



**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

