

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 5

TO: Valley Clean Energy Alliance Board of Directors
FROM: Alisa Lembke, Board Clerk / Administrative Analyst
SUBJECT: Approval of Minutes from September 6, 2019 and September 12, 2019 Board Meetings
DATE: October 10, 2019

RECOMMENDATION

Receive, review and approve the attached Minutes from the September 6, 2019 Special – Closed Session meeting and September 12, 2019 regular Board meeting.



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
BOARD OF DIRECTORS SPECIAL MEETING
FRIDAY, SEPTEMBER 6, 2019**

The Board of Directors of the Valley Clean Energy Alliance duly noticed their special meeting for Friday, September 6, 2019 at 8:30 a.m. at the City of Davis Community Chambers, front conference room, located at 23 Russell Boulevard, Davis, California 95616. Chairperson Tom Stallard established that there was a quorum present and began the meeting at 8:32 a.m.

Board Members Present: Tom Stallard, Lucas Frerichs, Don Saylor, Dan Carson

Members Absent: Gary Sandy, Angel Barajas

Approval of Agenda Director Frerichs made a motion to approve the September 6, 2019 Special Board meeting (closed session) Agenda, seconded by Director Carson. Motion passed unanimously with Directors Sandy and Barajas absent.

Public Comment Chairperson Stallard opened the floor for public comment. There being none, he adjourned the meeting into closed session.

CLOSED SESSION: Conference with Legal Counsel – Anticipated Litigation The Board returned from closed session. Chairperson Stallard reported that the Board had no reportable action out of closed session.

Adjournment Chairperson Stallard adjourned the meeting to the next regular meeting scheduled for Thursday, September 12, 2019 at 5:30 p.m. at the City of Woodland Council Chambers, located at 300 1st Street, Woodland.

Meeting was adjourned at 10:01a.m.

Alisa M. Lembke
VCEA Board Secretary



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
BOARD OF DIRECTORS MEETING
THURSDAY, SEPTEMBER 12, 2019**

The Board of Directors of the Valley Clean Energy Alliance duly noticed their meeting scheduled for Thursday, September 12, 2019 at 5:30 p.m. at the City of Woodland Council Chambers located at 300 1st Street, Woodland, California 95695. Chairperson Tom Stallard established that there was a quorum present and began the meeting at 5:34 p.m.

Board Members Present: Tom Stallard (*), Gary Sandy, Don Saylor, Dan Carson and Lucas Frerichs

Members Absent: Angel Barajas

Public Comment Chairperson Stallard opened the floor for public comment. There being no public comments, he moved into Closed Session.

CLOSED SESSION: The Board adjourned their meeting to go into Closed Session at 5:36 p.m. The Board returned to their regular Agenda at 6:14 p.m. Chairperson Stallard reported that the Board had no reportable action out of closed session. Chairperson Stallard then moved on to the Consent Agenda.

Conference with Legal Counsel – Anticipated Litigation

Approval of Consent Agenda / Resolution 2019-011 and Resolution 2019-012 Chairperson Stallard moved item 18 on the regular agenda to follow items 19 and 20.

Director Saylor made a motion to approve the Consent Agenda, Items 5 through 15, seconded by Director Frerichs. Motion passed unanimously with Angel Barajas absent. The following consent items were approved:

5. Draft July 11, 2019 Regular Board Meeting Minutes.
6. Receipt of 2019 Long Range Calendar.
7. Receipt of Financial Updates – June 30, 2019 (unaudited) and July 31, 2019 (unaudited) financial statements.
8. Receipt of September 6, 2019 Regulatory Update provided by Keyes & Fox.
9. Receipt of Legislative Update.
10. Receipt of August 29, 2019 Customer Enrollment Update and Monthly Call Center Report as of August 18, 2019.
11. Receipt of Community Advisory Committee’s July 25, 2019 and August 22, 2019 Meeting Summaries.
12. Receipt of Amendment #13 to Task Orders 2, 3 and 4 of the Sacramento Municipal Utility District Professional Services Agreement updating the billable rates for Fiscal Year 2019/2020;
13. Receipt of the Valley Clean Energy Triennial Data Privacy Audit report – 2018;



14. Accepted and attested the accuracy of Valley Clean Energy's 2018 Power Content Label for the Ultra Green product for 2018 based on staff's review.
15. First Amendment to the Valley Clean Energy Alliance JPA to create associate membership status (**Resolution 2019-011**) and inviting Cities of Winters and West Sacramento as associate members (**Resolution 2019-012**).

Residential Time of Use (RTOU) Rates and First Year Bill Protection

Interim General Manager Mitch Sears introduced Jim Parks, Director of Marketing and Customer Outreach. Mr. Parks provided a brief review of PG&E's proposed RTOU rates program, then introduced Ms. Jenna Olsen of PG&E, who was available to answer questions. He thanked Ms. Olsen and Jessica Chancellor of PG&E for all of their assistance on this subject. Mr. Parks reviewed numerous slides. Several Directors asked questions, which were answered by VCE Staff and Ms. Olsen. Director Sandy acknowledged the Community Advisory Committee's (CAC) recommendations to adopt PG&E's RTOU rates program and first year bill protection, including acknowledging that VCE can change the rates at any time.

Director Carson made a motion to:

1. adopt PG&E's residential time of use (RTOU) rates.
2. adopt first year bill protection for new RTOU customers.

Motion seconded by Director Sandy. Motion passed by the following vote:

AYES: Stallard, Sandy, Saylor, Frerichs, Carson

NOES: None

ABSENT: Barajas

ABSTAIN: None

River City Bank Credit Agreement and Debt Restructure Analysis (Informational)

Mr. Sears introduced Lisa Limcaco, Director of Finance and Internal Operations. Ms. Limcaco reviewed several slides. Several questions were asked by Board Members and answered by Ms. Limcaco. Various comments were made, such as: potential future VCE rate changes, debt to agencies (Davis, Yolo and Woodland), sharing the benefits with customers via a dividend, credit rating as a CCA, building the programming of VCE to distinguish from the IOUs, and stressing outreach to customers. Mr. Sears informed those present that he consulted with Eric May, VCE's co-legal counsel, as the Interim General Manager, he has the authority to decide to pay off the Agency loans; therefore, he will be moving forward to do so. Chairperson Stallard asked if there was public comment on this item. There being no public comment, he moved on to the next item.

Approval of Delegation for Procuring 2021 Price Hedging Energy / Resolution 2019-013

VCE Staff Gary Lawson reviewed several slides. A few questions were asked by the Directors and answered by Mr. Lawson.

Director Frerichs made a motion to approve a resolution titled "a Resolution of the Valley Clean Energy Alliance delegating procurement authority to VCEA Staff and SMUD for energy procurement of forecast hedging energy needs for



2021 and authorize Interim General Manager to approve procurement strategy for hit procurement”, seconded by Director Carson. Motion passed by the following vote:

AYES: Stallard, Sandy, Saylor, Frerichs, Carson
NOES: None
ABSENT: Barajas
ABSTAIN: None

Long Term
Renewable
Solicitation update
(Informational)

VCE Staff Gary Lawson reviewed several slides. He informed those present that letters of intent have been executed with two (2) developers for a combined 222 MW of solar capacity. Purchase Power Agreement (PPA) negotiation has started and is ongoing with developers. A Board Member asked about future local development solicitations. Mr. Lawson suggested that a solicitation be prepared and advertised after the first quarter of 2020; thereafter, see how the results would work into the plan.

Receive status
update on Potential
Acquisition of
Local Electricity
Distribution
System
(Informational)

Mr. Sears provided a brief overview on the potential acquisition of PG&E’s local electricity distribution system. Mr. Sears outlined the steps that are being taken which are in line with Board’s direction to staff. Mr. Sears reviewed three (3) major phases.

*Chairperson Stallard left the meeting at 7:15 p.m.

Mr. Sears addressed a Board Member question about the expertise of the consultants being used. He reviewed with those present the credentials of the consultants. A Board Member had made the comment that the cities of Winters and West Sacramento are being invited to join VCE. The existing Board has experience and knowledge that should be shared with the new Board Members as they are added.

Board Member and
Staff
Announcements

Mr. Sears informed those present that he, Board Member Gary Sandy (Yolo County Supervisor), and Mr. Parks made a presentation to Winters City Council at their meeting a few weeks ago. Mr. Sears is scheduled to return to the Winters City Council on Tuesday, October 1st. The plan is to start serving Winters customers in January 2021. Mr. Parks is working on community outreach efforts with an event for VCE to attend the Winters Carnitas Festival on Saturday, September 28th.

Vice Chair Sandy reminded those present that an e-mail was sent out to the Board and Community Advisory Committee looking for volunteers to assist Staff at several upcoming outreach events. If interested, please send an e-mail to VCE Secretary Alisa Lembke.

Adjournment

Chairperson Stallard adjourned the meeting at 7:26 p.m. to the next meeting scheduled for Thursday, October 10, 2019 at 5:30 p.m. at the City of Davis Community Chambers, located at 23 Russell Blvd., Davis, California.



Meeting was adjourned at 7:26 p.m.

Alisa M. Lembke
VCEA Board Secretary