



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE
SPECIAL MEETING
THURSDAY, MAY 28, 2020
VIA TELECONFERENCE**

Chair Hunter opened the Community Advisory Committee of the Valley Clean Energy Alliance in a special meeting on Thursday, May 28, 2020 beginning at 5:02 p.m. via teleconference pursuant to the provisions of the Governor's Executive Orders N-25-20 and N-29-20, which suspends certain provisions of the Brown Act and the Orders of the Public Health Officers with jurisdiction over Yolo County, to shelter in place and to provide for physical distancing.

Welcome and Roll Call

Committee Members Present: Yvonne Hunter (Chair), Marsha Baird (Vice Chair), Gerry Braun, Christine Shewmaker, Mark Aulman, Christine Casey, Lorenzo Kristov, David Springer

Committee Members Absent: None

Approval of Agenda Mark Aulman made a motion to approve the May 28, 2020 meeting Agenda, seconded by David Springer. Motion passed unanimously.

Public Comment / Introductions There were no public comments.

Integrated Resource Plan Workshop Interim General Manager Mitch Sears introduced this item and informed those present that the Integrated Resource Plan is required by the California Public Utilities Commission to be updated every 2 years. Mr. Sears introduced VCE Staff Dr. Olof Bystrom who would be leading the workshop. Dr. Bystrom reviewed the regulatory and statutory requirements, process, timeline and what is to be considered in VCE's portfolio. He reviewed load forecast, resource gaps and needs, resource options, costs and market prices.

A discussion about wholesale prices, cost of energy, power plan, resource adequacy, cost of new resources, and load capacity.

Dr. Bystrom reviewed portfolios graphs, percentage of load served by CAISO, and all-in cost for electricity.

A discussion on local wind and solar connection to CAISO, difference between generation capacity of biomass and solar, whether storage helps, biomass, load forecast and carbon free resources, such as biomass, how to prepare for drought years within IRP, accounting for resource adequacy and energy procurement within IRP, storage, CPUC central buyer decision not included in forecast.



Dr. Bystrom reviewed observations of the portfolios presented and action plan observations. A discussion occurred on net demand versus local production, demand scenarios, storage longevity, cost of other resources, number of portfolios to be included in IRP, and energy efficiency already factored into the assumptions.

Members provided their input on which scenarios they prefer.

Chair Hunter asked if there were any public comments.

Marc Vayssieres provided a verbal comment supporting the portfolios he sees favoring solar plus storage and wind.

Dr. Bystrom informed those present that a written draft IRP will be provided to the CAC at their next meeting in June where Staff will be asking for their recommendation to the Board. Thereafter, a draft will be presented to the Board at their July meeting along with the CAC's recommendation, with the Board approving a final IRP at their August meeting.

Consent Items

Christine Shewmaker would like to pull Item 7 – VCE Legislative Platform from the consent agenda. She would like this item tabled to the CAC's June meeting. Mr. Aulman made a motion to approve the consent items, tabling Item 7, seconded by David Springer. Motion passed unanimously. The following items were received/approved:

5. April 23, 2020 meeting Minutes; and,
6. received customer enrollment update as of May 21, 2020.

Brief task Group and VCE staff Reports

Task Group Reports

Outreach Task Group: Mr. Aulman reported it has been a quiet month.

Programs Task Group: Ms. Baird reported that they have made progress on information on energy efficiency, which will be posted on the website in the distant future.

Strategic Task Group: Mr. Braun reported that it has been a quiet month.

Rates Task Group: Mr. Kristov reported it has been a silent month.

Leg/Reg Task Group: Ms. Hunter reported that they have been active working on a legislative platform and continuing to meet every two (2) weeks.



5/14/2020 Board meeting summary: Mr. Sears reported that the Board accepted 2020 GHG allocations for large hydro and did not accept nuclear. VCE Staff Gordon Samuel has been working on putting paperwork in place with PG&E on this allocation. The Board had a good policy strategy discussion and Staff received good direction and feedback from the Board.

Staff Report: Mr. Sears reported that at the June Board meeting, appointments from Winters and reappointment of members to the CAC is on the Agenda.

Christine Shewmaker made a comment that although the vote was unanimous on the GHG allocations, the sentiment amongst the Board Members was not - some wanted nuclear.

Receive update and consider approval of policy strategy adjustments to plan for incorporation of long-term renewable contracts into VCE's portfolio and to address fiscal year 2020-2021 PCIA and RA cost impacts.

Mr. Sears provided an overview of the policy strategies / operating budget background, COVID/Recession scenario comparison, impact on power costs and revenue versus base case, 2020/21 budget overview, and revised load information. The objective of the policy strategies is to reduce fiscal year budget shortfall by 50%.

Those present discussed the assumptions used by Staff to determine the Covid/recession impacts, such as actual weather usage versus estimations, load forecast, and, the use of an estimated PG&E rate increase of 1.5%.

Mr. Sears reviewed the policy strategy options:

- Option B – implement a third customer rate choice. Staff would utilize the Rates Task Group to evaluate this option over the course of 2020
- Option C – power resource planning adjustments. Staff's recommendation is to approve to plan for incorporation of long term renewable contracts into VCE's portfolio and address fiscal year 2020/21 power charge indifference adjustment (PCIA) and resource adequacy (RA) cost impacts.
- Option D – accept the GHG-free large hydro allocations. The Board accepted the large hydro allocations at their May 14, 2020 meeting. The savings are speculative and would only be realized if a market exists in which to sell these characteristics.

The members discussed the different options, asked questions and expressed their concerns of each option.

Ms. Shewmaker made a motion to recommend to the Board to approve Policy Option C, Alternative 2 (Moderate – approximately 25% base case), seconded by Mr. Aulman. Motion passed unanimously with the following vote:

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

NOES: None



ABSENT: None
ABSTAIN: None

David Springer made a motion that in addition to Option C, Alternative 2, to recommend to the Board to approve Option B – the study of additional rate options, to be researched and studied, seconded by Chris Casey. Motion was amended to include looking at rates in general, a broader study - rates that could address the financial situation, included but not limited to, Time of Use, Ultra Green mix surcharge. Motion as amended was passed unanimously with the following vote:

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

**Receive and update
CAC 2020 Long Term
Calendaring,
including discussion
of future meeting tie
and “location”.**

The members discussed in person meetings versus on-line meetings via Zoom teleconferencing keeping in mind COVID-19, the health of CAC Members and Staff, Brown Act compliance requirements, and State and County regulations. The members agreed to continue to hold on-line meetings via Zoom and will monitor the situation and regulations. The on-line meetings will begin at 5 p.m. instead of 5:30 p.m. until further notice.

Ms. Baird reminded the members that if they have any items they would like on the agenda to let she, Ms. Hunter or Staff know.

**Advisory Committee
Member and
Announcements**

Mr. Sears informed those present that the CPUC voted 5-0 to accept PG&E's reorganization plan. Many believe that this decision is fought with issues since PG&E coming out of bankruptcy. At this point in time, the potential acquisition of PG&E's local electricity distribution system appears to be moot.

**Adjournment to
Next Meeting**

Meeting adjourned at 7:52 p.m. to the next regular scheduled CAC meeting for Thursday, June 25, 2020 at 5 p.m. via teleconference.

Alisa Lembke
Board Clerk/Administrative Analyst