



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
BOARD OF DIRECTORS MEETING
THURSDAY, JANUARY 9, 2020**

The Board of Directors of the Valley Clean Energy Alliance duly noticed their special meeting scheduled for Thursday, January 9, 2020 at 5:30 p.m. at the City of Woodland Council Chambers located at 300 1st Street, Woodland, California 95695. Chairperson Don Saylor established that there was a quorum present and began the meeting at 5:31 p.m.

Board Members Present: Don Saylor, Dan Carson, Tom Stallard, Lucas Frerichs, Angel Barajas, Wade Cowan, and Jesse Loren

Associate Members Present: Beverly Sandeen

Members Absent: Gary Sandy

Associate Members Absent: Christopher Cabaldon

Approval of Agenda Chairperson Saylor tabled Closed Session Item 4A – Conference with Legal Counsel – Existing Litigation and Item 13 – Approval of Power Purchase Agreement Aquamarine Westside LLC until next meeting. Director Loren made a motion to approve the January 9, 2020 Board Agenda as amended, seconded by Director Barajas. Motion passed with Director Sandy absent.

Public Comment Chairperson Saylor opened the floor for public comment. No public comment.

CLOSED SESSION: Conference with Legal Counsel – Anticipated Litigation The Board adjourned their meeting to go into Closed Session at 5:33 p.m. The Board returned to their regular Agenda at 5:38 p.m. Chairperson Saylor reported that the Board had no reportable action out of closed session.

Approval of Consent Agenda Director Stallard made a motion to approve the Consent Agenda, Items 5 through 11, seconded by Director Cowan. Motion passed unanimously with Director Sandy absent. The following consent items were approved:

5. December 12, 2019 regular Board meeting Minutes;
6. Receipt of 2020 Long Range Calendar;
7. Receipt of Financial Updates – November 30, 2019 (unaudited) financial statements.
8. Receipt of January 3, 2020 Regulatory Update provided by Keyes & Fox;
9. Receipt of January 2, 2020 Customer Enrollment update;
10. Receipt of Community Advisory Committee’s December 5, 2019 Special Meeting Summary; and,



11. Board Member Lucas Frerichs' participation on the California Community Choice Association (CalCCA) Local Elected's Coordination Subcommittee.

Consider Draft Guiding Principles related to the potential acquisition of PG&E's local electricity distribution system

Interim General Manager Mitch Sears introduced this item. He informed those present that CalCCA recently adopted guiding principles. Mr. Sears introduced VCE Staff Victoria Zavattero who briefly reviewed the recommendation.

Staff's recommendation is to adopt a core set of principles to guide the acquisition, ownership and operation of the local distribution system in Yolo County. The following draft guiding principles were presented.

1. Create and maintain an electric system that is reliable, maximizes safety for all customers and encourages and supports local economic development.
2. Ensure that rates and bills are affordable for all customer classes.
3. Conduct all business in a manner that is ethical, open and transparent to customers and communities.
4. Protect workers by preserving labor agreements and benefits.
5. Develop a governance structure that provides for and encourages customer participation and fosters local decision-making allowing each community to implement energy solutions that are right for them.
6. Demonstrate leadership in climate, clean energy and GHG reduction as well as general environmental stewardship.

Director Loren made a motion to adopt the guiding principles listed above, seconded by Director Carson. Motion passed by the following vote:

AYES: Saylor, Carson, Stallard, Cowan, Frerichs, Barajas, Loren

NOES: None

ABSENT: Sandy

ABSTAIN: None

Power Purchase Agreement

This item was tabled.

2019 Year-end Review (Informational)

Mr. Sears reviewed VCE's Integrated Vision Statement – Short Term, Long Term and how these visions were achieved. Mr. Sears informed those present that VCE has either met or exceeded the short-term goals noting that VCE has met the initial 30 days cash reserve and is in progress toward reaching 90 day cash reserve.

Director Stallard inquired with Staff about the joint rate mailer he received. VCE Staff Jim Parks stated that the all CCAs are required to join with their IOU to send



out the rate comparisons to its customers. Director Stallard noted that PG&E's "green" electricity rate is less expensive than VCE's UltraGreen rate.

Mr. Sears reviewed the Integrated Vision – Long term. Chairperson Saylor requested that Staff apprise the Board about resource solicitations and/or programs that may be developing within the Board Members' jurisdictions. He suggested that possibly this could be provided through regular status reports. Mr. Sears reviewed VCE's notable accomplishments.

VCE Staff George Vaughn reviewed 2019 finance and internal operations and VCE's financial accomplishments and challenges.

VCE Staff Jim Parks reviewed customer care, marketing and outreach. He informed those present that the most recent marketing campaign was to build awareness of who VCE is.

Mr. Parks reviewed Contact Center Customer Care information and the status of the SACOG "Electrify Yolo" grant. The Board and Staff discussed the SACOG grant. The Board asked that Staff provide more information and a detailed timeline. It is the desire of the Board to move quickly on this grant and they offered their assistance. Director Frerichs asked where the City of Winters fits into the grant. Mr. Parks informed those present that there are plans to install a DC fast charger in Winters.

Director Barajas expressed concern about the opt out rate and if Staff knew why customers were opting out. Mr. Sears informed those present that the opt out rate is within the expected 10% range; however, Staff would like to see this number decrease. Mr. Parks informed those present that customers are asked why they are opting out. Customers have several options to choose from with some marking "other" and others marking that they do not like default enrollment or stating that our rates are higher than PG&E. The Board and Staff discussed approaches to get back customers who opted out.

Mr. Parks reviewed marketing and outreach activities and the next steps on programs.

Chairperson Saylor opened the floor to public comment. Mr. Gene Livingstone asked how VCE generates revenue. Mr. Sears offered to discuss this with Mr. Livingstone after the conclusion of the Board meeting.

Board Member and Staff Announcements

Mr. Sears informed those present that Staff have been going through the recruitment process for an Assistant General Manager/Director of Power Services. It is the hopes that the person will start in early February 2020.



Mr. Sears informed those present that it is anticipated that the River City Bank revolving line of credit will be on the Board's February 2020 agenda.

Mr. Sears informed those present that the Woodland City Manager announced his retirement.

Director Frerichs informed those present that he got involved with the Elected's CalCCA Local Elected Subcommittee when he attended the CalCCA annual meeting in November 2019. This is a coordinate effort with CCA's throughout the State.

Director Saylor informed those present that he would like the Board to be involved in the strategic planning process.

Adjournment

Chairperson Saylor adjourned the meeting at 7:06 p.m. to the next meeting scheduled for Thursday, February 13, 2020 at 5:30 p.m. at the City of Davis Community Chambers 23 Russell Boulevard, Davis, California.

A handwritten signature in blue ink that reads "Alisa M. Lembke". The signature is fluid and cursive.

Alisa M. Lembke
VCEA Board Secretary