



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
BOARD OF DIRECTORS MEETING
THURSDAY, JULY 13, 2023**

The Board of Directors of the Valley Clean Energy Alliance duly noticed their regular meeting for Thursday, July 13, 2023 at 5:30 p.m. to be held at City of Woodland Council Chambers located at 300 First Street, Woodland, California 95695. VCE Chair Tom Stallard established that there was a quorum present and began the meeting at 5:30 p.m.

Board Members Present: Tom Stallard, Will Arnold, Lucas Frerichs, Richard Casavecchia, Angel Barajas (alternate Yolo County), Tania Garcia-Cadena (alternate City of Woodland)

Members Absent: Gary Sandy, Mayra Vega, Bapu Vaitla, Jesse Loren

Welcome and Recognition of Service to past CAC Members and past VCE Treasurer Chair Stallard welcomed the Board members. VCE Executive Officer Mitch Sears thanked past VCE Treasurer Chad Rinde, past CAC Members Gerry Braun, Christine Shewmaker and Kristin Jacobs for their service to VCE. Chad Rinde thanked VCE.

Public Comment – General and Consent Chair Stallard opened the floor for public comment on both the agenda and Consent agenda items. There were no verbal or written public comments.

Approval of Consent Agenda / Resolution 2023-009 Motion made by Director Barajas (alt.) to approve the consent agenda items, seconded by Director Arnold. Motion passed with Directors Sandy, Vega, Vaitla, and Loren absent. The following items were:

4. approved June 15, 2023 Board Special meeting;
5. received 2023 Long Range Calendar;
6. received financial update May 31, 2023 (unaudited) financial statements;
7. received Legislative update provided by Pacific Policy Group;
8. received June 2023 Regulatory update dated July 5, 2023 provided by Keyes & Fox;
9. received Community Advisory Committee June 22, 2023 meeting summary;
10. received quarterly Customer Participation update;
11. approved submittal of an extension request for the SACOG Electrify Yolo Grant; and,



12. adopted Strategic Plan Guidelines for minor and major Plan updates as Resolution 2023-009.

Item 13: Consider appointment to jurisdiction seat on Community Advisory Committee (CAC). (Action)

Mr. Sears introduced this item. Diccon Westworth, applicant for CAC City of Woodland seat, expressed his interest in being appointed to represent the City of Woodland. There were no written public comments.

Chair Stallard and Director Garcia-Cadena (alt.) recommended to the Board to appoint Diccon Westworth to the CAC vacant City of Woodland jurisdiction seat.

Motion made by Chair Stallard to:

1. appoint Diccon Westworth to the City of Woodland seat for a three (3) year term to expire June 2026 (Class 2); and
2. direct Staff to continue to solicit candidates for vacant At-Large and unincorporated Yolo County jurisdiction seats.

This motion was seconded by Director Garcia-Cadena (alt.).

Motion passed by the following vote:

AYES: Arnold, Frerichs, Casavecchia, Barajas (alt.), Garcia-Cadena (alt.), Stallard

NOES: None

ABSENT: Sandy, Vega, Vaitla, Loren

ABSTAIN: None

Item 14: Consider modifying VCE’s procurement goal of 80% renewable power supply by 2030. (Discussion/Action)

VCE Executive Director Mitch Sears introduced this item. VCE Assistant General Manager and Director of Power Resources Gordon Samuel introduced Jim Himelic of First Principles Advisory who has provided modeling analysis of VCE’s procurement goals. Mr. Samuel provided highlights of each scenario of procurement based on modeling results.

The Board and Staff discussed: types of energy needed, solar and battery storage, price signals, “local” resources, status of power resource projects, microgrids, and grid reliability. There were no written public comments.

Verbal Public Comment: Christine Shewmaker supports VCE’s founding mission to provide renewable electricity and the goal of 100% renewable by 2030 with future storage amounts to be from local installations. She thanked the Board for allowing her to serve on the CAC representing the City of Woodland.



Motion made by Director Barajas to:

1. increase the current 80% renewable goal by 2030 to 100% renewable by 2030 and substitute the 25% renewable local component goal with a goal of 25% of future storage amounts to be from local installations; and,
2. when conducting solicitations state a preference for locally sited resources.

This motion seconded by Director Frerichs. Motion passed by the following vote:

AYES: Arnold, Frerichs, Casavecchia, Barajas (alt.), Garcia-Cadena (alt.), Stallard

NOES: None

ABSENT: Sandy, Vega, Vaitla, Loren

ABSTAIN: None

Item 15: Consider approval of allocation of 2022 net margin (Customer Dividend and Programs Allocation) (Discussion/Action) / Resolution 2023-010

Mr. Sears introduced this item. VCE Director of Finance and Internal Operations Edward Burnham summarized the staff report and reviewed Staff's recommendation on allocating VCE's 2022 net margin. The Board and Staff discussed reserves, Customer rates, credit rating, and possible revenue projections. There were no verbal or written public comments.

Motion made by Director Garcia-Cadena (alt.) to adopt a resolution approving the allocation of the \$5.3M 2022 Audited Net Margin between cash reserves and local program reserve (LPR) as follows:

1. \$4,611,000 to cash reserves to reach cash reserve targets for this fiscal year;
2. Balance of 2022 net margin of \$712,500 to the Local Programs Reserve (LPR).

This motion was seconded by Director Arnold. Motion passed as Resolution 2023-010 by the following vote:

AYES: Arnold, Frerichs, Casavecchia, Barajas (alt.), Garcia-Cadena (alt.), Stallard

NOES: None

ABSENT: Sandy, Vega, Vaitla, Loren

ABSTAIN: None

Item 16: Receive update on CalCCA "Best Practices" (Information)

Mr. Sears provided an overview of California Community Choice Association's (CalCCA) business practices and governance for Community Choice Aggregation (CCA) programs. The Model Practices Guide addresses key areas of CCA operations including financial



management, enterprise risk management, implementation and expansion planning, transparency, and deregistration. Mr. Sears pointed out that VCE has been set up, modeled after Sacramento Municipal Utilities District's (SMUD's) Enterprise Risk Management (ERM) approach, and is management based on Energy Industry and CCA best practices. VCE plans to use the new CalCCA guide to assess and refine its existing practices. Director Frerichs reiterated that VCE is doing most of the model practices outlined in CalCCA's guide.

There were no verbal or written public comments.

Item 17: Board Member and Staff Announcements

Director Barajas (alt.) informed those present that the Yolo County Board of Supervisors will be reviewing the Gibson project in August.

Chair Stallard announced that he attended the CalCCA 2023 annual conference. His attendance was paid for by VCE and appreciated the opportunity to learn about geothermal and wind energy resources.

Announcement

Chair Stallard announced that the Board's August 10, 2023 meeting has been cancelled. The Board's next regular meeting is scheduled for Thursday, September 14, 2023 at 5:30 p.m. at the City of Woodland Council Chambers located at 300 First Street, Woodland, California 95695. Chair Stallard announced that the Board will convene into Closed Session and that it is anticipated there will be nothing to report out of closed session. Chair Stallard adjourned the regular Board meeting at 6:30 p.m. to go into Closed Session.

CLOSED SESSION: Public Employee Performance Evaluation (Government Code Sections 54957 and 54957.6)

The Board entered into Closed Session at 6:35 p.m. and ended at 6:57 p.m. There was nothing to report out of Closed Session.

A handwritten signature in blue ink, appearing to read "Alisa M. Lembke".

Alisa M. Lembke
VCEA Board Secretary