

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 11

TO: Board of Directors

FROM: Alisa Lembke, Board Clerk / Administrative Analyst

SUBJECT: Community Advisory Committee September 23, 2021 Meeting Summary

DATE: October 14, 2021

This report summarizes the Community Advisory Committee’s meeting held via Zoom webinar on Thursday, September 23, 2021.

- A. Customer Dividend and Programs Allocation report.** The CAC received a brief information report on Customer Dividend and Programs Allocation for FY 2020/21, wherein the CAC was informed that no cash reserve allocation will be contributed to customer dividends and the local program reserves due to the net margin not meeting the threshold (profitability) to allocate reserves.
- B. Legislative End of Session update.** The CAC received a verbal update from Mark Fenstermaker, Pacific Policy Group, on the end of the legislative session, including major impacts on the session such as COVID 19 restrictions that resulted in bill limitations and the budget excess negotiations. An update on the status of several legislative bills including SB 612, SB 99 and AB 843 was provided.
- C. Operating Budget update.** The CAC received an Operating budget update for the FY 2020/21 and FY 2021/22, including an overview of key factors, such as COVID-19 impacts, regulatory decisions related to PCIA and RA, power prices, load impacts (including impacts of heat storms and drought impact on pumping), fiscal year and budget adoption timing, and current VCE rate policy, which have all influenced VCE Operating budget results.
- D. Receipt of report and provide feedback on expanded and cost-recovery based customer rate structure and other potential cost-recovery concepts.** The CAC was provided a copy of Staff’s report to the Board dated September 9, 2021, outlining additional detail on an expanded and cost-recovery based customer rate structure policy option. Staff sought feedback on a rate structure policy option considered by the Board at its September meeting and to solicit other potential options from the CAC. After a thorough discussion, the CAC asked that Staff:

 1. Provide more information/thoughts about impacts to the load forecast, including agriculture and climate change and how load impacts could be addressed/estimated in the future;
 2. More information needs to be provided on the costs of the different rate options; and,
 3. How the power content label and RPS of our power will be impacted.

It was also agreed that the Rates Task Group should remain engaged on this topic. Staff will be seeking a recommendation from the CAC at their October meeting, for the Board’s November 10th special meeting.

- E. **Outreach Task Group update.** CAC Member and Chair of the Outreach Task Group Mark Aulman provided a verbal report with slides on the Task Group's activities, including successes, lessons learned, and work that still needs to be accomplished.

- F. **Restructuring the CAC discussion.** The CAC was informed that the Board at their September meeting adopted a revised CAC structure with 8 members (2 each per jurisdiction), and 3 additional seats for At-Large members. Staff sought feedback and assistance from the CAC defining the categories of expertise for at large members for the CAC. CAC Members suggested adding descriptors of energy sector, financial, and local energy services (small businesses).