



**REGULAR MEETING of the Board of Directors of the
Peninsula Clean Energy Authority (PCEA)
Thursday, May 28, 2020
MINUTES**

Peninsula Clean Energy
Video conference and teleconference
6:30 p.m.

CALL TO ORDER

Meeting was called to order at 6:32 p.m.

ROLL CALL

Present: Dave Pine, County of San Mateo
Carole Groom, County of San Mateo
Jeff Aalfs, Town of Portola Valley, *Chair*
Rick DeGolia, Town of Atherton, *Vice Chair*
Julia Mates, City of Belmont
Donna Colson, City of Burlingame
John Goodwin, Town of Colma
Roderick Daus-Magbual, City of Daly City
Carlos Romero, City of East Palo Alto
Catherine Mahanpour, City of Foster City
Harvey Rarback, City of Half Moon Bay
Laurence May, Town of Hillsborough
Catherine Carlton, City of Menlo Park
Wayne Lee, City of Millbrae
Deirdre Martin, City of Pacifica
Giselle Hale, City of Redwood City
Marty Medina, City of San Bruno
Laura Parmer-Lohan, City of San Carlos
Rick Bonilla, City of San Mateo
Flor Nicolas, City of South San Francisco
Daniel Yost, Town of Woodside
John Keener, Director Emeritus
Pradeep Gupta, Director Emeritus

Absent: City of Brisbane

Staff: Jan Pepper, Chief Executive Officer
Andy Stern, Chief Financial Officer
Leslie Brown, Director of Customer Care
Rafael Reyes, Director of Energy Programs
Phillip Kobernick, Programs Manager
Shraddha Mutyal, Programs Manager
Alejandra Posada, Energy Programs Specialist
Joseph Wiedman, Director of Legislative and Regulatory Affairs
KJ Janowski, Director of Marketing and Community Affairs
Kirsten Andrews-Schwind, Senior Manager of Community Relations
Siobhan Doherty, Director of Power Resources
Peter Levitt, Associate Manager of Distributed Energy Resources (DER)
Mehdi Shahriari, Senior Renewable Energy Analyst
Sara Maatta, Renewable Energy and Compliance Analyst
Jennifer Stalzer Kraske, Deputy County Counsel
Shayna Barnes, Administrative Assistant
Anne Bartoletti, Board Clerk/Office Manager/Executive Assistant to the CEO

A quorum was established.

PUBLIC COMMENT:

None

ACTION TO SET THE AGENDA AND APPROVE CONSENT AGENDA ITEMS

Motion Made / Seconded: Lee / Bonilla

Motion passed unanimously 18-0 (Absent: County of San Mateo, Brisbane, Menlo Park, Redwood City)

REGULAR AGENDA

1. CHAIR REPORT

Jeff Aalfs—Chair—reported that he is preparing for the performance review of the Chief Executive Officer. He requested volunteers from the Board for a subcommittee to assist in the review process and asked those interested to contact him directly.

2. CEO REPORT

Jan Pepper—Chief Executive Officer—provided an update on staffing, the impact of COVID-19 on Peninsula Clean Energy’s (PCE) load, and the implementation of the strategic plan. Jan reported on the status of the PG&E bankruptcy, outreach to cities in Merced County, and presented how avoided GHG (greenhouse gas) emissions are calculated.

PUBLIC COMMENT:

Mark Roest, SeaWave Battery

3. CITIZENS ADVISORY COMMITTEE REPORT

Desiree Thayer—Chair—reported that the Citizens Advisory Committee (CAC) had two meetings in the past month. At the regular meeting they discussed recommendations for their 2020 Work Plan and they received a presentation on the E-bike program from Phillip Kobernick, Programs Manager. Desiree reported that the CAC called a Special Meeting to discuss the GHG-free allocation from PG&E, and that the CAC members voted unanimously to accept the staff recommendation to accept hydro but not take nuclear, and she asked the Board to accept the staff recommendation.

4. AUDIT AND FINANCE COMMITTEE REPORT

Andy Stern—Chief Financial Officer—reported that the Committee discussed the auditor for Fiscal Year (FY)2019-2020 and FY2020-2021, and reviewed updates to Policy 19, the Investment Policy, which were approved on Consent tonight. He reported the draft FY2020-2021 Budget was reviewed in detail and will be presented to the Board tonight.

5. APPOINTMENTS TO THE EXECUTIVE COMMITTEE AND OTHER STANDING COMMITTEES

Jeff Aalfs reported that he received messages of interest from several Board members, and he is recommending appointing Julia Mates to the Executive Committee as Wayne Lee is stepping down, and he reported no changes to the Audit and Finance Committee. Jeff thanked Wayne for his service on the Executive Committee.

Motion Made / Seconded: Lee / May

Motion passed unanimously 19-0 (Absent: Brisbane, Menlo Park, Redwood City)

6. APPOINTMENTS TO THE CITIZENS ADVISORY COMMITTEE

Wayne Lee reported that the subcommittee on Citizens Advisory Committee Recruitment recommends the reappointment of Michael Closson and Desiree Thayer, and recommends the appointment of Kathryn Green, Terri Givens, and Tim Bussiek.

Motion Made / Seconded: Lee / Colson

Motion passed unanimously 19-0 (Absent: Brisbane, Menlo Park, Redwood City)

7. REVIEW DRAFT FISCAL YEAR 2020-2021 BUDGET

Andy Stern reviewed the impacts to the draft budget from COVID-19 and presented new budget assumptions based on feedback from the Audit and Finance Committee. He presented an updated draft budget with revisions to projected load, revenues, cost of energy, net position, and unrestricted days cash on hand. Andy also presented a revised draft 5-year plan.

Board members discussed financial scenarios, PCE's reserves, and ways that PCE could mitigate

the impacts and unpredictability of COVID-19. Andy reported that the draft budget will continue to be updated with current information and will be brought back to the Audit and Finance Committee in June.

8. APPROVE PG&E GHG-FREE ALLOCATION

Jan Pepper reviewed background information on PG&E's allocation of GHG-free resources (large hydro and nuclear) to LSEs (Load Serving Entities) in PG&E's territory. Jan reviewed load forecasts based on the impact of COVID-19, the reduction in expected allocation volumes, and PCE's GHG-free and Renewable targets.

KJ Janowski—Director of Marketing and Community Affairs—reviewed results from a market research survey that showed most respondents preferred a power mix without nuclear. Jan outlined a staff recommendation to accept the PG&E hydro allocation but not accept the PG&E nuclear allocation.

Board members discussed the market research survey, the Power Content Label, PCE's reputation, the position taken by other CCAs (Community Choice Aggregators) on PG&E's allocations, fiscal responsibility, the reduced dollar value of the allocations, and the pros and cons of accepting the nuclear allocation. The Board reached a general consensus that Directors should consider creating a policy or position on nuclear allocations in the future.

PUBLIC COMMENT:

Gladwyn D'Souza

Michael Closson

Drew, Mid-Peninsula Resident

Motion Made / Seconded: Carlton / Bonilla

Motion to accept the staff recommendation to accept allocation of large hydro and not accept nuclear allocation. Motion passed on a Roll Call vote 11-10 (In Favor: County of San Mateo, Daly City, East Palo Alto, Foster City, Menlo Park, Pacifica, Portola Valley, San Carlos, San Mateo, South San Francisco, Woodside. Opposed: County of San Mateo, Atherton, Belmont, Burlingame, Colma, Half Moon Bay, Hillsborough, Millbrae, Redwood City, San Bruno. Absent: Brisbane)

9. APPROVE EXPENDITURE OF UP TO \$500,000 FOR PORTABLE BATTERY PROGRAM FOR MEDICALLY VULNERABLE CUSTOMERS

Siobhan Doherty—Director of Power Resources—reviewed the impact of the 2019 Public Safety Power Shutoff (PSPS) events to San Mateo County customers, highlighting that customers that rely on medical devices are particularly vulnerable to electricity outages. Siobhan presented a program to provide backup power batteries and portable storage devices to medically vulnerable customers likely to experience PSPS events.

Board members discussed the reliability, duration, and cost of batteries, and liability and redundancy considerations for the program.

PUBLIC COMMENT:

Mark Roest, SeaWave Battery
Drew, Mid-Peninsula Resident
Robert Whitehair, San Mateo Resident
Diane Bailey, Menlo Spark
Elizabeth Lewis

Motion Made / Seconded: Bonilla / Martin

Motion to approve with an amendment to create a subcommittee to consult with staff on the program. Jeff Aalfs, Laura Parmer-Lohan and Rick Bonilla volunteered to serve on the subcommittee. Motion passed unanimously as modified 19-0 (Absent: Brisbane, Menlo Park, Redwood City)

10. APPROVE EXISTING BUILDINGS ELECTRIFICATION PROGRAM

Rafael Reyes—Director of Energy Programs—introduced a program to provide incentives and program support for electric appliances in existing buildings. He reviewed program objectives and budget, and electrification programs in the region.

Rafael presented a Heat Pump Water Heater (HPWH) Program to provide incentives to replace gas with HPWH, a Low Income Program to provide low income home improvements and workforce employment, and a Harvest Thermal Pilot to test new technology providing simultaneous water and space heating through one heat pump in homes.

PUBLIC COMMENT:

Elizabeth Lewis
Tom Kabat, Menlo Spark
Bret Anderson
Robert Whitehair, San Mateo Resident
Diane Bailey, Menlo Spark
Julie Allingham, Carbon Free Silicon Valley (SFSV)
Leane Eberhart, San Mateo Resident
Terry Nagel, Chair, Sustainable San Mateo
Carol Cross, Fossil Free Mid-Peninsula

Motion Made / Seconded: Bonilla / Parmer-Lohan

Motion passed unanimously 18-0 (Absent: Atherton, Brisbane, Menlo Park, Redwood City)

11. BACKGROUND ON INTEGRATED RESOURCE PLAN (IRP) PROCESS

Jeff Aalfs announced that this item will be continued to the June meeting due to the late hour.

12. BOARD MEMBERS' REPORTS

Wayne Lee thanked Kirsten Andrews-Schwind—Senior Manager of Community Relations—and Shayna Barnes—Administrative Assistant—for organizing the CAC applicant interviews, and he congratulated the 2020 graduates.

ADJOURNMENT

Meeting was adjourned at 10:35 p.m.