



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE
SPECIAL MEETING
THURSDAY, DECEMBER 5, 2019**

Chair Braun opened the Community Advisory Committee of the Valley Clean Energy Alliance in a special meeting on Thursday, December 5, 2019 beginning at 5:30 p.m. at the City of Davis Community Chambers, conference room, located at 23 Russell Boulevard, Davis, California.

Welcome and Roll Call

Committee Members Present: Gerry Braun (Chair), Christine Shewmaker (Vice-Chair), Marsha Baird, Yvonne Hunter, David Springer and Christine Casey

Committee Members Absent: Mark Aulman, Lorenzo Kristov

Approval of Agenda Yvonne Hunter made a motion to approve the December 5, 2019 agenda, seconded by Marsha Baird. Motion passed with Mark Aulman and Lorenzo Kristov absent.

Public Comment Chair Braun opened the floor for public comment. No public comment.

VCEA Staff and Advisory task Group Reports **Outreach Task Group:** Ms. Hunter provided a brief update to those present on a draft newsletter, draft UltraGreen customer interview highlights, and preparation of VCE's potential acquisition of PG&E's local electricity distribution system.

Legislative / Regulatory Task Group: Ms. Hunter provided an update that the Task Group is working on compiling accomplishments in 2019 and how to improve.

Rates and Services Task Group: Nothing to report at this time.

Interim General Manager Mitch Sears informed those present on the status of the vacant VCE Power Procurement and Assistant Manager position, including a transition plan in place. In addition, Mr. Sears provided the status of power purchase agreements for VCE's long term power procurement contracts.

Approval of Items on Consent Agenda Ms. Hunter made a motion to approve the Consent items with Item 4 – September 26, 2019 meeting minutes amended to add clarification language on page 3 of the 2020 Short Term Procurement Plan, seconded by Christine Shewmaker. Motion passed with Chris Casey abstaining and Mark Aulman and Lorenzo Kristov absent. The following items were approved:

- Item 4: November 12, 2019 special meeting minutes as clarified; and
- Item 5: Customer Enrollment Update as of November 19, 2019



**VCE Local Program
Plan Development
Update
(Informational)**

Mr. Sears introduced this item providing an update on the power purchase agreement for large hydro and the shortfall in 2019. The path moving forward is to make up this shortfall through open solicitations. It was briefly discussed about looking into Self Generation Investment Program (SGIP).

VCE Staff Tessa Tobar provided an electric transportation (ET) program update with several slides, covering near and mid-term concepts, a 5 year program plan, and the next steps to implement the EV program. A discussion occurred regarding the cost of EV add-ons not paid by VCE customers, information on plug-in hybrids provided through the website, and how the SACOG grant can be integrated into VCE's EV programs. Ms. Tobar is to follow up with the CAC on how each jurisdiction stacks up in total emissions and to calculate total emissions by capita.

**Update on 2020
PCIA and ERRR
(Informational)**

VCE Staff George Vaughn reviewed slides updating on the 2020 Power Charge Indifference Adjustment (PCIA) and Energy Resource Recovery Account (ERRR). Mr. Vaughn reviewed the background of PCIA and ERRR, Staff's preliminary analysis of likely PCIA scenarios: #1 – "As is", #2 – "PCIA to Cap", and #3 – "PCIA Exceed Cap" for fiscal years ending June 2020, 2021 and 2023. He concluded by providing Staff's preliminary assessment that the impact of the potential PCIA rate increase could be substantial. VCE should be able to absorb the PCIA impacts of scenario 2 without incurring additional debt or missing key covenants. Scenario 3, VCE may need to raise generation rates to maintain its financial standing. Without doing so, VCE will lose its cash reserves over time. In both the moderate and worst-case scenarios, both VCE's 90-day-cash reserve policy and Dividend policy may be impacted.

CAC Members expressed the importance of maintaining cost competitiveness and VCE being able to set their own rates for customers within VCE's service territory. Mr. Sears informed those present that CalCCA is submitting comments. VCE Staff have been consistently in contact with River City Bank providing updates to them.

**CAC preliminary
discussion on Task
Groups to
determine
structure for 2020
(Discussion)**

Mr. Sears introduced this agenda item. Chairperson Braun facilitated a discussion about task groups – what the CAC needs to keep doing, is there more that the Committee and task groups can do, and the need to continue with the existing task groups. The Brown Act calls that task groups cannot go on indefinitely; therefore, they need to be revisited each year.

Several suggestions were made to form a new task group to address VCE's long term strategic planning, PG&E assets, governance structure, grid mix and renewable content, billing and possibly PCIA, rates, and regulatory issues. It was suggested/requested that the task groups provide an update every 3 months or quarterly. In addition, suggestions were made to 1) get the public involved to assist with bills, including potentially PCIA via the newsletter and website; and, 2) form short term task groups to vet out issues/questions as they arise. The Rates and Services Task Group assisted in Net Energy Metering (NEM), dividend and programs but no time was spent on rates.



Update on potential acquisition of PG&E's local electricity distribution system (Informational)

Mr. Sears provided an update on PG&E's bankruptcy, VCE's submittal of an offer to acquire the local electricity distribution system, and related efforts. VCE's offer was rejected and currently VCE is on standby and not investing in pursuing at this time. There is a collective cooperative approach being discussed, which Mr. Sears provided VCE's status and viewpoint. PG&E needs to be out of bankruptcy court by June 2020.

Long Range Calendar 2019 and draft 2020 Calendar

The 2020 draft long term calendar was reviewed. It was suggested that the CAC members be notified by August 2020 of the 2020 CalCCA annual meeting. Chairperson Braun asked VCE Staff what would be the Committee's involvement with the Integrated Resource Plan (IRP) discussion. Mr. Sears responded that another IRP workshop will be scheduled in January-February 2020 time frame, which the Committee should be involved in.

It was suggested that the November and December 2020 meetings, which are scheduled for Thanksgiving day and Christmas Eve, be moved to the third Thursday of November and December 2020.

Election of Officers for 2020

Chairperson Braun informed those present that he, Christine Shewmaker, and Marsha Baird terms will be up in June 2020. A discussion on various topics occurred. Suggestions were made such as: fewer items with more detail on the agenda, a "new member" training session, quarterly updates on what other CCAs are doing, improving the recruitment process of new members, the CAC being kept abreast of issues and items that the Board addresses, and keeping the meetings concise and on time. It was briefly discussed who would be willing to serve in a position (Chair, Vice Chair, Secretary) in 2020. The election of officers was tabled to the next meeting in January 2020.

Advisory Committee Member and Staff Announcements

It was announced that there will be a presentation on climate adaptation from a French perspective tomorrow at 7 pm. at the Davis City Community Chambers. Chairperson Braun will be forwarding two items to the Board Clerk for distribution to the CAC Members.

Adjournment to Next Meeting

Meeting adjourned at 7:45 p.m. to the January 23, 2020 CAC meeting scheduled for 5:30 p.m. at the City of Woodland Council Chambers, located at 300 1st Street, Woodland.

Alisa Lembke
Board Clerk/Administrative Analyst