

**REGULAR MEETING of the Audit and Finance Committee  
of the Peninsula Clean Energy Authority (PCEA)  
Monday, May 13, 2019  
MINUTES**

2075 Woodside Road, Redwood City, CA  
10:00 a.m.

**CALL TO ORDER**

Meeting was called to order at 10:12 a.m.

**ROLL CALL**

**Present:** Donna Colson, City of Burlingame, *Chair*  
Carlos Romero, City of East Palo Alto  
Laurence May, Town of Hillsborough  
Jeff Aalfs, Town of Portola Valley

**Absent:** Carole Groom, County of San Mateo

**Staff:** Jan Pepper, Chief Executive Officer  
Andy Stern, Chief Financial Officer  
Jennifer Stalzer Kraske, Deputy County Counsel  
Anne Bartoletti, Board Clerk

**A quorum was established.**

**PUBLIC COMMENT**

No public comment.

**ACTION TO SET THE AGENDA AND APPROVE CONSENT AGENDA ITEMS**

Motion Made / Seconded: Aalfs / May

**Motion passed unanimously 4-0**

## REGULAR AGENDA

### 1. CHAIR REPORT

Donna Colson—Committee Chair—reported that she recently met some of the new Directors on PG&E’s Board: Nora Mean Brownell, Meridee Moore, and Kristine Schmidt.

### 2. STAFF REPORT

Andy Stern—CFO—reported that Peninsula Clean Energy (PCE) received a Baa2 investment grade credit rating from Moody’s Investors Service. Andy also reported that the Advanced Metering Infrastructure (AMI) audit was completed and filed, and interviews are being conducted for a Senior Financial Analyst.

### 3. REVIEW FINANCIAL REPORTS AND INVESTMENT SUMMARY FOR THIRD QUARTER FY2018-2019

Andy Stern reviewed quarterly revenue and energy costs, and reviewed variances. Andy reported that there was a spike in energy market prices during the third quarter due to natural gas pipeline outages and increased costs for PCC1 (Portfolio Content Category 1 renewables). Andy explained that PCE’s reserves provide stability in a fluctuating or volatile market, and that hedges and long-term PPAs (Power Purchase Agreements) can mitigate exposure.

### 4. FISCAL YEAR 2019-2020 BUDGET REVIEW

Andy Stern reviewed key assumptions for the Fiscal Year (FY) 2019-2020 budget, including a rate change expected to take place on January 1, 2020, increased costs for Renewable Energy Certificates (RECs) and Open Position Energy, and PCE’s increasing investment in and expansion of Local Programs. Andy reviewed projected energy costs, and the FY2019/20 Budget Review Schedule.

### 5. REVIEW FINANCIAL REPORTING SCHEDULE

Andy Stern reported that the Audit and Finance Committee meets quarterly to review quarterly financial details, and those reports are shared with the Board of Directors. Committee members discussed the role of the Audit and Finance Committee to advise and work with staff on matters relating to audit, finance, and budget. This topic will be discussed at the May 23, 2019, Board meeting.

### 6. RENEWAL OF MAHER ACCOUNTANCY CONTRACT

Andy Stern reported that Maher Accountancy has been engaged since October 1, 2016, doing payroll, accounts payable, and accounting. Andy reported that the current contract expires at the end of June. Committee Members discussed accounting firms supporting Community

Choice Aggregators (CCA), and whether or not to do a Request for Proposal (RFP). There was a consensus among the Committee Members and staff to recommend to the Board that the contract with Maher Accountancy be renewed.

**7. COMMITTEE MEMBERS' REPORTS**

None.

**ADJOURNMENT**

Meeting was adjourned at 11:48 a.m.