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, July 27, 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). Peninsula Clean Energy uses best efforts to ensure audio and visual clarity and connectivity. However, it cannot guarantee the connection quality.

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

Written public comments may be emailed to PCEA Board Clerk, Nelly Wogberg (nwogberg@peninsulacleanenergy.com) and such written comments should indicate the specific agenda item on which the member of the public is commenting.

Spoken public comments will be accepted during the meeting in the Board Room(s) or remotely through Zoom at the option of the speaker. Please use the "Raise Your Hand" function in the Zoom platform, or press *6 if you phoned into the meeting, to indicate that you would like to provide comment.

ADA Requests

Individuals who require special assistance or a disability related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting, should contact Nelly Wogberg, Board Clerk, by 10:00 a.m. on the day before the meeting at (nwogberg@peninsulacleanenergy.com). Notification in advance of the meeting will enable PCEA to make reasonable arrangements to ensure accessibility to this meeting, the materials related to it, and your ability to comment.

Closed Captioning is available for all PCEA Board meetings. While watching the video broadcast in Zoom, please enable captioning.

CALL TO ORDER / ROLL CALL/ APPROVE TELECONFERENCE PARTICIPATION UNDER AB 2449

This item is reserved to approve teleconference participation request for this meeting by Director pursuant to Brown Act revisions of AB 2449 due to an emergency circumstance to be briefly described.

PUBLIC COMMENT

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

ACTION TO SET AGENDA AND TO APPROVE CONSENT AGENDA ITEMS

1. Approval of the Minutes for the June 22, 2023 Board of Directors Meeting
2. Approval of Contract Renewal Between Peninsula Clean Energy and Maher Accountancy for the Period of July 1, 2023 Through June 30, 2024 in an Amount Not-to-Exceed $258,150
3. Approval of the Revised Employee Handbook, Version 5

REGULAR AGENDA

4. Chair Report (Discussion)
5. CEO Report (Discussion)
6. Citizens Advisory Committee (CAC) Report (Discussion)

7. Review of 2022-23 Citizens Advisory Committee Work Plan Deliverables (Discussion)

8. Approval of 2023-24 Citizens Advisory Committee Work Plan, Objectives, and New Committee Name (Action)

9. Approval of a Resolution to Delegate Authority to the Chief Executive Officer to Finalize and Execute a Contract with the San Mateo County Office of Education to Support Schools in Implementing Clean Energy Literacy and Decarbonization of Facilities for an Amount Not-to-Exceed $205,000 in 2023-2024

10. Regionalization Study Session (Discussion) (Continued from June 22, 2023 Board of Directors Meeting)

11. Board Members' Reports (Discussion)

INFORMATIONAL REPORTS

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

13. Update on Regulatory Policy Activities

14. Update on Legislative Activities

15. Update on Community Energy Programs

16. Update on Energy Supply Procurement

17. 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**

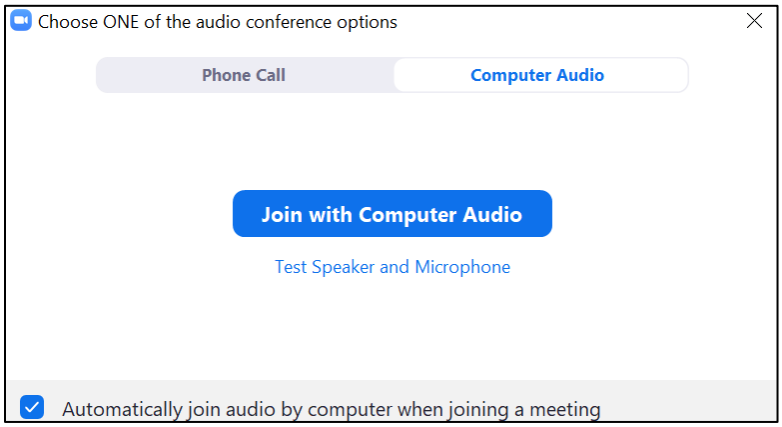
Videoconference Options:

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:

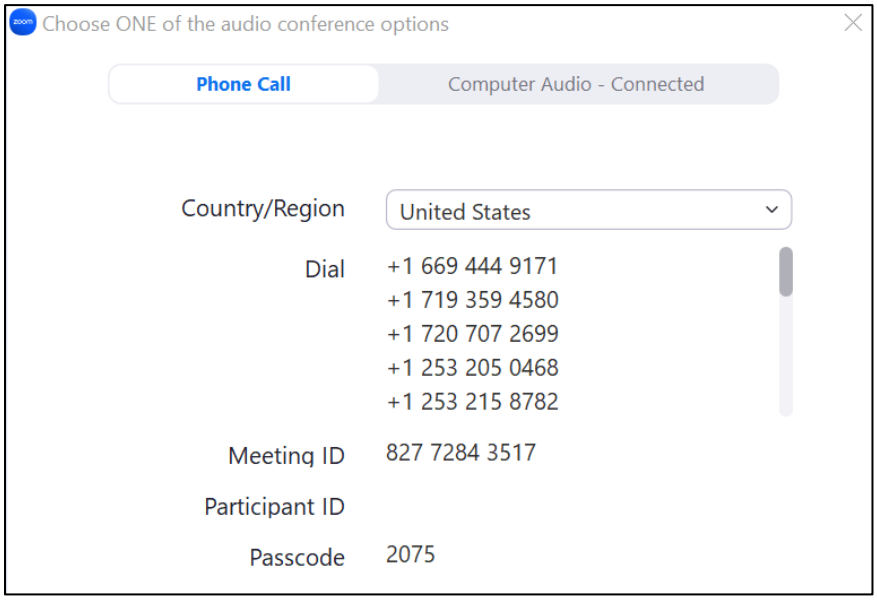
1. From your computer, click on the following link that is also included in the Meeting Calendar Invitation: https://pencleanenergy.zoom.us/j/82772843517
2. The Zoom application will open on its own or you will be instructed to open Zoom.
3. After the application opens, the pop-up screen below will appear 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 #**

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

Thursday, June 22, 2023
6:30 p.m.
Zoom Video Conference and Teleconference

CALL TO ORDER

Meeting was called to order at 6:35 p.m. in virtual teleconference in the Peninsula Clean Energy Authority lobby and in the Los Banos City Hall conference room A.

SWEARING IN OF NEW BOARD MEMBER

David Silberman, General Counsel, presided over the official swearing-in of new Board Alternate Davina Hurt from Belmont.

ROLL CALL

Participating:

Dave Pine, San Mateo County
Ray Mueller, San Mateo County
Rick DeGolia, Atherton, *Chair*
Davina Hurt, Belmont
Coleen Mackin, Brisbane
Donna Colson, Burlingame, *Vice Chair*
Ken Gonzalez, Colma
Carlos Romero, East Palo Alto
Sam Hindi, Foster City
Leslie Ragsdale, Hillsborough
Betsy Nash, Menlo Park
Anders Fung, Millbrae
Tygarjas Bigstyck, Pacifica
Jeff Aalfs, Portola Valley
Elmer Martinez Saballos, Redwood City
Marty Medina, San Bruno
Pranita Venkatesh, San Carlos
Adam Loraine, San Mateo

Pradeep Gupta, Director Emeritus
John Keener, Director Emeritus

Absent:

Roderick Daus-Magbual, Daly City
Paul Llanez, Los Banos
Harvey Rarback, Half Moon Bay
James Coleman, South San Francisco
Jennifer Wall, Woodside

A quorum was established.

PUBLIC COMMENT

None

ACTION TO SET THE AGENDA AND APPROVE REMAINING CONSENT AGENDA ITEMS

Chair DeGolia noted that Agenda Item Number 9 will be heard before Agenda Item Number 8.

MOTION: Director Hindi moved, seconded by Director Romero to set the Agenda, and approve Agenda Item Numbers 1-2.

1. Approval of the Minutes for the May 25, 2023 Board of Directors Meeting

2. Appointment of Members to the Citizens Advisory Committee (CAC)

MOTION PASSED: 18-0 (Absent: Daly City, Half Moon Bay, Los Banos, South San Francisco, Woodside)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Pine	X			
San Mateo County	Director Mueller	X			
Atherton	Director DeGolia	X			
Belmont	Director Hurt	X			
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			
Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual				X
East Palo Alto	Director Romero	X			
Foster City	Director Hindi	X			
Half Moon Bay	Director Rarback				X
Hillsborough	Director Ragsdale	X			
Los Banos	Director Llanez				X
Menlo Park	Director Nash	X			
Millbrae	Director Fung	X			
Pacifica	Director Bigstyck	X			
Portola Valley	Director Aalfs	X			
Redwood City	Director Martinez Saballos	X			
San Bruno	Director Medina	X			
San Carlos	Director Venkatesh	X			
San Mateo	Director Loraine	X			
South San Francisco	Director Coleman				X
Woodside	Director Wall				X
	Total	18			5

REGULAR AGENDA

3. Chair Report

Chair DeGolia shared that in an effort to include a member of the Citizens Advisory Committee on the Surplus Funds Committee, Peninsula Clean Energy Staff will manage the Committee. Chair DeGolia announced members of this Committee are Tygarjas Bigstyck, Steven Booker, Donna Colson, Rick DeGolia, Paul Llanez, Marty Medina, and Betsy Nash.

4. CEO Report

Jan Pepper, Chief Executive Officer, gave a report including a staffing update, an update on Peninsula Clean Energy Credit Ratings, a legislative update, an update on the EV Ready project, information on Net Energy Metering payouts, and expressed her gratitude to the Board for the last seven years as the CEO.

5. Citizens Advisory Committee Report

Cheryl Schaff, Citizens Advisory Committee (CAC) Chair, gave a presentation recapping the June 8, 2023 CAC meeting.

6. Recognition of Chief Executive Officer Jan Pepper Upon Retirement (Discussion)

Chair DeGolia introduced the item and recognized Jan Pepper upon her retirement. Additional speakers were invited to share their appreciation of Jan Pepper:

Beth Vaughn, Executive Director of CalCCA

Nicholas Hargis, Field Representative for Congresswoman Anna Eshoo

Kevin Fong, Field Representative for Congressman Kevin Mullin

David Burruto, District Director for Assemblymember Papan and Pablo Velasquez, Field Representative for Assemblymember Marc Berman

Dave Pine, San Mateo County Supervisor

Girish Balachadran, CEO of Silicon Valley Clean Energy

Director Jeff Aalfs

Vice Chair Donna Colson

John Keener

Chair Rick DeGolia

Ann Schneider

Director Anders Fung

Director Carlos Romero

Jan Pepper thanked the speakers and the Board for their kind words and support over the last 7 years.

7. Approval of the Fiscal Year (FY) 2023-2024 Budget (Action)

Andy Stern, Interim Chief Financial Officer, gave a presentation of the Fiscal Year (FY) 2023-2024 budget, including a review of the schedule, a recap of revisions since the initial draft budget, key assumptions, a summary and detailed view of the revised draft budget, and a 5-year outlook including the impact of GovPV Programs on cash position.

Vice Chair Colson thanked the Audit and Finance Committee for their work on this budget and noted that these numbers can be volatile and have fluctuation due to factors including market pricing and the Power Charge Indifference Adjustment charge (PCIA)) charge. Vice Chair Colson noted that the largest part of our budget is energy charges.

Director Aalfs noted that our commitment to 24/7 time-coincident power protects us against market volatility.

Jan Pepper offered her gratitude to Andy Stern for stepping into the budget process this year.

Vice Chair Colson added that the A- credit rating is important for counter party agreements and that higher credit ratings have allowed Peninsula Clean Energy to free up cash flow.

MOTION: Director Aalfs moved, seconded by Director Pine to Approve the Proposed Fiscal Year 2023-2024 (July 1, 2023, through June 30, 2024) budget with an amount of $350,657,317 as a not-to-exceed amount of Total Operating Expenses.

MOTION PASSED: 18-0 (Absent: Daly City, Half Moon Bay, Los Banos, South San Francisco, Woodside)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Pine	X			
San Mateo County	Director Mueller	X			
Atherton	Director DeGolia	X			
Belmont	Director Hurt	X			
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			
Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual				X
East Palo Alto	Director Romero	X			
Foster City	Director Hindi	X			
Half Moon Bay	Director Rarback				X
Hillsborough	Director Ragsdale	X			
Los Banos	Director Llanez				X
Menlo Park	Director Nash	X			
Millbrae	Director Fung	X			

Pacifica	Director Bigstyck	X			
Portola Valley	Director Aalfs	X			
Redwood City	Director Martinez Saballos	X			
San Bruno	Director Medina	X			
San Carlos	Director Venkatesh	X			
San Mateo	Director Loraine	X			
South San Francisco	Director Coleman				X
Woodside	Director Wall				X
	Total	18			5

9. Approval of Staff's Recommendation on Delivery of 100% Renewable Energy Annually by 2025 and on a 99% Time-Coincident Basis by 2027 (Action)

Mehdi Shahriari, Planning and Analytics Manager, gave a presentation including background on 24/7 Renewable Energy by 2025, the current status, benefits of 24/7, the difference between renewable and carbon free, challenges in achieving the 2025 target, resources available in 2027, and benefits for shifting the goal.

Director Loraine asked why in-state wind seems so limited as an option in comparison to out-of-state wind. Mehdi explained that there are no sites available to further develop wind in California, and that their generation profiles may not be favorable to Peninsula Clean Energy's needs.

Chair DeGolia added that almost 100% of the available onshore wind in California has been fully harvested, while access to wind out-of-state is relatively new, requiring the building of transmission lines.

Director Romero asked about the 99% time-coincident number being closer to 97% due to the marginal cost related to getting to 99%. Mehdi explained that 99% is the planning basis while the 97% is the real-time operation which considers load variability and uncertainty which would result in a lower time-coincident percentage than what is being planned.

Chair DeGolia asked for a future presentation on system power that Peninsula Clean Energy purchases and how that gets reconciled with the California Public Utilities Commission's definition of 100% renewable.

MOTION: Vice Chair Colson moved, seconded by Director Medina to adopt Staff's recommendation to deliver 100% renewable energy annually by 2025 and on a 99% time-coincident basis by 2027.

MOTION PASSED: 18-0 (Absent: Daly City, Half Moon Bay, Los Banos, South San Francisco, Woodside)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Pine	X			
San Mateo County	Director Mueller	X			
Atherton	Director DeGolia	X			
Belmont	Director Hurt	X			
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			

Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual				X
East Palo Alto	Director Romero	X			
Foster City	Director Hindi	X			
Half Moon Bay	Director Rarback				X
Hillsborough	Director Ragsdale	X			
Los Banos	Director Llanez				X
Menlo Park	Director Nash	X			
Millbrae	Director Fung	X			
Pacifica	Director Bigstyck	X			
Portola Valley	Director Aalfs	X			
Redwood City	Director Martinez Saballos	X			
San Bruno	Director Medina	X			
San Carlos	Director Venkatesh	X			
San Mateo	Director Loraine	X			
South San Francisco	Director Coleman				X
Woodside	Director Wall				X
	Total	18			5

8. Approve Resolution Delegating Authority to Chief Executive Officer to Execute Power Purchase Agreement (PPA) With SunZia Wind Powerco LLC, and any Necessary Ancillary Documents, Including A Potential Replacement PPA With no Material Changes From Those Presented to the Board, With a Power Delivery Term of 15 Years Starting at the Commercial Operation Date on or About September 30, 2026, in an Amount Not-to-Exceed $858 Million (Action)

Sara Maatta, Power Resources Manager, gave a presentation for the SunZia Wind PowerCo LLC project including a project overview, information on the transmission to California Independent System Operator (CAISO), contract structure, replacement power purchase agreement (PPA), workforce, community support for SunZia transmission, environmental review, expected operations the fit in Peninsula Clean Energy' energy portfolio, and fit with Peninsula Clean Energy's Strategic Plan.

Director Ragsdale asked about the replacement PPA. Chair DeGolia explained that Peninsula Clean Energy would be entering into a PPA with SunZia which is a subsidiary of Pattern Energy. Financial capital will need to be raised to build the transmission lines and towers. Some contracting parties may require direct contracts with an individual party and SunZia may be too broad for those requirements. SunZia is requesting the flexibility to assign the contract with identical terms and conditions of the original project contract.

Director Bigstyck asked if there would be minor cost adjustments included. Sara explained that there would be no cost adjustments, and that Peninsula Clean Energy's share would remain the same. Director Bigstyck asked if there is an option to renew the contract after the 15 years have lapsed. Sara explained that Peninsula Clean Energy hasn't come up on the end of a 15-year term and are not sure what that conversation looks like yet. Chair DeGolia noted there is not a renewal option in the contract.

Jan Pepper, Chief Executive Officer, explained that there have been renewals of shorter-term contracts in the past. Director Bigstyck asked about a first right of refusal. Sara explained that there is not a first right of refusal in Peninsula Clean Energy's standard proforma.

Director Pine asked about what happens with excess generation during certain times of the year. Sara explained that this situation is currently occurring where many hours in the summer produce more energy than is required and that energy is sold back to the system and explained that the hope is to store that energy to use when energy is short. Chair DeGolia added that energy which is stored becomes more valuable.

Director Loraine noted this project really embodies what Peninsula Clean Energy is doing.

Public Comment: Scott Wien, IBEW; John Keener

Monica Opderbeck, AVP, Origination & Power Marketing, Business Development for Pattern Energy Group introduced herself and explained that the PPA with Peninsula Clean Energy is their third PPA and an enabler to being construction.

Robin Christensen, President of Quanta West LLC, introduced herself and explained that Quanta West is very interested in working with labor unions including IBEW and explained that Quanta has almost 10,000 represented employees. Robin noted that in New Mexico the labor resources don't always match the need, but that the intent to leverage represented labor as much as possible.

Chair DeGolia explained that there are two different, but interdependent projects represented: Pattern Energy Group which is responsible for building the wind farm and Quanta West, LLC which is responsible for building the transmission line.

Derek Price, Vice President of Engineering and Construction for Pattern Energy Group introduced himself and explained that 2-3000 people will be working on the project and that labor resources in New Mexico can vary. Derek explained that Pattern Energy has a great relationship with IBEW. Derek added that Pattern is committed to working with IBEW and other labor unions to continue to train a new workforce.

Director Mueller asked if Pattern Energy was open to a Project Labor Agreement (PLA). Derek explained that Pattern Energy won't do a PLA as a project company with any of the unions for SunZia, adding that New Mexico is a right to work state and Pattern will work with contractors who will work out the labor agreements with IBEW and other trades to get the project completed.

Director Romero asked if Pattern Energy is committed to paying prevailing wage. Derek confirmed that it was written into the contract.

Director Hurt commented that the California Energy commission noted this project is an important project and should continue to watch that labor issues are followed.

MOTION: Director Hurt moved, seconded by Director Mackin to Approve a Resolution Delegating Authority to the Chief Executive Officer to Execute Power Purchase Agreement and any necessary ancillary documents, including potential Replacement PPA(s) with the same terms and conditions as the agreement presented to the Board except for any necessary administrative changes, with SunZia Wind PowerCo LLC or an Affiliate of SunZia Wind PowerCo LLC, with a Power Delivery Term of 15 years starting at the Commercial Operation Date on or about September 30, 2026, in an amount not to exceed $858 million.

Chair DeGolia noted that Peninsula Clean Energy requires prevailing wage to be paid but prefers PLAs.

Director Mueller asked for clarification on the impediment of working out a PLA in a right to work state. Derek explained that these discussions are ongoing, and the labor options are being explored. Derek explained that the New Mexico labor workforce may not be exactly what is needed, and a PLA requires full union, but some flexibility is needed to ensure delivering the project on time and safely.

Monica added that Pattern Energy was the developer of the Western Spirit Wind Project that came online at the end of 2022 and noted that while there was not a PLA, there were favorable statistics for the workforce. Monica added that while there is not a PLA with SunZia, there will be different types of labor and workforce represented across SunZia. Derek added that Western Spirit Wind Project was a little smaller and had a large transmission component, which was constructed that line with 90% union labor and IBEW working on the wind farm. Derek added that Pattern Energy will hire any IBEW member that wants the work, noting that delays in these projects are typically around labor shortages.

Director Romero asked what safeguards will be put in place to ensure that prevailing wage is actually paid and what type of monitoring will exist. Derek explained that the prevailing wage requirements are similar to those on Western Spirit and the same contractual language with Peninsula Clean Energy extends to EPC contracting partners. Derek added that Pattern Energy has the ability to audit whenever needed to support prevailing wage requirements. Director Romero asked who would provide the auditors? Derek explained that Pattern Energy could provide the auditors.

Director Romero noted that if this project cannot be a 100% union labor project due to labor resources there should be an audit function to ensure the prevailing wage of the state is being paid. Derek noted Pattern Energy's commitment to that.

Director Mueller clarified that a PLA does not have to specify that everyone on the jobsite be hired from labor unions, but that a PLA could specify if there is a vacant seat it will be filled form labor unions first and asked if this would satisfy IBEW's concerns.

Scott Wien noted that as long as audits were being reviewed it would make them feel better.

Vice Chair Colson asked if Staff is comfortable getting reports and doing a review of the audit or if an external company would be hired. Jan Pepper shared that this has been done on a previous project with a smaller scale. Vice Chair Colson shared that Peninsula Clean Energy does not have available Staff to support reviewing the audits but that hiring an auditing company is a good resolution.

Director Gonzalez asked if there are mandatory reporting requirements for the contractors already. Chair DeGolia explained that they would be requirements of the state of New Mexico and asked if there is an audit trail or reports that need to be provided to the state to show compliance with prevailing wage. Derek explained that wages paid would be provided to the state, but there is not a requirement for what has been done to pay prevailing wage.

Monica clarified that Pattern Energy can pay for an audit across SunZia's entire 3.5-gigawatt project, although the PPA is only for 250 megawatts. Chair DeGolia noted that there are other contracting parties, and that Peninsula Clean Energy is only 6% of the deal. Monica explained that the contract applies to the facility and not just Peninsula Clean Energy's share of the facility. Monica added that Pattern Energy would pay for the audit and that would be their way of proving that they are complying with that section of the contract. Derek confirmed and offered to provide information upon request.

Monica added that this is not Pattern Energy's first project in New Mexico, noting that there are 1.6 gigawatts of wind assets that have been built that deliver power to California, and that Pattern Energy has a track record as the biggest wind developer in the state and that comments are based off experience of doing this in the past.

MOTION AS AMENDED: Director Hurt moved, seconded by Director Mackin to Approve a Resolution Delegating Authority to the Chief Executive Officer to Execute Power Purchase Agreement and any necessary ancillary documents, including potential Replacement PPA(s) with the same terms and conditions as the agreement presented to the Board except for any necessary administrative changes, with SunZia Wind PowerCo LLC or an Affiliate of SunZia Wind PowerCo LLC, with a Power Delivery Term of 15 years starting at the Commercial Operation Date on or about September 30, 2026, in an amount not to exceed $858 million and to direct Staff to amend the agreement to provide a reasonable mechanism to verify that prevailing wage requirements of the contract are met.

Director Pine asked if this was at Pattern Energy's expense. Chair DeGolia confirmed that this would be an audit of the entire project and not just Peninsula Clean Energy's portion.

MOTION AS AMENDED: Director Hurt moved, seconded by Director Mackin to Approve a Resolution Delegating Authority to the Chief Executive Officer to Execute Power Purchase Agreement and any necessary ancillary documents, including potential Replacement PPA(s) with the same terms and conditions as the agreement presented to the Board except for any necessary administrative changes, with SunZia Wind PowerCo LLC or an Affiliate of SunZia Wind PowerCo LLC, with a Power Delivery Term of 15 years starting at the Commercial Operation Date on or about September 30, 2026, in an amount not to exceed $858 million and to direct Staff to amend the agreement to provide a reasonable mechanism to verify that prevailing wage requirements of the contract are met at SunZia's expense.

Director Bigstyck added his appreciation for the labor conversation.

MOTION AS AMENDED PASSED: 18-0 (Absent: Daly City, Half Moon Bay, Los Banos, South San Francisco, Woodside)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Pine	X			
San Mateo County	Director Mueller	X			
Atherton	Director DeGolia	X			
Belmont	Director Hurt	X			
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			
Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual				X

East Palo Alto	Director Romero	X			
Foster City	Director Hindi	X			
Half Moon Bay	Director Rarback				X
Hillsborough	Director Ragsdale	X			
Los Banos	Director Llanez				X
Menlo Park	Director Nash	X			
Millbrae	Director Fung	X			
Pacifica	Director Bigstyck	X			
Portola Valley	Director Aalfs	X			
Redwood City	Director Martinez Saballos	X			
San Bruno	Director Medina	X			
San Carlos	Director Venkatesh	X			
San Mateo	Director Loraine	X			
South San Francisco	Director Coleman				X
Woodside	Director Wall				X
	Total	18			5

10. Approval of Resolution Approving Appointment of Shawn E. Marshall as Chief Executive Officer (CEO) and an Agreement for her Service as CEO for the Term of July 1, 2023 to June 30, 2026 in an Amount Not-to-Exceed $400,000 Annually (Action)

Chair DeGolia introduced the recruitment process for Chief Executive Officer and shared that following a robust requirement process as well as a comparative review of other salaries in the market, the ad-hoc committee is proposing Shawn E. Marshall as the next CEO of Peninsula Clean Energy.

Public Comment: Bruce Karney, John Keener

MOTION: Director Aalfs moved, seconded by Director Romero to approve an Agreement with Shawn E. Marshall in the position of Chief Executive Officer for Peninsula Clean Energy. The Agreement commences on July 1, 2023 and concludes on June 30, 2026 with the possibility of an extension; and (2) provides for an annual base salary of $375,000 effective July 1, 2023 with the possibility of an annual bonus of up to $25,000, subject to the PCEA Board's sole discretion.

MOTION PASSED: 18-0 (Absent: Daly City, Half Moon Bay, Los Banos, South San Francisco, Woodside)

JURISDICTION	BOARD MEMBER	YES	NO	ABSTAIN	ABSENT
San Mateo County	Director Pine	X			
San Mateo County	Director Mueller	X			
Atherton	Director DeGolia	X			
Belmont	Director Hurt	X			
Brisbane	Director Mackin	X			
Burlingame	Director Colson	X			
Colma	Director Gonzalez	X			
Daly City	Director Daus-Magbual				X
East Palo Alto	Director Romero	X			

Foster City	Director Hindi	X			
Half Moon Bay	Director Rarback				X
Hillsborough	Director Ragsdale	X			
Los Banos	Director Llanez				X
Menlo Park	Director Nash	X			
Millbrae	Director Fung	X			
Pacifica	Director Bigstyck	X			
Portola Valley	Director Aalfs	X			
Redwood City	Director Martinez Saballos	X			
San Bruno	Director Medina	X			
San Carlos	Director Venkatesh	X			
San Mateo	Director Loraine	X			
South San Francisco	Director Coleman				X
Woodside	Director Wall				X
	Total	18			5

Shawn Marshall, Chief Operating Officer, and newly appointed Chief Executive Officer shared her gratitude to the Board and to Jan Pepper.

11. Regionalization Study Session (Discussion)

Chair DeGolia noted that this item will be postponed until the July BOD meeting.

Jan Pepper added that there has been discussion of California expanding to a regionalized system which is a complex issue. Jan requested that Board Members refrain from supporting or opposing regionalization until a study session can be held next month to share the pros and cons.

12. Board Members' Reports

Director Bigstyck shared that he visited *Sensorio* in Paso Robles, which is a solar powered art installation and recommended a visit.

ADJOURNMENT

Meeting was adjourned at 9:13 p.m.

PENINSULA CLEAN ENERGY
JPA Board Correspondence

DATE: July 7, 2023
BOARD MEETING DATE: July 27, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Andy Stern, Interim Chief Financial Officer

SUBJECT: Approval of Contract Renewal with Maher Accountancy

RECOMMENDATION

Authorize execution of an Agreement between PCE and Maher Accountancy for the period of July 1, 2023 through June 30, 2024 in an amount not to exceed $258,150.

BACKGROUND

PCE has engaged Maher Accountancy to provide external accounting, payroll, and annual audit support services since October 1, 2016. A summary of services that are provided as part of Maher's regular monthly Operational Assistance fee is as follows:

- Process payroll, including managing and reporting payroll taxes;
- Manage and process Accounts Payable including use of a cloud-based document management system supporting management review of expenses, segregation of duties, and access to source invoice and vendor data;
- Set-up of wire transfer payments to vendors paid by wire.
- Maintain the general ledger by posting billings and accruing revenue/expenses by reconciliation of PCE's data manager reports of customer activity and Accounts Receivable;
- Bank reconciliations;
- Publish monthly financial statements showing monthly and year-to-date summaries compared to approved budget levels;
- Monthly updated web portal providing access to professional services contract management
-

The most recent contract for services (approved by the Board in July 2022), which covered the period from July 1, 2022, through June 30, 2023, was for a total of $243,750. Both this

year's and last year's contracts include a monthly fee for operational services plus a one-time fee for support of the audit of the prior fiscal year completed in the Fall of each year.

DISCUSSION

PCE has been satisfied with the services provided by Maher Accountancy and has negotiated a new one-year agreement for continuation of those services.

The cost of the accounting services as proposed will be $20,150 per month, plus a one-time fee of $15,750 for support of the annual audit of the FY2022-2023 financial statements. The monthly fee is 6.3% higher than the prior contract. The $15,750 fee for audit support is unchanged.

The increase in the proposed fee over the fee in the prior year includes additional costs for higher staff costs plus increased work in processing PCE program-related rebates.

FISCAL IMPACT

The total fees for the contract for the period from July 1, 2023, through June 30, 2024, would be $258,150.

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

* * * * * *

RESOLUTION AUTHORIZING THE CEO TO SIGN AN AGREEMENT BETWEEN BETWEEN PENINSULA CLEAN ENERGY AND MAHER ACCOUNTANCY FOR THE PERIOD OF JULY 1, 2023 THROUGH JUNE 30, 2024 IN AN AMOUNT NOT-TO-EXCEED $258,150

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

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

WHEREAS, Maher Accountancy was selected to provide accounting, payroll, and audit support services to PCEA based on its experience with other CCA programs, expertise in bookkeeping, and the cost-effectiveness of its proposal; and

WHEREAS, PCEA has contracted with Maher Accountancy to provide such services since October 1, 2016; and

WHEREAS, PCEA was most recently engaged in a contract with Maher Accountancy to provide such services for the term of July 1, 2022 through June 30, 2023; and

WHEREAS, PCEA is now seeking to sign a contract with Maher Accountancy for the term of July 1, 2023 through June 30, 2024, in an amount not to exceed $258,150 in substantially the same form as the prior agreement; and

WHEREAS, Maher Accountancy has heretofore provided services to PCEA in a satisfactory manner and PCEA desires to continue working with Maher.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Board delegates authority to CEO to execute said contract with Maher Accountancy in an amount not to exceed $258,150.

* * * * * *

AGREEMENT BETWEEN THE PENINSULA CLEAN ENERGY AUTHORITY AND MAHER ACCOUNTANCY

This Agreement is entered into this 1st day of July 2023, by and between the Peninsula Clean Energy Authority, a joint powers authority of the state of California, hereinafter called "PCEA" and Maher Accountancy (a California Corporation), 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 accounting management services.

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

1. Exhibits and Attachments

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

Exhibit A—Services
Exhibit B—Payments and Rates

Services to be performed by Contractor

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

2. 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 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.

3. Term

Subject to compliance with all terms and conditions, the term of this Agreement shall be from July 1, 2023, through June 30, 2024.

4. Termination; Availability of Funds

This Agreement may be terminated by Contractor or by the Chief Executive Officer of the Peninsula Clean Energy Authority 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. 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.

5. Contract Materials

At the end of this Agreement, or in the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and other written materials (collectively referred to as "contract materials") prepared by Contractor under this Agreement shall become the property of PCEA and shall be promptly delivered to PCEA. Upon termination, Contractor may make and retain a copy of such contract materials if permitted by law.

6. Relationship of Parties

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

7. **Hold Harmless**

a. General Hold Harmless

Contractor shall indemnify and save harmless PCEA and its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description resulting from this Agreement, the performance of any work or services required of Contractor under this Agreement, or payments made pursuant to this Agreement brought for, or on account of, any of the following:

(A) injuries to or death of any person, including Contractor or its employees/officers/agents;

(B) damage to any property of any kind whatsoever and to whomsoever belonging;

(C) any other loss or cost, however, Contractor's obligation to indemnify and hold harmless pursuant to this section shall be limited to the extent Contractor has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct. The duty of Contractor to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

8. Assignability and Subcontracting

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

9. **Payment of Permits/Licenses**

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

10. Insurance

a. General Requirements

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

b. Workers' Compensation and Employer's Liability Insurance

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

c. Liability Insurance

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

☒ Comprehensive General Liability… $1,000,000

(Applies to all agreements)

☒ Motor Vehicle Liability Insurance… $1,000,000

(To be checked if motor vehicle used in performing services)

☐ Professional Liability……. $1,000,000

(To be checked if Contractor is a licensed professional)

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

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

11. 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.

12. Non-Discrimination and Other Requirements

a. General Non-discrimination

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

b. Equal Employment Opportunity

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

c. Section 504 of the Rehabilitation Act of 1973

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

d. Compliance with County's Equal Benefits Ordinance

With respect to the provision of benefits to its employees, Contractor shall comply with Chapter 2.84 of the County Ordinance Code, which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse. In order to meet the requirements of Chapter 2.84, Contractor must certify which of the following statements is/are accurate:

☒ Contractor complies with Chapter 2.84 by offering the same benefits to its employees with spouses and its employees with domestic partners.

e. Discrimination Against Individuals with Disabilities

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

f. History of Discrimination

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

☒ 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.

g. Reporting; Violation of Non-discrimination Provisions

Contractor shall report to the Chief Executive Officer of PCEA the filing in any court or with any administrative agency of any complaint or allegation of discrimination on any of the bases prohibited by this Section of the Agreement or Section 11, 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.

13. Compliance with County Employee Jury Service Ordinance

Contractor shall comply with Chapter 2.85 of the County's Ordinance Code, which states that Contractor shall have and adhere to a written policy providing that its employees, to the extent they are full-time employees and live in San Mateo County, shall receive from the Contractor, on an annual basis, no fewer than five days of regular pay for jury service in San Mateo County, with jury pay being provided only for each day of actual jury service. The policy may provide that such employees deposit any fees received for such jury service with Contractor or that the Contractor may deduct from an employee's regular pay the fees received for jury service in San Mateo County. By signing this Agreement, Contractor certifies that it has and adheres to a policy consistent with Chapter 2.85. For purposes of this Section, if Contractor has no employees in San Mateo County, it is sufficient for Contractor to provide the following written statement to County: "For purposes of San Mateo County's jury service ordinance, Contractor certifies that it has no full-time employees who live in San Mateo County. To the extent that it hires any such employees during the term of its Agreement with San Mateo County, Contractor shall adopt a policy that complies with Chapter 2.85 of the County's Ordinance Code." The requirements of Chapter 2.85 do not apply if this Agreement's total value listed Section 2, above, is less than one-hundred thousand dollars ($100,000), but Contractor acknowledges that Chapter 2.85's requirements will apply if this Agreement is amended such that its total value meets or exceeds that threshold amount.

14. Retention of Records; Right to Monitor and Audit

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

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

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

15. 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.

16. 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.

17. Notices

Any notice, request, demand, or other communication required or permitted under this Agreement shall be deemed to be properly given when both: (1) transmitted via facsimile to the telephone number listed below or transmitted via email to the email address listed below; and (2) sent to the physical address listed below by either being deposited in the United States mail, postage prepaid, or deposited for overnight delivery, charges prepaid, with an established overnight courier that provides a tracking number showing confirmation of receipt.

In the case of PCEA, to:

Name/Title: Shawn Marshall, Chief Executive Officer
Address: 2075 Woodside Road, Redwood City, CA 94061
Telephone: 650-260-0100
Email: smarshall@peninsulacleanenergy.com

In the case of Contractor, to:

Name/Title: Michael Maher, Vice President
Address: 1101 Fifth Ave, Ste 200, San Rafael, CA 94901
Telephone: 415-459-1249
Email: mmaher@mahercpa.com

18. Electronic Signature

If both PCEA and Contractor wish to permit this Agreement and future documents relating to this Agreement to be digitally signed in accordance with California law, both boxes below must be checked. 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.

For PCEA: ☒ If this box is checked by PCEA, PCEA consents to the use of electronic signatures in relation to this Agreement.

For Contractor: ☒ If this box is checked by Contractor, Contractor consents to the use of electronic signatures in relation to this Agreement.

19. 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 witness of and 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:

Maher Accountancy

Contractor's Signature

Date:

Exhibit A

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

The proposed contract term covers July 1, 2023 through June 30, 2024. In no event will the cost to PCE during the contract term exceed the maximum sum of $258,150.

Operational Assistance:

1. Assist in review of operating budget in collaboration with management and technical consultants.
2. Maintain the general ledger by:
    a. Posting billings, accrued revenue, cash receipts, accounts payable, cash disbursements, payroll, accrued expenses, etc.
    b. Prepare or maintain the following monthly analyses regarding general ledger account balances:
        i. Reconciling to statements from PCE's financial institution for cash activity and balances,
        ii. Reconcile customer data manager reports of customer activity and AR,
        iii. Estimated user fees earned but not billed as of the end of the reporting period,
        iv. Schedule of depreciation of capital assets,
        v. Aged schedule of accounts payable and
        vi. Schedules of details regarding all remaining balance sheet accounts.
3. Manage accounts payable: Maher Accountancy utilizes a cloud-based accounts payable document management system to provide for documentation of management review, proper segregation of duties, and access to source data. We ensure that required authorization is documented and that account coding is correct. Your staff then authorizes the release of payment by an independent payment service in order to provide an additional safeguard.
4. Assist with compliance with fiscal provisions of service vendor contracts: Before submitting vendor invoices for management approval, Maher Accountancy verifies that a vendor invoice with contract provisions regarding time periods, rates and financial limits.
5. Monitor expenditure budget compliance: Before submitting vendor invoices for management approval, Maher Accountancy verifies that there is budget available and will make timely suggestions for any necessary budget amendments.
6. Provide periodic and year-to-date accrual basis financial statements with comparison to projections.
7. Provide modified accrual basis financial statements with comparison to budget. (Government agencies are accustomed to budgeting inflows and outflows of capital and debt items not included in accrual basis operating statements.)
8. Process payroll, including managing and reporting payroll taxes.
9. Filing annual informational returns (Forms 1099/1096).
10. Assist in the presentation of financial information to Finance Committee and answer questions from time to time, as needed.
11. Assist the treasury function.
12. Provide services to meet the requirements of applicable laws and regulations relating to the provisions of accounting services for PCE.
13. File various compliance reports for state and local agencies, such as user taxes, energy surcharges, and state controller reports.

14. Monthly Portal
    a. Provide access to unified web portal for professional services contract management and review. (unlimited PCE users)
    b. Provide granular security/access based on department.
    c. Maintain listing of open and recently closed contracts, documents and basic meta data as available from accounting system or Bill.com.
    d. Track Actual spend against commitments and report on available balances.
    e. Maher will maintain the data, but ongoing accuracy will require cooperation from vendor relationship managers
        i. PCE will timely provide Maher with contracts and contract amendments
        ii. PCE will review Maher's input of the contract data into the portal

Exhibit B

In consideration of the services provided by Contractor described in Exhibit A and subject to the terms of the Agreement, PCEA shall pay Contractor based on the following fee schedule and terms:

Description of Service	Frequency	Fee
A. Operational Assistance	Monthly	$20,150
B. Assist with annual financial statement preparation as needed, including correspondence with independent auditor	Annual	$15,750

Reimbursable Expenses:

Administrative, overhead, secretarial time or overtime, word processing, photocopying, in house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses.

Bill payment fees for the cloud-based accounts payable system will be borne by the PCEA with no additional mark-up. Based on recent history, the fees related to this are not expected to exceed Five Thousand Dollars ($5,000) annually.

AGREEMENT BETWEEN THE PENINSULA CLEAN ENERGY AUTHORITY AND MAHER ACCOUNTANCY

This Agreement is entered into this 1st day of July ~~2022~~2023, by and between the Peninsula Clean Energy Authority, a joint powers authority of the state of California, hereinafter called "PCEA" and Maher Accountancy (a California Corporation), 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 accounting management services.

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

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Exhibit A—Services
Exhibit B—Payments and Rates

Services to be performed by Contractor

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2. 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 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.

3. Term

Subject to compliance with all terms and conditions, the term of this Agreement shall be from July 1, ~~2022~~2023, through June 30, ~~2023~~2024.

4. Termination; Availability of Funds

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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.

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6. Relationship of Parties

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

7. **Hold Harmless**

a. General Hold Harmless

Contractor shall indemnify and save harmless PCEA and its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description resulting from this Agreement, the performance of any work or services required of Contractor under this Agreement, or payments made pursuant to this Agreement brought for, or on account of, any of the following:

(A) injuries to or death of any person, including Contractor or its employees/officers/agents;

(B) damage to any property of any kind whatsoever and to whomsoever belonging;

(C) any other loss or cost, however, Contractor's obligation to indemnify and hold harmless pursuant to this section shall be limited to the extent Contractor has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct. The duty of Contractor to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

8. Assignability and Subcontracting

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

9. **Payment of Permits/Licenses**

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

10. Insurance

a. General Requirements

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

b. Workers' Compensation and Employer's Liability Insurance

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

c. Liability Insurance

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

☒ Comprehensive General Liability… $1,000,000

(Applies to all agreements)

☒ Motor Vehicle Liability Insurance… $1,000,000

(To be checked if motor vehicle used in performing services)

☐ Professional Liability……. $1,000,000

(To be checked if Contractor is a licensed professional)

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

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

11. 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.

12. Non-Discrimination and Other Requirements

a. General Non-discrimination

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

b. Equal Employment Opportunity

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

c. Section 504 of the Rehabilitation Act of 1973

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

d. Compliance with County's Equal Benefits Ordinance

With respect to the provision of benefits to its employees, Contractor shall comply with Chapter 2.84 of the County Ordinance Code, which prohibits contractors from discriminating in the provision of employee benefits between an employee with a domestic partner and an employee with a spouse. In order to meet the requirements of Chapter 2.84, Contractor must certify which of the following statements is/are accurate:

☒ Contractor complies with Chapter 2.84 by offering the same benefits to its employees with spouses and its employees with domestic partners.

e. Discrimination Against Individuals with Disabilities

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

f. History of Discrimination

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

☒ 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.

g. Reporting; Violation of Non-discrimination Provisions

Contractor shall report to the Chief Executive Officer of PCEA the filing in any court or with any administrative agency of any complaint or allegation of discrimination on any of the bases prohibited by this Section of the Agreement or Section 11, 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.

13. Compliance with County Employee Jury Service Ordinance

Contractor shall comply with Chapter 2.85 of the County's Ordinance Code, which states that Contractor shall have and adhere to a written policy providing that its employees, to the extent they are full-time employees and live in San Mateo County, shall receive from the Contractor, on an annual basis, no fewer than five days of regular pay for jury service in San Mateo County, with jury pay being provided only for each day of actual jury service. The policy may provide that such employees deposit any fees received for such jury service with Contractor or that the Contractor may deduct from an employee's regular pay the fees received for jury service in San Mateo County. By signing this Agreement, Contractor certifies that it has and adheres to a policy consistent with Chapter 2.85. For purposes of this Section, if Contractor has no employees in San Mateo County, it is sufficient for Contractor to provide the following written statement to County: "For purposes of San Mateo County's jury service ordinance, Contractor certifies that it has no full-time employees who live in San Mateo County. To the extent that it hires any such employees during the term of its Agreement with San Mateo County, Contractor shall adopt a policy that complies with Chapter 2.85 of the County's Ordinance Code." The requirements of Chapter 2.85 do not apply if this Agreement's total value listed Section 2, above, is less than one-hundred thousand dollars ($100,000), but Contractor acknowledges that Chapter 2.85's requirements will apply if this Agreement is amended such that its total value meets or exceeds that threshold amount.

14. Retention of Records; Right to Monitor and Audit

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

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

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

15. 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.

16. 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.

17. 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~~Shawn Marshall, Chief Executive Officer
Address: 2075 Woodside Road, Redwood City, CA 94061
Telephone: 650-260-0100
Email: ~~jpepper~~smarshall@peninsulacleanenergy.com

In the case of Contractor, to:

Name/Title: Michael Maher, Vice President
Address: 1101 Fifth Ave, Ste 200, San Rafael, CA 94901
Telephone: 415-459-1249
Email: mmaher@mahercpa.com

18. Electronic Signature

If both PCEA and Contractor wish to permit this Agreement and future documents relating to this Agreement to be digitally signed in accordance with California law, both boxes below must be checked. 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.

For PCEA: ☒ If this box is checked by PCEA, PCEA consents to the use of electronic signatures in relation to this Agreement.

For Contractor: ☒ If this box is checked by Contractor, Contractor consents to the use of electronic signatures in relation to this Agreement.

19. 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 witness of and 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:

Maher Accountancy

Contractor's Signature

Date:

Exhibit A

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

The proposed contract term covers July 1, ~~2022~~ 2023 through June 30, ~~2023~~2024. In no event will the cost to PCE during the contract term exceed the maximum sum of $~~243,750~~258,150.

Operational Assistance:

1. Assist in review of operating budget in collaboration with management and technical consultants.
2. Maintain the general ledger by:
    a. Posting billings, accrued revenue, cash receipts, accounts payable, cash disbursements, payroll, accrued expenses, etc.
    b. Prepare or maintain the following monthly analyses regarding general ledger account balances:
        i. Reconciling to statements from PCE's financial institution for cash activity and balances,
        ii. Reconcile customer data manager reports of customer activity and AR,
        iii. Estimated user fees earned but not billed as of the end of the reporting period,
        iv. Schedule of depreciation of capital assets,
        v. Aged schedule of accounts payable and
        vi. Schedules of details regarding all remaining balance sheet accounts.
3. Manage accounts payable: Maher Accountancy utilizes a cloud-based accounts payable document management system to provide for documentation of management review, proper segregation of duties, and access to source data. We ensure that required authorization is documented and that account coding is correct. Your staff then authorizes the release of payment by an independent payment service in order to provide an additional safeguard.
4. Assist with compliance with fiscal provisions of service vendor contracts: Before submitting vendor invoices for management approval, Maher Accountancy verifies that a vendor invoice with contract provisions regarding time periods, rates and financial limits.
5. Monitor expenditure budget compliance: Before submitting vendor invoices for management approval, Maher Accountancy verifies that there is budget available and will make timely suggestions for any necessary budget amendments.
6. Provide periodic and year-to-date accrual basis financial statements with comparison to projections.
7. Provide modified accrual basis financial statements with comparison to budget. (Government agencies are accustomed to budgeting inflows and outflows of capital and debt items not included in accrual basis operating statements.)
8. Process payroll, including managing and reporting payroll taxes.
9. Filing annual informational returns (Forms 1099/1096).
10. Assist in the presentation of financial information to Finance Committee and answer questions from time to time, as needed.
11. Assist the treasury function.
12. Provide services to meet the requirements of applicable laws and regulations relating to the provisions of accounting services for PCE.
13. File various compliance reports for state and local agencies, such as user taxes, energy surcharges, and state controller reports.

14. Monthly Portal
    a. Provide access to unified web portal for professional services contract management and review. (unlimited PCE users) ~~for a cost of $1,500 per month~~
    b. Provide granular security/access based on department.
    c. Maintain listing of open and recently closed contracts, documents and basic meta data as available from accounting system or Bill.com.
    d. Track Actual spend against commitments and report on available balances.
    e. Maher will maintain the data, but ongoing accuracy will require cooperation from vendor relationship managers
        i. PCE will timely provide Maher with contracts and contract amendments
        ii. PCE will review Maher's input of the contract data into the portal

Exhibit B

In consideration of the services provided by Contractor described in Exhibit A and subject to the terms of the Agreement, PCEA shall pay Contractor based on the following fee schedule and terms:

Description of Service	Frequency	Fee
A. Operational Assistance	Monthly	$~~19,000~~20,150
B. Assist with annual financial statement preparation as needed, including correspondence with independent auditor	Annual	$15,750

Reimbursable Expenses:

Administrative, overhead, secretarial time or overtime, word processing, photocopying, in house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses.

Bill payment fees for the cloud-based accounts payable system will be borne by the PCEA with no additional mark-up. Based on recent history, the fees related to this are not expected to exceed Five Thousand Dollars ($5,000) annually.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: July 12,2023
BOARD MEETING DATE: July 27, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Vote

TO: Honorable Peninsula Clean Energy Authority Board of Directors

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

SUBJECT: Approval of the Revised Employee Handbook

RECOMMENDATION:
Approve the revised Peninsula Clean Energy Employee Handbook, Version 5.

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

The PCE Employee Handbook has been revised several times as the organization has grown and matured. The revised Handbook presented to the Board for approval has been reviewed by PCE's legal counsel. The current version of the handbook (Version 4) was approved by the Board of Directors on July 28, 2022.

A copy of the proposed Version 5 and a redline showing edits and changes are both attached to this memo. The proposed/revised Employee Handbook incorporates a limited number of corrections and edits along with a few significant changes which are listed below.

1. Eliminated Management Leave for some employees and replaced with Administrative Leave for all employees.
    - The current policy provides 10 days per year to employees who have roles of manager (or manager-equivalent) or higher. The policy was originally established to provide extra time off as a result of management's

participation in events and meetings that were out of normal working hours (e.g. evening Board meetings or community events).
- The current policy provides for the accrual of Comp Time for other, non-manager employees to provide similar extra time for attendance at similar events and meetings.
- The current bifurcated structure is unfair to multiple employees as titles do not match involvement in outside activities, and remote work has blurred the lines for external engagement such that employees at many levels are involved in work-related events that may be outside regular work hours.
- The proposed new policy provides the same 10 days of leave (now called Administrative Leave) by treating all employees equally.
- Unlike PTO, Administrative Leave does not carry over from year to year.
- For 2023 only, staff has drafted the policy to provide 5 days of Administrative Leave for employees who were not previously participating in Management Leave to be used prior to the end of Calendar Year 2023.

2. Under the new policy, some employees may be receiving more days off than they had under the prior policy, however, executive Staff believes that this updated approach provides equitable treatment of all employees and also supports new talent acquisition and employee retention.

3. Elimination of Comp Time for Exempt/Non-Manager Employees and the Elimination of the Conversion Option for Overtime Hours to Comp Time for Non-Exempt Employees

    - Per #1 above, the current policy provides for the accrual of Comp Time for some employees which would be eliminated under the new policy.
    - Under the current policy, non-exempt employees have an option to elect that some of their overtime hours be converted to Comp Time instead of being paid per the normal overtime hours payment. The proposed policy eliminates this option and will process all overtime hours as 1.5 times the normal hourly pay rate.

Upon approval of this Handbook by the Board, PCE will distribute it for use by all PCE employees.

ATTACHMENTS:

1. Redline (showing changes from the prior Version 4)
2. Clean version of the Employee Handbook (Version 5) - Effective Date July 1, 2023.

RESOLUTION NO. _____

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

* * * * * *

RESOLUTION BY THE BOARD OF DIRECTORS TO APPROVE ADOPTION OF THE REVISED EMPLOYEE HANDBOOK VERSION 5

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

WHEREAS, the Board of Directors approved Version 4 of the PCE Employee Handbook on July 28, 2022, and

WHEREAS, PCE staff and the PCE Management Team collaborated to amend the PCE Employee Handbook by eliminating Management Leave for some employees and replacing it with Administrative Leave for all employees; and

WHEREAS, PCE staff and the Management Team collaborated to further amend the PCE Employee Handbook regarding “Comp Time”, eliminating it for Exempt/Non-Managerial Employees and removing the option for Non-Exempt Employees to convert overtime hours to “Comp Time” hours in lieu of overtime pay; and

WHEREAS, these revisions have been included in Version 5 of the Employee Handbook;

WHEREAS, staff request that the Board adopt the revised employees policies contained therein.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Board of Directors approves the adoption of Version 5 of the PCEA Employee Handbook.

* * * * * *

28637147v1

EMPLOYEE HANDBOOK

Effective Date (Version 5): July 1, 2023

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

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Attachments (Employee link to Attachments here)

A. PCE Request to Engage in Supplemental Employment Form

B. PCE Conflict of Interest Code

C. PCE Guidelines on Political Activity

D. PCE Employee Confidentiality Agreement

E. PCE Customer Confidentiality Policy

F. PCE Acceptable Use of Electronic Communications Policy

G. PCE Document Retention and Destruction Policy

H. Social Media Policy (Forthcoming)

I. PCE IT Security Policy

J. Work-from-Home Policy and Guidelines

SECTION 1: INTRODUCTION TO PENINSULA CLEAN ENERGY

1.101 Welcome to Peninsula Clean Energy!

Dear Staff,

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

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

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

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

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

Sincerely,

Shawn Marshall
CEO

Employee Handbook Version 5

1.101 About this Handbook

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

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

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

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

1.102 New Employee Onboarding

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

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

SECTION 2: EMPLOYMENT

2.101 Nature of Employment

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

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

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

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

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

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

2.102 Job Postings

PCE strives to maintain a current job description for each position in PCE. The job description outlines the essential duties and responsibilities of the position. When the

duties and/or responsibilities of a position change, the job description should be revised to reflect those changes. If you have any questions or wish to obtain a copy of your position's job description, please see your supervisor.

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

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

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

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

2.103 Equal Opportunity Employer

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

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

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

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

2.104 Nepotism Prohibited

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

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

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

2.105 Immigration Reform and Control Act

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

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

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

2.106 Supplemental Employment

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

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

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

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

2.107 Americans with Disabilities Act

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

It is your responsibility to notify your supervisor of the need for accommodation. Upon doing so, your supervisor may ask you for your input or the type of accommodation you believe may be necessary or the functional limitations caused by your disability. Also, when appropriate, we may need your permission to obtain additional information from your physician or other medical or rehabilitation professionals. PCE will not seek genetic information in connection with requests for accommodation. All medical information received by PCE in connection with a request for accommodation will be treated as confidential.

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

2.108 Access to Personnel Files

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

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

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

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

For more information, contact the CFO.

2.109 Employment Reference and Background Checks

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

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

respond to reference check inquiries. The CEO has the authority to delegate this responsibility as appropriate.

2.110 Changes in Personal Data

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

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

2.111 Separation from Employment

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

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

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

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

All voluntary terminating employees should complete a brief exit interview prior to leaving. All terminating employees, either voluntary or involuntary, will be provided information about employee benefits, conversion privileges, repayment of outstanding debts to PCE, and return of PCE-owned property. All employees are required to return

all equipment including, but not limited to, keys, ID cards, and other PCE property prior to leaving PCE on the last day of work.

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

2.112 Social Security Number Privacy

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

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

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

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

SECTION 3: EMPLOYEE CONDUCT

3.101 Conflict of Interest/Code of Ethics

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

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

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

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

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

3.101 Standards of Conduct

Each employee has an obligation to observe and follow PCE's policies and to maintain proper standards of conduct at all times. Failure to adhere to PCE's policies will result in corrective disciplinary measures.

Disciplinary action may include a verbal warning, written warning, suspension with or without pay, and/or termination of employment. The appropriate disciplinary action imposed will be determined by PCE. PCE does not guarantee that one form of action will necessarily precede another.

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

- Violation of PCE's policies or safety rules;
- Failing to work in a cooperative manner with management, co-workers, customers and others who do business with PCE;
- Unauthorized or illegal possession, use, or sale of alcohol or controlled substances on work premises or during working hours, while engaged in company activities; [Section 3.107]
- Unauthorized possession, use, or sale of weapons, firearms, or explosives on work premises;
- Theft or dishonesty;
- Inappropriate or violent physical contact;
- Harassment; [Section 3.103]
- Discrimination or retaliation in violation of PCE's EEO and No Harassment policies; [Section 3.103]
- Performing outside work or use of company property, equipment, or facilities in connection with outside work while on company time;
- Engaging in unethical or illegal conduct;
- Unauthorized disclosure of business “secrets” or confidential proprietary information; [Section 3.104]
- Poor attendance or poor performance.

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

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

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

3.103 No Harassment

We are committed to providing a work environment that is free of unlawful harassment, discrimination and retaliation. In furtherance of this commitment, PCE strictly prohibits all forms of unlawful discrimination and harassment, including: discrimination or harassment on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, protected medical condition (including genetic characteristic), genetic information, marital status, sex (including pregnancy, childbirth or related medical condition, or breast feeding), sexual orientation (including

homosexuality, bisexuality, or heterosexuality, or any other protected class under federal, state, or local law), gender, gender identity or expression (including transgender), age for individuals over forty years of age, military or veteran status, sexual orientation, citizenship status, or any other category protected by applicable state or federal law.

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

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

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

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

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

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

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

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

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

Reporting Process – Making a Complaint

Any employee, job applicant, unpaid intern, volunteer, or contractor who believes they been harassed, discriminated against or retaliated against in violation of this policy by

another employee, supervisor, manager or third-party doing business with PCE, you should immediately report it orally or in writing to the CEO. In addition, if you observe harassment by another employee, supervisor, manager or non-employee, please report the incident immediately to the CEO. If the CEO is alleged to be involved in the harassment, the Chair of the PCE Board must be notified.

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

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

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

Violation of this policy will subject an employee to disciplinary action, up to and including immediate termination. Moreover, any employee, supervisor or manager who condones or ignores potential violations of this policy will be subject to appropriate disciplinary action, up to and including termination. Additionally, under California law, employees may be held personally liable for harassing conduct that violates the California Fair Employment and Housing Act.

This policy is not intended to prohibit employees, job applicants, unpaid interns, volunteers, or contractors from filing complaints with the California Department of Fair Employment and Housing or the federal Equal Employment Opportunity Commission or

to prevent them from pursuing other available judicial remedies. These agencies may be contacted as follows:

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

PCE requires that every employee complete a one (1) hour workplace harassment prevention training course every twelve (12) months. The CFO will monitor and maintain records of all required trainings. PCE will provide the training through an on-line course.

3.104 Protecting PCE Information

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

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

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

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

As a public agency, PCE is subject to the California Public Records Act and the open meeting requirements of the Brown Act. Disclosures of information in compliance with these or any other open government requirement is not a violation of this policy. However, employees with access to PCE information are required to follow applicable

policies, procedures, and supervisory direction when disclosing information to the public so that PCE may assure that the information released in complete, accurate and properly presented. For more information, please see Attachment E. Customer Confidentiality Policy.

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

3.105 Use of Personal Devices, including PCE Issued Devices

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

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

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

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

Employees are expected to exercise the same discretion in using their personal devices while working as is required for using PCE owned devices. This includes, but is not limited to, compliance with PCE policies pertaining to harassment, discrimination,

retaliation, trade secrets, proprietary business and confidential information, electronic communications, and ethics. Employees must also comply with all applicable state, federal and local laws governing the use of such electronic devices. Failure to follow policies, procedures and/or applicable laws may result in disciplinary action up to and including termination of employment. Please see Attachment F. Acceptable Use of Electronic Communications Policy and Attachment I. Technology Security Policy for further information.

3.106 Smoking in the Workplace

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

3.107 Drug and Alcohol Use

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

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

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

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

PCE is committed to providing assistance to its employees to overcome substance abuse problems. PCE will reasonably accommodate any employee who wishes to voluntarily enter and participate in an alcohol or drug rehabilitation program. This accommodation may include an adjusted work schedule or time off without pay,

provided the accommodation does not impose an undue hardship on PCE. Employees may use any accrued sick or vacation benefits while on leave under this policy. However, additional benefits will not be earned during the unpaid portion of the leave of absence. A leave of absence under this section will be subject to the same provisions and rules as apply to medical leaves of absence. PCE will safeguard the privacy of an employee's participation in a rehabilitation program.

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

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

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

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

3.108 Drug Testing

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

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

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

For testing, the employee will be referred to an independent Substance Abuse and Mental Health Services Administration (SAMHSA) certified medical clinic or laboratory, which will administer the test. PCE will pay the cost of the test and reasonable transportation cost to the testing facility. The applicant or employee will have an opportunity to alert the clinic or laboratory personnel to any prescription or non-prescription drugs that she or he has taken that may affect the outcome of the test. Positive results from initial screening will be confirmed by a second testing method and will not be reported as positive without confirmation. In the event of a reported positive test, the applicant or employee may have the same sample retested at a laboratory of the employee's choice at the employee's expense.

Testing or drug testing under this policy may include amphetamines and methamphetamines, cocaine, marijuana/cannabinoids (THC), opiates (narcotics), phencyclidine (PCP), barbiturates, benzodiazepines, methaqualone, and alcohol. Cut-off levels for determining a positive test will be those established in the SAMHSA Mandatory Guidelines for Federal Drug Testing Programs. The cut-off level for a positive alcohol test (both initial and confirmation) will be 0.02 percent (0.02 gm/210

liters of breath or 0.02 gm/deciliter of blood or 0.02 mg/ml of urine). Testing will normally be performed by urinalysis or, for alcohol testing, may also include breath testing. The substances for which drug and alcohol tests are performed and cut-off levels may be modified from time-to-time with prior written notice from the CEO or amendment of this policy.

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

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

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

3.109 Attendance and Punctuality

Attendance and punctuality are important factors for your success within PCE. We work as a team which requires that each person be in the right place at the right time. For scheduled days off, employees are required to notify their supervisor as far in advance as possible, and to submit a request through the Personal Time Off (PTO) request system. In addition, it is also required that employees update their company calendar so that their fellow employees are aware of their time off schedule. If you are going to be late for work, notify your supervisor as far in advance as is feasible under the circumstances.

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

3.110 Personal Appearance

Employees are expected to maintain high standards of personal cleanliness and present a neat and professional appearance.

Our customers' satisfaction represents the most important and challenging aspect of our business. Whether or not your job responsibilities place you in direct customer contact, you represent PCE with your appearance as well as your actions. The properly attired individual helps to create a favorable image for PCE, to the public and fellow employees. PCE maintains a business casual environment. All employees should use discretion in wearing attire that is appropriate for their job.

3.111 Non-Solicitation

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

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

3.112 Acceptable Use of Electronic Communications/Workplace Monitoring

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

removable storage drives. In the remainder of this policy, all these communication devices are collectively referred to as “systems.”

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

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

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

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

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

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

In addition, employees may not use PCE systems:

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

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

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

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

Consequences of Policy Violations: Violations of this policy may result in disciplinary action up to and including immediate termination of an employee's employment as well as possible civil liabilities or criminal prosecution. Where appropriate, PCE may advise legal officials or appropriate third parties of policy violations and cooperate with official

investigations. We will not, of course, retaliate against anyone who reports possible policy violations or assists with investigations.

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

3.113 Company Document Management

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

3.114 Social Media

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

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

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

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

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

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

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

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

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

3.115 Contact with PCE

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

3.116 Customer and Public Relations

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

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

SECTION 4: WORKING CONDITIONS

4.101 Expectation of Privacy

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

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

4.102 Performance Reviews

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

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

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

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

4.103 Coaching, Counseling, and Progressive Discipline

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

While performance reviews are generally thought of as being a positive, skill-building process, coaching, counseling, and progressive discipline will be employed, when

considered necessary so that employee issues can be corrected at early stage, assist the employee to correct the problem, prevent reoccurrence, and prepare the employee for satisfactory performance in the future.

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

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

4.104 Talk to Us

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

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

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

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

4.105 Safety

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

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

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

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

4.106 Visitors

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

4.107 Workplace Violence

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

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

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

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

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

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

4.108 Travel/Expense Accounts

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

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

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

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

SECTION 5: BENEFITS

5.101 Employee Benefits

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

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

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

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

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

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

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

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

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

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

5.101(b) Long Term Disability Insurance

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

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

5.101(c) Social Security and Unemployment Insurance

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

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

5.101(d) Life Insurance

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

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

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

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

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

5.101(e) Section 125 Plan

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

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

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

5.101(f) Retirement Plans

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

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

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

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

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

5.101(g) State Disability Insurance

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

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

5.101(h) California Paid Family Leave Insurance

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

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

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

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

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

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

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

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

5.102 Workers' Compensation

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

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

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

5.103 Lactation Breaks

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

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

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

5.104 No Pets in the Workplace

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

5.105 COBRA

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

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

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

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

SECTION 6: PAYROLL

6.101 Categories of Employment

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

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

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

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

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

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

6.101(a) Anniversary Date

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

6.102 Licensing Requirements

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

6.103 Payday

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

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

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

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

6.104 Pay Advances

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

6.105 Timekeeping

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

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

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

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

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

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

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

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

6.106 Overtime (Non-Exempt Only)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

6.108 Paycheck Deductions and Set-Offs

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

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

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

6.109 Work Location and Schedules

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

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

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

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

6.112 Garnishment/Child Support

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

SECTION 7: LEAVES OF ABSENCE

7.101 Vacation/Administrative Leave

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7.102 Paid Sick Leave

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

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

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

Accrued paid sick leave may be used for:

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

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

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

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

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

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

7.103 Bereavement Leave

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

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

7.104 Family Medical Leave

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

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

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

7.105 New Parent Leave

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

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

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

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

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

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

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

7.106 Pregnancy Disability Leave

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

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

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

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

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

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

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

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

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

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

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

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

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

7.106 Holidays

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

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

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

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

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

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

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

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

7.106 Voting Leave

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

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

7.107 Jury Duty

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

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

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

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

7.108 Military Leave and Civil Air Patrol

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

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

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

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

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

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

7.109 Personal Leave

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

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

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

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

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

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

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

7.110 Bone Marrow and Organ Donation Leave

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

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

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

7.111 Domestic Violence Leave

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

7.112 Victims of Felony Crimes Leave

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

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

7.113 Time Off for School-Related Activities

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

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

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

Receipt of Employee Handbook and Employment-At-Will Statement

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

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

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

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

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

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

Initials _____ Date _____

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

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

NAME _____

DATE _____

EMPLOYEE
SIGNATURE _____

EMPLOYEE HANDBOOK

~~Issue~~ Effective Date (Version ~~4~~5): July 1, ~~2022~~2023

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

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Attachments (Employee link to Attachments here)

A. PCE Request to Engage in Supplemental Employment Form

B. PCE Conflict of Interest Code

C. PCE Guidelines on Political Activity

D. PCE Employee Confidentiality Agreement

E. PCE Customer Confidentiality Policy

F. PCE Acceptable Use of Electronic Communications Policy

G. PCE Document Retention and Destruction Policy

H. Social Media Policy (Forthcoming)

I. PCE IT Security Policy

J. Work-from-Home Policy and Guidelines

SECTION 1: INTRODUCTION TO PENINSULA CLEAN ENERGY

1.101 Welcome to Peninsula Clean Energy!

Dear Staff,

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

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

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

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

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

Sincerely,

~~Jan Pepper~~Shawn Marshall
CEO

Employee Handbook Version ~~4~~5

1.101 About this Handbook

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

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

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

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

1.102 New Employee Onboarding

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

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

SECTION 2: EMPLOYMENT

2.101 Nature of Employment

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

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

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

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

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

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

2.102 Job Postings

PCE strives to maintain a current job description for each position in PCE. The job description outlines the essential duties and responsibilities of the position. When the

duties and/or responsibilities of a position change, the job description should be revised to reflect those changes. If you have any questions or wish to obtain a copy of your position's job description, please see your supervisor.

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

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

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

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

2.103 Equal Opportunity Employer

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

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

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

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

2.104 Nepotism Prohibited

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

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

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

2.105 Immigration Reform and Control Act

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

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

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

2.106 Supplemental Employment

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

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

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

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

2.107 Americans with Disabilities Act

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

It is your responsibility to notify your supervisor of the need for accommodation. Upon doing so, your supervisor may ask you for your input or the type of accommodation you believe may be necessary or the functional limitations caused by your disability. Also, when appropriate, we may need your permission to obtain additional information from your physician or other medical or rehabilitation professionals. PCE will not seek genetic information in connection with requests for accommodation. All medical information received by PCE in connection with a request for accommodation will be treated as confidential.

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

2.108 Access to Personnel Files

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

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

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

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

For more information, contact the CFO.

2.109 Employment Reference and Background Checks

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

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

respond to reference check inquiries. The CEO has the authority to delegate this responsibility as appropriate.

2.110 Changes in Personal Data

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

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

2.111 Separation from Employment

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

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

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

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

All voluntary terminating employees should complete a brief exit interview prior to leaving. All terminating employees, either voluntary or involuntary, will be provided information about employee benefits, conversion privileges, repayment of outstanding debts to PCE, and return of PCE-owned property. All employees are required to return

all equipment including, but not limited to, keys, ID cards, and other PCE property prior to leaving PCE on the last day of work.

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

2.112 Social Security Number Privacy

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

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

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

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

SECTION 3: EMPLOYEE CONDUCT

3.101 Conflict of Interest/Code of Ethics

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

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

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

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

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

3.101 Standards of Conduct

Each employee has an obligation to observe and follow PCE's policies and to maintain proper standards of conduct at all times. Failure to adhere to PCE's policies will result in corrective disciplinary measures.

Disciplinary action may include a verbal warning, written warning, suspension with or without pay, and/or termination of employment. The appropriate disciplinary action imposed will be determined by PCE. PCE does not guarantee that one form of action will necessarily precede another.

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

- Violation of PCE's policies or safety rules;
- Failing to work in a cooperative manner with management, co-workers, customers and others who do business with PCE;
- Unauthorized or illegal possession, use, or sale of alcohol or controlled substances on work premises or during working hours, while engaged in company activities; [Section 3.107]
- Unauthorized possession, use, or sale of weapons, firearms, or explosives on work premises;
- Theft or dishonesty;
- Inappropriate or violent physical contact;
- Harassment; [Section 3.103]
- Discrimination or retaliation in violation of PCE's EEO and No Harassment policies; [Section 3.103]
- Performing outside work or use of company property, equipment, or facilities in connection with outside work while on company time;
- Engaging in unethical or illegal conduct;
- Unauthorized disclosure of business “secrets” or confidential proprietary information; [Section 3.104]
- Poor attendance or poor performance.

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

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

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

3.103 No Harassment

We are committed to providing a work environment that is free of unlawful harassment, discrimination and retaliation. In furtherance of this commitment, PCE strictly prohibits all forms of unlawful discrimination and harassment, including: discrimination or harassment on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, protected medical condition (including genetic characteristic), genetic information, marital status, sex (including pregnancy, childbirth or related medical condition, or breast feeding), sexual orientation (including

homosexuality, bisexuality, or heterosexuality, or any other protected class under federal, state, or local law), gender, gender identity or expression (including transgender), age for individuals over forty years of age, military or veteran status, sexual orientation, citizenship status, or any other category protected by applicable state or federal law.

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

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

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

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

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

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

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

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

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

Reporting Process – Making a Complaint

Any employee, job applicant, unpaid intern, volunteer, or contractor who believes they been harassed, discriminated against or retaliated against in violation of this policy by

another employee, supervisor, manager or third-party doing business with PCE, you should immediately report it orally or in writing to the CEO. In addition, if you observe harassment by another employee, supervisor, manager or non-employee, please report the incident immediately to the CEO. If the CEO is alleged to be involved in the harassment, the Chair of the PCE Board must be notified.

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

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

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

Violation of this policy will subject an employee to disciplinary action, up to and including immediate termination. Moreover, any employee, supervisor or manager who condones or ignores potential violations of this policy will be subject to appropriate disciplinary action, up to and including termination. Additionally, under California law, employees may be held personally liable for harassing conduct that violates the California Fair Employment and Housing Act.

This policy is not intended to prohibit employees, job applicants, unpaid interns, volunteers, or contractors from filing complaints with the California Department of Fair Employment and Housing or the federal Equal Employment Opportunity Commission or

to prevent them from pursuing other available judicial remedies. These agencies may be contacted as follows:

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

PCE requires that every employee complete a one (1) hour workplace harassment prevention training course every twelve (12) months. The CFO will monitor and maintain records of all required trainings. PCE will provide the training through an on-line course.

3.104 Protecting PCE Information

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

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

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

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

As a public agency, PCE is subject to the California Public Records Act and the open meeting requirements of the Brown Act. Disclosures of information in compliance with these or any other open government requirement is not a violation of this policy. However, employees with access to PCE information are required to follow applicable

policies, procedures, and supervisory direction when disclosing information to the public so that PCE may assure that the information released in complete, accurate and properly presented. For more information, please see Attachment E. Customer Confidentiality Policy.

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

3.105 Use of Personal Devices, including PCE Issued Devices

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

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

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

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

Employees are expected to exercise the same discretion in using their personal devices while working as is required for using PCE owned devices. This includes, but is not limited to, compliance with PCE policies pertaining to harassment, discrimination,

retaliation, trade secrets, proprietary business and confidential information, electronic communications, and ethics. Employees must also comply with all applicable state, federal and local laws governing the use of such electronic devices. Failure to follow policies, procedures and/or applicable laws may result in disciplinary action up to and including termination of employment. Please see Attachment F. Acceptable Use of Electronic Communications Policy and Attachment I. Technology Security Policy for further information.

3.106 Smoking in the Workplace

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

3.107 Drug and Alcohol Use

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

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

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

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

PCE is committed to providing assistance to its employees to overcome substance abuse problems. PCE will reasonably accommodate any employee who wishes to voluntarily enter and participate in an alcohol or drug rehabilitation program. This accommodation may include an adjusted work schedule or time off without pay,

provided the accommodation does not impose an undue hardship on PCE. Employees may use any accrued sick or vacation benefits while on leave under this policy. However, additional benefits will not be earned during the unpaid portion of the leave of absence. A leave of absence under this section will be subject to the same provisions and rules as apply to medical leaves of absence. PCE will safeguard the privacy of an employee's participation in a rehabilitation program.

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

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

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

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

3.108 Drug Testing

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

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

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

For testing, the employee will be referred to an independent Substance Abuse and Mental Health Services Administration (SAMHSA) certified medical clinic or laboratory, which will administer the test. PCE will pay the cost of the test and reasonable transportation cost to the testing facility. The applicant or employee will have an opportunity to alert the clinic or laboratory personnel to any prescription or non-prescription drugs that she or he has taken that may affect the outcome of the test. Positive results from initial screening will be confirmed by a second testing method and will not be reported as positive without confirmation. In the event of a reported positive test, the applicant or employee may have the same sample retested at a laboratory of the employee's choice at the employee's expense.

Testing or drug testing under this policy may include amphetamines and methamphetamines, cocaine, marijuana/cannabinoids (THC), opiates (narcotics), phencyclidine (PCP), barbiturates, benzodiazepines, methaqualone, and alcohol. Cut-off levels for determining a positive test will be those established in the SAMHSA Mandatory Guidelines for Federal Drug Testing Programs. The cut-off level for a positive alcohol test (both initial and confirmation) will be 0.02 percent (0.02 gm/210

liters of breath or 0.02 gm/deciliter of blood or 0.02 mg/ml of urine). Testing will normally be performed by urinalysis or, for alcohol testing, may also include breath testing. The substances for which drug and alcohol tests are performed and cut-off levels may be modified from time-to-time with prior written notice from the CEO or amendment of this policy.

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

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

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

3.109 Attendance and Punctuality

Attendance and punctuality are important factors for your success within PCE. We work as a team which requires that each person be in the right place at the right time. For scheduled days off, employees are required to notify their supervisor as far in advance as possible, and to submit a request through the Personal Time Off (PTO) request system. In addition, it is also required that employees update their company calendar so that their fellow employees are aware of their time off schedule. If you are going to be late for work, notify your supervisor as far in advance as is feasible under the circumstances.

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

3.110 Personal Appearance

Employees are expected to maintain high standards of personal cleanliness and present a neat and professional appearance.

Our customers' satisfaction represents the most important and challenging aspect of our business. Whether or not your job responsibilities place you in direct customer contact, you represent PCE with your appearance as well as your actions. The properly attired individual helps to create a favorable image for PCE, to the public and fellow employees. PCE maintains a business casual environment. All employees should use discretion in wearing attire that is appropriate for their job.

3.111 Non-Solicitation

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

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

3.112 Acceptable Use of Electronic Communications/Workplace Monitoring

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

removable storage drives. In the remainder of this policy, all these communication devices are collectively referred to as “systems.”

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

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

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

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

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

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

In addition, employees may not use PCE systems:

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

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

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

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

Consequences of Policy Violations: Violations of this policy may result in disciplinary action up to and including immediate termination of an employee's employment as well as possible civil liabilities or criminal prosecution. Where appropriate, PCE may advise legal officials or appropriate third parties of policy violations and cooperate with official

investigations. We will not, of course, retaliate against anyone who reports possible policy violations or assists with investigations.

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

3.113 Company Document Management

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

3.114 Social Media

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

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

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

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

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

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

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

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

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

3.115 Contact with PCE

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

3.116 Customer and Public Relations

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

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

SECTION 4: WORKING CONDITIONS

4.101 Expectation of Privacy

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

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

4.102 Performance Reviews

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

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

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

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

4.103 Coaching, Counseling, and Progressive Discipline

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

While performance reviews are generally thought of as being a positive, skill-building process, coaching, counseling, and progressive discipline will be employed, when

considered necessary so that employee issues can be corrected at early stage, assist the employee to correct the problem, prevent reoccurrence, and prepare the employee for satisfactory performance in the future.

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

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

4.104 Talk to Us

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

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

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

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

4.105 Safety

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

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

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

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

4.106 Visitors

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

4.107 Workplace Violence

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

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

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

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

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

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

4.108 Travel/Expense Accounts

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

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

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

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

SECTION 5: BENEFITS

5.101 Employee Benefits

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

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

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

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

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

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

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

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

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

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

5.101(b) Long Term Disability Insurance

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

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

5.101(c) Social Security and Unemployment Insurance

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

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

5.101(d) Life Insurance

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

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

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

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

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

5.101(e) Section 125 Plan

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

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

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

5.101(f) Retirement Plans

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

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

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

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

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

5.101(g) State Disability Insurance

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

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

5.101(h) California Paid Family Leave Insurance

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

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

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

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

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

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

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

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

5.102 Workers' Compensation

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

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

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

5.103 Lactation Breaks

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

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

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

5.104 No Pets in the Workplace

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

5.105 COBRA

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

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

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

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

SECTION 6: PAYROLL

6.101 Categories of Employment

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

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

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

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

EXEMPT EMPLOYEES are not entitled to overtime pay and may also be exempt from minimum wage requirements pursuant to applicable federal and state laws. ~~Managers and directors, who are, by definition, exempt, have defined job responsibilities that may require additional time over and above the standard work week, including attendance at evening meetings or on weekends. See section under Management Leave.~~

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

6.101(a) Anniversary Date

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

6.102 Licensing Requirements

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

6.103 Payday

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

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

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

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

6.104 Pay Advances

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

6.105 Timekeeping

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

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

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

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

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

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

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

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

6.106 Overtime (Non-Exempt Only)

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

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

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

~~For non-exempt employees, Standard Overtime will be paid as described above. However, in some circumstances as described in Section 7.101, employees may elect to forego the payment of overtime in exchange for Comp Time. If you have any questions concerning overtime pay, please check with the CFO.~~

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

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

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

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

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

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

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

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

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

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

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

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

6.108 Paycheck Deductions and Set-Offs

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

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

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

6.109 Work Location and Schedules

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

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

Remote Work

~~PCE recognizes that employees are working remotely or telecommuting with increased frequency.~~ Please see Attachment J for detailed policies and guidelines related to remote working.

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

~~If employees are working remotely, the following guidelines must be adhered to:~~

- ~~Employees should be available via instant chat for quick resolution of issues for the same hours that would apply if they were working in the office~~

- ~~Employees should be available to participate in conference calls via phone and/or video, as appropriate, for the same hours that would apply if they were working in the office~~
- ~~Employees must update their calendars, as far in advance as possible, as to their working status and availability (e.g., "working remotely" or "WFH" or "working offsite")~~

~~Employees are asked to exercise reasonable judgment regarding when to work from home and when to be in the office. Such judgment should be based on the value of meetings with external visitors or other employees based on the content and purpose of specific meetings. In addition, employees are asked to follow the lead of their supervisor as to when meetings should be attended in person.~~

~~The right to telecommute can be rescinded at any time if the employee's supervisor feels that an employee's performance is not satisfactory for any reason. In addition, some positions may not be eligible for the same amount, or any telecommuting based on the nature of the work and/or the need to be in PCE's office.~~

~~**Flexible Work Schedule**~~
~~PCE recognizes that employees have different commutes and personal clocks. Employees are generally expected to arrive prior to 9:00 am and are expected to work at least eight (8) hours per day, not including mandatory time off for a lunch period (a "normal workday"). With approval of his/her supervisor, an employee is permitted to establish a flexible schedule that enables an employee to regularly arrive between 7:00 am and 10:00 am as long as the workday meets the overall criteria of a normal workday. In the event that an employee is approved for a flexible schedule, each such employee is responsible for reflecting his/her schedule on the company calendar so that all employees are informed about the employee's work schedule. Notwithstanding the above, all employees are required to exhibit flexibility in their schedules to meet with fellow employees outside their normal work schedules to help meet PCE's business needs as required.~~

~~Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week. PCE reserves the right to assign and change individual work schedules, as needed~~

6.112 Garnishment/Child Support

When an employee's wages are garnished by a court order, PCE is legally bound to withhold the amount indicated in the garnishment order from the employee's paycheck.

PCE will, however, honor applicable federal and state guidelines that protect a certain amount of an employee's income from being subject to garnishment.

SECTION 7: LEAVES OF ABSENCE

7.101 Vacation/~~Management~~ Administrative Leave~~/Comp Time~~

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

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

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

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

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

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

Vacation accrual may not exceed ~~240 hours~~one and one half (1.5) times an employee's then-current annual accrual. Once this maximum is reached, all further accruals will cease until leave is taken. For ease of reference, the maximum accruals are:

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

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

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

Management Administrative Leave – All employees will be granted As noted in 6.101, directors and managers may at times be required to attend business related meetings and work obligations on weekends or weeknights beyond regularly scheduled PCE Citizens Advisory Committee and PCE Board Meetings. To provide compensation for the additional time necessary to attend such meetings, PCE provides Director and Manager-level employees (and higher, if applicable) 80 hours of management Administrative Leaveleave granted on the 1st day of each calendar year. However, for an employee that starts employment with PCE at any time after December 31, 2018July 1, 2023, management Administrative Leaveleave will be granted as of the first day of employment per the following schedule applicable for the remainder of the then current calendar year:

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

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

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

The regularly scheduled PCE Citizens Advisory Committee and PCE Board Meetings are part of the regular expected work for managers and directors and are not covered by Management Leave. Management Leave is not carried over, i.e. any management leave not taken in the calendar year in which it was granted will not be carried over to subsequent years. Any unused Management Leave will not be paid out at the end of your employment.

Compensatory Time (Comp Time): Other Exempt Employees - Other exempt employees (i.e., non-managers or directors who are otherwise not eligible for

~~Management Leave) are entitled to one (1) hour of Comp Time for each hour worked on special projects and off-site weekend events (excluding regularly scheduled PCE Citizens Advisory Committee and PCE Board Meetings) during times other than their regular scheduled workweek. The accrual of Comp Time is limited to sixteen (16) hours in any one pay period, and the maximum amount of Comp Time that an employee may have "accrued" at any time is forty (40) hours. Any questions or concerns about the appropriate use or tracking of accrued Comp Time should be discussed with the CFO. Any unused Comp Time will not be paid out at the end of your employment.~~

~~**Compensatory Time (Comp Time): Non-Exempt Employees** – Non-exempt employees may elect to accrue Comp Time in lieu of cash payment for Standard Overtime. At each pay period, eligible employees will either submit Standard Overtime hours through PCE's payroll system for payment at the rate of one and one-half their regular rate of pay or submit a request that PCE accrue the same hours for future Comp Time use. For each hour of eligible Standard Overtime, employees will accrue one and one-half hours of accrued Comp Time. The accrual of such Comp Time is limited to a maximum of forty (40) hours. Once the accrual maximum is reached, each additional hour of Standard Overtime will be paid out in cash regardless of the employee's election. Any questions or concerns about the appropriate use or tracking of accrued Comp Time should be discussed with the CFO. Any unused Comp Time accrued by non-exempt employees will be paid out at the end of employment.~~

7.102 Paid Sick Leave

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

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

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

Accrued paid sick leave may be used for:

1. Diagnosis, care, or treatment or preventive care of an existing health condition, for an employee;

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

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

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

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

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

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

7.103 Bereavement Leave

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

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

7.104 Family Medical Leave

Family and Medical Leave (FMLA) and California Family Rights Act (CFRA)
Although PCE is subject to FMLA or CFRA, PCE has fewer than 50 employees and therefore, has no eligible employees under the law. However, PCE is committed to providing similar benefits to those provided by federal and state laws for employers of 50 or more employees, by providing family and medical care leave for qualified employees.

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

7.105 New Parent Leave

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

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

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

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

During a New Parent Leave, employees will be required to pay the normal payroll deduction amount(s) for the employee-paid portion of dependent health coverage and supplemental life insurance under the group health plans that would have applied had the employee not been on leave. Since normal payroll will not be processed, and therefore employee deductions will not be possible, employees will be required to repay PCE for the applicable amount either during the leave or in full upon the employee's return.

For any leave that extends longer than 60 days, the annual performance review date will be adjusted to match the actual number of days of the leave. For example, following

a leave of 90 days, a prior annual performance date of August 3 would be adjusted to November 1 of the same year - 90 days later.

7.106 Pregnancy Disability Leave

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

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

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

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

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

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

Prior to the start of the leave, PCE will require a written medical certification from the employee's health care provider. The certification must include a statement that the

employee is disabled due to pregnancy, the date on which the employee became disabled due to pregnancy, the probable duration of the period or periods of disability, and an explanatory statement that, due to disability, the employee is unable to work at all or is unable to perform any one or more of the essential functions of her position without undue risk to herself, the successful completion of her pregnancy, or to other persons.

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

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

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

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

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

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

7.106 Holidays

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

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

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

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

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

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

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

7.106 Voting Leave

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

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

7.107 Jury Duty

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

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

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

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

7.108 Military Leave and Civil Air Patrol

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

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

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

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

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

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

7.109 Personal Leave

Under special circumstances, full-time employees who have completed one year of employment may be granted an unpaid personal leave of absence for up to sixty (60) days. The granting of this type of leave is normally for compelling reasons and is dependent upon the written approval of the CEO. Employees requesting a personal leave of absence must submit the request in writing stating the reason(s) for the requested leave at least twenty-one (21) days in advance of the requested leave. In emergency situations written notice must be provided as soon as possible. PCE has sole discretion in determining whether the leave will be granted. If granted, PCE and the

employee will agree on a specific return to work date, although the employee is free to shorten the time at his/her discretion.

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

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

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

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

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

7.110 Bone Marrow and Organ Donation Leave

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

When available, the employee must utilize up to five business days of accrued but unused sick or vacation leave for initial bone marrow donation leave and up to two weeks of accrued but unused sick or vacation leave for initial organ donation leave. Please provide the CFO with written physician verification of the purpose and length of each leave. For more information regarding this leave, please see the CFO.

7.111 Domestic Violence Leave

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

7.112 Victims of Felony Crimes Leave

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

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

7.113 Time Off for School-Related Activities

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

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

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

Receipt of Employee Handbook and Employment-At-Will Statement

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

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

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

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

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

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

Initials _____ Date _____

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

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

NAME _____

DATE _____

EMPLOYEE
SIGNATURE _____

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: July 21, 2023
BOARD MEETING DATE: July 27, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

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

FROM: Shawn Marshall, Chief Executive Officer

SUBJECT: CEO Report

REPORT

It has been a busy three weeks in my new role as your Chief Executive Officer, and I am pleased to report that PCE operations have been running smoothly since Jan's retirement at the end of June. The following are a few of the highlights this month.

Surplus Funds Ad-Hoc Committee

The ad-hoc surplus funds committee held its kick-off meeting on July 18. All committee members attended the virtual meeting, and the group discussed committee purpose and scope, proposed timing, guiding principles, and PCE budget and finances. The next meeting will be sometime in early-mid August, with the goal of having committee recommendations brought to the Executive Committee and Board in the October/November timeframe.

Below is a recap of the proposed timeline and gameplan.

MTGS.	TIMEFRAME	TOPICS/FOCUS
1	July 18	Kick-off; committee purpose, scope, gameplan; guiding principles, PCE background info/staff presentations
2	Early-mid Aug	Carry over items and staff presentations from meeting 1; Evaluative framework discussion
3/4	Late Aug-Mid Sept	Presentation of various ideas for uses of funds; committee discussion and evaluation (may take more than 1 mtg)
5	Late September	Narrow options and develop recommendations
Recommen-dations	October/ November	Executive Committee (October) and Board (November)

Commercial Customer Support: Emergency Heat Event Prep & FlexMarket Rollout

On July 19, PCE staff held a webinar for large commercial customers titled "Get Prepared and Get Compensated - Summer Preparedness." Customers were encouraged to proactively plan for their response(s) to CAISO requests (FlexAlerts) for load shedding during grid emergencies/heat events. PCE offered free consultation through our Building Electrification Technical Assistance program to help large commercial customers think through physical measures that can maximize load shed while maintaining business operations during emergency heat events. The presentation also included an overview of PCE's renewable energy strategy and how it contributes to grid reliability. Staff also announced the opening of PCE's new Commercial FlexMarket Program. A recording of the webinar is available upon request.

PCE's FlexMarket Program

PCE's FLEXmarket is a new performance-based incentive platform that offers financial incentives to residential and commercial customers for load shaping and fuel switching. The program is primarily focused on building electrification and energy efficiency (EE) and compensates customers that complete certain EE and electrification measures that demonstrate measurable load modification and reduction. Roll out to commercial customers is happening now. Contact Peter Levitt for more information: plevitt@peninsulacleanenergy.com

PCE Brand Audit

The marketing subcommittee met earlier this month. Discussion items included initial results of PCE's annual customer survey (results will be shared with the Board next month) and a new effort to conduct a "brand audit" that will examine PCE's current brand, synthesize market conditions and shifting consumer sentiment, and PCE's positioning in our service territories. This work will inform a broader-scope marketing RFP to be released in Q3/Q4 for marketing agency/campaign support in the 2024 - 2026 timeframe.

We Are Growing!

Following up on the FY 23-24 budget package approved by the Board last month, the PCE staff team will be growing by 10 people in the coming year to support both ongoing and new work initiatives in each of our departments. In addition, we have added two new job classifications, Associate Director and Senior Director, to acknowledge tenure with PCE, subject-matter expertise, and to enhance senior staff retention. Finally, we have moved Data and Technology Services to a Director-level department to acknowledge its current and growing strategic importance to our Agency. An updated organization chart reflecting these changes will be shared during the Board meeting.

Staff Promotions. Please extend a warm congratulations to...

- Kim Le, from Senior Manager to Director of Data and Technology

- Doug Karpa, JD, from Senior Regulatory Analyst to Managing Counsel, Regulatory Policy
- Philip Kobernick from Manager to Senior Manager of Transportation Programs
- Matthew Rutherford from Senior Regulatory Analyst to Manager of Regulatory Policy
- Alejandra Posada from Associate Programs Manager to Programs Manager

New Staff Members. Please welcome...
- Connor Prince, Senior Analyst, Account Services (started 7/16)
- Jayden Hanan, Account Services Specialist (starting 8/16)
- Jaxon Stuher, Power Resources Analyst (starting 9/1)

Posted Positions. Please help us spread the word!

Regulatory Specialist/Analyst

Energy Programs Analyst or Senior Analyst

Chief Financial Officer / Director of Finance and Administration

Senior Programs Manager, Local Power Resources

The posting for Chief Operating Officer will be out in the coming week and will be supported by the recruitment firm John Ferneborg & Associates.

Presentations and Speaking Events

On August 1, **Philip Kobernick**, Senior Manager of Transportation Programs will address the BAAQMD EV Coordinating Council on the topic of managing capacity constraints for EV charging.

On August 16, **Shawn Marshall, CEO,** will be presenting at the Power Association of Northern CA and will speak about PCE's cutting-edge climate policies such as its goal of delivering 100% renewable energy to its customers on a 24/7 basis by 2027.

Other Meetings and Events Attended by CEO

Attend weekly and monthly CalCCA Board meetings.
Attend monthly California Community Power (CCPower) Board meetings.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: July 14, 2023
MEETING DATE: July 27, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Executive Committee

FROM: Kirsten Andrews-Schwind, Senior Manager of Community Relations and Vanessa Shin, Community Outreach Specialist

SUBJECT: 2022 Work Plan Deliverables for the Citizens Advisory Committee

BACKGROUND:

In 2022, the Peninsula Clean Energy Board of Directors approved a work plan for its Citizens Advisory Committee. This work plan detailed specific tasks to be undertaken on a voluntary basis by ad hoc working groups of Citizen Advisory Committee members.

The Citizens Advisory Committee has completed many of the projects on the 2022 work plan. Each has ceased meeting. Each working group has submitted their deliverables.

DISCUSSION:

Each working group of the Citizens Advisory Committee has submitted a brief report describing their progress on their specified task.

The list of 2022 Citizens Advisory Committee working groups can be found in Table 1. The submitted deliverables for each working group are included below.

Table 1. 2022 Citizens Advisory Committee Projects

Project	Proposed Task Description and Deliverables	Staff Liaison	CAC Working Group Members (* indicates lead)
Home Upgrade Program	Review data and results from the first completed homes. Provide input on technical design guidelines, outcomes for the program, and future program enhancement as needed. *Deliverable: Brief memo summarizing input on technical design guidelines and outcomes for the program provided between June 2022 and April 2023. Delivered to staff prior to the April 2023 CAC meeting.*	Alejandra Posada, Programs Team	Diane Bailey*, Brandon Chan, Katie Green, Edward Love
Building Electrification Education	Conduct community education around the Reach Code 2.0 effort and/or building electrification contribution to 2035 decarbonization goal. *Deliverable: Brief memo summarizing community education conducted by CAC members regarding reach codes and/or building electrification between June 2022 and April 2023. Delivered to staff prior to the April 2023 CAC meeting.*	Rafael Reyes, Programs Team	Jason Mendelson*, Daniel Baerwaldt, Diane Bailey, Michael Garvey, Kathleen Goforth, Margaret Li
Demand-Side Strategies for 24/7 Grid Decarboni-zation	Provide input on the Distributed Energy Resources (DER) framework, focusing on demand-side strategies (e.g., load management / shaping) to accomplish our planned 24/7 grid decarbonization. *Deliverable: Brief memo summarizing input for DER programs provided between June 2022 and April 2023. Delivered to staff prior to the April 2023 CAC meeting.*	Peter Levitt, Programs Team	Daniel Baerwaldt*, Kathleen Goforth, Jason Mendelson, Bryan Tran

Project	Proposed Task Description and Deliverables	Staff Liaison	CAC Working Group Members (* indicates lead)
Education Initiatives	Provide input on initiatives to expand clean energy curriculum and decarbonization projects in schools. *Deliverable: Brief memo summarizing input on education initiatives provided between June 2022 and April 2023. Delivered to staff prior to the April 2023 CAC meeting.*	Vanessa Shin, Marketing Team	Desiree Thayer*, Daniel Baerwaldt
Role of Citizen Advisory Committees	Research the roles, objectives, basic functioning, and impact to date of citizen advisory committees at other CCAs and similar public agencies in California. Deliverable: *Brief memo summarizing research on citizen advisory committees and any resulting recommendations for Peninsula Clean Energy provided between June 2022 and April 2023. Delivered to staff prior to the April 2023 CAC meeting.*	Kirsten Andrews-Schwind, Marketing Team	Jason Mendelson*, Brandon Chan, Cheryl Schaff, Michael Closson

Citizen Advisory Committee

Home Upgrade Program Working Group
Deliverable Report

DATE: May 12, 2023
BOARD MEETING DATE: July 27, 2023

BACKGROUND

In 2022 the Peninsula Clean Energy Board of Directors approved a work plan for its Citizens Advisory Committee. This work plan detailed specific tasks to be undertaken on a voluntary basis by ad hoc working groups of Citizen Advisory Committee members. The work plan also describes deliverables for these tasks, usually reporting back to the Board on the working group activities.

The specified task for this working group is to provide feedback and recommendations on the draft guidelines for the new Low-Income Turnkey Electrification & Home Upgrade Program before it launches and to monitor the program after it launches. The deliverable for this working group is to correspond with the staff lead for the program and provide feedback on the program.

DISCUSSION

- This working group initially met monthly and after the program launched, decided to meet less frequently to monitor progress. We met 5 times in 2022, initially with Diane Bailey, Janet Creech, Katie Green and Alexander Melendrez; and then saying goodbye to Alex and Janet, and welcoming Brandon Chan and Edward Love
- Alejandra Posada is the staff liaison and has shared program metrics and information with our workgroup in quarterly updates. We discussed the progress of the program as well as some customer feedback, and how to address various issues with different homes as they go through the program.
- Our working group has concluded as the first phase of the home upgrade concluded with great success.

Signed Diane Bailey, Katie Green, and Brandon Chan

Citizen Advisory Committee

Building Electrification Education
Working Group
Deliverable Report

DATE: May 12, 2023
BOARD MEETING DATE: July 27, 2023

BACKGROUND

In 2022 the Peninsula Clean Energy Board of Directors approved a work plan for its Citizens Advisory Committee. This work plan detailed specific tasks to be undertaken on a voluntary basis by ad hoc working groups of Citizen Advisory Committee members. The work plan also describes deliverables for these tasks, usually reporting back to the Board on the working group activities.

The specified task for this working group is to conduct community education around the Reach Code 2.0 effort and/or building electrification contribution to 2035 decarbonization goal.

The deliverable: This brief memo summarizing community education conducted by CAC members regarding reach codes and/or building electrification between June 2022 and April 2023. Delivered to staff prior to the April 2023 CAC meeting.

DISCUSSION

This working group met monthly and reviewed the current state of the push for reach code adoption in the PCE jurisdiction and beyond. This included discussing and evaluating both the very successful New Building Reach codes adopted in many of the PCE jurisdictions, and also the Reach Codes for existing buildings. The group and staff exchanged information on how to best reach out to our networks and support reach code adoption. Many of the individual members of the group attended municipal meetings to help educate elected officials and expand the adoption and scope of reach codes. Members of the group met with other community groups to help share information on the same. Many individual members shared their experiences in electrification, advocacy and education in this space. Thus, the goal of conducting community education about reach codes and building electrification was met; however, it is apparent that much more needs to be done to generate widespread public understanding of the need, opportunities, and assistance available for electrification of

existing buildings. If a future Working Group is established on this subject, more effort could be devoted to having members target specific goals in their individual communities and provide educational opportunities to share members' own electrification experiences with residents and contractors. There is still a need to adopt "Reach Code 2.0" to extend electrification practices to existing building retrofits and replacements and enhanced codes for new construction and for redefining education, incentives and strategy around building electrification. A working group like this may be able to continue to support the current and future adoption of reach codes. Rafael Reyes as staff liaison, along with his team, including Alejandra Posada, provided enormous troves of information and sought input from the working group on his and the staffs' work in this space.

We recommend a new working group on this topic continue supporting reach code adoption for existing buildings, as well as support PCE's new decarbonization efforts to expand the Home Upgrade program, provide turnkey electrification service county-wide, and create an electrification support hotline with a focus in three areas:

1. Reach Code 2.0 - Continue to review policy and monitor and support the policy initiatives of PCE;

2. Outreach and education - Counter misinformation and provide forums and information on electrification;

3. Review and provide feedback of the "one stop shop program" - PCE branded electrification (bring in low income programs for review as well).

Signed Jason Mendelson, Daniel Baerwaldt, Diane Bailey, Michael Garvey, Kathleen Goforth, and Margaret Li

Citizen Advisory Committee

Demand-Side Strategies for 24/7 Grid Decarbonization Working Group
Deliverable Report

DATE: May 12, 2023
BOARD MEETING DATE: July 27, 2023

BACKGROUND

In 2021 the Peninsula Clean Energy Board of Directors approved a work plan for its Citizens Advisory Committee. This work plan detailed specific tasks to be undertaken on a voluntary basis by ad hoc working groups of Citizen Advisory Committee members. The work plan also describes deliverables for these tasks, usually reporting back to the Board on the working group activities.

The specified task for this working group is to "provide input on the Distributed Energy Resources (DER) framework, focusing on demand-side strategies (e.g., load management / shaping) to accomplish our planned 24/7 grid decarbonization." The deliverable for this working group is a "brief memo summarizing input for DER Programs provided between June 2022 and April 2023" .

DISCUSSION

The Demand-Side Strategies working group met bi-weekly from July through September 2022 to learn about PCE's existing DER and demand-side management programs and provide input to staff's development of a strategy for using demand-side tools and load shaping to achieve PCE's goals. Meetings were suspended thereafter, pending the anticipated opportunity to provide feedback on a draft of the strategy. The need for such a strategy is driven by the temporal disconnect between peak electricity generation versus peak demand, coupled with the high cost of serving PCE's customers during the peak demand period. Electricity demand has been observed to peak during the evening hours between 4:00 pm and 9:00 pm, while remaining low during midday when electricity is cheapest and most available for consumption. During the midday solar energy reaches the maximum potential output without commensurate demand for this electrical energy. Reductions in peak demand, combined with increased capacity to capture and store excess generation are needed to ensure the availability of affordable clean energy around the clock. The working group reviewed the systems by which electricity is generated, transmitted, distributed, and stored in conjunction with the

potential factors that may affect consumer trends in electrical demand. In particular, the working group discussed:

- Potential strategies to incentivize the utilization of electricity during the peak production of clean solar energy and disincentivize/manage electricity consumption during the peak demand period. This included programs that would enhance the public interest in smart controls for electrical appliances and systems in homes, identify energy efficient consumer products, help raise awareness of the risks and unsustainability of excessive evening energy consumption, and highlight the savings produced from planned use of utilities.

- The impact of creating more robust information streams for residents and businesses within the PCE service territory, designed to uplift those who work to reduce consumption and increase the visibility of PCE programs such as FlexMarket. The accessibility of information on the extent of the positive impact individuals have may help to encourage greater community cooperation.

We recommend that PCE take an active role in the community to encourage, and incentivize practices designed to directly influence the public's interest in sustainable actions. Shifting the use of electrical appliances such as air conditioning, water heaters, washing machines, or dishwashers to midday will save customers money due to cheaper electrical prices, while simultaneously reducing grid stress in the evening. Although PCE's current primary focus is on electrical use in housing due to the generally recognized spike in electricity demand created by workers returning home in the evenings, opportunities to work with commercial customers should not be overlooked.

Citizen Advisory Committee

Education Initiatives Working Group
Deliverable Report

DATE: May 12, 2023
BOARD MEETING DATE: July 27, 2023

BACKGROUND

In 2022 the Peninsula Clean Energy (PCE) Board of Directors approved a work plan for its Citizens Advisory Committee (CAC). This work plan detailed specific tasks to be undertaken on a voluntary basis by ad hoc working groups of CAC members. The work plan also describes deliverables for these tasks, usually reporting back to the Board on the working group activities.

The specified task for this working group is to provide input on initiatives to expand clean energy curriculum and decarbonization projects in schools. The deliverable for this working group is a brief memo summarizing input on education initiatives provided between June 2022 and April 2023.

DISCUSSION

The working group for Education Initiatives had two CAC members – Desiree Thayer (Burlingame) and Daniel Baerwaldt (Los Banos) – and Vanessa Shin (Marketing Team) served as staff liaison.

The objectives of the working group meetings were to:

- Inform working group members of PCE's current school partnerships
- Receive input on emerging ideas for new partnerships and initiatives
- Discuss the approach to expanding school programs in Los Banos

The working group met with Vanessa Shin, Kirsten Andrews-Schwind, and Sandra Benetti via Zoom and received updates on education programs in San Mateo County, including the Youth Climate Ambassadors leadership program for high school students, Energize Colleges Internship Program for community college students, and Sustainability Dashboard Project for school districts. The working group members supported the continuation of these programs and looked forward to providing similar opportunities to students and schools in Los Banos.

The working group discussed opportunities in Los Banos, including presentations in Advanced Placement Environmental Science classes at Los Banos High School and

Pacheco High School, a presentation to the newly formed Los Banos High Environmental Club, and sponsorship of Pacheco High School's Science Wax Museum. Daniel recommended exploring collaboration with MESA (Math, Engineering, Science Achievement), an extracurricular for junior high students.

The working group also reviewed the Green Career Awareness program in San Mateo County, which Career Technical Education leads in the San Mateo County Office of Education (SMCOE). The program is funded for expansion by a K12 Strong Workforce Grant, a regional grant from the California Governor's Career Technical Education budget, with matching funds from PCE. The purpose is to increase environmental literacy and green career awareness in middle and high school students. The program includes middle school curricula with a Clean Energy component, a summer program with local context for the "Roots of Success" curriculum, and field trips for middle and high school students. The working group members were excited to hear that SMCOE received the grant to scale and expand the existing program in 2023-2025. They were especially interested in the summer program and field trips, which aim to reach 400 and 2000 middle and high school students, respectively. The working group supports such active, hands-on activities that can be offered in field trips to reinforce learning outside the classroom and leave long-lasting impressions and memories with the students. Daniel shared that students in Los Banos go to Camp Green Meadows Outdoor School, which could be a potential partner to include a clean energy curriculum. Students in Los Banos may also be able to come to the Bay Area for clean energy field trips.

Citizen Advisory Committee

Role of Citizens Advisory Committees Working Group Deliverable Report

DATE: May 12, 2023
BOARD MEETING DATE: July 27, 2023

BACKGROUND

In 2022 the Peninsula Clean Energy Board of Directors approved a work plan for its Citizens Advisory Committee. This work plan detailed specific tasks to be undertaken on a voluntary basis by ad hoc working groups of Citizens Advisory Committee members. The work plan also describes deliverables for these tasks, usually a report to the Board on working group activities.

The specified task for this working group was to research the roles, objectives, basic functioning and impact to date of citizen advisory committees at other CCAs and similar public agencies in California.

The deliverable: This brief memo summarizing research on citizen advisory committees and any resulting recommendations for Peninsula Clean Energy, provided between June 2022 and April 2023, delivered to staff prior to the April 2023 CAC meeting.

DISCUSSION

- This working group met for an hour every other Monday. We investigated the practices and formation of other advisory groups and the role of advisors to various California Community Choice Aggregators (CCAs) that are similar to Peninsula Clean Energy (PCE). The working group prepared two surveys, after carefully evaluating how to best gather information on other advisory groups. We created one survey for staff members at CCAs, who may work with the advisors, and one survey for advisory participants themselves.

- Kirsten Andrews-Schwind was the staff liaison to our working group and sent surveys to her counterparts at CCAs that work with advisory groups—one survey for them to complete themselves and one to forward to their advisory group's members to complete.

- The CCAs invited to participate were CCAs active in CalCCA. Both surveys are below.
- The summary of survey results is also below.
- As of the original response date, we received five “Advisor” responses and five “Staff Liaison” responses.
- We plan to extend the time for participants to respond by sending a follow-up message to previous survey recipients highlighting initial results and asking again for their cooperation.
- The working group also carefully reviewed the PCE CAC satisfaction surveys from the start of 2023.
- Overall results indicated that our CAC members were more satisfied than ever before, and, in particular, appreciate and enjoy working with Kirsten and Vanessa Shin. Results also indicated areas for improvement.
- This working group prepared, in conjunction with staff, suggested changes to the mission statement for the CAC.
- We also developed recommendations for the PCE Board to make changes to the mission statement for the CAC (sent separately).

Signed, Jason Mendelson, Cheryl Schaff, Michael Closson and Brandon Chan

Advisor and CCA Staff Survey Responses Summary
Winter 2023

We received few responses, but found incredible information in them.

We promised to keep all responses anonymous, in order to gather the most candid information.

We plan to extend the survey for another month after providing a summary of initial responses to original invited participants. (Survey attached)

We produced one survey for staff and one for advisors.

ADVISOR RESULTS: Advisors from Peninsula Clean Energy and San Diego Community Power (5 in all) responded to the advisor survey:

Some highlights:

- Some CCAs do not have formal groups, some do.
- Some have task-specific groups.
- Many function as Brown Act bodies, like PCE's CAC.
- There can be tension between the advocacy interests of individual advisory group members and furthering the mission of the CCA, its staff(s) and board(s).
- Most of the advisory groups and their CCAs expressed a need and desire to focus on diversity and inclusion.

STAFF RESULTS: 5 Staff members from Pioneer Community Energy (Placer and El Dorado Counties), San Jose Clean Energy, San Diego Community Power, Marin Clean Energy, and Redwood Coast Energy Authority (Yurok Tribe; the County of Humboldt; the Cities of Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell, and Trinidad; the Humboldt Bay Municipal Water District) responded.

Interesting thoughts included:

- Giving a stipend to advisors, to help offset some costs of participation and meetings
- Tensions exist between advisory group members' advocacy interests and staff priorities
- Keeping advisors focused on programs and plans can be challenging.
- Discussions on micro-bonds continue to resurface.

- It has been challenging at times to balance member passion with agency priorities and work goals. A CAC member may strongly feel that agency resources should be used toward addressing a pressing problem in a particular way, while not understanding where the agency may already be engaging relative to that problem.
- Some advisors are Brown Act groups like CAC; some are not and function as ad hoc groups. Some meet every other month, some every month.
- Some groups just do reports on specific projects requested by staff or the board, some give detailed advice in specific areas, and some act as liaisons to the community.
- One group is considering making a jurisdiction commission and may transform with that process.
- Some do strategic planning, some advise their Boards directly.
- All do some work to support underserved and underrepresented people.
- Some of the advisors only advise and never take on projects. Some are project-focused.

Some of the most successful aspects of advisory groups (according to staff) include:

- Using advisory group reports as a tool to support the funding of programs
- Getting materials to advisors before meetings allowing them time to review and become informed in advance
- Conducting community outreach to counter social media misinformation and promote enrollment in the Community Choice Aggregator's programs
- Creating working groups with well-defined tasks that use the expertise of volunteer advisors

Some challenges include:

- Getting participation in advisory group meetings
- Getting focus, as there are many different goals
- Creating a broader commission with broader demographic representation
- Satisfying advocates' desires, being nimble to a pressing problem or convincing advisors that certain work is already being undertaken

Best Practices Survey for CCA Staff Liaisons for Community Advisory Committees

Greetings from the Citizens Advisory Committee of Peninsula Clean Energy, the CCA for San Mateo County and Los Banos. We are researching best practices for leading advisory groups for CCAs. We would like your help in filling out this brief survey.

Thank you for taking a few minutes to fill out this short survey for CCA staff, who support community advisory groups. We look forward to your response by **February 10, 2023**. We will summarize the results and share them with survey participants. Responses will be kept anonymous. Contact information is collected to facilitate ongoing communication about this topic only. We appreciate your input.

1) Your Name

2) CCA Name

3) Advisory Group Name

4) Your Title

5) Your Email

6) Do you have a formal advisory group? If not, how do you solicit input from interested community members?

7) What year was your advisory group formed?

8) If you have a formal advisory group, does it operate under the Brown Act? Is it a permanent standing or time-limited committee?

9) How many members are in your group, and how often do they meet?

10) What are your advisory group's mission, vision, and/or goals? Have the group's goals and objectives or mode of operation changed over time and how?

11) What is your CCA's commitment to supporting and including underserved and underrepresented communities in your advisory committee and its work?

12) How do you recruit? What do you look for in advisors? How do you try to achieve representation, equity, and diversity from across your service territory, areas of expertise, demographics, and major stakeholder groups?

13) Have you considered offering stipends for advisory group members? If you offer stipends, please explain why and how you do so.

14) How do you make best use of your advisory group members' interests, passions, and experience to keep them engaged?

15) Does your advisory group take on projects? If so, what deliverables or quantifiable results do you expect? Do those projects have a budget? Has your advisory group typically met its work goals?

16) In what ways has your advisory group been most successful, including best practices that you have discerned from staffing your group?

17) Are there structural elements of your advisory group that contribute to its success?

18) What have been the most significant challenges for your advisory group?

19) Please share any other advice that may benefit advisory groups at other CCAs.

Best Practices Survey for Community Advisory Committee Members

Greetings from the Citizens Advisory Committee of Peninsula Clean Energy, the CCA for San Mateo County and Los Banos. We are researching best practices for leading advisory groups for CCAs. We would like your help in filling out this brief survey.

Thank you for taking a few minutes to fill out this short survey for members of CCA community advisory groups. We look forward to your response by **February 10, 2023**. We will summarize the results and share them with survey participants. Responses will be kept anonymous. Contact information is collected to facilitate ongoing communication about this topic only. We greatly appreciate your input.

1) Your Name (optional)

2) CCA where you serve on an advisory group

3) Name of the advisory group that you serve on

4) Your Email (optional)

5) What is your advisory group's mission, vision, and/or goals?Has your advisory group typically met its work goals?

6) Does your advisory group take on projects? If so, what deliverables or quantifiable results do you expect?

7) In what ways has your advisory group been most successful?

8) What best practices has your group developed that help make you most successful?

9) Are there structural elements of your advisory group that contribute to its success?

10) What have been the most significant challenges for your advisory group?

11) Please share any other advice that may benefit advisory groups at other CCAs.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: July 14, 2023
MEETING DATE: July 27, 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 and Vanessa Shin, Community Outreach Specialist

SUBJECT: Approval of 2023-24 Citizens Advisory Committee Work Plan, Objectives, and New Committee Name (Action)

BACKGROUND:

At its May 24, 2022 regular meeting, the Peninsula Clean Energy Board of Directors approved a work plan for its Citizens Advisory Committee (CAC). This work plan included a list of specific projects that are important to Peninsula Clean Energy's mission.

The CAC has completed many of the projects on its previous work plan and would like to update it with a new list of projects.

DISCUSSION:

To develop the work plan, staff from each department contributed ideas for projects for which CAC collaboration would be useful. The CAC and staff shaped the work plan proposal together. In May 2023, the CAC voted to approve sending this proposed work plan to the Peninsula Clean Energy Board of Directors for approval. Please see the proposed 2023 work plan below.

Additionally, the CAC voted to recommend changing its name from the "Citizens Advisory Committee" to the "Community Advisory Committee." The purpose of the suggested name change is to increase inclusivity; United States citizenship is not a prerequisite to serving on the Committee, which may be implied by the current name "Citizens Advisory Committee."

In addition to working on these specific projects, CAC members will also continue to serve in their core roles as defined by the Peninsula Clean Energy Board of Directors. In May

2022, the Board approved the following CAC objectives in conjunction with the 2022 work plan.

CAC role & responsibilities:

Current Objectives:

- *Act as liaison to community*
- *Provide feedback on PCE policy and operational objectives*
- *Engage in outreach to community, including encouraging ratepayers to participate in PCE offerings and programs, and implement other carbon reducing practices*
- *Assist with legislative advocacy in conjunction with staff and board*
- *Provide forum for community discussions on wide variety of strategies to reduce carbon emissions in conjunction with staff and board*

As part of their project, the Role of Citizens Advisory Committees Working Group proposed changes to the stated objectives to better reflect the CAC's current role and priorities. In April 2023, the CAC voted to recommend the following update:

Proposed Update to CAC Objectives

- *Advise on substantial public-facing program initiatives before they are presented to the Board for approval, as practical given staff and CAC capacity.*
- *Engage in outreach to the community and advocate for Peninsula Clean Energy mission, goals, and programs.*
- *Advise on high-level legislative and regulatory direction of the organization*
- *Provide a forum for community discussions on a wide variety of strategies to reduce carbon emissions in conjunction with staff and board.*
- *Form working groups, as recommended by the CAC membership, to assist Peninsula Clean Energy's staff and Board with projects of importance to the organization.*

Peninsula Clean Energy Citizens Advisory Committee 2023 Work Plan

Goal: Make it easy for CAC members to align with Peninsula Clean Energy staff priorities and get involved in driving Peninsula Clean Energy strategic initiatives

Brown Act reminder: Communication about working groups to must be limited to less than a quorum (50%) of CAC members

Guiding Principles

- Ensure Peninsula Clean Energy Staff and Board understand how to leverage CAC in a way that is useful and drives Peninsula Clean Energy strategic priorities
- Ensure CAC members feel fully engaged and utilized if they have interest and bandwidth
- Maximize efficiency of CAC impact on staff resources

CAC role & responsibilities:

- Advise on substantial public-facing program initiatives before they are presented to the Board for approval, as practical given staff and CAC capacity.
- Engage in outreach to the community and advocate for Peninsula Clean Energy mission, goals, and programs.
- Advise on high-level legislative and regulatory direction of the organization
- Provide a forum for community discussions on a wide variety of strategies to reduce carbon emissions in conjunction with staff and board.
- Form working groups, as recommended by the CAC membership, to assist Peninsula Clean Energy's staff and Board with projects of importance to the organization.

Peninsula Clean Energy strategic goals for 2023

The CAC will support and align its work with these goals.

MISSION: To reduce greenhouse gas emissions by expanding access to sustainable and affordable energy solutions.

VISION: A sustainable world with clean energy for everyone.

Organizational priorities:

- Design a power portfolio that is sourced by 100% renewable energy by 2025, and 100% time coincident renewable energy by 2027.
- Contribute to our community reaching a goal of being 100% greenhouse gas-free by 2035

Strategic plan on Peninsula Clean Energy website here

2023 Peninsula Clean Energy Citizens Advisory Committee

Working Group Proposals

Note: Once the specified deliverable is completed, the working group shall no longer meet unless a new deliverable is identified and it is requested to meet by staff.

Project	Proposed Task Description and Deliverables	Staff Liaison	CAC Working Group Members (* indicates lead)
Building Electrification Programs	Provide input on the next iteration of Peninsula Clean Energy's building electrification programs and strategy. *Deliverable: Brief memo summarizing input provided by CAC members regarding building electrification programs and strategy between June 2023 and April 2024. Delivered to staff prior to the April 2024 CAC meeting.*	Rafael Reyes, Programs Team	
Electric Vehicle (EV) Managed Charging Program	Develop ideas for scaling Peninsula Clean Energy's EV managed charging program, including recommendations for program design and recruitment strategy. *Deliverable: Brief memo summarizing input on the EV managed charging program between June 2023 and April 2024. Delivered to staff prior to the April 2024 CAC meeting.*	Phillip Kobernick, Programs Team	

Project	Proposed Task Description and Deliverables	Staff Liaison	CAC Working Group Members (* indicates lead)
Local Solar + Storage Programs	Conduct research on successful residential solar + storage and virtual power plant programs in the United States, including: • Summary of program equity metrics (especially low-income customer participation), program benefits, potential challenges, and applicability for Peninsula Clean Energy's customers • Recommendations on additional areas of research required to vet a scalable solar + storage program *Deliverable: Brief memo summarizing research conducted between June 2023 and April 2024. Delivered to staff prior to the April 2024 CAC meeting.*	Peter Levitt, Programs Team	
Education Initiatives	Provide input on initiatives to expand clean energy curriculum and decarbonization projects in schools, especially in the City of Los Banos. *Deliverable: Brief memo summarizing input on education initiatives provided between June 2023 and April 2024. Delivered to staff prior to the April 2024 CAC meeting.*	Vanessa Shin, Marketing Team	

Project	Proposed Task Description and Deliverables	Staff Liaison	CAC Working Group Members (* indicates lead)
Diversity, Equity, Accessibility, and Inclusion (DEAI)	Provide occasional feedback to staff on development of new organizational guidelines to implement the DEAI Action Plan. *Deliverable: Brief memo summarizing input on DEAI Action Plan implementation provided between June 2023 and April 2024. Delivered to staff prior to the April 2024 CAC meeting.*	Kirsten Andrews-Schwind, Marketing Team	

RESOLUTION NO. _____

PENINSULA CLEAN ENERGY AUTHORITY, COUNTY OF SAN MATEO,

STATE OF CALIFORNIA

*** * * * * ***

RESOLUTION APPROVING OF 2023-24 CITIZENS ADVISORY COMMITTEE WORK PLAN, OBJECTIVES, AND NEW COMMITTEE NAME

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

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

WHEREAS, PCE appointed a Citizens Advisory Committee (CAC) in May 2017; and

WHERAS, in June 2022 the PCE Board of Directors approved a Work Plan and list of objectives for its CAC; and

WHEREAS, in April 2023 the CAC recommended updates to its stated objectives to better reflect the CAC's current role and priorities to: "*Advise on substantial public-facing program initiatives before they are presented to the Board for approval, as practical given staff and CAC capacity; Engage in outreach to the community and advocate for Peninsula Clean Energy mission, goals, and programs; Advise on high-level legislative and regulatory direction of the organization; Provide a forum for community discussions on a wide variety of strategies to reduce carbon emissions in*

conjunction with staff and board; Form working groups, as recommended by the CAC membership, to assist Peninsula Clean Energy's staff and Board with projects of importance to the organization"; and

WHEREAS, in May 2023 CAC recommended changing its name from "Citizens Advisory Committee" to "Community Advisory Committee"; and

WHEREAS, the CAC has completed most of the tasks in this Work Plan and would like to propose new projects; and

WHEREAS, PCE staff have worked with the CAC to develop the 2023 CAC Work Plan including a new list of projects; and

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board approves the 2023 CAC Work Plan objectives and updates the Committee's name to the Community Advisory Committee.

* * * * * *

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

This Agreement is entered into this 1st day of August, 2023, by and between the Peninsula Clean Energy Authority, a joint powers authority of the state of California, hereinafter called "PCEA," and the San Mateo County Office of Education ("SMCOE"), hereinafter called "Contractor."

* * *

Whereas, pursuant to Section 6508 of the Joint Exercise of Powers Act, PCEA may contract with independent contractors for the furnishing of services to or for PCEA; and

Whereas, it is necessary and desirable that Contractor be retained for the purpose of advancing energy literacy and facilities decarbonization in San Mateo County schools.

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

1. Exhibits and Attachments

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

Exhibit A—Services
Exhibit B—Payments and Rates

2. Services to be Performed by Contractor

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

3. Payments

In consideration of the services provided by Contractor in accordance with all terms, conditions, and specifications set forth in this Agreement and in Exhibit A, PCEA shall make payment to Contractor based on the rates and in the manner specified in Exhibit B. PCEA reserves the right to withhold payment if PCEA reasonably 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 five thousand dollars ($205,000). 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 August 1, 2023, through June 30, 2024.

5. Termination; Availability of Funds

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

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

6. Intellectual Property and Ownership of Work Product

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

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

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

7. Relationship of Parties

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

8. Hold Harmless

a. General Hold Harmless

Contractor shall indemnify and save harmless PCEA and its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description resulting from this Agreement, the performance of any work or services required of Contractor under this Agreement, or payments made pursuant to this Agreement brought for, or on account of, any of the following:

(A) injuries to or death of any person, including Contractor or its employees/officers/agents;

(B) damage to any property of any kind whatsoever and to whomsoever belonging;

(C) any sanctions, penalties, or claims of damages resulting from Contractor's failure to comply, if applicable, with the requirements set forth in the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and all Federal regulations promulgated thereunder, as amended; or

(D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of PCEA and/or its officers, agents, employees, or servants. However, Contractor's duty to indemnify and save harmless under this Section shall not apply to injuries or damage for which PCEA has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Contractor to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

9. Assignability and Subcontracting

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

10. Payment of Permits/Licenses

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

11. W-9 Form and Submission of Invoices

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

12. Insurance

a. General Requirements

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

b. Workers' Compensation and Employer's Liability Insurance

Contractor shall have in effect during the entire term of this Agreement workers' compensation and employer's liability insurance providing full statutory coverage. In signing this Agreement, Contractor certifies, as required by Section 1861 of the California Labor Code, that (a) it is aware of the provisions of Section 3700 of the

California Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the Labor Code, and (b) it will comply with such provisions before commencing the performance of work under this Agreement.

c. Liability Insurance

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

Yes	Comprehensive General Liability (Applies to all agreements)	$1,000,000
No	Motor Vehicle Liability Insurance (Yes, if motor vehicle is used in performing services)	$1,000,000
No	Professional Liability Insurance (Yes, if Contractor is a licensed professional)	$1,000,000

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

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

13. Compliance With Laws

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

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

14. Non-Discrimination and Other Requirements

a. General Non-discrimination

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

b. Equal Employment Opportunity

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

c. Section 504 of the Rehabilitation Act of 1973

Contractor shall comply with Section 504 of the Rehabilitation Act of 1973, as amended, which provides that no otherwise qualified individual with a disability shall, solely by

reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination in the performance of any services this Agreement. This Section applies only to contractors who are providing services to members of the public under this Agreement.

d. Employee Benefits

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

e. Discrimination Against Individuals with Disabilities

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

f. History of Discrimination

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

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

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

g. Reporting; Violation of Non-discrimination Provisions

Contractor shall report to the Chief Executive Officer of PCEA the filing in any court or with any administrative agency of any complaint or allegation of discrimination on any of the bases prohibited by this Section of the Agreement or Section 13, above. Such duty shall include reporting of the filing of any and all charges with the Equal Employment Opportunity Commission, the Fair Employment and Housing Commission, or any other entity charged with the investigation or adjudication of allegations covered by this

subsection within 30 days of such filing, provided that within such 30 days such entity has not notified Contractor that such charges are dismissed or otherwise unfounded. Such notification shall include a general description of the circumstances involved and a general description of the kind of discrimination alleged (for example, gender-, sexual orientation-, religion-, or race-based discrimination).

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

i. termination of this Agreement;
ii. disqualification of the Contractor from being considered for or being awarded a PCEA contract for a period of up to 3 years;
iii. liquidated damages of $2,500 per violation; and/or
iv. imposition of other appropriate contractual and civil remedies and sanctions, as determined by the Chief Executive Officer.

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

15. Confidential Information

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

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

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

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

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

16. Data Security

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

17. Retention of Records; Right to Monitor and Audit

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

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

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

18. Merger Clause; Amendments

This Agreement, including the Exhibits and Attachments attached to this Agreement and incorporated by reference, constitutes the sole Agreement of the parties to this Agreement and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement, or specification set forth in the body of this Agreement conflicts with or is inconsistent with any term, condition, provision, requirement, or specification in any Exhibit and/or Attachment to this Agreement, the provisions of the body of the Agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications or amendments shall be in writing and signed by the parties.

19. Controlling Law; Venue

The validity of this Agreement and of its terms, the rights and duties of the parties under this Agreement, the interpretation of this Agreement, the performance of this Agreement, and any other dispute of any nature arising out of this Agreement shall be governed by the laws of the State of California without regard to its choice of law or conflict of law rules. Any dispute arising out of this Agreement shall be venued either in the San Mateo County Superior Court or in the United States District Court for the Northern District of California.

20. Notices

Any notice, request, demand, or other communication required or permitted under this Agreement shall be deemed to be properly given when both: (1) transmitted via facsimile to the telephone number listed below or transmitted via email to the email address listed below; and (2) sent to the physical address listed below by either being deposited in the United States mail, postage prepaid, or deposited for overnight

delivery, charges prepaid, with an established overnight courier that provides a tracking number showing confirmation of receipt.

In the case of PCEA, to:

Name/Title: Shawn Marshall, Chief Executive Officer
Address: 2075 Woodside Road, Redwood City, CA 94061
Telephone: 650-474-5002
Email: smarshall@peninsulacleanenergy.com

In the case of Contractor, to:

Name/Title: Kevin Bultema
Address: SMCOE, 101 Twin Dolphin Drive, Redwood City, CA 94065
Telephone: 650-802-5512
Email: kbultema@smcoe.org

21. Electronic Signature

PCEA and Contractor wish to permit this Agreement, and future documents executed pursuant to this Agreement, to be digitally signed in accordance with California law. Any party that agrees to allow digital signature of this Agreement may revoke such agreement at any time in relation to all future documents by providing notice pursuant to this Agreement.

22. No Recourse Against PCEA's Member Agencies

Contractor acknowledges and agrees that PCEA is a Joint Powers Authority, which is a public agency separate and distinct from its member agencies. All debts, liabilities, or obligations undertaken by PCEA in connection with this Agreement are undertaken solely by PCEA and are not debts, liabilities, or obligations of its member agencies. Contractor waives any recourse against PCEA's member agencies.

* * *

In agreement with this Agreement's terms, the parties, by their duly authorized representatives, affix their respective signatures:

PENINSULA CLEAN ENERGY AUTHORITY

By: _____

Chief Executive Officer, Peninsula Clean Energy Authority

Date: _____

SAN MATEO COUNTY OFFICE OF EDUCATION

_____

Contractor's Signature

Date: _____

Revised July 2023

Exhibit A

Peninsula Clean Energy (PCEA) understands that the mission of reducing greenhouse gas emissions depends on educating the next generation of energy and environmental leaders. PCEA's goals for education programs include:

1. Increase understanding of PCEA
2. Increase understanding of electricity content, GHG emissions reduction, and decarbonization
3. Encourage community participation in PCEA's energy programs
4. Support schools in decarbonizing their buildings
5. Support the workforce development needed to achieve PCEA's goals

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

SMCOE Programs

School Decarbonization Program
Achieving decarbonization in San Mateo County schools will require coordination and support at the county level. San Mateo County school districts, many of which are small, will need support to navigate construction and facilities-related mandates, pursue decarbonization, and take advantage of related funding opportunities. To fulfill this need, SMCOE is planning to provide leadership and increased staff support to school districts as they build and update their facilities and move to greater decarbonization.

Goals for this project are:

1. Collect baseline data on electrification of local education agencies (LEAs) in San Mateo County through a sustainability data collection project.
2. Establish annual reporting and show improvement on building electrification metrics for all school districts in the County.
3. Provide leadership and assistance to LEAs in developing and updating local Facilities Master Plans in accordance with decarbonization goals and standards.
4. Prepare sustainability plans, reports, and guidance documents as needed for construction project management.

Environmental Solutionary Teacher Fellowship
The Environmental Solutionary Teacher Fellowship Program is a capacity-building program that prepares teachers to embed environmental literacy, including the impact of energy production and use on climate change, into their classrooms and school campuses.

The 2023-24 fellowship begins with an immersive three-day Summer Institute. As part of the Summer Institute, SMCOE will provide teachers with training, lessons, and tools to teach students about clean energy and/or climate mitigation/decarbonization. Units will have an emphasis on carbon, methane, and climate, but teachers may explore that through different cross-topical study (clean energy, food systems and waste, ecosystems, etc.). Teachers focusing on clean energy are provided with a $1,000 stipend upon completion of the program. Second-year teachers (Senior Fellows) focusing on clean energy are provided with a $500 stipend for their work mentoring first-year teachers as they create and implement their curriculum units. Instructional coaches provide mentoring and support to second-year teachers.

Capacity Building Environmental Literacy Sampler Workshops

After school, 2-hour in-person workshops focused on energy, climate change, and decarbonization curriculum.

Schools for a Sustainable Future Summit
Sponsor a one-day summit that will promote environmental literacy, sustainable facilities and decarbonization, and green schoolyards. Administrators and teachers will learn and network with champions across the county who are driving environmental and social transformation across school communities. The agenda will include keynote speakers, breakout sessions, and community partner tabling.

Environmental Youth Leadership Summit
Sponsor a half-day summit for youth leaders in San Mateo County. Inspire action with speakers from youth-led organizations such as Youth Climate Strikes, Youth v the Apocalypse, and Anamantangi Polynesian Voices.

Sustainable and Climate Ready Schools Challenge (SCRS) Awards
Awards program focused on topics, including school decarbonization projects (reducing emissions from energy used in buildings or transportation) and clean energy curriculum.

Energy Dashboard Program
Creation of school/district dashboards to help all members of the school community understand and track progress toward becoming more sustainable.

Note: SMCOE will use its Equity Index to identify and prioritize districts for outreach and participation in its programs.

Revised July 2023

Exhibit B

In consideration of the services provided by Contractor described in Exhibit A and subject to the terms of the Agreement, PCEA shall pay Contractor based on the following fee schedule and terms:

Payment Schedule

Date	Project	Maximum payment based on deliverables

September 30, 2023	Environmental Solutionary Teacher Fellowship
	• PCEA staff are invited to join a planning meeting on professional learning content development as it pertains to content related to energy and decarbonization. In particular, the following topics are to be included in the professional learning content:
	  ○ Clean electricity sources from PCEA
	  ○ Role of electrification in addressing climate change
	  ○ Health and environmental justice impacts of using fossil fuels in buildings and transportation
		$1,000.00

	Dashboard Program • Provide brief update on dashboard status at each participating district and how SMCOE plans to support each district with implementation. • Acknowledge PCEA as a sponsor through program promotion and media.	$3,000.00
	Subtotal	$4,000.00
	Administrative overhead (14.38%)	$575.20
	Total	**Up to $4,575.20**

Revised July 2023

Date	Project	Maximum payment based on deliverables

December 30, 2023	School Decarbonization Program
	• PCEA staff are invited to meeting with Director of Sustainable Construction and Facilities to discuss the following topics:
	  ○ Clean electricity sources from PCEA
	  ○ Role of electrification in addressing climate change
	  ○ Health and environmental justice impacts of using fossil fuels in buildings and transportation
	• Provide spreadsheet of school districts with links to Facilities Master Plans and date each will be updated.
	• Provide brief report on school decarbonization progress, including which school districts have engaged in conversations or actions around school decarbonization.
		$40,000.00

	Environmental Youth Leadership Summit
	○ PCEA staff are invited to participate in an energy-focused panel and/or discussion to discuss the following topics:
	  ○ Clean electricity sources from PCEA
	  ○ Role of electrification in addressing climate change
	  ○ Health and environmental justice impacts of using fossil fuels in buildings and transportation
	○ PCEA resources and information are included in a follow-up email to Summit registrants and participants.
	○ Acknowledge PCEA as a sponsor through program promotion and media.
	○ Submit brief report, including list of participants and schools represented as well as common questions or observations from attendees.
		$1,500.00

	Dashboard Program • Provide links to public dashboards from all participating districts. • Acknowledge PCEA as a sponsor through program promotion and media.	$3,000.00
	Subtotal	$44,500.00
	Administrative overhead (14.38%)	$6,399.10
	Total	**Up to $50,899.10**

Date	Project	Maximum payment based on deliverables
March 30, 2024	School Decarbonization Program • Provide list of school districts that will receive electrification planning assistance from the Director of Sustainable Construction and Facilities. • Provide brief report on school decarbonization progress, including which school districts have engaged in conversations or actions around school decarbonization.	$40,000.00
	Environmental Solutionary Teacher Fellowship • PCEA is invited to present the above content to facilitators and teacher fellowship participants, and to review the curriculum for the energy fellowship track before it is taught to help ensure accuracy. • Submit Full Project Report, including list of participants and schools represented, number of students taught through developed curricula, lessons learned, and recommendations. Share links to completed case studies and presentations. • Acknowledge PCEA as a sponsor through program promotion and media. • Participate in monthly check-ins with PCEA, including occasional meetings convened by PCEA with other partners supporting energy education at schools.	$15,000.00

	Capacity Building Environmental Literacy Sampler Workshops
	• PCEA staff are invited to join a planning meeting on workshop content and intended audience. In particular, the following topics are to be included in workshop curriculum:
	  ○ Clean electricity sources from PCEA
	  ○ Role of electrification in addressing climate change
	  ○ Health and environmental justice impacts of using fossil fuels in buildings and transportation
		$8,250.00

	Dashboard Program • All participating districts receive a teacher training on dashboard curriculum. • Acknowledge PCEA as a sponsor through program promotion and media.	$3,000.00
	Subtotal	$66,250.00
	Indirect (14.38%)	$9,526.75

Date	Project	Maximum payment based on deliverables
	Total	**Up to $75,776.75**

June 30, 2024	School Decarbonization Program
	• Spreadsheet of baseline data on electrification collected through landscape analysis of school districts in San Mateo County. Metrics will include, but are not limited to the following:
	  ○ HVAC:
	  ▪ Gas or electric heat
	  ▪ Cooling? (Y/N)
	  ▪ Number of units
	  ▪ Age of equipment
	  ○ Plumbing
	  ▪ Gas or electric water heating
	  ▪ Number of units
	  ▪ Age of equipment
	  ○ Expected year of retirement of three oldest fleet vehicles
	  ○ # of EV chargers and electric buses
	  ○ # of On-Site Renewable Energy installations (total kW)
	  ○ # of Sustainable and Climate Action Plans developed and implemented in district
	
	• Prepare a report that identifies planned **electric** equipment upgrades or replacements in participating school districts for the following use types: air conditioning, space heating, water heating, cooking, and clothes drying
		$40,000.00

	Dashboard Program • Acknowledge PCEA as a sponsor through program promotion and media. • Submit full project report, including how dashboards were used, number of students taught through developed curricula, lessons learned, and recommendations.	$3,000.00

Date	Project	Maximum payment based on deliverables
	Capacity Building Environmental Literacy Sampler Workshops • PCEA is invited to present the above content to workshop participants and to provide and review resources that can be used during facilitation with teachers. • PCEA resources and information are included in a follow-up email to workshop registrants and participants. • Acknowledge PCEA as a sponsor through program promotion and media. • Submit brief report, including list of participants and schools represented as well as common questions or observations from attendees. Report should also include which teachers implemented the clean energy curriculum and windmill experiment activity with photos and other documentation.	$8,250.00

	Schools for a Sustainable Future Summit
	○ PCEA staff are invited to join a planning meeting on workshop content and intended audience.
	○ PCEA staff are invited to participate in an energy-focused panel and/or discussion to address the following topics:
	  ○ Clean electricity sources from PCEA
	  ○ Role of electrification in addressing climate change
	  ○ Health and environmental justice impacts of using fossil fuels in buildings and transportation
	  ○ Energy and educational programs offered by PCEA
	○ PCEA resources and information are included in a follow-up email to Summit registrants and participants.
	○ Acknowledge PCEA as a sponsor through program promotion and media.
	○ Submit brief report, including list of participants and schools represented as well as common questions or observations from attendees.
		$3,500.00

	Sustainable and Climate Ready Schools Challenge Awards • Creation of awards focused on school decarbonization projects (reducing emissions from energy used in buildings or transportation) and clean energy curriculum. • Awards will be documented through SCRS Challenge Summaries that will be promoted through the Environmental Literacy and Sustainability Initiative website, as well as social media and news promotions. • Acknowledge PCEA as a sponsor through program promotion and media.	$2,500.00

Date	Project	Maximum payment based on deliverables
	Subtotal	$57,250.00
	Indirect (14.38%)	$8,232.55
	Total	**Up to $65,482.55**
Subtotal		**Up to $196,733.60**
Contingency funds	Any use of contingency funds for unforeseen program costs (for example additional demand or costs for classroom windmill kits) must be pre-approved in writing by Peninsula Clean Energy staff.	**Up to $8,267**
Total		**Up to $205,000**

Program Budgets

Program	Item	2023-24	Description
School Decarbonization Program	Staffing Support	Up to $120,000	• SMCOE to hire Director: Sustainable Construction and Facilities.
Environmental Solutionary Teacher Fellowship	First-Year Energy Fellow Stipend	Up to $10,000	• SMCOE to disperse $1,000 stipend to up to 10 Energy Fellows upon completion of program and case study
	Energy Fellow Coaches Stipend	Up to $5,000	• SMCOE to disperse $500 stipend to up to 10 Energy Fellow coaches upon completion of program
	Green Glove Field Trip: Giants Stadium	$500	• Field Trip includes tour of decarbonization elements in stadium design
	Workshop Food and Supplies	$500	• Catering and supplies for Energy Fellows
Capacity Building Environmental Literacy Sampler Workshops	Windmill Classroom Kits	Up to $16,000	• SMCOE to purchase kits for up to 20 participants per workshop, up to 2 workshops (up to 40 participants total) • $400 for a windmill experiment classroom kit and voltmeter each
	Workshop Supplies	Up to $500	• Materials and food for workshop
Schools for a Sustainable Future Summit	Summit Costs	Up to $3,500	• Speaker fees • Materials, food and giveaways
Environmental Youth Leadership Summit	Summit Costs	Up to $1,500	• Speaker fees • Materials, food and giveaways

Revised July 2023

Program	Item	2023-24	Description
Dashboard Program	Dashboard Support and Training Costs	Up to $12,000	• Support for existing dashboards in Ravenswood, Cabrillo and San Mateo Union High School Districts • SMCOE training time for stakeholders in districts that have existing dashboards. Includes time spent by employees of the school district, curriculum training for teachers
Sustainable and Climate Ready Schools Challenge Awards	Clean Energy Awards	Up to $2,500	• $500 per Clean Energy or Decarbonization Award • Up to 5 awards
	Indirect Expenses (14.38%)	Up to $24,733.60	• Indirect expenses are applied at 14.38% to administrative costs and other associated project costs incurred by SMCOE for overseeing the programs, supporting technical assistance, and for administering the funding for dashboard grants.
Total Program Budget		Up to $196,733.60	
Contingency funds		Up to $8,267	Any use of contingency funds for unforeseen program costs must be pre-approved by Peninsula Clean Energy staff
Total Contract Budget		Up to $**205,000.00**	

Revised July 2023

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: July 14, 2023
BOARD MEETING DATE: July 27, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority Present

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Kirsten Andrews-Schwind, Senior Manager of Community Relations & Vanessa Shin, Community Outreach Specialist

SUBJECT: Approval of a Resolution to Delegate Authority to the Chief Executive Officer to Finalize and Execute a Contract with the San Mateo County Office of Education to Support Schools in Implementing Clean Energy Literacy and Decarbonization of Facilities for an Amount Not-to-Exceed $205,000 in 2023-2024

RECOMMENDATION:

Adopt a resolution to delegate authority to the Chief Executive Officer to finalize and execute a contract with the San Mateo County Office of Education for an amount not to exceed $205,000 in Fiscal Year 2023-24.

BACKGROUND:

Peninsula Clean Energy understands that the mission of reducing greenhouse gas emissions depends on educating the next generation of energy and environmental leaders. A key tactic in the Marketing section of Peninsula Clean Energy's strategic plan is to "continue to support schools-based literacy programs focused on energy."

Supporting Environmental and Career Education in San Mateo County
To support this goal, Peninsula Clean Energy has supported a range of environmental and energy education initiatives at the San Mateo County Office of Education and other local partners since 2018. These include:

- Green Career Awareness: Curriculum and field trips focused on green careers in clean energy, with a goal of reaching 4,000 students in 7-12 grades over two years of the program.
- Youth Climate Ambassadors program: Across four program cohorts, 235 high school students have graduated from a two-semester leadership program focused on learning to take action on social and environmental issues contributing to the climate crisis.

- Teacher Fellowships: Across three cohorts, 120 educators in San Mateo County have studied environmental and energy issues and developed curricula reaching an estimated 7,475 students.
- Energy Dashboard Pilot: Online dashboards make information about school campus energy use public for classroom instruction, and also help administrators better understand energy costs and greenhouse gas emissions from their facilities.

Supporting Environmental and Career Education in Los Banos
Peninsula Clean Energy has also reached out to the Los Banos Unified school district to offer support for environmental and green energy career education. As these conversations progress, we look forward to providing funding for Los Banos schools at a proportional level.

Meanwhile Peninsula Clean Energy staff have partnered directly with several Los Banos science teachers to present at career days and AP Environmental Studies classes in Los Banos schools, and have sponsored science education activities.

DISCUSSION:

Overview of Partnership
Schools play a crucial role in Peninsula Clean Energy's mission to reduce greenhouse gas emissions in our communities. Schools can contribute to this goal by decarbonizing their facilities and promoting energy literacy among students.

Peninsula Clean Energy will collaborate with SMCOE to provide subject matter expertise and develop content for each program, including a focus on:

- Clean electricity sources from Peninsula Clean Energy
- Role of electrification in addressing climate change
- Health and environmental justice impacts of using fossil fuels in buildings and transportation, and the benefits of decarbonization
- Energy and educational programs offered by Peninsula Clean Energy

Accelerating School Decarbonization
Despite funding and resources from Peninsula Clean Energy, PG&E, and other entities, school districts have difficulty with accessing available support to electrify their facilities and operations. Peninsula Clean Energy will partner with SMCOE to build staff capacity and expertise on the county level to help districts understand funding opportunities as well as requirements related to decarbonization. Additionally, SMCOE will collect baseline electrification data to understand the current needs and opportunities of each district and track progress towards decarbonization goals. Continued investment in energy dashboards at pilot school districts (Ravenswood City School District, Cabrillo Unified School District, and San Mateo Union High School District) will also make this data transparent and accessible.

Enhancing Energy Literacy in the Classroom

SMCOE will train educators on energy literacy curriculum, which equips them with the knowledge and tools to teach students about the importance of clean energy and its impact on the environment.

By incorporating energy literacy into curriculum, schools can raise awareness about Peninsula Clean Energy and the importance of electrification in achieving local climate goals. SMCOE will train educators on developing and delivering curriculum related to Peninsula Clean Energy's mission. Teachers can participate in learning opportunities ranging from a year-long professional development fellowship to a one-day workshop focused on a teaching hands-on clean energy lesson plan.

Furthermore, SMCOE will foster school champions and inspire leadership around decarbonization. SMCOE will convene youth, educators, and administrators at summits to raise awareness of Peninsula Clean Energy and school decarbonization opportunities. Through an awards program, SMCOE will inspire leadership by recognizing exemplary projects related to school decarbonization or clean energy curriculum.

SMCOE will use its Equity Index to identify and prioritize districts with students from underserved communities for outreach and participation in its programs.

Table 2. 2023-24 San Mateo County Office of Education Proposed Educational Programs and Funding

Program	Amount	Description
School Decarbonization Program	$120,000	Achieving decarbonization in San Mateo County schools will require coordination and support at the county level. San Mateo County school districts, many of which are small, will need support to navigate construction and facilities-related mandates, pursue decarbonization, and take advantage of related funding opportunities. To fulfill this need, SMCOE will provide leadership and increased staff support to school districts as they build and update their facilities with a focus on electrification. Goals for this program include: 1. Collect baseline data on electrification of local education agencies (LEAs) in San Mateo County through a sustainability data collection project. 2. Establish annual reporting and show improvement on building electrification metrics for all school districts in the County. 3. Provide leadership and assistance to LEAs in developing and updating local Facilities Master Plans in accordance with decarbonization goals and standards. 4. Prepare sustainability plans, reports, and guidance documents as needed for construction project management.
Environmental Solutions Teacher Fellowship	$16,000	Through this year-long fellowship, teachers learn how to embed environmental literacy, including the impact of energy production and use on climate change, into their classrooms and school campuses. SMCOE will provide teachers with training, lessons, and tools to teach students about clean energy and decarbonization. Peninsula Clean Energy will provide subject matter expertise and collaborate on curriculum content for teachers. Peninsula Clean Energy will fund $1,000 stipends for up to 10 teachers focusing on energy curriculum and $500 stipends for up to 10 second-year teachers who provide mentorship.
Capacity Building Environmental Literacy Sampler Workshops	$16,500	Through 2-hour, in-person workshops, SMCOE will train up to 40 teachers on delivering a lesson plan focused on clean energy. Peninsula Clean Energy will provide subject matter expertise and collaborate on curriculum content. Participating teachers will receive classroom materials for a hands-on experiment relating to clean energy.

Schools for a Sustainable Future Summit	$3,500	SMCOE will convene school administrators, teachers, and other stakeholders at a one-day summit that will promote environmental literacy and decarbonization of facilities. Peninsula Clean Energy will be invited to participate in an energy-focused panel at the summit as well as provide information about energy programs to attendees.
Environmental Youth Leadership Summit	$1,500	SMCOE will coordinate a half-day summit for youth leaders in San Mateo County to learn about the role of clean energy and electrification in local climate action. Peninsula Clean Energy will be invited to participate in an energy-focused panel at the summit.
Dashboard Program	$12,000	From 2021-23, Peninsula Clean Energy funded a pilot program to deploy energy and sustainability dashboard systems at school districts in SMC. In addition to facilitating schools as learning labs for climate solutions, a goal of this program is to make energy use and other facilities data more transparent and accessible. This funding will support the continued implementation of school dashboards at the Ravenswood City School District, Cabrillo Unified School District, and San Mateo Union High School District. SMCOE staff will train administrators and teachers on how to use the dashboard and develop curriculum focused on the dashboards.
Sustainable and Climate Ready Schools Challenge Awards	$2,500	SMCOE will award five schools for exemplary projects related to school decarbonization or clean energy curriculum. In addition to recognizing leadership by schools, each $500 award will raise awareness of Peninsula Clean Energy's mission and inspire other schools to pursue related projects.
Indirect Expenses (14.38%)	$24,733.60	Administrative costs and other associated project costs incurred by SMCOE.
Total	**$196,733.60**	

FISCAL IMPACT:

The contract will not exceed $205,000 in the fiscal year 2023-24.

STRATEGIC PLAN:

This partnership with the San Mateo County Office of Education will support the following goal in the Peninsula Clean Energy Strategic Plan:

Key Tactic 2. Continue to support schools-based literacy programs focused on energy.

- Task 1: Work with San Mateo County Office of Education, San Mateo County Community College District and Los Banos schools to identify and support opportunities to educate students, teachers and administrators about energy-related environmental impact in order to inspire action
- Task 2: Sponsor awards that recognize student and schools-based achievements in energy and the environment

PENINSULA CLEAN ENERGY

RESOLUTION NO. _____

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

* * * * * *

RESOLUTION DELEGATING AUTHORITY TO THE CHIEF EXECUTIVE OFFICER TO FINALIZE AND EXECUTE AN AGREEMENT WITH THE SAN MATEO COUNTY OFFICE OF EDUCATION FOR AN AMOUNT NOT TO EXCEED $205,000 in FISCAL YEAR 2023-24

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

WHEREAS, Peninsula Clean Energy was formed on February 20, 2016; and

WHEREAS, Peninsula Clean Energy understands that the mission of reducing greenhouse gas emissions depends on educating the next generation of energy and environmental leaders; and

WHEREAS, Peninsula Clean Energy has committed funding for various schools-based literacy programs focused on energy, climate, and green careers in partnership with the San Mateo County Office of Education since 2018; and

WHEREAS, Peninsula Clean Energy desires to continue and expand support for school districts to implement energy-based curriculum and decarbonize school facilities; and

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board delegates authority to the Chief Executive Office to finalize and execute an agreement with the San Mateo County Office of Education in an amount not to exceed $205,000 in FY 2023-24 in a form approved by the General Counsel.

* * * * * *

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: July 18, 2023
COMMITTEE MEETING DATE: July 27, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Shawn Marshall, Chief Executive Officer
Jeremy Waen, Director of Regulatory Policy
Marc Hershman, Director of Government Affairs

SUBJECT: Regionalization Study Session (Discussion) (Continued from June 22, 2023 Board of Directors Meeting)

BACKGROUND AND DISCUSSION:

The California Legislature is considering legislation that would enable the State's grid operator, the California Independent System Operator (CAISO), to expand service to other states within the Western Electricity Coordinating Council (WECC). This is a complex issue that has previously been before the legislature, with multiple stakeholders and several policy and operational implications to consider.

Staff will present an overview of the issue and its current status.

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: July 17, 2023
BOARD MEETING DATE: July 27, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Gwen Rose, Director of Marketing &
Leslie Brown, Director of Account Services

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

BACKGROUND

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

DISCUSSION

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

Zero Percent Loan Program and Appliance Rebates
These programs are being promoted in our Energy Programs Bulletin, which is emailed every other month to about 200,000 residential customers, and in paid search. In the last 30 days, 396 users visited the Zero Percent Loan webpage, 823 visited the heat pump water heater program page, and 2,273 visited the heat pump heating and cooling program page.

Electrification Messaging and Campaign Support of Decarbonization
We are encouraging electrification in email communications and online advertising. In the last 30 days, 1,571 users have visited our all-electric web page. Our search ads for this campaign are currently achieving a click-through rate of 10.8% at a cost of $1.40 per click.

The campaign supports our organizational priority to contribute to our community reaching a goal of 100% greenhouse gas-free for buildings and transportation by 2035.

Used Electric Vehicle (EV) Campaign
In the past 30 days, 1,504 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 4.92% at a cost of $3.27 per click.

Outreach Grants
Some recent and upcoming program highlights include:

- Two Acterra Home Electrification Workshops in June
- Chinese language radio and online ads from Sound of Hope continue to drive significant traffic to Peninsula Clean Energy's programs webpages.
- Outreach grantee organizations have begun hosting focus groups to provide feedback to Peninsula Clean Energy staff on messaging and programs from customers who are difficult to reach or serve. Climate Resilient Communities organized a focus group in Spanish for renters, and Senior Coastsiders is organizing another on electrifying manufactured homes. Additional focus groups will gain insight on EV charging challenges for renters, serving low-income homeowners, and serving customers in Chinese.
- El Concilio and Senior Coastsiders helped customers enroll in person or on the phone for the E-Bikes for Everyone program to help overcome the digital divide and answer customer questions
- All grantees submitted their 6 month progress reports.

Schools and Youth Programs
Peninsula Clean Energy is supporting energy education in various ways, including:

- Funding green awareness field trips for junior high and high school students through the San Mateo County Office of Education Career and Technical Education program. The field trips are designed to interest students in careers as electricians and in other related careers that support our program implementation.
- A request for funding to support additional schools and youth through the San Mateo County Office of Education is being brought to the Board for consideration in July.
- Staff are preparing another request for funding to serve students at the San Mateo County Community Colleges District, projected to come to the Peninsula Clean Energy Board in August.
- Staff have reached out to the Los Banos Unified School District and Merced Community College District to inquire about the best way to offer similar programs for youth in that area.

Los Banos Update
Kirsten Andrews-Schwind and Marc Hershman are serving as interim representatives at the community and local government levels in Los Banos while we hire for the position previously held by Sandra Benetti. We appreciate leads to good candidates to fill this

position. Meanwhile Kirsten plans to table at National Night Out in Los Banos on August 1st. **News & Media**
Full coverage of Peninsula Clean Energy in the news can be found on our News & Media webpage.

ENROLLMENT UPDATE

ECO100 Statistics (since June report)

Total ECO100 accounts at end of June:	6,546
ECO100 accounts added in June:	27
ECO100 accounts dropped in June:	25

Enrollment Statistics
Opt-outs during June 2023 were 139, which is 11 fewer than the previous month of May 2023 (150). This includes 62 opt outs in our new service territory of Los Banos during the month of April and 77 from San Mateo County during this month. Total participation rate across all of San Mateo County as of the end of June was 96.9%The participation rate for the City of Los Banos as of the end of June 2023 was 88.1%.

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 June 30, 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 June 30					
	RES Count	COM Count	Active Count	Eligible Count	Participation	ECO100 Count	ECO100 Percent
ATHERTON INC	2413	216	2629	2699	97%	58	2.2%
BELMONT INC	10725	913	11638	11969	97%	241	2.1%
BRISBANE INC	1975	500	2475	2539	97%	92	3.7%
BURLINGAME INC	13506	1948	15454	15848	98%	352	2.3%
COLMA INC	582	293	875	888	99%	32	3.7%
DALY CITY INC	30917	1946	32863	34080	96%	116	0.4%
EAST PALO ALTO INC	7170	434	7604	7988	95%	27	0.4%
FOSTER CITY INC	13734	856	14590	14921	98%	341	2.3%
HALF MOON BAY INC	4200	630	4830	4984	97%	116	2.4%
HILLSBOROUGH INC	3784	145	3929	4043	97%	71	1.8%
LOS BANOS INC	12247	1264	13511	15329	88%	4	0.0%
MENLO PARK INC	14221	1719	15940	16276	98%	613	3.8%
MILLBRAE INC	8792	642	9434	9742	97%	112	1.2%
PACIFICA INC	13983	854	14837	15427	96%	180	1.2%
PORTOLA VALLEY INC	1465	130	1595	1693	94%	1509	94.6%
REDWOOD CITY INC	31609	3283	34892	35820	97%	733	2.1%
SAN BRUNO INC	14780	1058	15838	16536	96%	94	0.6%
SAN CARLOS INC	12205	2057	14262	14663	97%	325	2.3%
SAN MATEO INC	39853	3833	43686	44931	97%	688	1.6%
SO SAN FRANCISCO INC	21598	3070	24668	25677	96%	129	0.5%
UNINC SAN MATEO CO	20850	2958	23808	24638	97%	652	2.7%
WOODSIDE INC	2012	211	2223	2272	98%	61	2.7%

Table reflects data as of June 30, 2023

STRATEGIC PLAN

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

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

News and Media Announcements	KT1: Position leadership as experts on CCAs and the industry KT2: Cultivate relationships with industry media and influencers KT3 (see above)		
ECO100 and Enrollment Statistics			Reports on main objective C

* “KT” refers to Key Tactic

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: July 14, 2023
BOARD MEETING DATE: July 27, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

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

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

SUBJECT: Update Regarding Regulatory Policy Activities

SUMMARY

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

Doug has been heavily focused on Resource Adequacy and Integrated Resources Planning at the California Public Utilities Commission's (CPUC). He has also engaged with the California Independent System Operator on issues of Resources Adequacy, Transmission Planning, Interconnection, and Deliverability.

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

Zsuzsanna worked with the Power Resources and the Programs team on coordinating the filings due in May and June. She is also focused on the future challenges on the Green-e program and issues related to privacy risk—management and contract management.

DEEPER DIVE

Regulatory Compliance

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

Zsuzsanna coordinated the filings of data requests for the Power Resources team and the Programs to have up-to-date information about the status of the monthly ongoing filings and the May and June due filings. Zsuzsanna started to work with the Programs team on managing future compliance obligations relating to the FLEXmarket program. She started working on internal privacy risk management guideline and review of risk management policies with Power resources team members. She also works on the unification of third-party contract database and to find the most effective way to keep PCE's contract management system up to date. She works with Shayna Barnes form the Power Resources team on supplier diversity compliance. Zsuzsanna joined the Diversity, Equity, Accessibility, and Inclusion (DEAI) Council, representing the Regulatory Policy team.

In May/June the main compliance filings included the following:

- Monthly Procurement Status Report (CPUC) – Due 6/8
- DAC-GT Annual Budget AL needed correction because of previous formula error: the supplemental AL (AL 30-E-A) was submitted on 6/8
- Draft 2023 RPS Procurement Plan – Due 7/17
- 2023 IEPR Historical & Forecast Load & Demand, and Revenue Reports, Years 2021-2034 (CEC)
- Forms 8 (a & b) – Due 7/31/23
- RPS Compliance Report (CPUC) – Due 8/1
- IRP Midterm Reliability (MTR) Compliance filing – Due 8/1

Integrated Resource Planning & Resource Adequacy

The CPUC has issued a Final Decision which did impose restrictions on the filing of expansion plans for any LSE with an RA deficiency in the prior two years, but the Commission did limit this to month-ahead deficiencies only, allowing LSEs to cure year ahead deficiencies by the time resources would be required to show up in the CAISO markets. This was the main topic of an ex parte meeting with Jan Pepper, Shawn Marshall, Jeremy Waen, Roy Xu, Shawn Marshall, Jeffrey Wright, and Doug Karpa. The CPUC also declined to impose more hurdles to using unspecified imports, and instead directed Energy Division to engage in further study. We anticipate being active on this issue going forward.

The Commission has recently resumed its IRP-related policymaking efforts starting with further system modeling which may feed into future procurement decisions.

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

California Independent System Operator

The California independent System Operator has implemented three new stakeholder processes that are likely to have critical impacts on Peninsula Clean Energy's operations. Doug is actively participating in these areas:

1. **RA:** The initial position taken by CAISO in its RA enhancements proceeding is not to adopt the full slice of day methodology on the same time frame that the CPUC program does, in part because not all CAISO entities are subject to the CPUC program. Some initial proposals may use slice-of-day values, which may alleviate concerns that Peninsula Clean Energy would have to comply with two distinct requirements, which could raise costs.

2. **Interconnection:** CAISO has completely the initial set of workshops on the potential reforms needed to ensure that only viable projects are studied in the interconnection process (currently, only a small fraction of studied projects proceed to commercial delivery, meaning that the interconnection studies are typically not reflective of real-world conditions and far slower than needed. One option is to have Load Serving Entities vouch for commercial interest in particular projects to reduce the number of projects being studied.).

3. **Deliverability**: CAISO is examining a series of proposals although it is unclear to what degree most of these would deliver improved deliverability.

The RA stakeholder process may run into 2025, but the other two stakeholder processes are currently scheduled to be completed by the end of 2023.

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

Load Management Standard

Doug is a key advocate at the Energy Commission, along with Leslie Brown and Masha Doubrousvkaia, on the two key elements of the Load Management Standard. First, the requirements and parameters of the upload of MIDAS rates remain in flux, even though we are committed to uploading time variant rates by October of this year. A key goal is to ensure that there are no late-breaking changes that may slow down this process. Second, Peninsula Clean Energy will be required to develop and analyze at least some marginal cost-based rates by April 2024, or have alternative programs, such as the Flex Market, to provide similar options to customers. Opting to provide programs instead of rates will

require a robust analysis demonstrating that marginal cost-based rates are not cost effective to justify relying on programs instead.

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

DAC-GT/CSGT Applications for Program Review

Matthew continues to lead PCE's engagement in policy matters related to PCE's Disadvantaged Communities Green Tariff (DAC-GT) and Community Solar Green Tariff (CSGT) programs and PCE continues to collaborate with fellow CCAs who administer their own DAC-GT and CSGT programs.

Many parties' filings have opined during the proceeding that the DAC-GT and CSGT programs should be frozen or discontinued because they claim they are too expensive to deliver while failing to acknowledge the success of many of the CCAs' programs that have delivered millions of dollars of rate relief to the low-income participants and procured enough new resources to cover roughly 2/3 of their allocated program capacity. Many parties, except for the IOUs, have encouraged the CPUC to adopt the Net Value Billing Tariff (NVBT) that was proposed by a coalition of solar developers and that it should take the place of the DAC-GT and CSGT programs. CCAs cannot be compelled to offer their own NVBT as it is a tariff program and the Joint CCAs have mostly remained silent on the issue but have agreed that the IOU filings have raised questions around the NVBT which should be settled if the CPUC should approve it.

A small group of CCA representatives and Matthew have held *ex parte* meetings with several Commissioners' offices. During those meetings, we've reiterated that the CCAs' DAC-GT and CSGT programs have been successful by several measures and that their success justifies expanding the programs' capacities to deliver benefits to even more low-income customers. The CCAs also highlighted that, if the CPUC does decide to adopt a new program such as the NVBT, there is no requirement to first pause or discontinue the DAC-GT program.

A recent Ruling directed parties to evaluate existing and proposed programs using cost effectiveness and cost shift metrics. The CCAs are preparing their responses to this ruling.

A Proposed Decision is still anticipated for Q3 2023.

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

Building Decarbonization & Transportation Electrification

The Commission's proceedings relating to building and transportation electrification remain quiet as well. As such, staff bandwidth has shifted towards supporting PCE's other

programmatic objectives such aiding the implementation of the Disadvantaged Communities (DAC-GT) program and PCE's FLEXmarket program.

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

STAKEHOLDER OUTREACH

Dr. Karpa hosted Peninsula Clean Energy's regular monthly call with environmental justice and environmental advocates and other CCA staff on June 14th to discuss key equity and environmental impacts of real time proposals, both in the CPUC Load Flexibility docket and the Energy Commission's Load Management Standard. (Public Policy Objective A, Key Tactic 2)

FISCAL IMPACT

Not applicable.

PENINSULA CLEAN ENERGY

PENINSULA CLEAN ENERGY AUTHORITY
Board Correspondence

DATE: July 13, 2023
BOARD MEETING DATE: July 27, 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:

As anticipated, the leadership of the state Assembly changed on July 1. Assemblymember Robert Rivas (D-Hollister) became the Speaker of the state Assembly, replacing Speaker Anthony Rendon. That change set in motion several other changes in the Assembly. Notably, San Mateo County Assembly Member Diane Papan is now a part of the leadership team.

The new Assembly leadership includes:

Speaker Honorable Robert Rivas
Speaker pro Tempore Honorable Cecilia M. Aguiar-Curry
Assistant Speaker pro Tempore Honorable Stephanie Nguyen
Majority Leader Honorable Isaac Bryan
Assistant Majority Leader Honorable Gregg Hart
Assistant Majority Leader for Policy and Research Honorable Diane Papan
Majority Whip Honorable Lori Wilson
Assistant Majority Whip Honorable Matt Haney
Assistant Majority Whip Honorable Josh Lowenthal
Democratic Caucus Chair Honorable Rick Chavez Zbur
Republican Leader Honorable James Gallagher

Additionally, Los Banos's representative in the state Assembly, Esmeralda Soria, is the new chair of the Committee on Agriculture and she was also given a seat on the Appropriations Committee.

Assembly Member Juan Carrillo was named chair of the Committee on Local Government.

The Legislature's summer recess will run from July 14 to August 14.

Leading up to the recess, all legislation was required to clear policy committees. When the legislature returns in August it will have five weeks to tackle all remaining bills and the legislative session concludes on September 14.

PENINSULA CLEAN ENERGY SPONSORED LEGISLATION - BROWN ACT BILL

SB 537, introduced by Senator Josh Becker and sponsored by Peninsula Clean Energy, addresses the ability of board members of multijurisdictional bodies, like ours, to attend meetings virtually from remote locations.

SB 537 was heard in the Senate Committee on Governance and Finance on April 19. Peninsula Clean Energy Vice Chair Donna Colson was a lead witness and aided by her strong testimony the bill passed that committee by a vote of 6-2.

We greatly appreciate the many letters of support for SB 537 from local jurisdictions and elected officials. These include Atherton, Brisbane, Burlingame, Colma, Menlo Park, San Bruno, San Carlos, San Mateo, South San Francisco, Menlo Park Councilmember Betsy Nash, and Hillsborough Councilmember Leslie Ragsdale.

In addition to local support, letters and official support was also lodged by the Bay Area Air Quality Management District, California Association of Councils of Governments, League of California Cities, CalCCA, Streets for All, Los Angeles County Sanitation Districts, Transportation Agency for Monterey County and sister CCAs Sonoma Clean Power and San Diego Community Power.

Opposition to the bill has come from the ACLU, California News Publishers, Cal Aware, California Broadcasters Association, California Common Cause, CCNMA: Latino Journalists of California, First Amendment Coalition, Howard Jarvis Taxpayers Association, and the Leadership Council for Justice and Accountability, National Press Photographers Association, Nlgja: Association of LGBTQ+ Journalists, Northern California Society of Professional Journalists, Orange County Press Club, Pacific Media Worker Guild, Radio Television Digital News Association, San Diego Pro Chapter of Society of Professional Journalists, Society of Professional Journalists, Greater Los Angeles Chapter.

At the insistence of the Committee on Governance and Finance, several amendments to the bill were made. Of greatest significance, the bill was amended so that virtual participation has been limited to board members who reside more than 40 miles from the venue in which the meeting is being held and the location of the participant must be included in the agenda of the meeting.

SB 537 was then heard by the Senate Committee on the Judiciary on Tuesday, May 2. Peninsula Clean Energy Director Marty Medina provided compelling lead testimony and the Committee voted 9-2 in support of SB 537.

Of note, several other bills that would amend the Brown Act were introduced in this legislative session. Peninsula Clean Energy sent in a letter of support for AB 1379, authored by Assemblymember Diane Papan. However, that bill was pulled from consideration by the author before it was heard in committee.

SB 537 was considered by the full Senate on May 30. It was passed off the floor of the Senate by a vote of 32-8.

SB 537 was referred to only one committee in the Assembly. On July 12, SB 537 was heard in the Assembly Committee on Local Government with its new Chair Juan Carrillo. Peninsula Clean Energy Director Anders Fung offered strong lead testimony and the Committee voted 6-1 in support of SB 537.

We also wish to acknowledge the continuing support of the Bay Area Air Quality Management District for also providing lead testimony in each of the legislative hearings.

One significant amendment that was taken from the Assembly committee will require any person who receives compensation for their service on the eligible board to participate in person.

We continue to work with the author and Committee representatives to improve the bill and ensure its passage. We anticipate SB 537 will next come to the floor of the Assembly after the Legislature returns from its summer recess.

AB 538 (Holden) – LEGISLATION TO REGIONALIZE THE GRID

AB 538 is a renewed effort by Assemblymember Holden to move California away from the California Independent System Operator as the manager of our state's electric grid and in its place have California join a multi-state regional transmission system.

Proponents have argued that a regional system could accelerate California's ability to meet its clean energy goals, ensure the reliability of the grid and enable the system to scale up to meet the needs of the state's customers. It has also been posited that a regional system will be more transparent around energy prices and emissions while saving money.

Opponents theorize that joining a regional transmission system would dilute California's ability to meet those very same needs and diminish our state's voice on critical clean energy issues. Of significant concern is the impact a regional system would have on California utility workers.

AB 538 was heard in the Assembly Committee on Utilities and Energy. It was passed out of the committee on April 26 after the author, Assemblymember Holden, agreed to work on changes to the bill. Before the bill was amended and could come up for a vote in the

Assembly Committee on Appropriations, which Mr. Holden chairs, the bill was withdrawn from consideration.

Shortly thereafter Governor Newsom issued a press release indicating his interest in advancing regionalization.

Given these developments, AB 538 could be revisited by the Legislature at any time.

FY 2023-24 State Budget / AB 1373 (E. Garcia)

As noted in previous Legislative Updates, the Governor introduced a budget trailer bill earlier this year that has raised significant concerns. In the trailer bill proposal the Governor seeks to broaden the scope of procurement by enabling the Department of Water Resources to act as a central procurement entity. The trailer bill also adds a capacity payment penalty for Resource Adequacy deficiencies. Further it seeks to clarify the California Public Utilities Commission's Integrated Resource Plan authority over CCAs.

Peninsula Clean Energy and CalCCA have met with legislators, their staff members and Administration officials to try and move this from a budget bill, which would short circuit the hearing process, to a policy bill. We were successful in the Assembly as AB 1373 (E. Garcia) was introduced in April.

In meetings with legislative staff, we have expressed our concerns with the substance of AB 1373, and we filed a letter taking the position of "Oppose Unless Amended". Our letter questioned the need for a central procurement entity and highlighted our biggest concerns: interconnection and the transmission system.

Along with the Municipal Utilities, CalCCA provided the lead testimony expressing our concerns with the bill in the Assembly hearing on AB 1373. We also expressed our opposition to the bill's proposal giving the Public Utilities Commission an expanded, ill-defined Integrated Resource Plan jurisdiction over CCA procurement autonomy. And we raised objection to the bill proposal of a capacity penalty payment for Resource Adequacy deficiencies.

AB 1373 passed the Assembly Committee on Utilities and Energy. It then went to the Committee on Appropriations where it passed on May 18. The bill was then sent to the floor of the Assembly where on May 26 it passed by a vote of 57-17 with the support of Assembly Members Berman, Papan, Soria and Ting.

We continued to work with local legislators and other stakeholders to refine the bill to address our issues of concern. We are pleased to report that the Assembly adopted many of the amendments CCAs sought and the version of AB 1373 that was passed off the floor of the Assembly on May 26 was significantly improved. As a result, we have drafted a letter withdrawing our opposition and moving to a neutral position on the legislation.

AB 1373 was not heard in a policy committee in the Senate and the budget trailer bill on these energy issues introduced by the Governor has also not advanced.

(Public Policy Objective B, Key Tactic 1)

PENINSULA CLEAN ENERGY

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

June 30, 2023

The Honorable Steve Bradford
Chair, Senate Energy, Utilities and Communications Committee
1021 O Street, Room 3350
Sacramento, CA 95814

Re: Neutral on AB 1373 (Garcia) With Requested Amendments

Dear Chair Bradford,

On behalf of Peninsula Clean Energy Authority, a community choice aggregator (CCA) serving roughly 800,000 Californians in San Mateo County and Los Banos in Merced County, I write regarding AB 1373, to which we have adopted a neutral position but are seeking amendments. If California walks down the path of central procurement of strategic resources, Peninsula Clean Energy supports AB 1373's approach of placing the responsibility solely with the Department of Water Resources (DWR) and limiting the scope of resources to off-shore wind and geothermal resources.

Peninsula Clean Energy appreciates the Assembly's tailored approach to strategic central procurement, however, one critical clarifying amendment is needed. AB 1373 appropriately places adequate guardrails around DWR as a central procurement entity that will mitigate the risk of market disruption and protect ratepayers. However, while perhaps inadvertent, the bill establishes no guardrails around IOU central procurement and, in fact, appears to expand the Investor Owned Utilities' (IOU) role. The IOU's role in central procurement should be clarified to prevent market disruptions, enable CCA customers to benefit from low-cost public financing, and avoid interfering with other procurement required in Integrated Resource Planning. If a CCA or any other Load Serving Entity fails to do their job, our proposed amendment gives the California Public Utilities Commission (CPUC) a tool to keep the state moving in the right direction. For this reason, we request that the following provision to be added to PUC Section 380 in the proposal:

The commission may not direct an electrical corporation to procure resources on behalf of another load-serving entity to expand resource diversity or meet the state policy specified in Section 454.53 unless:

> *(1) The commission has first identified the resources needed to meet these objectives and provided the opportunity for each load-serving entity to procure the resources on behalf of its customers; and*
> *(2) The load-serving entity has not procured these resources within a reasonable time frame specified by the commission.*

We feel this amendment will give regulators the tools necessary to ensure energy reliability and to reach our decarbonization goals while preserving the right for communities to make their own energy procurement decisions in the interest of the ratepayers they represent.

We greatly appreciate the many amendments already made to refine this proposal to better reflect the stated intent and look forward to continuing working with you to finalize this last issue.

Sincerely,

Janis C. Pepper

Jan Pepper, CEO

cc: The Honorable Eduardo Garcia
The Honorable Josh Becker
The Honorable Anna Caballero

July 5, 2023

The Honorable Juan Carrillo
Chair, Assembly Local Government Committee
1021 O St., Ste. 4320
Sacramento, CA 95814

Re: SB 537 (Becker) – SPONSOR

Dear Assemblymember Carrillo,

On behalf of Peninsula Clean Energy Authority (PCE), a community choice aggregator (CCA) serving roughly 800,000 Californians in San Mateo County and Los Banos in Merced County, I write in strong support as the sponsor of SB 537 (Becker). SB 537 proposes to authorize multijurisdictional, cross county agencies to allow certain board members to participate in meetings remotely, just as was done during the COVID-19 pandemic, as well as collect data on legislative body teleconferencing.

The Ralph M. Brown Act, passed in 1953, established the baseline rules for meetings of local legislative bodies, including multijurisdictional bodies whose boards consist of members from multiple cities and/or counties. Under the Brown Act, members of multijurisdictional bodies hold the power to participate via teleconference if they meet a certain set of standards, including the legislative body meeting an in-person quorum, emergency status, and disclosure of location and personal details of remotely attending members. These standards were waived for nearly three years during the COVID-19 pandemic as our focus on health and safety prompted board members to stay home and participate in public meetings via video or teleconference.

Regional boards and commissions address cross-boundary issues that span a myriad of activities and services including, but not limited to: procuring renewable and clean energy, maintaining transportation systems, governing the responsible use of water, developing sustainable communities strategies, and promoting wildfire abatement. These boards and commissions are often composed of city council members and county supervisors from the various communities within an established geographic boundary to provide equitable representation in these discussions. Because these bodies address issues affecting multiple cities and/or counties, board members and the public are often required to travel great lengths, sacrifice additional time with family members, or dismiss professional obligations, to attend in-person meetings.

The Peninsula Clean Energy board consists of one representative from each of the 20 cities within San Mateo County, one representative from Los Banos, and two representatives for San Mateo County. Los Banos, which joined PCE as a member in late 2020, is 100 miles away from Peninsula Clean Energy's office where we conduct our meetings. This isan impractical distance for monthly in-person attendance at evening Board meetings Futhermore, under current law, if

the representative from Los Banos is to attend remotely then he or she must do so from a public facility, such as city hall or the police station and the individual must be available to the public and their exact location included in the meeting notice. Putting such accommodations in place every month is time consuming and costly to PCE and the city, and runs counter to our experience over the past three years. Furthermore, our board meetings occur late in the evening, and there is a safety factor to consider in positioning our lone Los Banos representative in a publicly noticed and available location at night, month after month.

Peninsula Clean Energy recently adopted a Diversity, Equity, Accessibility, and Inclusion (DEAI) policy. We strive to create a diverse and inclusive Board and Community Advisory Committee, which will help push our agency forward. The policy proposed in SB 537 removes barriers to Board participation that most impacts socially and economically disadvantaged constituents.

SB 537 will help advance our DEAI policy as it encourages participation by allowing applicable multijurisdictional board members to choose to meet remotely without limits on remote meetings and providing some additional safety considerations, therefore making it easier for current and potential board members to fully participate virtually.

For these reasons, we are proud to sponsor SB 537 and we are grateful to Senator Becker for authoring this important piece of legislation. We respectfully request your "Aye" vote when the bill is heard in committee.

Sincerely,

Shawn Marshall
Chief Executive Officer
cc: The Honorable Josh Becker
The Honorable Members of the Assembly Local Government Committee

PENINSULA CLEAN ENERGY AUTHORITY
JPA Board Correspondence

DATE: July 14, 2023
BOARD MEETING DATE: July 27, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Shawn Marshall, 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. Residential Solar + Battery Backup
   - 4.3. FLEXmarket
   - 4.4. Community Solar, DAC-GT
5. Transportation Programs
   - 5.1. “EV Ready” Charging Incentive
   - 5.2. Used EV Rebate
   - 5.3. EV Ride & Drives/EV Rental Rebate
   - 5.4. E-Bikes for Everyone Rebate
   - 5.5. Municipal Fleets
   - 5.6. Transportation Pilots

DETAIL

1 Highlights from Prior Month

- The E-Bikes for Everyone e-bike rebate program relaunched in early June and just under $300,000 in funding has been fully allocated.

- EV Ready, the EV charging technical assistance and rebate program, surpassed $6M in funding reserved across 100+ projects; to date, nearly 500 chargers have been installed.
- The EV Managed Charging Pilot launched major recruitment effort; over 300 EV drivers have enrolled so far, additional recruitment to be conducted shortly.
- The buildings program has crossed over 1,000 electric heat pump water heaters and heat pump space conditioning systems since inception in 2021
- PCE finished developing its Commercial FLEXmarket and is planning its launch in Q3 2023.

2 Building and EV Reach Codes

Background: In 2018 the Board approved a building "reach code" initiative to support local governments in adopting enhancements to the building code for low-carbon and EV ready buildings. The initiative is a joint project with Silicon Valley Clean Energy (SVCE) and East Bay Community Energy (EBCE). The program includes no-cost technical assistance, model codes and other tools. The tools and model code language are available on the project website (www.BayAreaReachCodes.org).

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

Model Code Summary

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

Status:

- **City Progress**: Most cities with reach codes from the prior cycle have re-adopted or adopted for the first time, including:

- New construction
  - Adopted: Atherton, Belmont, Brisbane, Burlingame, County of San Mateo, Daly City, Half Moon Bay, Hillsborough, Menlo Park, Millbrae, Pacifica, Portola Valley, Redwood City, San Bruno, San Carlos, San Mateo, East Palo Alto
  - Continuing reach codes from 2019: Hillsborough
  - In Progress: South San Francisco, Colma
- Existing buildings
  - Adopted: Portola Valley, City of San Mateo
  - Exploring: San Carlos, Menlo Park, County of San Mateo

- Berkeley 9th circuit ruling – The 9th circuit court of appeals has ruled against Berkeley in a case brought by the California Restaurant Association and funded by Sempra (SoCalGas.) Berkeley's has requested an En Banc rehearing from the 9th circuit. The next step after that, for either party, would be an appeal to the Supreme Court.
  - The 9th circuit ruling is specific to the Berkeley code. Most cities adopted a different code based on the state energy code.
  - Our legal staff is available to connect with Cities' attorney, and has already done that for some jurisdictions. Ultimately, it is up to each jurisdiction how they move forward at the moment.
  - Our team is developing alternative code approaches to provide options for cities to continue to support building decarbonization

Strategic Plan:

Goal 3 – Community Energy Programs

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

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

3 Buildings Programs

3.1 Appliance Rebates and Zero Percent Loans

Background: In May 2020, the Board approved 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%

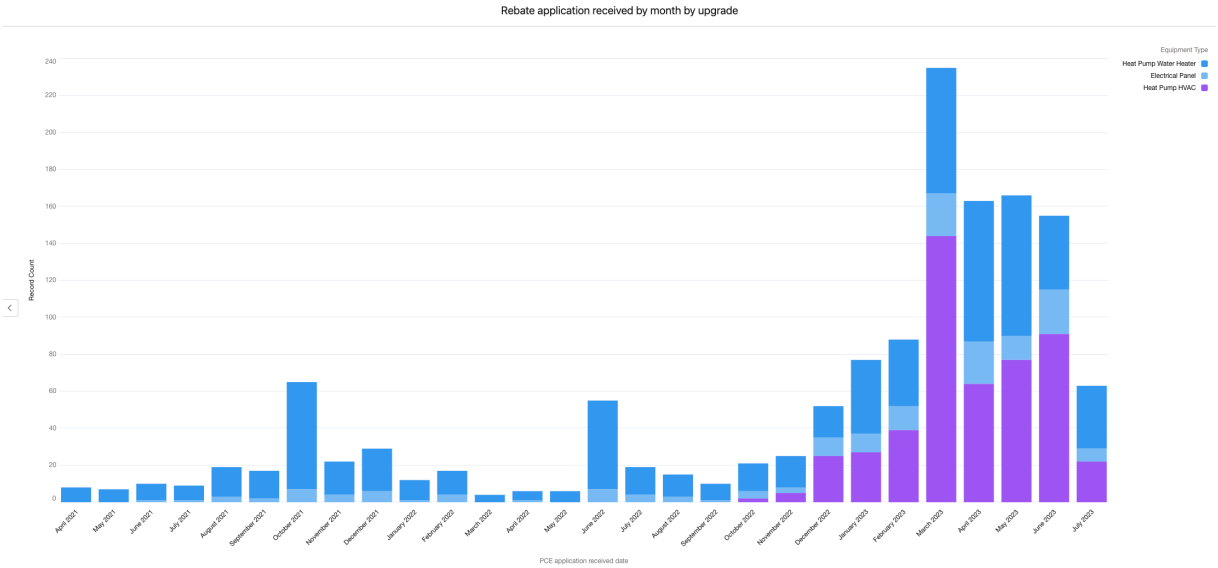
interest loan up to $10,000 to fund the cost of eligible electrification and complementary electrical and energy efficiency upgrades.

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 July 17 2023. Rebates from state programs are undergoing adjustment and PCE is looking to adjust in the coming months incentive levels and certain loan terms to maintain complementarity.

Upgrade Type	**Count**
HPWH rebates	624
Heat pump HVAC rebates	387
Electrical panel rebates	142
Zero percent loans completed	154 for $1,408,375
Additional zero percent loans reserved	60 for $577,562

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 Board approved a contract extension for $1.5 million in February 2023 which included more homes for the current service plus 4-6 whole home electrification upgrades.

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

Stage/category	#s
Leads	4963
Reached	1622
Pre-assessments	686
Enrolled and eligible	259
Installations in progress	40
Fully complete	185

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

Measure	Count
Heat pump water heater	77
Induction cooktop/range	46
Electric dryer	42
Central or mini split heat pump (HVAC)	3
Window or wall mounted heat pump (HVAC)	14
Portable heat pump (HVAC)	45

Strategic Plan:

Goal 3 – Community Energy Programs

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

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

3.3 Building Pilots

Background: In May 2020, The Board approved $300,000 for piloting a new innovative technology from Harvest Thermal Inc., a Bay Area-based startup, that combines residential space and water heating into a unified heat pump electric system with a single water storage tank. Through this project, this technology was installed in 4 homes within the San Mateo County to assess its performance and demonstrate its effectiveness for emission reductions.

Status (no updates from last month): The home recruitment process began in late April 2021 and the project received 290 applications. Homes were selected based on technical criteria (home characteristics, energy usage patterns, and technical feasible of the upgrade within budget). The four pilot homes are located in Daly City, South San Francisco, Redwood City, and Menlo Park. As of September 7, 2022, all four homes have had their system installed. The consulting firm TRC has been contracted to provide independent measurement and verification services for the project and have begun collecting data on the homes installed. The 12-month data collection period ended on 4/23, with draft results expected in by July 31st , final results in the fall, and project closure by the end of the year.

Strategic Plan:

Goal 3 – Community Energy Programs

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

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

3.4 Refrigerator Recycling

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

Peninsula Clean Energy executed an amendment effective March 1, 2023 to add $95,000 to the residential program and remove bulk pickups.

Status: We will be winding down and cancelling this program in the coming days due to numerous customer complaints. We are no longer accepting any new appliance pickups. ARCA will honor any pickup that is currently outstanding.

Since inception in April 2019, the recycling program has recycled 861 refrigerators and freezers resulting in over 1,600 MTCO2e in greenhouse gas reduction.

Strategic Plan:

Goal 3 – Community Energy Programs

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

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

4 Distributed Energy Programs

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

4.1 Solar and Storage for Public Buildings

Background: The Solar and Storage for Public Buildings is aimed at aggregating local government facilities into a group procurement of solar and optionally storage systems. Peninsula Clean Energy provides no-cost site assessments and preliminary designs as well as manages the procurement process. Participating sites have systems installed as part of power purchase agreements directly with Peninsula Clean Energy. As part of the pilot phase, in October 2020, the Board approved a Solar Site Evaluation Services contract with McCalmont Engineering for Solar site evaluation and designs for County and municipal facilities identified as candidates for solar-only or solar + storage resilience projects. In March 2022, the board approved up to $8 million in capital for system installations to be repaid over 20 years and $600,000 for technical assistance on the second round of the aggregated solar program. Intermountain Electric Company was selected in the competitive solicitation on the basis of its pricing, experience, labor practices, and other metrics. Intermountain is a local union firm with an excellent reputation. At the January, 2023 Board Meeting, the Board of Directors granted authority to the CEO to execute the installation contract and power purchase agreements with participating agencies in the first round. 12 PPAs were signed with 10 jurisdictions for a total of 1.74 MW DC solar PV. Battery storage systems are planned for 3 of the sites,

but will not move forward until after the solar systems are operational due to NEM2 grandfathering rules.
In December 2022, the CPUC finalized a decision to change rules to net metering, which will reduce the value of solar exported to the grid during the day. Customers can get grandfathered into current net metering rules ("NEM 2.0") before the rules go into effect ("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
Intermountain Electric Company is finalizing technical designs and related documentation for all sites and submitting for relevant permits with local authorities. Construction is expected to begin by the end of this calendar year, with all sites being complete by end of Q1, 2024.

A total of 23 agencies expressed interest in the second round of the program, providing staff with 120 facilities to evaluate for their solar potential. Site walks have been executed at all viable facilities with engineering firms NV5 and SepiSolar. 38 interconnection applications for >16 MWdc were submitted by the April 14th deadline to grandfather them into the more favorable NEM 2.0 rules. Other sites considered were disqualified for technical reasons.

Staff is currently developing the energy contract, construction contract, and financial proposal. A competitive solicitation for the procurement of EPC services will launch in Q3 2023 as part of the second round.

4.2 Residential Solar + Battery Backup

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

Status (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 included distributed battery storage in their 2024 load forecast submission, which will result in a lower net peak and smaller RA allocation for calendar year 2024.

4.3 FLEXmarket

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

Status: The residential FLEXmarket is officially open. Providers of energy efficiency and building electrification equipment can apply for incentives through this program. In addition, Peninsula Clean Energy anticipates submitting its own projects to receive CPUC funds under the program.

Staff developed the commercial version of the program and is launching it in July 2023. Like the residential version, providers of commercial energy efficiency and building electrification equipment, as well as aggregators of these projects, can pursue incentives through the Commercial FLEXmarket.

4.4 Community Solar, DAC-GT & CSGT

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

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

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

meets DAC program guidelines, to provide for its DAC customers until a permanent resource is procured.

Status: The program is currently serving approximately 1,000 customers. Peninsula Clean Energy signed a PPA with Renewable America, LLC for a 3MW solar resource located in Dos Palos, CA, approximately 15 miles southeast of the City of Los Banos. The Dos Palos Clean Power solar project has a Commercial Operation Date of August 1, 2023. In June, staff expanded their contract with MCE's interim resource Goose Lake Solar to 3.74MWdc. This will allow more customers to subscribe to the program and receive on-bill benefits.

Staff launched a Request for Proposals for 402kW of solar as part of their Community Solar Green Tariff ("CSGT"). Staff is nearing a selection of one project that is approximately the size of the program's total capacity, and will likely make this selection in Q3 2023 with contracting to follow.

Strategic Plan

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

5 Transportation Programs

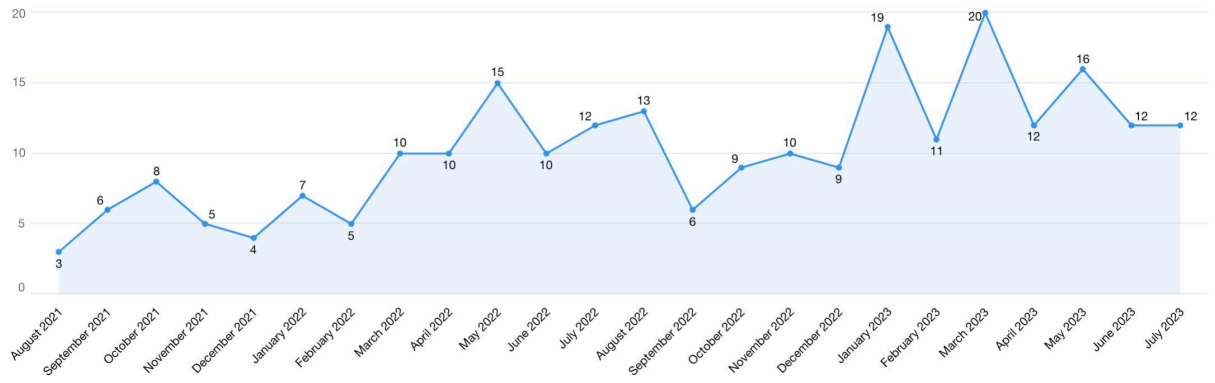
5.1 Used EV Rebate Program

Background: Launched in March 2019, the Used EV Rebate Program (formerly referred to as "DriveForward Electric") provided an incentive up to $4,000 for the purchase of used plug-in hybrid electric vehicles (PHEVs) and full battery electric vehicles (BEVs) to income-qualified San Mateo County residents (those making 400% of the Federal Poverty Level or less).

In October 2020, the Board approved expanding the program to offer used EV incentives to all San Mateo County and Los Banos residents, while maintaining the increased incentives for income-qualified residents. In February 2021, Peninsula Clean Energy executed a competitively bid contract with GRID Alternatives ("GRID") to administer the expanded program. This rebate is available point-of-sale at qualifying dealerships or post-purchase. The incentives may be combined with other state-funded income-qualified EV incentive programs.

Status: Since the re-launch of the program in August 2021, 249 rebates have been provided under the new program (see monthly chart below).

Used EV rebates paid by month



Strategic Plan

Goal 3 – Community Energy Programs

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

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

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

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

5.2 "EV Ready" Charging Incentive Program

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

Status: Peninsula Clean Energy implemented changes in August 2022 to expedite installations, including providing customers with greater flexibility in selecting contractors,

adjusted incentive levels to account for rising costs, and direct management of all Level 2 projects not already approved by the Center for Sustainable Energy in the CALeVIP program (worth approximately $4 million in funding). Since the changes were implemented in mid-August, there has been significant uptake in the program. Over ten new contractors have been added to the Technical Assistance component of the program, including 4 minority or woman-owned businesses. Customers receiving Technical Assistance may choose from these contractors or another of their choosing. The program is expected to have installed 500+ chargers shortly, at which point a press release will be issued.

Summary of program metrics is outlined in the table below:

	Sites/ Applications	Ports	Incentive Amount
# of sites in PCE Technical Assistance	204	2,000+	-
# of Technical Assistance site evaluations approved by PCE	158	1,800	-
Total # of funding applications approved in Peninsula Clean Energy incentive program (in progress or completed)	113	1,800	$6.4 million
# of approved funding applications currently in progress in Peninsula Clean Energy incentive program	92	1,400	$5.4 million
# of currently in progress CALeVIP applications*	37	601	
Total # of ports installed	344	470	$1.7 million

*Includes DCFC and L2 ports: 296 DCFC, 305 L2 ports

Strategic Plan:

Goal 3 – Community Energy Programs

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

- Key Tactic 1: Drive personal electrified transportation to majority adoption
- Key Tactic 5: Support local government initiatives to advance decarbonization

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities

- Key Tactic 3: Support workforce development programs in the County

5.3 E-Bikes for Everyone Rebate Program

Background: The Board initially approved the income-qualified E-Bikes Rebate program in July 2020 with a budget of $300,000, approved an increase of an additional $300,000 in December 2022, and approved a further increase of $150,000 in August 2022, bringing the total program budget to $750,000.

The program runs in annual cycles and is available to residents with low to moderate incomes. The program has provided 600 rebates since 2021. Customers can use the rebate either at qualifying bike shops for a point-of-sale discount, or at any other shop for a post-purchase rebate. Enrolled bike shops include Summit Bicycles, Mike's Bikes, Sports Basement, Chain Reaction, and Epicenter Cycling. Rebates are being distributed on a first-come, first-served basis.

Status: This program reopened on June 12 for income-qualifying customers. There is enough available funding for 238 bikes. Funding has been fully allocated and new applicants are being placed on a waiting list.

Since this iteration of the program launched in June, 85 bikes have been purchased.

Staff marketed this program to CARE/FERA customers and through Peninsula Clean Energy's Outreach Grant partners.

Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation, and initiate the transition to clean energy buildings

- Key Tactic 1: Drive personal electrified transportation to majority adoption

Objective B: Community Benefits: Deliver tangible benefits throughout our diverse communities

- Key Tactic 1: Invest in programs that benefit underserved communities

5.4 Public EV Fleet Program

Background: The Board approved the Public EV Fleet Program in November 2020. This program will run for three years with a total budget of $900,000 and is comprised of three components to help local agencies begin their fleet electrification efforts: hands-on technical assistance, gap funding, and a vehicle to building resiliency demonstration that will assess the costs and benefits of utilizing fleet EVs as backup power resources for agencies in grid failures and other emergencies. In August 2022, the Board of Directors approved a contract with Optony to assist in administration of this program. A workshop was held on November 16 to promote the program and recruit local agency fleet managers.

Status: The program has now started. Menlo Park, Burlingame, San Mateo, South San Francisco, Daly City, and San Carlos are now receiving technical assistance. Menlo Park will be installing several charging stations for fleet vehicles at the City Hall, Police Department, and Corporation Yard. Pre-construction site designs have been developed as part of the program. Other agencies are encouraged to apply, when ready, at https://www.peninsulacleanenergy.com/public-ev-fleets-program/.

Strategic Plan:

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation and initiate the transition to clean energy buildings

- Key Tactic 2: Bolster electrification of fleets and shared transportation
- Key Tactic 5: Support local government initiatives to advance decarbonization

Objective C: Innovation and Scale: Leverage leadership, innovation, and regulatory action for scaled impact

- Key Tactic 1: Identify, pilot, and develop innovative solutions for decarbonization

5.5 Transportation Pilots

Ride-Hail Electrification Pilot

Background: This pilot, approved by the Board in March 2020, is Peninsula Clean Energy's first program for the electrification of new mobility options. The project partners with Lyft and FlexDrive, its rental-car partner, to test strategies that encourage the adoption of all-electric vehicles in ride-hailing applications with up to 100 EVs. Because ride-hail vehicles drive much higher than average miles per year, each vehicle in this electrification pilot is expected to save over 2,000 gallons of gas and 20 tons of greenhouse gas emissions per year.

Status: The 100 EV fleet has been put into service by Lyft and Peninsula Clean Energy is monitoring progress. Over 250 thousand rides have been provided. 350+ unique drivers have already rented them, with each rental averaging over three months. Over 3.5 million all electric miles have been driven so far with an average of 120 miles/day per vehicle, comparable to gas counterparts. Vehicles include a customer-facing PCE branded placard that informs riders about the pilot and directs them to the PCE website for more information. The pilot is expected to conclude in the fall.

Strategic Plan

Goal 3 – Community Energy Programs

Objective A: Decarbonization Programs: Develop market momentum for electric transportation and initiate the transition to clean energy buildings

- Key Tactic 2: Bolster electrification of fleets and shared transportation

Objective C: Innovation and Scale: Leverage leadership, innovation, and regulatory action for scaled impact

- Key Tactic 1: Identify, pilot, and develop innovative solutions for decarbonization

EV Managed Charging Pilot

Background: Peninsula Clean Energy aims to facilitate EV charging that avoids expensive and polluting evening hours through "managed charging" systems. This work is in the second phase of a pilot. In 2020, Peninsula Clean Energy ran a proof-of-concept pilot for EV managed charging with startup FlexCharging to test timing of EV charging through vehicle-based telematics. This was a limited pilot with approximately 10 vehicles. The system utilizes existing Connected Car Apps and allows Peninsula Clean Energy to manage EV charging via algorithms as a non-hardware-based approach to shift more charging to occur during off-peak hours. The pilot is moving to Phase 2 intended for a larger set of 1,000+ vehicles. In October of 2021, the Board approved a contract up to $220,000 with the University of California, Davis' Energy Economics Program (DEEP) to develop and advise on an incentive structure experiment that will be used to inform the Peninsula Clean Energy managed charging program design. This collaboration has been ongoing. In November, the Board approved a contract up to $220,000 with ev.energy as the platform provider for EV managed charging services.

Status: The project began development in December, including platform and data warehouse systems preparation. Large-scale recruitment recently launched, targeting a random sample of EV drivers, with the goal of recruiting at least 1,000 customers for the pilot. 300+ participants have already joined after the initial recruitment round, additional recruitment campaigns are upcoming. A Technical Advisory Committee, consisting of staff from CEC, CPUC, CCAs, and NGOs, is also informing the pilot with an upcoming meeting in late July.

Strategic Plan

Goal 3 – Community Energy Programs

Community Benefits: Deliver tangible benefits throughout our diverse communities

- Key Tactic 1: Invest in programs that benefit underserved communities

Innovation and Scale: Leverage leadership, innovation and regulatory action for scaled impact

- Key Tactic 1. Identify, pilot, and develop innovative solutions for decarbonization
    - Pilot and scale EV load shaping programs to ensure that 50% of energy for EV charging takes places in non-peak hours

PENINSULA CLEAN ENERGY
JPA Board Correspondence

DATE: July 14, 2023
BOARD MEETING DATE: July 27, 2023
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: None

TO: Honorable Peninsula Clean Energy Authority Board of Directors

FROM: Shawn Marshall, Chief Executive Officer
Roy Xu, Director of Power Resources

SUBJECT: Energy Supply Procurement Report – July 2023

BACKGROUND

This memo summarizes energy procurement agreements entered into by the Chief Executive Officer since the last regular Board meeting in June. This summary is provided to the Board for information purposes only.

DISCUSSION

Execution Month	Purpose	Counterparty	Term
June	Purchase of Resource Adequacy	Direct Energy Business Marketing, LLC	3 Months
June	Purchase of Resource Adequacy	Shell Energy North America (US), L.P.	2 Months
July	Purchase of Resource Adequacy	Calpine Energy Services, L.P.	2 Months
July	Purchase of Resource Adequacy	Chevron Power Holdings Inc.	2 Months
July	Sale of Import Allocation Rights for Resource Adequacy	Southern California Edison Company	1 Month

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 June and July support the Power Resources Objective 2 for Procurement: Procure power resources to meet regulatory mandates and internal priorities at affordable cost.

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