

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 5

TO: Valley Clean Energy Alliance Board of Directors
FROM: Alisa Lembke, VCEA Board Clerk/Administrative Analyst
SUBJECT: Approval of Minutes from April 11, 2019 Board Meeting
DATE: June 17, 2019

RECOMMENDATION

Receive, review and approve the attached draft Minutes from the April 11, 2019 Board meeting.



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
BOARD OF DIRECTORS MEETING
THURSDAY, APRIL 11, 2019**

The Board of Directors of the Valley Clean Energy Alliance duly noticed their meeting scheduled for Thursday, April 11, 2019 at 5:30 p.m. at the City of Davis Community Chambers located at 23 Russell Boulevard, Davis, California 95616. Chairperson Tom Stallard established that there was a quorum present and began the meeting at 5:30 p.m.

Board Members Present: Tom Stallard, Gary Sandy, Don Saylor, Dan Carson, Angel Barajas (arrived at 5:37 p.m.)

Members Absent: Lucas Frerichs

Approval of Agenda Director Saylor made a motion to approve the April 11, 2019 Agenda, seconded by Director Sandy. Motion passed unanimously with Director Frerichs absent.

Public Comment Chairperson Stallard opened the floor for public comment.

Larry Guenther, Board Member of Tree Davis and resident of Davis, announced to those present that Tree Davis's goals and mission are in alignment with Valley Clean Energy's and can assist VCE in meeting their goals. On Thursday, May 2nd is a "day of giving". Mr. Guenther asked the Board to partner with Tree Davis by contributing funds to Tree Davis, which they will match.

CLOSED SESSION: The Board adjourned their meeting to go into Closed Session at 5:38 p.m. The Board returned to their regular Agenda at 6:41 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 Director Saylor requested to make a comment on Item #6, long range calendar. Director Saylor is interested in the Board having a "visioning" retreat. Director Sandy made a motion to approve the Consent Agenda, seconded by Director Saylor. Motion passed unanimously with Director Frerichs absent. The following consent items were approved:

- Item 5 – Approval of draft March 14, 2019 Board meeting minutes;
- Item 6 – Receive 2019 Long Range Calendar;



- Item 7 – Receive Financial Update – February 28, 2019 (unaudited) financial statement;
- Item 8 – Receive April 4, 2019 Regulatory Update provided by Keyes & Fox;
- Item 9 – receive April 4, 2019 Customer Enrollment Update and Monthly Call Center Report as of March 24, 2019;
- Item 10 – Receive Community Advisory Committee’s March 28, 2019 Meeting Summary;
- Item 11 – Receive copy of signed Amendment 7 to Task Order 4 (operational services) of the SMUD Master Professional Services Agreement;
- Item 12 – Approval of Amendment 8 to Task Order 4 (operational services); Amendment 9 to Task Order 3 (wholesale energy services); and Amendment 10 to Task Order 2 (data management and call center services) via Resolution 2019-004 authorizing Interim General Manager to sign the Amendments;
- Item 13 – approval of extension of the River City Bank revolving line of credit via Resolution 2019-005; and,
- Item 14 – Receive information report on the reimbursable Staff expenses from member Agencies.

Update on CPUC’s Decision on Energy Resource Recovery Account, including Power Charge Indifference Adjustment (Informational)

Interim General Manager Mitch Sears reported that the CPUC decision on PCIA rates have been pushed out. Per legal counsel it is anticipated that the 2019 implementation will occur no earlier than July 1st, with the potential of the date being pushed out to September 2019. Pending VCE evaluation, it is difficult to know what the financials will look like with unknown rates. No public comments.

Review Long-Term Renewable Solicitation Short List Results and Pending Recommendation to Board (Informational)

Mr. Sears introduced this item. Staff Gary Lawson reviewed the background of this item reminding those present that in August 2018 a long-term renewables solicitation was issued with a due date of September 17, 2018. Mr. Lawson reviewed: siting, development status, out of state resources, and interconnection. He provided a summary of the bids received citing project bid capacity, projects meeting pass criteria and rejection applications stats. A short list was created after applying screening factors, ranking the projects, and listing the key reasons why the projects were selected. He reviewed potential impacts to VCE’s renewable portfolio of those projects that made the short list. He summarized the next



steps: completing the short list, negotiating Power Purchase Agreements (PPAs), and looking for Board approval at their June 2019 meeting. Mr. Sears informed those present that this same presentation was given to the Community Advisory Committee at their March 28, 2019 meeting and they provided positive feedback.

Board Members asked questions and commented about: what happens if there are scheduling delays, results of solicitation better than expected, what are the effects of PG&E bankruptcy on the projects, experience of the Developer with Community Choice Aggregators (CCAs), and credit rating of VCE. Mr. Lawson commented that both developers' trend is towards building projects with CCAs, stating that CCAs are their future market.

Christine Shewmaker, Vice Chair of the Community Advisory Committee, commented that when the CAC discussed the short list, storage was discussed, and she suggested that the Board evaluate storage capacity of the projects. Mr. Lawson informed those present that storage was part of the criteria listed within the solicitation; however, the scale of the local projects did not include storage.

Receive Long-Term Load Forecast to be submitted to the California Energy Commission as part of the Biannual 2019 IEPR (Informational)

Staff Gary Lawson reviewed: the background of the California Energy Commission's 2019 biannual Integrated Energy Planning Report Long-Term Load Forecast filings due April 19, 2019, customer count by "rate class", the starting basis of load forecast, and the evaluation of growth forecasts. He reviewed annual growth rates, customer specific load shapes, load modification due to Net Energy Metering (NEM) installations and electric vehicle purchases, peak load versus energy load, and possible future considerations. , to look at and apply (slide 12). A brief discussion on the impact of cannabis growth operations, large scale greenhouses for food production, and increase in energy usage to process food, may be areas of future consideration when looking at the future load forecast.

Christine Shewmaker commented that electrification of everything inside a home and business, will have an impact on the long- and short-term load forecast.

Board Member and Staff Announcements

Mr. Sears reviewed key legislative items, informed those present that he attended the CalCCA Lobby Day last week on April 3rd and that CalCCA is currently tracking 44 bills in 26 different categories. Mr. Sears provided a brief summary of several different bills currently being discussed and monitored.



Director Carson informed those present that the City of Davis Council recently approved a “reach code” (electricity/building code) bringing commercial and residential up to standards”.

Director Stallard informed those present that he will be attending the May 23, 2019 Community Advisory Committee meeting to answer questions and provide feedback when asked.

Mr. Sears informed those present that Legislative Day (Lobby Day) was a success, attended by CalCCA staff and CCA staff and consultants. The high representation of CCA’s was impressive and made an impact. Mr. Sears commented that education on how PCIA and other factors play into Net Energy Metering enrollment needs to be shared with others, including Sacramento staff.

Mr. Sears informed those present that Staff Jim Parks represented VCE at the City of Stockton Council meeting and that the City Council unanimously voted to move forward with a feasible study for their community. Stockton will be using Sonoma Clean Energy grant monies for a feasibility study.

Adjournment

Chairperson Stallard adjourned the meeting to the next meeting scheduled for Thursday, May 9, 2019 at 5:30 p.m. at the City of Woodland Council Chambers, located at 300 1st Street, Woodland.

Meeting was adjourned at 7:35 p.m.

Alisa M. Lembke
VCEA Board Secretary