



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
BOARD OF DIRECTORS SPECIAL MEETING
WEDNESDAY, NOVEMBER 10, 2021**

The Board of Directors of the Valley Clean Energy Alliance duly noticed their special meeting scheduled for Wednesday, November 10, 2021 at 5:00 p.m., to be held via Zoom webinar. Chair Carson established that there was a quorum present and began the meeting at 5:00 p.m.

Board Members Present: Dan Carson, Jesse Loren, Tom Stallard, Don Saylor (departed 6:15 p.m.), Gary Sandy, Wade Cowan, Lucas Frerichs (departed 5:28 p.m.), Mayra Vega (departed 5:30 p.m.)

Members Absent:

Welcome Chair Carson welcomed everyone.

Approval of Regular Meeting Agenda Chair Carson would like to propose to amend the regular agenda to hold items 15 (Cost-based Customer Rate Policy and structure) and 16 (receive 2022 preliminary operating budget) prior to Item 14 (audited financial statements). Motion made by Director Loren to approve the November 10, 2021 special meeting agenda as amended, seconded by Director Stallard. Motion passed unanimously. The Consent items are listed below in accordance with this motion.

Public Comment – General and Consent Chair Carson opened the floor for public comment for items not listed on the agenda and items listed on the Consent Agenda. Board Clerk informed those present that there were no verbal or written public comments.

Approval of Consent Agenda (Resolution 2021-022) Motion made by Director Frerichs to approve the consent agenda, seconded by Director Loren. Motion passed unanimously. The following items were approved, ratified, and/or received:

4. renewed authorization of remote public meetings as authorized by Assembly Bill 361;
5. October 14, 2021 and October 21, 2021 meeting Minutes;
6. 2021 Long Range Calendar;
7. Financial Update – September 30, 2021 (unaudited) financial statements;
8. Legislative Update from Pacific Policy Group;
9. November 4, 2021 Regulatory update provided by Keyes & Fox;
10. November 3, 2021 Customer Enrollment Update;
11. Community Advisory Committee October 28, 2021 meeting summary;
12. Resolution 2021-022 to change fiscal year of July 1st to June 30th to align with calendar year of January 1st to December 31st; and,
13. Update of SACOG Grant – Electrify Yolo.



Item 15: Consider adoption of Cost-based Customer Rate Policy and Structure / Resolution 2021-023

Interim General Manager Mitch Sears introduced this item and presented an *updated and revised staff recommendation*, which incorporates and reflects Pacific Gas & Electric's (PG&E's) 2022 Power Charge Indifference Adjustment (PCIA) and rates that were released on November 8th. This updated and revised staff recommendation is identified in the slides presented at this meeting and is different than the recommendation in Staff's report on this item. The Board discussed PCIA and rate projections, formulas used to predict future costs, expenditure strategies, reserve policy, how to assist low income customers, possible constraints on VCE Board to make decisions on rates in the future, putting structure in place to recover expenditures, and having the CAC continue to look at rate options.

Motion made by Director Frerichs to approve Staff's *revised staff recommendation as presented in the slides*, seconded by Director Saylor.

(Director Frerichs departed at 5:28 p.m.)

Chair Carson opened the floor to public comment.

Written Public Comment: Board Clerk Alisa Lembke read written public comment received from James Skeen dated November 9, 2021 into the record about whether VCE rates will be above PG&E's rates.

(Director Vega departed at 5:30 p.m.)

Verbal Public Comment: Christine Shewmaker, CAC Chair, provided comments about the cost rate and the proposed 3 tiered rate structure and stating that budget estimates were dire. In addition, she provided her personal comment that she encourages staff to continue to look at climate change impacts on load forecasting and to continue exploring other options.

The motion made by Director Frerichs to approve Staff's revised recommendation as stated in the slides for this item, seconded by Director Saylor was voted on. Staff's revised recommendation is to approve resolution to:

- a. Adopt cost-based rate policy;
- b. Consider reserves policy update in Q1 2022; and,
- c. Direct Staff to continue consideration of new customer rate structure in consultation with the CAC and return with recommendations at a future date.

Motion passed as Resolution 2021-023 by the following vote:

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

NOES: None

ABSENT: Frerichs, Vega

ABSTAIN: None



Item 16: Receive 2022 preliminary draft operating budget

Mr. Sears introduced this item and turned it over to VCE Staff Edward Burnham who provided an overview of Staff's report. Mr. Burnham informed those present that the information provided in the draft operating budget has not been updated with the November 8, 2021 PCIA and PG&E rates. However, the draft budget does provide a trend and baseline going forward. Several topics were mentioned: program opportunities, mission of VCE, possible further opportunities to further our green power label, and the importance of having VCE's rates being low – lower than PG&E's generation rates.

There were no written or verbal public comments.

Item 14: Receive and accept audited financial statements for the period of July 1, 2020 to June 30, 2021 presented by James Marta & Company

Mr. Sears introduced this item and James Marta of James Marta & Company, VCE's auditors. Mr. Marta reviewed a summary of VCE's financial audit for fiscal year 2020-2021. There were no verbal or written public comment.

(Director Saylor departed at 6:15 p.m.)


The Board received and accepted the financial statements for the period of July 1, 2020 through June 30, 2021.

Item 17: Board Member and Staff Announcements

Mr. Sears reminded those presented that sits on the CC Power Board. They are nearing completion of discussing long duration storage (8 hour batteries). It is Staff's intention to have the VCE Board address long duration storage agreement in early 2022. In addition, the CC Power Board discussed Community Choice Aggregates (CCA) policies and standards which may have an impact on VCE's policies. Mr. Sears showed a few slides of the Davis Co-op UltraGreen sign, the electrical vehicle (ev) charging station sign in Winters, and Putah Creek Solar Farm (Winters) development. Lastly, it was announced that a new Program & Community Engagement Analyst will start next week on Tuesday (11/15/2021). Chair Carson announced that the Board's next regular meeting is scheduled for Thursday, December 9, 2021 at 5 p.m.

Adjournment

Chair Carson adjourned the regular Board meeting at 6:29 p.m.


Alisa M. Lembke
VCEA Board Secretary

