

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 10

TO: Board of Directors

FROM: Alisa Lembke, Board Clerk / Administrative Analyst

SUBJECT: Community Advisory Committee December 17, 2020 Meeting Summary

DATE: January 21, 2021

This report summarizes the Community Advisory Committee’s meeting held via Zoom on Thursday, December 17, 2020 at 5 p.m.

A. **Reviewed Revised Procurement Guide:** VCE Staff Gordon Samuel provided an overview of the product categories necessary for VCE to meet its compliance obligations and maintain a balanced power portfolio while meeting power supply portfolio targets set by the Board. Mr. Samuel reminded the CAC that the Board made the determination of VCE’s 2021 targets during budget discussions and this an informational item. Numerous items were discussed: risks of projects through power purchase agreements not meeting their targets; compliance strategy and the budget; financial flexibility and procurement impacts to VCE; impacts from the renewable and carbon free energy markets; timing and meeting compliance requirements; and, impacts to VCE’s power content label.

B. **GHG-free Attributes large hydro and /or nuclear (2021 and beyond):** Mr. Samuel reintroduced this item to the CAC reminding them that the Board made a decision in May 2020 to accept PG&E’s GHG-free large hydro attributes for the 2020 year only. Mr. Samuel sought the CAC’s recommendation to the Board on GHG-free allocations from PG&E for 2021 and beyond. The CAC and Staff discussed: VCE’s financial situation and uncertainties of the market value of GHG-free attributes; value of attributes within the power content label; uncertainty if VCE is receiving REQs or energy as the result of taking the large hydro GHG-free attributes; whether or not there is the same regulatory objection limitation that the previous offer included; customer opinion on nuclear; and challenges due to RA (resource adequacy) market and PCIA (power charge indifference adjustment) uncertainty.

The CAC voted to recommend to the Board that: 1) VCE continues to take PG&E’s large hydro GHG-free attributes only, no nuclear, for 2021 only (7-1-1) and 2) this question on whether VCE should take PG&E’s GHG-free attributes (hydro and/or nuclear) beyond 2021 be brought back to the CAC and Board for consideration and discussion with additional information that may include pricing, customer views on nuclear, and market viability. (9-0-0)

C. **Reviewed and approved draft updated CAC Charge:** After a brief discussion, the CAC voted to recommend that the Board consider adopting the redrafted and updated CAC Charge, which incorporates VCE’s 3-year Strategic Plan, Environmental Justice Statement, and input on policy level issues from the CAC, at their January 2021 Board meeting. (9-0-0)

D. **Reviewed and discussed formation of Task Groups for 2021:** The CAC had a preliminary discussion, including input from Staff, on what CAC task groups are needed in 2021 to assist the Board and Staff. This item will be discussed again at the CAC’s January 2021 meeting.

E. **Election of 2021 Chair and Vice Chair:** The CAC voted unanimously to elect Christine Shewmaker (City of Woodland) as Chair and Cynthia Rodriguez (Yolo County) as Vice Chair for the 2021 calendar year.