

**VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE**

Staff Report - Item 4

TO: VCEA Community Advisory Committee
FROM: Alisa Lembke, Board Clerk/Administrative Analyst
SUBJECT: CAC December 5, 2019 Special Meeting Minutes
DATE: February 27, 2020

Recommendation

Receive, review and approve the attached January 23, 2020 meeting minutes and the February 5, 2020 special meeting minutes.



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE
MEETING
THURSDAY, JANUARY 23, 2020**

Chair Braun opened the Community Advisory Committee of the Valley Clean Energy Alliance in regular session on Thursday, January 23, 2020 beginning at 5:32 p.m. at the City of Woodland Council Chambers, located at 300 1st Street, Woodland, California.

Welcome and Roll Call

Committee Members Present: Gerry Braun (Chair), Christine Shewmaker (Vice-Chair), Marsha Baird, Mark Aulman, Yvonne Hunter

Committee Members Absent: Lorenzo Kristov, Christine Casey, David Springer

Approval of Agenda Chairperson Gerry Braun made motion to approve the January 23, 2020 Agenda, seconded by Christine Shewmaker, motion passed with Kristov, Casey and Springer absent.

Public Comment Chair Braun opened the floor for public comment. No public comments.

VCEA Staff and Advisory task Group Reports Task Group Updates: Yvonne Hunter informed those present that she will be scheduling photos of CAC and Board members some time in February or March. She also suggested that members come to VCE public events, even if it is for an hour.

Legislative / Regulatory Task Group: Ms. Hunter will be following up with VCE Staff Jim Parks to have a new tab with legislative information added on the VCE website.

Outreach Task Group: Mark Aulman informed those present that there are a number of areas on the website that the Task Group would like to improve.

Rates and Services Task Group: Marsha Baird informed those present that the new programs tab for electric vehicles (EV) has been added and an EV postcard will be coming out as well.

Board Meeting Recap: Interim General Manager Mitch Sears reviewed the highlights of VCE's January 9, 2020 Board meeting. Ms. Hunter asked that a page be added to the website updating information about the potential acquisition of PG&E's assets in our service territory.

Mr. Sears informed those present that PG&E is offering Greenhouse Gas (GHG)-free, large hydro and nuclear, resources to Community Choice Aggregators (CCA). Currently, the PCIA pays for those attributes but the individual CCA does not benefit from them. It is likely that each load serving entity will be able to accept or reject those attributes which are GHG free



but not renewable portfolio standard (RPS) eligible. It is anticipated that an advice letter will be issued the first part of February then we will have 30 days to respond. It was agreed that a special meeting of the CAC be scheduled for them to discuss this issue and make a recommendation to the Board of Directors.

**Approval of
Items on
Consent Agenda**

Chairperson Braun made a motion to approve the Consent items, seconded by Ms. Hunter. Motion passed with Mr. Aulman abstaining and Kristov, Casey and Springer absent. The following items were approved:

- Item 4: December 5, 2019 meeting minutes; and
- Item 5: Customer Enrollment Update as of January 16, 2020

**Discussion of
Task Groups –
structure for
2020**

The CAC members and staff discussed task groups, their 2019 “charge”, the formation of new task groups, and projects/tasks to be addressed.

Ms. Hunter made a motion to approve Task Group names, seconded by Ms. Baird. Motion passed unanimously with Kristov, Casey and Springer absent. The following Task Groups were formed:

1. Regulatory and Legislative Task Group – Hunter and Kristov
2. Outreach Task Group – Baird, Aulman, Hunter, Casey (TBD)
3. Programs Task Group – Baird, Shewmaker, Springer (TBD)
4. Strategic Planning Task Group – Braun, Aulman, Kristov (TBD)
5. Rates Task Group (As needed) – Gerry, Lorenzo (TBD)

Ms. Hunter asked that Staff send out a list of the Task Groups to all CAC members as a reminder and to confirm participation of those members that are not present tonight.

**Review of Vision
Statement**

Mr. Sears suggested that the vision statement be reviewed and revised, if necessary, after the strategic plan has been finalized. The CAC members discussed ideas of a few things that should be included in the vision statement. It was agreed that the vision statement would be reviewed after the strategic plan has been finalized as this seems the most logical sequence.

**Update on
potential
acquisition of
PG&E’s local
electricity
distribution
system.**

Mr. Sears provided an updated on the potential acquisition of PG&E’s local electricity distribution system; the efforts made by other CCAs and agencies; and, the status of PG&E’s bankruptcy. Mr. Sears informed those present that many lessons have been learned about the local energy system and VCE is positioned well for future opportunities. Mr. Sears will be speaking to Santa Rosa about VCE’s experience with how VCE made the offer to PG&E. Collectively, CCAs are raising the “energy IQ” in the state.

Members suggested that the process be documented and summarized to be shared with CalCCA and others. Mr. Sears informed those present that the offer letter sent to PG&E is public.

**Election of
Officers for 2020**

Ms. Shewmaker made a nomination of Yvonne Hunter as the Chair of the CAC, seconded by Ms. Baird. Motion passed unanimously with Kristov, Casey and Springer absent.



Ms. Shewmaker made a nomination of Marsha Baird as Vice Chair of the CAC, seconded by Ms. Hunter. Motion passed unanimously with Kristov, Casey and Springer absent. Ms. Baird reminded those present that her term would be expiring in June 2020.

Ms. Hunter made a motion to eliminate the Secretary position of the CAC, seconded by Ms. Baird. Motion passed unanimously with Kristov, Casey and Springer absent.

Ms. Hunter thanked the Chair and Vice Chair for their service as the Committee has matured into a well-oiled machine.

**Long Range 2020
Calendar**

The CAC members agreed that a special meeting would be scheduled for Wednesday, February 5th at 2 p.m. at Valley Clean Energy's administrative offices. It is anticipated to be an 1-1/2 hour meeting to discuss PG&E's offer of GHG-free attributes and to make a recommendation to the Board for their meeting scheduled for Thursday, February 13, 2020.

In addition, it was confirmed that the next CAC meeting on February 27th would also be a workshop on the Integrated Resource Plan (IRP).

**Advisory
Committee
Member and
Staff
Announcements**

Mr. Sears informed those present that VCE has hired an Assistant General Manager and Director of Power Services. He will start on February 3rd. His name is Gordon Samuel and he is currently the Power Director at MCE.

**Adjournment to
Next Meeting**

Meeting adjourned at 7:33 p.m. to the special meeting scheduled for Wednesday, February 5th at 2 p.m. at VCE's administrative offices located at 604 2nd Street, Davis, California. The CAC's next regular meeting is scheduled for Thursday, February 27, 2020 at 5:30 p.m. at the Davis Senior Center – Senior Activity Room, located at 646 A Street, Davis, California.

Alisa M. Lembke
VCE Board Secretary



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE
SPECIAL MEETING
WEDNESDAY, FEBRUARY 5, 2020**

Chairperson Hunter opened the Community Advisory Committee of the Valley Clean Energy Alliance in a special meeting on Wednesday, February 5, 2020 beginning at 2:00 p.m. at Valley Clean Energy administrative offices located at 604 2nd Street, Davis, California.

Welcome and Roll Call

Committee Members Present: Yvonne Hunter (Chair), Marsha Baird (Vice Chair * arrived at 2:04 p.m.), Gerry Braun, Christine Shewmaker, Mark Aulman, Lorenzo Kristov

Committee Members Absent: David Springer, Christine Casey

Approval of Agenda Mark Aulman made motion to approve the February 5, 2020 special meeting Agenda, seconded by Christine Shewmaker. Motion passed with Baird, Casey and Springer absent.

Public Comment / Introductions Chairperson Hunter opened the floor for public comment. No public comment.

Interim General Manager Mitch Sears introduced Gordon Samuel, VCE's Assistant General Manager/Director of Power Services and Bill Her, Principal Energy Trading Specialist at Sacramento Municipal Utilities District (SMUD). The CAC members introduced themselves.

Recommendation to the VCE Board of Directors on potential PG&E allocation of GHG-free resources Mr. Sears introduced this item by providing the background on this issue. PG&E submitted an advice letter to the CPUC offering large hydro and nuclear greenhouse gas (GHG)-free attributes to Load Serving Entities (LSE's), which includes Community Choice Aggregates (CCAs). Mr. Her provided the details of PG&E's offer and informed those present that it is anticipated that the offer will be provided at the end of February 2020. Once the offer has been received, each LSE will have thirty (30) days to respond. Mr. Sears informed those present that if VCE accepted the allocation, the receiving LSE "will waive their ability to make petitions, arguments or filings at the CPUC or at the California State Legislature regarding PG&E not offering any allocation, sale or transfer of Carbon Free Energy or attributes for the period that the eligible LSE accepts the offer. Neither PG&E nor the eligible LSEs will be required to post credit or collateral."

Mr. Sears reviewed three scenario options: Scenario A (Accept Hydro and Nuclear), Scenario B (Accept Nuclear only), and Scenario C (Accept Hydro only). Mr. Her reminded those present that VCE has procured all Renewable Portfolio Standard (RPS) and GHG-free to meet VCE's 2020 goals. In addition, a number of PG&E GHG-free resources (large hydro and nuclear) are paid for through the Power Charge Indifference Adjustment (PCIA) charged to customers when they leave PG&E to receive their energy from a CCA such as VCE. Mr. Her reviewed the assumptions made to the different scenarios. He informed those present that since VCE has



already purchased their 2020 RPS and GHG-free, if VCE accepts PG&E's GHG-free attributes, those could be sold out in the open market.

Those present discussed several different options on what to do with the GHG-free attributes and/or potential revenue from selling the attributes in the open market. In addition, those present discussed the 2020 and 2021 PCIA rate; the effects of having large hydro and nuclear attributes on the open market, specifically how it may be viewed by potential developers; whether or not long term contracts help VCE; and, if the attributes were sold on the open market what the monies could be used for. Lastly, those present had a detailed discussion on the advantages and drawbacks of accepting the allocations.

The CAC questioned: (1) what exactly it means for an LSE to "waive their ability to make petitions, arguments or filings at the CPUC or at the California State Legislature regarding PG&E not offering any allocation, sale or transfer of Carbon Free Energy or attributes for the period that the eligible LSE accepts the offer"; and (2) would VCE be only getting the attributes and not the energy if they accepted PG&E's offer.

Mr. Aulman made a motion to recommend to the Board that VCE accept the large hydro allocations from PG&E, but not to accept the nuclear allocations, seconded by Chairperson Hunter. Mr. Kristov made an amendment to the motion to include confirmation that VCE would only be getting the attributes and not the energy. And, Ms. Baird made an amendment to the motion to include clarification, interpretation, and meaning of the statement that the LSE "will waive their ability to make petitions, arguments or filings at the CPUC or at the California State Legislature regarding PG&E not offering any allocation, sale or transfer of Carbon Free Energy or attributes for the period that the eligible LSE accepts the offer". Both amendments to the motion were accepted.

The amended motion passed by the following vote:

AYES: Hunter, Aulman, Kristov, Baird

NOES: Braun, Shewmaker

ABSENT: Springer, Casey

ABSTAIN: None

It was noted the reasons for the "no" votes centering on different issues: 1) the lack of information on the underlying motivation to offer the allocations, and 2) on an interest in accepting both allocations for the express purpose of using any cost savings to help fund VCE's priority local programs/projects.

**Recommendation
on Legislative Bills
AB1567, SB378,
and SB804 to VCE
Board of Directors**

Mr. Sears briefly reviewed the legislative bills with those present.

AB 1567 (Aguiar-Curry). Organic waste: scoping plan. Mr. Kristov made a motion that the CAC recommend ratification of VCE's support for this legislation, seconded by Mr. Aulman. Motion passed by the following vote:



AYES: Hunter, Baird, Braun, Shewmaker, Aulman, Kristov

NOES: None

ABSENT: Springer, Casey

ABSTAIN: None

SB 378 (Wiener) Electrical corporations: deenergization events: procedures: allocation of costs: reports. Ms. Shewmaker made a motion that the CAC recommend ratification of VCE's support for this legislation as amended, seconded by Mr. Aulman.

Motion passed by the following vote:

AYES: Hunter, Baird, Braun, Shewmaker, Aulman

NOES: None

ABSENT: Springer, Casey

ABSTAIN: Kristov

SB 804 (Wiener) Public capital facilities: electric utilities: rate reduction bonds. Mr. Aulman made a motion that the CAC recommend to the Board support of this legislation as amended as consistent with VCE's adopted principles on establishment of public power options that deliver cost competitive energy to customers, seconded by Ms. Shewmaker. Motion passed by the following vote:

AYES: Hunter, Baird, Braun, Shewmaker, Aulman, Kristov

NOES: None

ABSENT: Springer, Casey

ABSTAIN: None

Mr. Sears provided information on **SB 917 (Wiener) California Consumer Energy and Conservation Financing Authority: eminent domain: Northern California Energy Utility District: Northern California Energy Utility Services** with those present. Mr. Sears informed those present that this legislative bill is not on this agenda; therefore, the CAC cannot make a recommendation to the Board. The CAC discussed this bill and support SB 917 in concept.

**Adjournment to
Next Meeting**

Meeting adjourned at 3:51 p.m. to the next regular CAC meeting scheduled for Thursday, February 27, 2020 at 5:30 p.m. at the Davis Senior Center – Senior Activity Room, located at 646 A Street, Davis, California.

Alisa M. Lembke
VCE Board Secretary