping meets the wall. Install an expansion tank as required and a thermostatic mixing valve. Repair and paint walls to the original condition as needed. Obtain required permit and complete all job closure paperwork.	$5,850
Heat pump water heater (50 gallon)		$6,280
Heat pump water heater (65 gallon)		$6,850
Heat pump water heater (80 gallon)		$7,480
Heat pump HVAC, (ducted, inverter-driven) 2 Ton	Install heat pump using existing ducts. Remove existing gas furnace and properly dispose of it. Install a new circuit(s) (240v or 120v) where required. Cap the gas line. Install a ducted, inverter-driven unit. Coordinate the location of the outdoor condensing unit, considering aesthetics,	$14,350
Heat Pump HVAC, (ducted, inverter-driven) 2.5 ton		$14,950

Heat pump HVAC, (ducted, inverter-driven) 3 Ton	refrigerant piping length, and noise. Install a condenser pad or stand as needed. Install indoor unit(s), refrigerant piping, and thermostat. Repair and paint walls to original condition as required. Obtain required permit and complete all job closure paperwork, including HERS test if required.	$15,450
Heat Pump HVAC, (ducted, inverter-driven) 3.5 ton		$15,750
Heat pump HVAC, (ducted, inverter-driven) 4 Ton		$16,150
Heat Pump HVAC, (ducted, inverter-driven) 4.5 ton		$16,500
Heat pump HVAC, (ducted, inverter-driven) 5 Ton		$16,500
Heat pump mini-split system (Ductless, inverter-driven), single zone	Install ductless mini-split system. Remove and properly dispose of any existing heating or cooling equipment being replaced. Install a new circuit(s) (240v or 120v) where required. Cap the gas line if applicable. Install inverter-driven indoor wall-mounted (or equivalent) unit(s) and outdoor condensing unit. Coordinate condensing unit location, considering aesthetics, refrigerant piping run length, and noise. Install condenser pad or stand as needed. Run new refrigerant piping and condensate drainage. Install thermostat or controller. Seal and repair any wall penetrations; paint to original condition as required. Obtain required permit and complete all job closure paperwork.	$5,950
Heat pump mini-split system (Ductless, inverter-driven) two zone		$9,975
Heat pump mini-split system (Ductless, inverter-driven) three zone		$13,690
Heat pump mini-split system (Ductless, inverter-driven) four zone		$15,995
Heat pump mini-split system (Ductless, inverter-driven) five zone		$19,750
Electric induction range (freestanding or slide-in)	Install standard (non-premium) range or cooktop. Remove existing gas range or cooktop and properly dispose of it. Cap	$4,100

Electric induction cooktop	the gas line. Install a new circuit where required. Install the new induction range or cooktop. Repair and paint walls to original condition as needed. Complete all job closure paperwork.	$4,100
High efficiency, vented, electric-resistance dryer	Install standard (non-premium) dryer with similar capacity to the existing unit. Remove existing gas dryer and properly dispose of it. Cap the gas line. Install a new circuit where required. Install the new electric dryer. Repair and paint walls to original condition as needed. Complete all job closure paperwork.	$3,450
Ventless, heat pump dryer		$3,950
Ventless, condensing combo washer-dryer		$4,850
Electrical Measures		
Electric panel replacement	Remove and replace faulty, unsafe, or insufficiently-sized electrical panel with electrical new panel capable of serving full home electrification load. New panel will include enough breaker slots to serve fully-electrified home.	$5,450
Service upgrade	Incremental cost of coordinating service capacity upgrade. Excludes cost of panel replacement, which will be priced based on the previous measure. Excludes trenching, if required for underground service upgrade.	$900
Sub-panel replacement / installation	Install new or replace subpanel to service additional circuits.	$2,950
Add 120 Volt Circuit (Homerun)	Installation of a new dedicated circuit including circuit breaker, wiring, conduit as required, and receptacle (where appropriate.) This price applies only to standalone circuit installations. Core electrification measures listed above will already include the cost of any required circuit. This pricing will be used for scenarios such as EV charger installations or pre-wiring for future electrification when the electric appliance is not being installed right away.	$1,600
Add 240 Volt Circuit (Homerun)		$2,100
Circuit sharing device or load management device	A device installed to enable multiple electrical loads to share a single circuit safely or to manage and optimize the	$1,500

	distribution of electrical load on a circuit. Price includes both the device and installation.	
Smart panel	Install main service panel that manages total site load	$7,200
Space saving breaker	Install breaker that serves multiple circuits using less space	$215

Additional/Remediation Measures

Measure Name	Description	Price
Panel relocation	Relocate panel to location away from gas meter (3 to 20 ft relocation), extend up to 20 circuits, existing panel becomes junction box, re-install breakers and re-energize system, attain permit. Price is additional cost on top of Electric Panel Replacement measure above.	$1,500
Ductwork replacement	Remove individual duct run, dispose, replace with new flexible R-8 insulated duct. Includes associated cost for boot installation, wyes, plenum, seal, and tape. Ensure low-static, efficient layout. Cost is per duct run.	$750
Ductwork repair	Remove and replace individual duct length. Replace with ne, flexible, R-8 insulated duct. Hang where required. Ensure low-static, efficient layout. Measure does not include sheet metal work. Cost is per duct length up to 25 feet.	$425
New or increased size duct return and run	Remove individual return duct run, dispose, replace with new return duct. Includes associated cost for boot installation, wyes, plenum, seal, grille, trim work, and tape. Ensure low-static, efficient layout. Cost is per duct run.	$1,200
Rigid supply ductwork replacement in exposed area	Remove individual duct run, dispose, replace with new, rigid, R-8 insulated duct. Includes associated cost for boot installation, wyes, plenum, seal, diffuser, trim work, and tape. Ensure low-static, efficient layout. Cost is per duct run.	$1,200

Additional cost for ceiling cassette style mini-splits	Furnish and install ceiling cassette style unit. Includes additional cost above and beyond typical wall-mounted unit costs, framing, patch and repair of ceiling, thermostat, and condensate drain.	$1,500
Asbestos abatement (ductwork)	Remove and abate asbestos ductwork system throughout entire home. Includes asbestos remediation per state standards, disposal, and mitigation. Does not include ductwork replacement.	Case by case estimate
Mold remediation	Identify and eliminate mold growth, contain affected area, clean and sanitize surfaces, identify and address moisture issues, as needed.	Case by case estimate
Water heater relocation	Relocate water heater to new location in home, including additional costs related to piping, ducting (if required,) condensate drain, bollards or pedestal (if required by local AHJ for garage installations,) and any additional costs due to relocation above and beyond heat pump water heater installation costs noted in the core measures above.	$1,900
Water heater enclosure	Purchase, or construct, and install water heater enclosure. Pour concrete pad (if required). Ensure proper clearances and ventilation as required by manufacturer instructions.	$1,000
On-demand hot water recirculation pump	Convert existing continuously operating, hot water recirculation pump to push-button, or automated, on-demand recirculation pump. Furnish and install equipment.	$950
Transfer switch for semi-permanent portable battery	Furnish and install transfer switch for semi-permanent, 3kWh portable battery, including transfer switch, breakers, and wiring for up to eight (8) critical load circuits in the home.	$1,750
Whole house fan	Furnish and install whole-house exhaust fan, including: motor, fan, damper box, ductwork, ceiling grill(s), and wireless control unit.	$3,000

Attic insulation (minor)	Clean and seal attic as needed. Furnish and install attic insulation. Utilize minimum R-38 fiberglass or equivalent insulation. "Minor" is defined as up to 500 square feet of insulated attic.	$3,500
Attic insulation (moderate)	Clean and seal attic as needed. Furnish and install attic insulation. Utilize minimum R-38 fiberglass or equivalent insulation. "Moderate" is defined as up to 1,000 square feet of insulated attic.	$6,000
Attic insulation (major)	Clean and seal attic as needed. Furnish and install attic insulation. Utilize minimum R-38 fiberglass or equivalent insulation. "Major" is defined as up to 1,750 square feet of insulated attic.	$8,500
Pest infestation remediation	Clean site including the removal of rodent excrement, patch/seal openings as necessary to mitigate future infestations.	$1,250
Circuit level power monitoring	Furnish and install circuit level monitoring system in main service panel, connect to wi-fi and provide login to PCE. Includes up to 10 CTs to monitor 8 circuits and total electric load. (Emporia Vue or equivalent.)	$850
Additional cost for complex four-zone ductless mini-split	Additional cost applies to homes with complex refrigerant pipe runs. Only applies to homes encountering one or more of the following conditions: two stories; homes with two or more indoor units requiring longer-than-typical refrigerant piping runs and additional bends; homes with two or more units on interior walls requiring condensate drains.	$2,500
Additional cost for complex five-zone ductless mini-split	Additional cost applies to homes with complex refrigerant pipe runs. Only applies to homes encountering one or more of the following conditions: two stories; homes with two or more indoor units requiring longer-than-typical refrigerant piping runs and additional bends; homes with two or more units on interior walls requiring condensate drains.	$3,500

AGREEMENT BETWEEN THE PENINSULA CLEAN ENERGY AUTHORITY AND SUPER BROTHERS PLUMBING HEATING & AIR

This Agreement is entered into this 21st day of November 2025 by and between the Peninsula Clean Energy Authority, a joint powers authority of the state of California, hereinafter called "PCEA," and Super Brothers Plumbing Heating & Air., 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 providing Single-Family Residential Electrification Installation Services.

Now, therefore, it is agreed by the parties to this Agreement as follows:

1. Exhibits and Attachments

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. Services to be performed by Contractor

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. Payments

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 five million, five hundred thousand dollars ($5,500,000.00). 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 December 1, 2025, through December 1, 2028.

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. Intellectual Property and Ownership of Work Product

PCEA shall and does own all titles, rights, and interests in all materials, tangible or not, created in whatever medium pursuant to this Agreement, including without limitation publications, promotional or educational materials, reports, manuals, specifications, drawings and sketches, computer programs, software and databases, schematics, marks, logos, graphic designs, notes, matters and combinations therefore, and all forms of intellectual property ("Work Products") created by Contractor and any subcontractors under this Agreement. Contractor hereby assigns all titles, rights, and interests in all Work Products to PCEA. At the end of this Agreement, or in the event of termination, all Work Products shall be promptly delivered to PCEA.
Contractor may not sell, transfer, or permit the use of any Work Products without the express written consent of PCEA. Contractor shall not dispute, directly or indirectly, PCEA's exclusive right and title to the Work Products, nor the validity of the intellectual property embodied therein.

Contractor may (1) retain its rights to and ownership of pre-existing or open-source materials and/or (2) retain one copy of Work Products for archival use, but in either instance must notify PCEA and identify any such materials in writing prior to the commencement of work under this Agreement.

7. 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.

8. 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.

b. Release and Hold Harmless in Customer/Subcontractor Contracts

PCEA shall have the opportunity to review, prior to their execution, any contracts executed by Contractor to implement this Agreement. In addition, unless waived in advance in writing by PCEA, any such contracts shall contain the following terms:

c. Release of Claims Against, and Hold Harmless of, Peninsula Clean Energy Authority

Customer/Subcontractor also discharges and releases the Peninsula Clean Energy Authority (PCEA) and its officers, employers, employees, and agents from and against any and all claims, demands, liabilities, obligations, damages or chose in action, legal or equitable, of whatever kind or nature, including negligence by PCEA, in which Customer/Subcontractor, and Customer/Subcontractor's successors in interest, heirs, estates or personal representatives, or family members, now may have or assert, or may have had in the past or may have in the future, against PCEA as the result of, based upon, arising out of, or connected with PCEA's involvement with the Project. Customer/Subcontractor is on notice of and hereby specifically and expressly waives the provisions of California Civil Code § 1542, which provides that a "general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

Customer/Subcontractor also agrees to indemnify and hold harmless PCEA from any and all claims, actions, suits, procedures, costs, expenses, damages, and liabilities,

including attorney's fees and costs, brought as a result of PCEA's involvement with the Project, and to reimburse PCEA for any such expenses incurred.
For purposes of this provision, PCEA is hereby intended to be a third-party beneficiary of any and all contracts executed by Contractor to implement this Agreement, pursuant to California Civil Code § 1559.

9. 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.

10. 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.

11. 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** (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.

12. 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 per occurrence and $2,000,000 aggregate for bodily injury and property damage
Yes	Motor Vehicle 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.

13. 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.

14. Warranties

a. Construction Warranty

The Contractor hereby warrants to PCEA and Property Owner that all materials and equipment furnished with respect to the Property are new and the work performed by the Contractor with respect to the Property is of good and workmanlike quality, free from faults and defects, and in conformance with all contract documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. The foregoing warranty excludes remedy for damage or defect caused by abuse, modifications not executed by the Contractor, improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. Upon request of PCEA and/or the Property Owner, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment.

b. Repair Warranty

If, within one year after the date of Completion of the Work in properties served by the program or designated portion thereof, any of the Work is found to be not in accordance with the requirements of the Contract Documents, the Contractor shall correct it promptly after receipt of written notice from the Property Owner to do so unless the Owner has previously given the Contractor a written acceptance of such condition. This period of one year shall be extended with respect to portions of the Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual performance of the Work. The obligation under this Subparagraph 14b shall survive acceptance of the Work under the Contract and termination of the Contract. The Property Owner or PCE shall give such notice promptly after discovery of the condition.

15. 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.

16. Confidential Information

(a) Contractor shall maintain in confidence and not disclose to any third party or use in any manner not required or authorized under this Agreement any and all Confidential Information held by PCEA.

(b) The term “Confidential Information” includes all information, documents, and materials owned by PCEA, including technical, financial, business, or PCEA customer information which is not available to the general public, as well as information derived from such information. Information received by Contractor shall not be considered Confidential Information if: (i) it is or becomes available to the public through no wrongful act of Contractor; (ii) it is already in the possession of Contractor and not subject to any confidentiality agreement between the Parties; (iii) it is received from a third party without restriction for the benefit of PCEA and without breach of this Agreement; (iv) it is independently developed by Contractor; (v) it is disclosed pursuant to a requirement of law, including, but not limited to, the California Public Records Act

(Cal. Gov't Code Section 6250, et seq.); or (vi) is disclosed to or by a duly empowered government agency, or a court of competent jurisdiction after due notice and an adequate opportunity to intervene is given to PCEA, unless such notice is prohibited.

(c) As practicable, PCEA shall mark Confidential Information with the words "Confidential" or "Confidential Material" or with words of similar import, or, if that is not possible, PCEA shall notify the Contractor (for example, by cover e-mail transmitting an electronic document) that the material is Confidential Information. PCEA's failure or delay, for whatever reason, to mark or notify Contractor at the time the material is produced shall not take the material out of the coverage of this Agreement.

(d) Contractor will direct its employees, contractors, consultants, and representatives who have access to any Confidential Information to comply with the terms of this Section.

(e) Upon termination or expiration of this Agreement, Contractor shall, at PCEA's exclusive direction, either return or destroy all such Confidential Information and shall so certify in writing, provided, however, any Confidential Information (i) found in drafts, notes, studies, and other documents prepared by or for PCEA or its representatives, or (ii) found in electronic format as part of Contractor's off-site or on-site data storage/archival process system, will be held by Contractor and kept subject to the terms of this provision or destroyed at Contractor's option. The obligations of this provision will survive termination or expiration of this Agreement.

17. Data Security

If, pursuant to this Agreement, PCEA shares with Contractor personal information as defined in California Civil Code Section 1798.81.5(d) about a California resident ("Personal Information"), Contractor shall maintain reasonable and appropriate security procedures to protect that Personal Information and shall inform PCEA immediately upon learning that there has been a breach in the security of the system or in the security of the Personal Information. Contractor shall not use Personal Information for direct marketing purposes without PCEA's express written consent. For purposes of this provision, security procedures are "reasonable and appropriate" when they (i) adequately address all reasonably foreseeable threats to Personal Information, (ii) are appropriate to the quantity, sensitivity, and type of Personal Information accessed and the way that information will be accessed, and (iii) comply with all laws, regulations, and government rules or directives applicable to the Contractor in connection with its access of Personal Information.

18. 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.

19. Merger Clause; Amendments

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.

20. Controlling Law; Venue

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.

21. Notices

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: 650-474-5002
Email: smarshall@peninsulacleanenergy.com

In the case of Contractor, to:

Name/Title: Dimitar Dechev, CEO
Address: 7475 Kanai Ave Citrus Heights, CA 95621
Telephone: 916-388-4014
Email: Dimitar@superbrothers.com

22. Electronic Signature

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.

23. No Recourse Against PCEA's Member Agencies

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: _____

SUPER BROTHERS PLUMBING, HEATING & AIR

_____
Contractor's Signature

Date: _____

Exhibit A

In consideration of the payments set forth in Exhibit B, Contractor shall provide the following services:

Overview

PCE's mission is to reduce greenhouse gas emissions and reinvest in customers in communities of San Mateo County and Los Banos. PCE's Home Upgrade Services (HUS) offers various incentives and services to help residential customers electrify their homes. This Agreement includes the following HUS offerings:

1. **Full-Service Installation** –Whole-home electrification delivered by PCE-vetted contractors, using fixed pricing for standard measures. There are two levels of incentives available, depending on the customer type:
    a. "Income-Qualified:" Homes meeting income and other qualifications receive no-cost whole-home electrification services, fully paid by PCE.
    b. "Market-Rate:" Non-income-qualified customers can access fixed standard measure pricing and PCE's rebates and loans.

Program Goals and Objectives

1. Electrify at least 200 income-qualified homes and 100-150 market-rate homes per year across the program, translating to roughly 60 income-qualified homes and 30 – 50 market-rate homes annually per contractor.
2. Provide an affordable, accessible, convenient and timely service for customers to electrify their home appliances.
3. Deliver high-quality customer experience through a network of trusted, experienced installers using advanced strategies to minimize PG&E service upgrades.

Contractor Tasks

1 Program Set Up

1.1 Kickoff and Check-in Meetings

Contractor will attend in-person program kickoff meeting with PCE to review program goals and objectives, contractor expectations, and procedures at a mutually determined date within two weeks of contract execution.

Task 1.1 Deliverable: Attend in-person PCE kick off meeting

1.2 Finalize Program Documents & Procedures

Contractor will assist PCE in finalizing program documents and implementation procedures. While PCE will lead the development of internal and external program documentation, the Contractor is expected to review and provide feedback as requested. Prior to program launch, the Contractor will:

1.2.1 Review PCE's Program Handbook, which outlines contractor procedures and expectations, equipment procurement protocols, customer and property eligibility criteria, and other relevant guidelines.

1.2.2 Develop templates for customer-facing documents, including the project proposal, change order forms, project completion sign-off form, and any electrification education materials.

1.2.3 Finalize the list of minimum data points to be collected during initial site assessments and post-installation (e.g., existing equipment, electrical infrastructure, home conditions) and determine how and when this information will be provided to PCE.

1.2.4 Review and provide input on PCE's Technical Design Guidelines for residential building electrification. These guidelines shall be used to inform the development of customer's proposals.

1.2.5 Finalize load calculation strategy to minimize service capacity upgrades.

Task 1.2 Deliverables:

1. *Review and acceptance of PCE's Program Handbook including contractor procedures and expectations*
2. *Review of and acceptance of customer-facing document templates*
3. *Review of and acceptance of complete list of data points to be collected for every project*
4. *Documentation of load calculation strategy to minimize service capacity upgrades*

1.3 Enroll in State or Local Programs

Complementary regional and state electrification incentive programs ("third-party programs") may be available during the program term, including but not limited to, TECH Clean CA, CA Smart Energy Homes, Golden State Rebates, GoGreen Financing. Maximizing third-party program incentives is necessary to reduce project costs for both PCE and customers. As such:

1.3.1 Contractor shall enroll in third-party programs as directed by PCE and provide PCE with proof of enrollment.

1.3.2 Although PCE will submit rebate applications to third-party programs on behalf of the customer and contractor, the Contractor must collect required documentation in the field (e.g., photos, forms) and submit it to PCE.

Task 1.3 Deliverables:

1. *Proof of enrollment in other incentive programs as directed by PCE*
2. *Required project documentation for third-party program submissions, as requested*

2 Ongoing Program Activities

2.1 Schedule Customer Home Assessment & Proposal Visit

Customers will apply for the program directly through PCE. PCE will screen customers, verify their customer eligibility, and categorize them as income-qualified or market-rate. Once customer eligibility is verified, PCE will assign the project to the Contractor and schedule an in-person home assessment and proposal visit. Contractor will:

2.1.1 Provide an interface with an automated scheduling system or contact the customer within two (2) days to schedule the initial assessment. The assessment shall take place within ten (10) days of customer contact, unless the customer requests a later date.

2.1.2 Gather preliminary information from the customer (e.g. initial scope of work requested), provide customer with an overview of what to expect, answer questions about process or electrification in general, inquire about any pre-visit preparation that a customer may need to complete prior to the home assessment (e.g. ensuring access to electrical panel and other equipment).

2.1.3 Serve as the customer's principal point of contact for the Program.

2.2 Perform Home Assessment and Develop Project Proposal

Contractor will perform the in-person visit at the scheduled time per Section 2.1. Contractor will:

2.2.1 Ensure property meets eligibility as defined in Program Handbook (Task 1.2.1)

2.2.2 Gather required data as defined in Task 1.2.3.

2.2.3 Develop a Proposal with complete scope of work and costs that are consistent with the PCE Pricing in Exhibit B and Technical Design Guidelines.

2.2.4 Within three (3) days of the visit, deliver Proposal to both PCE and customer by email using the PCE template developed per Task 1.2.2. All Proposals are subject to review and approval by PCE.

2.2.5 After sending Proposal to customer, address any questions customer may have on it. At the customer's request, Contractor may provide multiple Proposal options (e.g. pricing for ducted vs. ductless heat pump system).

2.2.6 Once the customer approves the proposal and PCE approval is obtained (if required), PCE will send the Program Participation Agreement to customer for signature.

2.2.7 Any measures indicated as "case by case basis" in the fixed measure pricing are to be evaluated by the Contractor, customer, and PCE on a case-by-case basis. If a "case by case" measure is determined necessary by the Contractor during the Home Assessment, Contractor to provide a written estimate for the work to be performed. This estimate is subject to approval by PCE (and the Customer, for Market Rate homes), prior to the start of work.

2.3 Install Measures and Close Out Permit

Contractor will be notified when customer signs the Program Participation Agreement. No installation work may begin until the customer has signed the Program Participation Agreement. From that point, Contractor will:

2.3.1 Within two (2) days, contact customer to schedule installation date(s) and go over next steps for installation, including any preparation needed.

2.3.2 Within ten (10) days, apply for building permits with the local Authority Having Jurisdiction (AHJ,) on behalf of the customer.

2.3.3 Oversee installation and manage subcontractors, if any, installing measures outlined in the Participation Agreement.

1. All equipment must be installed in accordance with all applicable federal, state, and local laws, building codes, manufacturer's specifications and permitting requirements.
2. Installation must be completed within 30 days (single-measure projects) or 60 days (multi-measure projects) per the Contractor service level expectations (SLEs) outlined further in this Agreement. Contractor must notify PCE of any delays that may impact SLE compliance.
3. Contractor, customer, or PCE may request changes in the scope of work as outlined in customer's Participation Agreement. Such changes shall be initiated by a written change order signed by the customer, PCE, and the Contractor. The change order shall include a description of the change, the cost impact, and any necessary adjustments to the contract time. No changes shall be compensated without a written and signed change order.

2.3.4 Within five (5) days after installation, initiate project close-out by scheduling inspection with local AHJ for the soonest available date. Contractor will work with local AHJ to resolve any inspection issues and ensure permit closure.

2.3.5 Immediately after installation, educate customer in successfully operation and maintenance of the newly installed equipment.

2.3.6 Provide customer with technical manuals, equipment and installation warranty documentation, and register equipment with manufacturer as applicable.

2.4 Update PCE CRM & Provide Supporting Documentation for Completed Projects

Maintaining accurate records in PCE customer relationship management (CRM) system is critical to manage the project pipeline, respond to inquiries, and assess program performance. While Contractor may use its own CRM internally, it must also keep PCE's CRM updated. Contractor must:

2.4.1 Update PCE CRM at least once per week with projects' details. This includes key dates (home assessment visit, Proposal sent date, permit applied date, others) and current project status.

2.4.2 Upload completed project close-out documentation within 5 days of installation. This includes customer-signed project completion sign-off form, installation data (e.g., previous and new equipment info), photos, and permits. Projects may be submitted prior to inspection close-out to expedite payment, but Contractor is still responsible for completing the inspection and ensuring permit closure.

2.4.3 PCE will review project close-out documentation within five (5) days of submission and will issue payment via ACH within thirty (30) days of approval. Approval is defined as written confirmation from PCE that all close-out information is complete and accurate. If any information is missing or inaccurate, PCE will provide the Contractor with a detailed description of the deficiencies. The Contractor must then supply the required information to PCE to obtain approval.

2.5 Regular Check-Ins

2.5.1 Meet with PCE team once per week to discuss customer issues and review the project pipeline.

2.5.2 Meet with PCE annually for a deep dive to review program elements and technical design refinement needs; this meeting is expected to be in person.

2.6 Coordinate with PCE Auditing

2.6.1 PCE may request site visits of approximately 10 homes per year receiving services. Contractor shall participate in project site visits with the designated PCE staff member(s), or PCE Consultant, at a mutually determined date.

2.6.2 Provide paystubs to PCE or PCE Consultant for prevailing wage auditing. This is anticipated to occur about twice per year.

2.7 Workmanship and Warranty

2.7.1 Provide industry guarantees for workmanship. Respond to workmanship warranty calls as needed and assist customers in navigating product warranty issues. All warranty-related issues must be addressed to the reasonable satisfaction of the customer. Contractor is expected to provide a minimum three-year labor warranty from the date of installation completion.

2.7.2 For projects that include Heating, Ventilation, and Air Conditioning (HVAC) heat pump installations, Contractors to perform one equipment inspection and tune-up at or around one year from the installation date at no cost to the customer.

3 Service Level Expectations (SLE) Summary

PCE aims to provide high-quality customer service through timely project completion and clear, proactive communication throughout the process. The below Service Level Expectations (SLEs) define the key requirements Contractors must meet. Additional SLEs for specific customer touchpoints are also addressed in this Agreement.

1. Provide customer with home assessment visit within ten (10) days of initial customer enrollment.
2. For homes receiving a single electrification measure, install and energize equipment within thirty (30) days of customer participation agreement signature, barring demonstrated PG&E service upgrade or permitting delays outside of Contractor's control.
3. For homes receiving two (2) or more electrification measures, install and energize all equipment within sixty (60) days of customer participation agreement signature, barring demonstrated PG&E service upgrade or permitting delays outside of Contractor control.
4. Electric replacements must be installed, functional, and operating within forty-eight (48) hours of the gas appliance(s) removal.
5. Achieve 90% satisfaction rating from customer surveys collected by PCE.

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:

1. Total payments to Contractor shall not exceed the total value of this Agreement.

2. Payments to Contractor will be based on information submitted by Contractor in the PCE CRM once a project is completed as outlined in section 2.4 of this Agreement.

3. PCE will issue payment via ACH within thirty (30) days of Project close-out documentation approval as defined in Section 2.4 of this Agreement.

4. Payment will be based on the Measures and Fixed Pricing outlined in the tables below.

5. Measures and Fixed Pricing terms may be modified per mutual determination by PCE and Contractor.

6. Any costs not specified in the fixed pricing below, including all “case by case basis,” change orders, and other costs will not be paid unless approved by PCE and/or customer as outlined in sections 2.2.7 and 2.3.3 of this Agreement.

Fixed Pricing, by Measure
Through December 31, 2026

Core Measures

Measure Name	Description	Price
In-person home assessment & proposal development	Home visit and proposal, which may involve scoping a single measure or an entire whole-home electrification project.	$275
Standard Electrification Measures		
Heat pump water heater (40 gallon)	Install HPWH in same location. Remove existing gas water heater and properly dispose of it. Cap the gas line. Install a new circuit (240v or 120v) where required. Install the drain pan, water heater, and condensate drainage system per the manufacturer's instructions based on location, including condensate pump when required. Install new safety straps and venting in accordance with manufacturer's instructions. Venting may include ducting kit where required, or installation of louvered door where required. Include noise and vibration reduction components such as flexible pipe connectors, rubber mat, rubber grommets at pipe-wall penetrations, and rubber grommets where seismic strapping meets the wall. Install an expansion tank as required and a thermostatic mixing valve. Repair and paint walls to the original condition as needed. Obtain required permit and complete all job closure paperwork.	$5,850
Heat pump water heater (50 gallon)		$6,280
Heat pump water heater (65 gallon)		$6,850
Heat pump water heater (80 gallon)		$7,480
Heat pump HVAC, (ducted, inverter-driven) 2 Ton	Install heat pump using existing ducts. Remove existing gas furnace and properly dispose of it. Install a new circuit(s) (240v or 120v) where required. Cap the gas line. Install a ducted, inverter-driven unit. Coordinate the location of the outdoor condensing unit, considering aesthetics,	$14,350
Heat Pump HVAC, (ducted, inverter-driven) 2.5 ton		$14,950

Heat pump HVAC, (ducted, inverter-driven) 3 Ton	refrigerant piping length, and noise. Install a condenser pad or stand as needed. Install indoor unit(s), refrigerant piping, and thermostat. Repair and paint walls to original condition as required. Obtain required permit and complete all job closure paperwork, including HERS test if required.	$15,450
Heat Pump HVAC, (ducted, inverter-driven) 3.5 ton		$15,750
Heat pump HVAC, (ducted, inverter-driven) 4 Ton		$16,150
Heat Pump HVAC, (ducted, inverter-driven) 4.5 ton		$16,500
Heat pump HVAC, (ducted, inverter-driven) 5 Ton		$16,500
Heat pump mini-split system (Ductless, inverter-driven), single zone	Install ductless mini-split system. Remove and properly dispose of any existing heating or cooling equipment being replaced. Install a new circuit(s) (240v or 120v) where required. Cap the gas line if applicable. Install inverter-driven indoor wall-mounted (or equivalent) unit(s) and outdoor condensing unit. Coordinate condensing unit location, considering aesthetics, refrigerant piping run length, and noise. Install condenser pad or stand as needed. Run new refrigerant piping and condensate drainage. Install thermostat or controller. Seal and repair any wall penetrations; paint to original condition as required. Obtain required permit and complete all job closure paperwork.	$5,950
Heat pump mini-split system (Ductless, inverter-driven) two zone		$9,975
Heat pump mini-split system (Ductless, inverter-driven) three zone		$13,690
Heat pump mini-split system (Ductless, inverter-driven) four zone		$15,995
Heat pump mini-split system (Ductless, inverter-driven) five zone		$19,750
Electric induction range (freestanding or slide-in)	Install standard (non-premium) range or cooktop. Remove existing gas range or cooktop and properly dispose of it. Cap	$4,100

Electric induction cooktop	the gas line. Install a new circuit where required. Install the new induction range or cooktop. Repair and paint walls to original condition as needed. Complete all job closure paperwork.	$4,100
High efficiency, vented, electric-resistance dryer	Install standard (non-premium) dryer with similar capacity to the existing unit. Remove existing gas dryer and properly dispose of it. Cap the gas line. Install a new circuit where required. Install the new electric dryer. Repair and paint walls to original condition as needed. Complete all job closure paperwork.	$3,450
Ventless, heat pump dryer		$3,950
Ventless, condensing combo washer-dryer		$4,850
Electrical Measures		
Electric panel replacement	Remove and replace faulty, unsafe, or insufficiently-sized electrical panel with electrical new panel capable of serving full home electrification load. New panel will include enough breaker slots to serve fully-electrified home.	$5,450
Service upgrade	Incremental cost of coordinating service capacity upgrade. Excludes cost of panel replacement, which will be priced based on the previous measure. Excludes trenching, if required for underground service upgrade.	$900
Sub-panel replacement / installation	Install new or replace subpanel to service additional circuits.	$2,950
Add 120 Volt Circuit (Homerun)	Installation of a new dedicated circuit including circuit breaker, wiring, conduit as required, and receptacle (where appropriate.) This price applies only to standalone circuit installations. Core electrification measures listed above will already include the cost of any required circuit. This pricing will be used for scenarios such as EV charger installations or pre-wiring for future electrification when the electric appliance is not being installed right away.	$1,600
Add 240 Volt Circuit (Homerun)		$2,100
Circuit sharing device or load management device	A device installed to enable multiple electrical loads to share a single circuit safely or to manage and optimize the	$1,500

	distribution of electrical load on a circuit. Price includes both the device and installation.	
Smart panel	Install main service panel that manages total site load	$7,200
Space saving breaker	Install breaker that serves multiple circuits using less space	$215

Additional/Remediation Measures

Measure Name	Description	Price
Panel relocation	Relocate panel to location away from gas meter (3 to 20 ft relocation), extend up to 20 circuits, existing panel becomes junction box, re-install breakers and re-energize system, attain permit. Price is additional cost on top of Electric Panel Replacement measure above.	$1,500
Ductwork replacement	Remove individual duct run, dispose, replace with new flexible R-8 insulated duct. Includes associated cost for boot installation, wyes, plenum, seal, and tape. Ensure low-static, efficient layout. Cost is per duct run.	$750
Ductwork repair	Remove and replace individual duct length. Replace with ne, flexible, R-8 insulated duct. Hang where required. Ensure low-static, efficient layout. Measure does not include sheet metal work. Cost is per duct length up to 25 feet.	$425
New or increased size duct return and run	Remove individual return duct run, dispose, replace with new return duct. Includes associated cost for boot installation, wyes, plenum, seal, grille, trim work, and tape. Ensure low-static, efficient layout. Cost is per duct run.	$1,200
Rigid supply ductwork replacement in exposed area	Remove individual duct run, dispose, replace with new, rigid, R-8 insulated duct. Includes associated cost for boot installation, wyes, plenum, seal, diffuser, trim work, and tape. Ensure low-static, efficient layout. Cost is per duct run.	$1,200

Additional cost for ceiling cassette style mini-splits	Furnish and install ceiling cassette style unit. Includes additional cost above and beyond typical wall-mounted unit costs, framing, patch and repair of ceiling, thermostat, and condensate drain.	$1,500
Asbestos abatement (ductwork)	Remove and abate asbestos ductwork system throughout entire home. Includes asbestos remediation per state standards, disposal, and mitigation. Does not include ductwork replacement.	Case by case estimate
Mold remediation	Identify and eliminate mold growth, contain affected area, clean and sanitize surfaces, identify and address moisture issues, as needed.	Case by case estimate
Water heater relocation	Relocate water heater to new location in home, including additional costs related to piping, ducting (if required,) condensate drain, bollards or pedestal (if required by local AHJ for garage installations,) and any additional costs due to relocation above and beyond heat pump water heater installation costs noted in the core measures above.	$1,900
Water heater enclosure	Purchase, or construct, and install water heater enclosure. Pour concrete pad (if required). Ensure proper clearances and ventilation as required by manufacturer instructions.	$1,000
On-demand hot water recirculation pump	Convert existing continuously operating, hot water recirculation pump to push-button, or automated, on-demand recirculation pump. Furnish and install equipment.	$950
Transfer switch for semi-permanent portable battery	Furnish and install transfer switch for semi-permanent, 3kWh portable battery, including transfer switch, breakers, and wiring for up to eight (8) critical load circuits in the home.	$1,750
Whole house fan	Furnish and install whole-house exhaust fan, including: motor, fan, damper box, ductwork, ceiling grill(s), and wireless control unit.	$3,000

Attic insulation (minor)	Clean and seal attic as needed. Furnish and install attic insulation. Utilize minimum R-38 fiberglass or equivalent insulation. "Minor" is defined as up to 500 square feet of insulated attic.	$3,500
Attic insulation (moderate)	Clean and seal attic as needed. Furnish and install attic insulation. Utilize minimum R-38 fiberglass or equivalent insulation. "Moderate" is defined as up to 1,000 square feet of insulated attic.	$6,000
Attic insulation (major)	Clean and seal attic as needed. Furnish and install attic insulation. Utilize minimum R-38 fiberglass or equivalent insulation. "Major" is defined as up to 1,750 square feet of insulated attic.	$8,500
Pest infestation remediation	Clean site including the removal of rodent excrement, patch/seal openings as necessary to mitigate future infestations.	$1,250
Circuit level power monitoring	Furnish and install circuit level monitoring system in main service panel, connect to wi-fi and provide login to PCE. Includes up to 10 CTs to monitor 8 circuits and total electric load. (Emporia Vue or equivalent.)	$850
Additional cost for complex four-zone ductless mini-split	Additional cost applies to homes with complex refrigerant pipe runs. Only applies to homes encountering one or more of the following conditions: two stories; homes with two or more indoor units requiring longer-than-typical refrigerant piping runs and additional bends; homes with two or more units on interior walls requiring condensate drains.	$2,500
Additional cost for complex five-zone ductless mini-split	Additional cost applies to homes with complex refrigerant pipe runs. Only applies to homes encountering one or more of the following conditions: two stories; homes with two or more indoor units requiring longer-than-typical refrigerant piping runs and additional bends; homes with two or more units on interior walls requiring condensate drains.	$3,500

AGREEMENT BETWEEN THE PENINSULA CLEAN ENERGY AUTHORITY AND FUSE SERVICE INC.

This Agreement is entered into this 21st day of November 2025 by and between the Peninsula Clean Energy Authority, a joint powers authority of the state of California, hereinafter called "PCEA," and Fuse Service Inc., 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 providing Single-Family Residential Electrification Installation Services.

Now, therefore, it is agreed by the parties to this Agreement as follows:

1. Exhibits and Attachments

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. Services to be performed by Contractor

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. Payments

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 seven million dollars ($7,000,000.00). 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 December 1, 2025, through December 1, 2028.

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. Intellectual Property and Ownership of Work Product

PCEA shall and does own all titles, rights, and interests in all materials, tangible or not, created in whatever medium pursuant to this Agreement, including without limitation publications, promotional or educational materials, reports, manuals, specifications, drawings and sketches, computer programs, software and databases, schematics, marks, logos, graphic designs, notes, matters and combinations therefore, and all forms of intellectual property ("Work Products") created by Contractor and any subcontractors under this Agreement. Contractor hereby assigns all titles, rights, and interests in all Work Products to PCEA. At the end of this Agreement, or in the event of termination, all Work Products shall be promptly delivered to PCEA.
Contractor may not sell, transfer, or permit the use of any Work Products without the express written consent of PCEA. Contractor shall not dispute, directly or indirectly, PCEA's exclusive right and title to the Work Products, nor the validity of the intellectual property embodied therein.

Contractor may (1) retain its rights to and ownership of pre-existing or open-source materials and/or (2) retain one copy of Work Products for archival use, but in either instance must notify PCEA and identify any such materials in writing prior to the commencement of work under this Agreement.

7. 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.

8. 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.

b. Release and Hold Harmless in Customer/Subcontractor Contracts

PCEA shall have the opportunity to review, prior to their execution, any contracts executed by Contractor to implement this Agreement. In addition, unless waived in advance in writing by PCEA, any such contracts shall contain the following terms:

c. Release of Claims Against, and Hold Harmless of, Peninsula Clean Energy Authority

Customer/Subcontractor also discharges and releases the Peninsula Clean Energy Authority (PCEA) and its officers, employers, employees, and agents from and against any and all claims, demands, liabilities, obligations, damages or chose in action, legal or equitable, of whatever kind or nature, including negligence by PCEA, in which Customer/Subcontractor, and Customer/Subcontractor's successors in interest, heirs, estates or personal representatives, or family members, now may have or assert, or may have had in the past or may have in the future, against PCEA as the result of, based upon, arising out of, or connected with PCEA's involvement with the Project. Customer/Subcontractor is on notice of and hereby specifically and expressly waives the provisions of California Civil Code § 1542, which provides that a "general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

Customer/Subcontractor also agrees to indemnify and hold harmless PCEA from any and all claims, actions, suits, procedures, costs, expenses, damages, and liabilities, including attorney's fees and costs, brought as a result of PCEA's involvement with the Project, and to reimburse PCEA for any such expenses incurred.

For purposes of this provision, PCEA is hereby intended to be a third-party beneficiary of any and all contracts executed by Contractor to implement this Agreement, pursuant to California Civil Code § 1559.

9. 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.

10. 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.

11. 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** (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.

12. 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 per occurrence and $2,000,000 aggregate for bodily injury and property damage
Yes	Motor Vehicle 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.

13. 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.

14. Warranties

a. Construction Warranty

The Contractor hereby warrants to PCEA and Property Owner that all materials and equipment furnished with respect to the Property are new and the work performed by the Contractor with respect to the Property is of good and workmanlike quality, free from faults and defects, and in conformance with all contract documents. Work not conforming to these requirements, including substitutions not properly approved and authorized, may be considered defective. The foregoing warranty excludes remedy for damage or defect caused by abuse, modifications not executed by the Contractor, improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. Upon request of PCEA and/or the Property Owner, the Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment.

b. Repair Warranty

If, within one year after the date of Completion of the Work in properties served by the program or designated portion thereof, any of the Work is found to be not in accordance with the requirements of the Contract Documents, the Contractor shall correct it promptly after receipt of written notice from the Property Owner to do so unless the Owner has previously given the Contractor a written acceptance of such condition. This period of one year shall be extended with respect to portions of the Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual performance of the Work. The obligation under this Subparagraph 14b shall survive acceptance of the Work under the Contract and termination of the Contract. The Property Owner or PCE shall give such notice promptly after discovery of the condition.

15. 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.

16. Confidential Information

(a) Contractor shall maintain in confidence and not disclose to any third party or use in any manner not required or authorized under this Agreement any and all Confidential Information held by PCEA.

(b) The term “Confidential Information” includes all information, documents, and materials owned by PCEA, including technical, financial, business, or PCEA customer information which is not available to the general public, as well as information derived from such information. Information received by Contractor shall not be considered Confidential Information if: (i) it is or becomes available to the public through no wrongful act of Contractor; (ii) it is already in the possession of Contractor and not subject to any confidentiality agreement between the Parties; (iii) it is received from a third party without restriction for the benefit of PCEA and without breach of this Agreement; (iv) it is independently developed by Contractor; (v) it is disclosed pursuant to a requirement of law, including, but not limited to, the California Public Records Act (Cal. Gov’t Code Section 6250, et seq.); or (vi) is disclosed to or by a duly empowered

government agency, or a court of competent jurisdiction after due notice and an adequate opportunity to intervene is given to PCEA, unless such notice is prohibited.

(c) As practicable, PCEA shall mark Confidential Information with the words "Confidential" or "Confidential Material" or with words of similar import, or, if that is not possible, PCEA shall notify the Contractor (for example, by cover e-mail transmitting an electronic document) that the material is Confidential Information. PCEA's failure or delay, for whatever reason, to mark or notify Contractor at the time the material is produced shall not take the material out of the coverage of this Agreement.

(d) Contractor will direct its employees, contractors, consultants, and representatives who have access to any Confidential Information to comply with the terms of this Section.

(e) Upon termination or expiration of this Agreement, Contractor shall, at PCEA's exclusive direction, either return or destroy all such Confidential Information and shall so certify in writing, provided, however, any Confidential Information (i) found in drafts, notes, studies, and other documents prepared by or for PCEA or its representatives, or (ii) found in electronic format as part of Contractor's off-site or on-site data storage/archival process system, will be held by Contractor and kept subject to the terms of this provision or destroyed at Contractor's option. The obligations of this provision will survive termination or expiration of this Agreement.

17. Data Security

If, pursuant to this Agreement, PCEA shares with Contractor personal information as defined in California Civil Code Section 1798.81.5(d) about a California resident ("Personal Information"), Contractor shall maintain reasonable and appropriate security procedures to protect that Personal Information and shall inform PCEA immediately upon learning that there has been a breach in the security of the system or in the security of the Personal Information. Contractor shall not use Personal Information for direct marketing purposes without PCEA's express written consent. For purposes of this provision, security procedures are "reasonable and appropriate" when they (i) adequately address all reasonably foreseeable threats to Personal Information, (ii) are appropriate to the quantity, sensitivity, and type of Personal Information accessed and the way that information will be accessed, and (iii) comply with all laws, regulations, and government rules or directives applicable to the Contractor in connection with its access of Personal Information.

18. 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.

19. Merger Clause; Amendments

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.

20. Controlling Law; Venue

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.

21. Notices

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: 650-474-5002
Email: smarshall@peninsulacleanenergy.com

In the case of Contractor, to:

Name/Title: Stanislav Pakarin, CEO
Address: 222 Ronald St, Santa Clara, 95050
Telephone: 669-444-1101
Email: mike@fuseservice.com

22. Electronic Signature

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.

23. No Recourse Against PCEA's Member Agencies

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: _____

FUSE SERVICE, INC.

_____
Contractor's Signature

Date: _____

Exhibit A

In consideration of the payments set forth in Exhibit B, Contractor shall provide the following services:

Overview

PCE's mission is to reduce greenhouse gas emissions and reinvest in customers in communities of San Mateo County and Los Banos. PCE's Home Upgrade Services (HUS) offers various incentives and services to help residential customers electrify their homes. This Agreement includes the following HUS offerings:

1. **Full-Service Installation** –Whole-home electrification delivered by PCE-vetted contractors, using fixed pricing for standard measures. There are two levels of incentives available, depending on the customer type:
    a. "Income-Qualified:" Homes meeting income and other qualifications receive no-cost whole-home electrification services, fully paid by PCE.
    b. "Market-Rate:" Non-income-qualified customers can access fixed standard measure pricing and PCE's rebates and loans.
2. **Emergency Water Heater Replacement –** Rapid replacement of failing gas water heaters with a heat pump water heater (or use of temporary loaner if longer remediation is needed), installed within 48 hours. Serves income-qualified and market-rate customers.

Program Goals and Objectives

1. Electrify at least 200 income-qualified homes and 100-150 market-rate homes per year across the program, translating to roughly 60 income-qualified homes and 30 – 50 market-rate homes annually per contractor.
2. Provide an affordable, accessible, convenient and timely service for customers to electrify their home appliances.
3. Deliver high-quality customer experience through a network of trusted, experienced installers using advanced strategies to minimize PG&E service upgrades.

Contractor Tasks

1 Program Set Up

1.1 Kickoff and Check-in Meetings

Contractor will attend in-person program kickoff meeting with PCE to review program goals and objectives, contractor expectations, and procedures at a mutually determined date within two weeks of contract execution.

Task 1.1 Deliverable: Attend in-person PCE kick off meeting

1.2 Finalize Program Documents & Procedures

Contractor will assist PCE in finalizing program documents and implementation procedures. While PCE will lead the development of internal and external program documentation, the Contractor is expected to review and provide feedback as requested. Prior to program launch, the Contractor will:

1.2.1 Review PCE's Program Handbook, which outlines contractor procedures and expectations, equipment procurement protocols, customer and property eligibility criteria, and other relevant guidelines.

1.2.2 Develop templates for customer-facing documents, including the project proposal, change order forms, project completion sign-off form, and any electrification education materials.

1.2.3 Finalize the list of minimum data points to be collected during initial site assessments and post-installation (e.g., existing equipment, electrical infrastructure, home conditions) and determine how and when this information will be provided to PCE.

1.2.4 Review and provide input on PCE's Technical Design Guidelines for residential building electrification. These guidelines shall be used to inform the development of customer's proposals.

1.2.5 Finalize load calculation strategy to minimize service capacity upgrades.

Task 1.2 Deliverables:

1. *Review and acceptance of PCE's Program Handbook including contractor procedures and expectations*
2. *Review of and acceptance of customer-facing document templates*
3. *Review of and acceptance of complete list of data points to be collected for every project*
4. *Documentation of load calculation strategy to minimize service capacity upgrades*

1.3 Enroll in State or Local Programs

Complementary regional and state electrification incentive programs ("third-party programs") may be available during the program term, including but not limited to, TECH Clean CA, CA Smart Energy Homes, Golden State Rebates, GoGreen Financing. Maximizing third-party program incentives is necessary to reduce project costs for both PCE and customers. As such:

1.3.1 Contractor shall enroll in third-party programs as directed by PCE and provide PCE with proof of enrollment.

1.3.2 Although PCE will submit rebate applications to third-party programs on behalf of the customer and contractor, the Contractor must collect required documentation in the field (e.g., photos, forms) and submit it to PCE.

Task 1.3 Deliverables:

1. *Proof of enrollment in other incentive programs as directed by PCE*
2. *Required project documentation for third-party program submissions, as requested*

2 Ongoing Program Activities

2.1 Schedule Customer Home Assessment & Proposal Visit

Customers will apply for the program directly through PCE. PCE will screen customers, verify their customer eligibility, and categorize them as income-qualified or market-rate. Once customer eligibility is verified, PCE will assign the project to the Contractor and schedule an in-person home assessment and proposal visit. Contractor will:

2.1.1 Provide an interface with an automated scheduling system or contact the customer within two (2) days to schedule the initial assessment. The assessment shall take place within ten (10) days of customer contact, unless the customer requests a later date.

2.1.2 Gather preliminary information from the customer (e.g. initial scope of work requested), provide customer with an overview of what to expect, answer questions about process or electrification in general, inquire about any pre-visit preparation that a customer may need to complete prior to the home assessment (e.g. ensuring access to electrical panel and other equipment).

2.1.3 Serve as the customer's principal point of contact for the Program.

2.2 Perform Home Assessment and Develop Project Proposal

Contractor will perform the in-person visit at the scheduled time per Section 2.1. Contractor will:

2.2.1 Ensure property meets eligibility as defined in Program Handbook (Task 1.2.1)

2.2.2 Gather required data as defined in Task 1.2.3.

2.2.3 Develop a Proposal with complete scope of work and costs that are consistent with the PCE Pricing in Exhibit B and Technical Design Guidelines.

2.2.4 Within three (3) days of the visit, deliver Proposal to both PCE and customer by email using the PCE template developed per Task 1.2.2. All Proposals are subject to review and approval by PCE.

2.2.5 After sending Proposal to customer, address any questions customer may have on it. At the customer's request, Contractor may provide multiple Proposal options (e.g. pricing for ducted vs. ductless heat pump system).

2.2.6 Once the customer approves the proposal and PCE approval is obtained (if required), PCE will send the Program Participation Agreement to customer for signature.

2.2.7 Any measures indicated as "case by case basis" in the fixed measure pricing are to be evaluated by the Contractor, customer, and PCE on a case-by-case basis. If a "case by case" measure is determined necessary by the Contractor during the Home Assessment, Contractor to provide a written estimate for the work to be performed. This estimate is subject to approval by PCE (and the Customer, for Market Rate homes), prior to the start of work.

2.3 Install Measures and Close Out Permit

Contractor will be notified when customer signs the Program Participation Agreement. No installation work may begin until the customer has signed the Program Participation Agreement. From that point, Contractor will:

2.3.1 Within two (2) days, contact customer to schedule installation date(s) and go over next steps for installation, including any preparation needed.

2.3.2 Within ten (10) days, apply for building permits with the local Authority Having Jurisdiction (AHJ,) on behalf of the customer.

2.3.3 Oversee installation and manage subcontractors, if any, installing measures outlined in the Participation Agreement.

1. All equipment must be installed in accordance with all applicable federal, state, and local laws, building codes, manufacturer's specifications and permitting requirements.

2. Installation must be completed within 30 days (single-measure projects) or 60 days (multi-measure projects) per the Contractor service level expectations (SLEs) outlined further in this Agreement. Contractor must notify PCE of any delays that may impact SLE compliance.

3. Contractor, customer, or PCE may request changes in the scope of work as outlined in customer's Participation Agreement. Such changes shall be initiated by a written change order signed by the customer, PCE, and the Contractor. The change order shall include a description of the change, the cost impact, and any necessary adjustments to the contract time. No changes shall be compensated without a written and signed change order.

2.3.4 Within five (5) days after installation, initiate project close-out by scheduling inspection with local AHJ for the soonest available date. Contractor will work with local AHJ to resolve any inspection issues and ensure permit closure.

2.3.5 Immediately after installation, educate customer in successfully operation and maintenance of the newly installed equipment.

2.3.6 Provide customer with technical manuals, equipment and installation warranty documentation, and register equipment with manufacturer as applicable.

2.4 Update PCE CRM & Provide Supporting Documentation for Completed Projects

Maintaining accurate records in PCE customer relationship management (CRM) system is critical to manage the project pipeline, respond to inquiries, and assess program performance. While Contractor may use its own CRM internally, it must also keep PCE's CRM updated. Contractor must:

2.4.1 Update PCE CRM at least once per week with projects' details. This includes key dates (home assessment visit, Proposal sent date, permit applied date, others) and current project status.

2.4.2 Upload completed project close-out documentation within 5 days of installation. This includes customer-signed project completion sign-off form, installation data (e.g., previous and new equipment info), photos, and permits. Projects may be submitted prior to inspection close-out to expedite payment, but Contractor is still responsible for completing the inspection and ensuring permit closure.

2.4.3 PCE will review project close-out documentation within five (5) days of submission and will issue payment via ACH within thirty (30) days of approval. Approval is defined as written confirmation from PCE that all close-out information is complete and accurate. If any information is missing or inaccurate, PCE will provide the Contractor with a detailed description of the deficiencies. The Contractor must then supply the required information to PCE to obtain approval.

2.5 Regular Check-Ins

2.5.1 Meet with PCE team once per week to discuss customer issues and review the project pipeline.

2.5.2 Meet with PCE annually for a deep dive to review program elements and technical design refinement needs; this meeting is expected to be in person.

2.6 Coordinate with PCE Auditing

2.6.1 PCE may request site visits of approximately 10 homes per year receiving services. Contractor shall participate in project site visits with the designated PCE staff member(s), or PCE Consultant, at a mutually determined date.

2.6.2 Provide paystubs to PCE or PCE Consultant for prevailing wage auditing. This is anticipated to occur about twice per year.

2.7 Workmanship and Warranty

2.7.1 Provide industry guarantees for workmanship. Respond to workmanship warranty calls as needed and assist customers in navigating product warranty issues. All warranty-related issues must be addressed to the reasonable satisfaction of the customer. Contractor is expected to provide a minimum three-year labor warranty from the date of installation completion.

2.7.2 For projects that include Heating, Ventilation, and Air Conditioning (HVAC) heat pump installations, Contractors to perform one equipment inspection and tune-up at or around one year from the installation date at no cost to the customer.

3 Service Level Expectations (SLE) Summary

PCE aims to provide high-quality customer service through timely project completion and clear, proactive communication throughout the process. The below Service Level Expectations (SLEs) define the key requirements Contractors must meet. Additional SLEs for specific customer touchpoints are also addressed in this Agreement.

1. Provide customer with home assessment visit within ten (10) days of initial customer enrollment.
2. For homes receiving a single electrification measure, install and energize equipment within thirty (30) days of customer participation agreement signature, barring demonstrated PG&E service upgrade or permitting delays outside of Contractor's control.
3. For homes receiving two (2) or more electrification measures, install and energize all equipment within sixty (60) days of customer participation agreement signature, barring demonstrated PG&E service upgrade or permitting delays outside of Contractor control.
4. Electric replacements must be installed, functional, and operating within forty-eight (48) hours of the gas appliance(s) removal.
5. For Emergency Water Heater Service, heat pump water heater or loaner equipment (in cases when immediate installation isn't feasible) must be installed within forty-eight (48) hours of customer call, including weekends and holidays.
6. Achieve 90% satisfaction rating from customer surveys collected by PCE.

4 Emergency Water Heater Replacement Tasks

Most water heater replacements are performed after the equipment has failed, and customers expect access to hot water within one (1) to three (3) days of failure. The Emergency Water Heater Replacement element is available to both Income-Qualified and Market-Rate customers. When a gas water heater fails, there are three common emergency replacement scenarios:

1. **On-Site Electrification –** This scenario allows for immediate installation of a heat pump water heater on the day of the site visit.
2. **Gas Loaner Electrification –** Electrification is not feasible on the day of the site visit, typically due to the need to coordinate with an electrician. In this scenario, PCE envisions an installation of a temporary gas loaner unit while electrical services are coordinated.
3. **Infeasible –** Electrification is infeasible at the site due to criteria developed in Technical Design Guidelines (e.g., physical constraints, constrained PG&E service line, or other factors).

4.1 Coordinate Emergency Water Heater Replacement Services

Contractor will:

4.1.1 Provide a dedicated phone number (i.e., hotline) with dedicated PCE branded messaging for customers to call and schedule emergency water heater replacements. The hotline will be managed by Contractor 7 days a week, including holidays, during regular business hours (e.g. 8 AM – 6 PM or similar).

4.1.2 When customers call the hotline, Contractor will immediately perform an over-the-phone initial screening to determine if an emergency replacement is feasible. If feasible, Contractor will schedule site visit.

4.1.3 Perform in-person site visit within 24 hours of customer call to determine the emergency replacement scenario and applicable approaches.

4.2 Install Heat Pump Water Heater for On-Site Electrification Scenario

If Contractor determines it is feasible to install a heat pump water heater on the day of the customer site visit, Contractor will:

4.2.1 Select equipment sizing, model, and configure in accordance with Technical Design Guidelines.

4.2.2 Perform electric load calculations or other assessments as needed.

4.2.3 Propose a Scope of Work for the heat pump water heater including pricing services with information on all relevant third-party program rebates and financing options.

4.2.4 Coordinate installation of system within 48 hours of customer call.

4.2.5 Install heat pump water heater in accordance with all applicable federal, state, and local laws, building codes, manufacturer's specifications and permitting requirements.

4.2.6 Apply for building permit and coordinate with the AHJ to obtain final inspections and complete job closure paperwork.

4.2.7 Immediately after installation, educate customer in successfully operating and maintaining the new equipment installed.

4.2.8 Provide customer with technical manuals, equipment and installation warranty documentation, and register equipment with manufacturer as applicable.

4.2.9 Respond to workmanship warranty calls as needed and assist customers in navigating product warranty issues. All warranty-related issues must be addressed to the reasonable satisfaction of the customer. Contractor is expected to provide a minimum three-year labor warranty from the date of installation completion. The final labor warranty term will be confirmed during contracting, based on the warranty information provided in the Contractor's Proposal.

4.2.10 Refer Customer to Full-Service Installation offering as applicable for other electrification needs.

4.3 Install Loaner Gas Water Heater for Gas Loaner Electrification Scenario

If Contractor determines it is feasible to install heat pump water heater after additional upgrades to the home are made, Contractor will:

4.3.1 Install a temporary gas water heating “loaner” equipment.

4.3.2 Invoice Market-Rate customer for emergency loaner deposit. The deposit will be put towards the cost of the heat pump water heater installation. In the rare event that the heat pump water heater installation does not move forward, the deposit will cover the labor cost of installing loaner. Income-Qualified customers will not need to pay a deposit.

4.3.3 If heat pump water heater installation does not move forward, Contractor will:

1. Keep emergency loaner deposit for Market-Rate customer.
2. Remove gas water heating loaner equipment and return to loaner stock.
3. May provide estimate and coordinate with customer on installation of replacement equipment as a service outside the scope of this Program.

4.3.4 Within 6 weeks of loaner installation, create and provide to customer a Scope of Work for heat pump water heater installation.

4.3.5 Coordinate heat pump water heater installation as specified in Task 4.2. Remove gas water heating loaner equipment and return to loaner stock.

4.4 Referral for Infeasible Scenario

If Contractor determines it is infeasible to install a heat pump water heater, Contractor will:

4.4.1 Provide information to resident, including reason why installation of heat pump water heater is infeasible.

4.4.2 If there is a local code requirement, complete future, PCE-developed worksheet recording that site was considered infeasible for electrification and provide to customer as required.

4.4.3 Provide a referral to a qualified installer for a replacement gas unit. If Contractor is able to install a replacement gas unit, Contractor may offer this service outside the scope of this Program.

4.4.4 Document instances when heat pump water heater was deemed infeasible by Contractor, including customer service address and reasons why a heat pump water heater was determined to be infeasible, to be provided to PCE.

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:

1. Total payments to Contractor shall not exceed the total value of this Agreement.

2. Payments to Contractor will be based on information submitted by Contractor in the PCE CRM once a project is completed as outlined in section 2.4 of this Agreement.

3. PCE will issue payment via ACH within thirty (30) days of Project close-out documentation approval as defined in Section 2.4 of this Agreement.

4. Payment will be based on the Measures and Fixed Pricing outlined in the tables below.

5. Measures and Fixed Pricing terms may be modified per mutual determination by PCE and Contractor.

6. Any costs not specified in the fixed pricing below, including all “case by case basis,” change orders, and other costs will not be paid unless approved by PCE and/or customer as outlined in sections 2.2.7 and 2.3.3 of this Agreement.

Fixed Pricing, by Measure
Through December 31, 2026

Core Measures

Measure Name	Description	Price
In-person home assessment & proposal development	Home visit and proposal, which may involve scoping a single measure or an entire whole-home electrification project.	$275
Standard Electrification Measures		
Heat pump water heater (40 gallon)	Install HPWH in same location. Remove existing gas water heater and properly dispose of it. Cap the gas line. Install a new circuit (240v or 120v) where required. Install the drain pan, water heater, and condensate drainage system per the manufacturer's instructions based on location, including condensate pump when required. Install new safety straps and venting in accordance with manufacturer's instructions. Venting may include ducting kit where required, or installation of louvered door where required. Include noise and vibration reduction components such as flexible pipe connectors, rubber mat, rubber grommets at pipe-wall penetrations, and rubber grommets where seismic strapping meets the wall. Install an expansion tank as required and a thermostatic mixing valve. Repair and paint walls to the original condition as needed. Obtain required permit and complete all job closure paperwork.	$5,850
Heat pump water heater (50 gallon)		$6,280
Heat pump water heater (65 gallon)		$6,850
Heat pump water heater (80 gallon)		$7,480
Heat pump HVAC, (ducted, inverter-driven) 2 Ton	Install heat pump using existing ducts. Remove existing gas furnace and properly dispose of it. Install a new circuit(s) (240v or 120v) where required. Cap the gas line. Install a ducted, inverter-driven unit. Coordinate the location of the outdoor condensing unit, considering aesthetics,	$14,350
Heat Pump HVAC, (ducted, inverter-driven) 2.5 ton		$14,950

Heat pump HVAC, (ducted, inverter-driven) 3 Ton	refrigerant piping length, and noise. Install a condenser pad or stand as needed. Install indoor unit(s), refrigerant piping, and thermostat. Repair and paint walls to original condition as required. Obtain required permit and complete all job closure paperwork, including HERS test if required.	$15,450
Heat Pump HVAC, (ducted, inverter-driven) 3.5 ton		$15,750
Heat pump HVAC, (ducted, inverter-driven) 4 Ton		$16,150
Heat Pump HVAC, (ducted, inverter-driven) 4.5 ton		$16,500
Heat pump HVAC, (ducted, inverter-driven) 5 Ton		$16,500
Heat pump mini-split system (Ductless, inverter-driven), single zone	Install ductless mini-split system. Remove and properly dispose of any existing heating or cooling equipment being replaced. Install a new circuit(s) (240v or 120v) where required. Cap the gas line if applicable. Install inverter-driven indoor wall-mounted (or equivalent) unit(s) and outdoor condensing unit. Coordinate condensing unit location, considering aesthetics, refrigerant piping run length, and noise. Install condenser pad or stand as needed. Run new refrigerant piping and condensate drainage. Install thermostat or controller. Seal and repair any wall penetrations; paint to original condition as required. Obtain required permit and complete all job closure paperwork.	$5,950
Heat pump mini-split system (Ductless, inverter-driven) two zone		$9,975
Heat pump mini-split system (Ductless, inverter-driven) three zone		$13,690
Heat pump mini-split system (Ductless, inverter-driven) four zone		$15,995
Heat pump mini-split system (Ductless, inverter-driven) five zone		$19,750
Electric induction range (freestanding or slide-in)	Install standard (non-premium) range or cooktop. Remove existing gas range or cooktop and properly dispose of it. Cap	$4,100

Electric induction cooktop	the gas line. Install a new circuit where required. Install the new induction range or cooktop. Repair and paint walls to original condition as needed. Complete all job closure paperwork.	$4,100
High efficiency, vented, electric-resistance dryer	Install standard (non-premium) dryer with similar capacity to the existing unit. Remove existing gas dryer and properly dispose of it. Cap the gas line. Install a new circuit where required. Install the new electric dryer. Repair and paint walls to original condition as needed. Complete all job closure paperwork.	$3,450
Ventless, heat pump dryer		$3,950
Ventless, condensing combo washer-dryer		$4,850
Electrical Measures		
Electric panel replacement	Remove and replace faulty, unsafe, or insufficiently-sized electrical panel with new electrical panel capable of serving full home electrification load. New panel will include enough breaker slots to serve fully-electrified home.	$5,450
Service upgrade	Incremental cost of coordinating service capacity upgrade. Excludes cost of panel replacement, which will be priced based on the previous measure. Excludes trenching, if required for underground service upgrade.	$900
Sub-panel replacement / installation	Install new or replace subpanel to service additional circuits.	$2,950
Add 120 Volt Circuit (Homerun)	Installation of a new dedicated circuit including circuit breaker, wiring, conduit as required, and receptacle (where appropriate.) This price applies only to standalone circuit installations. Core electrification measures listed above will already include the cost of any required circuit. This pricing will be used for scenarios such as EV charger installations or pre-wiring for future electrification when the electric appliance is not being installed right away.	$1,600
Add 240 Volt Circuit (Homerun)		$2,100
Circuit sharing device or load management device	A device installed to enable multiple electrical loads to share a single circuit safely or to manage and optimize the	$1,500

	distribution of electrical load on a circuit. Price includes both the device and installation.	
Smart panel	Install main service panel that manages total site load	$7,200
Space saving breaker	Install breaker that serves multiple circuits using less space	$215

Additional/Remediation Measures

Measure Name	Description	Price
Panel relocation	Relocate panel to location away from gas meter (3 to 20 ft relocation), extend up to 20 circuits, existing panel becomes junction box, re-install breakers and re-energize system, attain permit. Price is additional cost on top of Electric Panel Replacement measure above.	$1,500
Ductwork replacement	Remove individual duct run, dispose, replace with new flexible R-8 insulated duct. Includes associated cost for boot installation, wyes, plenum, seal, and tape. Ensure low-static, efficient layout. Cost is per duct run.	$750
Ductwork repair	Remove and replace individual duct length. Replace with ne, flexible, R-8 insulated duct. Hang where required. Ensure low-static, efficient layout. Measure does not include sheet metal work. Cost is per duct length up to 25 feet.	$425
New or increased size duct return and run	Remove individual return duct run, dispose, replace with new return duct. Includes associated cost for boot installation, wyes, plenum, seal, grille, trim work, and tape. Ensure low-static, efficient layout. Cost is per duct run.	$1,200
Rigid supply ductwork replacement in exposed area	Remove individual duct run, dispose, replace with new, rigid, R-8 insulated duct. Includes associated cost for boot installation, wyes, plenum, seal, diffuser, trim work, and tape. Ensure low-static, efficient layout. Cost is per duct run.	$1,200

Additional cost for ceiling cassette style mini-splits	Furnish and install ceiling cassette style unit. Includes additional cost above and beyond typical wall-mounted unit costs, framing, patch and repair of ceiling, thermostat, and condensate drain.	$1,500
Asbestos abatement (ductwork)	Remove and abate asbestos ductwork system throughout entire home. Includes asbestos remediation per state standards, disposal, and mitigation. Does not include ductwork replacement.	Case by case estimate
Mold remediation	Identify and eliminate mold growth, contain affected area, clean and sanitize surfaces, identify and address moisture issues, as needed.	Case by case estimate
Water heater relocation	Relocate water heater to new location in home, including additional costs related to piping, ducting (if required,) condensate drain, bollards or pedestal (if required by local AHJ for garage installations,) and any additional costs due to relocation above and beyond heat pump water heater installation costs noted in the core measures above.	$1,900
Water heater enclosure	Purchase, or construct, and install water heater enclosure. Pour concrete pad (if required). Ensure proper clearances and ventilation as required by manufacturer instructions.	$1,000
On-demand hot water recirculation pump	Convert existing continuously operating, hot water recirculation pump to push-button, or automated, on-demand recirculation pump. Furnish and install equipment.	$950
Transfer switch for semi-permanent portable battery	Furnish and install transfer switch for semi-permanent, 3kWh portable battery, including transfer switch, breakers, and wiring for up to eight (8) critical load circuits in the home.	$1,750
Whole house fan	Furnish and install whole-house exhaust fan, including: motor, fan, damper box, ductwork, ceiling grill(s), and wireless control unit.	$3,000

Attic insulation (minor)	Clean and seal attic as needed. Furnish and install attic insulation. Utilize minimum R-38 fiberglass or equivalent insulation. "Minor" is defined as up to 500 square feet of insulated attic.	$3,500
Attic insulation (moderate)	Clean and seal attic as needed. Furnish and install attic insulation. Utilize minimum R-38 fiberglass or equivalent insulation. "Moderate" is defined as up to 1,000 square feet of insulated attic.	$6,000
Attic insulation (major)	Clean and seal attic as needed. Furnish and install attic insulation. Utilize minimum R-38 fiberglass or equivalent insulation. "Major" is defined as up to 1,750 square feet of insulated attic.	$8,500
Pest infestation remediation	Clean site including the removal of rodent excrement, patch/seal openings as necessary to mitigate future infestations.	$1,250
Circuit level power monitoring	Furnish and install circuit level monitoring system in main service panel, connect to wi-fi and provide login to PCE. Includes up to 10 CTs to monitor 8 circuits and total electric load. (Emporia Vue or equivalent.)	$850
Additional cost for complex four-zone ductless mini-split	Additional cost applies to homes with complex refrigerant pipe runs. Only applies to homes encountering one or more of the following conditions: two stories; homes with two or more indoor units requiring longer-than-typical refrigerant piping runs and additional bends; homes with two or more units on interior walls requiring condensate drains.	$2,500
Additional cost for complex five-zone ductless mini-split	Additional cost applies to homes with complex refrigerant pipe runs. Only applies to homes encountering one or more of the following conditions: two stories; homes with two or more indoor units requiring longer-than-typical refrigerant piping runs and additional bends; homes with two or more units on interior walls requiring condensate drains.	$3,500

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: October 17, 2025
MEETING DATE: November 20, 2025
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Shawn Marshall, Chief Executive Officer

SUBJECT: Board Open Forum Regarding Constituent Feedback, Board Member Priorities, Questions and/or Suggestions by Directors (Discussion) (CONTINUED FROM OCTOBER 23, 2025 BOARD OF DIRECTORS MEETING)

BACKGROUND

This is an item continued from the October Board Retreat. During the Board meeting, we will engage the Board in a fun digital exercise and open dialogue centered on a few key questions that will help inform our priorities and planning for 2026.

1. What are you hearing from your constituents relative to PCE and about energy and sustainability more generally?
2. What are your priorities for this Board and Agency in the coming year?
3. What questions or suggestions do you have?

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: November 14, 2025
MEETING DATE: November 20, 2025
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Brianna Arroyo, Administrative Assistant

SUBJECT: Social Media FAQ's

ATTACHMENTS:
PCE_ How to handle comments on Nextdoor.pdf
PCE_Social media talking points.pdf

How to handle comments on Nextdoor

What qualifies as an incendiary comment?

- The post contains aggressive or accusatory language.
- The post spreads misinformation about PCE's programs, services, or billing—or about clean energy.
- The post escalates negativity within the Nextdoor community, even if the original post is not negative.

How do I know if PCE should respond?

- ☐ Does the comment contain misinformation that could harm PCE's reputation?
- ☐ Is the comment receiving significant, negative attention (likes, replies, etc.)?
- ☐ Does responding to the post align with PCE's values and commitment to candor, transparency, and community support?
- ☐ Is someone asking a question related to PCE's billing or services?

It may be helpful to respond proactively, even if the original comment isn't particularly negative. This early intervention can help prevent misinformation and keep the community conversation on track.

I found an incendiary comment. What should I do next?

1. **Notify the Marketing team.**
   Send an email with the subject line: "Nextdoor comment for review" with a direct link to the post and any necessary screenshots to the following PCE team members:

   - Aleisha Juarez, ajuarez@peninsulacleanenergy.com
   - Kerstin Grune (cc'd), kgrune@peninsulacleanenergy.com
   - Gwen Rose (cc'd), grose@peninsulacleanenergy.com
   - Kirsten Andrews-Schwind (cc'd), kandrews-schwind@peninsulacleanenergy.com
   - Jayden Hanan (cc'd), jhanan@peninsulacleanenergy.com

2. **Be prepared to take action.**
   Given Nextdoor's limited access, we may ask you to respond via your personal profile. If the Marketing team confirms that a response is necessary, we will provide you with the appropriate post copy.

Helpful reminders

- When you see a negative Nextdoor comment, be a calm observer and collect details for escalation.
- Do not engage with incendiary comments, unless the Marketing team provides you with post copy.
- Responses on behalf of PCE should always reflect the organization's values.
- Stay ahead of the negativity: Responding to questions early can help keep the tone positive and prevent the situation from escalating.

PENINSULA CLEAN ENERGY

Social media FAQs

Here are some helpful tips for responding to frequently asked questions about Peninsula Clean Energy (PCE) on social media. Frame your response in a way that is accurate, concise, and friendly—all while staying true to PCE's mission and values. Feel free to adapt these prompts to your own voice, keeping it casual, personable, and polite.

Depending on the social media platform, your response could also encourage people to contact PCE Support for more information at info@peninsulacleanenergy.com or 1-866-966-0110.

What is Peninsula Clean Energy (PCE)? How is PCE different from PG&E?
PCE is your local, not-for-profit electricity provider. PCE provides the majority of the electricity supply—97% in fact—for San Mateo County and Los Banos.

PCE provides you with clean electricity, while PG&E delivers it to you through their wires. It's kind of like ordering takeout from your favorite restaurant (PCE) and having a food delivery service (PG&E) deliver it to your door.

Does PCE cost more than PG&E?
No! PCE's rates are competitive with or even lower than PG&E's, so you save money with PCE. You can compare PCE's and PG&E's rates here:
https://www.pge.com/assets/pge/docs/account/alternate-energy-providers/pce-sm_rateclasscomparison.pdf

Why was I automatically enrolled?
Your city or county voted to join PCE to bring cleaner, affordable energy to your community.

Can I opt out of PCE?
Yes, you can opt out. However, PCE's rates are typically lower than PG&E's, so opting out of PCE will make your electricity bill go up.

I opted out of PCE and my bill went down.
When you opted out of PCE, PG&E put you on a special temporary rate (TBCC) for six months. Recently, this rate has been lower than PCE's, which is probably why your bill went down. However, after six months, you'll be switched back to PG&E's regular rates, which are at least 5% higher than PCE's. So, even though it seems like you're saving money now, your bill will likely go up in the long term.

What clean energy options do I have?
You are automatically enrolled in ECOplus, which is 100% clean, 50% from renewable sources, and cheaper than PG&E. If you want to do even more good for the environment, you can upgrade to ECO100, which is 100% renewable energy for a small additional cost.

I have solar power. Why do I still have fees?
PCE only charges for the electricity you use beyond what your solar panels generate. If your panels produce less energy than your household needs, you'll see charges for the extra electricity you pulled from the grid. However, if your solar panels generate more energy than you use, PCE gives you a credit!

Why did my bill go up after switching to PCE?
Your bill increase is likely due to PG&E's delivery rates, not PCE. In fact, PCE has frozen rates multiple times to keep costs stable and put savings back in customers' pockets.

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: November 14, 2025
MEETING DATE: November 20, 2025
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Executive Committee

FROM: Nelly Wogberg, Board Clerk

SUBJECT: Acronym List

ATTACHMENTS:
ACRONYMS - as of 02-01-2024.pdf

PENINSULA CLEAN ENERGY

COMMONLY USED ACRONYMS AND KEY TERMS

AB xx – Assembly Bill xx
ALJ – Administrative Law Judge
AMP - Arrears Management Plans
Apple Valley Choice Energy
AQM – Air Quality Management
Ava – Formally East Bay Community Energy
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)
CCCFA – California Community Choice Financing Authority
CC Power – California Community Power
CEC – California Energy Commission
Clean Energy Alliance – CCA in
CPA – Clean Power Alliance
Clean Power SF
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
Customer Centricity - culture, framework and business strategy based on providing a positive customer experience and building long-term relationships
DA – Direct Access
DAC-GT - Disadvantaged Communities Green Tariff
DER – Distributed Energy Resources
Desert Community Energy
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 now known as Ava 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
EPIC – Energy for Palmdale's independent Choice
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
Heavy Duty Vehicle – large vehicles such as busses and long-haul trucks
HPWH – Heat Pump Water Heater
HP HVAC – Heat Pump Heating, Ventilation, and Air Conditioning
HR xx – House of Representatives Bill xx
IDER – Integrated Distributed Energy Resources
IGFC – Income Graduated Fixed Charge
IOU – Investor-Owned Utility (e.g. PG&E, SCE, SDG&E)
IIJA – Infrastructure Investment and Jobs Act
IRA – Inflation Reduction Act
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)
Lancaster Energy
Light Duty Vehicle - passenger vehicles such as cars and small pickup trucks
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
Mid Duty Vehicle – vehicles such as passenger vans
MW – Megawatt (Power) = 1000 kW
MWh – Megawatt-hour (Energy) = 1000 kWh

MTR – Mid-Term Reliability
MUD – Multi-unit Dwelling
NBCs – non-bypassable charges
NBT – Net Billing Tariff
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
OCPA – Orange County Power Authority
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)
PCEA – Peninsula Clean Energy Authority
PCIA – Power Charge Indifference Adjustment
PCL – Power Content Label
Pioneer Community Energy
PLA – Project Labor Agreement
POU – Publicly Owned Utility
Pomona Choice Energy
PPA – Power Purchase Agreement
PPSA – Project Participation Share Agreement (CC Power)
PRIME – Pico Rivera innovative Municipal Energy
PSPS – Public Safety Power Shutoff
PV – Photovoltaics (solar panels)
Rancho Mirage Energy Authority
RA – Resource Adequacy
RE – Renewable Energy
REC – Renewable Energy Credit/Certificate
Redwood Coast Energy Authority
RICAPS - Regionally Integrated Climate Action Planning Suite
RPS – California Renewable Portfolio Standard
S xx – US Senate Bill xx
SB xx – CA Senate Bill xx
Santa Barbara Clean Energy
SBP – Solar Billing Plan
SCP – Sonoma Clean Power
SDCP – San Diego Community Power
SJCE – San Jose Clean Energy
San Jacinto Power
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
TOB – Tariff on Bill

TOU Rates – Time of Use Rates
Valley Clean Energy
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
WWGPI - West-Wide Governance Pathways Initiative