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, December 21, 2023
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 Assistant General Counsel for Peninsula Clean Energy, Jennifer Stalzer, with questions or accommodation information (jstalzer@smcgov.org). For information regarding how to participate in the meeting remotely, please refer to the instructions at the end of the agenda. In addition, a video broadcast of the meeting can be viewed at https://www.peninsulacleanenergy.com/board-of-directors 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.

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

ACTION TO SET AGENDA AND TO APPROVE CONSENT AGENDA ITEMS

1. Approval of Two EV Ready Program Fund Reservation Agreements, Providing Approximately $860,000 in Customer Incentives
2. Appointment of Nicholas Bijur as Peninsula Clean Energy Treasurer
3. Approval of a $250,000 Contract Amendment with Green Light Auto, to Provide Used EV Rebates in the Used Electric Vehicle Incentive Program
4. Approval of Two New Agreements with the Law Firm of Keyes & Fox LLP in an Amount Not-to-Exceed $95,000 and $90,000 Respectively, for a Total Not-to-Exceed Amount of $185,000, Replacing our Prior Agreement

REGULAR AGENDA

5. Chair Report
6. CEO Report
7. Community Advisory Committee Report
8. Approval of the Fiscal Year End (FYE) 2024 Surplus Funds Committee Recommendations Including an Update to Policy 18, "Financial Reserves Policy" (Action)
9. Approval of Updates to Policy 13, "Delinquent Accounts and Bad Debt Collections" (Action)
10. Approval of the Creation of the Climate Champion Award (Action)

11. Approval of a Contract with IDLab Global for Brand and Marketing Services in an Amount Not-to-Exceed $300,000 ending December 31, 2024 (Action)

12. 2024 PCE Customer Energy Rate Update (Discussion)

INFORMATIONAL REPORTS

13. Data and Technology Department Quarterly Report

14. Account Services Quarterly Update

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

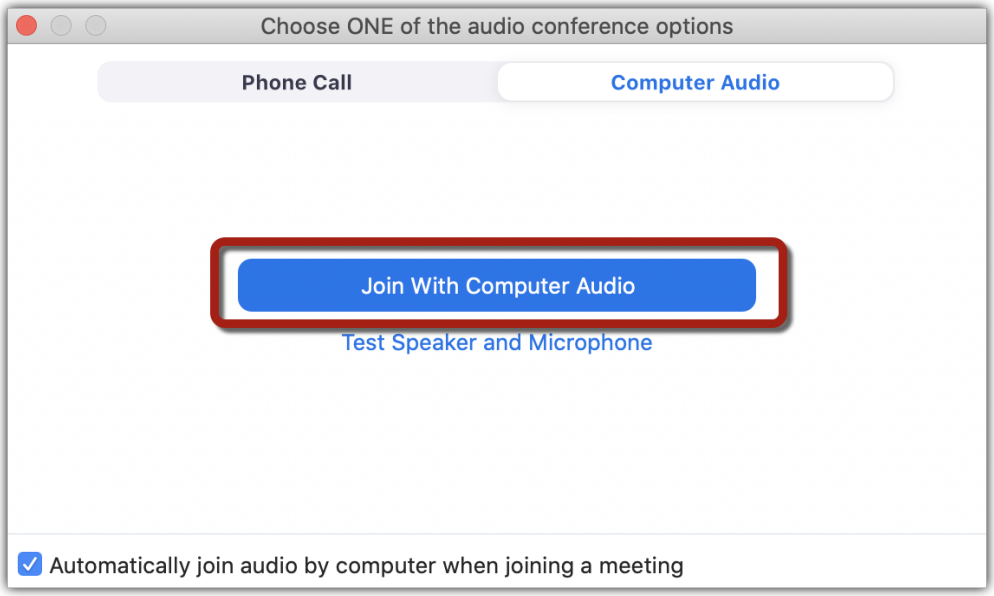
Videoconference Options:

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

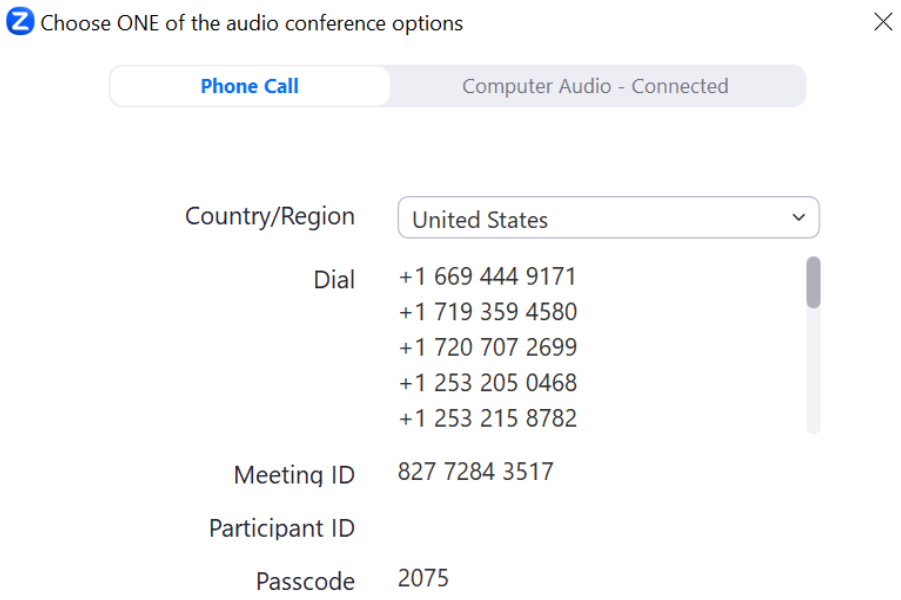


- Click the blue, "Join with Computer Audio" button.
- In order to enable video, click on "Start Video" in the bottom left-hand corner of the screen. This menu bar is also where you can mute/unmute your audio.

Option 2 Videoconference with Phone Call Audio

- From your computer, click on the following link that is also included in the meeting calendar invitation: https://pencleanenergy.zoom.us/j/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.
- You will be instructed to enter the meeting ID: **874-9664-9657 followed by #**.
- You will be instructed to enter in your participant ID. Your participant ID is unique to you and is what connects your phone number to your Zoom account.
- After a few seconds, your phone audio should be connected to the Zoom application on your computer.
- In order to enable video, click on "Start Video" in the bottom left-hand corner of the screen. This menu bar is also where you can mute/unmute your audio.

Audio Only Options:

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

Option 3: Calling in via Telephone/Landline:

- Please dial +1 (669) 444-9171.
- You will be instructed to enter the meeting ID: **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: December 21, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Rafael Reyes, Director of Energy Programs
Phillip Kobernick, Senior Programs Manager

SUBJECT: Approval of Two EV Ready Program Fund Reservation Agreements, Providing Approximately $860,000 in Customer Incentives

RECOMMENDATION

Approval of two Fund Reservation Agreements, which will provide an expected total of approximately $860,000 in customer incentives to install EV charging infrastructure, as part of the EV Ready Program.

BACKGROUND

In December 2018, the Board approved an EV charging infrastructure program intended to accelerate EV adoption in San Mateo County. The funds include incentives, technical assistance, workforce development, and other program costs, and was later named the "EV Ready Program."

The EV Ready Program provides incentives and 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-speeding" 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 $5,500 per charger, depending on property type, retrofit vs new build projects, and charging type.

Customers apply for EV Ready incentives through an online form, which is reviewed and approved by Peninsula Clean Energy staff. Once approved, a Fund Reservation Agreement, which outlines the various EV Ready Program standards and requirements, is distributed via DocuSign and executed by the customer and the Peninsula Clean Energy CEO. Fund Reservation Agreements are presented to the Board of Directors prior to execution by the

Peninsula Clean Energy CEO when individual Agreements are valued at $100,000 or more.

DISCUSSION

As of the end of November 2023, the EV Ready program has helped customers install a total of 615 chargers with about $2 million in incentives from Peninsula Clean Energy. These projects added EV charging at over 50 properties, over half of which were at multi-family sites such as apartments and condominiums. There are a total of about 3,500 chargers currently in progress in EV Ready, either in the initial design phase or construction phase. About 2/3 of the total projects receiving free design assistance from Peninsula Clean Energy are multi-family properties, which notably includes 12 affordable housing projects. A total of 137 projects have secured incentive funding from Peninsula Clean Energy for a total of about $8.1 million in reserved funding. Outlays and reserved funds are within planned budgets.

In the prior month, Peninsula Clean Energy has received two EV Ready applications in which the Fund Reservation Agreements are expected to exceed $100,000 in incentives, and accordingly these applications are presented to the Board of Directors. These applications represent the largest and second largest projects in the entire EV Ready program, by funding amount totals, and are expected to add a combined total of 172 charging stations across two BART garages in Colma and Daly City. For reference, the next largest projects in the EV Ready Program are a condominium property in Millbrae, which is currently adding 144 Level 1 chargers with $293,000 in EV Ready funding, and San Mateo County's new-build garage in Redwood City, which installed 124 Level 2 chargers with $248,000 in EV Ready funding.

These EV charging projects at BART's garages are expected to be especially impactful as they will provide a reliable place to charge at scale for peninsula-based commuters and are particularly beneficial for EV owners that do not have a reliable place to charge at home, as is the case for many apartment and condominium residents.

Most of BART's energy load is served by its own wholesale energy procurement. However, at the request of Peninsula Clean Energy staff and in accordance with EV Ready program rules, BART has confirmed that these new EV charging stations will be served entirely by Peninsula Clean Energy.

Following approval by the Board of Directors, these projects' Fund Reservation Agreements will be executed by the Peninsula Clean Energy CEO and the customer will proceed to install their EV charging infrastructure and file for reimbursement from Peninsula Clean Energy upon completion in the future, subject to the EV Ready Programs Standards and Requirements.

Details of the Fund Reservation Agreements are included below.

Property Type	Total Expected Reserved Funds	Total Charge Ports Expected	City
All Publicly Accessible Non-Residential Locations (BART Garage)	$360,000	72	Colma
All Publicly Accessible Non-Residential Locations (BART Garage)	$500,000	100	Daly City

FISCAL IMPACT

Funding for this project is included Board-approved EV Ready Program.

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

RESOLUTION NO. _____

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

APPROVAL OF TWO EV READY PROGRAM FUND RESERVATION AGREEMENTS, PROVIDING APPROXIMATELY $860,000 IN CUSTOMER INCENTIVES

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

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

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

WHEREAS, in December 2018, the Peninsula Clean Energy Board of Directors approved $16 million in funds for a 4-year EV charging infrastructure program, which came to be called the "EV Ready" program; and

WHEREAS, eligible applicants are approved for EV Ready program incentives, subject to the EV Ready Program Standards & Requirements; and

WHEREAS, approved applicants in the EV Ready program are required to execute a Fund Reservation Agreement to secure their financial incentives; and

WHEREAS, per Peninsula Clean Energy policy, Agreements valued at or above $100,000 require approval by the Peninsula Clean Energy Board of Directors; and

WHEREAS, two EV Ready incentive applications, whose Fund Reservation Agreements are expected to be valued at or above $100,000 in value were received by Peninsula Clean Energy in the prior month; and

WHEREAS, the Board wishes to delegate to the Chief Executive Officer authority to finalize and execute the Fund Reservation Agreements in the EV Ready program to provide incentives.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board delegates authority to the Chief Executive Officer to execute two customer Fund Reservation Agreements in the EV Ready program to provide incentives for an expected combined total of approximately $860,000 in a form approved by General Counsel.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 21, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Shawn Marshall, Chief Executive Officer

SUBJECT: Appointment of Nicholas Bijur as Peninsula Clean Energy Treasurer

RECOMMENDATION

Approve the appointment of Nicholas Bijur, Chief Financial Officer of Peninsula Clean Energy ("PCE"), as PCE's Treasurer/Auditor/Controller ("Treasurer").

BACKGROUND

The Joint Exercise of Powers Act (Government Code Sections 6500, et seq.), under which PCE was created, requires that each Joint Powers Authority ("JPA") have a Treasurer.

Sections 6505.5 and 6505.6 govern who may serve as Treasurer. The options include (1) the County Treasurer; (2) a member city Treasurer; (3) a Certified Public Accountant; (4) a PCE officer; or (5) a PCE employee.

PCE's JPA agreement selected the County Treasurer as Treasurer (Section 3.9.3).

Under the JPA agreement, the Board may transfer the responsibilities of Treasurer to any person or entity as the law may provide at the time.

DISCUSSION

The Board appointed Andrew Stern as Interim Chief Financial Officer ("CFO") and Interim Treasurer on April 21, 2023 while Staff searched for a permanent replacement. PCE hired Nicholas Bijur as CFO and Mr. Bijur began his employment with PCE on November 16, 2023.

Per Government Code Sections 6505.5 and 6505.6, the Treasurer's duties would be as follows:

1. Receive and make receipt for money, to be held in PCE's credit;
2. Be responsible, upon his or her official bond, for the safekeeping and disbursement of all of PCE's money;
3. Pay, when due, out PCE's money, all sums payable on PCE's outstanding bonds and coupons;

4. Pay any other sums due from PCE from PCE's money, or any portion thereof, "only upon warrants of the public officer performing the functions of auditor or controller who has been designated by the agreement";
5. Verify and report in writing on the first day of July, October, January, and April of each year to PCE and to public agency members the amount of money the Treasurer holds for PCE, the amount of receipts since the Treasurer's last report, and the amount paid out since the last report; and
6. Cause an independent audit to be made by a certified public accountant or public accountant.

PCE's JPA agreement lays out responsibilities of the Treasurer, including "report[ing] directly to the Board" and "comply[ing] with the requirements of treasurers of incorporated municipalities." In addition, the JPA agreement requires the Treasurer to comply with Article 5 of the agreement, including the following:

1. All funds of PCE shall be held in separate accounts in the name of PCE and not commingled with funds of any member agency or any other person or entity.
2. All funds of PCE shall be strictly and separately accounted for, and regular reports shall be rendered of all receipts and disbursements, at least quarterly during the fiscal year.
3. All expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its Operating Rules and Regulations (meaning the JPA agreement or other adopted policies). The Treasurer shall draw checks or warrants or make payments by other means for claims or disbursements not within an applicable budget only upon the prior approval of the Board.

Because the CFO's duties and responsibilities align closely with the responsibilities of the Treasurer role, Staff is recommending that the Board appoint the CFO to the position of Treasurer/Auditor/Controller.

RESOLUTION NO. _____

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

APPOINTMENT OF NICHOLAS BIJUR AS PENINSULA CLEAN ENERGY TREASURER

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

WHEREAS, the Exercise of Powers Act (Government Code Section 6500 *et seq.*), under which PCE was created, requires that each Joint Powers Authority ("JPA") have a Treasurer; and

WHEREAS, Government Code Sections 6505.5 and 6505.6 govern who may serve as Treasurer, the options for which include (1) the County Treasurer; (2) a member city Treasurer; (3) a Certified Public Accountant; (4) a PCE officer; or (5) a PCE employee; and

WHEREAS, the JPA Agreement that formed PCE selects the County Treasurer as Treasurer, but provides that the Board may transfer the responsibilities of Treasurer to any person or entity as the law may provide at the time; and

WHEREAS, the Board previously appointed its Chief Financial Officer ("CFO") as Treasurer because the duties and responsibilities closely align with the responsibilities of the Treasurer role; and

WHEREAS, PCE recently hired a new, permanent CFO who began employment with PCE on November 16, 2023, whose duties and responsibilities closely align with the responsibilities of the Treasurer role.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board approves the appointment of Nicholas Bijur as Treasurer of the Peninsula Clean Energy Authority effective on December 21, 2023.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 21, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Phillip Kobernick, Senior Transportation Programs Manager

SUBJECT:
Approval of a $250,000 Contract Amendment with Green Light Auto, to Provide Used EV Rebates in the Used Electric Vehicle Incentive Program

RECOMMENDATION

Approval of a contract amendment with Green Light Auto for a revised total of $345,000 to provide customer rebates in the Used Electric Vehicle Incentive Program.

BACKGROUND

Peninsula Clean Energy's mission is to reduce greenhouse gas (GHG) emissions in San Mateo County. California's goal is to be carbon neutral by 2045, which PCE aims to support through investment in local community programs. On-road transportation emissions account for 61% of direct emissions within the County. Half (54%) of transportation emissions are from personally owned vehicles such as sedans, light-duty trucks, and SUVs. There are approximately 550,000 personal vehicles registered in San Mateo County, of which only 8% are electric vehicles (EVs). Increasing EV adoption is critical to achieve deep decarbonization in San Mateo County. The up-front cost of EVs is one of the key barriers to adoption, thus incentive programs remain important to continue to encourage EV adoption.

In accordance with prior Board approvals, PCE first launched a low-income Used EV Incentive program in March of 2019. In October 2020, the Board extended the three-year budget (FY 21-22 through FY 23-24) for new and used vehicle incentives. The update also included an incentive for residents at any income level of up to $1,000. In early 2021, in response to significant vehicle cost increases during the pandemic, PCE temporarily increased the maximum rebate for income-qualifying customers from $4,000 up to $6,000, which has since been reduced to $4,000 as other incentives became available. PCE also hired Grid Alternatives to serve as the day-to-day program administrator as well as an EV advisor to answer more general questions about EVs and available incentives.

In total, the Used EV Incentive program has provided about 450 rebates, helping customers avoid over 250,000 gallons of gas usage each year.

DISCUSSION

Starting in 2024, the Used EV Incentive Program will be modified, consistent with the Board-approved budget, to better serve customers when the Inflation Reduction Act (IRA) federal tax credit for used EVs becomes available as a point-of-sale rebate. To account for this new federal rebate and generally improved market conditions for used EV buyers, staff are making modifications to the PCE Used EV Incentive Program, described below.

Current Used EV Market Context:

1. Starting on January 1, 2024, the federal tax credit, up to $4,000 to income-qualifying residents, becomes available at the point-of-sale.
2. The price of used EVs are declining, though still more expensive than gas-powered alternatives. The price of an average used EV has nearly normalized to where they were in 2021, before the price surge in the used vehicle market.
3. Upcoming changes in the PCE Used EV Incentive Program are intended to improve the customer experience by aligning with the IRA. This will allow customers to combine the PCE incentive with the federal tax credit for IRA-qualifying vehicles and allow the dealers to offer the PCE incentive for vehicles that do not qualify for the federal credit (such as vehicles that exceed $25,000, which is the maximum for the federal incentive).

Changes to the PCE Used EV Rebate:

1. Customers will no longer need to apply before they purchase their used EV. This change brings the PCE incentive in line with the federal tax credit and allows a customer to utilize both rebates when making a purchasing decision in a dealership. Customers would still have two options to make their purchase:
    a. Point-of-sale at participating dealerships.
    b. At any other dealership as a post-purchase rebate.
2. Update the definition of “income-qualifying.” Currently, PCE uses 400% of the Federal Poverty Level as the standard in this program (currently at about $58,000 for a single-person household and about $79,000 for a two-person household). PCE will match the federal tax incentive, which is higher at $75,000 for a single tax filer, $115,000 for a Head of Household, and $150,000 for joint filers. This will increase the number of residents who can be included as “income-qualifying” and simplify the process for dealerships by harmonizing with the federal rebate.
3. Eliminate the non-income qualified rebate (currently $700-$1,000), making the program low-income only again. The rebate will also be reduced from $4,000 down to $2,000.
4. Eliminate the $35,000 vehicle sales price maximum. For vehicles less than $25,000, qualifying customers can use both the federal credit and the PCE rebate. For vehicles that sell for over $25,000, the PCE rebate is the only option for a point-of-sale discount.

PCE staff held two focus groups hosted by trusted non-profits in San Mateo County: Climate Resilient Communities and Peninsula Family Services, reaching about 90 participants. Staff introduced program proposals and incorporated community input.

Twelve car dealerships are under contract with Peninsula Clean Energy to provide the rebate to customers. Green Light Auto, a Daly City-based dealership that specializes in EV sales, is the most heavily utilized car dealership in the Used EV Incentive program and has provided 46 rebates to customers. PCE staff are proposing to add $250,000 to this contract for an amended contract total of $345,000, which is expected to provide an additional 125 rebates and last through the end of FY 26. Due to an accounting oversight, which has since been

corrected, Green Light Auto has exceeded its current contract maximum of $95,000, having already spent about $154,000 on customer rebates. PCE staff are implementing new accounting controls to ensure this issue doesn't occur again.

FISCAL IMPACT

Funding for this project is included in the Board-approved Used EV Incentive Program.

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.

RESOLUTION NO. _____

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

APPROVAL OF A $250,000 CONTRACT AMENDMENT WITH GREEN LIGHT AUTO, TO PROVIDE USED EV REBATES IN THE USED ELECTRIC VEHICLE INCENTIVE PROGRAM

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

WHEREAS, Peninsula Clean Energy Authority ("Peninsula Clean Energy") 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 Peninsula Clean Energy; and

WHEREAS, supporting electric vehicles (“EVs”) are an important mechanism for reducing greenhouse gas emissions and improving the local economy; and

WHEREAS, the importance of an accelerated transition to electric vehicles was highlighted recently with Governor Newsom’s Executive Order that that all new vehicle sales shall be zero-emissions beginning in 2035; and

WHEREAS, eligible dealerships are approved as a participating dealerships for the Used EV rebate program, subject to the Used EV Program Standards & Requirements; and

WHEREAS, approved dealerships in the Used EV program are required to execute a Contract Agreement to secure their financial incentives; and

WHEREAS, per Peninsula Clean Energy policy, Agreements valued at or above $100,000 require approval by the Peninsula Clean Energy Board of Directors; and

WHEREAS the Contract Agreement with Greenlight Auto is expected to be valued at or above $100,000 in value.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board delegates authority to the Chief Executive Officer to execute a Contract Amendment in the Used EV program with Greenlight Auto to increase the contract by $250,000 for a total of up to

$345,000 and extend the contract through June 30, 2026 in a form approved by General Counsel.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 21, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jeremy Waen, Senior Director of Regulatory Policy

SUBJECT: Approval of Two New Agreements with the Law Firm of Keyes & Fox LLP in an Amount Not-to-Exceed $95,000 and $90,000 Respectively, for a Total Not-to-Exceed Amount of $185,000, Replacing our Prior Agreement

BACKGROUND

Peninsula Clean Energy (PCE) Authority has had a continuing relationship with outside counsel, Keyes & Fox, LLP. Over the last seven years, Keyes & Fox has provided PCE with broad support with its litigation of complicated regulatory proceedings before the California Public Utilities Commission (CPUC) on topics ranging from PG&E annual Power Charge Indifference Adjustment (PCIA) rate adjustments to PG&E's general rate cases to the Commission's exploration of transportation electrification policy. Over the last two years, Keyes & Fox has also provided PCE with legal support for our agency's Local Government Solar Initiative.

The PCE Board originally authorized on October 27, 2016, the retention agreement with Keyes & Fox at an amount not to exceed $100,000. Subsequently, on October 25, 2018, the PCE Board authorized the amendment of this retention agreement to increase the not-to-exceed amount to $300,000. The PCE Board later authorized a second amendment to this retention agreement to increase not-to-exceed amount to $400,000. Presently, PCE continues to operate under this second amendment. However, now that PCE's Local Government Solar Initiative has matured into a continuing program, PCE staff is seeking to replace the current Agreement with Keyes & Fox with two new separate agreements with individual not-to-exceed budgets. One contract for $95,000 will continue Keyes & Fox's support of our agency's regulatory undertakings. The other contract for $90,000 will continue Keyes & Fox's support of our Local Government Solar Initiative.

It has become more common practice at PCE to enter into multiple, separate agreements with the same counterparty when that counterparty provides distinctly different services to support different departments and initiatives within PCE. This allows for smoother budget accounting and contract oversight by staff. PCE staff seeks here to adopt a similar, updated contractual arrangement for Keyes & Fox.

DISCUSSION

Keyes & Fox LLP continues to provide PCE with significant assistance in numerous dockets at the California Public Utilities Commission, the California Energy Commission, the California Air Resources Board and with certain legislative activities. We have been very satisfied with the assistance this firm has provided to date. Furthermore, Keyes & Fox over the last two years has provided PCE with legal support related to our Local Government Solar Initiative (Gov PV) program. The services that have been provided for Gov PV have eroded the existing retention budget for regulatory support work.

Rather than seek another amendment to the existing agreement with Keyes & Fox (as has been done previously), PCE staff seeks authorization from the Board for the CEO to execute two separate agreements with Keyes & Fox: one contract will continue our existing arrangements for regulatory support under a new budget authorization not to exceed $95,000. The other contract will continue our existing arrangements for support of our Local Government Solar Initiative (GovPV) under a separate agreement with a separate budget not to exceed $90,000. The present Keyes & Fox Agreement with the amended budget not to exceed $400,000 will effectively be terminated and replaced by these two new Agreements.

FISCAL IMPACT

Additional spend of up to $185,000 for two new contracts with Keyes & Fox LLP.

ATTACHMENTS:

KF-PCE Local Gov Engagement Letter - 112123 - CLEAN.pdf
KF-PCE Regulatory Engagement Letter - 112723 - CLEAN.pdf

RESOLUTION NO. _____

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

APPROVAL OF TWO NEW AGREEMENTS WITH THE LAW FIRM OF KEYES & FOX LLP IN AN AMOUNT NOT-TO-EXCEED $95,000 AND $90,000 RESPECTIVELY, FOR A TOTAL NOT-TO-EXCEED AMOUNT OF $185,000, REPLACING OUR PRIOR AGREEMENT

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

WHEREAS, the Peninsula Clean Energy Authority (“Peninsula Clean Energy" or the "Authority") was formed on February 29, 2016; and

WHEREAS, the JPA Agreement forming the Authority delegates to the Board the power to hire a General Counsel pursuant to Paragraph 3.3.2; and

WHEREAS, the San Mateo County Counsel’s Office has been appointed General Counsel and has been delegated authority to retain outside legal services in amounts not to exceed $25,000; and

WHEREAS, the General Counsel has determined it was necessary to seek outside legal services related to state regulatory oversight and policy and on October 27, 2016 this Board authorized the General Counsel to retain Keyes & Fox LLP on behalf of Peninsula Clean Energy for that purpose in an amount not to exceed $100,000 and to execute the retention agreement then presented to the Board; and

WHEREAS, the Board authorized and increased the retention amount by $400,000 on December 16, 2021; and

WHEREAS, Keyes & Fox LLP has been providing assistance to PCE in various capacities and the cost of its legal services will exceed the amount already authorized.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the CEO is authorized to execute with the law firm of Keyes & Fox LLP two new agreements to replace the existing retention agreement already approved by the Board as long as the total amount of these two agreements does not exceed $185,000.

* * * * * *

KEYES&FOX LLP

November 21, 2023

Shawn Marshall
David Silberman
San Mateo County Counsel's Office
400 County Center, Sixth Floor
Redwood City, California 94063

Re: Engagement Letter – Peninsula Clean Energy Authority – Local Government Solar

Dear Ms. Marshall and Mr. Silberman,

We are pleased Peninsula Clean Energy Authority ("PCE") has decided to continue to retain Keyes & Fox LLP ("Keyes & Fox") to represent PCE (a) in drafting and negotiating transaction documents with regard to local government distributed energy programs, (b) with compliance counseling related to local government distributed energy programs, and (c) to address other legal issues we both mutually agree to undertake ((a), (b) and (c) referred to collectively herein as "Legal Services"). We thank you for this opportunity to work on your behalf.

This letter replaces that certain engagement letter between PCE and Keyes & Fox dated January 14, 2019 ("January 2019 Agreement") in its entirety, as well as that specific December 2, 2021, Amendment A to the January 2019 Agreement and that specific September 22, 2022 Amendment B to the January 2019 Agreement. This letter describes the basis of the attorney-client relationship between Keyes & Fox and PCE, along with an explanation of how Keyes & Fox will bill for its Legal Services. We believe that it is beneficial to the attorney-client relationship to develop a clear understanding of our billing and engagement policies upfront.

1. Scope of Keyes & Fox's Representation

Pursuant to this engagement letter, Keyes & Fox agrees to represent PCE as its client with regard to the Legal Services described above. Keyes & Fox will do its utmost to serve PCE effectively, provide Legal Services in an efficient manner, and respond promptly to PCE's inquiries.

We have run a conflicts check as it relates to the proposed Legal Services, and we have not found any direct conflicts with undertaking them. If a conflict arises that may impact our ability to provide PCE with effective representation, we will promptly bring that conflict to PCE's attention. If you are concerned about any relationship we might have with particular companies, organizations or individuals, please bring those concerns to our attention.

Keyes & Fox will coordinate its projects with Jeremy Waen, as the designated representative of PCE, or with whomever Mr. Waen may specifically delegate that authority. Subject to the limitation(s) contained in Section 3(a), *infra*, we understand that Mr. Waen has the authority to

make all decisions on behalf of PCE in connection with the Legal Services proposed, and we are relying on that understanding.

2. Confidentiality

Generally, it is in PCE's interest to preserve confidentiality of all communications with Keyes & Fox. If PCE discloses any of our communications, it jeopardizes the privileged nature of the communications, so we believe it is advisable that PCE take care not to disclose privileged information to third parties.

3. Fees, Expenses and Invoicing

By signing this engagement letter, PCE agrees to pay Keyes & Fox for time and out-of-pocket expenses according to the terms set forth below.

a. Professional fees

Keyes & Fox will keep an hourly total of any time spent on PCE's matters. Work will be performed at hourly rates according to the rates set forth in Attachment A to this engagement letter, which is incorporated by reference herein.

It is Keyes & Fox's policy to adjust hourly rates for all attorneys and staff at the beginning of the calendar year. Historically, rate increases have been between 5-8% per year. Rates quoted in Attachment A are 2023 rates. Our firm's practice is to charge for travel time, as discussed in Attachment A.

Sheridan Pauker will be the lead Keyes & Fox attorney working with PCE in connection with the proposed Legal Services. Ms. Pauker may utilize the services of other Keyes & Fox attorneys and non-attorney professionals in connection with this matter. By agreeing to this engagement letter, PCE consents in writing to Ms. Pauker serving as the lead attorney in this matter and to Ms. Pauker's assignment of work on this matter to any of the other Keyes & Fox team members listed in Attachment A.

Of Counsel attorneys identified in the Rates for Attorneys provided in Attachment A are neither partners nor associates of Keyes & Fox. A portion of any legal fees billed by Keyes & Fox may be divided and paid to them. By agreeing to this engagement letter, you consent in writing to a division of fees with the firm's Of Counsel attorneys.

This letter authorizes payment of fees of up to ninety thousand dollars ($90,000) in connection with the Legal Services. Unless otherwise agreed to in writing, PCE will not be obligated for fees in excess of this amount.

b. Expenses

Expenses may be incurred in performing legal services as part of your engagement. You agree that PCE will pay for all costs, disbursements, and expenses in addition to our hourly fees. Costs and expenses include messenger and other delivery fees, copying and reproduction costs, costs for travel including mileage and parking, computerized legal research, and other similar expenses. Expenses will be billed at actual cost.

c. Invoices and payments

We invoice our clients monthly. Our invoices are due and payable within 15 days, unless other arrangements have been agreed to in writing in advance. Typically, invoices will list the matter worked on and provide information on the dates of service, time involved, Keyes & Fox team member responsible and activity undertaken. We will use our best efforts to respond to requests for special invoice formats. Any unpaid amounts after sixty (60) days will accrue interest at a rate of five percent (5%) per annum, provided that Keyes & Fox shall give PCE notice of Keyes & Fox's intent to charge such interest thirty (30) days before any accrual begins.

4. Termination of Keyes & Fox's Representation

Either PCE or Keyes & Fox may terminate Keyes & Fox's representation of PCE at any time and for any reason. At the time Keyes & Fox's representation of PCE concludes, all unpaid fees and costs for Keyes & Fox's Legal Services become due and payable. If at that time, PCE does not request the return of its file, Keyes & Fox will retain PCE's file for a period of three (3) years, after which Keyes & Fox may have the file destroyed.

5. Miscellaneous

This letter is the entire agreement between PCE and Keyes & Fox concerning the provision of Legal Services. This agreement and the scope of Legal Services provided under it may be amended from time to time by mutual agreement. California law will govern this agreement and any subsequent amendments.

Nothing in this agreement should be construed as a promise or guarantee about the outcome of any matter which Keyes & Fox is handling on PCE's behalf. Our comments about the outcome of PCE's matters are expressions of opinion only. If Keyes & Fox should provide PCE with an estimate of the fees and costs which may be incurred in connection with our representation of PCE, it is important that PCE understand and acknowledge that any such estimate is merely an estimate based on numerous assumptions, which may or may not prove to be correct and that any estimate is not a guarantee or agreement of what the maximum amount of fees and/or costs will be.

Generally, Keyes & Fox does not update our clients about changed circumstances or changes in the law after our work on a matter is completed. Please let Mr. Lindl know if PCE wants Keyes & Fox to assume this responsibility so that appropriate arrangements can be made.

KEYES&FOX LLP

6. Conclusion

If the terms of Keyes & Fox's representation of PCE as explained in this letter are satisfactory, please execute a copy of this letter as indicated and return it to me. Please feel free to contact me if you have any questions or concerns.

We look forward to working with you.

Sincerely,

Tim Lindl, Partner
Keyes & Fox LLP

KEYES&FOX LLP

By signing this letter, PCE affirms that it understands and agrees to the terms set forth in this letter. This agreement will not take effect, and Keyes & Fox will have no obligation to provide Legal Services, until PCE returns a signed copy of this letter.

I have read the foregoing letter, understand it and agree to it on behalf of PCE.

By:_____

Shawn Marshall, Chief Executive Officer
Peninsula Clean Energy Authority

Date: _____

KEYES&FOX LLP

Attachment A: Keyes & Fox LLP 2024 Hourly Rate Sheet

Kevin Fox	$580
Jason Keyes	$400
Tim Lindl	$450
Jake Schlesinger	$400
Scott Dunbar	$370
Sheridan Pauker	$490
Mark Valentine	$400
Beren Argetsinger	$335
Nikhil Vijaykar	$380
Julia Kantor	$370
Theresa Cho	$590
Grant Snyder	$305
Alexandra Haggarty	$370
Alissa Greenwald	$295
Andy Ball	$330

EQ Research LLC 2024 Hourly Rate Sheet

EQ Litigation Support Rates (Non-K&F Personnel)	
Miriam Makhyoun	$260
Justin Barnes	$230
Jason Hoyle	$180
Blake Elder	$200
Heather DePouw	$140
Jeremy Abcug	$130
Alicia Zaloga	$130
Corey Cochran	$110
Rob Campbell	$110

Travel Policy: Unless special arrangements are made, travel time is billed at the full hourly rate. Every effort will made to work productively on PCE matters during travel. If work is performed for another client during travel, PCE will not be billed for that time. All reasonable travel expenses are billable – hotel, airfare, car rental, meals, taxi, public transit, etc.

Work Policy: Reasonable time for filing and service is billed at regular billable rates.

Miscellaneous Expenses Policy: Expenses for postage, photocopying, printing, faxing and other minor expenses directly related to a matter are billable at cost to PCE.

KEYES&FOX LLP

November 21, 2023

Shawn Marshall
David Silberman
San Mateo County Counsel's Office
400 County Center, Sixth Floor
Redwood City, California 94063

Re: Engagement Letter – Peninsula Clean Energy Authority – Regulatory

Dear Ms. Marshall and Mr. Silberman,

We are pleased Peninsula Clean Energy Authority ("PCE") has decided to continue to retain Keyes & Fox LLP ("Keyes & Fox") to represent PCE (a) in regulatory proceedings at the California Public Utilities Commission we both mutually agree to undertake and (b) to address other legal issues we both mutually agree to undertake ((a) and (b) referred to collectively herein as "Legal Services"). We thank you for this opportunity to work on your behalf.

This letter replaces that certain engagement letter between PCE and Keyes & Fox dated January 14, 2019 ("January 2019 Agreement") in its entirety, as well as that specific December 2, 2021, Amendment A to the January 2019 Agreement and that specific September 22, 2022 Amendment B to the January 2019 Agreement. This letter describes the basis of the attorney-client relationship between Keyes & Fox and PCE, along with an explanation of how Keyes & Fox will bill for its Legal Services. We believe that it is beneficial to the attorney-client relationship to develop a clear understanding of our billing and engagement policies upfront.

1. Scope of Keyes & Fox's Representation

Pursuant to this engagement letter, Keyes & Fox agrees to represent PCE as its client with regard to the Legal Services described above. Keyes & Fox will do its utmost to serve PCE effectively, provide Legal Services in an efficient manner, and respond promptly to PCE's inquiries.

We have run a conflicts check as it relates to the proposed Legal Services, and we have not found any direct conflicts with undertaking them. If a conflict arises that may impact our ability to provide PCE with effective representation, we will promptly bring that conflict to PCE's attention. If you are concerned about any relationship we might have with particular companies, organizations or individuals, please bring those concerns to our attention.

Keyes & Fox will coordinate its projects with Jeremy Waen, as the designated representative of PCE, or with whomever Mr. Waen may specifically delegate that authority. Subject to the limitation(s) contained in Section 3(a), *infra*, we understand that Mr. Waen has the authority to make all decisions on behalf of PCE in connection with the Legal Services proposed, and we are relying on that understanding.

2. Confidentiality

Generally, it is in PCE's interest to preserve confidentiality of all communications with Keyes & Fox. If PCE discloses any of our communications, it jeopardizes the privileged nature of the communications, so we believe it is advisable that PCE take care not to disclose privileged information to third parties.

3. Fees, Expenses and Invoicing

By signing this engagement letter, PCE agrees to pay Keyes & Fox for time and out-of-pocket expenses according to the terms set forth below.

a. Professional fees

Keyes & Fox will keep an hourly total of any time spent on PCE's matters. Work will be performed at hourly rates according to the rates set forth in Attachment A to this engagement letter, which is incorporated by reference herein.

It is Keyes & Fox's policy to adjust hourly rates for all attorneys and staff at the beginning of the calendar year. Historically, rate increases have been between 5-8% per year. Rates quoted in Attachment A are 2023 rates. Our firm's practice is to charge for travel time, as discussed in Attachment A.

Tim Lindl will be the lead Keyes & Fox attorney working with PCE in connection with the proposed Legal Services. Mr. Lindl may utilize the services of other Keyes & Fox attorneys and non-attorney professionals in connection with this matter. By agreeing to this engagement letter, PCE consents in writing to Mr. Lindl serving as the lead attorney in this matter and to Mr. Lindl's assignment of work on this matter to any of the other Keyes & Fox team members listed in Attachment A.

Of Counsel attorneys identified in the Rates for Attorneys provided in Attachment A are neither partners nor associates of Keyes & Fox. A portion of any legal fees billed by Keyes & Fox may be divided and paid to them. By agreeing to this engagement letter, you consent in writing to a division of fees with the firm's Of Counsel attorneys.

This letter authorizes payment of fees of up to ninety-five thousand dollars ($95,000) in connection with the Legal Services. Unless otherwise agreed to in writing, PCE will not be obligated for fees in excess of this amount.

b. Expenses

Expenses may be incurred in performing legal services as part of your engagement. You agree that PCE will pay for all costs, disbursements, and expenses in addition to our hourly fees. Costs and expenses include messenger and other delivery fees, copying and reproduction costs, costs

for travel including mileage and parking, computerized legal research, and other similar expenses. Expenses will be billed at actual cost.

c. Invoices and payments

We invoice our clients monthly. Our invoices are due and payable within 15 days, unless other arrangements have been agreed to in writing in advance. Typically, invoices will list the matter worked on and provide information on the dates of service, time involved, Keyes & Fox team member responsible and activity undertaken. We will use our best efforts to respond to requests for special invoice formats. Any unpaid amounts after sixty (60) days will accrue interest at a rate of five percent (5%) per annum, provided that Keyes & Fox shall give PCE notice of Keyes & Fox's intent to charge such interest thirty (30) days before any accrual begins.

4. Termination of Keyes & Fox's Representation

Either PCE or Keyes & Fox may terminate Keyes & Fox's representation of PCE at any time and for any reason. At the time Keyes & Fox's representation of PCE concludes, all unpaid fees and costs for Keyes & Fox's Legal Services become due and payable. If at that time, PCE does not request the return of its file, Keyes & Fox will retain PCE's file for a period of three (3) years, after which Keyes & Fox may have the file destroyed.

5. Miscellaneous

This letter is the entire agreement between PCE and Keyes & Fox concerning the provision of Legal Services. This agreement and the scope of Legal Services provided under it may be amended from time to time by mutual agreement. California law will govern this agreement and any subsequent amendments.

Nothing in this agreement should be construed as a promise or guarantee about the outcome of any matter which Keyes & Fox is handling on PCE's behalf. Our comments about the outcome of PCE's matters are expressions of opinion only. If Keyes & Fox should provide PCE with an estimate of the fees and costs which may be incurred in connection with our representation of PCE, it is important that PCE understand and acknowledge that any such estimate is merely an estimate based on numerous assumptions, which may or may not prove to be correct and that any estimate is not a guarantee or agreement of what the maximum amount of fees and/or costs will be.

Generally, Keyes & Fox does not update our clients about changed circumstances or changes in the law after our work on a matter is completed. Please let Mr. Lindl know if PCE wants Keyes & Fox to assume this responsibility so that appropriate arrangements can be made.

KEYES&FOX LLP

6. Conclusion

If the terms of Keyes & Fox's representation of PCE as explained in this letter are satisfactory, please execute a copy of this letter as indicated and return it to me. Please feel free to contact me if you have any questions or concerns.

We look forward to working with you.

Sincerely,

Tim Lindl, Partner
Keyes & Fox LLP

By signing this letter, PCE affirms that it understands and agrees to the terms set forth in this letter. This agreement will not take effect, and Keyes & Fox will have no obligation to provide Legal Services, until PCE returns a signed copy of this letter.

I have read the foregoing letter, understand it and agree to it on behalf of PCE.

By:_____

Shawn Marshall, Chief Executive Officer
Peninsula Clean Energy Authority

Date: _____

KEYES&FOX LLP

Attachment A: Keyes & Fox LLP 2024 Hourly Rate Sheet

Kevin Fox	$580
Jason Keyes	$400
Tim Lindl	$450
Jake Schlesinger	$400
Scott Dunbar	$370
Sheridan Pauker	$460
Mark Valentine	$400
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Theresa Cho	$590
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Alexandra Haggarty	$370
Alissa Greenwald	$295
Andy Ball	$330

EQ Research LLC 2024 Hourly Rate Sheet

EQ Litigation Support Rates (Non-K&F Personnel)	
Miriam Makhyoun	$260
Justin Barnes	$230
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Blake Elder	$200
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Alicia Zaloga	$130
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Travel Policy: Unless special arrangements are made, travel time is billed at the full hourly rate. Every effort will made to work productively on PCE matters during travel. If work is performed for another client during travel, PCE will not be billed for that time. All reasonable travel expenses are billable – hotel, airfare, car rental, meals, taxi, public transit, etc.

Work Policy: Reasonable time for filing and service is billed at regular billable rates.

Miscellaneous Expenses Policy: Expenses for postage, photocopying, printing, faxing and other minor expenses directly related to a matter are billable at cost to PCE.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 21, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Shawn Marshall, Chief Executive Officer

SUBJECT: CEO Report

BACKGROUND

Happy Holidays! The CEO and team are preparing for PCE's end-of-year all staff meeting on December 15 and our 2024 planning session on December 19, 2023. The CEO will present her monthly report at the Board meeting on December 21, 2023.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 21, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Shawn Marshall, Chief Executive Officer

SUBJECT: Approval of the Fiscal Year End (FYE) 2024 Surplus Funds Committee Recommendations Including an Update to Policy 18, "Financial Reserves Policy" (Action)

RECOMMENDATION

Approval of the FYE 2024 Surplus Funds Committee allocations and related recommendations:

1. Approve slate of 8 funding allocations totaling $68,000,000;
2. Establish an annual reserve *target* of 250 adjusted days cash on hand, above which the Board would consider a surplus fund allocation(s);
3. Modify PCE's Policy 18, "Financial Reserves Policy" to state that if the Operating Reserve is projected to be below 180 days over the next 12 months, PCE will implement plans, such as increasing rates/reducing PCE's discount, to return Operating Reserves to the level of 180 days within two fiscal years; and,
4. Include a standard 10% cost of energy contingency in PCE's annual power supply budget.

BACKGROUND

In July 2023, Peninsula Clean Energy (PCE) formed a staff-led, ad-hoc committee comprised of Board, staff, and Community Advisory Committee (CAC) members focused on the allocation of fiscal year-end 2024 budget surplus funds, hereafter referred to as the Surplus Funds Committee.

The Surplus Funds Committee met six times between the months of August and November 2023 to establish evaluative criteria and discuss ideas and opportunities to reallocate approximately $68 million in surplus revenues in support of PCE customers, its member communities, and enhanced energy programs. The Committee is also recommending an updated cash reserve target and an annual power resources budget contingency that accompanies the funding recommendations.

The Committee discussed funding options and levels within four general categories, which served as a framework for thoughtful discussion and decision-making. These categories were:

1. Days Cash on Hand/PCE Reserve Policy and Targets
2. Customer Rebates/Rate Discounts
3. Energy Programs (customer and municipal)
4. Funding for Local Power Projects

The Committee also considered the following evaluative criteria and ranked each option high, medium, and low for impact within these categories:

1. GHG Reduction/Resilience Impact
2. Customer Impact
3. PCE Awareness/Reputational Benefit
4. New or Existing Program
5. Staff Level of Effort

Finally, while many suggestions and ideas were considered, not every idea was included within the $68 million allocation. Staff and committee members will be on-hand to provide additional insights as needed.

DISCUSSION

Following the funding categories and evaluation criteria indicated above, the Surplus Funds Committee first generated a lengthy list of funding ideas and then ranked each according to its potential customer, community and PCE impact. After six meetings totaling over 10 hours of committee discussion and evaluation, the following is the proposed slate of funding allocations totaling $68,000,000 from the Fiscal Year End (FYE) 2024 budget. Please note that the $12M allocated for the one-time CARE/FERA rebate was approved by the Board at its last meeting on November 16, 2023. A copy of the letter sent to CARE/FERA customers in early December is included as an attachment to this memo. Staff will be on hand to provide additional programmatic detail for the funding recommendations below.

CATEGORY	ITEM	FUNDING	% OF TOTAL
Customer rebates/discounts	One time $300 rebate to ~41,200 CARE/FERA customers	$12 M	18%
Energy Programs	Financing for residential storage and outages	$10 M	15%
Energy Programs	Additional loan funds for local govt electrification program	$4.5 M	7%
Energy Programs	Energy storage for public buildings	$5 M	7%
Energy Programs	School electrification and storage incentives	$5 M	7%
Energy Programs	Emergency water heater replacement	$5 M	7%
Energy Programs	Member agency energy grants (see detail below)	$11.5 M	17%
Local Power Projects	Funding for local power projects; microgrid or other advanced energy	$15 M	22%
TOTAL		$68 M	100%

Related Recommendations and Additional Detail

1) PCE Reserve Policy and Proposed Target for Adjusted Days Cash on Hand

PCE's current Reserve Policy 18 requires a minimum of 180 days operating reserve/days cash on hand (DCOH). The Surplus Funds Committee discussed this policy in light of recent feedback from credit rating agencies and determined that the minimum 180 day policy remains sufficient for PCE, with the addition of enhanced language that would strengthen our position and clarify action in the event the minimum of 180 DCOH can't be met. The proposed amended language for Policy 18 states that if operating reserves are projected to be below 180 days over the next 12 months, PCE will implement plans, such as increasing rates/lowering PCE's discount, to return operating reserves to the established policy level of 180 days within two fiscal years. Redline amendments to policy 18 reflecting this proposed update are attached to this staff report.

In addition, the Committee also discussed that PCE's annual budgeting process and customer rate setting could be enhanced by establishing an upper *target* of 250 adjusted days cash on hand, above which the Board could consider a surplus fund allocation. Adjusted DCOH would be calculated as the expected DCOH less any Board-approved, capital-spending allocations or programs (e.g. revolving loan funds, Gov PV programs, etc.). As this is a proposed operating practice and *target,* it is not included at this time in the amended Reserve Policy 18 attached to this staff report.

2) Power Resources Budget Contingency

The Surplus Funds Committee discussed at length the volatility in the energy markets and unforeseen budget impacts that can result. In the past four months, for example, the FYE 2024 surplus funds were reduced by $30,000,000 to account for significant budget overages associated with skyrocketing resource adequacy (RA) pricing and the requirement to maintain RA compliance. To mitigate the impacts of similar market or regulatory volatility going forward, the Surplus Funds Committee is recommending that staff include a standard 10% contingency over the annual budgeted cost of energy to absorb some or all of the price volatility that can have significant negative impacts on PCE's budget and cash reserves.

3) Member Agency Energy Grants

As noted earlier in this memo, the Surplus Funds Committee considered a large number of funding ideas, some of which were unique to or advanced by an individual member agency. Thus, the idea to provide $11.5 M in "member agency energy grants" was suggested as a way to help fund local agency energy/sustainability projects according to local needs, as long as those projects align with PCE's mission and goals. Staff created the following funding guidelines for this program, which were reviewed and approved by General Counsel.

- Project-based grants awarded on a one-time basis from anticipated FYE 24 surplus funds;
- Funding must be used for purposes consistent with PCE's mission, such as efforts to reduce local greenhouse gas emissions, support energy efficiency and/or community electrification projects;
- $11.5 M in total surplus funds to be disbursed based on project costs, up to a maximum member-agency allocation based on January 2024 load share/customer count in that jurisdiction;
- Funding may be used for one or more projects and would need to be spent within 24 months of allocation;
- Project application including a detailed description of anticipated use of funds and a post expenditure completion report to PCE; and
- PCE led post-project completion audit to ensure the appropriate and responsible use of grant funds.At its December 7, 2023 meeting the PCE Community Advisory Committee

expressed support for the funding recommendations advanced by the Surplus Funds committee.

At its December 11, 2023 meeting the PCE Executive Committee reviewed and unanimously approved the recommendations of the Surplus Funds Committee as described above.

FISCAL IMPACT

Approximately $68,000,000 will be expended and/or reallocated as outlined above from the approved FYE 2024 budget.

ATTACHMENTS:
2023 CARE FERA Letter (English).pdf
Financial Reserves Policy 18 Clean.pdf
Financial Reserves Policy 18 Redline.pdf

RESOLUTION NO. _____

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

APPROVAL OF THE FISCAL YEAR END (FYE) 2024 SURPLUS FUNDS COMMITTEE RECOMMENDATIONS INCLUDING AN UPDATE TO POLICY 18, "FINANCIAL RESERVES POLICY" (ACTION)

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

WHEREAS, in July 2023, Peninsula Clean Energy (PCE) formed a staff-led, ad-hoc committee comprised of Board, staff, and Community Advisory Committee (CAC) members focused on the allocation of fiscal year-end 2024 budget surplus funds; and

WHEREAS, the Surplus Funds Committee met six times between the months of August and November 2023 to establish evaluative criteria and discuss ideas and opportunities to reallocate approximately $68 million in surplus revenues in support of PCE customers, its member communities, and enhanced energy programs; and

WHEREAS, the Surplus Funds Committee also determined that the minimum 180 day operating reserve policy remains sufficient for PCE, with the addition of enhanced language that clarifies that if operating reserves are projected to be below 180 days over the next 12 months, PCE will implement plans, such as increasing rates/lowering PCE's discount, to return operating reserves to the established policy level of 180 days within two fiscal years; and,

WHEREAS, the Surplus Funds committee also recommended including a standard 10% expense contingency in the annual power resources budget to absorb energy price volatility, and setting a reserve target of 250 days adjusted days cash on hand, above which the Board would consider a reallocation of surplus funds.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the PCEA Board of Directors approve $68,000,000 in surplus fund allocations and related Surplus Fund Committee recommendations, including amendments to Financial Reserves Policy 18.

* * * * * *

December 4, 2023

Dear [FullName],

It is my pleasure to inform you that you will be receiving a **$300 credit** on your electricity bill from Peninsula Clean Energy. It will appear automatically on your bill in December or January, depending on your bill cycle. **No action from you is required.**

Earlier this month, our Board of Directors approved a one-time bill credit for our customers who, like you, currently receive discounted rates on your PG&E bill through California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) programs.

Peninsula Clean Energy is a community energy agency that provides clean energy at lower rates than PG&E. We know that rising energy costs have been difficult for many of our customers, and we are working hard to keep your electric generation rates down. In addition, Peninsula Clean Energy offers a variety of energy programs to lower your costs as well as incentives to replace old gas appliances and make the switch to electric transportation.

For information about our energy programs and ways to reduce your energy costs, please visit PenCleanEnergy.com/lowerbill.

Thank you for being our customer, and best holiday wishes from all of us at Peninsula Clean Energy!

Sincerely,

Shawn Marshall
Chief Executive Officer
Peninsula Clean Energy

Policy Number: 18
Board Adoption: June 28, 2018
Revised: February 27, 2020
Revised: February 25, 2021
Revised: December 21, 2023

Reserves Policy

Overview and Purpose

Peninsula Clean Energy (PCE) will maintain Financial Reserves as described in this policy to:

a. Meet PCE's strategic objectives
b. Secure favorable commercial terms with vendors, including power producers
c. Secure future stand-alone PCE credit rating
d. Provide a contingency to provide rate stability for PCE customers
e. Provide a source of funds for unanticipated expenditures

1. **Policy Guidelines**
   PCE will maintain an Operating Reserve equal to 180 days of total operating expenses (including power supply expenses and after adjusting for any discrete Board-approved capital-spending allocations or customer programs) held as unrestricted cash. Unrestricted cash is equal to total cash less cash held in accounts that are restricted from use (due to collateral or by covenant).

   If the Operating Reserve is projected to be below 180 days over the next 12 months, PCE will implement plans, such as increasing rates/lowering PCE's discount, to return Operating Reserves to the target of 180 days within two fiscal years. Such plans will be provided in subsequent budget and rate discussions with the Board of Directors.

2. **Spending Authority**
   Authority to spend from the reserves must align with Board approved budgets and must be approved by the Board.

3. **Review of Policy**
   PCE staff will review the Reserve Policy annually to ensure it meets the needs of the agency.

Policy Number: 18
Board Adoption: June 28, 2018
Revised: February 27, 2020
Revised: February 25, 2021
Revised: December 21, 2023

Reserves Policy

Overview and Purpose

Peninsula Clean Energy (PCE) will maintain Financial Reserves as described in this policy to:

a. Meet PCE's strategic objectives
b. Secure favorable commercial terms with vendors, including power producers
c. Secure future stand-alone PCE credit rating
d. Provide a contingency to provide rate stability for PCE customers
e. Provide a source of funds for unanticipated expenditures

1. **Policy Guidelines**
   PCE will maintain an Operating ~~/ Working Capital~~ Reserve equal to 180 days of total operating expenses (including power supply expenses and after adjusting for any discrete Board-approved capital-spending allocations or customer programs) held as unrestricted cash. Unrestricted cash is equal to total cash less cash held in accounts that are restricted from use (due to collateral or by covenant).

   If the Operating Reserve is projected to be below 180 days over the next 12 months, PCE will implement plans, such as increasing rates/lowering PCE's discount, to return Operating Reserves to the target of 180 days within two fiscal years. Such plans will be provided in subsequent budget and rate discussions with the Board of Directors.

2. **Spending Authority**
   Authority to spend from the reserves must align with Board approved budgets and must be approved by the Board.

3. **Review of Policy**
   PCE staff will review the Reserve Policy annually to ensure it meets the needs of the agency.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 21, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

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

SUBJECT: Approval of Updates to Policy 13, "Delinquent Accounts and Bad Debt Collections" (Action)

RECOMMENDATION

Approval of the proposed updates to Policy 13, "Delinquent Accounts and Bad Debt Collections" (Exhibit A)

BACKGROUND

When a customer's account is closed for any reason and there is an unpaid balance pending payment, PG&E acts as the collecting agent on Peninsula Clean Energy's behalf for up to two months after the account's closing date. If that period expires and the customer has not made payment to PG&E, PG&E reverses the balance amount due to PCE via Calpine Energy Solutions, our back end data manager for billing operations. The original PCE policy on this matter featured two treatment cases: 1) customers with an owed balance greater than $50.00 were sent to collections processed by a third party, and 2) customers with a balance under $50.00 had their balance written off. Returned debts to PCE from closed accounts vary year to year but have historically averaged $500,000 annually. Assuming a successful collections rate of approximately 10%, which is in line with our previous efforts, we can expect to recover an additional $35,000 per year after factoring in partner fees.

Former customers with a balance greater than $50 have not been sent to collections since late 2019. At that time, PCE was under contract with Granite Creditors Service, a local collections agency located in Pacifica. Collection efforts were initially suspended at the end of 2019 to reassess the process, but due to the COVID-19 pandemic that occurred shortly thereafter, the collections suspension was upheld indefinitely. Write-offs for unpaid balances under $50 have continued to be processed without interruption.

At its December 11, 2023 meeting the Peninsula Clean Energy Executive Committee reviewed and unanimously approved the updates within this policy and recommends approval to the Board of Directors.

At its December 7, 2023 meeting the Peninsula Clean Energy Community Advisory Committee expressed support for the updated policy because of its humane approach and financial benefit to Peninsula Clean Energy.

DISCUSSION

Now that the COVID-19 pandemic has settled down and PG&E's moratorium on delinquent bill collections has been lifted, it is the recommendation of the Account Services team that PCE's collections process be restored with a new third-party collections vendor.

To start this process anew, account services and finance staff approved the write-off of all pre-existing debts up until the end of the 2023 fiscal year, in accordance with existing policies for debts deemed uncollectable. Under the proposed updated policy, PCE would like to give customers the option to pay PCE directly via third-party platform, Square, to avoid being sent to collections. This addition of a 'pre-collections' effort and direct pay option to PCE is the substantive change we are proposing to the existing policy.

Square is a reputable payment platform used across various industries for payment transactions and provides brand recognition that gives customers reassurance when making their past-due payments. It also provides payment flexibility through the use of debit or credit cards. Customers will have 30 days to make payment via Square, or remit a check, after which they would be sent through to collections via Optio Solutions.

Optio Solutions is a collections agency based in Petaluma, CA that has significant experience in the electric utility industry. They utilize several different strategies (calls, letters, email, text etc.) and only collect payment on successful collections transactions. They have worked as collectors for Sonoma Clean Power for a couple of years with good success. The small balance write-off and collections monetary thresholds will be carried over from the previous policy. That is, amounts under $50 will be written off as uncollectible revenue and amounts over $50 will be payable directly to PCE through pre-collections (Square) followed by regular collections performed by Optio Solutions.

FISCAL IMPACT

Reinstatement of this policy will result in added costs/fees for both the pre-collections portion and collections portion of the effort. However, all fees are based on successful payment and collection transactions. Square does not require a contract nor a regular fee but withholds 2.9% as well as a $0.30 denomination from the payment amount for each transaction processed. Optio Solutions holds a contingency fee of 30% per successful payment, with no regular fee. There are no additional fees associated with the backend data management portion of this process with Calpine Energy Solutions. As noted previously returned debts from closed accounts vary year to year but have historically averaged $500,000 per year. Assuming a successful collections rate of approximately 10%, which is in line with our previous efforts, we can expect to recover an additional $35,000 per year after factoring in partner fees.

ATTACHMENTS:

Policy 13 - Delinquent Accounts and Bad Debt Policy - Dec 2023 - Clean.pdf
Policy 13 - Delinquent Accounts and Bad Debt Policy - Edits Dec 2023 - Redlined.pdf

RESOLUTION NO. _____

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

APPROVAL OF UPDATES TO POLICY 13, "DELINQUENT ACCOUNTS AND BAD DEBT COLLECTIONS" (ACTION)

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

WHEREAS, Peninsula Clean Energy was formed on February 29, 2016 as a Community Choice Aggregation program ("CCA"); and

WHEREAS, on October 1, 2016 Peninsula Clean Energy began offering service to residents and businesses throughout San Mateo County; and

WHEREAS, on April 1, 2022 Peninsula Clean Energy began offering service to residents and businesses in the City of Los Banos; and

WHEREAS, Peninsula Clean Energy previously held Policy 13, "Delinquent Accounts and Bad Debt Policy", related to the notification and collection of bad debts; and

WHEREAS, Policy 13 was suspended in late 2019 to reassess treatment of customer debts; and

WHEREAS, the policy suspension was extended indefinitely due to the COVID-19 pandemic; and

WHEREAS, it is in Peninsula Clean Energy's best interest to resume efforts to recoup unpaid customer debt; and

WHEREAS, a new pre-collections option will provide customers whose accounts have closed with an additional opportunity to make direct payment to Peninsula Clean Energy prior to being sent to collections; and

WHEREAS, Peninsula Clean Energy customers enrolled in either of the California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) financial assistance programs will not be sent to collections;

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board authorizes the Chief Executive Officer to implement the attached updates to Policy 13 for Peninsula Clean Energy customers to be effective February 1, 2024 for eligible customers.

PENINSULA CLEAN ENERGY

Policy Number: 13
Board Adoption: May 25, 2017
Revised: December 21, 2023

Delinquent Accounts and Bad Debt Collections Policy

Overview and Purpose

This policy sets forth Peninsula Clean Energy's (PCE) principal procedures regarding late payment noticing and the collection of overdue balances. All or segments of this policy may be suspended or modified.

Territory: The entire Peninsula Clean Energy service area of San Mateo County and the City of Los Banos.

Definitions:

a) "Non-Payment" is defined as the absence of a PCE Customers effort to submit payment for PCE charges owed despite direct notice of unpaid debts.
b) "Overdue balance" is defined as any unpaid dollar amount owed to PCE by a PCE Customer for PCE electric generation service consumed by the customer.
c) "Collections" is defined as extensive efforts made by a third party on PCE's behalf to collect payment for overdue and unpaid account balance owed by a former PCE customer.
d) "CARE" or "FERA" is defined as a customer or former customer's enrollment in the California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) programs.

1) **Delinquent Accounts:**
   a) **Residential Accounts:**
      i) Customer will be sent a Late Payment Notice via U.S. Mail if the account has a PCE balance exceeding $250 in charges that are overdue for more than 90 days.
      ii) Customer will be provided with 60 days to pay or make payment arrangements.

   b) **Non-Residential Accounts:**
      i) Customers will be sent a Late Payment Notice if the account has a PCE balance exceeding $500 in charges overdue for more than 60 days.
      ii) The customer will be provided 30 days to pay or make payment arrangements.

   c) If the Customer discussed in 1.a or 1.b is enrolled in a payment plan with PG&E and is current on all payments, no PCE Late Payment Notice will be sent.

d) **Return to PG&E for Non-Payment:**
   i) If a Customer has not made payment(s) for their outstanding PCE balance or the terms of an activated payment plan are not fulfilled after receiving two consecutive PCE Late Payment Notices, the customer may be transferred from PCE service back to PG&E's fully bundled service upon receipt of a third and final PCE Late Payment Notice.
   ii) Customers returned to PG&E will be charged the applicable PCE opt-out fee and are subject to the applicable terms and conditions provided in PG&E Electric Rule 23.
   iii) Customers on CARE or FERA financial assistance programs will not be returned to fully bundled PG&E service because of nonpayment.
   iv) All Customers are required to pay all outstanding PCE charges for the period in which they accepted service from PCE. Opting out of PCE service, transfer back to PG&E service under section 1.d.i above, or account closure does not negate owed PCE charges.

2) **Bad Debt Collections Policy**
   a) **Applicability:** Customers that have an unpaid PCE balance due at the time of their account closure are required to make full payment to PG&E for past-due charges. If payment is not made within 60 days of the account closure date, PG&E will no longer accept payment and the overdue balances are returned to PCE for processing.

   b) **Pre-Collections Notice**
      i) Customers who have not made payment within the 60 days after account closure and have a PCE balance of $50.00 or more will be sent one Pre-Collection Notice with final instructions to make payment directly to PCE.
      ii) A Customer shall have 30 calendar days from the date of the Pre-Collections Notice to pay their overdue PCE balance. Failure to make payment may result in a referral to the collection agency appointed by PCE.
      iii) Customers enrolled in the CARE or FERA financial assistance programs will not be referred to a collection agent. They will instead receive additional Pre-Collections notices.

   c) **Bad Debt Collections Policy**
      i) **Customers Sent to Collections:**
         (1) Closed accounts with an overdue PCE balance of $50.00 or more may be sent to a collection agent for resolution.
         (2) Once sent to the collection agency, PCE will no longer collect direct payment on the account and the customer must make payment to the collection agency for resolution of the charges owed.

ii) **Customer Balance Write-Offs:**

(1) Balances of less than $50 may be deemed uncollectible and written off upon the review and approval of the CEO or their designee.

Policy Number: 13
Board Adoption: May 25, 2017
Revised: December 21, 2023

Delinquent Accounts and Bad Debt Collections Policy

Overview and Purpose

This policy sets forth Peninsula Clean Energy's (PCE) principal procedures regarding late payment noticing and the collection of overdue balances. All or segments of this policy may be suspended or modified.

~~DELINQUENT ACCOUNTS~~

~~Residential: Peninsula Clean Energy customer accounts exceeding $250 in charges overdue for more than 90 days will be sent a late payment notification by PCE. The customer will be provided 60 days to pay or make payment arrangements. If payment in full is not received within 60 days, or the terms of an activated payment arrangement are not fulfilled, the PCE customer account will be closed and returned to PG&E bundled generation service on the next account meter read date. Residential customers returned to PG&E will be charged the applicable PCE opt-out fee and are subject to the applicable terms and conditions provided in PG&E Electric Rule 23.~~

~~Non-residential: Non-residential customer accounts exceeding $500 in aggregate in unpaid charges for 60 days or more will be sent a late payment notification by PCE. The customer will be provided 30 days to pay or make payment arrangements. If payment in full is not received within 30 days, or the terms of an activated payment arrangement are not fulfilled, the PCE customer account will be closed and returned to PG&E bundled generation service on the next account meter read date. Non-residential customers returned to PG&E will be charged the applicable PCE opt-out fee and are subject to the applicable terms and conditions provided in PG&E Electric Rule 23.~~

~~BAD DEBT AND COLLECTIONS~~

~~Closed Peninsula Clean Energy accounts with overdue amounts greater than $50 may be referred to a collection agent. Amounts of $50 or less may be written off.~~

Territory: The entire Peninsula Clean Energy service area of San Mateo County and the City of Los Banos.

Definitions:

a) "Non-Payment" is defined as the absence of a PCE Customers effort to submit payment for PCE charges owed despite direct notice of unpaid debts.
b) "Overdue balance" is defined as any unpaid dollar amount owed to PCE by a PCE Customer for PCE electric generation service consumed by the customer.
c) "Collections" is defined as extensive efforts made by a third party on PCE's behalf to collect payment for overdue and unpaid account balance owed by a former PCE customer.
d) "CARE" or "FERA" is defined as a customer or former customer's enrollment in the California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) programs.

~~"Non-Payment" is defined as the absence of effort to submit payment for PCE charges owed despite direct notice of unpaid debts.~~
~~"Overdue balance" is defined as any unpaid dollar amount owed for PCE electric generation service consumed by the customer.~~
~~"Collections" is defined as extensive efforts made by a third party on PCE's behalf to collect payment for overdue and unpaid account balance owed by the customer.~~
~~"CARE" or "FERA" is defined as a customer's enrollment in the California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) programs.~~

1) **Delinquent Accounts:**
   a) **Residential Accounts:**
      i) Customer will be sent a Late Payment Notice via U.S. Mail if the account has a PCE balance exceeding $250 in charges that are overdue for more than 90 days.
      ii) Customer will be provided with 60 days to pay or make payment arrangements.

      ~~Customers will be sent a Late Payment Notice if the account has a PCE balance exceeding $250 in charges overdue for more than 90 days.~~
      ~~The customer will be provided with 60 days to pay or make payment arrangements.~~

   b) **Non-Residential Accounts:**
      i) Customers will be sent a Late Payment Notice if the account has a PCE balance exceeding $500 in charges overdue for more than 60 days.
      ii) The customer will be provided 30 days to pay or make payment arrangements.

   c) If the Customer discussed in 1.a or 1.b is enrolled in a payment plan with PG&E and is current on all payments, no PCE Late Payment Notice will be sent.

~~If the customer outlined in 1.a or 1.b is enrolled in a payment plan with PG&E and is current on all payments, no PCE Late Payment Notice will be sent.~~

d) **Return to PG&E for Non-Payment:**

i) If a Customer has not made payment(s) for their outstanding PCE balance or the terms of an activated payment plan are not fulfilled after receiving two consecutive PCE Late Payment Notices, the customer may be transferred from PCE service back to PG&E's fully bundled service upon receipt of a third and final PCE Late Payment Notice.

ii) Customers returned to PG&E will be charged the applicable PCE opt-out fee and are subject to the applicable terms and conditions provided in PG&E Electric Rule 23.

iii) Customers on CARE or FERA financial assistance programs will not be returned to fully bundled PG&E service because of nonpayment.

iv) All Customers are required to pay all outstanding PCE charges for the period in which they accepted service from PCE. Opting out of PCE service, transfer back to PG&E service under section 1.d.i above, or account closure does not negate owed PCE charges.

~~If a customer has not made payment for their outstanding PCE balance or the terms of an activated payment arrangement are not fulfilled after receiving two consecutive PCE Late Payment Notices, the customer may be transferred from PCE service back to PG&E's fully bundled service upon receipt of a third and final PCE Late Payment Notice.~~

~~Customers returned to PG&E will be charged the applicable PCE opt-out fee and are subject to the applicable terms and conditions provided in PG&E Electric Rule 23.~~

~~Customers on CARE or FERA financial assistance programs will not be returned to fully bundled PG&E service for nonpayment.~~

~~All customers are required to pay all outstanding PCE charges for a period in which they took service from PCE. Opting out of PCE service, being transferred back to PG&E service under section 1.d.i above, or account closure under any circumstances does not negate owed PCE charges.~~

2) **Bad Debt Collections Policy**

a) **Applicability:** Customers that have an unpaid PCE balance due at the time of their account closure are required to make full payment to PG&E for past-due charges. If payment is not made within 60 days of the account closure date, PG&E will no longer accept payment and the overdue balances are returned to PCE for processing. ~~Customers that have an unpaid PCE balance due at the time of their account closure are required to make full payment to PG&E for their owed charges. If payment is not~~

~~made within 60 days of the account closure date, PG&E will no longer accept payment and the overdue balances are returned to PCE for processing.~~

b) **Pre-Collections Notice**

i) Customers who have not made payment within the 60 days after account closure and have a PCE balance of $50.00 or more will be sent one Pre-Collection Notice with final instructions to make payment directly to PCE.

ii) A Customer shall have 30 calendar days from the date of the Pre-Collections Notice to pay their overdue PCE balance. Failure to make payment may result in a referral to the collection agency appointed by PCE.

iii) Customers enrolled in the CARE or FERA financial assistance programs will not be referred to a collection agent. They will instead receive additional Pre-Collections notices.

~~Customers that have not made payment within the 60 days after account closure and have a PCE balance of $50.00 or more will be sent one Pre-Collection Notice with final instructions to make payment directly to PCE.~~

~~A customer has 30 calendar days from the date of the Pre-Collections Notice to pay their overdue PCE balance. Failure to make payment may result in a referral to the collection agency appointed by PCE.~~

~~Customers enrolled in the CARE or FERA financial assistance programs will not be referred to a collection agent. They will instead receive additional Pre-Collections notices.~~

c) **Bad Debt Collections Policy**

i) **Customers Sent to Collections:**

(1) Closed accounts with an overdue PCE balance of $50.00 or more may be sent to a collection agent for resolution.

(2) Once sent to the collection agency, PCE will no longer collect direct payment on the account and the customer must make payment to the collection agency for resolution of the charges owed.

~~Closed accounts with an overdue PCE balance of $50.00 or more may be sent to a collection agent for resolution.~~

~~Once sent to the collection agency, PCE will no longer collect direct payment on the account and the customer must make payment to the collection agency for resolution of the charges owed.~~

ii) **Customer Balance Write-Offs:**

~~i)~~(1) Balances of less than $50 may be deemed uncollectible and written off upon the review and approval of the CEO or their designee. ~~Balances less than $50 may be deemed uncollectible and written off.~~

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 21, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Marc Hershman, Director of Government Affairs

SUBJECT: Approval of the Creation of the Climate Champion Award (Action)

RECOMMENDATION

Authorize the establishment of a Climate Champion Award to be selected annually beginning in 2024.

BACKGROUND

Staff recognizes there are many regulators, legislators, other policymakers, organizations, and stakeholder partners who have worked with Peninsula Clean Energy over the years to advance our mission, policies and energy goals for the benefit of our communities and our planet. This is an opportunity for Peninsula Clean Energy to provide annual recognition to those deserving of special recognition.

For reference, MCE Clean Energy annually presents a Climate Action Leadership Award. More information on their award can be found here: https://www.mcecleanenergy.org/mce-news/california-assemblymember-damon-connolly-receives-mces-2023-climate-action-leadership-award

DISCUSSION

Staff recommends the creation of an annual Peninsula Clean Energy Climate Champion Award, beginning in 2024, to recognize regulators, legislators, other policymakers, organizations, and stakeholder partners that have worked with Peninsula Clean Energy to advance its mission, goals and policies.

Staff proposes forming the Climate Champion Award with the following criteria:

- An individual or organization that has made a significant contribution toward Peninsula Clean Energy's mission, goals, policies, customers and communities will be nominated annually by staff in consultation with the Chair and Vice Chair of the Board of Directors;

- The nomination will be presented to the Peninsula Clean Energy Executive Committee in the late Summer or Fall of each year for consideration and approval;

- Peninsula Clean Energy Climate Champion awardees would be recognized at a Board meeting or other Peninsula Clean Energy event and publicized through Peninsula Clean Energy media outreach;

- Recognition could also include an award presented to the Champion and/or a plaque bearing the name of the award and the annual Champions to be hung at Peninsula Clean Energy's offices.

At its December 11, 2023 meeting the Peninsula Clean Energy Executive Committee voted unanimously to approve the creation of the Climate Champion Award and recommend approval to the Board of Directors.

FISCAL IMPACT

Nominal cost of annual award trophy and/or plaque.

RESOLUTION NO. _____

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

APPROVAL OF THE CREATION OF THE CLIMATE CHAMPION AWARD (ACTION)

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

WHEREAS, many regulators, legislators, other policymakers, organizations, and stakeholder partners have worked with Peninsula Clean Energy to advance our mission, policies and energy goals for the benefit of our communities and our planet; and

WHEREAS, Peninsula Clean Energy desires to provide annual recognition to those deserving of special recognition for their contributions to the advancement of our mission, policies, and energy goals;

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board of Directors approves the creation of the Peninsula Clean Energy Climate Champion Award and that the Chair and Vice Chair shall annually, beginning in 2024, recommend to the Executive Committee a nominee for the Climate Champion Award.

* * * * * *

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 21, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Gwen Rose, Director of Marketing and Community Relations

SUBJECT: Approval of a Contract with IDLab Global for Brand and Marketing Services in an Amount Not-to-Exceed $300,000 ending December 31, 2024 (Action)

RECOMMENDATION

Delegate authority to the CEO to sign a brand and marketing services contract with IDLab Global for a total of $300,000 through December 31, 2024.

BACKGROUND

Peninsula Clean Energy has a need for brand and marketing strategy services to support Marketing objectives in the Board-approved Strategic Plan 2020-2025: “Elevate Peninsula Clean Energy’s brand reputation as a trusted leader in the community and the industry” and “[e]ducate and engage stakeholders in order to gather input, inspire action, and drive program participation.”

From Q 2 - Q4 2023, staff conducted customer research, performed a brand audit to uncover opportunities to elevate brand awareness, and issued an RFP for marketing agency support. We have selected IDLab Global as our marketing agency partner and seek to execute a contract for their services beginning in January 2024.

DISCUSSION

Marketing objectives in the Board-approved Strategic Plan 2020-2025 include elevating the organization’s brand reputation as well as educating and engaging stakeholders in order to gather input, inspire action, and drive program participation. A strong brand and positive brand experience is central to PCE's ability to successfully deliver messages about electrification and decarbonization. Furthermore, PCE aims to communicate and build its brand with a much larger percentage of customers in our service territory in order to maximize our effectiveness and participation rates.

Over the last two years, increased email and online efforts have helped raise PCE's brand awareness with residents from 31% to 41%. To reach our 60% goal, we need to clarify PCE's brand promise, implement a broad-based brand awareness campaign, and better engage with

our customers across all channels in ways that resonate with them. In addition, customer research conducted in Q2 2023 indicates that there are opportunities to strengthen the connection between the benefits and services PCE offers to customers in ways that will improve awareness, familiarity, and favorability metrics. An updated brand strategy will focus on bridging the gap between current customer perception and future aspirations for the brand experience.

A brand audit was performed in July and August 2023 to assess opportunities to update PCE's brand identity, brand messaging, and to explore ways to transition from a primarily transactional marketing approach to a more customer-centered approach.

In September 2023, an RFP for marketing services was released to support PCE's brand update and help launch campaigns in 2024. The RFP was shared with a diverse list of agencies from the California Public Utilities Commission's (CPUC's) Supplier Clearinghouse. We received a record-breaking 30 responses to our RFP on November 1, 2023. The quality of the responses was impressive. After an extensive review and evaluation process, we selected a Bay Area-based agency, IDLab Global, which brings a unique set of capabilities that combines years of energy marketing, energy efficiency, and behavioral program leadership with global private-sector marketing and branding expertise. Their team brings deep expertise in brand strategy and identity, design and content creation, social media, performance marketing, and paid media.

The goals and objectives for this engagement are to:

1. Update PCE’s brand strategy and identity
2. Build a brand that PCE’s customers can relate to and trust
3. Develop a marketing strategy that will:
    1. Generate leads and helps customers take advantage of PCE's programs
    2. Increase awareness from 40% to 60%
    3. Retain customers

To achieve these objectives, IDLab will guide PCE’s marketing leadership, executives, and stakeholders through a strategic process and deliver:

1. A new brand strategy
2. Modify/update PCE brand identity as needed
3. Update positioning and message platform
4. Provide training and materials to enable PCE's employees to use the new brand
5. Develop a go-to-market (GTM) strategy

FISCAL IMPACT

The contract with IDLab has a not-to-exceed contract amount of $300,000 through December 31, 2024. This is included in PCE's FYE 2024 marketing budget.

STRATEGIC PLAN

STRATEGIC PLAN GOAL

Develop a strong brand reputation that drives participation in Peninsula Clean Energy’s

programs and ensures customer satisfaction and retention.

OBJECTIVES

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

ATTACHMENTS:

IDLab-PCE Brand Marketing Services Contract - 121823 - CLEAN.docx

RESOLUTION NO. _____

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

APPROVAL OF A CONTRACT WITH IDLAB GLOBAL FOR BRAND AND MARKETING SERVICES IN AN AMOUNT NOT-TO-EXCEED $300,000 ENDING DECEMBER 31, 2024 (ACTION)

RESOLUTION NO.
PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

RESOLUTION APPROVING APPROVAL OF A CONTRACT WITH IDLAB GLOBAL FOR BRAND AND MARKETING SERVICES IN AN AMOUNT NOT-TO-EXCEED $300,000 THROUGH 12/31/24

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

WHEREAS, the Peninsula Clean Energy Authority (“Peninsula Clean Energy" or the "Authority") was formed on February 29, 2016; and

WHEREAS, IDLab Global was selected to provide brand and marketing services to PCEA, including brand strategy, brand identity, messaging platform, brand rollout, and a comprehensive marketing and communications plan; and

WHEREAS, IDLab Global was selected based on their experience and unique set of capabilities that combines years of energy marketing, energy efficiency, and behavioral program leadership with global private-sector marketing and branding expertise.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the CEO is authorized to execute with IDLab Global an agreement for brand and marketing services in an amount not to exceed $300,000 through December 31, 2024.

AGREEMENT BETWEEN THE PENINSULA CLEAN ENERGY AUTHORITY AND ID LAB GLOBAL, LLC.

This Agreement is entered into this 2nd day of January, 2024, by and between the Peninsula Clean Energy Authority, a joint powers authority of the state of California, hereinafter called "PCEA," and ID Lab Global LLC, 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 marketing services for brand development, which could include brand strategy, messaging, logo, graphic identity; written and graphic standards and guidelines; development and production of tag lines and/or templates for various communications.

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

1. <u>Exhibits and Attachments</u>

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

Exhibit A—Services
Exhibit B—Payments and Rates

2. <u>Services to be performed by Contractor</u>

In consideration of the payments set forth in this Agreement and in Exhibit B, Contractor shall perform services for PCEA in accordance with the terms, conditions, and specifications set forth in this Agreement and in Exhibit A.

3. <u>Payments</u>

In consideration of the services provided by Contractor in accordance with all terms, conditions, and specifications set forth in this Agreement and in Exhibit A, PCEA shall make payment to Contractor based on the rates, terms 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, however, PCEA will not withhold payment unless and until it makes reasonable effort to discuss the quality issue

with Contractor and resolve quantity or quality issues. In no event shall PCEA's total fiscal obligation under this Agreement exceed three hundred thousand dollars ($300,000) which shall be paid by PCEA.

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 January 2, 2024 through December 31, 2024.

5. Termination; Availability of Funds

This Agreement may be terminated by Contractor or by the Chief Executive Officer of the PCEA or his/her designee at any time without a requirement of good cause upon thirty (30) days' advance written notice to the other party. Subject to availability of funding, Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement that are consistent with those services described in Exhibit A and performed to the specifications as set forth in Exhibit A. 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 thirty (30) days written notice to Contractor after PCEA learns of said unavailability of outside funding.

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, upon PCEA's payment in full for all work/services rendered under Exhibit A, 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.

6. Relationship of Parties

Contractor agrees and understands that the work/services performed under this Agreement are performed as an independent contractor and not as an employee of PCEA and that neither Contractor nor its employees acquire any of the rights, privileges, powers, or advantages of PCEA employees.

7. Hold Harmless

a. General Hold Harmless

Each Party shall indemnify and save harmless the other Party 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 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 each Party 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 the offending Party'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 both Parties 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 each Party to indemnify and save harmless the other Party as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

8. **Limits of Liability**

IN NO EVENT WHATSOEVER SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR TO ANY THIRD PARTY, FOR (i) ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, OR OTHER SIMILAR TYPE OF DAMAGES, INCLUDING YET NOT LIMITED TO DAMAGES BASED UPON LOSS OF PROFITS AND/OR LOSS OF BUSINESS ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT, THE PERFORMANCE THEREOF, THE USE OF THE PRODUCTS PROMISED OR SERVICES DELIVERED PURSUANT TO THIS AGREEMENT, AND/OR A PARTY'S ALLEGED BREACH OF THIS AGREEMENT, WHETHER OR NOT THE OTHER PARTY IS INFORMED, KNEW OR SHOULD HAVE KNOWN, OF THE POSSIBILITY OF SUCH DAMAGES IN ADVANCE; OR (ii) IN ANY AMOUNT OF MONEY WHICH SHALL EXCEED THE AMOUNT OF THE FEE PAID OR TO BE PAID (WHICHEVER IS GREATER) BY PCEA TO Contractor WITH RESPECT TO THE STATEMENT UNDER WHICH THE CLAIM IS MADE.

THE LIMITATIONS ON LIABILITY SET FORTH IN THIS SECTION SHALL APPLY TO ALL CAUSES OF ACTION, INCLUDING, YET NOT LIMITED TO, BREACH OF CONTRACT, BREACH OF WARRANTY, STRICT LIABILITY, NEGLIGENT MISREPRESENTATION AND OTHER TORTS, AND LIABILITY BASED UPON THE PROVISIONS OF ANY PART OF THIS AGREEMENT AND ANY FEDERAL, STATE AND/OR LOCAL LAW AND/OR ORDINANCE. THE LIMITATIONS ON LIABILITY IN THIS SECTION REPRESENT A FUNDAMENTAL TERM OF THIS AGREEMENT, AND NEITHER PARTY WOULD HAVE ENTERED INTO THIS AGREEMENT WITHOUT THEIR INCLUSION.

Notwithstanding the foregoing, Contractor shall not have any liability to PCEA under this Section 9 to the extent that any infringement or claim thereof is based upon (i) the combination, operation or use of a deliverable in combination with equipment, advertisement, creative design or software not supplied by Contractor hereunder where the deliverable would not itself be infringing, (ii) compliance with designs, specifications, content (written, imagery, audio and/or video) or instructions provided by PCEA, (iii) use of a deliverable in an application or environment for which it was not designed or not contemplated under this Agreement, or (iv) modifications of a deliverable by anyone

other than Contractor where the unmodified version of the deliverable would not be infringing.

9. Payment of Permits/Licenses

For those costs, permits and/or licenses not approved in advance by PCEA Contractor bears responsibility to obtain any license, permit, or approval required from any agency for work/services to be performed under this Agreement at Contractor's own expense prior to commencement of said work/services. Failure to do so will result in forfeit of any right to compensation under this Agreement.

10. W-9 Form and Submission of Invoices

Invoices shall only be submitted by electronic form by sending an email to both the **PCEA project contact's email address (ggottheil@PenCleanEnergy.com)** 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.

11. Insurance

a. General Requirements

Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this Section has been obtained and such insurance has been approved by PCEA, and Contractor shall use diligence to obtain such insurance and to obtain such approval. Contractor shall furnish PCEA with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to PCEA of any pending change in the limits of liability or of any cancellation or modification of the policy.

b. Workers' Compensation and Employer's Liability Insurance

Contractor shall have in effect during the entire term of this Agreement workers' compensation and employer's liability insurance providing full statutory coverage. In signing this Agreement, Contractor certifies, as required by Section 1861 of the California Labor Code, that (a) it is aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions

of the Labor Code, and (b) it will comply with such provisions before commencing the performance of work under this Agreement.

c. Liability Insurance

Contractor shall take out and maintain during the term of this Agreement such bodily injury liability and property damage liability insurance as shall protect Contractor and all of its employees/officers/agents while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from Contractor's operations under this Agreement, whether such operations be by Contractor, any subcontractor, anyone directly or indirectly employed by either of them, or an agent of either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amounts specified below:

Yes	Comprehensive General Liability (Applies to all agreements)	$1,000,000
Yes	Motor Vehicle Liability Insurance (Yes, if motor vehicle is used in performing services)	$1,000,000
Yes	Professional Liability Insurance (Yes, if Contractor is a licensed professional)	$1,000,000

PCEA and its officers, agents, employees, and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that (a) the insurance afforded thereby to PCEA and its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy and (b) if the PCEA or its officers, agents, employees, and servants have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this Section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, PCEA, at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work and payment pursuant to this Agreement.

12. Compliance With Laws

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances, and regulations, including but not limited to the Health Insurance Portability

and Accountability Act of 1996 (HIPAA) and the Federal Regulations promulgated thereunder, as amended (if applicable), the Business Associate requirements set forth in Attachment H (if attached), the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of disability in programs and activities receiving any Federal or County financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including but not limited to appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. In the event of a conflict between the terms of this Agreement and any applicable State, Federal, County, or municipal law or regulation, the requirements of the applicable law or regulation will take precedence over the requirements set forth in this Agreement.

Contractor will timely and accurately complete, sign, and submit all necessary documentation of compliance.

13. Non-Discrimination and Other Requirements

a. General Non-discrimination

No person shall be denied any services provided pursuant to this Agreement (except as limited by the scope of services) on the grounds of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information.

b. Equal Employment Opportunity

Contractor shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Contractor's equal employment policies shall be made available to PCEA upon request.

c. Section 504 of the Rehabilitation Act of 1973

Contractor shall comply with Section 504 of the Rehabilitation Act of 1973, as amended, which provides that no otherwise qualified individual with a disability shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of any services this Agreement. This Section applies only to contractors who are providing services to members of the public under this Agreement.

d. Employee Benefits

With respect to the provision of benefits to its employees, Contractor shall ensure that employee benefits provided to employees with domestic partners are the same as those provided to employees with spouses.

e. Discrimination Against Individuals with Disabilities

The nondiscrimination requirements of 41 C.F.R. 60-741.5(a) are incorporated into this Agreement as if fully set forth here, and Contractor and any subcontractor shall abide by the requirements of 41 C.F.R. 60–741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.

f. History of Discrimination

Contractor must check one of the two following options, and by executing this Agreement, Contractor certifies that the option selected is accurate:

_X_ No finding of discrimination has been issued in the past 365 days against Contractor by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or any other investigative entity.

__Finding(s) of discrimination have been issued against Contractor within the past 365 days by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or other investigative entity. If this box is checked, Contractor shall provide PCEA with a written explanation of the outcome(s) or remedy for the discrimination.

g. Reporting; Violation of Non-discrimination Provisions

Contractor shall report to the Chief Executive Officer of PCEA the filing in any court or with any administrative agency of any complaint or allegation of discrimination on any of the bases prohibited by this Section of the Agreement or Section 0, 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).

Upon the conclusion of any internal and/or judicial proceeding(s) resulting in a decision and/or judgement against Contractor for violation of the non-discrimination provisions of this Agreement PCEA may consider it 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 as reasonably determined by the Chief Executive Officer.

To effectuate the provisions of this Section, the Chief Executive Officer shall have the authority to offset all or any portion of the amount described in this Section against amounts due to Contractor under this Agreement or any other agreement between Contractor and PCEA.

14. <u>Confidential Information</u>

(a) Both Parties 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 either Party and marked as “Confidential” subject to the terms and limitations of this section (14).

(b) The term “Confidential Information” includes all information marked “Confidential” which may include 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 either Party shall not be considered Confidential Information if: (i) it is or becomes available to the public through no wrongful act of the receiving Party; (ii) it is already in the possession of the receiving Party and not subject to any confidentiality agreement between the Parties; (iii) it is received from a third party without restriction for the benefit of the receiving Party and without breach of this Agreement; (iv) it is independently developed by either Party; (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 7920.000, 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 the necessary Party, unless such notice is prohibited. In the event that PCE receives a Public Records Act Request for Contractor’s marked “Confidential” information it shall notify Contractor by email. In the event that Contractor desires to seek a judicial injunction and/or court order to

prevent disclosure of marked Confidential records it shall do so at its exclusive cost and within ten (10) calendar days of the date of receipt of the Public Records Act Request by PCEA. If no such injunction is received by the tenth calendar day after receipt of the Public Records Act Request by PCEA, PCEA shall disclose records consistent with the provisions of Cal. Gov't Code Section 7920.000, et seq.

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

(d) Both Parties 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, both Parties shall 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 either Party or its representatives, or (ii) found in electronic format as part of either Party's off-site or on-site data storage/archival process system, will be held by the Party and kept subject to the terms of this provision or destroyed at the holding Party's option. The obligations of this provision will survive termination or expiration of this Agreement.

15. <u>Data Security</u>

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. PCEA is responsible to adequately protect said personal information in the transference to Contractor. 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.

16. 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. PCEA agrees to compensate Contractor for any reasonable costs, including but not limited to time, agency fees and/or other related costs; and/or third-party costs in the retrieval of said records.

(b) Contractor shall comply with all reasonable and directly related 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. PCEA agrees to compensate Contractor for any reasonable costs, including but not limited to time, agency fees and/or other related costs; and/or third-party costs to comply with these requests.

17. 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.

18. 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.

19. 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: Jason Turner, Co-Founder
Address: 336 Bon Air Ctr. Suite 262, San Rafael, CA 94901
Telephone: (415) 640-3636
Email: jason@idlabglobal.com

20. 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.

21. 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, Peninsula Clean Energy Authority

Date: _____

ID LAB GLOBAL, LLC

By: Jason Turner_____

Co-founder, ID Lab Global

Date: _____

Exhibit A

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

Project Summary

Contractor has been engaged as the prime contractor, with assistance from their subcontractor, Villain, to modify PCEA's brand platform and strategy.

The goals and objectives for this engagement are:

- Modify PCEA's brand strategy and identity
- Build a brand that PCEA's customers can relate to and trust
- Develop a marketing strategy that will:
    - Generate leads and helps customers take advantage of PCEA's programs
    - Increase awareness from 40% to 60%
    - Retain customers

To achieve these objectives, Contractor will guide PCEA's marketing leadership, executives, and stakeholders through a strategic process and deliver:

1. A new brand strategy
2. Modify brand identity as needed
3. Update positioning and message platform
4. Provide training and materials to enable PCEA's employees to use the new brand
5. Go-To-Market (GTM) strategy

Project Definition and Scope

The tasks and deliverables outlined in this Exhibit define the scope between Contractor and PCEA. A project kick-off meeting will be held to discuss project goals and objectives, as well as desired outcomes and project roles/responsibilities. The following table lists key tasks, and deliverables, and responsibilities.

Task	Description	Contractor	PCEA
Kickoff	Contractor will lead a meeting with Contractor's assigned team with PCEA's assigned team to discuss goals and objectives, project scope, deliverables,	Purpose: • Align on business and brand objectives • Define roles and responsibilities for both teams	PCEA to: • Identify participants in kickoff meeting • Provide brand and business objectives

Task	Description	Contractor	PCEA
	timing, and responsibilities of both parties	• Determine regular meeting cadence and agenda (e.g., status) • Overview of work process, which could include project schedules, task management, tools for communications and review of deliverables) **Deliverable**: An email summary of the decisions coming out of the Kickoff along a project plan and schedule.	• Define roles and responsibilities for PCEA team
Discovery	Contractor will gather information from PCEA, its partners and customers as needed to develop insights and recommendations for the new brand strategy, identity, and GTM strategy solutions.	Contractor will: • Review current customer research to identify brand weaknesses/issues to overcome, and identify gaps between desired brand perception and current customer perception • Audit all brand and marketing assets that may have to be modified with new brand • Audit all active or new brands, programs, and marketing materials • Audit current CBO support and engagement • Audit PCEA social channels (Facebook/Meta, X/Twitter, Instagram, LinkedIn, and YouTube) for best practices • Assess website user experience, content, design, features and functionality, SEO, and CMS/admin design and configuration • Identify key market conditions (e.g.,	PCEA to provide: • Customer Research • Inventory of brand, program, and marketing materials • Access to brand, program, and marketing materials • CBO support plans and engagement materials • Determine stakeholders to interview and help coordinate scheduling of interviews • Inventory of relevant technology and systems that are branded or used for marketing and communication.

Task	Description	Contractor	PCEA
		economic, political, environmental, and vertical) that may impact the brand. • Interview key stakeholders. • Audit relevant technology and systems (e.g., CRM, CMS, martech and adtech) **Deliverable:** Insights Brief, a document communicating our key learnings, insights, gap analysis, and recommendations.	
Brand Strategy	Contractor will develop PCEA's new brand strategy, brand architecture, personality, and positioning for both external and internal use.	Contractor will: • Develop, describe and recommend branding for PCEA and any sub-brands • Define the brand's personality and desired customer emotional responses. • Define unique selling propositions and brand pillars. • Develop brand positioning. • Articulate the brand strategy for use with employees and for recruiting (employer brand) • Create a final presentation and present brand strategy to executives and stakeholders **Deliverable:** Presentation of brand strategy to executives and stakeholders.	PCEA will: • Provide relevant brand strategy documents and materials • Identify current and desired brands and sub-brands (e.g., for programs) • Review interim deliverables leading up to the Presentation deliverable and provide feedback • Ensure Contractor is aware of material changes in the business, programs and/or any other factors relevant to the work described in this Exhibit
Brand Identity	Contractor will develop the visual identity of the current brand to align to the new brand.	Contractor will: • Gather visual requirements for identity • Design a Moodboard to align on visual direction of brand identity	PCEA will: • Communicate brand requirements.

Task	Description	Contractor	PCEA
		• Develop design system, create and deliver brand book/guidelines, including brand attributes, existing marks/logos, colors, typography, imagery, icons, brand voice, photography, graphic brand elements and guidelines for use • Create brand assets • Create a final presentation and present to Executives and Stakeholders **Deliverables:** • Moodboard • Brand book (e.g., logos, fonts, guidelines) • Comprehensive set of brand assets including but not limited to: website design concepts (up to 3), stationary/ business cards, PowerPoint and document templates, logos, brand graphic elements • Presentation of brand identity to executives and stakeholders	• Review interim deliverables leading up to the presentation and brand book deliverables and provide feedback as needed
Message Platform	Contractor will develop a message platform that will guide all marketing and communications with customers.	Contractor will develop: • Key message points and hierarchy • Tone of voice • Elevator pitch • "Boiler plate" PCE description **Deliverable:** A document including the above (except test plan) in a messaging framework.	PCEA will: • Provide any criteria needed for developing the messaging • Provide current or future product/ business offerings they want included in the messaging • Review interim deliverables that lead up to the presentation and

Task	Description	Contractor	PCEA
			brand book and provide feedback
Brand Rollout & Enablement	Contractor to create a rollout plan and help train PCEA's employees	Contractor will: • Gather requirements for rolling out the new brand externally and internally • Determine approach to rolling out brand • Create rollout plan • Identify and create training materials **Deliverables:** • Rollout Plan • Training Materials	PCEA will: • List current and planned areas and assets that are/will be branded with the PCE logo • Communicate requirements for roll out • Review deliverables and provide direction and/or feedback • Assign training duties to someone on PCEA team
GTM Strategy	Contractor will create a go-to-market strategy and comprehensive marketing and communications plan.	Contractor will: • Define KPIs and metrics to measure GTM performance • Guide conversations and provide recommendations for budgeting • Develop audience segmentation and personas • Recommend how to engage and support CBOs re: the brand • Develop campaign theme(s) and concepts • Propose campaign channels, tactics, and in-market timing • Create a media plan for 2024 • Develop a measurement framework - what and how to measure success • Identify issues and recommend how to track attribution • Develop a plan to redesign PCEA's website • Create a final presentation and present	PCEA will: • Provide direction and/or feedback on KPIs and key metrics • Provide guidance on budget and allocations for GTM plan • Review deliverables and provide feedback

Task	Description	Contractor	PCEA
		GTM strategy to executives and stakeholders **Deliverable:** Presentation of brand strategy to executives and stakeholders.	
Project & Account Management	Contractor will assign an account lead and project manager who will be the points of contact between PCEA and Contractor and be responsible for managing the relationship, communications, tasks, and deliverables,	Contractor's account and project managers will: • Serve as main points of contact for PCEA • Manage scope, budget, and timelines • Maintain monthly deliverable tracker(s) • Communicate task or deliverable status • Manage creative development from concept, planning, execution, quality assurance, and publishing • Create agendas & recaps, lead status meetings	PCEA to provide a primary point of contact for Contractor and project managers for business needs, priorities, assignments, direction, and feedback on all deliverables.

Current Project Timeline

Tasks	Start Date	End Date
Team Kickoff	**01/03/24**	**01/03/24**
Discovery	**01/03/24**	**01/18/24**
Brand Strategy	**01/19/24**	**02/22/24**
Brand Identity	**02/23/24**	**04/19/24**
Messaging Platform	**02/14/24**	**02/29/24**
Brand Rollout, Enablement, & Training	**04/08/24**	**05/01/24**
GTM Strategy	**02/23/24**	**04/04/24**

Assumptions

Contractor will perform the above services of the project based on the following assumptions:

1. Any deliverable created by Contractor that PCEA uses for commercial purposes, shall be deemed accepted and approved.
2. PCEA to provide Contractor with requested information, documentation or access to people and systems/technology related to this Exhibit according to the agreed upon schedule.
3. PCEA to provide clear and consolidated feedback during review of any planning or deliverables within the required timeframe per the project schedule.
4. Client and Contractor will follow the project timeline in this Exhibit. If Client should require more time to deliver on a dependency or to provide direction and/or feedback, then the schedule will be adjusted to provide Contractor with sufficient time to deliver on all tasks and deliverables.
5. PCEA will coordinate with third party stakeholders (e.g. CBOs, political participants, regulators, etc.) as needed.
6. PCEA shall notify Contractor in writing if they wish to make changes to the scope of work. Contractor will provide a revised estimate and receive written authorization prior to proceeding.

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:

Terms

1. Contractor will send invoices upon completion of each phase.

2. All invoices are payable within thirty (30) days of receipt unless otherwise stated.

3. PCEA will pay or reimburse Contractor for pre-approved (by email) out-of-pocket expenses, such as stock images or travel-related expenses, incurred by Contractor in the performance of services in Exhibit A. Pre-approved expenses will be billed to PCEA at actual cost and on terms of net 30 from receipt of invoice.

4. If PCEA fails to pay any amount due within thirty (30) days from the date of the invoicing, late charges of the lesser of 1½% per month (annual rate of eighteen percent 18%) or the maximum allowable under applicable law shall also become payable by PCEA to Contractor.

5. If PCEA requires a delay of more than 15 business days within a phase as described in the Payment Schedule below, Contractor may send a progress invoice for the work in that phase that has been completed.

Fee Schedule

The total estimated fees for Exhibit A amount to $263,925 USD excluding third party and materials costs. The following table outlines the key milestones, amount per milestone and respective payment term.

Phase	Milestone	Amount	Term
Discovery	- Kickoff - Insights Brief	$43,987.50	*Net 10*
Brand Strategy	- Brand Architecture - Brand Strategy Presentation	$43,987.50	*Net 30*
Messaging	- Key Message Points & Hierarchy - Message Platform	$43,987.50	*Net 30*
Brand Identity	- Mood Boards & Design System - Brand Identity Presentation	$43,987.50	*Net 30*

Phase	Milestone	Amount	Term
GTM Strategy	- Channel & Tactical Plan - Strategy Presentation	$43,987.50	*Net 30*
Brand Rollout & Enablement	- Rollout Plan & Training Materials - Brand Assets	$43,987.50	*Net 30*
TOTAL		**$263,925**	

Rates by Resource

Resource Type	Hourly Rate
Account Director	$250
Account Manager	$195
Campaign Manager	$175
Copywriter	$175
Creative Director	$200
Data Analyst	$165
Senior Design	$165
Designer	$150
Front End Developer	$175
Marketing Manager	$175
Media Planner & Buyer	$250
Motion Graphics Designer	$175
Project Manager	$175
Project Coordinator	$150
QA Specialist	$150
Research Specialist	$150
Senior Research Specialist	$225

Resource Type	Hourly Rate
SEO Specialist	$150
Social Media Specialist	$175
Software Developer	$200
Senior Strategist	$250
Lead Strategist	$300
Video Editor	$200

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 21, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Leslie Brown Director of Account Services

SUBJECT: 2024 PCE Customer Energy Rate Update (Discussion)

RECOMMENDATION

Discuss upcoming updates to PG&E rates expected for January 1, 2024 as well as analysis and timing for subsequent Peninsula Clean Energy rate changes in 2024.

BACKGROUND

Since starting service in 2016, PCE has followed a process of adjusting rates immediately following changes to PG&E generation rates with new PCE rates taking effect one month following a PG&E adjustment. Staff is proposing to deviate from that process slightly to allow time for a more in-depth financial analysis of our rate-setting response to the projected PG&E rate increase in January 2024.

DISCUSSION

Based off of the rate information that was available earlier this year, PCE's current operating budget forecasts a 0.79% rate change to follow PG&E's rate change in January 2024. While we are still waiting for final decisions from the CPUC and updates from PG&E on the individual rate updates effective January 1, 2024, we do know that system-wide those increases are expected to be significantly more than the <1% that was projected during PCE's budget process. With that in mind, staff is proposing that PCE hold off on making any decisions about rate changes in 2024 until we have the detailed rate tables from PG&E, we know what the PCIA will be for various vintage years, and we are able to do additional in-depth financial analysis of our various rate options.

Staff is proposing to analyze the impact of our standard rate change policy (net 5% discount from PG&E) along with other scenarios offering a greater than 5% discount or possibly no rate increase at all for at least the first half of 2024. However, to do this analysis properly we need to incorporate updated energy costs and load forecasts which the power resources team expects to have available at the beginning of January -- around the same time we will have the final January 1, 2024 PG&E and rates and PCIA charges. Allowing for this additional time means that we would not move forward with a rate change effective February 1, 2024 as is our normal practice. Rather, we would bring this matter to the Executive Committee and Board at

its January meetings, and any adopted rate change would take effect no sooner than March 1, 2024.

This item was discussed at the December 11, 2023 Executive Committee meeting.

FISCAL IMPACT

Our initial budget anticipated a 0.79% rate change to follow PG&E rates in January 2024. Delaying our rate change action by a month will result in a small deviation from our initial budget forecast; however, PCE has sufficient cash-on-hand reserves to manage a delay in rate change action by one month to allow for further financial analysis.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 21, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Kim Le, Director of Data and Technology

SUBJECT: Data and Technology Department Quarterly Report

BACKGROUND

The Data and Technology department started in November 2020 to increase capabilities and efficient use of data to enable energy-related analyses, program impact measures, and customer insights. Shortly thereafter, IT was added to this department's responsibilities, and both elements are key components of what our department does for PCE.

Kim leads Data and Technology which consists of two parts: Data Analytics, and Information Technology. The Data side develops comprehensive analysis and business intelligence tools that enables the various teams at PCE to make data-driven decisions. The IT side streamlines organization-wide hardware and software management, safeguards company information, and ensures network and hybrid conference room uptime.

Cassius is part of the IT team and configures and supports PCE's laptops, enterprise applications, and networks. He works on optimizing the internal IT infrastructure for greater productivity and improving our IT workflows and processes.

DISCUSSION

High level priorities and initiatives for this department:

1. Perform in-depth analyses and build data analytics tools to inform business decisions.
2. Enhance IT security and governance policies to protect information critical to our operations and continued success.

The Data

We have developed a data warehouse to provide rapid, accurate, secure, and flexible analysis of large volumes of energy data and associated attributes. We built and established a data management system designed to store historical and ongoing data from various sources to enable and support analytics functions. The overarching goal was to provide each team at PCE a means to access data from a single source of truth data warehouse, and create custom reports, dashboards, and visualizations for analysis.

We work cross functionally with most teams at PCE to provide insights with data to better implement

case studies with Account Services, target initiatives and increase reach and effectiveness with Programs, and supply data streams that feed into Power Resource's forecasting toolsets.

We continue to build out internal tools for an ongoing deeper dive into our data, and iterating on our current system to make it more robust.

The IT

On the IT front, we brought our IT functions in-house this year to better support PCE's growing needs. We worked closely with Nelly to build out our hybrid conference room audio and video capabilities for a smooth in-person and remote experience. We established many processes and standard operating procedures for automating equipment deployments and device management.

We have IT security enhancements rolling out to keep up with industry trends, and internal end of year audits to wrap up the calendar year.

STRATEGIC PLAN

Increase capabilities and efficient use of data and technology to guide organizational decision making and program execution by:

- Building data analytics to guide organizational decision making and program execution.
- Creating and integrating analysis dashboards and tools.
- Implementing systems and procedures to ensure data privacy, security, and integrity.
- Executing scalable systems that maximize advances in Information Technology.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 21, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Leslie Brown, Director of Account Services

SUBJECT: Account Services Quarterly Update

BACKGROUND

The purpose of the Account Services team is to provide customer billing support through direct customer interaction, as well as oversee the various processes related to the management of PCE's customer data. This includes relationships with our back-office data manager, Calpine Energy Solutions, and PG&E.

DISCUSSION

Over the past six months, the Account Services team has grown to include a Senior Analyst and an Account Services Specialist. The added bandwidth has provided the team with the opportunity to further advance utility initiatives as well as engage with parties regarding the improvement of policies and PCE customer service. The following is a quarterly update of Account Services team activities taking place during the fourth quarter of 2023, please see topics below for additional detail.

Implementation of Solar Billing Plan Tariff

- At its October 26, 2023 meeting the Board of Directors approved PCE's Solar Billing Plan (SBP) tariff, initially slated to take effect on December 15, 2023 following PG&E's own SBP tariff activation. The tariff is the culmination of many hours and weeks of meetings with PG&E, Cal-CCA, and other CCA-wide meetings and discussions regarding the impact and effectiveness of the new Solar Billing Plan. After much deliberation and counsel, staff concluded that it was in PCE's best interest to follow the structure of PG&E's Solar Billing Tariff, with additional credits per kWh to be applied at the time of the customer's annual cash out to retain value as a PCE customer.
- As of November 30, 2023, PG&E has requested a deadline extension for the implementation of SBP, originally scheduled to begin billing on December 15th as previously mentioned. The request calls for an extension until August 31, 2024, almost nine months after the original implementation date. As of now the extension has not yet been approved, but staff anticipates approval with an extension with perhaps an earlier

date than PG&E requested.
- PCE SBP customers will be billed on the Net Energy Metering (NEM) tariff until PG&E's implementation is complete and operational.

Updates to Customer Contact Templates and IVR Scripts

- Account Services Specialist Jayden Hanan performed a thorough review of the interactive voice recording (IVR) scripts that customers encounter when reaching out to our current call center for assistance and provided updates as needed to Calpine for implementation.
- Account Services staff are currently working with the Marketing team on updating various email templates that are sent to customers when they submit an opt up, opt down, or opt out. This is a primary point of contact with our customers, and it is an opportunity to expand the information we provide to them at that point of contact.
- In addition to the email templates, staff has also worked on updates to the "Solar Customers" landing page on the PCE website to add information about the Solar Billing Plan and expand on FAQs and the differences between NEM and SBP. The Marketing team has been valuable throughout the process making sure we align with PCE's goals for communication and outreach. More updates will be made to the Solar webpage as additional details about SBP come through and a firmer implementation timeline is provided by PG&E.

Contact Center Updates and Research for In-House Services

- For the past several months we have been researching the possibility of bringing in-house the contact center function that is currently being serviced via a sub-contract to our larger data management and billing operations service agreement with Calpine.
- In the next quarter, we will be looking to bring on additional staff resources via a short-term contract to more fully map out the opportunity and needs to successfully support an in-house contact center.

Reinstatement of Policy 13, Delinquent Accounts and Bad Debt Collections

- Account Services Senior Analyst Connor prince took the lead on researching current collection practices for our peer CCAs and developing the proposed updates to Policy 13.
- Policy 13 outlines the process and controls in place for customers that are behind on their payments for regular PCE electricity service. Delinquent accounts are defined as active PCE customers that have not paid their charges to current, and bad debt collections apply to customers whose accounts have closed and still have an overdue PCE balance.
- Policy 13 has been suspended since late 2019 for reassessment, and the suspension was extended indefinitely after the start of the COVID-19 pandemic. Since PG&E has lifted the suspension of customer shutoffs due to the pandemic, PCE staff believes it is in PCE's best interest to resume efforts to collect on overdue balances.
- Key updates to this policy:
    - A pre-collections payment option is offered to give customers the ability to pay PCE directly before being sent to collections. This payment can be accepted online via Square or via check sent to a P.O. box.
    - Customers enrolled in the California Alternate Rates for Energy (CARE) or Family

Electric Rate Assistance (FERA) program financial assistance programs will not be sent to collections nor dropped from PCE service. They will instead receive additional communications through the pre-collections process.

Key Accounts Engagement

- Strategic Accounts Manager, Justin Pine, has been working diligently to support Caltrain's energy consultants to understand PCE's rates and projected power mix in 2024 and beyond as we prepare for the South San Francisco depot to come online in September 2024.
- Also of note is a recent Direct Access customer acquisition. With the current high energy market and RA prices, customers who have previously been taking service in the Direct Access market have begun reaching out to PCE to explore taking service with us instead. Justin has been navigating several of these conversations and we are currently bringing a large commercial property management company with several accounts over to PCE service starting in January.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: November 29, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Rafael Reyes, Director of Energy Programs
Phillip Kobernick, Senior Programs Manager

SUBJECT: Approval of Two EV Ready Program Fund Reservation Agreements, Providing Approximately $860,000 in Customer Incentives

RECOMMENDATION

Approval of two Fund Reservation Agreements, which will provide an expected total of approximately $860,000 in customer incentives to install EV charging infrastructure, as part of the EV Ready Program.

BACKGROUND

In December 2018, the Board approved an EV charging infrastructure program intended to accelerate EV adoption in San Mateo County. The funds include incentives, technical assistance, workforce development, and other program costs, and was later named the "EV Ready Program."

The EV Ready Program provides incentives and 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-speeding" 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 $5,500 per charger, depending on property type, retrofit vs new build projects, and charging type.

Customers apply for EV Ready incentives through an online form, which is reviewed and approved by Peninsula Clean Energy staff. Once approved, a Fund Reservation Agreement, which outlines the various EV Ready Program standards and requirements, is distributed via DocuSign and executed by the customer and the Peninsula Clean Energy CEO. Fund Reservation Agreements are presented to the Board of Directors prior to execution by the

Peninsula Clean Energy CEO when individual Agreements are valued at $100,000 or more.

DISCUSSION

As of the end of November 2023, the EV Ready program has helped customers install a total of 615 chargers with about $2 million in incentives from Peninsula Clean Energy. These projects added EV charging at over 50 properties, over half of which were at multi-family sites such as apartments and condominiums. There are a total of about 3,500 chargers currently in progress in EV Ready, either in the initial design phase or construction phase. About 2/3 of the total projects receiving free design assistance from Peninsula Clean Energy are multi-family properties, which notably includes 12 affordable housing projects. A total of 137 projects have secured incentive funding from Peninsula Clean Energy for a total of about $8.1 million in reserved funding. Outlays and reserved funds are within planned budgets.

In the prior month, Peninsula Clean Energy has received two EV Ready applications in which the Fund Reservation Agreements are expected to exceed $100,000 in incentives, and accordingly these applications are presented to the Board of Directors. These applications represent the largest and second largest projects in the entire EV Ready program, by funding amount totals, and are expected to add a combined total of 172 charging stations across two BART garages in Colma and Daly City. For reference, the next largest projects in the EV Ready Program are a condominium property in Millbrae, which is currently adding 144 Level 1 chargers with $293,000 in EV Ready funding, and San Mateo County's new-build garage in Redwood City, which installed 124 Level 2 chargers with $248,000 in EV Ready funding.

These EV charging projects at BART's garages are expected to be especially impactful as they will provide a reliable place to charge at scale for peninsula-based commuters and are particularly beneficial for EV owners that do not have a reliable place to charge at home, as is the case for many apartment and condominium residents.

Most of BART's energy load is served by its own wholesale energy procurement. However, at the request of Peninsula Clean Energy staff and in accordance with EV Ready program rules, BART has confirmed that these new EV charging stations will be served entirely by Peninsula Clean Energy.

Following approval by the Board of Directors, these projects' Fund Reservation Agreements will be executed by the Peninsula Clean Energy CEO and the customer will proceed to install their EV charging infrastructure and file for reimbursement from Peninsula Clean Energy upon completion in the future, subject to the EV Ready Programs Standards and Requirements.

Details of the Fund Reservation Agreements are included below.

Property Type	Total Expected Reserved Funds	Total Charge Ports Expected	City
All Publicly Accessible Non-Residential Locations (BART Garage)	$360,000	72	Colma
All Publicly Accessible Non-Residential Locations (BART Garage)	$500,000	100	Daly City

FISCAL IMPACT

Funding for this project is included Board-approved EV Ready Program.

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

RESOLUTION NO. _____

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

APPROVAL OF TWO EV READY PROGRAM FUND RESERVATION AGREEMENTS, PROVIDING APPROXIMATELY $860,000 IN CUSTOMER INCENTIVES

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

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

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

WHEREAS, in December 2018, the Peninsula Clean Energy Board of Directors approved $16 million in funds for a 4-year EV charging infrastructure program, which came to be called the "EV Ready" program; and

WHEREAS, eligible applicants are approved for EV Ready program incentives, subject to the EV Ready Program Standards & Requirements; and

WHEREAS, approved applicants in the EV Ready program are required to execute a Fund Reservation Agreement to secure their financial incentives; and

WHEREAS, per Peninsula Clean Energy policy, Agreements valued at or above $100,000 require approval by the Peninsula Clean Energy Board of Directors; and

WHEREAS, two EV Ready incentive applications, whose Fund Reservation Agreements are expected to be valued at or above $100,000 in value were received by Peninsula Clean Energy in the prior month; and

WHEREAS, the Board wishes to delegate to the Chief Executive Officer authority to finalize and execute the Fund Reservation Agreements in the EV Ready program to provide incentives.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board delegates authority to the Chief Executive Officer to execute two customer Fund Reservation Agreements in the EV Ready program to provide incentives for an expected combined total of approximately $860,000 in a form approved by General Counsel.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 1, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Shawn Marshall, Chief Executive Officer

SUBJECT: Appointment of Nicholas Bijur as Peninsula Clean Energy Treasurer

RECOMMENDATION

Approve the appointment of Nicholas Bijur, Chief Financial Officer of Peninsula Clean Energy ("PCE"), as PCE's Treasurer/Auditor/Controller ("Treasurer").

BACKGROUND

The Joint Exercise of Powers Act (Government Code Sections 6500, et seq.), under which PCE was created, requires that each Joint Powers Authority ("JPA") have a Treasurer.

Sections 6505.5 and 6505.6 govern who may serve as Treasurer. The options include (1) the County Treasurer; (2) a member city Treasurer; (3) a Certified Public Accountant; (4) a PCE officer; or (5) a PCE employee.

PCE's JPA agreement selected the County Treasurer as Treasurer (Section 3.9.3).

Under the JPA agreement, the Board may transfer the responsibilities of Treasurer to any person or entity as the law may provide at the time.

DISCUSSION

The Board appointed Andrew Stern as Interim Chief Financial Officer ("CFO") and Interim Treasurer on April 21, 2023 while Staff searched for a permanent replacement. PCE hired Nicholas Bijur as CFO and Mr. Bijur began his employment with PCE on November 16, 2023.

Per Government Code Sections 6505.5 and 6505.6, the Treasurer's duties would be as follows:

1. Receive and make receipt for money, to be held in PCE's credit;
2. Be responsible, upon his or her official bond, for the safekeeping and disbursement of all of PCE's money;
3. Pay, when due, out PCE's money, all sums payable on PCE's outstanding bonds and coupons;

4. Pay any other sums due from PCE from PCE's money, or any portion thereof, "only upon warrants of the public officer performing the functions of auditor or controller who has been designated by the agreement";
5. Verify and report in writing on the first day of July, October, January, and April of each year to PCE and to public agency members the amount of money the Treasurer holds for PCE, the amount of receipts since the Treasurer's last report, and the amount paid out since the last report; and
6. Cause an independent audit to be made by a certified public accountant or public accountant.

PCE's JPA agreement lays out responsibilities of the Treasurer, including "report[ing] directly to the Board" and "comply[ing] with the requirements of treasurers of incorporated municipalities." In addition, the JPA agreement requires the Treasurer to comply with Article 5 of the agreement, including the following:

1. All funds of PCE shall be held in separate accounts in the name of PCE and not commingled with funds of any member agency or any other person or entity.
2. All funds of PCE shall be strictly and separately accounted for, and regular reports shall be rendered of all receipts and disbursements, at least quarterly during the fiscal year.
3. All expenditures shall be made in accordance with the approved budget and upon the approval of any officer so authorized by the Board in accordance with its Operating Rules and Regulations (meaning the JPA agreement or other adopted policies). The Treasurer shall draw checks or warrants or make payments by other means for claims or disbursements not within an applicable budget only upon the prior approval of the Board.

Because the CFO's duties and responsibilities align closely with the responsibilities of the Treasurer role, Staff is recommending that the Board appoint the CFO to the position of Treasurer/Auditor/Controller.

RESOLUTION NO. _____

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

APPOINTMENT OF NICHOLAS BIJUR AS PENINSULA CLEAN ENERGY TREASURER

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

WHEREAS, the Exercise of Powers Act (Government Code Section 6500 *et seq.*), under which PCE was created, requires that each Joint Powers Authority ("JPA") have a Treasurer; and

WHEREAS, Government Code Sections 6505.5 and 6505.6 govern who may serve as Treasurer, the options for which include (1) the County Treasurer; (2) a member city Treasurer; (3) a Certified Public Accountant; (4) a PCE officer; or (5) a PCE employee; and

WHEREAS, the JPA Agreement that formed PCE selects the County Treasurer as Treasurer, but provides that the Board may transfer the responsibilities of Treasurer to any person or entity as the law may provide at the time; and

WHEREAS, the Board previously appointed its Chief Financial Officer ("CFO") as Treasurer because the duties and responsibilities closely align with the responsibilities of the Treasurer role; and

WHEREAS, PCE recently hired a new, permanent CFO who began employment with PCE on November 16, 2023, whose duties and responsibilities closely align with the responsibilities of the Treasurer role.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board approves the appointment of Nicholas Bijur as Treasurer of the Peninsula Clean Energy Authority effective on December 21, 2023.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 7, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Phillip Kobernick, Senior Transportation Programs Manager

SUBJECT:
Approval of a $250,000 Contract Amendment with Green Light Auto, to Provide Used EV Rebates in the Used Electric Vehicle Incentive Program

RECOMMENDATION

Approval of a contract amendment with Green Light Auto for a revised total of $345,000 to provide customer rebates in the Used Electric Vehicle Incentive Program.

BACKGROUND

Peninsula Clean Energy's mission is to reduce greenhouse gas (GHG) emissions in San Mateo County. California's goal is to be carbon neutral by 2045, which PCE aims to support through investment in local community programs. On-road transportation emissions account for 61% of direct emissions within the County. Half (54%) of transportation emissions are from personally owned vehicles such as sedans, light-duty trucks, and SUVs. There are approximately 550,000 personal vehicles registered in San Mateo County, of which only 8% are electric vehicles (EVs). Increasing EV adoption is critical to achieve deep decarbonization in San Mateo County. The up-front cost of EVs is one of the key barriers to adoption, thus incentive programs remain important to continue to encourage EV adoption.

In accordance with prior Board approvals, PCE first launched a low-income Used EV Incentive program in March of 2019. In October 2020, the Board extended the three-year budget (FY 21-22 through FY 23-24) for new and used vehicle incentives. The update also included an incentive for residents at any income level of up to $1,000. In early 2021, in response to significant vehicle cost increases during the pandemic, PCE temporarily increased the maximum rebate for income-qualifying customers from $4,000 up to $6,000, which has since been reduced to $4,000 as other incentives became available. PCE also hired Grid Alternatives to serve as the day-to-day program administrator as well as an EV advisor to answer more general questions about EVs and available incentives.

In total, the Used EV Incentive program has provided about 450 rebates, helping customers avoid over 250,000 gallons of gas usage each year.

DISCUSSION

Starting in 2024, the Used EV Incentive Program will be modified, consistent with the Board-approved budget, to better serve customers when the Inflation Reduction Act (IRA) federal tax credit for used EVs becomes available as a point-of-sale rebate. To account for this new federal rebate and generally improved market conditions for used EV buyers, staff are making modifications to the PCE Used EV Incentive Program, described below.

Current Used EV Market Context:

1. Starting on January 1, 2024, the federal tax credit, up to $4,000 to income-qualifying residents, becomes available at the point-of-sale.
2. The price of used EVs are declining, though still more expensive than gas-powered alternatives. The price of an average used EV has nearly normalized to where they were in 2021, before the price surge in the used vehicle market.
3. Upcoming changes in the PCE Used EV Incentive Program are intended to improve the customer experience by aligning with the IRA. This will allow customers to combine the PCE incentive with the federal tax credit for IRA-qualifying vehicles and allow the dealers to offer the PCE incentive for vehicles that do not qualify for the federal credit (such as vehicles that exceed $25,000, which is the maximum for the federal incentive).

Changes to the PCE Used EV Rebate:

1. Customers will no longer need to apply before they purchase their used EV. This change brings the PCE incentive in line with the federal tax credit and allows a customer to utilize both rebates when making a purchasing decision in a dealership. Customers would still have two options to make their purchase:
    a. Point-of-sale at participating dealerships.
    b. At any other dealership as a post-purchase rebate.
2. Update the definition of “income-qualifying.” Currently, PCE uses 400% of the Federal Poverty Level as the standard in this program (currently at about $58,000 for a single-person household and about $79,000 for a two-person household). PCE will match the federal tax incentive, which is higher at $75,000 for a single tax filer, $115,000 for a Head of Household, and $150,000 for joint filers. This will increase the number of residents who can be included as “income-qualifying” and simplify the process for dealerships by harmonizing with the federal rebate.
3. Eliminate the non-income qualified rebate (currently $700-$1,000), making the program low-income only again. The rebate will also be reduced from $4,000 down to $2,000.
4. Eliminate the $35,000 vehicle sales price maximum. For vehicles less than $25,000, qualifying customers can use both the federal credit and the PCE rebate. For vehicles that sell for over $25,000, the PCE rebate is the only option for a point-of-sale discount.

PCE staff held two focus groups hosted by trusted non-profits in San Mateo County: Climate Resilient Communities and Peninsula Family Services, reaching about 90 participants. Staff introduced program proposals and incorporated community input.

Twelve car dealerships are under contract with Peninsula Clean Energy to provide the rebate to customers. Green Light Auto, a Daly City-based dealership that specializes in EV sales, is the most heavily utilized car dealership in the Used EV Incentive program and has provided 46 rebates to customers. PCE staff are proposing to add $250,000 to this contract for an amended contract total of $345,000, which is expected to provide an additional 125 rebates and last through the end of FY 26. Due to an accounting oversight, which has since been

corrected, Green Light Auto has exceeded its current contract maximum of $95,000, having already spent about $154,000 on customer rebates. PCE staff are implementing new accounting controls to ensure this issue doesn't occur again.

FISCAL IMPACT

Funding for this project is included in the Board-approved Used EV Incentive Program.

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.

RESOLUTION NO. _____

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

APPROVAL OF A $250,000 CONTRACT AMENDMENT WITH GREEN LIGHT AUTO, TO PROVIDE USED EV REBATES IN THE USED ELECTRIC VEHICLE INCENTIVE PROGRAM

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

WHEREAS, Peninsula Clean Energy Authority ("Peninsula Clean Energy") 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 Peninsula Clean Energy; and

WHEREAS, supporting electric vehicles (“EVs”) are an important mechanism for reducing greenhouse gas emissions and improving the local economy; and

WHEREAS, the importance of an accelerated transition to electric vehicles was highlighted recently with Governor Newsom’s Executive Order that that all new vehicle sales shall be zero-emissions beginning in 2035; and

WHEREAS, eligible dealerships are approved as a participating dealerships for the Used EV rebate program, subject to the Used EV Program Standards & Requirements; and

WHEREAS, approved dealerships in the Used EV program are required to execute a Contract Agreement to secure their financial incentives; and

WHEREAS, per Peninsula Clean Energy policy, Agreements valued at or above $100,000 require approval by the Peninsula Clean Energy Board of Directors; and

WHEREAS the Contract Agreement with Greenlight Auto is expected to be valued at or above $100,000 in value.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board delegates authority to the Chief Executive Officer to execute a Contract Amendment in the Used EV program with Greenlight Auto to increase the contract by $250,000 for a total of up to

$345,000 and extend the contract through June 30, 2026 in a form approved by General Counsel.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 12, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jeremy Waen, Senior Director of Regulatory Policy

SUBJECT: Approval of Two New Agreements with the Law Firm of Keyes & Fox LLP in an Amount Not-to-Exceed $95,000 and $90,000 Respectively, for a Total Not-to-Exceed Amount of $185,000, Replacing our Prior Agreement

BACKGROUND

Peninsula Clean Energy (PCE) Authority has had a continuing relationship with outside counsel, Keyes & Fox, LLP. Over the last seven years, Keyes & Fox has provided PCE with broad support with its litigation of complicated regulatory proceedings before the California Public Utilities Commission (CPUC) on topics ranging from PG&E annual Power Charge Indifference Adjustment (PCIA) rate adjustments to PG&E's general rate cases to the Commission's exploration of transportation electrification policy. Over the last two years, Keyes & Fox has also provided PCE with legal support for our agency's Local Government Solar Initiative.

The PCE Board originally authorized on October 27, 2016, the retention agreement with Keyes & Fox at an amount not to exceed $100,000. Subsequently, on October 25, 2018, the PCE Board authorized the amendment of this retention agreement to increase the not-to-exceed amount to $300,000. The PCE Board later authorized a second amendment to this retention agreement to increase not-to-exceed amount to $400,000. Presently, PCE continues to operate under this second amendment. However, now that PCE's Local Government Solar Initiative has matured into a continuing program, PCE staff is seeking to replace the current Agreement with Keyes & Fox with two new separate agreements with individual not-to-exceed budgets. One contract for $95,000 will continue Keyes & Fox's support of our agency's regulatory undertakings. The other contract for $90,000 will continue Keyes & Fox's support of our Local Government Solar Initiative.

It has become more common practice at PCE to enter into multiple, separate agreements with the same counterparty when that counterparty provides distinctly different services to support different departments and initiatives within PCE. This allows for smoother budget accounting and contract oversight by staff. PCE staff seeks here to adopt a similar, updated contractual arrangement for Keyes & Fox.

DISCUSSION

Keyes & Fox LLP continues to provide PCE with significant assistance in numerous dockets at the California Public Utilities Commission, the California Energy Commission, the California Air Resources Board and with certain legislative activities. We have been very satisfied with the assistance this firm has provided to date. Furthermore, Keyes & Fox over the last two years has provided PCE with legal support related to our Local Government Solar Initiative (Gov PV) program. The services that have been provided for Gov PV have eroded the existing retention budget for regulatory support work.

Rather than seek another amendment to the existing agreement with Keyes & Fox (as has been done previously), PCE staff seeks authorization from the Board for the CEO to execute two separate agreements with Keyes & Fox: one contract will continue our existing arrangements for regulatory support under a new budget authorization not to exceed $95,000. The other contract will continue our existing arrangements for support of our Local Government Solar Initiative (GovPV) under a separate agreement with a separate budget not to exceed $90,000. The present Keyes & Fox Agreement with the amended budget not to exceed $400,000 will effectively be terminated and replaced by these two new Agreements.

FISCAL IMPACT

Additional spend of up to $185,000 for two new contracts with Keyes & Fox LLP.

ATTACHMENTS:

KF-PCE Local Gov Engagement Letter - 112123 - CLEAN.pdf
KF-PCE Regulatory Engagement Letter - 112723 - CLEAN.pdf

RESOLUTION NO. _____

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

APPROVAL OF TWO NEW AGREEMENTS WITH THE LAW FIRM OF KEYES & FOX LLP IN AN AMOUNT NOT-TO-EXCEED $95,000 AND $90,000 RESPECTIVELY, FOR A TOTAL NOT-TO-EXCEED AMOUNT OF $185,000, REPLACING OUR PRIOR AGREEMENT

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

WHEREAS, the Peninsula Clean Energy Authority (“Peninsula Clean Energy" or the "Authority") was formed on February 29, 2016; and

WHEREAS, the JPA Agreement forming the Authority delegates to the Board the power to hire a General Counsel pursuant to Paragraph 3.3.2; and

WHEREAS, the San Mateo County Counsel’s Office has been appointed General Counsel and has been delegated authority to retain outside legal services in amounts not to exceed $25,000; and

WHEREAS, the General Counsel has determined it was necessary to seek outside legal services related to state regulatory oversight and policy and on October 27, 2016 this Board authorized the General Counsel to retain Keyes & Fox LLP on behalf of Peninsula Clean Energy for that purpose in an amount not to exceed $100,000 and to execute the retention agreement then presented to the Board; and

WHEREAS, the Board authorized and increased the retention amount by $400,000 on December 16, 2021; and

WHEREAS, Keyes & Fox LLP has been providing assistance to PCE in various capacities and the cost of its legal services will exceed the amount already authorized.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the CEO is authorized to execute with the law firm of Keyes & Fox LLP two new agreements to replace the existing retention agreement already approved by the Board as long as the total amount of these two agreements does not exceed $185,000.

* * * * * *

KEYES&FOX LLP

November 21, 2023

Shawn Marshall
David Silberman
San Mateo County Counsel's Office
400 County Center, Sixth Floor
Redwood City, California 94063

Re: Engagement Letter – Peninsula Clean Energy Authority – Local Government Solar

Dear Ms. Marshall and Mr. Silberman,

We are pleased Peninsula Clean Energy Authority ("PCE") has decided to continue to retain Keyes & Fox LLP ("Keyes & Fox") to represent PCE (a) in drafting and negotiating transaction documents with regard to local government distributed energy programs, (b) with compliance counseling related to local government distributed energy programs, and (c) to address other legal issues we both mutually agree to undertake ((a), (b) and (c) referred to collectively herein as "Legal Services"). We thank you for this opportunity to work on your behalf.

This letter replaces that certain engagement letter between PCE and Keyes & Fox dated January 14, 2019 ("January 2019 Agreement") in its entirety, as well as that specific December 2, 2021, Amendment A to the January 2019 Agreement and that specific September 22, 2022 Amendment B to the January 2019 Agreement. This letter describes the basis of the attorney-client relationship between Keyes & Fox and PCE, along with an explanation of how Keyes & Fox will bill for its Legal Services. We believe that it is beneficial to the attorney-client relationship to develop a clear understanding of our billing and engagement policies upfront.

1. Scope of Keyes & Fox's Representation

Pursuant to this engagement letter, Keyes & Fox agrees to represent PCE as its client with regard to the Legal Services described above. Keyes & Fox will do its utmost to serve PCE effectively, provide Legal Services in an efficient manner, and respond promptly to PCE's inquiries.

We have run a conflicts check as it relates to the proposed Legal Services, and we have not found any direct conflicts with undertaking them. If a conflict arises that may impact our ability to provide PCE with effective representation, we will promptly bring that conflict to PCE's attention. If you are concerned about any relationship we might have with particular companies, organizations or individuals, please bring those concerns to our attention.

Keyes & Fox will coordinate its projects with Jeremy Waen, as the designated representative of PCE, or with whomever Mr. Waen may specifically delegate that authority. Subject to the limitation(s) contained in Section 3(a), *infra*, we understand that Mr. Waen has the authority to

make all decisions on behalf of PCE in connection with the Legal Services proposed, and we are relying on that understanding.

2. Confidentiality

Generally, it is in PCE's interest to preserve confidentiality of all communications with Keyes & Fox. If PCE discloses any of our communications, it jeopardizes the privileged nature of the communications, so we believe it is advisable that PCE take care not to disclose privileged information to third parties.

3. Fees, Expenses and Invoicing

By signing this engagement letter, PCE agrees to pay Keyes & Fox for time and out-of-pocket expenses according to the terms set forth below.

a. Professional fees

Keyes & Fox will keep an hourly total of any time spent on PCE's matters. Work will be performed at hourly rates according to the rates set forth in Attachment A to this engagement letter, which is incorporated by reference herein.

It is Keyes & Fox's policy to adjust hourly rates for all attorneys and staff at the beginning of the calendar year. Historically, rate increases have been between 5-8% per year. Rates quoted in Attachment A are 2023 rates. Our firm's practice is to charge for travel time, as discussed in Attachment A.

Sheridan Pauker will be the lead Keyes & Fox attorney working with PCE in connection with the proposed Legal Services. Ms. Pauker may utilize the services of other Keyes & Fox attorneys and non-attorney professionals in connection with this matter. By agreeing to this engagement letter, PCE consents in writing to Ms. Pauker serving as the lead attorney in this matter and to Ms. Pauker's assignment of work on this matter to any of the other Keyes & Fox team members listed in Attachment A.

Of Counsel attorneys identified in the Rates for Attorneys provided in Attachment A are neither partners nor associates of Keyes & Fox. A portion of any legal fees billed by Keyes & Fox may be divided and paid to them. By agreeing to this engagement letter, you consent in writing to a division of fees with the firm's Of Counsel attorneys.

This letter authorizes payment of fees of up to ninety thousand dollars ($90,000) in connection with the Legal Services. Unless otherwise agreed to in writing, PCE will not be obligated for fees in excess of this amount.

b. Expenses

Expenses may be incurred in performing legal services as part of your engagement. You agree that PCE will pay for all costs, disbursements, and expenses in addition to our hourly fees. Costs and expenses include messenger and other delivery fees, copying and reproduction costs, costs for travel including mileage and parking, computerized legal research, and other similar expenses. Expenses will be billed at actual cost.

c. Invoices and payments

We invoice our clients monthly. Our invoices are due and payable within 15 days, unless other arrangements have been agreed to in writing in advance. Typically, invoices will list the matter worked on and provide information on the dates of service, time involved, Keyes & Fox team member responsible and activity undertaken. We will use our best efforts to respond to requests for special invoice formats. Any unpaid amounts after sixty (60) days will accrue interest at a rate of five percent (5%) per annum, provided that Keyes & Fox shall give PCE notice of Keyes & Fox's intent to charge such interest thirty (30) days before any accrual begins.

4. Termination of Keyes & Fox's Representation

Either PCE or Keyes & Fox may terminate Keyes & Fox's representation of PCE at any time and for any reason. At the time Keyes & Fox's representation of PCE concludes, all unpaid fees and costs for Keyes & Fox's Legal Services become due and payable. If at that time, PCE does not request the return of its file, Keyes & Fox will retain PCE's file for a period of three (3) years, after which Keyes & Fox may have the file destroyed.

5. Miscellaneous

This letter is the entire agreement between PCE and Keyes & Fox concerning the provision of Legal Services. This agreement and the scope of Legal Services provided under it may be amended from time to time by mutual agreement. California law will govern this agreement and any subsequent amendments.

Nothing in this agreement should be construed as a promise or guarantee about the outcome of any matter which Keyes & Fox is handling on PCE's behalf. Our comments about the outcome of PCE's matters are expressions of opinion only. If Keyes & Fox should provide PCE with an estimate of the fees and costs which may be incurred in connection with our representation of PCE, it is important that PCE understand and acknowledge that any such estimate is merely an estimate based on numerous assumptions, which may or may not prove to be correct and that any estimate is not a guarantee or agreement of what the maximum amount of fees and/or costs will be.

Generally, Keyes & Fox does not update our clients about changed circumstances or changes in the law after our work on a matter is completed. Please let Mr. Lindl know if PCE wants Keyes & Fox to assume this responsibility so that appropriate arrangements can be made.

KEYES&FOX LLP

6. Conclusion

If the terms of Keyes & Fox's representation of PCE as explained in this letter are satisfactory, please execute a copy of this letter as indicated and return it to me. Please feel free to contact me if you have any questions or concerns.

We look forward to working with you.

Sincerely,

Tim Lindl, Partner
Keyes & Fox LLP

By signing this letter, PCE affirms that it understands and agrees to the terms set forth in this letter. This agreement will not take effect, and Keyes & Fox will have no obligation to provide Legal Services, until PCE returns a signed copy of this letter.

I have read the foregoing letter, understand it and agree to it on behalf of PCE.

By:_____

Shawn Marshall, Chief Executive Officer
Peninsula Clean Energy Authority

Date: _____

KEYES&FOX LLP

Attachment A: Keyes & Fox LLP 2024 Hourly Rate Sheet

Kevin Fox	$580
Jason Keyes	$400
Tim Lindl	$450
Jake Schlesinger	$400
Scott Dunbar	$370
Sheridan Pauker	$490
Mark Valentine	$400
Beren Argetsinger	$335
Nikhil Vijaykar	$380
Julia Kantor	$370
Theresa Cho	$590
Grant Snyder	$305
Alexandra Haggarty	$370
Alissa Greenwald	$295
Andy Ball	$330

EQ Research LLC 2024 Hourly Rate Sheet

EQ Litigation Support Rates (Non-K&F Personnel)	
Miriam Makhyoun	$260
Justin Barnes	$230
Jason Hoyle	$180
Blake Elder	$200
Heather DePouw	$140
Jeremy Abcug	$130
Alicia Zaloga	$130
Corey Cochran	$110
Rob Campbell	$110

Travel Policy: Unless special arrangements are made, travel time is billed at the full hourly rate. Every effort will made to work productively on PCE matters during travel. If work is performed for another client during travel, PCE will not be billed for that time. All reasonable travel expenses are billable – hotel, airfare, car rental, meals, taxi, public transit, etc.

Work Policy: Reasonable time for filing and service is billed at regular billable rates.

Miscellaneous Expenses Policy: Expenses for postage, photocopying, printing, faxing and other minor expenses directly related to a matter are billable at cost to PCE.

KEYES&FOX LLP

November 21, 2023

Shawn Marshall
David Silberman
San Mateo County Counsel's Office
400 County Center, Sixth Floor
Redwood City, California 94063

Re: Engagement Letter – Peninsula Clean Energy Authority – Regulatory

Dear Ms. Marshall and Mr. Silberman,

We are pleased Peninsula Clean Energy Authority ("PCE") has decided to continue to retain Keyes & Fox LLP ("Keyes & Fox") to represent PCE (a) in regulatory proceedings at the California Public Utilities Commission we both mutually agree to undertake and (b) to address other legal issues we both mutually agree to undertake ((a) and (b) referred to collectively herein as "Legal Services"). We thank you for this opportunity to work on your behalf.

This letter replaces that certain engagement letter between PCE and Keyes & Fox dated January 14, 2019 ("January 2019 Agreement") in its entirety, as well as that specific December 2, 2021, Amendment A to the January 2019 Agreement and that specific September 22, 2022 Amendment B to the January 2019 Agreement. This letter describes the basis of the attorney-client relationship between Keyes & Fox and PCE, along with an explanation of how Keyes & Fox will bill for its Legal Services. We believe that it is beneficial to the attorney-client relationship to develop a clear understanding of our billing and engagement policies upfront.

1. Scope of Keyes & Fox's Representation

Pursuant to this engagement letter, Keyes & Fox agrees to represent PCE as its client with regard to the Legal Services described above. Keyes & Fox will do its utmost to serve PCE effectively, provide Legal Services in an efficient manner, and respond promptly to PCE's inquiries.

We have run a conflicts check as it relates to the proposed Legal Services, and we have not found any direct conflicts with undertaking them. If a conflict arises that may impact our ability to provide PCE with effective representation, we will promptly bring that conflict to PCE's attention. If you are concerned about any relationship we might have with particular companies, organizations or individuals, please bring those concerns to our attention.

Keyes & Fox will coordinate its projects with Jeremy Waen, as the designated representative of PCE, or with whomever Mr. Waen may specifically delegate that authority. Subject to the limitation(s) contained in Section 3(a), *infra*, we understand that Mr. Waen has the authority to make all decisions on behalf of PCE in connection with the Legal Services proposed, and we are relying on that understanding.

2. Confidentiality

Generally, it is in PCE's interest to preserve confidentiality of all communications with Keyes & Fox. If PCE discloses any of our communications, it jeopardizes the privileged nature of the communications, so we believe it is advisable that PCE take care not to disclose privileged information to third parties.

3. Fees, Expenses and Invoicing

By signing this engagement letter, PCE agrees to pay Keyes & Fox for time and out-of-pocket expenses according to the terms set forth below.

a. Professional fees

Keyes & Fox will keep an hourly total of any time spent on PCE's matters. Work will be performed at hourly rates according to the rates set forth in Attachment A to this engagement letter, which is incorporated by reference herein.

It is Keyes & Fox's policy to adjust hourly rates for all attorneys and staff at the beginning of the calendar year. Historically, rate increases have been between 5-8% per year. Rates quoted in Attachment A are 2023 rates. Our firm's practice is to charge for travel time, as discussed in Attachment A.

Tim Lindl will be the lead Keyes & Fox attorney working with PCE in connection with the proposed Legal Services. Mr. Lindl may utilize the services of other Keyes & Fox attorneys and non-attorney professionals in connection with this matter. By agreeing to this engagement letter, PCE consents in writing to Mr. Lindl serving as the lead attorney in this matter and to Mr. Lindl's assignment of work on this matter to any of the other Keyes & Fox team members listed in Attachment A.

Of Counsel attorneys identified in the Rates for Attorneys provided in Attachment A are neither partners nor associates of Keyes & Fox. A portion of any legal fees billed by Keyes & Fox may be divided and paid to them. By agreeing to this engagement letter, you consent in writing to a division of fees with the firm's Of Counsel attorneys.

This letter authorizes payment of fees of up to ninety-five thousand dollars ($95,000) in connection with the Legal Services. Unless otherwise agreed to in writing, PCE will not be obligated for fees in excess of this amount.

b. Expenses

Expenses may be incurred in performing legal services as part of your engagement. You agree that PCE will pay for all costs, disbursements, and expenses in addition to our hourly fees. Costs and expenses include messenger and other delivery fees, copying and reproduction costs, costs

for travel including mileage and parking, computerized legal research, and other similar expenses. Expenses will be billed at actual cost.

c. Invoices and payments

We invoice our clients monthly. Our invoices are due and payable within 15 days, unless other arrangements have been agreed to in writing in advance. Typically, invoices will list the matter worked on and provide information on the dates of service, time involved, Keyes & Fox team member responsible and activity undertaken. We will use our best efforts to respond to requests for special invoice formats. Any unpaid amounts after sixty (60) days will accrue interest at a rate of five percent (5%) per annum, provided that Keyes & Fox shall give PCE notice of Keyes & Fox's intent to charge such interest thirty (30) days before any accrual begins.

4. Termination of Keyes & Fox's Representation

Either PCE or Keyes & Fox may terminate Keyes & Fox's representation of PCE at any time and for any reason. At the time Keyes & Fox's representation of PCE concludes, all unpaid fees and costs for Keyes & Fox's Legal Services become due and payable. If at that time, PCE does not request the return of its file, Keyes & Fox will retain PCE's file for a period of three (3) years, after which Keyes & Fox may have the file destroyed.

5. Miscellaneous

This letter is the entire agreement between PCE and Keyes & Fox concerning the provision of Legal Services. This agreement and the scope of Legal Services provided under it may be amended from time to time by mutual agreement. California law will govern this agreement and any subsequent amendments.

Nothing in this agreement should be construed as a promise or guarantee about the outcome of any matter which Keyes & Fox is handling on PCE's behalf. Our comments about the outcome of PCE's matters are expressions of opinion only. If Keyes & Fox should provide PCE with an estimate of the fees and costs which may be incurred in connection with our representation of PCE, it is important that PCE understand and acknowledge that any such estimate is merely an estimate based on numerous assumptions, which may or may not prove to be correct and that any estimate is not a guarantee or agreement of what the maximum amount of fees and/or costs will be.

Generally, Keyes & Fox does not update our clients about changed circumstances or changes in the law after our work on a matter is completed. Please let Mr. Lindl know if PCE wants Keyes & Fox to assume this responsibility so that appropriate arrangements can be made.

KEYES&FOX LLP

6. Conclusion

If the terms of Keyes & Fox's representation of PCE as explained in this letter are satisfactory, please execute a copy of this letter as indicated and return it to me. Please feel free to contact me if you have any questions or concerns.

We look forward to working with you.

Sincerely,

Tim Lindl, Partner
Keyes & Fox LLP

KEYES&FOX LLP

By signing this letter, PCE affirms that it understands and agrees to the terms set forth in this letter. This agreement will not take effect, and Keyes & Fox will have no obligation to provide Legal Services, until PCE returns a signed copy of this letter.

I have read the foregoing letter, understand it and agree to it on behalf of PCE.

By:_____

Shawn Marshall, Chief Executive Officer
Peninsula Clean Energy Authority

Date: _____

KEYES&FOX LLP

Attachment A: Keyes & Fox LLP 2024 Hourly Rate Sheet

Kevin Fox	$580
Jason Keyes	$400
Tim Lindl	$450
Jake Schlesinger	$400
Scott Dunbar	$370
Sheridan Pauker	$460
Mark Valentine	$400
Beren Argetsinger	$335
Nikhil Vijaykar	$380
Julia Kantor	$370
Theresa Cho	$590
Grant Snyder	$305
Alexandra Haggarty	$370
Alissa Greenwald	$295
Andy Ball	$330

EQ Research LLC 2024 Hourly Rate Sheet

EQ Litigation Support Rates (Non-K&F Personnel)	
Miriam Makhyoun	$260
Justin Barnes	$230
Jason Hoyle	$180
Blake Elder	$200
Heather DePouw	$140
Jeremy Abcug	$130
Alicia Zaloga	$130
Corey Cochran	$110
Rob Campbell	$110

Travel Policy: Unless special arrangements are made, travel time is billed at the full hourly rate. Every effort will made to work productively on PCE matters during travel. If work is performed for another client during travel, PCE will not be billed for that time. All reasonable travel expenses are billable – hotel, airfare, car rental, meals, taxi, public transit, etc.

Work Policy: Reasonable time for filing and service is billed at regular billable rates.

Miscellaneous Expenses Policy: Expenses for postage, photocopying, printing, faxing and other minor expenses directly related to a matter are billable at cost to PCE.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 12, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Shawn Marshall, Chief Executive Officer

SUBJECT: CEO Report

BACKGROUND

Happy Holidays! The CEO and team are preparing for PCE's end-of-year all staff meeting on December 15 and our 2024 planning session on December 19, 2023. The CEO will present her monthly report at the Board meeting on December 21, 2023.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 12, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Shawn Marshall, Chief Executive Officer

SUBJECT: Approval of the Fiscal Year End (FYE) 2024 Surplus Funds Committee Recommendations Including an Update to Policy 18, "Financial Reserves Policy" (Action)

RECOMMENDATION

Approval of the FYE 2024 Surplus Funds Committee allocations and related recommendations:

1. Approve slate of 8 funding allocations totaling $68,000,000;
2. Establish an annual reserve *target* of 250 adjusted days cash on hand, above which the Board would consider a surplus fund allocation(s);
3. Modify PCE's Policy 18, "Financial Reserves Policy" to state that if the Operating Reserve is projected to be below 180 days over the next 12 months, PCE will implement plans, such as increasing rates/reducing PCE's discount, to return Operating Reserves to the level of 180 days within two fiscal years; and,
4. Include a standard 10% cost of energy contingency in PCE's annual power supply budget.

BACKGROUND

In July 2023, Peninsula Clean Energy (PCE) formed a staff-led, ad-hoc committee comprised of Board, staff, and Community Advisory Committee (CAC) members focused on the allocation of fiscal year-end 2024 budget surplus funds, hereafter referred to as the Surplus Funds Committee.

The Surplus Funds Committee met six times between the months of August and November 2023 to establish evaluative criteria and discuss ideas and opportunities to reallocate approximately $68 million in surplus revenues in support of PCE customers, its member communities, and enhanced energy programs. The Committee is also recommending an updated cash reserve target and an annual power resources budget contingency that accompanies the funding recommendations.

The Committee discussed funding options and levels within four general categories, which served as a framework for thoughtful discussion and decision-making. These categories were:

1. Days Cash on Hand/PCE Reserve Policy and Targets
2. Customer Rebates/Rate Discounts
3. Energy Programs (customer and municipal)
4. Funding for Local Power Projects

The Committee also considered the following evaluative criteria and ranked each option high, medium, and low for impact within these categories:

1. GHG Reduction/Resilience Impact
2. Customer Impact
3. PCE Awareness/Reputational Benefit
4. New or Existing Program
5. Staff Level of Effort

Finally, while many suggestions and ideas were considered, not every idea was included within the $68 million allocation. Staff and committee members will be on-hand to provide additional insights as needed.

DISCUSSION

Following the funding categories and evaluation criteria indicated above, the Surplus Funds Committee first generated a lengthy list of funding ideas and then ranked each according to its potential customer, community and PCE impact. After six meetings totaling over 10 hours of committee discussion and evaluation, the following is the proposed slate of funding allocations totaling $68,000,000 from the Fiscal Year End (FYE) 2024 budget. Please note that the $12M allocated for the one-time CARE/FERA rebate was approved by the Board at its last meeting on November 16, 2023. A copy of the letter sent to CARE/FERA customers in early December is included as an attachment to this memo. Staff will be on hand to provide additional programmatic detail for the funding recommendations below.

CATEGORY	ITEM	FUNDING	% OF TOTAL
Customer rebates/discounts	One time $300 rebate to ~41,200 CARE/FERA customers	$12 M	18%
Energy Programs	Financing for residential storage and outages	$10 M	15%
Energy Programs	Additional loan funds for local govt electrification program	$4.5 M	7%
Energy Programs	Energy storage for public buildings	$5 M	7%
Energy Programs	School electrification and storage incentives	$5 M	7%
Energy Programs	Emergency water heater replacement	$5 M	7%
Energy Programs	Member agency energy grants (see detail below)	$11.5 M	17%
Local Power Projects	Funding for local power projects; microgrid or other advanced energy	$15 M	22%
TOTAL		$68 M	100%

Related Recommendations and Additional Detail

1) PCE Reserve Policy and Proposed Target for Adjusted Days Cash on Hand

PCE's current Reserve Policy 18 requires a minimum of 180 days operating reserve/days cash on hand (DCOH). The Surplus Funds Committee discussed this policy in light of recent feedback from credit rating agencies and determined that the minimum 180 day policy remains sufficient for PCE, with the addition of enhanced language that would strengthen our position and clarify action in the event the minimum of 180 DCOH can't be met. The proposed amended language for Policy 18 states that if operating reserves are projected to be below 180 days over the next 12 months, PCE will implement plans, such as increasing rates/lowering PCE's discount, to return operating reserves to the established policy level of 180 days within two fiscal years. Redline amendments to policy 18 reflecting this proposed update are attached to this staff report.

In addition, the Committee also discussed that PCE's annual budgeting process and customer rate setting could be enhanced by establishing an upper *target* of 250 adjusted days cash on hand, above which the Board could consider a surplus fund allocation. Adjusted DCOH would be calculated as the expected DCOH less any Board-approved, capital-spending allocations or programs (e.g. revolving loan funds, Gov PV programs, etc.). As this is a proposed operating practice and *target,* it is not included at this time in the amended Reserve Policy 18 attached to this staff report.

2) Power Resources Budget Contingency

The Surplus Funds Committee discussed at length the volatility in the energy markets and unforeseen budget impacts that can result. In the past four months, for example, the FYE 2024 surplus funds were reduced by $30,000,000 to account for significant budget overages associated with skyrocketing resource adequacy (RA) pricing and the requirement to maintain RA compliance. To mitigate the impacts of similar market or regulatory volatility going forward, the Surplus Funds Committee is recommending that staff include a standard 10% contingency over the annual budgeted cost of energy to absorb some or all of the price volatility that can have significant negative impacts on PCE's budget and cash reserves.

3) Member Agency Energy Grants

As noted earlier in this memo, the Surplus Funds Committee considered a large number of funding ideas, some of which were unique to or advanced by an individual member agency. Thus, the idea to provide $11.5 M in "member agency energy grants" was suggested as a way to help fund local agency energy/sustainability projects according to local needs, as long as those projects align with PCE's mission and goals. Staff created the following funding guidelines for this program, which were reviewed and approved by General Counsel.

- Project-based grants awarded on a one-time basis from anticipated FYE 24 surplus funds;
- Funding must be used for purposes consistent with PCE's mission, such as efforts to reduce local greenhouse gas emissions, support energy efficiency and/or community electrification projects;
- $11.5 M in total surplus funds to be disbursed based on project costs, up to a maximum member-agency allocation based on January 2024 load share/customer count in that jurisdiction;
- Funding may be used for one or more projects and would need to be spent within 24 months of allocation;
- Project application including a detailed description of anticipated use of funds and a post expenditure completion report to PCE; and
- PCE led post-project completion audit to ensure the appropriate and responsible use of grant funds.At its December 7, 2023 meeting the PCE Community Advisory Committee

expressed support for the funding recommendations advanced by the Surplus Funds committee.

At its December 11, 2023 meeting the PCE Executive Committee reviewed and unanimously approved the recommendations of the Surplus Funds Committee as described above.

FISCAL IMPACT

Approximately $68,000,000 will be expended and/or reallocated as outlined above from the approved FYE 2024 budget.

ATTACHMENTS:
2023 CARE FERA Letter (English).pdf
Financial Reserves Policy 18 Clean.pdf
Financial Reserves Policy 18 Redline.pdf

RESOLUTION NO. _____

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

APPROVAL OF THE FISCAL YEAR END (FYE) 2024 SURPLUS FUNDS COMMITTEE RECOMMENDATIONS INCLUDING AN UPDATE TO POLICY 18, "FINANCIAL RESERVES POLICY" (ACTION)

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

WHEREAS, in July 2023, Peninsula Clean Energy (PCE) formed a staff-led, ad-hoc committee comprised of Board, staff, and Community Advisory Committee (CAC) members focused on the allocation of fiscal year-end 2024 budget surplus funds; and

WHEREAS, the Surplus Funds Committee met six times between the months of August and November 2023 to establish evaluative criteria and discuss ideas and opportunities to reallocate approximately $68 million in surplus revenues in support of PCE customers, its member communities, and enhanced energy programs; and

WHEREAS, the Surplus Funds Committee also determined that the minimum 180 day operating reserve policy remains sufficient for PCE, with the addition of enhanced language that clarifies that if operating reserves are projected to be below 180 days over the next 12 months, PCE will implement plans, such as increasing rates/lowering PCE's discount, to return operating reserves to the established policy level of 180 days within two fiscal years; and,

WHEREAS, the Surplus Funds committee also recommended including a standard 10% expense contingency in the annual power resources budget to absorb energy price volatility, and setting a reserve target of 250 days adjusted days cash on hand, above which the Board would consider a reallocation of surplus funds.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the PCEA Board of Directors approve $68,000,000 in surplus fund allocations and related Surplus Fund Committee recommendations, including amendments to Financial Reserves Policy 18.

* * * * * *

December 4, 2023

Dear [FullName],

It is my pleasure to inform you that you will be receiving a **$300 credit** on your electricity bill from Peninsula Clean Energy. It will appear automatically on your bill in December or January, depending on your bill cycle. **No action from you is required.**

Earlier this month, our Board of Directors approved a one-time bill credit for our customers who, like you, currently receive discounted rates on your PG&E bill through California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) programs.

Peninsula Clean Energy is a community energy agency that provides clean energy at lower rates than PG&E. We know that rising energy costs have been difficult for many of our customers, and we are working hard to keep your electric generation rates down. In addition, Peninsula Clean Energy offers a variety of energy programs to lower your costs as well as incentives to replace old gas appliances and make the switch to electric transportation.

For information about our energy programs and ways to reduce your energy costs, please visit PenCleanEnergy.com/lowerbill.

Thank you for being our customer, and best holiday wishes from all of us at Peninsula Clean Energy!

Sincerely,

Shawn Marshall
Chief Executive Officer
Peninsula Clean Energy

Policy Number: 18
Board Adoption: June 28, 2018
Revised: February 27, 2020
Revised: February 25, 2021
Revised: December 21, 2023

Reserves Policy

Overview and Purpose

Peninsula Clean Energy (PCE) will maintain Financial Reserves as described in this policy to:

a. Meet PCE's strategic objectives
b. Secure favorable commercial terms with vendors, including power producers
c. Secure future stand-alone PCE credit rating
d. Provide a contingency to provide rate stability for PCE customers
e. Provide a source of funds for unanticipated expenditures

1. **Policy Guidelines**
   PCE will maintain an Operating Reserve equal to 180 days of total operating expenses (including power supply expenses and after adjusting for any discrete Board-approved capital-spending allocations or customer programs) held as unrestricted cash. Unrestricted cash is equal to total cash less cash held in accounts that are restricted from use (due to collateral or by covenant).

   If the Operating Reserve is projected to be below 180 days over the next 12 months, PCE will implement plans, such as increasing rates/lowering PCE's discount, to return Operating Reserves to the target of 180 days within two fiscal years. Such plans will be provided in subsequent budget and rate discussions with the Board of Directors.

2. **Spending Authority**
   Authority to spend from the reserves must align with Board approved budgets and must be approved by the Board.

3. **Review of Policy**
   PCE staff will review the Reserve Policy annually to ensure it meets the needs of the agency.

Policy Number: 18
Board Adoption: June 28, 2018
Revised: February 27, 2020
Revised: February 25, 2021
Revised: December 21, 2023

Reserves Policy

Overview and Purpose

Peninsula Clean Energy (PCE) will maintain Financial Reserves as described in this policy to:

a. Meet PCE's strategic objectives
b. Secure favorable commercial terms with vendors, including power producers
c. Secure future stand-alone PCE credit rating
d. Provide a contingency to provide rate stability for PCE customers
e. Provide a source of funds for unanticipated expenditures

1. **Policy Guidelines**
   PCE will maintain an Operating ~~/ Working Capital~~ Reserve equal to 180 days of total operating expenses (including power supply expenses and after adjusting for any discrete Board-approved capital-spending allocations or customer programs) held as unrestricted cash. Unrestricted cash is equal to total cash less cash held in accounts that are restricted from use (due to collateral or by covenant).

   If the Operating Reserve is projected to be below 180 days over the next 12 months, PCE will implement plans, such as increasing rates/lowering PCE's discount, to return Operating Reserves to the target of 180 days within two fiscal years. Such plans will be provided in subsequent budget and rate discussions with the Board of Directors.

2. **Spending Authority**
   Authority to spend from the reserves must align with Board approved budgets and must be approved by the Board.

3. **Review of Policy**
   PCE staff will review the Reserve Policy annually to ensure it meets the needs of the agency.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 12, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

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

SUBJECT: Approval of Updates to Policy 13, "Delinquent Accounts and Bad Debt Collections" (Action)

RECOMMENDATION

Approval of the proposed updates to Policy 13, "Delinquent Accounts and Bad Debt Collections" (Exhibit A)

BACKGROUND

When a customer's account is closed for any reason and there is an unpaid balance pending payment, PG&E acts as the collecting agent on Peninsula Clean Energy's behalf for up to two months after the account's closing date. If that period expires and the customer has not made payment to PG&E, PG&E reverses the balance amount due to PCE via Calpine Energy Solutions, our back end data manager for billing operations. The original PCE policy on this matter featured two treatment cases: 1) customers with an owed balance greater than $50.00 were sent to collections processed by a third party, and 2) customers with a balance under $50.00 had their balance written off. Returned debts to PCE from closed accounts vary year to year but have historically averaged $500,000 annually. Assuming a successful collections rate of approximately 10%, which is in line with our previous efforts, we can expect to recover an additional $35,000 per year after factoring in partner fees.

Former customers with a balance greater than $50 have not been sent to collections since late 2019. At that time, PCE was under contract with Granite Creditors Service, a local collections agency located in Pacifica. Collection efforts were initially suspended at the end of 2019 to reassess the process, but due to the COVID-19 pandemic that occurred shortly thereafter, the collections suspension was upheld indefinitely. Write-offs for unpaid balances under $50 have continued to be processed without interruption.

At its December 11, 2023 meeting the Peninsula Clean Energy Executive Committee reviewed and unanimously approved the updates within this policy and recommends approval to the Board of Directors.

At its December 7, 2023 meeting the Peninsula Clean Energy Community Advisory Committee expressed support for the updated policy because of its humane approach and financial benefit to Peninsula Clean Energy.

DISCUSSION

Now that the COVID-19 pandemic has settled down and PG&E's moratorium on delinquent bill collections has been lifted, it is the recommendation of the Account Services team that PCE's collections process be restored with a new third-party collections vendor.

To start this process anew, account services and finance staff approved the write-off of all pre-existing debts up until the end of the 2023 fiscal year, in accordance with existing policies for debts deemed uncollectable. Under the proposed updated policy, PCE would like to give customers the option to pay PCE directly via third-party platform, Square, to avoid being sent to collections. This addition of a 'pre-collections' effort and direct pay option to PCE is the substantive change we are proposing to the existing policy.

Square is a reputable payment platform used across various industries for payment transactions and provides brand recognition that gives customers reassurance when making their past-due payments. It also provides payment flexibility through the use of debit or credit cards. Customers will have 30 days to make payment via Square, or remit a check, after which they would be sent through to collections via Optio Solutions.

Optio Solutions is a collections agency based in Petaluma, CA that has significant experience in the electric utility industry. They utilize several different strategies (calls, letters, email, text etc.) and only collect payment on successful collections transactions. They have worked as collectors for Sonoma Clean Power for a couple of years with good success. The small balance write-off and collections monetary thresholds will be carried over from the previous policy. That is, amounts under $50 will be written off as uncollectible revenue and amounts over $50 will be payable directly to PCE through pre-collections (Square) followed by regular collections performed by Optio Solutions.

FISCAL IMPACT

Reinstatement of this policy will result in added costs/fees for both the pre-collections portion and collections portion of the effort. However, all fees are based on successful payment and collection transactions. Square does not require a contract nor a regular fee but withholds 2.9% as well as a $0.30 denomination from the payment amount for each transaction processed. Optio Solutions holds a contingency fee of 30% per successful payment, with no regular fee. There are no additional fees associated with the backend data management portion of this process with Calpine Energy Solutions. As noted previously returned debts from closed accounts vary year to year but have historically averaged $500,000 per year. Assuming a successful collections rate of approximately 10%, which is in line with our previous efforts, we can expect to recover an additional $35,000 per year after factoring in partner fees.

ATTACHMENTS:

Policy 13 - Delinquent Accounts and Bad Debt Policy - Dec 2023 - Clean.pdf
Policy 13 - Delinquent Accounts and Bad Debt Policy - Edits Dec 2023 - Redlined.pdf

RESOLUTION NO. _____

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

APPROVAL OF UPDATES TO POLICY 13, "DELINQUENT ACCOUNTS AND BAD DEBT COLLECTIONS" (ACTION)

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

WHEREAS, Peninsula Clean Energy was formed on February 29, 2016 as a Community Choice Aggregation program ("CCA"); and

WHEREAS, on October 1, 2016 Peninsula Clean Energy began offering service to residents and businesses throughout San Mateo County; and

WHEREAS, on April 1, 2022 Peninsula Clean Energy began offering service to residents and businesses in the City of Los Banos; and

WHEREAS, Peninsula Clean Energy previously held Policy 13, "Delinquent Accounts and Bad Debt Policy", related to the notification and collection of bad debts; and

WHEREAS, Policy 13 was suspended in late 2019 to reassess treatment of customer debts; and

WHEREAS, the policy suspension was extended indefinitely due to the COVID-19 pandemic; and

WHEREAS, it is in Peninsula Clean Energy's best interest to resume efforts to recoup unpaid customer debt; and

WHEREAS, a new pre-collections option will provide customers whose accounts have closed with an additional opportunity to make direct payment to Peninsula Clean Energy prior to being sent to collections; and

WHEREAS, Peninsula Clean Energy customers enrolled in either of the California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) financial assistance programs will not be sent to collections;

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board authorizes the Chief Executive Officer to implement the attached updates to Policy 13 for Peninsula Clean Energy customers to be effective February 1, 2024 for eligible customers.

PENINSULA CLEAN ENERGY

Policy Number: 13
Board Adoption: May 25, 2017
Revised: December 21, 2023

Delinquent Accounts and Bad Debt Collections Policy

Overview and Purpose

This policy sets forth Peninsula Clean Energy's (PCE) principal procedures regarding late payment noticing and the collection of overdue balances. All or segments of this policy may be suspended or modified.

Territory: The entire Peninsula Clean Energy service area of San Mateo County and the City of Los Banos.

Definitions:

a) "Non-Payment" is defined as the absence of a PCE Customers effort to submit payment for PCE charges owed despite direct notice of unpaid debts.
b) "Overdue balance" is defined as any unpaid dollar amount owed to PCE by a PCE Customer for PCE electric generation service consumed by the customer.
c) "Collections" is defined as extensive efforts made by a third party on PCE's behalf to collect payment for overdue and unpaid account balance owed by a former PCE customer.
d) "CARE" or "FERA" is defined as a customer or former customer's enrollment in the California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) programs.

1) **Delinquent Accounts:**
   a) **Residential Accounts:**
      i) Customer will be sent a Late Payment Notice via U.S. Mail if the account has a PCE balance exceeding $250 in charges that are overdue for more than 90 days.
      ii) Customer will be provided with 60 days to pay or make payment arrangements.

   b) **Non-Residential Accounts:**
      i) Customers will be sent a Late Payment Notice if the account has a PCE balance exceeding $500 in charges overdue for more than 60 days.
      ii) The customer will be provided 30 days to pay or make payment arrangements.

   c) If the Customer discussed in 1.a or 1.b is enrolled in a payment plan with PG&E and is current on all payments, no PCE Late Payment Notice will be sent.

d) **Return to PG&E for Non-Payment:**
   i) If a Customer has not made payment(s) for their outstanding PCE balance or the terms of an activated payment plan are not fulfilled after receiving two consecutive PCE Late Payment Notices, the customer may be transferred from PCE service back to PG&E's fully bundled service upon receipt of a third and final PCE Late Payment Notice.
   ii) Customers returned to PG&E will be charged the applicable PCE opt-out fee and are subject to the applicable terms and conditions provided in PG&E Electric Rule 23.
   iii) Customers on CARE or FERA financial assistance programs will not be returned to fully bundled PG&E service because of nonpayment.
   iv) All Customers are required to pay all outstanding PCE charges for the period in which they accepted service from PCE. Opting out of PCE service, transfer back to PG&E service under section 1.d.i above, or account closure does not negate owed PCE charges.

2) **Bad Debt Collections Policy**
   a) **Applicability:** Customers that have an unpaid PCE balance due at the time of their account closure are required to make full payment to PG&E for past-due charges. If payment is not made within 60 days of the account closure date, PG&E will no longer accept payment and the overdue balances are returned to PCE for processing.

   b) **Pre-Collections Notice**
      i) Customers who have not made payment within the 60 days after account closure and have a PCE balance of $50.00 or more will be sent one Pre-Collection Notice with final instructions to make payment directly to PCE.
      ii) A Customer shall have 30 calendar days from the date of the Pre-Collections Notice to pay their overdue PCE balance. Failure to make payment may result in a referral to the collection agency appointed by PCE.
      iii) Customers enrolled in the CARE or FERA financial assistance programs will not be referred to a collection agent. They will instead receive additional Pre-Collections notices.

   c) **Bad Debt Collections Policy**
      i) **Customers Sent to Collections:**
         (1) Closed accounts with an overdue PCE balance of $50.00 or more may be sent to a collection agent for resolution.
         (2) Once sent to the collection agency, PCE will no longer collect direct payment on the account and the customer must make payment to the collection agency for resolution of the charges owed.

ii) **Customer Balance Write-Offs:**

(1) Balances of less than $50 may be deemed uncollectible and written off upon the review and approval of the CEO or their designee.

Policy Number: 13
Board Adoption: May 25, 2017
Revised: December 21, 2023

Delinquent Accounts and Bad Debt Collections Policy

Overview and Purpose

This policy sets forth Peninsula Clean Energy's (PCE) principal procedures regarding late payment noticing and the collection of overdue balances. All or segments of this policy may be suspended or modified.

~~DELINQUENT ACCOUNTS~~

~~Residential: Peninsula Clean Energy customer accounts exceeding $250 in charges overdue for more than 90 days will be sent a late payment notification by PCE. The customer will be provided 60 days to pay or make payment arrangements. If payment in full is not received within 60 days, or the terms of an activated payment arrangement are not fulfilled, the PCE customer account will be closed and returned to PG&E bundled generation service on the next account meter read date. Residential customers returned to PG&E will be charged the applicable PCE opt-out fee and are subject to the applicable terms and conditions provided in PG&E Electric Rule 23.~~

~~Non-residential: Non-residential customer accounts exceeding $500 in aggregate in unpaid charges for 60 days or more will be sent a late payment notification by PCE. The customer will be provided 30 days to pay or make payment arrangements. If payment in full is not received within 30 days, or the terms of an activated payment arrangement are not fulfilled, the PCE customer account will be closed and returned to PG&E bundled generation service on the next account meter read date. Non-residential customers returned to PG&E will be charged the applicable PCE opt-out fee and are subject to the applicable terms and conditions provided in PG&E Electric Rule 23.~~

~~BAD DEBT AND COLLECTIONS~~

~~Closed Peninsula Clean Energy accounts with overdue amounts greater than $50 may be referred to a collection agent. Amounts of $50 or less may be written off.~~

Territory: The entire Peninsula Clean Energy service area of San Mateo County and the City of Los Banos.

Definitions:

a) "Non-Payment" is defined as the absence of a PCE Customers effort to submit payment for PCE charges owed despite direct notice of unpaid debts.
b) "Overdue balance" is defined as any unpaid dollar amount owed to PCE by a PCE Customer for PCE electric generation service consumed by the customer.
c) "Collections" is defined as extensive efforts made by a third party on PCE's behalf to collect payment for overdue and unpaid account balance owed by a former PCE customer.
d) "CARE" or "FERA" is defined as a customer or former customer's enrollment in the California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) programs.

~~"Non-Payment" is defined as the absence of effort to submit payment for PCE charges owed despite direct notice of unpaid debts.~~
~~"Overdue balance" is defined as any unpaid dollar amount owed for PCE electric generation service consumed by the customer.~~
~~"Collections" is defined as extensive efforts made by a third party on PCE's behalf to collect payment for overdue and unpaid account balance owed by the customer.~~
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1) **Delinquent Accounts:**
   a) **Residential Accounts:**
      i) Customer will be sent a Late Payment Notice via U.S. Mail if the account has a PCE balance exceeding $250 in charges that are overdue for more than 90 days.
      ii) Customer will be provided with 60 days to pay or make payment arrangements.

      ~~Customers will be sent a Late Payment Notice if the account has a PCE balance exceeding $250 in charges overdue for more than 90 days.~~
      ~~The customer will be provided with 60 days to pay or make payment arrangements.~~

   b) **Non-Residential Accounts:**
      i) Customers will be sent a Late Payment Notice if the account has a PCE balance exceeding $500 in charges overdue for more than 60 days.
      ii) The customer will be provided 30 days to pay or make payment arrangements.

   c) If the Customer discussed in 1.a or 1.b is enrolled in a payment plan with PG&E and is current on all payments, no PCE Late Payment Notice will be sent.

~~If the customer outlined in 1.a or 1.b is enrolled in a payment plan with PG&E and is current on all payments, no PCE Late Payment Notice will be sent.~~

d) **Return to PG&E for Non-Payment:**

i) If a Customer has not made payment(s) for their outstanding PCE balance or the terms of an activated payment plan are not fulfilled after receiving two consecutive PCE Late Payment Notices, the customer may be transferred from PCE service back to PG&E's fully bundled service upon receipt of a third and final PCE Late Payment Notice.

ii) Customers returned to PG&E will be charged the applicable PCE opt-out fee and are subject to the applicable terms and conditions provided in PG&E Electric Rule 23.

iii) Customers on CARE or FERA financial assistance programs will not be returned to fully bundled PG&E service because of nonpayment.

iv) All Customers are required to pay all outstanding PCE charges for the period in which they accepted service from PCE. Opting out of PCE service, transfer back to PG&E service under section 1.d.i above, or account closure does not negate owed PCE charges.

~~If a customer has not made payment for their outstanding PCE balance or the terms of an activated payment arrangement are not fulfilled after receiving two consecutive PCE Late Payment Notices, the customer may be transferred from PCE service back to PG&E's fully bundled service upon receipt of a third and final PCE Late Payment Notice.~~

~~Customers returned to PG&E will be charged the applicable PCE opt-out fee and are subject to the applicable terms and conditions provided in PG&E Electric Rule 23.~~

~~Customers on CARE or FERA financial assistance programs will not be returned to fully bundled PG&E service for nonpayment.~~

~~All customers are required to pay all outstanding PCE charges for a period in which they took service from PCE. Opting out of PCE service, being transferred back to PG&E service under section 1.d.i above, or account closure under any circumstances does not negate owed PCE charges.~~

2) **Bad Debt Collections Policy**

a) **Applicability:** Customers that have an unpaid PCE balance due at the time of their account closure are required to make full payment to PG&E for past-due charges. If payment is not made within 60 days of the account closure date, PG&E will no longer accept payment and the overdue balances are returned to PCE for processing. ~~Customers that have an unpaid PCE balance due at the time of their account closure are required to make full payment to PG&E for their owed charges. If payment is not~~

~~made within 60 days of the account closure date, PG&E will no longer accept payment and the overdue balances are returned to PCE for processing.~~

b) **Pre-Collections Notice**

i) Customers who have not made payment within the 60 days after account closure and have a PCE balance of $50.00 or more will be sent one Pre-Collection Notice with final instructions to make payment directly to PCE.

ii) A Customer shall have 30 calendar days from the date of the Pre-Collections Notice to pay their overdue PCE balance. Failure to make payment may result in a referral to the collection agency appointed by PCE.

iii) Customers enrolled in the CARE or FERA financial assistance programs will not be referred to a collection agent. They will instead receive additional Pre-Collections notices.

~~Customers that have not made payment within the 60 days after account closure and have a PCE balance of $50.00 or more will be sent one Pre-Collection Notice with final instructions to make payment directly to PCE.~~

~~A customer has 30 calendar days from the date of the Pre-Collections Notice to pay their overdue PCE balance. Failure to make payment may result in a referral to the collection agency appointed by PCE.~~

~~Customers enrolled in the CARE or FERA financial assistance programs will not be referred to a collection agent. They will instead receive additional Pre-Collections notices.~~

c) **Bad Debt Collections Policy**

i) **Customers Sent to Collections:**

(1) Closed accounts with an overdue PCE balance of $50.00 or more may be sent to a collection agent for resolution.

(2) Once sent to the collection agency, PCE will no longer collect direct payment on the account and the customer must make payment to the collection agency for resolution of the charges owed.

~~Closed accounts with an overdue PCE balance of $50.00 or more may be sent to a collection agent for resolution.~~

~~Once sent to the collection agency, PCE will no longer collect direct payment on the account and the customer must make payment to the collection agency for resolution of the charges owed.~~

ii) **Customer Balance Write-Offs:**

~~i)~~(1) Balances of less than $50 may be deemed uncollectible and written off upon the review and approval of the CEO or their designee. ~~Balances less than $50 may be deemed uncollectible and written off.~~

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 12, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Executive Committee

FROM: Marc Hershman, Director of Government Affairs

SUBJECT: Approval of the Creation of the Climate Champion Award (Action)

RECOMMENDATION

Authorize the establishment of a Climate Champion Award to be selected annually beginning in 2024.

BACKGROUND

Staff recognizes there are many regulators, legislators, other policymakers, organizations, and stakeholder partners who have worked with Peninsula Clean Energy over the years to advance our mission, policies and energy goals for the benefit of our communities and our planet. This is an opportunity for Peninsula Clean Energy to provide annual recognition to those deserving of special recognition.

For reference, MCE Clean Energy annually presents a Climate Action Leadership Award. More information on their award can be found here: https://www.mcecleanenergy.org/mce-news/california-assemblymember-damon-connolly-receives-mces-2023-climate-action-leadership-award

DISCUSSION

Staff recommends the creation of an annual Peninsula Clean Energy Climate Champion Award, beginning in 2024, to recognize regulators, legislators, other policymakers, organizations, and stakeholder partners that have worked with Peninsula Clean Energy to advance its mission, goals and policies.

Staff proposes forming the Climate Champion Award with the following criteria:

- An individual or organization that has made a significant contribution toward Peninsula Clean Energy's mission, goals, policies, customers and communities will be nominated annually by staff in consultation with the Chair and Vice Chair of the Board of Directors;

- The nomination will be presented to the Peninsula Clean Energy Executive Committee in the late Summer or Fall of each year for consideration and approval;

- Peninsula Clean Energy Climate Champion awardees would be recognized at a Board meeting or other Peninsula Clean Energy event and publicized through Peninsula Clean Energy media outreach;

- Recognition could also include an award presented to the Champion and/or a plaque bearing the name of the award and the annual Champions to be hung at Peninsula Clean Energy's offices.

At its December 11, 2023 meeting the Peninsula Clean Energy Executive Committee voted unanimously to approve the creation of the Climate Champion Award and recommend approval to the Board of Directors.

FISCAL IMPACT

Nominal cost of annual award trophy and/or plaque.

RESOLUTION NO. _____

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

APPROVAL OF THE CREATION OF THE CLIMATE CHAMPION AWARD (ACTION)

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

WHEREAS, many regulators, legislators, other policymakers, organizations, and stakeholder partners have worked with Peninsula Clean Energy to advance our mission, policies and energy goals for the benefit of our communities and our planet; and

WHEREAS, Peninsula Clean Energy desires to provide annual recognition to those deserving of special recognition for their contributions to the advancement of our mission, policies, and energy goals;

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board of Directors approves the creation of the Peninsula Clean Energy Climate Champion Award and that the Chair and Vice Chair shall annually, beginning in 2024, recommend to the Executive Committee a nominee for the Climate Champion Award.

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PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 18, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Gwen Rose, Director of Marketing and Community Relations

SUBJECT: Approval of a Contract with IDLab Global for Brand and Marketing Services in an Amount Not-to-Exceed $300,000 ending December 31, 2024 (Action)

RECOMMENDATION

Delegate authority to the CEO to sign a brand and marketing services contract with IDLab Global for a total of $300,000 through December 31, 2024.

BACKGROUND

Peninsula Clean Energy has a need for brand and marketing strategy services to support Marketing objectives in the Board-approved Strategic Plan 2020-2025: “Elevate Peninsula Clean Energy’s brand reputation as a trusted leader in the community and the industry” and “[e]ducate and engage stakeholders in order to gather input, inspire action, and drive program participation.”

From Q 2 - Q4 2023, staff conducted customer research, performed a brand audit to uncover opportunities to elevate brand awareness, and issued an RFP for marketing agency support. We have selected IDLab Global as our marketing agency partner and seek to execute a contract for their services beginning in January 2024.

DISCUSSION

Marketing objectives in the Board-approved Strategic Plan 2020-2025 include elevating the organization’s brand reputation as well as educating and engaging stakeholders in order to gather input, inspire action, and drive program participation. A strong brand and positive brand experience is central to PCE's ability to successfully deliver messages about electrification and decarbonization. Furthermore, PCE aims to communicate and build its brand with a much larger percentage of customers in our service territory in order to maximize our effectiveness and participation rates.

Over the last two years, increased email and online efforts have helped raise PCE's brand awareness with residents from 31% to 41%. To reach our 60% goal, we need to clarify PCE's brand promise, implement a broad-based brand awareness campaign, and better engage with

our customers across all channels in ways that resonate with them. In addition, customer research conducted in Q2 2023 indicates that there are opportunities to strengthen the connection between the benefits and services PCE offers to customers in ways that will improve awareness, familiarity, and favorability metrics. An updated brand strategy will focus on bridging the gap between current customer perception and future aspirations for the brand experience.

A brand audit was performed in July and August 2023 to assess opportunities to update PCE's brand identity, brand messaging, and to explore ways to transition from a primarily transactional marketing approach to a more customer-centered approach.

In September 2023, an RFP for marketing services was released to support PCE's brand update and help launch campaigns in 2024. The RFP was shared with a diverse list of agencies from the California Public Utilities Commission's (CPUC's) Supplier Clearinghouse. We received a record-breaking 30 responses to our RFP on November 1, 2023. The quality of the responses was impressive. After an extensive review and evaluation process, we selected a Bay Area-based agency, IDLab Global, which brings a unique set of capabilities that combines years of energy marketing, energy efficiency, and behavioral program leadership with global private-sector marketing and branding expertise. Their team brings deep expertise in brand strategy and identity, design and content creation, social media, performance marketing, and paid media.

The goals and objectives for this engagement are to:

1. Update PCE’s brand strategy and identity
2. Build a brand that PCE’s customers can relate to and trust
3. Develop a marketing strategy that will:
    1. Generate leads and helps customers take advantage of PCE's programs
    2. Increase awareness from 40% to 60%
    3. Retain customers

To achieve these objectives, IDLab will guide PCE’s marketing leadership, executives, and stakeholders through a strategic process and deliver:

1. A new brand strategy
2. Modify/update PCE brand identity as needed
3. Update positioning and message platform
4. Provide training and materials to enable PCE's employees to use the new brand
5. Develop a go-to-market (GTM) strategy

FISCAL IMPACT

The contract with IDLab has a not-to-exceed contract amount of $300,000 through December 31, 2024. This is included in PCE's FYE 2024 marketing budget.

STRATEGIC PLAN

STRATEGIC PLAN GOAL

Develop a strong brand reputation that drives participation in Peninsula Clean Energy’s

programs and ensures customer satisfaction and retention.

OBJECTIVES

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

ATTACHMENTS:

IDLab-PCE Brand Marketing Services Contract - 121823 - CLEAN.docx

RESOLUTION NO. _____

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

APPROVAL OF A CONTRACT WITH IDLAB GLOBAL FOR BRAND AND MARKETING SERVICES IN AN AMOUNT NOT-TO-EXCEED $300,000 ENDING DECEMBER 31, 2024 (ACTION)

RESOLUTION NO.
PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

RESOLUTION APPROVING APPROVAL OF A CONTRACT WITH IDLAB GLOBAL FOR BRAND AND MARKETING SERVICES IN AN AMOUNT NOT-TO-EXCEED $300,000 THROUGH 12/31/24

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

WHEREAS, the Peninsula Clean Energy Authority (“Peninsula Clean Energy" or the "Authority") was formed on February 29, 2016; and

WHEREAS, IDLab Global was selected to provide brand and marketing services to PCEA, including brand strategy, brand identity, messaging platform, brand rollout, and a comprehensive marketing and communications plan; and

WHEREAS, IDLab Global was selected based on their experience and unique set of capabilities that combines years of energy marketing, energy efficiency, and behavioral program leadership with global private-sector marketing and branding expertise.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the CEO is authorized to execute with IDLab Global an agreement for brand and marketing services in an amount not to exceed $300,000 through December 31, 2024.

AGREEMENT BETWEEN THE PENINSULA CLEAN ENERGY AUTHORITY AND ID LAB GLOBAL, LLC.

This Agreement is entered into this 2nd day of January, 2024, by and between the Peninsula Clean Energy Authority, a joint powers authority of the state of California, hereinafter called "PCEA," and ID Lab Global LLC, 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 marketing services for brand development, which could include brand strategy, messaging, logo, graphic identity; written and graphic standards and guidelines; development and production of tag lines and/or templates for various communications.

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

1. <u>Exhibits and Attachments</u>

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

Exhibit A—Services
Exhibit B—Payments and Rates

2. <u>Services to be performed by Contractor</u>

In consideration of the payments set forth in this Agreement and in Exhibit B, Contractor shall perform services for PCEA in accordance with the terms, conditions, and specifications set forth in this Agreement and in Exhibit A.

3. <u>Payments</u>

In consideration of the services provided by Contractor in accordance with all terms, conditions, and specifications set forth in this Agreement and in Exhibit A, PCEA shall make payment to Contractor based on the rates, terms 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, however, PCEA will not withhold payment unless and until it makes reasonable effort to discuss the quality issue

with Contractor and resolve quantity or quality issues. In no event shall PCEA's total fiscal obligation under this Agreement exceed three hundred thousand dollars ($300,000) which shall be paid by PCEA.

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 January 2, 2024 through December 31, 2024.

5. Termination; Availability of Funds

This Agreement may be terminated by Contractor or by the Chief Executive Officer of the PCEA or his/her designee at any time without a requirement of good cause upon thirty (30) days' advance written notice to the other party. Subject to availability of funding, Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement that are consistent with those services described in Exhibit A and performed to the specifications as set forth in Exhibit A. 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 thirty (30) days written notice to Contractor after PCEA learns of said unavailability of outside funding.

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, upon PCEA's payment in full for all work/services rendered under Exhibit A, 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.

6. Relationship of Parties

Contractor agrees and understands that the work/services performed under this Agreement are performed as an independent contractor and not as an employee of PCEA and that neither Contractor nor its employees acquire any of the rights, privileges, powers, or advantages of PCEA employees.

7. Hold Harmless

a. General Hold Harmless

Each Party shall indemnify and save harmless the other Party 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 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 each Party 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 the offending Party'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 both Parties 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 each Party to indemnify and save harmless the other Party as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

8. **Limits of Liability**

IN NO EVENT WHATSOEVER SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY OR TO ANY THIRD PARTY, FOR (i) ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES, OR OTHER SIMILAR TYPE OF DAMAGES, INCLUDING YET NOT LIMITED TO DAMAGES BASED UPON LOSS OF PROFITS AND/OR LOSS OF BUSINESS ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT, THE PERFORMANCE THEREOF, THE USE OF THE PRODUCTS PROMISED OR SERVICES DELIVERED PURSUANT TO THIS AGREEMENT, AND/OR A PARTY'S ALLEGED BREACH OF THIS AGREEMENT, WHETHER OR NOT THE OTHER PARTY IS INFORMED, KNEW OR SHOULD HAVE KNOWN, OF THE POSSIBILITY OF SUCH DAMAGES IN ADVANCE; OR (ii) IN ANY AMOUNT OF MONEY WHICH SHALL EXCEED THE AMOUNT OF THE FEE PAID OR TO BE PAID (WHICHEVER IS GREATER) BY PCEA TO Contractor WITH RESPECT TO THE STATEMENT UNDER WHICH THE CLAIM IS MADE.

THE LIMITATIONS ON LIABILITY SET FORTH IN THIS SECTION SHALL APPLY TO ALL CAUSES OF ACTION, INCLUDING, YET NOT LIMITED TO, BREACH OF CONTRACT, BREACH OF WARRANTY, STRICT LIABILITY, NEGLIGENT MISREPRESENTATION AND OTHER TORTS, AND LIABILITY BASED UPON THE PROVISIONS OF ANY PART OF THIS AGREEMENT AND ANY FEDERAL, STATE AND/OR LOCAL LAW AND/OR ORDINANCE. THE LIMITATIONS ON LIABILITY IN THIS SECTION REPRESENT A FUNDAMENTAL TERM OF THIS AGREEMENT, AND NEITHER PARTY WOULD HAVE ENTERED INTO THIS AGREEMENT WITHOUT THEIR INCLUSION.

Notwithstanding the foregoing, Contractor shall not have any liability to PCEA under this Section 9 to the extent that any infringement or claim thereof is based upon (i) the combination, operation or use of a deliverable in combination with equipment, advertisement, creative design or software not supplied by Contractor hereunder where the deliverable would not itself be infringing, (ii) compliance with designs, specifications, content (written, imagery, audio and/or video) or instructions provided by PCEA, (iii) use of a deliverable in an application or environment for which it was not designed or not contemplated under this Agreement, or (iv) modifications of a deliverable by anyone

other than Contractor where the unmodified version of the deliverable would not be infringing.

9. Payment of Permits/Licenses

For those costs, permits and/or licenses not approved in advance by PCEA Contractor bears responsibility to obtain any license, permit, or approval required from any agency for work/services to be performed under this Agreement at Contractor's own expense prior to commencement of said work/services. Failure to do so will result in forfeit of any right to compensation under this Agreement.

10. W-9 Form and Submission of Invoices

Invoices shall only be submitted by electronic form by sending an email to both the **PCEA project contact's email address (ggottheil@PenCleanEnergy.com)** 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.

11. Insurance

a. General Requirements

Contractor shall not commence work or be required to commence work under this Agreement unless and until all insurance required under this Section has been obtained and such insurance has been approved by PCEA, and Contractor shall use diligence to obtain such insurance and to obtain such approval. Contractor shall furnish PCEA with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending Contractor's coverage to include the contractual liability assumed by Contractor pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to PCEA of any pending change in the limits of liability or of any cancellation or modification of the policy.

b. Workers' Compensation and Employer's Liability Insurance

Contractor shall have in effect during the entire term of this Agreement workers' compensation and employer's liability insurance providing full statutory coverage. In signing this Agreement, Contractor certifies, as required by Section 1861 of the California Labor Code, that (a) it is aware of the provisions of Section 3700 of the California Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions

of the Labor Code, and (b) it will comply with such provisions before commencing the performance of work under this Agreement.

c. Liability Insurance

Contractor shall take out and maintain during the term of this Agreement such bodily injury liability and property damage liability insurance as shall protect Contractor and all of its employees/officers/agents while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from Contractor's operations under this Agreement, whether such operations be by Contractor, any subcontractor, anyone directly or indirectly employed by either of them, or an agent of either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amounts specified below:

Yes	Comprehensive General Liability (Applies to all agreements)	$1,000,000
Yes	Motor Vehicle Liability Insurance (Yes, if motor vehicle is used in performing services)	$1,000,000
Yes	Professional Liability Insurance (Yes, if Contractor is a licensed professional)	$1,000,000

PCEA and its officers, agents, employees, and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that (a) the insurance afforded thereby to PCEA and its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy and (b) if the PCEA or its officers, agents, employees, and servants have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this Section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, PCEA, at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend all further work and payment pursuant to this Agreement.

12. Compliance With Laws

All services to be performed by Contractor pursuant to this Agreement shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances, and regulations, including but not limited to the Health Insurance Portability

and Accountability Act of 1996 (HIPAA) and the Federal Regulations promulgated thereunder, as amended (if applicable), the Business Associate requirements set forth in Attachment H (if attached), the Americans with Disabilities Act of 1990, as amended, and Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination on the basis of disability in programs and activities receiving any Federal or County financial assistance. Such services shall also be performed in accordance with all applicable ordinances and regulations, including but not limited to appropriate licensure, certification regulations, provisions pertaining to confidentiality of records, and applicable quality assurance regulations. In the event of a conflict between the terms of this Agreement and any applicable State, Federal, County, or municipal law or regulation, the requirements of the applicable law or regulation will take precedence over the requirements set forth in this Agreement.

Contractor will timely and accurately complete, sign, and submit all necessary documentation of compliance.

13. Non-Discrimination and Other Requirements

a. General Non-discrimination

No person shall be denied any services provided pursuant to this Agreement (except as limited by the scope of services) on the grounds of race, color, national origin, ancestry, age, disability (physical or mental), sex, sexual orientation, gender identity, marital or domestic partner status, religion, political beliefs or affiliation, familial or parental status (including pregnancy), medical condition (cancer-related), military service, or genetic information.

b. Equal Employment Opportunity

Contractor shall ensure equal employment opportunity based on objective standards of recruitment, classification, selection, promotion, compensation, performance evaluation, and management relations for all employees under this Agreement. Contractor's equal employment policies shall be made available to PCEA upon request.

c. Section 504 of the Rehabilitation Act of 1973

Contractor shall comply with Section 504 of the Rehabilitation Act of 1973, as amended, which provides that no otherwise qualified individual with a disability shall, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of any services this Agreement. This Section applies only to contractors who are providing services to members of the public under this Agreement.

d. Employee Benefits

With respect to the provision of benefits to its employees, Contractor shall ensure that employee benefits provided to employees with domestic partners are the same as those provided to employees with spouses.

e. Discrimination Against Individuals with Disabilities

The nondiscrimination requirements of 41 C.F.R. 60-741.5(a) are incorporated into this Agreement as if fully set forth here, and Contractor and any subcontractor shall abide by the requirements of 41 C.F.R. 60–741.5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.

f. History of Discrimination

Contractor must check one of the two following options, and by executing this Agreement, Contractor certifies that the option selected is accurate:

_X_ No finding of discrimination has been issued in the past 365 days against Contractor by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or any other investigative entity.

__Finding(s) of discrimination have been issued against Contractor within the past 365 days by the Equal Employment Opportunity Commission, Fair Employment and Housing Commission, or other investigative entity. If this box is checked, Contractor shall provide PCEA with a written explanation of the outcome(s) or remedy for the discrimination.

g. Reporting; Violation of Non-discrimination Provisions

Contractor shall report to the Chief Executive Officer of PCEA the filing in any court or with any administrative agency of any complaint or allegation of discrimination on any of the bases prohibited by this Section of the Agreement or Section 0, 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).

Upon the conclusion of any internal and/or judicial proceeding(s) resulting in a decision and/or judgement against Contractor for violation of the non-discrimination provisions of this Agreement PCEA may consider it 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 as reasonably determined by the Chief Executive Officer.

To effectuate the provisions of this Section, the Chief Executive Officer shall have the authority to offset all or any portion of the amount described in this Section against amounts due to Contractor under this Agreement or any other agreement between Contractor and PCEA.

14. <u>Confidential Information</u>

(a) Both Parties 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 either Party and marked as “Confidential” subject to the terms and limitations of this section (14).

(b) The term “Confidential Information” includes all information marked “Confidential” which may include 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 either Party shall not be considered Confidential Information if: (i) it is or becomes available to the public through no wrongful act of the receiving Party; (ii) it is already in the possession of the receiving Party and not subject to any confidentiality agreement between the Parties; (iii) it is received from a third party without restriction for the benefit of the receiving Party and without breach of this Agreement; (iv) it is independently developed by either Party; (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 7920.000, 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 the necessary Party, unless such notice is prohibited. In the event that PCE receives a Public Records Act Request for Contractor’s marked “Confidential” information it shall notify Contractor by email. In the event that Contractor desires to seek a judicial injunction and/or court order to

prevent disclosure of marked Confidential records it shall do so at its exclusive cost and within ten (10) calendar days of the date of receipt of the Public Records Act Request by PCEA. If no such injunction is received by the tenth calendar day after receipt of the Public Records Act Request by PCEA, PCEA shall disclose records consistent with the provisions of Cal. Gov't Code Section 7920.000, et seq.

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

(d) Both Parties 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, both Parties shall 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 either Party or its representatives, or (ii) found in electronic format as part of either Party's off-site or on-site data storage/archival process system, will be held by the Party and kept subject to the terms of this provision or destroyed at the holding Party's option. The obligations of this provision will survive termination or expiration of this Agreement.

15. <u>Data Security</u>

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. PCEA is responsible to adequately protect said personal information in the transference to Contractor. 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.

16. 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. PCEA agrees to compensate Contractor for any reasonable costs, including but not limited to time, agency fees and/or other related costs; and/or third-party costs in the retrieval of said records.

(b) Contractor shall comply with all reasonable and directly related 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. PCEA agrees to compensate Contractor for any reasonable costs, including but not limited to time, agency fees and/or other related costs; and/or third-party costs to comply with these requests.

17. 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.

18. 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.

19. 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: Jason Turner, Co-Founder
Address: 336 Bon Air Ctr. Suite 262, San Rafael, CA 94901
Telephone: (415) 640-3636
Email: jason@idlabglobal.com

20. 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.

21. 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, Peninsula Clean Energy Authority

Date: _____

ID LAB GLOBAL, LLC

By: Jason Turner_____

Co-founder, ID Lab Global

Date: _____

Exhibit A

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

Project Summary

Contractor has been engaged as the prime contractor, with assistance from their subcontractor, Villain, to modify PCEA's brand platform and strategy.

The goals and objectives for this engagement are:

- Modify PCEA's brand strategy and identity
- Build a brand that PCEA's customers can relate to and trust
- Develop a marketing strategy that will:
    - Generate leads and helps customers take advantage of PCEA's programs
    - Increase awareness from 40% to 60%
    - Retain customers

To achieve these objectives, Contractor will guide PCEA's marketing leadership, executives, and stakeholders through a strategic process and deliver:

1. A new brand strategy
2. Modify brand identity as needed
3. Update positioning and message platform
4. Provide training and materials to enable PCEA's employees to use the new brand
5. Go-To-Market (GTM) strategy

Project Definition and Scope

The tasks and deliverables outlined in this Exhibit define the scope between Contractor and PCEA. A project kick-off meeting will be held to discuss project goals and objectives, as well as desired outcomes and project roles/responsibilities. The following table lists key tasks, and deliverables, and responsibilities.

Task	Description	Contractor	PCEA
Kickoff	Contractor will lead a meeting with Contractor's assigned team with PCEA's assigned team to discuss goals and objectives, project scope, deliverables,	Purpose: • Align on business and brand objectives • Define roles and responsibilities for both teams	PCEA to: • Identify participants in kickoff meeting • Provide brand and business objectives

Task	Description	Contractor	PCEA
	timing, and responsibilities of both parties	• Determine regular meeting cadence and agenda (e.g., status) • Overview of work process, which could include project schedules, task management, tools for communications and review of deliverables) **Deliverable**: An email summary of the decisions coming out of the Kickoff along a project plan and schedule.	• Define roles and responsibilities for PCEA team
Discovery	Contractor will gather information from PCEA, its partners and customers as needed to develop insights and recommendations for the new brand strategy, identity, and GTM strategy solutions.	Contractor will: • Review current customer research to identify brand weaknesses/issues to overcome, and identify gaps between desired brand perception and current customer perception • Audit all brand and marketing assets that may have to be modified with new brand • Audit all active or new brands, programs, and marketing materials • Audit current CBO support and engagement • Audit PCEA social channels (Facebook/Meta, X/Twitter, Instagram, LinkedIn, and YouTube) for best practices • Assess website user experience, content, design, features and functionality, SEO, and CMS/admin design and configuration • Identify key market conditions (e.g.,	PCEA to provide: • Customer Research • Inventory of brand, program, and marketing materials • Access to brand, program, and marketing materials • CBO support plans and engagement materials • Determine stakeholders to interview and help coordinate scheduling of interviews • Inventory of relevant technology and systems that are branded or used for marketing and communication.

Task	Description	Contractor	PCEA
		economic, political, environmental, and vertical) that may impact the brand. • Interview key stakeholders. • Audit relevant technology and systems (e.g., CRM, CMS, martech and adtech) **Deliverable:** Insights Brief, a document communicating our key learnings, insights, gap analysis, and recommendations.	
Brand Strategy	Contractor will develop PCEA's new brand strategy, brand architecture, personality, and positioning for both external and internal use.	Contractor will: • Develop, describe and recommend branding for PCEA and any sub-brands • Define the brand's personality and desired customer emotional responses. • Define unique selling propositions and brand pillars. • Develop brand positioning. • Articulate the brand strategy for use with employees and for recruiting (employer brand) • Create a final presentation and present brand strategy to executives and stakeholders **Deliverable:** Presentation of brand strategy to executives and stakeholders.	PCEA will: • Provide relevant brand strategy documents and materials • Identify current and desired brands and sub-brands (e.g., for programs) • Review interim deliverables leading up to the Presentation deliverable and provide feedback • Ensure Contractor is aware of material changes in the business, programs and/or any other factors relevant to the work described in this Exhibit
Brand Identity	Contractor will develop the visual identity of the current brand to align to the new brand.	Contractor will: • Gather visual requirements for identity • Design a Moodboard to align on visual direction of brand identity	PCEA will: • Communicate brand requirements.

Task	Description	Contractor	PCEA
		• Develop design system, create and deliver brand book/guidelines, including brand attributes, existing marks/logos, colors, typography, imagery, icons, brand voice, photography, graphic brand elements and guidelines for use • Create brand assets • Create a final presentation and present to Executives and Stakeholders **Deliverables:** • Moodboard • Brand book (e.g., logos, fonts, guidelines) • Comprehensive set of brand assets including but not limited to: website design concepts (up to 3), stationary/ business cards, PowerPoint and document templates, logos, brand graphic elements • Presentation of brand identity to executives and stakeholders	• Review interim deliverables leading up to the presentation and brand book deliverables and provide feedback as needed
Message Platform	Contractor will develop a message platform that will guide all marketing and communications with customers.	Contractor will develop: • Key message points and hierarchy • Tone of voice • Elevator pitch • "Boiler plate" PCE description **Deliverable:** A document including the above (except test plan) in a messaging framework.	PCEA will: • Provide any criteria needed for developing the messaging • Provide current or future product/ business offerings they want included in the messaging • Review interim deliverables that lead up to the presentation and

Task	Description	Contractor	PCEA
			brand book and provide feedback
Brand Rollout & Enablement	Contractor to create a rollout plan and help train PCEA's employees	Contractor will: • Gather requirements for rolling out the new brand externally and internally • Determine approach to rolling out brand • Create rollout plan • Identify and create training materials **Deliverables:** • Rollout Plan • Training Materials	PCEA will: • List current and planned areas and assets that are/will be branded with the PCE logo • Communicate requirements for roll out • Review deliverables and provide direction and/or feedback • Assign training duties to someone on PCEA team
GTM Strategy	Contractor will create a go-to-market strategy and comprehensive marketing and communications plan.	Contractor will: • Define KPIs and metrics to measure GTM performance • Guide conversations and provide recommendations for budgeting • Develop audience segmentation and personas • Recommend how to engage and support CBOs re: the brand • Develop campaign theme(s) and concepts • Propose campaign channels, tactics, and in-market timing • Create a media plan for 2024 • Develop a measurement framework - what and how to measure success • Identify issues and recommend how to track attribution • Develop a plan to redesign PCEA's website • Create a final presentation and present	PCEA will: • Provide direction and/or feedback on KPIs and key metrics • Provide guidance on budget and allocations for GTM plan • Review deliverables and provide feedback

Task	Description	Contractor	PCEA
		GTM strategy to executives and stakeholders **Deliverable:** Presentation of brand strategy to executives and stakeholders.	
Project & Account Management	Contractor will assign an account lead and project manager who will be the points of contact between PCEA and Contractor and be responsible for managing the relationship, communications, tasks, and deliverables,	Contractor's account and project managers will: • Serve as main points of contact for PCEA • Manage scope, budget, and timelines • Maintain monthly deliverable tracker(s) • Communicate task or deliverable status • Manage creative development from concept, planning, execution, quality assurance, and publishing • Create agendas & recaps, lead status meetings	PCEA to provide a primary point of contact for Contractor and project managers for business needs, priorities, assignments, direction, and feedback on all deliverables.

Current Project Timeline

Tasks	Start Date	End Date
Team Kickoff	**01/03/24**	**01/03/24**
Discovery	**01/03/24**	**01/18/24**
Brand Strategy	**01/19/24**	**02/22/24**
Brand Identity	**02/23/24**	**04/19/24**
Messaging Platform	**02/14/24**	**02/29/24**
Brand Rollout, Enablement, & Training	**04/08/24**	**05/01/24**
GTM Strategy	**02/23/24**	**04/04/24**

Assumptions

Contractor will perform the above services of the project based on the following assumptions:

1. Any deliverable created by Contractor that PCEA uses for commercial purposes, shall be deemed accepted and approved.
2. PCEA to provide Contractor with requested information, documentation or access to people and systems/technology related to this Exhibit according to the agreed upon schedule.
3. PCEA to provide clear and consolidated feedback during review of any planning or deliverables within the required timeframe per the project schedule.
4. Client and Contractor will follow the project timeline in this Exhibit. If Client should require more time to deliver on a dependency or to provide direction and/or feedback, then the schedule will be adjusted to provide Contractor with sufficient time to deliver on all tasks and deliverables.
5. PCEA will coordinate with third party stakeholders (e.g. CBOs, political participants, regulators, etc.) as needed.
6. PCEA shall notify Contractor in writing if they wish to make changes to the scope of work. Contractor will provide a revised estimate and receive written authorization prior to proceeding.

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:

Terms

1. Contractor will send invoices upon completion of each phase.

2. All invoices are payable within thirty (30) days of receipt unless otherwise stated.

3. PCEA will pay or reimburse Contractor for pre-approved (by email) out-of-pocket expenses, such as stock images or travel-related expenses, incurred by Contractor in the performance of services in Exhibit A. Pre-approved expenses will be billed to PCEA at actual cost and on terms of net 30 from receipt of invoice.

4. If PCEA fails to pay any amount due within thirty (30) days from the date of the invoicing, late charges of the lesser of 1½% per month (annual rate of eighteen percent 18%) or the maximum allowable under applicable law shall also become payable by PCEA to Contractor.

5. If PCEA requires a delay of more than 15 business days within a phase as described in the Payment Schedule below, Contractor may send a progress invoice for the work in that phase that has been completed.

Fee Schedule

The total estimated fees for Exhibit A amount to $263,925 USD excluding third party and materials costs. The following table outlines the key milestones, amount per milestone and respective payment term.

Phase	Milestone	Amount	Term
Discovery	- Kickoff - Insights Brief	$43,987.50	*Net 10*
Brand Strategy	- Brand Architecture - Brand Strategy Presentation	$43,987.50	*Net 30*
Messaging	- Key Message Points & Hierarchy - Message Platform	$43,987.50	*Net 30*
Brand Identity	- Mood Boards & Design System - Brand Identity Presentation	$43,987.50	*Net 30*

Phase	Milestone	Amount	Term
GTM Strategy	- Channel & Tactical Plan - Strategy Presentation	$43,987.50	*Net 30*
Brand Rollout & Enablement	- Rollout Plan & Training Materials - Brand Assets	$43,987.50	*Net 30*
TOTAL		**$263,925**	

Rates by Resource

Resource Type	Hourly Rate
Account Director	$250
Account Manager	$195
Campaign Manager	$175
Copywriter	$175
Creative Director	$200
Data Analyst	$165
Senior Design	$165
Designer	$150
Front End Developer	$175
Marketing Manager	$175
Media Planner & Buyer	$250
Motion Graphics Designer	$175
Project Manager	$175
Project Coordinator	$150
QA Specialist	$150
Research Specialist	$150
Senior Research Specialist	$225

Resource Type	Hourly Rate
SEO Specialist	$150
Social Media Specialist	$175
Software Developer	$200
Senior Strategist	$250
Lead Strategist	$300
Video Editor	$200

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 12, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Leslie Brown Director of Account Services

SUBJECT: 2024 PCE Customer Energy Rate Update (Discussion)

RECOMMENDATION

Discuss upcoming updates to PG&E rates expected for January 1, 2024 as well as analysis and timing for subsequent Peninsula Clean Energy rate changes in 2024.

BACKGROUND

Since starting service in 2016, PCE has followed a process of adjusting rates immediately following changes to PG&E generation rates with new PCE rates taking effect one month following a PG&E adjustment. Staff is proposing to deviate from that process slightly to allow time for a more in-depth financial analysis of our rate-setting response to the projected PG&E rate increase in January 2024.

DISCUSSION

Based off of the rate information that was available earlier this year, PCE's current operating budget forecasts a 0.79% rate change to follow PG&E's rate change in January 2024. While we are still waiting for final decisions from the CPUC and updates from PG&E on the individual rate updates effective January 1, 2024, we do know that system-wide those increases are expected to be significantly more than the <1% that was projected during PCE's budget process. With that in mind, staff is proposing that PCE hold off on making any decisions about rate changes in 2024 until we have the detailed rate tables from PG&E, we know what the PCIA will be for various vintage years, and we are able to do additional in-depth financial analysis of our various rate options.

Staff is proposing to analyze the impact of our standard rate change policy (net 5% discount from PG&E) along with other scenarios offering a greater than 5% discount or possibly no rate increase at all for at least the first half of 2024. However, to do this analysis properly we need to incorporate updated energy costs and load forecasts which the power resources team expects to have available at the beginning of January -- around the same time we will have the final January 1, 2024 PG&E and rates and PCIA charges. Allowing for this additional time means that we would not move forward with a rate change effective February 1, 2024 as is our normal practice. Rather, we would bring this matter to the Executive Committee and Board at

its January meetings, and any adopted rate change would take effect no sooner than March 1, 2024.

This item was discussed at the December 11, 2023 Executive Committee meeting.

FISCAL IMPACT

Our initial budget anticipated a 0.79% rate change to follow PG&E rates in January 2024. Delaying our rate change action by a month will result in a small deviation from our initial budget forecast; however, PCE has sufficient cash-on-hand reserves to manage a delay in rate change action by one month to allow for further financial analysis.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 8, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Kim Le, Director of Data and Technology

SUBJECT: Data and Technology Department Quarterly Report

BACKGROUND

The Data and Technology department started in November 2020 to increase capabilities and efficient use of data to enable energy-related analyses, program impact measures, and customer insights. Shortly thereafter, IT was added to this department's responsibilities, and both elements are key components of what our department does for PCE.

Kim leads Data and Technology which consists of two parts: Data Analytics, and Information Technology. The Data side develops comprehensive analysis and business intelligence tools that enables the various teams at PCE to make data-driven decisions. The IT side streamlines organization-wide hardware and software management, safeguards company information, and ensures network and hybrid conference room uptime.

Cassius is part of the IT team and configures and supports PCE's laptops, enterprise applications, and networks. He works on optimizing the internal IT infrastructure for greater productivity and improving our IT workflows and processes.

DISCUSSION

High level priorities and initiatives for this department:

1. Perform in-depth analyses and build data analytics tools to inform business decisions.
2. Enhance IT security and governance policies to protect information critical to our operations and continued success.

The Data

We have developed a data warehouse to provide rapid, accurate, secure, and flexible analysis of large volumes of energy data and associated attributes. We built and established a data management system designed to store historical and ongoing data from various sources to enable and support analytics functions. The overarching goal was to provide each team at PCE a means to access data from a single source of truth data warehouse, and create custom reports, dashboards, and visualizations for analysis.

We work cross functionally with most teams at PCE to provide insights with data to better implement

case studies with Account Services, target initiatives and increase reach and effectiveness with Programs, and supply data streams that feed into Power Resource's forecasting toolsets.

We continue to build out internal tools for an ongoing deeper dive into our data, and iterating on our current system to make it more robust.

The IT

On the IT front, we brought our IT functions in-house this year to better support PCE's growing needs. We worked closely with Nelly to build out our hybrid conference room audio and video capabilities for a smooth in-person and remote experience. We established many processes and standard operating procedures for automating equipment deployments and device management.

We have IT security enhancements rolling out to keep up with industry trends, and internal end of year audits to wrap up the calendar year.

STRATEGIC PLAN

Increase capabilities and efficient use of data and technology to guide organizational decision making and program execution by:

- Building data analytics to guide organizational decision making and program execution.
- Creating and integrating analysis dashboards and tools.
- Implementing systems and procedures to ensure data privacy, security, and integrity.
- Executing scalable systems that maximize advances in Information Technology.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: December 13, 2023
MEETING DATE: December 21, 2023
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Leslie Brown, Director of Account Services

SUBJECT: Account Services Quarterly Update

BACKGROUND

The purpose of the Account Services team is to provide customer billing support through direct customer interaction, as well as oversee the various processes related to the management of PCE's customer data. This includes relationships with our back-office data manager, Calpine Energy Solutions, and PG&E.

DISCUSSION

Over the past six months, the Account Services team has grown to include a Senior Analyst and an Account Services Specialist. The added bandwidth has provided the team with the opportunity to further advance utility initiatives as well as engage with parties regarding the improvement of policies and PCE customer service. The following is a quarterly update of Account Services team activities taking place during the fourth quarter of 2023, please see topics below for additional detail.

Implementation of Solar Billing Plan Tariff

- At its October 26, 2023 meeting the Board of Directors approved PCE's Solar Billing Plan (SBP) tariff, initially slated to take effect on December 15, 2023 following PG&E's own SBP tariff activation. The tariff is the culmination of many hours and weeks of meetings with PG&E, Cal-CCA, and other CCA-wide meetings and discussions regarding the impact and effectiveness of the new Solar Billing Plan. After much deliberation and counsel, staff concluded that it was in PCE's best interest to follow the structure of PG&E's Solar Billing Tariff, with additional credits per kWh to be applied at the time of the customer's annual cash out to retain value as a PCE customer.
- As of November 30, 2023, PG&E has requested a deadline extension for the implementation of SBP, originally scheduled to begin billing on December 15th as previously mentioned. The request calls for an extension until August 31, 2024, almost nine months after the original implementation date. As of now the extension has not yet been approved, but staff anticipates approval with an extension with perhaps an earlier

date than PG&E requested.
- PCE SBP customers will be billed on the Net Energy Metering (NEM) tariff until PG&E's implementation is complete and operational.

Updates to Customer Contact Templates and IVR Scripts

- Account Services Specialist Jayden Hanan performed a thorough review of the interactive voice recording (IVR) scripts that customers encounter when reaching out to our current call center for assistance and provided updates as needed to Calpine for implementation.
- Account Services staff are currently working with the Marketing team on updating various email templates that are sent to customers when they submit an opt up, opt down, or opt out. This is a primary point of contact with our customers, and it is an opportunity to expand the information we provide to them at that point of contact.
- In addition to the email templates, staff has also worked on updates to the "Solar Customers" landing page on the PCE website to add information about the Solar Billing Plan and expand on FAQs and the differences between NEM and SBP. The Marketing team has been valuable throughout the process making sure we align with PCE's goals for communication and outreach. More updates will be made to the Solar webpage as additional details about SBP come through and a firmer implementation timeline is provided by PG&E.

Contact Center Updates and Research for In-House Services

- For the past several months we have been researching the possibility of bringing in-house the contact center function that is currently being serviced via a sub-contract to our larger data management and billing operations service agreement with Calpine.
- In the next quarter, we will be looking to bring on additional staff resources via a short-term contract to more fully map out the opportunity and needs to successfully support an in-house contact center.

Reinstatement of Policy 13, Delinquent Accounts and Bad Debt Collections

- Account Services Senior Analyst Connor prince took the lead on researching current collection practices for our peer CCAs and developing the proposed updates to Policy 13.
- Policy 13 outlines the process and controls in place for customers that are behind on their payments for regular PCE electricity service. Delinquent accounts are defined as active PCE customers that have not paid their charges to current, and bad debt collections apply to customers whose accounts have closed and still have an overdue PCE balance.
- Policy 13 has been suspended since late 2019 for reassessment, and the suspension was extended indefinitely after the start of the COVID-19 pandemic. Since PG&E has lifted the suspension of customer shutoffs due to the pandemic, PCE staff believes it is in PCE's best interest to resume efforts to collect on overdue balances.
- Key updates to this policy:
    - A pre-collections payment option is offered to give customers the ability to pay PCE directly before being sent to collections. This payment can be accepted online via Square or via check sent to a P.O. box.
    - Customers enrolled in the California Alternate Rates for Energy (CARE) or Family

Electric Rate Assistance (FERA) program financial assistance programs will not be sent to collections nor dropped from PCE service. They will instead receive additional communications through the pre-collections process.

Key Accounts Engagement

- Strategic Accounts Manager, Justin Pine, has been working diligently to support Caltrain's energy consultants to understand PCE's rates and projected power mix in 2024 and beyond as we prepare for the South San Francisco depot to come online in September 2024.
- Also of note is a recent Direct Access customer acquisition. With the current high energy market and RA prices, customers who have previously been taking service in the Direct Access market have begun reaching out to PCE to explore taking service with us instead. Justin has been navigating several of these conversations and we are currently bringing a large commercial property management company with several accounts over to PCE service starting in January.