



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
BOARD OF DIRECTORS SPECIAL MEETING COMMENCING CONCURRENTLY
WITH SPECIAL MEETING – CLOSED SESSION
THURSDAY, JULY 9, 2020**

The Board of Directors of the Valley Clean Energy Alliance duly noticed their special meeting and closed session special meeting scheduled for Thursday, July 9, 2020 at 4:00 p.m., to be held concurrently via Zoom teleconference. Chairperson Don Saylor established that there was a quorum present and began the meeting at 4:00 p.m.

Board Members Present: Don Saylor, Dan Carson, Tom Stallard, Wade Cowan, Jesse Loren,
*Lucas Frerichs (*arrived at 4:04 p.m.)

Associate Members Present: Beverly Sandeen

Members Absent: Gary Sandy, Angel Barajas

Associate Members Absent: Christopher Cabaldon

Approval of Agenda Motion made by Director Stallard to approve the July 9, 2020 agenda, seconded by Director Loren. Motion passed unanimously.

Public Comment Chairperson Saylor opened the floor for public comment. There were no written or verbal public comments.

Approval of Consent Agenda VCE Interim General Manager Mitch Sears introduced Rebecca Boyles, Director of Customer Care and Marketing at VCE.

Chair Saylor informed those present that resolution language has been added to the June 11, 2020 Special Board Meeting Minutes.

There were no written or verbal public comments.

Motion made by Director Stallard to approve the consent agenda, including the addition of resolution language to the June 11, 2020 Special Board Meeting Minutes, seconded by Director Cowan. Motion passed unanimously. The following items were approved, ratified, and/or received:

4. June 11, 2020 special Board meeting Minutes;
5. 2020 Long Range Calendar;
6. Financial Updated – May 31, 2020 (unaudited) financial statement;



7. Legislative Update;
8. July 1, 2020 Regulatory update provided by Keyes & Fox;
9. June 30, 2020 Customer Enrollment Update;
10. Community Advisory Committee June 25, 2020 meeting summary;
11. Ratified extension of Donald Dame agreement for consulting services for the time period of July 1, 2020 through June 30, 2021;
12. temporary extension of revolving line of credit with River City Bank to August 15, 2020; and,
13. Appointment of Community Advisory Committee (CAC) Member (Cynthia Rodriguez, representing unincorporated Yolo County).

Mr. Sears and the Board welcomed Cynthia Rodriguez to the CAC as a representative of unincorporated Yolo County.

Item 14: Approval of Updates to VCE 2020 Procurement Plan, including directives and delegations for 2020 Power Procurement activities.
// Resolution 2020-021

Mr. Sears introduced this item as a follow up to prior actions taken by the Board regarding policy and procurement to address the budget. Mr. Sears informed those present that updates were needed to the Procurement Plan to reflect the Board's policy decisions. VCE Staff Gordon Samuel reviewed the recommended updates to the 2020 Procurement Plan, directives and delegations, and 2021 policy, including procurement schedule, considerations and recommendations.

Director Carson made a comment that some information was redacted from the public's copy on this item for the policy purpose for ensuring that VCE achieves the best and maximum terms and price on behalf of our rate payers. Director Carson stated that this is in keeping with State law. This was confirmed by VCE's legal counsel, Harriet Steiner.

There were no written or verbal public comments.

Director Loren made a motion to:

1. Approve updates to the 2020 Procurement Plan.
2. Approve specific Directives and Delegations to SMUD for procuring VCE's power portfolio for calendar year 2021, and portions of the power portfolio for 2022.
3. Approve updated 2021 portfolio mix targets of 10% renewable and up to 10% large hydro, as needed to achieve 20% carbon-free power content.



Motion seconded by Director Stallard. Motion passed via Resolution 2020-021 by the following vote:

AYES: Saylor, Carson, Stallard, Cowan, Loren, Frerichs

NOES: None

ABSENT: Sandy, Barajas

ABSTAIN: None

Item 15: Receive update on draft Integrated Resource Plan

Mr. Sears introduced this item and Dr. Olof Bystrom. Dr. Bystrom provided an update on the draft Integrated Resource Plan (IRP), due for filing with the California Public Utilities Commission (CPUC) by September 1, 2020. Dr. Bystrom and Staff are seeking input from the Board on the draft IRP, with the final draft being presented to the Board at their August meeting for approval. Dr. Bystrom reviewed the key requirements that must be met by VCE in the IRP. Two Staff portfolio recommendations and details were reviewed: 1) Conforming 46 MMT Portfolio and 2) 38 MMT Portfolio. Dr. Bystrom also briefly reviewed the proposed Action Plan, which outlines how VCE will accomplish the goals set within the IRP.

Several items were discussed: cost of electricity, CAC's recommendation, why one portfolio is favored over the other (46 MMT vs. 28 MMT), and California's GHG goals.

Chair Saylor asked for public comments. Several verbal public comments were provided:

Yvonne Hunter, Community Advisory Committee Chair, did not recall any strong disagreement between the CAC Members on the draft IRP. She did point out that there were lots of clarification questions and a discussion on how the cost for the portfolio content would effect VCE customer rates.

Christine Shewmaker commented that the CAC looked at having a portfolio mix heavier in wind and biomass; however, these resources are cost prohibitive for VCE and its customers.

Mr. Sears reminded those present that the IRP is a compliance document and there are a number of parameters to consider including cost, renewable content of the portfolios, and how closely do the portfolios match VCE's load.



Item 16: Approval
of Draft
Legislative
Platform

Mr. Sears reviewed the background of why the Legislative Platform was developed and drafted and is being presented to the Board for consideration of adoption. He stated that VCE's vision, mission and past positions taken on past and current legislation serves as the basis for the proposed actions and positions outlined in the draft Legislative Platform.

Mr. Sears reviewed the CAC's recommendation for the Board to approve the Legislative Platform with modifications noting the lack of reference to legislation related to environmental justice. The CAC also passed a motion to address how VCE defines local renewable resources at their next meeting.

Mark Fenstermaker of Pacific Policy Group (PPG), VCE's lobbyist consultant, reminded those present that the platform does not prohibit him from acting on other issues, but it will give him guidance.

Chair Saylor requested that when VCE issues a legislative letter a copy is sent to the Board Members for their information.

Director Frerichs acknowledged the work done by the CAC's Legislative/Regulatory (Leg/Reg) Task Group and Staff on drafting the platform. He suggested that the Board, Staff, and the CAC discuss environmental justice and race inclusion. Director Loren agreed that some time should be scheduled to address this topic. Director Carson suggested that this be added to the draft platform. Chair Saylor suggested that the Legislative Platform as drafted be addressed first, then a broader conversation on this issue should occur.

Chair Saylor opened the floor for public comments. Several verbal public comments were provided:

Yvonne Hunter, CAC Chair and Chair of the Leg/Reg Task Group, stated that the platform supports VCE's vision and mission statement. It is to be used as a guidepost and reviewed on a regular basis.

Christine Shewmaker commented that the lack of reference to environmental / social justice in the draft platform was brought up by two of the new CAC Members.

There were no written public comments.



Director Frerichs made a motion to approve the 2020 Legislative Platform outlining positions VCE would take on various legislative issues, seconded by Director Stallard. Motion passed by the following vote:

AYES: Saylor, Carson, Stallard, Cowan, Loren, Frerichs

NOES: None

ABSENT: Sandy, Barajas

ABSTAIN: None

Director Frerichs offered to be on a joint subcommittee with the CAC to address environmental justice and equity. A Board work group was formed with Director Loren, Chair Saylor and Director Frerichs as participants. Mr. Sears informed those present that Staff have been doing some research on these issues and looking at different approaches taken by other Community Choice Aggregates (CCAs). He informed the Board that Staff will present information to the Board work group for discussion and input.

Board Member
and Staff
Announcements

Mr. Sears informed those present that he is on the CalCCA Board, which meets monthly. At the last meeting, the CalCCA Board discussed:

- 1) that the Cities and Counties are discussing updating Title 24 regulations to all electric base codes required for new construction - CalCCA is looking at it, IOU's have submitted support, and possibly VCE wants to consider.
- 2) CalCCA took a legislative position of support on a proposed constitutional amendment related to affirmative action and equity.

Mr. Sears informed those present that there are two proceedings at the California Public Utilities Commission (CPUC) that are on the horizon:

- A. Net Energy Metering (NEM) 3.0 – unsure where NEM 3.0 is headed
- B. CalCCA is prioritizing getting better access to data for forecast modeling purposes of the Power Charge Indifferent Adjustment (PCIA) charge.

Mr. Sears reminded those present that arising out of PG&E's bankruptcy is the concept of regionalization of PG&E's service area being broken into five (5) regions. VCE would be placed into a region with other CCAs could be potentially problematic. VCE will play a role in this discussion.

Mr. Sears informed those present that VCE had a discussion with West Sacramento Staff and briefed them on modeling data and outcomes from



a financial modeling standpoint. West Sacramento is looking to end their associate member status with VCE since PG&E's bankruptcy is concluding.

Mr. Sears informed those present that Staff is recommending that the Strategic Plan process be streamlined due to the schedule delay as the result of the COVID-19 pandemic. Staff will be reviewing the completed worksheets then incorporating the information into a draft Strategic Plan to be presented to the Board for consideration in the next few months. Chair Saylor reminded Board Members to complete the Strategic Plan worksheet if they have not already.

Director Carson announced the Davis City Council approved DISC (Davis Innovation Sustainability Campus) project which places it on the ballot for local voters in November. There is a provision in the baseline features that the project's energy demand shall be fueled by 100% clean energy either generated on site, i.e. solar, or purchased from a 100% renewable program such as VCE's Ultra Green program.

Public Comment
on Closed Session
Items

Chair Saylor announced that the Board will be going into Closed Session and that it is anticipated that no reportable action will be taken in Closed Session. Chair Saylor asked if there were any public comment on the Closed Session items. There were no written or verbal public comments.

Adjournment

Chairperson Saylor adjourned the meeting at 5:28 p.m. to go into Closed Session.

CLOSED SESSION:
Conference with
Legal Counsel –
Anticipated
Litigation

The Board began Closed Session at 5:31 p.m. and adjourned their Closed Session at 5:42 p.m. There was nothing to report out.


Alisa M. Lembke
VCEA Board Secretary