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, March 23, 2023
6:30 p.m.

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

In-Person Meeting Locations:
PCEA Lobby, **2075 Woodside Road, Redwood City, CA 94061**
Los Banos City Hall, **Conference Room A, 520 J Street, Los Banos, CA 93635**

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

This meeting of the Board of Directors will be held at the Peninsula Clean Energy Lobby: 2075 Woodside Road, Redwood City, CA 94061 and Los Banos City Hall, Conference Room A, 520 J Street, Los Banos, CA 93635 and by teleconference pursuant to California Assembly Bill 2449 and the Ralph M. Brown Act, CA Gov't Code. Section 54950, et seq. **Members of the Board are expected to attend the meeting in person** and should reach out to 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/82772843517. The meeting ID is: 827-7284-3517 and the passcode is 2075. The meeting may also be accessed via telephone by dialing +1(669) 444-9171. Enter the webinar ID: 827-7284-3517, then press #. (Find your local number: https://pencleanenergy.zoom.us/u/kTlH1Ocod).

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. Public comments via Zoom will be taken first followed by speakers in person.

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

PUBLIC COMMENT

This item is reserved for persons wishing to address the Committee on any PCEA-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the agenda shall be heard at the time the matter is called. Members of the public who wish to address the Board are customarily limited to two minutes per speaker. The Board Chair may increase or decrease the time allotted to each speaker.

ACTION TO SET AGENDA AND TO APPROVE CONSENT AGENDA ITEMS

1. Approval of Contract with San Mateo County Office of Sustainability for Climate Action Planning Support

REGULAR AGENDA

2. Chair Report (Discussion)
3. CEO Report (Discussion)
4. Citizens Advisory Committee Report (Discussion)
5. Appointments to the Executive Committee and Audit and Finance Committee (Action)
6. Financial Report to the Board - Review of Financial Reports and Investment Summary for 2nd Quarter Fiscal Year (FY) 2022-2023 (Discussion)
7. Approval of Budget Extension of 0% Loan On-Bill Financing (Action)
8. Building Electrification Strategy Update (Discussion)

9. Board Members' Reports (Discussion)

CLOSED SESSION

The Board will adjourn to closed session to consider the following items at the end of the agenda, or at any time during the meeting as time permits. At the conclusion of closed session, the Board will reconvene in open session to report on any actions taken for which a report is required by law.

10. PUBLIC EMPLOYEE PERFORMANCE EVALUATION Title: Chief Executive Officer

11. CONFERENCE WITH LABOR NEGOTIATORS Agency Designated Representatives: Rick DeGolia and General Counsel/Assistant General Counsel; Unrepresented Employee: Chief Executive Officer

12. Reconvene Open Session (If Necessary) To Report Any Action(s) Taken During Closed Session

INFORMATIONAL REPORTS

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

14. Update on Regulatory Policy Activities

15. Update on Legislative Activities

16. Update on Community Energy Programs

17. Update on Energy Supply Procurement

18. Report on California Community Power (CCP) Joint Powers Authority

19. Industry Acronyms and Terms

ADJOURNMENT

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

Instructions for Joining a Zoom Meeting via Computer or Phone

Best Practices:

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

Options for Joining

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

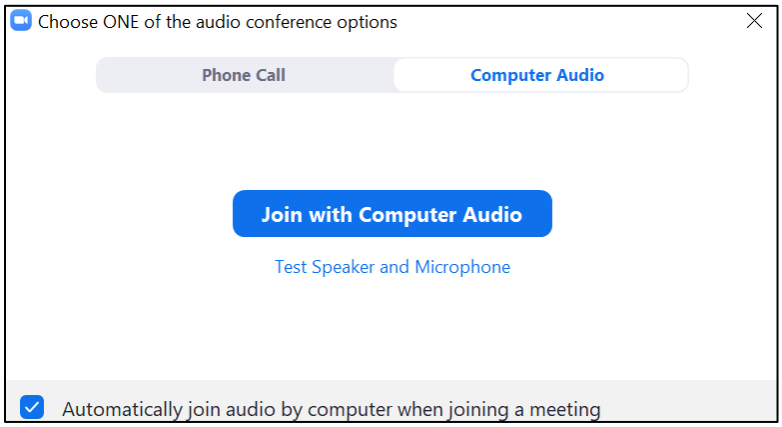
Videoconference Options:

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

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

Option 1 Videoconference with Computer Audio:

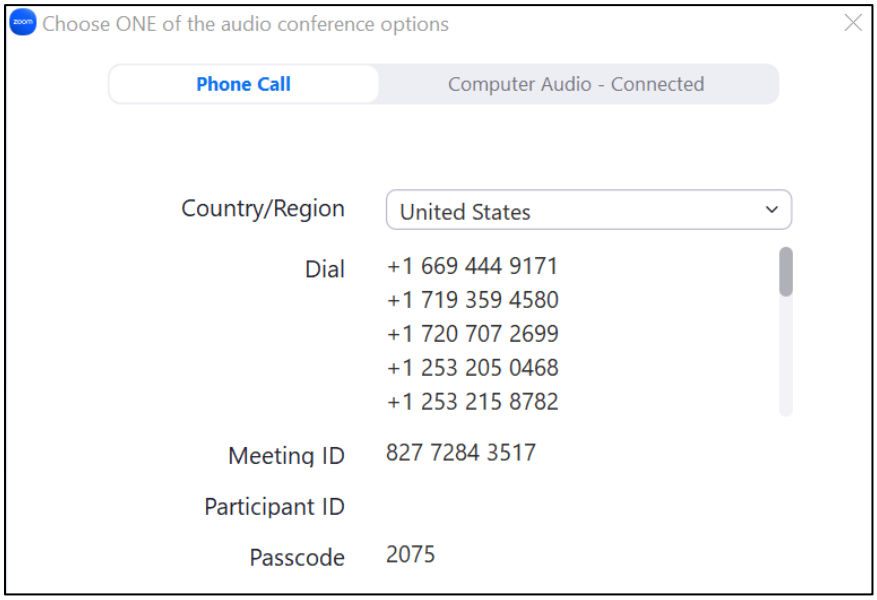
1. From your computer, click on the following link that is also included in the Meeting Calendar Invitation: https://pencleanenergy.zoom.us/j/82772843517
2. The Zoom application will open on its own or you will be instructed to open Zoom.
3. After the application opens, the pop-up screen below will appear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



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

Option 2 Videoconference with Phone Call Audio:

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



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

Audio Only Options:

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

Option 3: Calling in via Telephone/Landline:

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

PENINSULA CLEAN ENERGY
JPA Board Correspondence

DATE: Mar. 2, 2023
BOARD MEETING DATE: Mar. 23, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer, Peninsula Clean Energy
Rafael Reyes, Director of Energy Programs

SUBJECT: Approval of Contract with San Mateo County Office of Sustainability for Climate Action Planning Support

RECOMMENDATION

Delegate authority to the Chief Executive Officer to execute a contract with San Mateo County Office of Sustainability for up to $305,000 over thirty-six (36) months to provide climate action planning support to local governments.

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 and Peninsula Clean Energy aims to support the County in meeting that goal through investment in local community programs.

The County of San Mateo's Office of Sustainability (OOS) has supported local governments in their Climate Action Plan (CAP) efforts through the Regionally Integrated Climate Action Planning Suite (RICAPS) since 2011, providing emissions inventories, business-as-usual forecasts, a CAP document template, a menu of CAP measures with cost-benefit analysis, visualization of emissions data, technical consultation and facilitated collaboration. The RICAPS program has been instrumental in enabling robust and well-aligned CAPs across the County. Through this program, all twenty-one (21) agencies in the County have engaged with and received substantive support through the program. These activities were carried out by OOS with consulting support from outside consultants under contract to OOS.

Funding for the initial set of RICAPS tools was from a set of grants from the Bay Area Air Quality Management District. Until 2019, RICAPS was supported by California Public

Utilities Commission (CPUC) approved funding from PG&E with matching funds by City/County Association of Governments of San Mateo County (C/CAG). In 2019 PG&E reduced its funding and Peninsula Clean Energy began support for the RICAPS program to ensure the support continued uninterrupted. Peninsula Clean Energy funded the individual support and tools not covered by PG&E funding. In prior years Peninsula Clean Energy's support has been provided under annually executed contracts.

DISCUSSION

Staff is seeking approval by the Board on the contract with OOS to continue the RICAPS program for the purpose of providing climate action planning technical support to San Mateo County jurisdictions including:

1. Technical support for monthly RICAPS working group meetings presentations to city and County sustainability staff;

2. Updating the RICAP tools including CAP templates, forecasts, menu of measures, cost-benefit analysis tool, emissions visualization, as well as new tools for existing building decarbonization planning and policies;

3. Providing individualized advice and climate action planning technical assistance to cities using the RICAPS tools;

4. Tracking city and County progress on climate action planning and execution including facilitating incorporation of action measures into capital improvement plans

In addition, the City of Los Banos, as a new member of the Peninsula Clean Energy JPA has requested support for its climate action plan development process. This request will be accommodated through a separate arrangement.

To reduce administrative transactions, this new contract has been set with a 3-year term.

Peninsula Clean Energy staff is recommending for approval the attached draft contract with OOS pending refinement by the CEO.

STRATEGIC PLAN

The proposed program supports the following elements of the strategic plan:

- Decarbonization Programs: Support local government initiatives to advance decarbonization.
    - Provide funding support and technical assistance for local government climate action plan development and implementation.

RESOLUTION NO. _____

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

* * * * * *

RESOLUTION DELEGATING AUTHORITY TO THE CHIEF EXECUTIVE OFFICER TO EXECUTE AN AGREEMENT WITH THE COUNTY OF SAN MATEO FOR CLIMATE ACTION PLANNING CONSULTING IN THE AMOUNT OF $305,000 OVER 36 MONTHS

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

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

WHEREAS, reducing greenhouse gasses to reduce the adverse public wellbeing and economic impacts of climate change is an organizational priority for PCE; and

WHEREAS, local government programs for climate action planning in San Mateo County have been well served by the County of San Mateo's Regionally Integrated Climate Action Planning Suite (RICAPS) since 2011; and

WHEREAS, local government climate action planning is a critical part of the County's and Peninsula Clean Energy's climate strategies, and

WHEREAS, funding for RICAPS from its prior sources is being dramatically reduced; and

WHEREAS, the funding reduction for RICAPS would severely reduce or eliminate a program relied upon by local governments for climate action planning, and

WHEREAS, the Board wishes to delegate to the Chief Executive Officer authority to contract with the County of San Mateo to continue the RICAPS program in an amount not to exceed $305,000 for a term of thirty-six (36) months.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board delegates authority to the Chief Executive Officer to: Finalize and execute an Agreement with the County of San Mateo with terms consistent with those presented, in a form approved by the General Counsel.

* * * * * *

AGREEMENT BETWEEN THE PENINSULA CLEAN ENERGY AUTHORITY AND SAN MATEO COUNTY OFFICE OF SUSTAINABILITY

This Agreement is entered into this___day of _____, 2023, by and between the Peninsula Clean Energy Authority, a joint powers authority of the state of California, hereinafter called "PCEA," and the County of San Mateo, a political subdivision of the state of California, hereinafter called "Contractor."

* * *

Whereas, pursuant to Section 6508 of the Joint Exercise of Powers Act, PCEA may contract with independent contractors for the furnishing of services to or for PCEA; and Whereas, it is necessary and desirable that Contractor be retained for the purpose of providing local government support for climate action planning.

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

1 Exhibits and Attachments

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

Exhibit A—Services
Exhibit B—Payments and Rates

2 Services to be performed by Contractor

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

3 Payments

In consideration of the services provided by Contractor in accordance with all terms, conditions, and specifications set forth in this Agreement and in Exhibit A, PCEA shall make payment to Contractor based on the rates and in the manner specified in Exhibit B. PCEA reserves the right to withhold payment if PCEA determines that the quantity or quality of the work performed is unacceptable.

In no event shall PCEA's total fiscal obligation under this Agreement exceed two-hundred and eighty-five thousand dollars ($285,000).

In the event that the PCEA makes any advance payments, Contractor agrees to refund any amounts in excess of the amount owed by the PCEA at the time of contract termination or expiration.

4 Term

Subject to compliance with all terms and conditions, the term of this Agreement shall be from January 1, 2023 through December 31, 2025.

5 Termination; Availability of Funds

This Agreement may be terminated by Contractor or by the Chief Executive Officer of the PCEA or his/her designee at any time without a requirement of good cause upon thirty (30) days' advance written notice to the other party. Subject to availability of funding, Contractor shall be entitled to receive payment for work/services provided prior to termination of the Agreement that are consistent with those services described in Exhibit A and performed to the satisfaction of PCEA. Such payment shall be that prorated portion of the full payment determined by comparing the work/services actually completed to the work/services required by the Agreement.

PCEA may terminate this Agreement or a portion of the services referenced in the Attachments and Exhibits based upon the unavailability of Federal, State, or PCEA funds by providing written notice to Contractor as soon as is reasonably possible after PCEA learns of said unavailability of outside funding.

6 Intellectual Property and Ownership of Work Product

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

Work Products shall be promptly delivered to PCEA.

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

Contractor may (1) retain its rights to and ownership of pre-existing or open-source materials and/or (2) retain one copy of Work Products for archival use, but in either instance must notify PCEA and identify any such materials in writing prior to the commencement of work under this Agreement.

7 Relationship of Parties

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

8 Hold Harmless

a. Mutual Hold Harmless

(A) It is agreed that Contractor shall defend, hold harmless, and indemnify PCEA and its officers, employees, agents, and servants from any and all claims, suits, or actions of every name, kind, and description brought by a third party which arise out of the terms and conditions of this Agreement and which result from the acts or omissions of Contractor and/or its officers, employees, agents, and servants.

(B) Contractor shall defend, hold harmless, and indemnify PCEA from and against any and all claims for wages, salaries, benefits, taxes, and all other withholdings and charges payable to, or in respect to, Contractor's representatives for services provided under this Agreement.

(C) It is agreed that PCEA shall defend, save harmless, and indemnify Contractor and its officers, employees, agents, and servants from any and all claims, suits, or actions of every name, kind, and description brought by a third party which arise out of the terms and conditions of this Agreement and which result from the

acts or omissions of PCEA and/or its officers and employees.

(D) The duty of each party to defend, hold harmless, and indemnify the other as set forth herein shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

(E) In the event of concurrent negligence (or intentional/reckless acts) of PCEA and/or its officers and employees, on the one hand, and Contractor and/or its officers, employees, agents, and servants, on the other hand, then the liability for any and all claims for injuries or damage to persons and/or property which arise out of terms and conditions of this Agreement shall be apportioned according to the California theory of comparative fault.

9 Assignability and Subcontracting

Contractor shall not assign this Agreement or any portion of it to a third party or subcontract with a third party to provide services required by Contractor under this Agreement without the prior written consent of PCEA. Any such assignment or subcontract without PCEA's prior written consent shall give PCEA the right to automatically and immediately terminate this Agreement without penalty or advance notice.

10 Payment of Permits/Licenses

Contractor bears responsibility to obtain any license, permit, or approval required from any agency for work/services to be performed under this Agreement at Contractor's own expense prior to commencement of said work/services. Failure to do so will result in forfeit of any right to compensation under this Agreement.

11 W-9 Form and Submission of Invoices

Invoices shall only be submitted by electronic form by sending an email to the **PCEA project contact's email address**. Contractor shall submit a completed W-9 form electronically to the same email addresses. Contractor understands that no invoice will be paid by PCEA unless and until a W-9 Form is received by PCEA.

12 Insurance

a. General Requirements

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

13 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.

14 Liability Insurance

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

Yes	Comprehensive General Liability (Applies to all agreements)	$1,000,000
Yes	Motor Vehicle Liability Insurance	$1,000,000

No	Professional Liability Insurance	$1,000,000

PCEA and its officers, agents, employees, and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that (a) the insurance afforded thereby to PCEA and its officers, agents, employees, and servants shall be primary insurance to the full limits of liability of the policy and (b) if the PCEA or its officers, agents, employees, and servants have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only. Contractor may comply with this section by maintaining and furnishing proof of self-insurance in equivalent amounts.

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.

15 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.

16 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.

17 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.

18 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.

19 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.

20 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.

21 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.

22 Reporting; Violation of Non-discrimination Provisions

Contractor shall report to the Chief Executive Officer of PCEA the filing in any court or with any administrative agency of any complaint or allegation of discrimination on any of the bases prohibited by this Section of the Agreement or Section 13, above. Such duty shall include reporting of the filing of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission, or any other entity charged with the investigation or adjudication of allegations covered by this subsection within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include a general description of the circumstances involved and a general description of the kind of discrimination alleged (for example, gender-, sexual orientation-, religion-, or race-based discrimination).

Violation of the non-discrimination provisions of this Agreement shall be considered a breach of this Agreement and subject the Contractor to penalties, to be determined by the Chief Executive Officer, including but not limited to the following:

i. termination of this Agreement;
ii. disqualification of the Contractor from being considered for or being awarded a PCEA contract for a period of up to 3 years;

iii. liquidated damages of $2,500 per violation; and/or
iv. imposition of other appropriate contractual and civil remedies and sanctions, as determined by the Chief Executive Officer.

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

23 <u>Confidential Information</u>

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

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

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

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

(e) Upon termination or expiration of this Agreement, Contractor shall, at PCEA's

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

24 Data Security

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

25 Retention of Records; Right to Monitor and Audit

(a) Contractor shall maintain all required records relating to services provided under this Agreement for three (3) years after PCEA makes final payment and all other pending matters are closed, and Contractor shall be subject to the examination and/or audit by PCEA, a Federal grantor agency, and the State of California.

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

(c) Contractor agrees upon reasonable notice to provide to PCEA, to any Federal or State department having monitoring or review authority, to PCEA's authorized representative, and/or to any of their respective audit agencies access to and the right to examine all records and documents necessary to determine compliance with relevant Federal, State, and local statutes, rules, and regulations, to determine compliance with this Agreement, and to evaluate the quality, appropriateness, and timeliness of services

performed.

26 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.

27 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.

28 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: Jan Pepper, Chief Executive Officer
Address: 2075 Woodside Road, Redwood City, CA 94061
Telephone: 650-260-0100

Email: jpepper@peninsulacleanenergy.com

In the case of Contractor, to:

Name/Title: Susan Wright, Program Manager
Address: 455 County Center 4th Floor
Telephone: 650-363-4372
Email: swright@smcgov.org

29 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.

30 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: __

CEO, Peninsula Clean Energy Authority

Date: _____

County of San Mateo

_____

President, Board of Supervisors

Date: _____

Exhibit A

Overview

Peninsula Clean Energy Authority's (PCEA) mission is to reduce greenhouse gas (GHG) emissions in its service territory. As a joint-power authority, PCEA is made of twenty-two member jurisdictions including the County of San Mateo, and all twenty cities/towns in the County. As local government agencies, cities/towns and the County can create Climate Action Plans (CAP) which outline GHG reduction targets and possible measures on how they could be achieved within their respective territories.

The County of San Mateo Office of Sustainability (County) has administered the Regionally Integrated Climate Action Planning Support (RICAPS) program since 2011 to reduce greenhouse gas (GHG) emissions in San Mateo County. The RICAPS program provides technical support to San Mateo County jurisdictions and the County through monthly and quarterly working group meetings, climate action plan development, and emission inventory updates. RICAPS includes tools developed specifically for supporting these efforts, which can be found on the San Mateo County Energy Watch website at: https://smcenergywatch.org/contact/resources/. The County subcontracts with a technical assistance consultant to assist with the RICAPS program.

The objective of this contract is to support the County's local government technical assistance for CAPs, support the development of template policies and technical guides, and support collaboration on implementation of CAPs through the RICAPS program.

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

1 Administrative Tasks

1.1 Workplan Development and Kickoff Meeting

At the beginning of each calendar year, Contractor staff will prepare a detailed project plan that will identify priority projects and initiatives. Contractor staff will hold a kickoff meeting with PCEA to review these initiatives, objectives, budget, timeline, and administrative processes at a mutually determined time.

1.2 Regular Progress/Strategy Calls

Contractor staff will meet with the RICAPS technical assistance consultant as mutually determined to discuss progress with cities, plan RICAPS working group meetings, and strategize about policy development. PCEA staff will be invited to participate in these meetings.

1.3 Subcontracts

All subcontracts will be provided to PCEA Director of Energy Programs for review prior to execution to verify compliance with contract terms.

1.4 Final report

Provide a final report (2-4 pages) by December 31 of each calendar year which includes:

a. Itemized description of outcomes for each project objective
b. Itemized description of any additional accomplishments
c. Evaluated conclusions drawn from the project including lessons learned and recommendations for future work
d. Supplemental documentation which may include key materials used in RICAPS or related work.

2 <u>Local Government Technical Assistance</u>

Contractor will provide climate action planning technical support to San Mateo County jurisdictions and run the Regionally Integrated Climate Action Planning Suite (RICAPS) program on an ongoing basis. Contractor activities will include:

2.1 Supporting jurisdictions on working collaboratively on climate action implementation

Through surveys, individual consultations, and discussions during working group and ad hoc meetings, the Contractor will work to establish consensus on climate action goals and identify high impact areas with common interest by multiple jurisdictions. The Contractor will work to align resources to support a multi-city or countywide approach for collaborative climate action initiatives.

2.2 Hosting of monthly RICAPS working group meetings with city and Contractor sustainability staff

The Contractor hosts a monthly working group with agency staff to exchange ideas, share climate action planning resources, and collaborate on multi-city and/or countywide climate action initiatives.

2.3 Developing guidance documents and template policies

Contractor will develop technical resources and tools to support municipal staff in reducing greenhouse gas emissions. Work will include convening ad hoc advisory group meetings to get input and buy-in from municipal staff on technical resources and policy approaches. Contractor will refine the scope of technical resources in coordination with advisory groups and PCEA. The Contractor's technical assistance consultant will develop template policies and guidance documents.

2.4 Updating RICAPS tools

Contractor will update climate action planning templates and measures to reflect the latest best practices and address municipal needs.

2.5 Providing individualized advice and climate action planning technical assistance to jurisdictions using the RICAPS tools

The technical assistance consultant will assist with activities such as:

a. *Support individual jurisdictions in setting their CAP goals and developing a set of CAP measures to meet those goals.* Assist jurisdictions in verifying baseline and current GHG emissions inventories and calculating business-as-usual reduction target vs. forecasted reduction targets. Provide calculations of emissions using different groupings of CAP measures. Help jurisdictions evaluate cost-effectiveness and feasible time horizons for CAP measures. Help jurisdictions develop a strategy for achieving carbon neutrality, including incorporating carbon sequestration as requested.

b. *Support sustainability coordinators in explaining CAP development strategies for their jurisdiction.* Participate in and/or give presentations at meetings with city staff and/or Councils as requested, including kick-off meetings, council study sessions, etc.

c. *Support municipal staff in assessing compliance with requirements.* Assist jurisdictions in determining steps to comply with CEQA (i.e., initial study, negative declaration, etc.). Review CAP documents to verify compliance with common requirements for qualified GHG reduction strategies.

d. Provide other related CAP development assistance as needed when mutually agreed upon in advance of work.

2.6 Providing support for decarbonization of municipal operations

Coordinate with the San Mateo County Energy Watch (SMCEW) program to assist jurisdictions in identifying, implementing, and tracking progress on decarbonization projects. (Activities provided by the SMCEW program are listed in Exhibit C.) Provide updates to PCEA about SMCEW decarbonization activities.

2.7 Providing other climate action support as requested

PCEA may request additional strategic support on activities relating to improving the level of engagement and overall satisfaction with workgroup meetings. PCEA may also request additional strategic and technical support on reach code development, existing building electrification initiatives, and cross-county programmatic and policy coordination. This may involve data gathering and synthesis as well as integrating equity-oriented considerations.

Exhibit B

In consideration of the services provided by the Contractor described in Exhibit A and subject to the terms of the Agreement, PCEA shall pay the Contractor on a time and materials basis.

The Contractor shall bill quarterly. Invoices will document expenses including: labor (hours, rate, total), subcontractor expenses, and equipment, if applicable. The invoice will include a running expense total.

Each invoice will be accompanied by a narrative describing work accomplished during the timeframe of the invoice.

Contractor Labor Rates

Classification	**Maximum Rate ($/Hour)**
Sustainability Program Manager	$163.50
Senior Sustainability Specialist	$152.76
Resource Conservation Specialist III	$139.35
Resource Conservation Specialist II	$130.92
Resource Conservation Specialist I	$124.14
Intern Fellow IV	$121.45
Intern Fellow III	$105.98
Intern Fellow II	$91.63
Intern Fellow I	$83.07

Subcontractor (Technical Assistance Consultant) Labor Rates

Rincon Consultants, Inc. – *Lead technical and project management consultant*		
Title	**2023 Maximum Rate ($/Hour)**	**2024 Maximum Rate ($/Hour)**
Principal II	$295	$305
Director II	$295	$305
Principal I	$285	$295
Director I	$285	$295
Senior Supervisor II	$268	$277
Supervisor I	$250	$259
Senior Professional II	$234	$242

Senior Professional I	$218	$226
Professional IV	$194	$201
Professional III	$180	$186
Professional II	$160	$166
Professional I	$143	$148
Associate III	$120	$124
Associate II	$107	$111
Associate I	$100	$104
Field Technician	$86	$89
Data Solutions Architect	$180	$186
Senior GIS Specialist	$172	$178
GIS/CADD Specialist II	$153	$158
GIS/CADD Specialist I	$138	$143
Technical Editor	$135	$140
Project Accountant	$115	$119
Billing Specialist	$98	$101
Publishing Specialist	$110	$114
Clerical	$98	$101

DKS Associates – *Technical subconsultant specializing in transportation related sustainability issues*		
Title	**2023 Maximum Rate ($/Hour)**	**2024 Maximum Rate ($/Hour)**
Support Staff	$175	$185
Project Manager	$215	$225
Travel Demand Model Task Lead	$225	$235
VMT Expert	$300	$310

Willdan Group, Inc. – *Technical subconsultant specializing in engineering expertise related to building electrification*		
Title	**2023 Maximum Rate ($/Hour)**	**2024 Maximum Rate ($/Hour)**
Principle Engineer	$265	$278.25
Project Manager IV	$180	$189
Project Manager II	$150	$157.5
Energy Engineer	$140	$147

Exhibit C

The following decarbonization services are provided to public agencies in San Mateo County via the San Mateo County Energy Watch (SMCEW) program.

1. Methane Gas Catalog Tool Project

SMCEW is supporting jurisdictions in using the methane gas catalog tool to identify existing methane gas equipment and strategize its replacement with all-electric alternatives. The first cohort is starting this process in spring 2023, with a second cohort anticipated to begin in fall 2023.

1.1 Train San Mateo Community College District (SMCCD) student interns to collect data using the methane gas cataloging tool. Task will include hosting one student training session and performing the initial round of facility site visits (i.e., five full facility site walks) with students. Provide continued support to students throughout the methane gas cataloging tool data collection process. Support will include site walks to accompany students (i.e., site walks at two facilities), review and support for students' self-directed work (i.e., for up to 23 facilities), virtual meetings with students and facilities, facility analyses, and attendance at final presentations. This task will be led by Willdan and supported by Rincon.

1.2 Host kick-off with participating jurisdictions and schedule site walks with facilities staff.

1.3 Conduct walk-throughs of public agency buildings to assist facilities staff in cataloging methane gas equipment using the Excel-based tool.

1.4 Present results and discuss customized, prioritized recommendations for all-electric replacement options with each jurisdiction.

1.5 Develop Final Electrification Roadmap based on data collected from cataloging tool, and on-the-ground observation from outreach and implementation. The final guidance report will include synthesis of data collected throughout implementation of the methane gas cataloging tool, prioritization strategies for equipment replacement, funding and financing strategies, and general next steps for facility decarbonization in San Mateo County.

1.6 Summarize data on equipment types and share with external stakeholders to inform future program development.

2. Support Implementation of Decarbonization Projects

2.1 Work with jurisdictions to implement language into Capital Improvement Plans that favors replacing methane gas equipment with electric alternatives wherever feasible and establishes a schedule for doing so across all municipal facilities.

2.2 Support jurisdictions in integrating decarbonization projects in Capital Improvement Plans (CIP) processes. In current CIP lists, identify projects that include methane gas equipment and recommend all-electric alternatives. Assist staff in incorporating decarbonization projects into future CIP lists according to their agency's process and funding timelines.

2.3 Support public agencies in accessing programs, rebates, incentives, financing, and grants relevant to their decarbonization efforts, especially programs provided by Peninsula Clean Energy, PG&E, and BayREN.

2.4 Track progress on implementing decarbonization projects and provide support in overcoming barriers.

3. Benchmarking of Energy Use Using EPA Portfolio Manager Tool

3.1 Update benchmarking profiles of municipal buildings already benchmarked by SMCEW on Portfolio Manager, as needed.

3.2 Benchmark additional buildings as needed, to ensure that all buildings using methane gas have a profile on the Portfolio Manager platform.

3.3 Share benchmarking reports with each jurisdiction and Peninsula Clean Energy, as requested.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: March 17, 2023
BOARD MEETING DATE: March 23, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority (PCEA) Board of Directors

FROM: Jan Pepper, Chief Executive Officer

SUBJECT: CEO Report

REPORT

Staffing Updates

We are very happy to announce the following new staff that have joined the PCE Team!

Brianna Arroyo, Administrative Assistant, started on March 7
Roy Xu, Director of Power Resources, started on March 13
Gwen Rose, Director of Marketing and Community Relations, started on March 20
Catherine Hansen, Human Resources Manager, is starting on March 29

We are currently recruiting for the following open position. The job description can be found on the website:

Power Resources Analyst / Specialist

Letter to BAAQMD regarding rule amemdments

After discussion at the Peninsula Clean Energy Executive Committee meeting on March 13, it was decided that we would send a letter of support to the Bay Area Air Quality Management District (BAAQMD) regarding their consideration of two rule amendments on March 15 that would require zero NOx (nitrogen oxide) emissions from water heaters and space heaters. The letter is attached to this report.

CalCCA Annual Conference

The CalCCA annual conference will be in-person this year, from May 17 to May 19 in San Diego at the Marriott Marquis San Diego Marina. This is a great opportunity to learn more about what CCAs across the state are doing and meet other staff and board members from the 25 different CCAs in California. There will be an Elected Officials Luncheon on Friday, May 19. We are still awaiting more details about this event but want to alert all PCE board members and alternates about this. If you would like to attend the CalCCA annual conference, please let Nelly know. We will register you and reserve rooms at the hotel. Early Bird registration ends on March 31, although registration is available after March 31. The last day to receive a discount on hotel rooms is April 26, although discounted rooms will likely run out before that time.

Presentations and Speaking Events

One of my goals and objectives from the board is to seek out speaking opportunities to evangelize the work we are doing at PCE, and in particular, the work we are doing on the 24/7 renewables goal. With the January 10 publishing of "Achieving 24/7 Renewable Energy by 2025", the number of opportunities has increased:

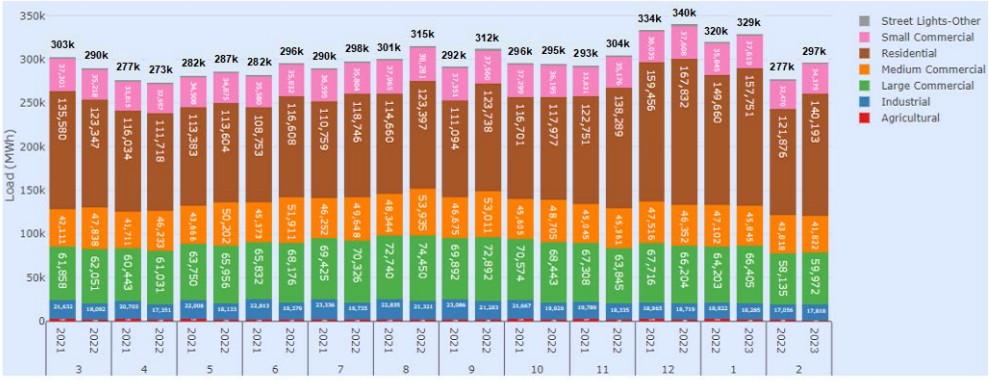
- On March 3, I participated in a podcast interview with the Center for Law, Energy, and the Environment at UC Berkeley School of Law which will be featured in a Climate Break broadcast later this spring.
- On March 18, I am participating in a panel discussion at the CivicWell Policymakers Conference, along with CPUC Commissioner Genevieve Shiroma, SMUD Board President Heidi Sanborn, and Los Angeles County Regional Planning Commission Vice Chair Pam O'Connor (moderator) to speak about our 24/7 work under the topic "Solar, Battery Storage, and Grid Reliability". Over 100 local, regional, and state elected officials will be at the conference.

Impact of COVID-19 on PCE Load

Attached to this report are summary graphs of the impact of COVID-19 on Peninsula Clean Energy's load. The first graph, "Monthly Load", shows the change in load on a monthly basis from March 2021 through February 2023. We saw a 4% in PCE's overall load from May 2022 to February 2023 compared to May 2021 to February 2022- mainly due to enrollment of customers from the City of Los Banos. Also continuing the same pattern as reported last month, the second graph, "Monthly Load Changes by Customer Class", shows that industrial load was lower from May 2022 – January 2023 compared to May 2021 – January 2022. Commercial and residential load was higher from May 2022 through January 2023 compared to May 2021 – January 2022. Commercial, industrial and residential load was higher in February 2023 compared to February 2022. The third graph, "Load Shapes (PCE)", shows the change overall in our load on an hourly basis. February 2023 load was higher in all hours compared to February 2021 and 2022. Thank you to Mehdi Shahriari on our Power Resources team for compiling these graphs.

Monthly Load

- 3% decrease in PCE's load in March-April 2022 compared to March-April 2021.
- 4% increase in PCE's load in May 2022 - February 2023 compared to May 2021 - February 2022 (Mainly due to enrollment of Customers from City of Los Banos).



Monthly Load Changes by Customer Class

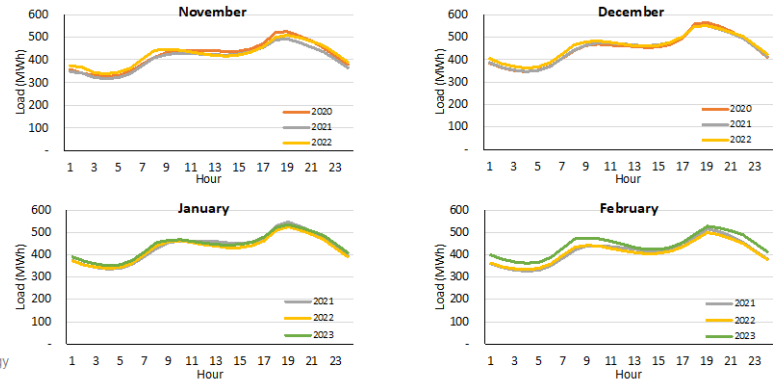
- In March-April of 2022, Industrial and Residential load was lower compared to same months in 2021. Commercial load was higher in March-April 2022 compared to March-April 2021.
- In May 2022 - January 2023, Industrial load was lower compared to May 2021 - January 2022. Commercial and Residential load was higher in May 2022 - January 2023 compared to May 2021 - January 2022.
- In February 2023, Commercial, Industrial and Residential load was higher compared to February 2022.

Agricultural	-7%	-12%	-15%	-5%	-6%	-15%	-29%	-31%	-35%	-38%	-37%	-46%
Industrial	-16%	-16%	-18%	-15%	-15%	-7%	-8%	-8%	-7%	-1%	-3%	4%
Small Commercial	-6%	-3%	1%	1%	-2%	1%	1%	-3%	4%	4%	5%	6%
Medium Commercial	14%	11%	15%	14%	7%	12%	14%	7%	1%	-2%	-3%	-5%
Large Commercial	0%	1%	3%	4%	1%	2%	4%	-3%	-5%	-2%	3%	3%
Residential	-9%	-4%	0%	7%	7%	8%	11%	1%	12%	5%	5%	15%
Street Lights-Other	-5%	-5%	-2%	1%	5%	3%	3%	2%	4%	5%	3%	4%
PCE	-4%	-1%	2%	5%	3%	5%	7%	0%	4%	2%	3%	7%
Month	3	4	5	6	7	8	9	10	11	12	1	2

* For months 3-12, the heatmap shows how much load in 2022 was lower/higher compared to same month in 2021. For months 1-2, the heatmap shows how much load in 2023 was lower/higher compared to same month in 2022.

Load Shapes (PCE)

- November: 2022 load was higher than 2021 load in overnight, morning and late evening hours.
- December: 2022 load was higher than 2021 load in overnight and early morning hours.
- January: 2023 load was higher than 2022 load in almost all hours.
- February: 2023 load was higher than 2022 load in all hours.



Reach Codes

Below is a table showing the status of Reach Code adoption by Peninsula Clean Energy jurisdictions, including the status for reach codes for New Construction and reach codes for Existing Buildings. Thank you to Rafael Reyes and Blake Herrschaft on our programs team for their work in this area.

East Palo Alto - NC second reading Tuesday, March 21

South San Francisco – NC first reading Wednesday, March 22

Colma – NC study session Wednesday, March 22

Member Agency	2019 Status	2022 Status: New Construction	2022 Status: Existing Construction
Atherton		Adopted 11/16	
Belmont	Adopted	Adopted 1/10	
Brisbane	Adopted	Adopted 11/17	Exploring
Burlingame	Adopted	Adopted 11/21	
Colma	Adopted	Study session 3/22	
County of San Mateo	Adopted	Adopted 1/3	Exploring
Daly City	Adopted	Adopted 11/15	
East Palo Alto	Adopted	Second reading 3/21	
Foster City			
Half Moon Bay	Adopted	EV first reading passed 12/6 (2019 gas ban for buildings)	Adopted 2019
Hillsborough	Adopted	Continuing 2019 through 2022	
Menlo Park	Adopted	Adopted 11/15	Exploring
Millbrae	Adopted	Adopted 12/13	
Pacifica	Adopted	Adopted 11/28	
Portola Valley		Adopted 10/26	
Redwood City	Adopted	Adopted 11/28	
San Bruno		Adopted 10/11	
San Carlos	Adopted	Adopted 10/24	Exploring
San Mateo	Adopted	Adopted 11/7	
South San Francisco	Adopted	First reading 3/22	
Woodside			

We have also added this second table below that provides more details for each jurisdiction as to the Reach Codes they have adopted for both EVs and buildings. EVCS means "EV Charging Station" is installed and EV-R means "EV-Ready" with an outlet that an EV can plug into.

Member Agency	2019?	2022 New Construction	EV Code	Building Code	2022: Existing
Atherton		Adopted 11/16	Multi-family N/A	All-electric, cooking exempt	
Belmont	Y	Adopted 1/10	15% L2 EVCS, 25% L2 EV-R, 60% L1 EV-R	All-electric	
Brisbane	Y	Adopted 11/17	Above model code	All-electric	Exploring
Burlingame	Y	Adopted 11/21	40% L2 EVCS, 60% L1 E-VR	All-electric	
Colma	Y	Study session 3/22		All-electric	
County of San Mateo	Y	Adopted 1/3		All-electric	Exploring
Daly City	Y	Adopted 11/15	2019 model	All-electric	
East Palo Alto	Y	First reading 3/7	2019 model	All-electric	
Foster City				All-electric	
Half Moon Bay	Y	EV first reading passed 12/6 (2019 gas ban for buildings)		All-electric	2-way AC, renovations, pre-wiring
Hillsborough	Y	Continuing 2019 thru 2022	Multi-family N/A	All-electric, cooking and drying exempt	
Menlo Park	Y	Adopted 11/15	Above model code	All-electric with lab exempt	Exploring
Millbrae	Y	Passed	25% L2 EV-R, 75% L1 EV-R	All-electric	
Pacifica	Y	Adopted 11/28	15% L2 EVCS, 85% Low power Level 2 EV-R	All-electric	Exploring
Portola Valley		Adopted 10/26	Unique code focused on small residential	All-electric	2-way AC, renovations, pre-wiring
Redwood City	Y	Adopted 11/28	40% L2 EVCS, 60% L1 E-VR	All-electric, reduced exemptions	
San Bruno		Adopted 10/11	Low power option	All-electric	
San Carlos	Y	Adopted 10/24	40% L2 EVCS, 60% L1 E-VR	All-electric, lab exempt	Study session on 1/23
San Mateo	Y	Adopted 11/7	15% L2 EVCS, 85% Low power Level 2 EV-R	All-electric	
South San Francisco	Y	First reading 3/8		All-electric	
Woodside					

Other Meetings and Events Attended by CEO

Attend weekly and monthly CalCCA Board and Executive Committee meetings.

Attend monthly California Community Power (CCPower) board meetings.

March 14, 2023

Jennifer Elwell and Board of Directors
Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, CA. 94105

cc: comments@baaqmd.gov
mhiratzka@baaqmd.gov

Dear Ms. Elwell and the Honorable Board of Directors of the Bay Area Air Quality Management District:

I am writing on behalf of Peninsula Clean Energy to express our qualified support for the proposed amendments to Regulation 9, Rule 4: Nitrogen Oxides from Fan Type Residential Central Furnaces, and Regulation 9, Rule 6: Nitrogen Oxides Emissions from Natural Gas-Fired Boilers and Water Heaters. While Peninsula Clean Energy supports the intent of the proposed amendments, there are considerable obstacles to the implementation of these changes which need to be addressed, as we have outlined in items 1) through 5) below.

Peninsula Clean Energy is the not-for-profit community choice aggregator (CCA) serving 97% of electricity users in the cities, towns and the county of San Mateo, and the City of Los Banos in Merced County. Our mission is to provide 100% clean electricity at low cost and to use this clean electricity to reduce greenhouse gas emissions in the transportation and building sectors. Our 23-member Board of Directors has adopted a key strategic priority to help our member jurisdictions reach the state's goal to be 100% greenhouse-gas free for transportation and building electrification by 2035.

Peninsula Clean Energy provides monetary incentives for residents to replace their methane gas-fired appliances with heat-pump water heaters and heat-pump space heaters, as well as additional incentive funds to cover electrical panel upgrades. We also provide zero percent loans of up to $10,000 for households to install an electrification measure. We have supported over 200 income-qualified homeowners to install an electrification measure at no cost to the homeowner. We are conducting pilot projects and collecting data on new technologies, including combined water and space heating systems powered 100% by electricity. In addition, Peninsula Clean Energy is working on a substantially expanded building electrification program which aims to expand customer support with a "one-stop shop" website, hotline for customer technical assistance, optional turnkey service including rapid response emergency replacements, and an expanded whole home direct install program for income-qualified customers.

A very successful program that Peninsula Clean Energy has promoted has been technical assistance to our member jurisdictions for the adoption of building reach codes. These

reach codes are building codes that reach beyond what the state requires to further accelerate electrification of buildings and installation of EV charging stations. The building reach code effort has resulted in 19 of our 22 jurisdictions adopting building reach code ordinances for new construction that require electric appliances for water and space heating.

The building reach code ordinances provide a direct pathway to assure that *new* construction will be all electric. On the other hand, electrification of *existing* buildings currently relies on homeowners and building owners taking action on their own. It is abundantly clear that relying on voluntary actions by homeowners and building owners to make the switch to cleaner electric water and space heating will not result in the adoption rates needed to reach the state's goals.

The two rules that the BAAQMD Board is considering provide a regulatory pathway to transition the existing building stock to all electric space and water heating. These rules are in keeping with Peninsula Clean Energy's strategic priorities and our regulatory platform. We note that Rules 9-4 and 9-6 include a staff report to the BAAQMD Board of Directors two years prior to each compliance date to provide information to the Board and the public about technology development, market availability of zero NOx appliances, potential costs of compliance, infrastructure readiness, and availability of incentive programs to decrease costs. These reports will be informed by an Implementation Working Group of external stakeholders. However, we find that the interim informational report and the process for Board action in relation to this interim information does not provide sufficient protection for consumers. Through Peninsula Clean Energy's public process of advocating for reach codes and our other programs, Peninsula Clean Energy has gathered significant input from customers and stakeholders on the challenges that must be addressed for successful electrification of existing buildings.

We are concerned about the following: 1) cost issues and overall affordability of requiring all electric space and water heating; 2) reliability of the grid, particularly in locations such as the San Mateo Coast which experiences strong grid unreliability; 3) availability of electrification products; 4) need for qualified installers; and 5) impact on lower- and middle-income households.

1) **Cost issues and affordability**. The combination of equipment and installation costs for efficient electric water heating and space heating are higher than current methane gas options. In many cases, electric panel upgrades are also needed, greatly increasing the installation cost. Peninsula Clean Energy is attempting to address this with incentive payments to try to achieve parity between the cost of electric versus methane gas alternatives. Nevertheless, specific building conditions such as very old "knob and tube" electrical systems or constrained physical conditions can cause installation costs to significantly exceed the average. Additional financial support from BAAQMD will be necessary to enable the proposed widespread electrification to occur.

2) **Grid reliability**. Power outages are a recurring problem in San Mateo County, particularly in coastal communities. This creates real and perceived issues for customers who may lose access to hot water or heating. While most gas appliances use electricity and are also unavailable when the power is out, stoves and some gas water heaters can operate in a

power outage. Peninsula Clean Energy is sourcing sufficient amounts of clean and renewable energy to meet our customers' current and future needs, but the updating and upgrading of the PG&E grid to deliver this electricity is not proceeding at the pace needed. Peninsula Clean Energy is working with our customers to incentivize installing battery storage with rooftop solar systems which could provide the necessary backup power to minimize the risks that otherwise may occur with broad electrification. However, the cost to add battery storage is extremely expensive at this time and battery systems are in short supply. As the technology becomes available, battery backup from electric vehicles can provide households with backup power at a more efficient cost as the vehicle has dual purposes – BAAQMD could be helpful in providing incentives and policy action to accelerate the use of electric vehicles to provide resiliency. Additionally, we are exploring the use of microgrids and local storage to isolate sections of the distribution system that are regularly affected by power outages; cooperation from PG&E is needed for this to be successful.

3) **Availability of products**. We agree with BAAQMD that action is needed quickly to transition the built environment to electric alternatives. However, it is unclear if there will be sufficient availability of affordable, high quality, and reliable electric water and space heating equipment in the time frame outlined by these rules. These rules provide a market signal to manufacturers that there is demand for these products, but we also need to be assured that the equipment entering the market will be affordable and operate as required.

4) **Qualified installers**. An extensive contractor network and extensive contractor training is needed to meet the expected demand for building electrification. Contractors need to become familiar with the products, learn how to install them correctly, and ensure that they are operating properly and efficiently so that consumers receive full value for these products.

5) **Impact on lower-income and middle-income households**. The issues noted above present even greater challenges to low- and middle-income households. Although electric appliances provide higher efficiency than the methane gas alternatives, assurance is needed that the ongoing operating costs of these appliances will not increase customer energy bills.

We appreciate the Air District's serious consideration of these issues and encourage you to address these as part of the rule-making process of proposed Rules 9-4 and 9-6.

Thank you for this opportunity to share our thoughts on these rules. I am available to provide further information as needed.

Best regards,

Janis C. Pepper

Jan Pepper
Chief Executive Officer

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: March 15, 2023
BOARD MEETING DATE: March 23, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Peninsula Clean Energy Board of Directors

FROM: Kristina Cordero, Chief Financial Officer, Peninsula Clean Energy

SUBJECT: Financial Report to the Board – Review of Financial Reports and Investment Summary for 2nd Quarter Fiscal Year (FY) 2022-2023

RECOMMENDATION:

No Action Recommended. Discussion only.

BACKGROUND:
The attached documents will provide the Board with a view of organization's current financial health and fiscal stability. These documents provide a snapshot view of PCE's financial position, and most importantly, PCE's performance over and above financial policy minimums. These documents are meant to provide assurance to the PCE Board of Directors that the financial health of the organization is protected by the active management of PCE staff to ensure compliance with PCE Board adopted financial policies.

This discussion and the supporting documents are provided in response to the Executive Committee's March 13, 2023 request for written confirmation to the Board that the recent failure of Silicon Valley Bank had no direct impact on PCE's financial operations, financial position, and overall business operating risk exposure. PCE does not bank with, nor does it contract for energy products with any counterparties that rely on Silicon Valley Bank for contractual collateral support.

PCE is cautious and judicious in its assessment of operating and financial risk. Fundamental in its approach to doing business, PCE management, guided by Board approved policies, and best practices actively pursues diversification to minimize exposure to risk in the market, projects, counterparties, and vendors. Also, PCE is active in the development and strengthening of risk mitigation tools. PCE Policies 17, 18, and 19 are policies that support financial risk mitigation. Notably, PCE performs at above the minimum thresholds that these policies require. Policy 18 calls for PCE to maintain at least 180 days of operating cash on hand, and as of the FY 2022-2023 Q2 Budget Report, PCE had 219 days of operating cash on hand.

In furtherance of diversifying exposure and mitigating financial risk, PCE is diversifying its exposure to financial institutions by spreading its current cash and liquid asset holdings from two financial institutions (First Republic Bank and Wilmington Trust) to three, maintaining its bank relationship with First Republic Bank, ending its banking relationship with Wilmington Trust, and

opening accounts with Vanguard and Fidelity where it will hold liquid assets approximating one month's worth of operating expenses at each institution. Any excess funds will be swept into PCE's investment portfolio held in custodial trust at US Bank and managed by two investment managers, PFM and First Republic Bank.

It is worth noting that PCE's bank deposits are further protected from larger banking market volatility in that banking institutions must provide for collateral support of the deposits held for governmental agencies. In compliance with California Government Code Section 16611, collateral support provided for governmental institution deposits held by First Republic Bank is provided by an irrevocable letter of credit provided by the Federal Home Loan Bank of San Francisco.

FISCAL IMPACT:
No fiscal impact

STRATEGIC PLAN:
Not applicable

ATTACHMENTS
1. Peninsula Clean Energy Financial Report December 2022
2. Financial Report to the Board Power Point Presentation to be published online

MAHER
ACCOUNTANCY

ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Peninsula Clean Energy Authority

Management is responsible for the accompanying financial statements of Peninsula Clean Energy Authority (PCE), a California Joint Powers Authority, which comprise the statement of net position as of December 31, 2022, and the statement of revenues, expenses, and changes in net position, and the statement of cash flows for the period then ended, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. PCE's annual audited financial statements will include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to PCE because we performed certain accounting services that impaired our independence.

Maher Accountancy
San Rafael, CA
January 26, 2023

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF NET POSITION
As of December 31, 2022

ASSETS	
Current assets	
Cash and cash equivalents	$ 63,460,061
Accounts receivable, net of allowance	37,095,186
Accrued revenue	21,900,199
Investments	15,000,296
Other receivables	4,727,535
Prepaid expenses	778,763
Deposits	14,826,683
Total current assets	157,788,723
Noncurrent assets	
Investments	107,213,940
Deposits and other assets	187,878
Lease asset, net of amortization	1,847,692
Capital assets, net of depreciation	247,268
Total noncurrent assets	109,496,778
Total assets	267,285,501
LIABILITIES	
Current liabilities	
Accrued cost of electricity	39,032,535
Accounts payable	975,180
Other accrued liabilities	731,754
Deferred revenue	4,678,563
User taxes and energy surcharges due to other governments	1,259,096
Deposits - energy suppliers	2,230,588
Lease liability	484,241
Total current liabilities	49,391,957
Noncurrent liabilities	
Deposits - energy suppliers	1,653,433
Lease liability	1,512,609
Total noncurrent liabilities	3,166,042
Total liabilities	52,557,999
NET POSITION	
Net investment in capital assets	98,110
Unrestricted	214,629,392
Total net position	$ 214,727,502

See accountants' compilation report.

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Six Months Ended December 31, 2022

OPERATING REVENUES		
Electricity sales, net	$	213,073,074
Green electricity premium		1,536,690
Liquidated damages revenue		113,643
Grant revenue		571,955
Total operating revenues		215,295,362
OPERATING EXPENSES		
Cost of electricity		156,507,649
Contract services		5,187,515
Staff compensation		3,704,778
General and administration		1,859,094
Depreciation and amortization		284,507
Total operating expenses		167,543,543
Operating income (loss)		47,751,819
NONOPERATING REVENUES (EXPENSES)		
Interest and investment income (loss)		(661,990)
Finance costs		(33,061)
Nonoperating revenues (expenses), net		(695,051)
CHANGE IN NET POSITION		47,056,768
Net position at beginning of period		167,670,734
Net position at end of period	$	214,727,502

See accountants' compilation report.

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS
Six Months Ended December 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	$	212,393,545
Receipts from grantors		5,250,518
Receipts from supplier security deposits		533,798
Payments to suppliers for electricity		(143,227,651)
Payments for other goods and services		(7,299,730)
Payments for staff compensation		(3,675,242)
Payments of taxes and surcharges to other governments		(2,896,898)
Net cash provided (used) by operating activities		61,078,340
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Deposits and collateral received		14,000,000
Deposits and collateral paid		(23,367,660)
Net cash provided (used) by non-capital financing activities		(9,367,660)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments of lease liability		(303,520)
Payments to acquire capital assets		(23,641)
Net cash provided (used) by capital financing activities		(327,161)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from investment sales		22,170,501
Investment income received		1,124,953
Purchase of investments		(20,996,364)
Net cash provided (used) by investing activities		2,299,090
Net change in cash and cash equivalents		53,682,609
Cash and cash equivalents at beginning of period		9,777,452
Cash and cash equivalents at end of period	$	63,460,061

See accountants' compilation report.

PENINSULA CLEAN ENERGY AUTHORITY

STATEMENT OF CASH FLOWS (continued)
Six Months Ended December 31, 2022

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

Operating income (loss)	$	47,751,819
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation and amortization expense		284,507
Provision for uncollectible accounts		1,620,860
(Increase) decrease in:		
Accounts receivable		(5,846,667)
Accrued revenue		(1,178,218)
Other receivables		(1,602,971)
Prepaid expenses		4,197,808
Increase (decrease) in:		
Accrued cost of electricity		11,893,615
Accounts payable		(196,623)
Deferred revenue		4,405,063
Other accrued liabilities		(34,616)
User taxes and energy surcharges due to other governments		177,265
Supplier security deposits		(393,502)
Net cash provided (used) by operating activities	$	61,078,340

PENINSULA CLEAN ENERGY
JPA Board Correspondence

DATE: March 10, 2023
BOARD MEETING DATE: March 23, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer, Peninsula Clean Energy
Rafael Reyes, Director of Energy Programs

SUBJECT: Approval of Budget Extension of 0% Loan On-Bill Financing

RECOMMENDATION

Approval of Budget Extension of 0% Loan On-Bill Financing with an additional $1 million in capital from reserves for $2 million total available for loans on a first-come first-served basis.

BACKGROUND

Peninsula Clean Energy's mission is to reduce greenhouse gas (GHG) emissions by expanding access to sustainable and affordable energy solutions. This includes an organizational priority to contribute to our community reaching a goal of 100% greenhouse gas-free in buildings and transportation by 2035. Nearly 30% of GHGs in San Mateo County are from methane gas combustion in buildings.

Since January 2021, Peninsula Clean Energy has provided incentives for efficient electric building systems to replace equipment utilizing combustion of methane gas beginning with heat pump water heaters. However, costs for building electrification can be significant and in October 2022, at the direction from the Board in August 2021, the Zero Percent Loan program was launched with an allocation of $1,000,000 from reserves. The Zero Percent Loan program, originally referred to as "on-bill finance" program because repayment is on the customer's utility bill, followed the model of other utility providers across the country as well as that of peer Community Choice Aggregator Sonoma Clean Power. The program offers up to $10,000 in financing to home owners, at 0% and with a repayment term of up to ten (10) years. This program is also consistent with the 2035 Decarbonization Plan presented to the Board in September 2022 which identifies several finance offerings as important elements for building decarbonization.

The Zero Percent Loan program was launched with a number of additional program enhancements including increased incentives on heat pump water heaters ($3,000), addition of incentives for heat pump space conditioning systems ($3,500), initial bonus $500 for installations prior to March 31 (set to expire), and the option to receive incentives without going through the regional BayREN program. In addition, the federal Inflation Reduction Act tax credits for heat pumps ($2,000) also went into effect in January.

DISCUSSION

We have seen rapid growth in our Zero Percent Loan offering. Sonoma Clean Power's initial experience with their program, which began in 2021, was that average loans were typically between $3,000 and $4,000. However, in Peninsula Clean Energy's program nearly all loans are for $10,000. This may be due to the current high interest rates on consumer loans. As of March 15th, a total of 128 loan applications have been received by PCE. Of these, 81 loans have been reserved or completed for total of $750,000, 26 are under review, and 21 have been denied/cancelled. Most of the projects are for heat pump heating and cooling systems.

Since the launch of the Zero Percent Loan program, overall uptake in the building incentive programs have significantly accelerated. In 2022, 197 rebate applications were received, or an average of 16 per month. However, that includes 37 in December and was followed by 60 and 68 in January and February respectively. As of March 8, 2023, 26 applications were received, and applications are on pace to exceed 100 for the month of March. Since inception of the incentives in January 2021, 442 projects have been completed.

The loan program is popular and appears materially helpful to customers wishing to electrify their homes. Extending the program to further assist customers and assess program direction would be valuable.

Some losses are expected from the program. When people move and accounts are closed customers are required under the terms of the loan to repay the loan in full. However, there is no direct enforcement mechanism. In such an event, Peninsula Clean Energy will take accounts to a collections service but only a small portion of funds in collections are recovered. Losses are expected to be low. A review of 27 OBF programs across the country in a US DOE study[1] found that the median default rates for these programs is extremely low - 0.08% for residential programs whose loan volume was over $1 billion to over 180,000 participants with an average loan of just under $5,800. There is not yet data available from the Peninsula Clean Energy program.

However, the intention of this phase of the program is to assess uptake and repayment rate. It is possible that the current accelerating participation may be the result of pent up demand created by marketing of the Inflation Reduction Act, if so, the pace of projects may taper and a clearer picture of long term uptake can be assessed mid-year.

[1] https://www7.eere.energy.gov/seeaction/sites/default/files/pdfs/onbill_financing.pdf

Adjustments to the program including eligibility and term may be considered at a future date. The proposed extension is intended to lengthen the period of assessment without disrupting current customer and partner contractor expectations about the program.

FISCAL IMPACT

$1 million in additional funds for Zero Percent Loan to be repaid by customers over 10 years.

STRATEGIC PLAN

The proposed program supports the following elements of the strategic plan:

Goal 3 – Community Energy Programs, Objective A:

- Key Tactic 4: Establish preference for all-electric building design and appliance replacement among consumers and building stakeholders

Goal 3 – Community Energy Programs, Objective C:

- Key Tactic 1: Identify, pilot, and develop innovative solutions for decarbonization

RESOLUTION NO. _____

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

* * * * * *

RESOLUTION EXTENDING ON-BILL FINANCE PROGRAM WITH AN ADDITIONAL $1,000,000 IN ONGOING LOAN CAPITAL FOR A TOTAL OF $2,000,000

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

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

WHEREAS, reducing greenhouse gasses to reduce the adverse public wellbeing and economic impacts of climate change is an organizational priority for PCE; and

WHEREAS, natural gas usage in buildings account for nearly 30% of directly inventoried GHG emissions within the County; and

WHEREAS, PCE provides low-carbon electricity that can power appliances for all building needs; and

WHEREAS, facilitating the replacement of natural gas appliances with electric appliances in existing buildings to reduce greenhouse gasses is part of PCE's program roadmap approved by the Board; and

WHEREAS, the Board approved the initial $1,000,000 in ongoing loan capital on August 26, 2021; and

WHEREAS, since the launch of the program in October 15, 2022, $738,000 of these funds have been spent or reserved; and

WHEREAS, staff has identified demand for an additional amount of program funding in the amount of $1,000,000 based on the current application rate; and

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board approves allocation of an additional $1,000,000 in capital from PCE reserves for the on-bill finance program (publicly named Zero Percent Loan) for a total of $2,000,000.

* * * * * *

PENINSULA CLEAN ENERGY
JPA Board Correspondence

DATE: Mar. 17, 2023
BOARD MEETING DATE: Mar. 23, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer, Peninsula Clean Energy
Rafael Reyes, Director of Energy Programs

SUBJECT: Building Electrification Strategy Update

RECOMMENDATION

No Action Recommended. Discussion only.

BACKGROUND

Peninsula Clean Energy's mission is to reduce greenhouse gas (GHG) emissions by expanding access to sustainable and affordable energy solutions. Nearly 30% of GHGs in San Mateo County are from methane gas usage in buildings. Reducing GHG emission from the existing building stock is critical in achieving decarbonization in Peninsula Clean Energy member communities.

In September 2018, the Board approved the PCE Program Roadmap, which identifies programs for 2019 and beyond to include measures on building electrification. In May 2020, the Board approved a four-year $6.1 million Existing Building Electrification plan for existing buildings covering building system incentives, home upgrades for low-income households and supporting program elements including innovation pilots, administration and other needs. In March 2021, the Board approved a $2,000,000 contract with RHA–who was selected through a competitive solicitation process–to implement the Home Upgrade program to offer no-cost minor home repairs and electrification upgrades to low-income residents. In February 2023, the Board approved an extension of this program in its current form for another year with an additional $1,500,000. In September 2021, the Board adopted a new target supporting the region in reaching 100% decarbonization in buildings and transportation by 2035 and directed staff to analyze the feasibility of that target and return with an assessment and plan. In September 2022, staff presented the findings from the 2035 Decarbonization Feasibility and Plan which included targets and program concepts for the decarbonization of buildings.

PENINSULA CLEAN ENERGY

Per the 2035 Decarbonization Feasibility and Plan, Peninsula Clean Energy is best positioned to affect change in select areas of transportation and buildings. For existing buildings "small residential" (single-family and small multi-family residential units), office and small commercial have been identified as priority targets. The analysis indicates Peninsula Clean Energy has the technical potential for electrifying 25-35% of small residential within its scope and the 2035 timeframe given anticipated budget from all sources. To meet this volume, the equivalent of 560 homes need to be electrified in 2024 with growth to follow. The plan calls for reach codes and regulatory requirements to drive the market. However, for such regulations to be feasible and successful, there need to be robust programs in place to support residents in making this transition. The 2035 Plan established the following programs objectives for future building electrification programs:

1. **Flexible incentives**
    - All measures, including prewiring and panels
    - Broader building segments
    - Integrated load shaping & solar+storage options
2. **High touch support**
    - Advanced "right-sizing" design
    - Technical assistance "hotline" and turnkey installation option
    - Procurement aggregation to lower costs
    - Greater contractor support
3. **Links to finance**
    - Specific linkages by customer segment

Electrification of the building sector in Peninsula Clean Energy service territory and California at large is very early in its market development. Per the 2035 analysis, in San Mateo County, 98% of small residential homes have gas water heaters and 68% have gas furnaces, which make up the largest sources of methane gas combustion in the home. Some of the main challenges that customers face in switching to electric systems include high installation costs, lack of familiarity with technology, and limited support from contractors.

Peninsula Clean Energy currently offers the following residential building electrification programs:

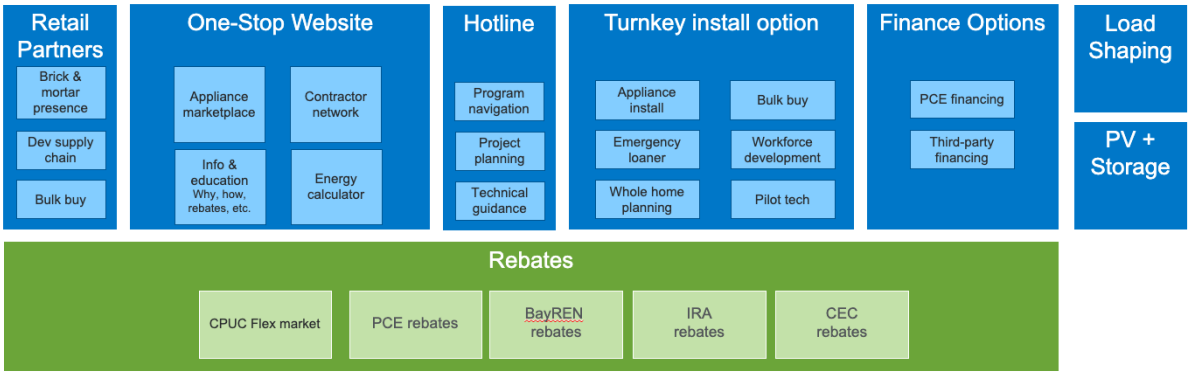
1. **Rebates:** rebates for fuel-switching to heat pump water heating and space conditioning systems ($3,000+ with added funds for panel upgrades or low-income customers). Customers can use any contractor and application is after installation.
2. **Zero percent loans:** loans up to $10,000 to reduce the upfront cost of heat pump water heater and heat pump HVAC upgrades. This is an on-bill financing program which means customers pay the loan back directly through their electric bill.
3. **Home Upgrade program:** no-cost direct installation of minor home repairs and one electrification upgrade (heat pump water heater, electric dryer, or induction stove) per home for income-qualified residents (defined as having an income below 80% the Average Median Income).

The program steps proposed here are in alignment with the 2035 Decarbonization Plan to address the residential segment. Program proposals for the commercial and municipal sectors are intended to be proposed later this year.

DISCUSSION

The rebate and loan programs are open to all residents and aim to address the cost barrier by reducing the upfront cost to the customer. However, both programs provide minimal guidance and support to customers. Peninsula Clean Energy programs staff monitors and responds to basic questions and the BayREN Home+ program offers "Energy Advisor" services but also does not provide significant technical guidance. The result is many residents are largely on their own to find a contractor, compare bids, and figure out technical questions. The Home Upgrade program offers high-touch support to customers but eligibility for this program is very narrow and thus not available to all customers. Numerous customers and stakeholders have communicated that more guidance and support is needed, beyond rebates.

To meet our 2035 goals for building electrification, more robust program infrastructure is proposed to address customer barriers and make the switch easier. This includes addressing varied needs which vary for different customers: the option for flexibility for those who want to manage the details (select products, contractors or "do it yourself-ers"), streamlined for those who want work done with minimal involvement (turnkey planning and installation), and those who cannot afford to make the upgrades. The following is a conceptual vision to better support all customers.



The conceptual vision has many elements and would be brought up in phases. The first phase is proposed to include:

a) A "one-stop shop" website with more robust information including all available rebates,
b) the hotline for process and technical guidance, and

PENINSULA CLEAN ENERGY

c) a turnkey-install option that would provide pre-selected contractors and products for immediate engagement. The turnkey service is also envisioned to provide an expanded income-qualified direct-install Home Upgrade service as discussed below.

These components are envisioned for launch in 2024. To that end, staff proposes to issue a request for proposals (RFP) to select an implementation partner(s) for a multi-year turnkey residential install program and comprehensive customer support hotline. The first phase of the "one-stop shop" would be developed internally but additional features might entail selection of partners in competitive processes.

The services would provide deeper technical assistance than is currently available. The hotline would provide both process and technical advice for any customer. And the turnkey service option would address the needs of customers that need comprehensive support with minimal customer involvement – doing the project evaluation, having a trusted contractor, and managing the product selection. The turnkey service would include a loaner gas water heater for instances of emergency replacements to allow time to install any needed electrical circuits or other elements required to install a heat pump water heater. In addition, the services would complement Peninsula Clean Energy's existing incentive and financing options and provides necessary support for customers complying with local electrification reach codes requirements currently in place or being considered. Non-income qualified customers would be required to provide a "co-pay" for the turnkey services. Finally, the services would be contracted in alignment with Peninsula Clean Energy's Sustainable Workforce Policy.

Income-qualified customers would receive at no cost the expanded Home Upgrade set of services for comprehensive "whole home" electrification - all gas combustion would be replaced with clean, efficient electric alternatives (in contrast to the current program which offers only one electrification measure). And consistent with the current program, additional minor home repair would continue, which are frequently high priority for these customers (door or steps repairs, shower handles, etc.). The program would continue to be a major element of our efforts to support underserved communities, including meeting our minimum low-income investment target.

Joining the income-qualified Home Upgrade program with the overall turnkey program has numerous benefits. From the customer point of view, this would look like a single program that offers many forms of assistance: no-cost direct install for income-qualified residents, and a turnkey install service with a "co-pay" for non-income-qualified residents (with the existing Peninsula Clean Energy rebates reducing the net cost to customer as well as additional rebates such as those available under the Inflation Reduction Act). There would be a single line to call for different levels of support, from simple program navigation questions to technical assistance. This would eliminate the confusion that might come from having two separate "tracks" with different communication channels, providers and approaches.

PENINSULA CLEAN ENERGY

The expanded low-income Home Upgrade program is envisioned to do whole-home upgrades at a pace of at least 250 homes per year which would enable having contractor crews that are dedicated to the program, specifically trained in optimal electrification design strategies, with the latest technologies and cost-saving methods. By having dedicated resources to Peninsula Clean Energy projects, we can expect better pricing, better service, and shorter response times. These dedicated crews can also be leveraged for the turnkey services to non-income qualified customers. Additionally, through the volume of electric equipment installed through this program, this would enable staff to work with distributors to do bulk procurement or get bulk discounts on equipment for the direct install offerings. Staff is hopeful that the bulk purchase discounts from the turnkey program can also be offered to all customers, regardless of program participation pathway. In addition, the expanded Home Upgrade program could ensure electric vehicle readiness, pilot emerging technologies, and establish “virtual power plant” (VPP) capabilities.

Timely development of the program would also enable Peninsula Clean Energy to capture upcoming federal and state incentives for building electrification, including rebates for building electrification from the Inflation Reduction Act (IRA) that will flow through the state. These funds are likely to become available in late 2023 or early 2024. Because the timeframe for the state and federal programs is limited the launch of the expanded Home Upgrade program in 2024 would provide a direct avenue for capturing these funds and thus reduce Peninsula Clean Energy’s net costs in electrifying the homes served through the program.

Installation costs per home for whole home electrification are projected to be $30,000 to $35,000 before incentives and factoring inflation but a key goal would be to lower costs through bulk purchases and other volume elements. Overall, the expanded low-income Home Upgrade program elements are anticipated to cost approximately $16 to 19 million in net costs to Peninsula Clean Energy over 3-years (after state and IRA incentives which may or may not flow through Peninsula Clean Energy). These costs are separate from the existing rebate and on-bill finance offerings. Most of these costs would be for the expanded Home Upgrade program, with hotline and non-income qualified turnkey install services administration estimated at $900,000 to $1,200,000 over 3 years depending on service costs and customer volume. These costs do not include costs of incentives already factored into the Program Department budget.

More detailed budget estimates will be developed based on proposals received in a competitive procurement process. Total greenhouse gas reductions from the expanded Home Upgrade program is estimated at 1,700 MT CO2e per year for the 650 low-income homes anticipated to be fully electrified over 3 years (with the first year being a ramp-up up to the 250 units per year in subsequent years).

Staff estimates the development of the RFP and selection process for such as program to take approximately 9-10 months with contracts brought before the Board for approval.

PENINSULA CLEAN ENERGY

FISCAL IMPACT

1. Electrification strategy: Detailed budget to be developed as part of competitive procurement but projected at $17 million to $19 million over 3-years primarily for low-income home electrification.

STRATEGIC PLAN

Goal 3 – Community Energy Programs, Objective A:

- Key Tactic 4: Establish preference for all-electric building design and appliance replacement among consumers and building stakeholders

Goal 3 – Community Energy Programs, Objective B:

- Key Tactic 1: Invest in programs that benefit underserved communities
- Key Tactic 3: Support workforce development programs in the County

March 9 2023 PCE CAC Building Electrification V.2 recommendation of the Working Group on BE.

To the Board of Directors of Peninsula Clean Energy:

1. The Citizens Advisory Committee ("CAC") wholeheartedly and excitedly supports, endorses and recommends the adoption of the Staff proposal for Building Electrification (BE) 2.0. The CAC members believe it is both necessary and incredibly helpful in targeting the goals of PCE to electrify buildings and remove the reliance on fossil fuels.

2. CAC supports the additional funding of $1mm for the zero interest loan program and fully support the BE 2.0 program funding as part of future budget setting.

   Some specific suggestions:

3. Give input to the consultant firm (RHA):
   a. Make sure that operating appliances are never disconnected before the new ones are ready to be connected (especially for low-income home upgrades)
   b. Have more language options available
4. Make emergency installs a priority
   a. Have the 1-800 hotline be in the forefront of communication. Maybe use the SMUD example so when people have emergency needs it is addressed and easy to find.
5. Make purchasing and capacity a requirement for contractors
   a. They need to have enough appliances on hand and available.
   b. Strongly encourage bulk equipment purchasing and storage to reduce costs and have available supply for customers and emergencies.
   c. Have 120 volt heat pump water heater options readily available (e.g. pre-purchase the plug-in water heaters that will allow easier same-day replacements of gas water heaters.)
6. Have enhanced customer satisfaction and customer support as part of the plan *[compared to the BayREN energy advisor service currently recommended]*
   a. Better assistance on appliance and design recommendations from both the initial call service and from contractors
   b. Better initial call experience on first assessment of a plan
7. Have a means to track success and customer experience
   a. Follow up surveys with rebate recipients and also data collection on experiences and appliances installed
   b. Monitor billing or energy usage
8. Contractors should need to guarantee the work/warranty so there are assurances that it will work up front as a new technology (like the warranty on hybrid cars when they first came out)
9. To maximize customer satisfaction — which will be critical to the larger purpose of generating widespread adoption of electrification — establish criteria for identifying

appliances that have demonstrated good reliability and ensure that such appliances are selected for all installations by PCE's contractor (for instance, avoiding equipment that has received significant complaints of noise or reliability issues).

10. Prepare and disseminate information for renters about how to approach landlords about building electrification technologies and financial assistance

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: March 10, 2023
BOARD MEETING DATE: March 23, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Kirsten Andrews-Schwind, Senior Manager of Community Relations & Leslie Brown, Director of Account Services

SUBJECT: Update on Marketing, Outreach Activities, and Account Services

BACKGROUND

The Marketing, Community Relations, and Account Services Teams are responsible for enhancing Peninsula Clean Energy's brand reputation, educating and engaging customers, driving participation in programs, and ensuring customer satisfaction and retention. Tactics include community outreach, content creation and storytelling through owned (e.g. online, social media), earned (e.g. public relations), and paid media (advertising), school engagement programs, and customer care.

DISCUSSION

The following is an update of activities that are currently underway. Please refer to the "Strategic Plan" section below for further information/explanation as to how these activities support Peninsula Clean Energy's strategic plan objectives.

Zero Percent Loan Program and Heat Pump Rebates
These programs are being promoted in our Energy Programs Bulletin, which is emailed semi-monthly to about 200,000 residential customers, and in paid search. In the last 30 days, 1,004 users visited the Zero Percent Loan webpage, 3,382 visited the heat pump water heater program page, and 4,642 visited the heat pump heating and cooling program page.

Electrification Messaging and Campaign Support of Decarbonization
We have begun to roll out messaging encouraging electrification in email communications and online advertising. In the last 30 days, 2,290 users have visited our all-electric web page. Our search ads for this campaign are currently achieving a click-through rate of

10.34% at a cost of $1.21 per click. The campaign supports our organizational priority to contribute to our community reaching a goal of 100% greenhouse gas-free for buildings and transportation by 2035.

Used Electric Vehicle (EV) Campaign
In the past 30 days, 2,725 users visited the main EV page on our web site. A search advertising campaign addressing barriers and benefits of electric vehicles is currently achieving a click-through rate of 4.54% at a cost of $2.66 per click.

All-Electric Leader Awards Program
Awards will be presented at the Sustainable San Mateo County's 24th Annual Awards celebration at the College of San Mateo on March 30, 2023.

Outreach Grants
Some program highlights from the last month include:

- Staff conducted Spanish-language trainings on Peninsula Clean Energy for outreach staff and promotoras from El Concilio and Nuestra Casa in San Mateo County, and Cultiva la Salud in Los Banos.
- Acterra held an EV Financial Incentives clinic in English, Spanish, and Vietnamese. Their next clinic will be held in English, Spanish, and Mandarin Chinese.

Los Banos Update
Our local Los Banos representative Sandra Benetti continues providing information and answering customer questions. She is tabling twice monthly on bill pay dates at Los Banos City Hall, gave presentations at local high schools and community groups, and drafted an article for a local newspaper about rates and billing. She is also conducting outreach to eligible local public agencies about the GovPV program, and to local businesses and developers about EV charging support.

News & Media
Full coverage of Peninsula Clean Energy in the news can be found on our News & Media webpage.

ENROLLMENT UPDATE

ECO100 Statistics (since January report)

Total ECO100 accounts at end of February:	6,483
ECO100 accounts added in February:	23
ECO100 accounts dropped in February:	9
Total ECO100 accounts at the end of January:	6,469

Enrollment Statistics
Opt-outs during February 2023 were 184, which is 98 fewer than the previous month of January 2023 (282). This includes 90 opt outs in our new service territory of Los Banos

during the month of February and 94 from San Mateo County during this month. In March, there have been an additional 5 opt outs from Los Banos and 12 opt outs from San Mateo County as of March 3rd, 2023. Total participation rate across all of San Mateo County as of March 3rd was 97.01%. The participation rate for the City of Los Banos as of the end of January 2023 was 88.94%.

In addition to the County of San Mateo, there are a total of 15 ECO100 cities which means they have elected to receive 100% renewable energy for their municipal accounts. As of March 10, 2023, the ECO100 towns and cities include: Atherton, Belmont, Brisbane, Burlingame, Colma, Foster City, Half Moon Bay, Hillsborough, Menlo Park, Millbrae, Portola Valley, Redwood City, San Carlos, San Mateo, and Woodside.

The opt-up rates below include municipal accounts, which may noticeably increase the rate in smaller jurisdictions.

Active Accounts as of March 3rd							
TOT	RES Count	COM Count	Active Count	Eligible Count	Participation Percent	ECO100 Count	ECO100 Percent
ATHERTON INC	2,404	218	2,622	2,697	97%	61	2%
BELMONT INC	10,723	913	11,636	11,958	97%	199	2%
BRISBANE INC	1,970	491	2,461	2,529	97%	92	4%
BURLINGAME INC	13,375	1,942	15,317	15,727	97%	349	2%
COLMA INC	575	291	866	882	98%	32	4%
DALY CITY INC	30,800	2,069	32,869	33,982	97%	115	0%
EAST PALO ALTO INC	7,178	444	7,622	7,991	95%	26	0%
FOSTER CITY INC	13,690	853	14,543	14,856	98%	341	2%
HALF MOON BAY INC	4,199	632	4,831	4,973	97%	115	2%
HILLSBOROUGH INC	3,795	142	3,937	4,040	97%	71	2%
LOS BANOS INC	12,374	1,274	13,648	15,345	89%	4	0%
MENLO PARK INC	14,044	1,711	15,755	16,065	98%	530	3%
MILLBRAE INC	8,778	641	9,419	9,716	97%	112	1%
PACIFICA INC	13,992	853	14,845	15,412	96%	182	1%
PORTOLA VALLEY INC	1,459	130	1,589	1,691	94%	1,488	94%
REDWOOD CITY INC	31,462	3,309	34,771	35,649	98%	721	2%
SAN BRUNO INC	14,760	1,057	15,817	16,502	96%	94	1%
SAN CARLOS INC	12,216	2,065	14,281	14,644	98%	326	2%
SAN MATEO INC	39,701	3,853	43,554	44,738	97%	696	2%
SO SAN FRANCISCO INC	21,433	3,088	24,521	25,468	96%	123	1%
UNINC SAN MATEO CO	20,840	2,959	23,799	24,617	97%	656	3%
WOODSIDE INC	2,003	213	2,216	2,274	97%	62	3%

Table reflects data as of March 3rd, 2023

STRATEGIC PLAN

This section describes how the above Marketing and Community Care activities and enrollment statistics relate to the overall goal and objectives laid out in the strategic plan. The table indicates which objectives and particular Key Tactics are supported by each of the Items/Projects discussed in this memo. The strategic goal for Marketing and Customer Care is: Develop a strong brand reputation that drives participation in Peninsula Clean Energy's programs and ensures customer satisfaction and retention.

Item/Project	**Objective A**: Elevate Peninsula Clean Energy's brand reputation as a trusted leader in the community and the industry	**Objective B**: Educate and engage stakeholders in order to gather input, inspire action and drive program participation	**Objective C**: Ensure high customer satisfaction and retention
Social Media Policy	KT3 Tell the story of Peninsula Clean Energy through diverse channels		
Zero Percent Loan and Heat Pump Rebates programs		KT6: Promote programs and services, including community energy programs and premium energy services	
Electrification Messaging Project		KT5: Provide inspirational, informative content that spurs action to reduce emissions.	
EV Campaign		KT6 (see above)	
All-Electric Leader Awards		KT6 (see above)	
Los Banos Update	KT4: Engage community through participation in local events	KT6 (see above)	
Los Banos Update	KT4: Engage community through participation in local events		
News and Media Announcements	KT1: Position leadership as experts on CCAs and the industry KT2: Cultivate relationships with industry media and influencers KT3 (see above)		
ECO100 and Enrollment Statistics			Reports on main objective C

* “KT” refers to Key Tactic

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: March 17, 2023
BOARD MEETING DATE: March 23, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority (PCE) Board of Directors

FROM: Jeremy Waen, Director of Regulatory Policy
Doug Karpa, Senior Regulatory Analyst
Matthew Rutherford, Senior Regulatory Analyst
Zsuzsanna Klara, Regulatory Compliance Analyst

SUBJECT: Update Regarding Regulatory Policy Activities

SUMMARY

Jeremy continues to direct the team, oversee key proceedings relating to the Power Charge Indifference Adjustment (PCIA) and annual rate adjustments.

Doug has been particularly heavily focused on work to reform the California Public Utilities Commission's (CPUC) Resource Adequacy construct and concepts for ensuring resources are procured within the IRP construct.

Matthew has continued his work in supporting PCE's programmatic efforts through Transportation Electrification, Building Decarbonization, Resiliency, Supplier Diversity, and DAC-Green Tariff matters.

Zsuzsanna worked with the Power Resources and the Programs team on coordinating the filings due in February and March. She is also focused on the future challenges on the Green-e program and coordinating the Meet & Greets with CPUC and CEC Commissioners

CalCCA Semi-Annual Joint Committees Meeting

On March 2, Doug and Matthew attended an in-person meeting of the CalCCA Legislative and Regulatory Committees at the Clean Power San Francisco offices. The goals of the meeting were to build a foundation of common understanding of the issues, refine

problem statements, and stimulate the development of solutions. This was only the second in-person meeting that CalCCA has convened since the beginning of the Covid pandemic and the first that PCE staff have attended in person. The meeting featured panels that provided a deep dive on several timely issues such as IOU interconnection and service extension delays, procurement challenges, the evolution of California's electricity rate structures to encourage customer demand flexibility, the potential for a multistate regional transmission system and its associated risks and opportunities, and a panel previewing of issues the state legislature is likely to address this year, including Dr. Doug Karpa. CPUC Energy Division also sent Director and Supervisor staff to speak on a separate panel that addressed several of these issues.

DEEPER DIVE

Regulatory Compliance

In February Zsuzsanna focused on coordinating the annual Meet & Greets with the CPUC and CEC Commissioners and preparing the necessary presentation materials with team members.

In the last couple of weeks Zsuzsanna led the discussions with other CCAs and the Sacramento Municipal Utility District regarding the news that California Air Resources Board (CARB) may run out of allowances for the 2023 Green-e Energy reporting year. The CCAs would be interested to lobby CARB to allocate more allowances to the Voluntary Renewable Energy Program (VREP), and also lobby the Center for Resource Solutions (CRS) to change the requirements for the Green-e program. PCE is looking for potential joint advocacy options with other CCAs, POUs, and IOUs.

Zsuzsanna coordinated the filings of data requests for the Power Resources and the Programs team for having up-to-date information about the status of the monthly ongoing filings and the February and March due filings.

In February/March the main compliance obligations are the following:

- Procurement Status Report Data Request /Summer Reliability Data Request
- Emission Performance Standard Letter
- RA / PCIA Semi Annual Report
- QFER quarterly report – 1306B filing
- CA RPS Compliance Period 3 (2017-2020) Filing (CPUC) - Due TBD
- GO156 Supplier Diversity Report
- 2023 Padilla Report Data Request
- VGI Programs and Pilot Metrics – annual report
- CA RPS Compliance Period 3 (2017-2020) Filing (CPUC)
- PCE Advice Letter 29-E about DAC-GT and CSGT's tariff, solicitation materials and ME&O Plan updates pursuant to resolution E-212.

Zsuzsanna also works with Matthew and the Power Resources team on the DAC-GT Annual Budget Advice Letter which is due on April 4th.

High Methane Gas Prices and Implications for Customers' Rates

While the annual adjustment to PG&E's generation and PCIA rates has recently run its course for 2023, there has been a great deal of concern and political attention to the record high methane gas prices in wholesale markets that have persisted through the recent winter months. These elevated gas rates have increased gas service costs for all gas service customers within PG&E's service area. Because California's electricity sector still depends heavily on gas-fired power plants for evening and nighttime electricity generation, these elevated gas prices have also driven up wholesale electricity prices. On February 7, 2023, the CPUC, alongside leadership representation from the California Energy Commission (CEC) and the California Independent System Operation (CAISO), convened a virtual *en banc* with several panels of speakers to explore the causes and solutions to these elevated methane gas commodity prices. As a near-term rate relief measure, the CPUC has directed PG&E to include the California Climate Credit in customers' March bills (a month earlier than normal). On March 3, 2023, the CPUC issued an Order Instituting Investigation into the role gas supplies in elevated electricity prices. PCE staff continue to monitor these gas market implications for our agency's operations. These elevated commodity rates due create a bit of a silver-lining for PCE customers in that they create downward pressure on the next PCIA rate adjustment occurring for 2024.

(Public Policy Objective A, Key Tactic1)

Integrated Resource Planning & Resource Adequacy

In Resource Adequacy, the CPUC issued a proposed Decision on March 3, 2023 proposing to adopt the slice of day methodology for the RA program starting in 2025. After a test year in 2024, Resource Adequacy requirements will be expressed as an hourly profile for each month. Meeting the RA requirements will consist of showing the 24-hour generation profiles of our RA resources. Under the proposed methodology, variable energy resources (solar and wind) would be given a profile by region representing the likely generation across each hour. However, the Commission declined to adopt key cost containment elements, including a methodology to allow Load Serving Entities to share resource rather than requiring duplicative procurement.

(Public Policy Objective A, Key Tactic 1, and Key Tactic 2; Public Policy Objective C, Key Tactic 3)

STAKEHOLDER OUTREACH

Dr. Karpa hosted Peninsula Clean Energy's regular monthly call with environmental justice and environmental advocates and other CCA staff on March 8 to discuss both the proposed Resource Adequacy methodology and the concerns and issues with possible regionalization proposals (Public Policy Objective A, Key Tactic 2)

FISCAL IMPACT

Not applicable.

PENINSULA CLEAN ENERGY AUTHORITY
Board Correspondence

DATE: March 7, 2023
BOARD MEETING DATE: March 23, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Marc Hershman, Director of Government Affairs

SUBJECT: Update on Peninsula Clean Energy's Legislative Activities

SACRAMENTO SUMMARY:

The 2023-24 state legislative session convened on December 5, 2022, with the oath of office administered to the newly elected members. The Legislature then adjourned until January 4.

January 20 was the deadline for bill ideas to be sent by legislators to Legislative Counsel so that they could be reduced to writing. Many of those measures came back as sparingly worded "spot" bills.

Legislators had until February 17 to introduce bills so that they can be considered during the current session. As of that date 1,751 Assembly measures and 881 Senate bills had been introduced, for a total of 2,632 new proposals. About 40% of those measures are placeholders. We continue to comb through the bills; many are discussed in some detail below in this report.

The first energy issue hearings of 2023 have taken place. On Wednesday, February 22, the Assembly Committee on Utilities and Energy held an informal hearing on Energy Affordability. On February 28, the Senate Committee on Energy, Utilities and Communications hear from the Public Utilities Commission and the Public Advocates Office in the annual update to the Legislature. This year the focus of the meeting was on utility bill affordability. Initial meetings of the relevant budget subcommittees have also been held.

2023 LEGISLATIVE ACTIVITY IN SACRAMENTO:

There are approximately 96 bills that have been introduced on energy issues. Many of these are “spot” or “intent” bills with few details in print. We expect most of these to be fleshed out by the end of March.

Some of the bills we will be following:

AB 2 (Ward) – recycling of solar panels

AB 3 (Zbur) – to accelerate the development of offshore wind and ensure protection of the environment, jobs, and environmental justice.

AB 9 (Muratsuchi) – moves up the timetable for the state to reach statewide greenhouse gas emissions limits – the 2006 California Global Warming Solutions Act requires the state to reach 40% below 1990 emissions by 2030. This moves up the requirement to 55% of 1990 emissions by the end of 2030.

AB 80 (Addis) – to look at funding needed to mitigate the impact of offshore wind projects on tourism, fishing, and wildlife.

AB 241 (Reyes) – related to the clean transportation program created in 2007.

AB 538 (Holden) – would create a western regional electric system that would include California.

SB 38 (Laird) – legislation to address the need for safety at battery storage facilities.

SB 48 (Becker) – to enact building performance standards to improve energy efficiency in large buildings while improving equity and burdens on disadvantaged communities.

SB 49 (Becker) – would create tax incentives for the construction of solar canopies over large parking lots.

SB 56 (Skinner) – Mandating that each load-serving entities’ Integrated Resource Plan include a balanced and diverse portfolio of resources that provides an optimal integration of renewable resources in a cost-effective manner that meets GHG reduction targets.

SB 57 (Gonzalez) – a bill to prohibit shutting off utility services during extreme weather events.

SB 84 (Gonzalez) – like AB 241 and pertaining to the clean transportation program.

SB 222 (Nguyen) - a bill to address the regulation of electric bicycles.

SB 233 (Skinner) – a bill to address vehicle to grid energy transfer.

SB 319 (McGuire) – legislation related to electrical transmission.

BROWN ACT BILLS

Of significance to local government, including Peninsula Clean Energy, the termination of the State of Emergency has ended the suspension of the Brown Act and local officials will no longer be able to attend meetings virtually from undisclosed, remote locations. At the request of members of the Peninsula Clean Energy Board of Directors, staff has been researching and advancing legislation that would extend these provisions.

We are working closely with Senator Josh Becker on this issue. Senator Becker has introduced SB 537, which at the time of the preparation of this report is a spot bill.

There are several other bills that pertain to the Brown Act.

AB 557 (Hart) would extend the time provisions found in AB 2449 (2022) and could be advanced when a “state of emergency” is in effect and would extend the renewal period of a finding of need for a remote meeting to 45 days. It would eliminate the sunset provisions found in AB 361.

AB 817 (Pacheco) is currently a spot bill intended to authorize local boards, commissions, subcommittees to meet remotely.

AB 1348 (Grayson) is a spot bill related to local government open meetings.

SB 411 (Portantino) would authorize legislative bodies with appointed membership to continue to meet remotely without providing the physical location of each appointed member.

INTERCONNECTION ISSUES

We note that there have been four bills introduced (AB 50, AB 643, SB 83, and SB 410) to address interconnection concerns. Several of our jurisdictions had apprised Peninsula Clean Energy of difficulties local projects had encountered when seeking electrical connections to the grid. In addition to the two intent bills on file discussions are taking place around other possible legislation to address these concerns.

AB 50 (Wood) – to address interconnection delays.

AB 643 (Berman) – would require the California Public Utilities Commission to annually provide to the Legislature a report on timelines for consumer-sited solar and storage interconnections to the grid.

SB 83 (Wiener) – legislation to promote the connection of new construction, and particularly housing construction, to the electrical grid.

SB 410 (Becker) – legislation related to interconnection of buildings.

As requested by members of the Peninsula Clean Energy Board of Directors, we are following with great interest possible legislation pertaining to the undergrounding of utility lines, and advancing vehicle to grid integration (see SB 233 above).

We are also following possible legislation to address the recycling of lithium-ion batteries. As California's policies and state-funded programs create incentives for the greater deployment of electric vehicles powered by lithium-ion batteries and promote solar arrays, the state will be faced with increasing amounts of batteries and panels in the waste stream. Peninsula Clean Energy and other CCAs are in the forefront of encouraging EV deployment and solar energy, and we are prepared to work with others to promote recycling of these components.

A few years ago, the Legislature initiated a study of the use and recycling of lithium-ion batteries, and the report came out late last year.

We are also following the issue of the adoption and/or implementation of a rate design that reduces as much as possible the rate for "marginal" increases in a customer's load due to electrification. We know that to achieve our climate goals, California must encourage customers to electrify by switching to EVs and heat-pump water and space heating as much as possible. Doing so will certainly increase a customer's electricity usage, but it is our hope to find a way where this marginal increase in usage will not be subject to fixed charges to make electrification as affordable as possible.

Another issue that has our attention, is the notion that the state needs a Central Procurement Entity (CPE) to provide a backstop for Load Serving Entities, such as Peninsula Clean Energy and other CCAs, in case the Load Serving Entities cannot or are unable to procure enough Resource Adequacy to meet requirements. See also the budget discussion below.

An issue floated at the end of the 2022 session, but which did not gain much traction at the time, was the imposition of penalties on Load Serving Entities for failure to meet Resource Adequacy targets.

One more issue that has been the subject of much discussion is now in bill form, that is AB 538 (Holden) noted above, legislation to continue pursuing regionalization and expanding the California Independent System Operator or CAISO to be a regional transmission organization covering multiple states across the west.

SPECIAL SESSION

At the request of the governor, a special session commenced on December 5. The governor is seeking rebates for the public, funded by oil companies, to discourage oil and gas price gouging.

On December 5 the governor's initial proposal took the form of a bill, introduced by Senator Nancy Skinner, SBX1-2

The bill would address the following:

- Make it unlawful to charge excessive profits – excessive refiner margins would be punishable by a civil penalty from the CEC.
- Gives the Legislature room to set the amount of the maximum margin and the amount of the penalty.
- Requires any penalties collected to go to a Price Gouging Penalty Fund and then given back to Californians.
- Improves transparency and oversight of the oil industry by the state.
- Expands the CEC and the California Department of Tax and Fee Administration's ability to investigate and obtain information on costs, profits, and pricing so that the state can better address the causes of pricing irregularities.
- Minimizes the likelihood of future supply or price shocks.

The Legislature has held one hearing on the special session issues and it is not clear what next steps might look like.

FY 2023-24 State Budget

Of great interest to all Californians is the state budget situation. The Legislative Analyst's Office is forecasting more than a $25 billion deficit for fiscal 2023-24. Some legislators, including Budget Chair Phil Ting, are positing that this will not be as devastating as it might have appeared in years past thanks to prudent marshalling of resources during the recent flush years. The state has a substantial rainy-day fund and much of the recent budget surplus was invested in one-time expenditures and capital projects.

Governor Newsom unveiled his proposed 2023-24 budget on January 10. A revised budget will be advanced by the Governor in May, after receipt of the April tax revenues. However, both the state and federal government have extended the deadline for Californians filing tax returns which could hamper officials from accurately determining the size of revenues available for the next fiscal year.

The Legislature must adopt the budget for the next fiscal year in June, which is months before the new tax filing deadline.

The initial budget proposed by the Governor posits that there will be $22.5 billion in lower funding. He is asking for more than $6 billion in cuts to climate initiatives over the next 3 years, with a proviso that this funding could be restored in the May revise budget if revenues increase over current projections.

In the 2022 budget cycle the Governor had pushed for a climate package of $54 billion. He is now calling for a scaling back of that effort to $48 billion, of which more than half of the cuts – about $3.3 billion – would come from clean transportation initiatives.

The Legislative Analysts Office has opined that the deficit will be larger than that anticipated by the Governor in his January proposal. It has recently been revealed that tax revenues through the month of January have been less than expected and expenditures have exceeded projections.

Another area in which we are actively involved is the Governor's budget trailer bill introduced earlier this year. In it the Governor seeks to broaden the scope of procurement by enabling the Department of Water Resources to act as a central procurement entity. The trailer bill also adds a capacity payment penalty for Resource Adequacy deficiencies. Further, it seeks to clarify the California Public Utilities Commission's Integrated Resource Plan authority over CCAs. All these areas are being addressed by Peninsula Clean Energy and CalCCA in meetings with the Administration and state Legislators.

One related note of interest, in 2022 the state Legislature approved a budget package that included $1 billion in state funding for the extension of service for Diablo Canyon Nuclear Power Plant to be paid out over 3 years. The governor's recent budget proposal does not cut that total funding amount, but only includes $100 million in FY 2023-24.

Significantly, on November 20 the United States Department of Energy announced that $1.1 billion in federal funding would be made available to support the extension of the Diablo Canyon Nuclear Power Plant. Although the federal Nuclear Regulatory Commission told PG&E in late January that it would need to submit a fresh license renewal application, determining that a prior renewal application, filed in 2009, would not suffice, the federal government has more recently indicated that Diablo Canyon could continue to operate past the expiration of the current license while the new application is pending.

(Public Policy Objective B, Key Tactic 1)

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: Mar. 20, 2023
BOARD MEETING DATE: Mar. 23, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer, Peninsula Clean Energy
Rafael Reyes, Director of Energy Programs

SUBJECT: Community Programs Report

SUMMARY

The following programs are in progress, and detailed information is provided below:

1. Highlights from Prior Month
2. Building and EV Reach Codes
3. Buildings Programs
   - 3.1. Appliance Rebates and On-Bill Financing
   - 3.2. Low-Income Home Upgrades & Electrification
   - 3.3. Building Pilots
   - 3.4. Refrigerator Recycling
4. Distributed Energy Programs
   - 4.1. Solar and Storage for Public Buildings
   - 4.2. Power On Peninsula – Homeowner
   - 4.3. FLEXmarket
   - 4.4. Community Solar, DAC-GT
5. Transportation Programs
   - 5.1. “EV Ready” Charging Incentive
   - 5.2. Used EV Rebate
   - 5.3. EV Ride & Drives/EV Rental Rebate
   - 5.4. E-Bikes for Everyone Rebate
   - 5.5. Municipal Fleets
   - 5.6. Transportation Pilots

DETAIL

1 Highlights from Prior Month

-

- 30 new smart outlets were installed in a San Mateo apartment building, as part of the EV Ready program, the largest existing building install in the program to date.
- 120 sites were identified as possible participants in the second round of the Solar and Storage for Public Buildings program. All sites have been assessed.
- 3 reach codes adopted in December and January

2 Building and EV Reach Codes

Background: In 2018 the Board approved a building "reach code" initiative to support local governments in adopting enhancements to the building code for low-carbon and EV ready buildings. The initiative is a joint project with Silicon Valley Clean Energy (SVCE) and East Bay Community Energy (EBCE). The program includes small grants to municipalities, technical assistance, and tools, including model codes developed with significant community input. The tools and model code language are available on the project website (www.BayAreaReachCodes.org).

In addition, in January 2020 the Board approved an extension of the reach code technical assistance plus additional elements – Education and training for developers and contractors, and consumer education program on the benefits of all-electric buildings. This technical assistance is publicly available at www.AllElectricDesign.org. In December 2020, the Board approved to extend the contract with TRC Engineers include technical assistance for developing policy for existing buildings. In February 2022 the Board extended the initiative for another two years.

Model Code Summary

- New construction building electrification codes require all-electric and include a menu of exceptions for cities to choose from
- New construction EV codes are the same as last cycle for most building types, requiring more access than the state code. Multi-family buildings are required to provide at least one level 2 charging access point for every dwelling unit. 15% must be Level 2 charging stations. 85% can be low-power Level 2 EV ready.
- Existing building model codes provide a full menu of options for cities to choose from, including: end of flow requirements, time-of-replacement mandates, time of sale disclosure requirements, and a requirement to upgrade existing EV-capable circuits to EV-ready by a time-certain deadline.

Status (no change):

- **City Progress**: Most cities with reach codes from the prior cycle have re-adopted or adopted for the first time, including:
    - New construction
        - Adopted: Atherton, Belmont, Brisbane, Burlingame, County of San Mateo, Daly City, Half Moon Bay, Hillsborough, Menlo Park, Millbrae, Pacifica, Portola Valley, Redwood City, San Bruno, San Carlos, San Mateo
        - Continuing reach codes from 2019: Hillsborough

        - In Progress: South San Francisco, East Palo Alto, Colma
    - Existing buildings
        - Adopted: Portola Valley, City of San Mateo
        - Exploring: San Carlos, Menlo Park, County of San Mateo

Strategic Plan:
Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

- Key Tactic 3: Ensure nearly all new construction is all-electric and EV ready
- Key Tactic 4: Establish preference for all-electric building design and appliance replacement among consumers and building stakeholders

3 Buildings Programs

3.1 Appliance Rebates and Zero Percent Loans

Background: In May 2020, the Board approved a 4-year, $6.1 million for electrifying existing buildings. This included $2.8 million for implementing an appliance rebate program. Peninsula Clean Energy successfully launched the heat pump water heater (HPWH) rebates on January 01, 2021. Peninsula Clean Energy rebates were exclusively offered in partnership with BayREN's Home+ program, which offers additional rebates for HPWHs that are combined with Peninsula Clean Energy's. Additionally, in August 2021, the Board approved an On-Bill Financing program (now referred to as the Zero Percent Loan program) with $1.0 million in loan capital (treated as a balance sheet asset and not part of the annual budget). The program offers qualified residential customers a 0% interest loan up to $10,000 to fund the cost of eligible electrification and complementary electrical and energy efficiency upgrades.

On October 17, 2022, Peninsula Clean Energy launched its Zero Percent Loan program and rolled out modifications and enhancements to the Appliance Rebates Program including increasing its HPWH rebate, launching a new heat pump heating ventilation and air conditioning (HVAC) rebate, adjusting the eligibility criteria for its electrical panel upgrade bonus rebate, and creating a rebate application process for customers not working with BayREN contractors, while still maintaining the integrated application process with the BayREN Home+. These modifications were made to A) bring fuel switching/electrification to at least cost parity with gas replacements, B) backstop the loss of state incentives, and C) support the adoption of existing building reach codes.

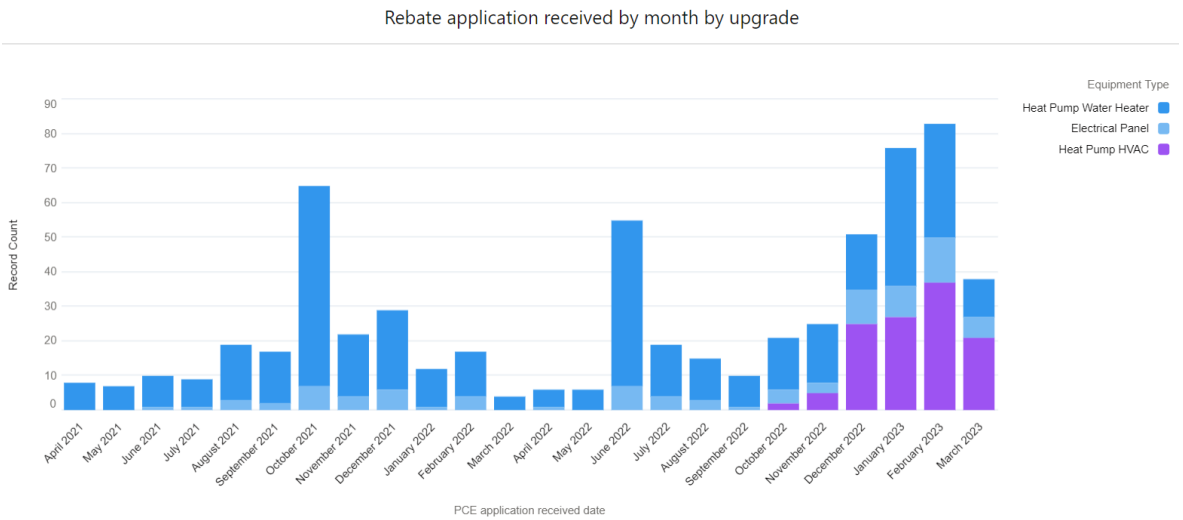
Status: The table below summarizes the number of rebates issued as of March 9, 2023.

Upgrade Type	Count
HPWH rebates	388
Heat pump HVAC rebates	67
Electrical panel rebates	71

Zero percent loans reserved or completed	82 for $750,000

These rebates amount to approximately $1 million or 36% of the total program budget.

The chart below summarizes the number of applications received by month by upgrade type.



Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

- Key Tactic 4: Establish preference for all-electric building design and appliance replacement among consumers and building stakeholders

3.2 (Low-Income) Home Upgrade Program

Background: In May 2020, the Board approved $2 million for implementing a turnkey low-income home upgrade program to offer minor home repair, energy efficiency, and electrification measures to income-qualified homeowners at no cost to them.The measures implemented in each home will vary depending on the home's needs but will include at least one electrification measure such as installing a HPWH or replacing a gas stove with an electric induction stove. The contract with the administration and implementation firm, Richard Heath & Associates (RHA), was executed after being approved by the Board in the March 2021 meeting.

Status: The program was announced on September 28, 2021. The below table summarizes the program's status as of the end of February.

Stage/category	#s as of January 31, 2023
Leads	2,130

Reached	912
Pre-assessments	495
Enrolled and eligible	361
Installations in progress	40
Fully complete	132

The following table summarizes the number of electrification measures implemented on the fully complete homes.

Measure	Count
Heat pump water heater	57
Induction cooktop/range	32
Electric dryer	28
Central or mini split heat pump (HVAC)	3
Window or wall mounted heat pump (HVAC)	13
Portable heat pump (HVAC)	35

In February 2023, the Board approved an extension on the program and work is continuing with wait listed customers.

Strategic Plan:

Goal 3 – Community Energy Programs

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities

- Key Tactic 1: Invest in programs that benefit underserved communities
- Key Tactic 3: Support workforce development programs in the County

3.3 Building Pilots

Background: In May 2020, The Board approved $300,000 for piloting a new innovative technology from Harvest Thermal Inc., a Bay Area-based startup, that combines residential space and water heating into a unified heat pump electric system with a single water storage tank. Through this project, this technology will be installed in 3-5 homes within the San Mateo County to assess its performance and demonstrate its effectiveness for emission reductions.

Status (no updates from last month): The home recruitment process began in late April 2021 and the project received 290 applications. Homes were selected based on technical criteria (home characteristics, energy usage patterns, and technical feasible of the upgrade within budget). The four pilot homes are located in Daly City, South San Francisco, Redwood City, and Menlo Park. As of September 7, 2022, all four homes have had their system installed. The consulting firm TRC has been contracted to provide

independent measurement and verification services for the project and have begun collecting data on the homes installed. A final report is anticipated in the summer of 2023 after a year a data has been collected and analyzed. Lastly, the Technical Advisory Committee (TAC) had its third meeting on August 31, 2022, following the second meeting on June 2, 2022 and first meeting on September 30, 2021. The objective of the TAC is to review and provided feedback on the project. TAC members include former building officials, former contractor, city commissioner, peer CCA program managers, CPUC staff, CAC member and Board member Jeff Aalfs. Senator Josh Becker toured a Harvest Thermal home and Home Upgrade home on July 20th with PCE staff in attendance.

Strategic Plan:

Goal 3 – Community Energy Programs

Objective C: Innovation and Scale: Leverage leadership, innovation, and regulatory action for scaled impact

- Key Tactic 1: Identify, pilot, and develop innovative solutions for decarbonization

3.4 Refrigerator Recycling

Background: In April 2019, Peninsula Clean Energy launched a small turnkey refrigerator recycling program with a budget of $75,000 as part of the Community Pilots program. The program administrator, ARCA Recycling, manages orders intake, pick up scheduling, and rebate processing. The objective of the program is to capture high impact greenhouse gas gases from old appliances by facilitating proper recycling of the appliance's refrigerants and foaming agents for insulation (which also continue refrigerants).

Status: Since inception in April 2019 and as of December 31, 2022, the recycling program has recycled 807 refrigerators and freezers resulting in over 1,500 MTCO2e in greenhouse gas reduction.

The program was paused because the volume of bulk pickups was much higher than expected. That exhausted the remaining budget.

Peninsula Clean Energy executed an amendment to extend the program without bulk pickups. The individual residential pickups and recycling will continue.

Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

- Key Tactic 4: Establish preference for all-electric building design and appliance replacement among consumers and building stakeholders

4 Distributed Energy Programs

Peninsula Clean Energy has Board-approved strategies for the promotion of 20 MW of new distributed energy resources in San Mateo County and is advancing distributed energy resources to provide resilience, lower decarbonization costs, provide load shaping to support our strategic goal for 24/7 renewables. The projects described below are efforts towards meeting both of these goals.

4.1 Solar and Storage for Public Buildings

Background: The Solar and Storage for Public Buildings (formerly called Local Government Solar Program) is aimed at aggregating local government facilities into a group procurement of solar and optionally storage systems. Peninsula Clean Energy provides no-cost site assessments and preliminary designs as well as manages the procurement process. Participating sites have systems installed as part of power purchase agreements directly with Peninsula Clean Energy. As part of the pilot phase, in October 2020, the Board approved a Solar Site Evaluation Services contract with McCalmont Engineering for Solar site evaluation and designs for County and municipal facilities identified as candidates for solar-only or solar + storage resilience projects. In March 2022, the board approved up to $8 million in capital for system installations to be repaid over 20 years and $600,000 for technical assistance on the second round of the aggregated solar program. Peninsula Clean Energy developed a portfolio of 15 sites in 13 cities for a total portfolio size of approximately 2 MW of solar. Battery storage will be explored for 4 of the 15 sites. A Request for Proposals (RFP) for an Engineering, Procurement, and Construction (EPC) company was conducted and closed in August. Intermountain Electric Company was selected in the competitive solicitation on the basis of its pricing, experience, labor practices, and other metrics. Intermountain is a local union firm with an excellent reputation. At the January, 2023 Board Meeting, the Board of Directors granted authority to the CEO to execute the installation contract and power purchase agreements with participating agencies in the first round.

In December 2022, the CPUC finalized a decision to change rules to net metering, which will reduce the value of solar exported to the grid during the day. Customers can get grandfathered into current net metering rules (“NEM 2.0”) before the rules go into effect (“NEM 3.0”). Interconnection applications were submitted for the first portfolio of systems in October 2022 to secure a grandfathered position under NEM 2.0.

Staff is running the second round of the program. Staff expects to increase the size of the portfolio from round one and help our customers lock-in NEM 2.0 for their projects.

Status

As of this writing, 11 PPAs have been executed with 9 jurisdictions have been executed for the first round of the program. Intermountain Electric Company has begun conducting its site walkdowns and will be completing any design document updates. Interconnection applications for all sites were begun with PG&E in October, 2022 to secure a grandfathering position. However, we plan to submit any updated designs to PG&E prior to the NEM2 grandfathering deadline to reduce NEM-change risk. Construction is expected to complete by the end of this calendar year.

23 agencies expressed interest in the second round of the program, providing staff with 120 facilities to evaluate for their solar potential. Staff has concluded site walks at all viable facilities in partnership with engineering firms NV5 and SepiSolar. These engineering firms will complete solar designs and submit interconnection applications to PG&E in advance of April 14, 2023 in order to grandfather all viable facilities into NEM 2.0.

4.2 Power On Peninsula – Homeowner

Background: Power on Peninsula – Homeowner is a solar+storage energy resiliency program run by Peninsula Clean Energy in partnership with Sunrun. This program provides energy storage systems paired with solar power to single family and multifamily Peninsula Clean Energy customers. Customers who sign up for this program receive an incentive up to $500. At Peninsula Clean Energy's direction, Sunrun will dispatch the stored energy during evening hours when renewable generation on the California grid is low and electricity prices are high. This will also help Peninsula Clean Energy to reduce its peak load and thereby reduce our resource adequacy requirements.

Status (no updates from last month): The program has commenced dispatching customer batteries in the evening to help reduce Peninsula Clean Energy's net peak. Sunrun continues to enroll new customers throughout 2023 and, as they enroll more customers, available capacity from their distributed battery storage fleet continues to increase as well. Sunrun and staff are now planning the dispatch plan for calendar year 2024.

4.3 FLEXmarket

Background: In November 2021 the Board approved a program plan for the establishment of an innovative "virtual power plant" using what is known as FLEXmarket. FLEXmarket is a market-based program structure that provides incentives to program "aggregators" to implement programs for energy efficiency and load shaping. The novel elements of the structure include a "pay-for-performance" approach which only provides incentives on confirmed performance using meter data. This novel structure was innovated by MCE and is also being implemented by East Bay Community Energy and Sonoma Clean Power. In addition, the program plan was developed for submission to the CPUC to allow Peninsula Clean Energy to run the program with fully reimbursed funding

through the CPUC. Peninsula Clean Energy's billing data services provider Calpine has entered into a strategic partnership with the firm Recurve to provide FLEXmarket services through a streamlined structure.

Status: The program has officially launched and providers are being recruited for the platform. In addition, Peninsula Clean Energy anticipates submitting its own projects to receive CPUC funds under the program. The program will first be open to residential customers in order to drive investment in energy efficiency, building electrification, and load shaping. Staff intends to launch the commercial version of the program later in 2023.

4.4 Community Solar, DAC-GT & CSGT

Background: The Disadvantaged Communities Green Tariff program ("DAC-GT") and associated Community Solar Green Tariff ("CSGT") are community solar programs developed by the California Public Utilities Commission (CPUC) to enable DAC residents to participate in renewable energy projects, and to promote development of renewable projects in DACs. Participating customers will receive a 20% discount on their full electric bill (PG&E and Peninsula Clean Energy charges). Peninsula Clean Energy administers these programs on behalf of its customers.

Peninsula Clean Energy began enrolling DAC-GT customers in San Mateo County in January 2022 and customers in Los Banos in April 2022. Those customers are currently served by an interim resource procured from Marin Clean Energy pending Peninsula Clean Energy's procurement of a new renewable resource for the program.

Per the CPUC DAC program guidelines, Peninsula Clean Energy is authorized to procure up to 3MW of solar capacity. Until a new solar resource is procured, Peninsula Clean Energy will serve customers from MCE's interim resource. Peninsula Clean Energy executed a PPA with Marin Clean Energy for its existing Goose Lake Solar project, which meets DAC program guidelines, to provide for its DAC customers until a permanent resource is procured.

Status: Peninsula Clean Energy signed a PPA with Renewable America, LLC for a 3MW solar resource located in Dos Palos, CA, approximately 15 miles southeast of the City of Los Banos. The Dos Palos Clean Power solar project has a Commercial Operation Date of August 1, 2023.

Staff launched a Request for Proposals for 402kW of solar as part of their Community Solar Green Tariff ("CSGT"). Proposals were due by February 28, 2023 and are now being evaluated.

Strategic Plan

- Distributed Energy Resources: Support strategic decarbonization and local power

- Key Tactic 1: Create minimum of 20 MW of new local renewable power sources in PCE service territory by 2025
- Key Tactic 2: Support distributed energy resources to lower costs, support reliability, and advance distributed and grid decarbonization
- Key Tactic 3: Foster Resilience

5 Transportation Programs

5.1 Used EV Rebate Program

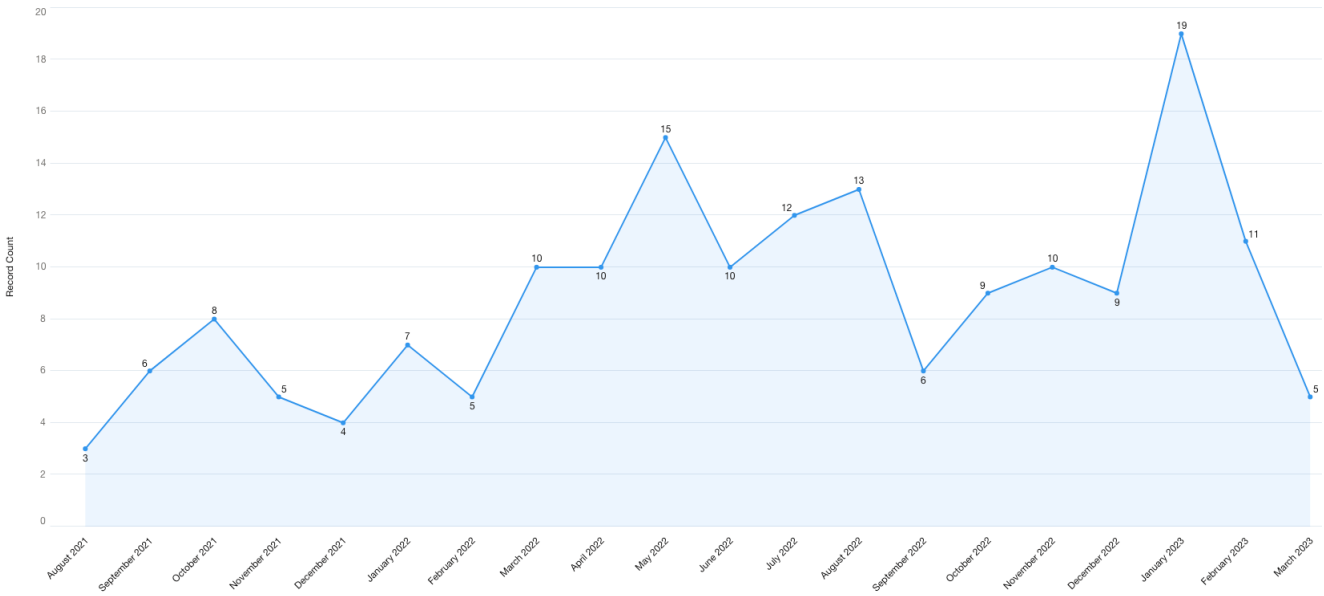
Background: Launched in March 2019, the Used EV Rebate Program (formerly referred to as "DriveForward Electric") provided an incentive up to $4,000 for the purchase of used plug-in hybrid electric vehicles (PHEVs) and full battery electric vehicles (BEVs) to income-qualified San Mateo County residents (those making 400% of the Federal Poverty Level or less). The incentives may be combined with other state-funded income-qualified EV incentive programs. In October 2020, the Board approved expanding the program to offer used EV incentives to all San Mateo County and Los Banos residents, while maintaining the increased incentives for income-qualified residents. In February 2021, Peninsula Clean Energy executed a competitively bid contract with GRID Alternatives ("GRID") to administer the expanded program. The 'old' program incentivized 105 rebates from March 2019 through August 2021. In August 2021, the program was officially re-launched. In March 2022, staff made modifications to the program to adjust to market conditions (I.e. high used vehicle prices). Modifications included raising the eligible vehicle price cap from $25,000 to $35,000 and increasing the rebate amount for income-qualified residents by $2,000 to $6,000. This rebate is available point-of-sale at qualifying dealerships or post-purchase. Just under half of participants use the point-of-sale service feature.

Status: Market conditions for used vehicle purchases remains very challenging. Mid-pandemic used vehicle prices rose 50% compared to pre-pandemic prices. Since then prices have declined modestly, about 10% from the pandemic high. Finding vehicles is often challenging for low-income residents with the average rebate participant taking 2 months to find a vehicle. The rebate program continues to experience a high cancellation rate and it appears likely that customers are being forced to buy more available gas vehicles in many cases.

PG&E recently launched a used EV rebate program very similar to Peninsula Clean Energy's. The PG&E program provides income-qualified residents up to $4,000 and non-income-qualified residents up to $1,000 for the purchase of a used EV. These rebates are offered post-purchase.

As customers qualify for both programs the Peninsula Clean Energy incentive is being reduced from a maximum of $6,000 to $4,000 for income-qualified participants. These changes are intended to go into effect at the beginning of April.

Since the re-launch of the program in August 2021 and as of March 9, 2023, 177 rebates have been provided under the new program (see monthly chart below). Peninsula Clean Energy has spent $623,200 out of $1,270,00 on rebates to customers (49% of budget).



Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

- Key Tactic 1: Drive personal electrified transportation to majority adoption

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities

- Key Tactic 1: Invest in programs that benefit underserved communities

5.2 "EV Ready" Charging Incentive Program

Background: In December 2018 the Board approved $16 million over four years for EV charging infrastructure incentives ($12 million), technical assistance ($2 million), workforce development ($1 million), and administrative costs ($1 million). Subsequent to authorization of funding, Peninsula Clean Energy successfully applied to the California Energy Commission (CEC) for the CEC to invest an additional $12 million in San Mateo County for EV charging infrastructure. Of Peninsula Clean Energy's $12 million in incentives, $8 million was previously administered through the CEC's California Electric Vehicle Incentive Project (CALeVIP) and $4 million under a dedicated, complementary Peninsula Clean Energy incentive fund. The dedicated Peninsula Clean Energy incentives address Level 1 charging, assigned parking in multi-family dwellings, affordable housing new construction, and public agency new construction. In August, Peninsula Clean Energy elected to directly administer the not yet approved pool of funds

that were previously administered through CALeVIP, worth approximately $4 million, further described below.

Status: Peninsula Clean Energy implemented changes in August 2022 to expedite installations, including providing customers with greater flexibility in selecting contractors, adjusted incentive levels to account for rising costs, and direct management of all Level 2 projects not already approved by the Center for Sustainable Energy in the CALeVIP program (worth approximately $4 million in funding). Since the changes were implemented in mid-August, there has been significant uptake in the program. Over ten new contractors have been added to the Technical Assistance component of the program, including 3 minority or woman-owned businesses. Customers receiving Technical Assistance may choose from these contractors or another of their choosing.

Summary of program metrics is outlined in the table below:

	Sites/ Applications	Ports	Incentive Amount
# of sites in PCE Technical Assistance	183	2,000	-
# of Technical Assistance site evaluations approved by PCE	130	1,400	-
# of active funding applications received in Peninsula Clean Energy incentive program	87	1,600	$5.1 million
# of funding applications approved in Peninsula Clean Energy incentive program	85	1,600	$5.1 million
# of current CALeVIP applications*	39	650	
Total # of ports installed	24	386	$1.4 million

*Includes DCFC and L2 ports: 254 DCFC, 398 L2 ports

Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

- Key Tactic 1: Drive personal electrified transportation to majority adoption
- Key Tactic 5: Support local government initiatives to advance decarbonization

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities

- Key Tactic 3: Support workforce development programs in the County

5.3 E-Bikes for Everyone Rebate Program

Background: The Board initially approved the income-qualified E-Bikes Rebate program in July 2020 with a budget of $300,000, approved an increase of an additional $300,000

in December 2022, and approved a further increase of $150,000 in August 2022, bringing the total program budget to $750,000. The program runs in annual cycles and is available to residents with low to moderate incomes. Two cycles in 2021 and 2022 have provided 510 rebates. Silicon Valley Bicycle Coalition is under contract to Peninsula Clean Energy as an outreach and promotional partner and local bike shops are under contract to provide the rebate as a point-of-sale discount to customers. Enrolled bike shops include Summit Bicycles, Mike's Bikes, Sports Basement, Chain Reaction, Woodside Bike Shop, and E-Bike Annex.

Status: Staff are planning to reopen the program in 2023 for new applicants, utilizing the remaining funds, exact timing is being evaluated.

Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

- Key Tactic 1: Drive personal electrified transportation to majority adoption

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities

- Key Tactic 1: Invest in programs that benefit underserved communities

5.4 Public EV Fleet Program

Background: The Board approved the Public EV Fleet Program in November 2020. This program will run for three years with a total budget of $900,000 and is comprised of three components to help local agencies begin their fleet electrification efforts: hands-on technical assistance, gap funding, and a vehicle to building resiliency demonstration that will assess the costs and benefits of utilizing fleet EVs as backup power resources for agencies in grid failures and other emergencies. In August 2022, the Board of Directors approved a contract with Optony to assist in administration of this program. A workshop was held on November 16 to promote the program and recruit local agency fleet managers.

Status: The program has now started. Menlo Park, Burlingame, San Mateo, and South San Francisco are now receiving technical assistance. Other agencies are encouraged to apply, when ready, at https://www.peninsulacleanenergy.com/public-ev-fleets-program/.

Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation and initiate the transition to clean energy buildings

- Key Tactic 2: Bolster electrification of fleets and shared transportation
- Key Tactic 5: Support local government initiatives to advance decarbonization

Objective C: Innovation and Scale: Leverage leadership, innovation, and regulatory action for scaled impact

- Key Tactic 1: Identify, pilot, and develop innovative solutions for decarbonization

5.5 Transportation Pilots

Ride-Hail Electrification Pilot

Background: This pilot, approved by the Board in March 2020, is Peninsula Clean Energy's first program for the electrification of new mobility options. The project partners with Lyft and FlexDrive, its rental-car partner, to test strategies that encourage the adoption of all-electric vehicles in ride-hailing applications with up to 100 EVs. Because ride-hail vehicles drive much higher than average miles per year, each vehicle in this electrification pilot is expected to save over 2,000 gallons of gas and 20 tons of greenhouse gas emissions per year.

Status (no updates since last month): The 100 EV fleet has been put into service by Lyft and Peninsula Clean Energy is monitoring progress. 250+ unique drivers have already rented them, with each rental averaging over three months. Over 2.8 million all electric miles have been driven so far with an average of 120 miles/day per vehicle, comparable to gas counterparts. Vehicles include a customer-facing PCE branded placard that informs riders about the pilot and directs them to the PCE website for more information.

Strategic Plan

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation and initiate the transition to clean energy buildings

- Key Tactic 2: Bolster electrification of fleets and shared transportation

Objective C: Innovation and Scale: Leverage leadership, innovation, and regulatory action for scaled impact

- Key Tactic 1: Identify, pilot, and develop innovative solutions for decarbonization

EV Managed Charging Pilot

Background: Peninsula Clean Energy aims to facilitate EV charging that avoids expensive and polluting evening hours through "managed charging" systems. This work is in the second phase of a pilot. In 2020, Peninsula Clean Energy ran a proof-of-concept pilot for EV managed charging with startup FlexCharging to test timing of EV charging through vehicle-based telematics. This was a limited pilot with approximately 10 vehicles. The system utilizes existing Connected Car Apps and allows Peninsula Clean Energy to manage EV charging via algorithms as a non-hardware-based approach to shift more charging to occur during off-peak hours. The pilot is moving to Phase 2 intended for a larger set of 1,000+ vehicles. In October of 2021, the Board approved a contract up to

$220,000 with the University of California, Davis' Energy Economics Program (DEEP) to develop and advise on an incentive structure experiment that will be used to inform the Peninsula Clean Energy managed charging program design. This collaboration has been ongoing. In November, the Board approved a contract up to $220,000 with ev.energy as the platform provider for EV managed charging services.

Status: The project began development on December 1, includingplatform and data warehouse systems preparation. Large-scale recruitment will occur in Q2 2023 with the goal of recruiting at least 1,000 customers for the pilot. A Technical Advisory Committee, consisting of staff from CEC, CPUC, CCAs, and NGOs, is also informing the pilot and held its first meeting mid-February, additional meetings to be scheduled shortly. The pilot is expected to launch in summer 2023.

Strategic Plan

Goal 3 – Community Energy Programs

Community Benefits: Deliver tangible benefits throughout our diverse communities

- Key Tactic 1: Invest in programs that benefit underserved communities

Innovation and Scale: Leverage leadership, innovation and regulatory action for scaled impact

- Key Tactic 1. Identify, pilot, and develop innovative solutions for decarbonization
    - Pilot and scale EV load shaping programs to ensure that 50% of energy for EV charging takes places in non-peak hours

PENINSULA CLEAN ENERGY
JPA Board Correspondence

DATE: March 10, 2023
BOARD MEETING DATE: March 23,2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Jan Pepper, Chief Executive Officer

SUBJECT: Energy Supply Procurement Report – March 2023

BACKGROUND

This memo summarizes energy procurement agreements entered into by the Chief Executive Officer since the last regular Board meeting in February. This summary is provided to the Board for information purposes only.

DISCUSSION

Execution Month	Purpose	Counterparty	Term
March	Purchase of Resource Adequacy	Sempra Gas & Power Marketing, LLC	24 Months
February	Purchase of Resource Adequacy	Direct Energy Business Marketing, LLC	2 Months
March	Purchase of Resource Adequacy	Constellation Energy Generation, LLC	1 Month
March	Purchase of Resource Adequacy	Calpine Energy Services, L.P.	1 Month
March	Purchase of GHG-Free Energy	City and County of San Francisco	10 Months
March	Sale of Import Allocation Rights for Resource Adequacy	Silicon Valley Clean Energy Authority	1 Month
March	Sale of PCC1 Energy	Sonoma Clean Power Authority	10 Months

In January 2020, the Board approved the following Policy Number 15 – Energy Supply Procurement Authority.

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

1) **Short-Term Agreements:**
   a. Chief Executive Officer has authority to approve Energy Procurement contracts with terms of twelve (12) months or less, in addition to contracts for Resource Adequacy that meet the specifications in section (b) and in Table 1 below.
   b. Chief Executive Officer has authority to approve Energy Procurement contracts for Resource Adequacy that meet PCE's three (3) year forward capacity obligations measured in MW, which are set annually by the California Public Utilities Commission and the California Independent System Operator for compliance requirements.
   c. Chief Financial Officer has authority to approve any contract for Resource Adequacy with a term of twelve (12) months or less if the CEO is unavailable and with prior written approval from the CEO.
   d. The CEO shall report all such agreements to the PCE board monthly.

   Table 1:

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

2) **Medium-Term Agreements:** Chief Executive Officer, in consultation with the General Counsel, the Board Chair, and other members of the Board as CEO deems necessary, has the authority to approve Energy Procurement contracts with terms greater than twelve (12) months but not more than five (5) years, in addition to Resource Adequacy contracts as specified in Table 1 above. The CEO shall report all such agreements to the PCE board monthly.

3) **Intermediate and Long-Term Agreements:** Approval by the PCE Board is required before the CEO enters into Energy Procurement contracts with terms greater than five (5) years.

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

STRATEGIC PLAN

The contracts executed in September and October support the Power Resources Objective A for Low Cost and Stable Power: Develop and implement power supply strategies to procure low-cost, reliable power.

California Community Power

70 Garden Court, Suite 300, Monterey, CA 93940 | cacommunitypower.org

TO: CC Power Board of Directors and Alternates **DATE:** 3/17/2023
FROM: Alex Morris – General Manager
SUBJECT: **Report on CC Power Regular Board of Directors Meeting – March 15, 2023**

The CC Power Board of Directors held its regularly scheduled meeting on Wednesday, March 15, 2023, via Zoom. Details on the Board packet, presentation materials, and public comment letters can be found under the Meetings tab at the CC Power website: https://cacommunitypower.org

Highlights of the meeting included the following:

- **Matters subsequent to posting the Agenda.** None.

- **Public Comment.** None.

- **Consent Calendar** - The Board unanimously approved the following items:
  - Minutes of the Regular Board Meeting held on February 15, 2023.

- **Discussion of Offshore Wind** Development – The Board authorized the General Manager to work with the Offshore Wind ad hoc committee to develop and possibly issue the Offshore Wind Request for Information in February. General Manager Morris updated the Board on activities of the subcommittee and the projected timeline. Board members expressed a continued interest in participating in the project and suggested the schedule be accelerated. The board took no action.

- **Near-Term Workplan and Preliminary 2023-2024 Budget Briefing** – CC Power is transitioning from a Calendar Year budget to July – June fiscal year to better align with Member budgeting. General Manager Morris presented his work plan and his initial thoughts on the FY '23/24 as part of that alignment. Mr. Morris noted that the Board-Approved Strategic plan provides direction for CC Power work plans and resourcing levels in developing the budget. He reviewed the direction provided by the Strategic plan, the value-add work areas that have been identified, the trajectory CC Power is on, and the budget implications. The Board members expressed an interest that the work plan and budget remain grounded in the Strategic plan but recognize the dynamic nature of the industry and an openness to modifications built on a business case.

- **Other items**
  - Director Marshall informed the Board the [tribe] has become a member of Redwood Coast Energy Authority
  - Director Pepper informed the Board that she will retire effective at the end of June

COMMONLY USED ACRONYMS AND KEY TERMS

AB xx – Assembly Bill xx
ALJ – Administrative Law Judge
AMP- Arrears Management Plans
AQM – Air Quality Management
BAAQMD – Bay Area Air Quality Management District
BLPTA – Buyer Liability Pass Through Agreement
CAC – Citizens Advisory Committee
CAISO – California Independent System Operator
CalCCA – California Community Choice Association
CAM – Cost Allocation Mechanism
CAP – Climate Action Plan
CAPP – California Arrearage Payment Program
CARB – California Air Resources Board, or California ARB
CARE- California Alternative Rates for Energy Program
CBA – California Balancing Authority
3CE- Central Coast Community Energy (Formerly Monterey Bay Community Power-MBCP)
CCA – Community Choice Aggregation (aka Community Choice Programs (CCP) or
CCE – Community Choice Energy (CCE)
CCP – Community Choice Programs
CEC – California Energy Commission
CPP- Critical Peak Pricing
CPSF – Clean Power San Francisco
CPUC – California Public Utility Commission (Regulator for state utilities) (Also PUC)
CSD – California Department of Community Services and Development
CSGT - Community Solar Green Tariff
DA – Direct Access
DAC-GT - Disadvantaged Communities Green Tariff
DER – Distributed Energy Resources
DG – Distributed Generation
DOE – Department of Energy
DR – Demand Response
DRP – Demand Response Provider
DRP/IDER – Distribution Resources Planning / Integrated Distributed Energy Resources
EBCE – East Bay Community Energy
ECOplus – PCE's default electricity product, 50% renewable and 50% carbon-free (in 2021)
ECO100 – PCE's 100% renewable energy product
EDR – Economic Development Rate
EE – Energy Efficiency
EEI – Edison Electric Institute; Standard contract to procure energy & RA
EIR – Environmental Impact Report
ELCC – Effective Load Carrying Capability
ESP – Electric Service Provider

ESS – Energy Storage Systems
ESSA – Energy Storage Services Agreement
ERRA – Energy Resource Recovery Account
EV – Electric Vehicle
EVSE – Electric Vehicle Supply Equipment (Charging Station)
FERA- Family Electric Rate Assistance Program
FERC – Federal Energy Regulatory Commission
FFS – Franchise Fee Surcharge
GHG – Greenhouse gas
GHG-Free – Greenhouse gas free
GTSR – Green Tariff Shared Renewables
GWh – Gigawatt Hours (Energy) = 1000 MWh
IDER – Integrated Distributed Energy Resources
IOU – Investor-Owned Utility (e.g. PG&E, SCE, SDG&E)
IRP – Integrated Resource Plan
IVR – Interactive Voice Response
ITC – Investment Tax Credit (it's a solar tax credit)
JCC – Joint Cost Comparison
JPA – Joint Powers Authority
JRC – Joint Rate Comparison
JRM – Joint Rate Mailer
kW – kilowatt (Power)
kWh – Kilowatt-hour (Energy)
LDS – Long Duration Storage
LDES – Long Duration Energy Storage
LIHEAP- Low Income Home Energy Assistance Program
Load Shaping – changing when grid energy is used
LSE – Load Serving Entity
MCE – Marin Clean Energy
Methane Gas - formerly known as 'natural gas'
Microgrid – building or community energy system
MW – Megawatt (Power) = 1000 kW
MWh – Megawatt-hour (Energy) = 1000 kWh
MUD – Multi-unit Dwelling
NBCs – non-bypassable charges
NEM – Net Energy Metering
NERC – North American Electric Reliability Corporation
NDA – Non-Disclosure Agreement
NG – Natural Gas
OBF – On-bill Financing
OBR – On-bill Repayment
OES – Office of Emergency Services
OIR – Order Instituting Rulemaking
PACE – Property Assessed Clean Energy
PCC – Portfolio Content Category (aka "buckets") – categories for RPS compliance
PCC1 – Portfolio Content Category 1 REC (also called bucket 1 REC)
PCC2 – Portfolio Content Category 2 REC (also called bucket 2 REC)
PCC3 – Portfolio Content Category 3 REC (also called bucket 3 REC or unbundled REC)

PCE – Peninsula Clean Energy Authority
PCIA – Power Charge Indifference Adjustment
PCL – Power Content Label
PLA – Project Labor Agreement
POU – Publicly Owned Utility
PPA – Power Purchase Agreement
PPSA – Project Participation Share Agreement (CC Power)
PSPS – Public Safety Power Shutoff
PV – Photovoltaics (solar panels)
RA – Resource Adequacy
RE – Renewable Energy
REC – Renewable Energy Credit/Certificate
RICAPS - Regionally Integrated Climate Action Planning Suite
RPS – California Renewable Portfolio Standard
SB xx – Senate Bill xx
SCP – Sonoma Clean Power
SJCE – San Jose Clean Energy
SJVAPCD - San Joaquin Valley Air Pollution Control District
SMD – Share My Data, interval meter data
SQMD – Settlement Quality Meter Data
SVCE – Silicon Valley Clean Energy
TEF – Transportation Electrification Framework (CPUC Proceeding)
TNCs – Transportation Network Companies (ridesharing companies)
TOB – Tariff on Bill
TOU RATES – Time of Use Rates
VGI – Vehicle-Grid Integration
V2G – Vehicle-to-Grid
VPP – Virtual Power Plant
WECC – Western Energy Coordinating Council
WREGIS – Western Renewable Energy Generation Information System
WSPP – Western Systems Power Pool; standard contract to procure energy and RA