

**VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE**

Staff Report Item - 5

TO: VCEA Community Advisory Committee
FROM: Alisa Lembke, Board Clerk/Administrative Analyst
SUBJECT: CAC Draft July 30, 2018 Meeting Minutes
DATE: August 29, 2018

Recommendation

Receive, review and approve the attached draft July 30, 2018 CAC meeting Minutes.

MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE

COMMUNITY ADVISORY COMMITTEE MEETING

Monday, July 30, 2018

Chairperson Gerry Braun opened the Community Advisory Committee of the Valley Clean Energy Alliance in regular session beginning at 5:30 p.m. at the Davis Senior Center, located at 646 “A” Street, Davis, 95616.

Welcome and Roll Call

Committee Members Present: Gerry Braun (Chair), Christine Shewmaker (Vice-Chair), Yvonne Hunter, Marsha Baird (Secretary), and Lorenzo Kristov

Committee Members Absent: Mark Aulman, Tom Flynn, David Springer

Approval of Agenda

Baird moved to approve the July 30, 2018 CAC agenda, seconded by Shewmaker. Motion passed unanimously with the following vote:

AYES: Braun, Shewmaker, Baird, Hunter, Kristov
NOES: None
ABSENT: Aulman, Flynn, Springer
ABSTAIN: None

Public Comment

Chairperson Braun opened up the floor to public comment. No general public comment.

VCEA Staff and Advisory Task Group Reports

Chairperson Braun asked for VCEA Staff and Advisory Task Group reports and noted that there are items that will be later discussed by the Task Groups.

VCEA Interim General Manager Mitch Sears informed those present that a billing issue has been identified as the result of a data communication issue between SMUD and PG&E, where a number of VCEA customers will not see VCEA’s generation charges on their June invoice, but will see a zero generation. Those customers will see the generation charges in their July-August billing from PG&E and it effects one day billings. VCEA Staff have resolved the issues and have established procedures to ensure that the information has been received and processed by PG&E and there is a letter going out to those affected Customers. Measures are being taken by VCEA and SMUD to have answers for anticipated questions and asked that Customers be directed to contact our office at the Hunt-Boyer mansion. A question was asked if there was a place to put a note on the PG&E bill notifying customers. Mr. Sears stated that there is a small area on the billing statement and no inserts are available.

Mr. Sears informed those present that Desert Clean Energy (Coachella Valley) were supposed to launch August 1st; however, for numerous reasons decided to postpone their launch date – a future launch date is to be determined. A question was asked what arrangements need to be made with Southern California Edison to postpone so close to their launch date. Mr. Sears stated that he knows of no other CCA that has postponed so close and not certain what process they have to go through.

Mr. Sears announced that the first of two Net Energy Meter (NEM) workshops was held at the City of Davis on Monday, July 23, 2018 where about 90 people showed up and the workshop went well. Those in attendance provided positive comments and questions. The second workshop is scheduled for Wednesday, August 1st at the City of Woodland Council Chambers.

Mr. Sears informed those present that VCEA had a booth at the Davis Farmers Market on Saturday and there was good interaction with all who stopped by the booth. He informed those present that the Community Outreach and Marketing Services Request for Proposal has gone out. Mr. Sears was asked to attend the Butte County Board of Supervisors meeting to speak with them about the creation of a Community Choice Aggregation (CCA). He has also been invited to attend the City of Chico Council meeting scheduled for August 7th.

Consent Agenda

Hunter made a motion to approve the Consent Agenda items, seconded by Shewmaker. Motion passed unanimously with the following vote:

AYES: Braun, Shewmaker, Baird, Hunter, Kristov
NOES: None
ABSENT: Aulman, Flynn, Springer
ABSTAIN: None

Approval of May 30, 2018 and July 2, 2018 Committee Meeting Minutes

Hunter made a motion to approve the May 30, 2018 and July 2, 2018 Committee meeting minutes, seconded by Shewmaker. Motion passed unanimously with the following vote:

AYES: Braun, Shewmaker, Baird, Hunter, Kristov
NOES: None
ABSENT: Aulman, Flynn, Springer
ABSTAIN: None

Long Range Calendar

Hunter made a motion to receive the long range calendar, seconded by Shewmaker. Motion passed unanimously with the following vote:

AYES: Braun, Shewmaker, Baird, Hunter, Kristov
NOES: None
ABSENT: Aulman, Flynn, Springer
ABSTAIN: None

Long Term renewables Procurement Solicitation Criteria / Policy Amendment Update

Mr. Lawson provided a brief background on long term renewable solicitation as it relates to VCEA's Integrated Resource Plan. He informed those present that he had a telephone conference call with the CAC Energy Task Group and Mr. Sears. Their comments and suggestions were incorporated within the draft solicitation. Mr. Lawson briefly reviewed the long term renewable solicitation with a target date of the solicitation going out to bid on August 13th after the scheduled August 12th VCEA Board meeting. The solicitation will allow VCEA to build their long term portfolio. Long term is ten (10) years or greater with most long term contracts being a term of twenty (20) years, said contracts are also dependent on financing available. Mr. Lawson anticipates that solar and wind energy will be most attractive to VCEA. Mr. Lawson informed those present that by the year 2021 VCEA will need 91 MW. He was asked whether there is a trend that solar will go down in price. Mr. Lawson informed those present there are numerous factors that may bring the cost down, such as, the investment tax incentive expiring soon thereafter 2021, technology costs going down, the "panel war" on prices/costs/tariffs, and interest rates. Financing will be locked in therefore cost to us would be locked in for the duration of the contract. Future solicitations will be forthcoming to look at other types of renewables.

Mr. Lawson reviewed (slide 4) the criteria that is being asked to be looked at by the CAC and Staff's policy *recommendations* on the definition of local and regional resources and siting on Prime farmlands. Mr. Lawson reviewed (slide 5) the definition of local resources and the *recommendations* and include in solicitation define "local" as Yolo

County or with nexus to Yolo County and define “regional” as the surrounding six (6) counties plus Geysers GRA.

Concerns were raised and discussed regarding the Williamson Act, easements, planning policies, permit requirements, ordinances, and the difference between Prime land and Williams Act land.

Mr. Lawson reviewed (slide 6) siting criteria. He mentioned that VCEA probably does not want to promote renewable development on prime farmlands. He reviewed that the Renewable Energy Transmission Initiative defined two (2) categories of lands to avoid promoting renewable development on. Mr. Lawson reviewed the *recommendations* to adopt a policy against development of its renewable projects on prime farmlands and include in solicitation “project failure” criteria.

Mr. Lawson reviewed (slide 7) the development status criteria which includes the *recommendations* that project bidders must provide acknowledgment by the relevant land use authority that a permit application has been received and that there is evidence of site control. Mr. Lawson stated that VCEA needs to have projects proposed that are more likely to be successfully completed.

Mr. Lawson reviewed (slide 8) what is meant by “acceptable technologies”. Staff’s *recommendations* are that proposers can submit project proposals for any renewable technology and project equipment that is a mature listed technology and the proposer must submit supporting bankability documentation. Basically, a proposer can submit a project for renewable technology and project equipment that is a mature listed technology and must submit support “bankability” documentation. It was asked what kind of “proof” (support)? Mr. Lawson answered that a third party statement would need to be provided.

Mr. Lawson reviewed (slide 9) energy storage. Staff *recommended* that storage systems be included in the solicitation, with a limitation of battery storage systems integrated with a renewable project (wind and/or solar). Several questions were asked of Mr. Lawson regarding the type of storage: battery, thermal, storage that is not photovoltaic (pv). There was a general consensus by the Committee Members present that they did not want to limit proposers on the type of storage.

Mr. Lawson reviewed (slide 10) on out-of-State resources *recommending* that the solicitation be limited to renewable resources located within California. He also reviewed (slide 11) interconnection status. Staff’s *recommendation* is that any submitted proposal project already be in an interconnection queue and that the project has requested full capacity deliverability status for its interconnection.

It was asked when the request for proposals (RFP) responses will be due. Mr. Lawson stated that they are giving proposers a month to respond, so due mid September.

Chairperson Braun opened up the floor for public comment.

Kate Kelly (Wildlife Defenders) commented that the solicitation criteria was very well thought out and she can support it. She raised some considerations for the Committee to think about:

1. development criteria and the need for proposals to be looked at on the same playing field; and,
2. projects on private land versus on BLM land - projects on private land should have clear specifications as to what is a “complete” application and projects on

BLM land should have other specifications; and complete application definitions assist with determining which projects can be completed versus a project that is thrown out there to see who “bites”.

Ms. Hunter asked if these issues raised by Ms. Kelly have been contemplated by Staff. Mr. Sears responded that yes, they have. He added that in evaluating a proposal, criteria as outlined in the solicitation will be used during the decision-making process. Mr. Lawson also commented that rather than using the “black/white” definition of “complete” as suggested by Wildlife Defenders, Staff came up with looser criteria.

Chairperson Braun encouraged those who make public comments to follow up in writing with their input and comments.

There were no other public comments.

Shewmaker made a motion to approve Staff’s recommendations with three (3) changes:

1. Consider siting on ag land has common....
2. Energy storage verbiage and
3. ...

Chairperson Braun suggested that motions when made should be concise and possibly written out beforehand so that it is clear in the minutes.

Ms. Shewmaker withdrew her motion.

Hunter made a motion to support Staff’s recommendations as stated above except for (slide 9) on energy storage said verbiage needs to be changed from “...with a limitation of...” to “...with a preference for...” battery storage systems, seconded by Kristov.

Chairperson Braun opened the floor for discussion. The Committee Members discussed: prime agricultural land rather than prime farmland; the limitations of criteria; and, evaluating proposals.

Motion passed unanimously with the following vote:

AYES: Braun, Shewmaker, Baird, Hunter, Kristov
NOES: None
ABSENT: Springer, Aulman, Flynn
ABSTAIN: None

**Net Energy
Metering (NEM)
Policy
Amendment
Update**

Staff Member Jim Parks provided an overview of the NEM Policy Amendment workshop held on Monday, July 23rd in Davis. He informed those present that the workshop went well with about 90 people in attendance. Most questions asked were general and clarification questions. He informed those present that after the workshop he met with the CAC Energy Task Group to go over the questions and potential NEM policy changes. Moving forward, after the second workshop in Woodland, he will analyze public input and options, then make a recommendation to the CAC at their scheduled August 29th meeting. Thereafter, the CAC’s recommendation and Staff’s analysis will be presented to the Board at their September meeting. A question was asked if Staff received a cost estimate from SMUD to make the billing changes. Per Mr. Parks SMUD estimated a proposal cost between \$75,000 to \$100,00 to change the billing system.

Chairperson Braun summarized the Energy Task Group’s meeting as follows:

1. it has been a positive exercise to review the existing NEM policy more carefully;
2. terms in the NEM policy are not defined and the terms in the billing statement are different than what is in the NEM policy (i.e. NEM charges) so we need to define the terms better;
3. other CCA's NEM policies should be reviewed and VCEA's NEM Customers should be recognized for their contribution of excess generation;
4. he noted that East Bay Clean Energy has a NEM policy focused on disadvantage communities, with about six (6) NEM programs to support disadvantage customers of which he thinks VCEA should consider;
5. he would like VCEA to look at local resource development; and,
6. billing statements have terminology and pages of information that are difficult to understand and comprehend. He believes it would be a good service to Customers for VCEA to tell them what they are paying for and how to save money.

Chairperson asked if there were any questions or comments. Ms. Baird asked that Chairperson Braun clarify what he is suggesting in item 6 above. Chairperson Braun stated that VCEA should be able to give some guidance on the rates and when to use or not use electricity, such as time of day, etc.

Lastly, Chairperson Braun commented that he would like to have these issues and policies reviewed and discussed further with the hopes that policies are refreshed.

**Community
Advisory
Committee
Legislative /
Regulatory Task
Group Summary
and
Recommendation
on Six (6) Bills**

Ms. Hunter informed those present that the Legislative / Regulatory Task Group (Leg./Reg.) met, exchanged e-mails and discussed the legislative bills presented to the CAC. Ms. Hunter reviewed the Leg./Reg. Task Group's recommendations:

Senate Bill 1088 (Dodd). Safety, reliability, and resiliency planning. Now recommending watching the bill rather than "oppose".

AB 893 (Garcia) renewable Portfolio Standard. Geothermal. Oppose.

Senate Bill 1347 (Stern). Energy storage systems: procurement. Oppose unless amended.

Assembly Bill 2208 (Aguiar-Curry). Electrical Utilities. Biomass. Geothermal. – bill has been stalled. Agree with CalCCA to oppose, but so late in session and stalled, we take the oppose position but do not write an opposition letter.

Assembly Bill 2726 (Levine). California Global Warming Solutions Act of 2006: consumption-based accounting. Bill is dead, so just watch it.

Senate Bill 237 (Hertzberg). Direct Access.; Assembly Bill 893 (Garcia). Renewable Portfolio Standard. Geothermal. CalCCA has not come out with a position on this bill yet. Oppose for a number of reasons.

Hunter made a motion to accept the Leg./Reg. Task Group's recommendations on the six bills listed above, seconded by Shewmaker. Motion passed unanimously with the following vote:

AYES: Braun, Shewmaker, Baird, Hunter, Kristov

NOES: None

ABSENT: Springer, Aulman, Flynn

ABSTAIN: None

**Community
Advisory
Committee
Administration**

Those Committee Members present discussed: terms of tenure, staggering the terms by appointment or by jurisdiction, soliciting new Members and who should do the appointment, either CAC or the Board. Mr. Sears informed those present that VCEA Staff would come back with a recommendation on these issues.

**Advisory
Committee
Member and Staff
Announcements
Next Steps**

Chairperson Braun stated that it occurred to him that in planning next year's tasks that the Committee reflect on accomplishments. Mr. Kristov suggested that action items that were not included in the Integration Resource Plan should be reviewed, discussed, and outlining goals, limitations, resources and priorities. He suggested a strategic meeting. Ms. Baird suggested that the vision be reviewed to recognize accomplishments and goals for the upcoming year then possibly adding those items to the long-term calendar.

Ms. Shewmaker asked what the status was of recording Board meetings. Mr. Sears informed those present that he had no new information. Shewmaker asked how many VCEA Staff and Mr. Sears informed those present that there are currently 5-½ Staff. Ms. Shewmaker asked what the status was of filling the Assistance General Manager position which Mr. Sears stated that he is waiting for clarity on a few things before getting ramped up for staffing.

Next Meeting

Next CAC meeting is scheduled for Wednesday, August 29, 2018 at Yolo County Department of Community Services, Cache Creek Room, 292 W. Beamer Street, Woodland. The next VCEA *Board* meeting is scheduled for Thursday, August 9, 2018 at 5:30 p.m. at the Davis Community Chambers, located at 23 Russell Blvd., Davis, not at the Woodland City Council Chambers as indicated on the Agenda.

Adjournment

Hunter made a motion to adjourn the meeting, seconded by Baird. Motion passed unanimously by the following vote:

- AYES: Braun, Shewmaker, Baird, Hunter, Kristov
- NOES: None
- ABSENT: Springer, Aulman, Flynn
- ABSTAIN: None

Meeting was adjourned at 8:00 p.m.

Alisa Lembke
Board Clerk/Administrative Analyst