

**VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE**

Staff Report - Item 4

TO: VCEA Community Advisory Committee
FROM: Alisa Lembke, Board Clerk/Administrative Analyst
SUBJECT: CAC Draft November 12, 2019 Special Meeting Minutes
DATE: December 5, 2019

Recommendation

Receive, review and approve the attached draft November 12, 2019 CAC special meeting minutes.



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE
SPECIAL MEETING
TUESDAY, NOVEMBER 12, 2019**

Chair Braun opened the Community Advisory Committee of the Valley Clean Energy Alliance in a special meeting on Tuesday, November 12, 2019 beginning at 5:31 p.m. at Valley Clean Energy Administrative Offices, located at 604 2nd Street, Davis, California.

Welcome and Roll Call

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

Committee Members Absent: Christine Casey

Approval of Agenda Yvonne Hunter made a motion to approve the November 12, 2019 agenda, seconded by Marsha Baird. Motion passed with Christine Casey absent.

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

VCEA Staff and Advisory task Group Reports **Legislative / Regulatory Task Group:** Ms. Hunter informed those present that she met with Interim General Manager Mitch Sears and Mark Fenstermaker of Pacific Policy Group (PPG) to discuss upcoming bills in the 2020 legislative session. Mr. Fenstermaker provided a brief update: CalCCA is shifting their approach on legislative bills from reactive to proactive. CalCCA was joined by Investor Owned Utilities (IOU's) on submitting their own proposals. Lorenzo Kristov informed those present that comments and reply comments were issued to the rulemaking on commercialized microgrids (SB 1339). This decision has been divided into two tracks: 1) microgrid behind one meter and 2) community microgrid. A workshop is scheduled for December 12, 2019. There are monies available to implement critical facilities, of which Mr. Kristov suggested that VCE look into for Yolo County. Chair Braun suggested that this information be shared with the individual VCE Member jurisdictions.

Mr. Sears added that this month has had an unprecedented number of filings of which CalCCA has been involved with all of them.

Outreach Task Group: Mark Aulman informed those present that Net Energy Metering (NEM) workshops were held in October of which he was the facilitator



at the one held in Woodland. VCE's outreach campaign is moving forward. Mr. Sears added that VCE had a booth at both the Carnitas Festival and Salmon Festival held in Winters. VCE provided information and answered questions.

Rates and Services Task Group: No update as Staff will be providing an update later in the agenda.

**Approval of
Items on Consent
Agenda**

Ms. Hunter made a motion to approve the Consent items, seconded by Christine Shewmaker. Motion passed with Chris Casey absent. Marsha Baird abstained. The following items were approved:

- Item 4: September 26, 2019 meeting minutes; and
- Item 5: Customer Enrollment Update as of November 4, 2019

**Review and
discuss
Community
Advisory
Committee key
areas of activity
for 2020 calendar
year**

Chair Braun introduced this item. Mr. Sears informed those present that he prepared a brief staff report wherein he recommends that the CAC consider either forming a new task group or modifying an existing one to look at creating a strategic plan for VCE – a 5-year road map to work towards VCE's vision and mission. Development of a strategic plan fits with the development of the Integrated Resource Plan (IRP) scheduled to be submitted to the California Public Utilities Commission (CPUC) in Spring 2020. Mr. Sears spoke with the VCE Board Subcommittee for their input on and direction for the CAC. They look to VCE Staff as to what is needed from the CAC. Again, the Subcommittee Members complimented the CAC for their assistance. Mr. Sears informed those present that the City of Winters are expected to appoint members to the CAC in the first quarter of 2020.

Chair Braun suggested that staff from the individual agencies be invited to assist in composing a strategic plan. Suggestions from the other members: consideration of incorporating individual agency's Climate Action Plans; invite community members from agriculture and/or commercial; revisit VCE's vision statement; and, to ensure a productive and engaged workshop, the workshop be structured with a draft strategic plan for review and discussion.

**2021 Short Term
Procurement
Plan**

Chair Braun introduced this item then turned it over to VCE Staff Gary Lawson. Mr. Lawson reviewed the 2021 short term procurement plan, including: anticipated long term renewables, power mix with long term renewables, and Staff's proposed recommendations. A brief discussion occurred about the 42% renewable purchase amount and whether VCE could achieve a higher percentage if fiscally prudent. Mr. Lawson reminded those present that at mid-year, the percentage could be readdressed and the Integrated Resource Plan (IRP) is a longer look at VC's portfolio.



Ms. Hunter made a motion to approve Staff's recommendation to the Board that:

- 1) Staff not seek any short-term renewable procurements for 2021 until such time that staff may determine that anticipated deliveries from long-term project might fall below the current 42% renewable portfolio target. In the event that staff determines that long-term renewable deliveries would not satisfy the 42% target, staff would then procure enough short term PCC1 renewables to ensure that the renewable content of the portfolio at least equal 42%;
- 2) Staff proposes to maintain the 33% large hydro procurement target in 2021. This will assure that VCE has at least 75% clean energy in its portfolio in the event that renewable deliveries end up closer to the 42% minimum target level; and,
- 3) include a statement to the Board that the CAC encourages the Board in looking at the 2020 and 2021 procurement and beyond, to revisit the process periodically for opportunities to exceed the 42% power purchase agreements to remain cost effective and competitive.

Motion seconded by Ms. Shewmaker. A discussion occurred.

Ms. Shewmaker made an amended motion to adopt Staff's recommendation as stated above, replacing #3 above with:

- 3) that the Board for the 2020 and 2021 renewable purchases, 42% is the absolute minimum renewable portfolio target and encourage purchases beyond that level where fiscally appropriate. This is to maintain our renewable percentage above our competitor and meet our goal of cost competitive clean energy and establish us as a leader in the fight against climate change.

Motion seconded by Ms. Hunter. Motion passed by the following vote:

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

NOES: None

ABSENT: Casey

ABSTAIN: None

Ms. Hunter made a motion to thank VCE Staff Gary Lawson for all of his hard work and for his wonderful ability to translate complicated information into easy information, in addition to, getting VCE to where we are at today. Motion seconded by Christine Shewmaker. Motion passed with Christine Casey absent.



Update of Valley Clean Energy's Integrated Resource Plan process

VCE Staff Olof Bystrom provided an update on the Integrated Resource Plan (IRP) process. He reminded those present that the IRP Workshop is scheduled for Monday, December 9th at 5:30 p.m. at the City of Woodland Council Chambers. Mr. Bystrom reviewed: IPR calendar, CPUC required IRP features, IERP (Integrated Energy Program Response - CPUC's Demand Forecast), and a 1-3 year action plan = how are you going to reach your long-term goals (approximately 10 years out). It was asked how VCE was addressing disadvantage communities. Mr. Bystrom informed those present that disadvantage areas have been identified – a small number of people, based on numerous factors.

Mr. Bystrom continued to review regulatory developments affecting the resource plan with a correction to Slide 11 from 12.8 MW ELCC (Electric Load Code Capacity) to 12.6 MW. He continued to review what has changed since August 2018, change in costs for new resources, IRP workshop preliminary agenda, and potential considerations for CAC and VCE.

Update on development of potential Valley Clean Energy electric transportation program and discuss

VCE Staff Jim Parks provided an update on the development of VCE's electric transportation program and review several slides. Mr. Parks suggested that the starting point of the program is to procure and install a software package, which would provide information to help customers make a purchase decision. Numerous options were presented. A discussion occurred on potential website information: are local dealers identified and does it list all types of vehicles, including hydrogen. VCE Staff Tessa Tobar informed those present that local dealers are provided and lists many types of vehicles; however, she would have to check on whether hydrogen vehicles are listed.

It was mentioned that consideration of revenue and net financial impacts should be considered in planning and moving forward on the development of programs.

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

Mr. Sears provided an update on the potential acquisition of PG&E's local electricity distribution system. He informed those present that PG&E rejected VCE's \$300 million offer. Nevada Irrigation District submitted their acquisition offer. There are several proposals for Bankruptcy Court to consider and discuss.

Mr. Sears informed those present that the cities of Winters and West Sacramento are joining as Associate Members and will become a part of the discussion of the acquisition.

Update on City of Winters'

Mr. Sears informed those present that Staff have received Winters' signed Resolution and Ordinance with approximately 7,500 residents or 2,800 accounts,



**membership to
Valley Clean
Energy Joint
Powers Authority
Long Range
Calendar 2019**

brought on into VCE in January 2021. VCE's implementation plan is being amended to include Winters.

**Advisory
Committee
Member and
Staff
Announcements**

Chairperson Braun requested that the election of officers for 2020 be moved from the January CAC meeting to the December 5th meeting.

Mr. Sears informed those present that a few Board Members and VCE Staff attended the CalCCA annual meeting held on November 6-7th in Redondo Beach. He stated that the conference was very good and it was well attended. It was asked if the invitation to attend next year's CalCCA conference could be extended to the CAC Members.

**Adjournment to
Next Meeting**

Meeting adjourned at 7:49 p.m. to the December 5, 2019 CAC special meeting at 5:30 p.m. Location to be determined.

Alisa Lembke
Board Clerk/Administrative Analyst