

**VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE**

Staff Report - Item 5

TO: Community Advisory Committee
FROM: Alisa Lembke, Board Clerk/Administrative Analyst
SUBJECT: CAC November 18, 2021 Meeting Minutes
DATE: December 16, 2021

Recommendation

Receive, review and approve the attached November 18, 2021 meeting minutes.



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE
MEETING
THURSDAY, NOVEMBER 18, 2021
VIA TELECONFERENCE**

Chair Christine Shewmaker opened the Community Advisory Committee of the Valley Clean Energy Alliance in a meeting on Thursday, November 18, 2021 beginning at 5:01 p.m. via videoconference pursuant to the Brown Act and Assembly Bill 361 (AB 361). At the October 14, 2021 meeting, the Board of Directors found that the local health official recommended measures to promote social distancing and authorized the continuation of remote meetings for the foreseeable future.

Welcome and Roll Call

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

Committee Members Absent:

Welcome and Approval of Agenda

Lorenzo Kristov made a motion to approve the October 28, 2021 meeting Agenda with Item 12 coming up first on the regular agenda, seconded by Gerry Braun. This motion was discussed briefly.

Christine Shewmaker made a substitute motion of the following regular agenda order: Items 9, 10, 12, 8, 11, seconded by Marsha Baird. A vote was taken on the substitute motion. Motion passed by the following vote:

AYES: Shewmaker, Rodriguez, Baird, Aulman, Springer, Rindahl

NOES: Kristov, Braun, Hunter

ABSENT: None

ABSTAIN: None

Public Comment / Introductions

The Consent Agenda below is in the order identified in the passed motion above. Christine Shewmaker opened the floor for general public comments and on consent items. There were no written or verbal public comments on items not on the agenda and on Consent Agenda items.

Brief task Group and VCE staff Reports

Task Group Reports

Leg/Reg Task Group: No updates to report.

Outreach Task Group: No updates to report.

Programs Task Group: Marsha Baird reported that there are new PG&E rebates coming out in early December and these rebates will be highlighted on VCE's website.



PG&E's rebates (full pump water heaters, water heaters) line up with VCE's energy efficiency work. The EV Rebate program is moving forward and VCE Staff Rebecca Boyles is working on the Ag Pilot program, with the expectation that there will be a final decision in early December. The goal is to launch this pilot program in May 2022.

Rates Task Group: Chair Shewmaker announced that the Task Group will provide their input later on the cost-recover based policy and customer rate structure item on the regular agenda.

Carbon Neutral Task Group: Cynthia Rodriguez informed those present that the group met with Energeia, who are performing a carbon neutral resource portfolio study, and received information on the status of the study. Energeia provided some preliminary information foreshadowing their results.

11/10/21 special Board Meeting Summaries: Interim General Manager Mitch Sears informed those present that the Board at their November 10, 2021 special meeting approved changing VCE's fiscal budget year to a calendar year, adopted rate cost, budget, and received/accepted VCE's annual audit performed by James Marta & Company. Staff introduced Sierra Huffman, VCE's Program & Community Engagement Specialist. VCE Staff Rebecca Boyles providing Huffman's background and a brief summary of those items that she will be performing and working on.

Staff Report: Mr. Sears informed those present that at the CC Power Board meeting they discussed environmental justice policies and long duration storage (8-hour battery storage). It is anticipated that the CAC will consider long duration storage at their December meeting thereafter, to the VCE Board in January 2022.

Consent Items

Chair Shewmaker informed those present that the October 28, 2021 meeting minutes had a typo and a correction on who reported for the Leg/Reg Task Group. Mark Aulman made a motion to approve the November 18, 2021 Consent Agenda items with the October 28, 2021 meeting minutes amended, seconded by Yvonne Hunter. There were no written or verbal comments as identified above. Motion passed unanimously. The following items were:

5. approved October 28, 2021 meeting Minutes as amended;
6. received customer enrollment update as of November 10, 2021; and,
7. received update on SACOG Grant – Electrify Yolo.

Item 9: Update on Quarterly Power Content. (Informational)

VCE Staff Gordon Samuel provided an update on VCE's power content for 2021, including load summary, target versus current estimations, and status of renewable energy contracts (Aquamarine, Putah Creek Energy Farm, and Tierra Buena). It was noted by Staff that the estimated power to be received from the PG&E large hydro allocation is significantly less than originally expected due to the drought. Also, due to



increased ag pumping and heat storms this summer, additional short term RECs were purchased to meet the RPS requirement.

There were no written or verbal public comments.

**Item 10: GHG Free
2022 Attributes
(Large Hydro and/or
Nuclear)
(Informational)**

Chair Shewmaker introduced this item. Mr. Samuel presented background information and solicited feedback from the CAC regarding VCE accepting 2022 and beyond allocation of GHG-free attributes (large hydro and/or nuclear) from PG&E. Mr. Samuel explained that PG&E has been offering GHG-free attributes on a yearly basis; when attributes are accepted a one year agreement is entered into; and, moving forward, if attributes are offered in 2023 and beyond and there are no significant changes in VCE's position, Staff would provide the offering to the CAC and Board as a consent agenda item.

The CAC discussed the timeline of an agreement with PG&E for these attributes and the possible outcomes of accepting both large hydro and nuclear. A member expressed their opinion that they favor accepting both attributes and has consistently voted to reflect their opinion.

Cynthia Rodriguez left at 5:45 p.m.

Yvonne Hunter made a motion to support Staff's recommendation to recommend to the Board that they accept 2022 allocation of large hydro carbon free attributes; reject 2022 allocation of nuclear power carbon free attributes; and, in the event the future attributes (2023 and beyond) are made available to VCE and there are no major changes in VCE's position, bring back to the CAC and Board on consent for approval. Mark Aulman seconded the motion.

There were no written or verbal public comments.

Motion passed by the following vote:

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

**Item 12: Consider
Cost-based Customer
Rates – 2022
Customer Rates.
(Discussion/Action)**

Mr. Sears provided an overview of the background on rates, financial update, what information has changed since this item was presented to the CAC and motion adopted by the Board. Mr. Sears reviewed the 2022 reserve target, rate recommendation, rates implementing procedure, and Staff's recommendation.

The CAC discussed the Board's decision about rates effective November 1, 2021, VCE's policy to match PG&E generation rates, and how that will affect future rates.



The members of the Rates Task Group, Mr. Kristov and Mr. Braun, then gave a short report. They suggested that the methodologies and information used in forecasting be looked at and discussed soon. The CAC continued to discuss: PG&E's filing on November 8, 2021 updating PG&E rate increase and power charge indifference adjustment (PCIA) decrease, various budget scenarios, how VCE's resources will affect the budget, current and future forecast modeling, and Staff's recommendation.

Marsha Baird commented that she would make a motion slightly different than Staff's recommendation. Marsha Baird made a motion that the CAC recommend that the Board approve the following:

- Adopt customer rates for 2022 to match PG&E 2022 generation rates for all customer classes except CARE and FERA customers to cover VCE's FY 2022 budget expenditures and to achieve 120-150 days cash reserves by the end of 2022;
- Adopt a 2022 rates implementing procedure including the following:
 - a. Provide a 5% rate discount for CARE and FERA customers in 2022;
 - b. Direct staff to prepare an analysis of budget including an increase to 2022 renewable portfolio content percentage and return to CAC and Board in Q1/2 2022 with recommendations.
 - c. Direct staff to conduct a review of the VCE Dividend Policy and potential rate discounts including but not limited to:
 - i. Providing a 5% rate discount for all customer classes during peak summer months in 2022 (June – September.);
 - ii. Providing an additional 5% rate discount for CARE and FERA customers during peak summer months (June – September.);
 - iii. Allocating additional funds for community program implementation; and,
 - d. Return to CAC and Board in Q1/2 2022 with recommendations.

This motion was seconded by Yvonne Hunter. A couple of members expressed their concern that the motion did not include specifically looking at forecasting. There were no written or verbal public comments.

Motion passed by the following vote:

AYES: Shewmaker, Hunter, Baird, Aulman, Springer, Rindahl

NOES: Braun, Lorenzo

ABSENT: Rodriguez

ABSTAIN: None



Mr. Sears informed those present that a discussion on forecasting will be brought to the Rates Task Group for further exploration, with the intent of providing an overview of what was discussed back to the CAC at a future meeting.

Item 8: Introduction to community resiliency. (Information)

Chair Shewmaker introduced this item. CAC Member Lorenzo Kristov provided an introduction to community resiliency, defined sustainability and resiliency, and provided an overview of the layered architecture of community resiliency. After a brief discussion, the CAC expressed their interest in having future conversations on strategies and policies for building resilient communities, including energy resilience.

There were no written or verbal public comments.

Item 11: Review Near-term Procurement Directives and Delegations for 2022 Power Procurement Activities. (Informational)

Mr. Samuel updated those present on the delegations and directives necessary for VCE and SMUD staff to continue procurement activities on behalf of VCE's power supply portfolio. Mr. Samuel provided a high-level overview of the products necessary to meet compliance obligations and maintain a balanced power portfolio while meeting power supply portfolio targets set by the VCE Board. He also review the next steps.

There were no written or verbal public comments.

Item 13: Receive and update CAC 2021 Long-Range Calendar. (Discussion)

Chair Shewmaker noted to those present that the December Strategic Plan updated has been postponed.

There is no verbal or written public comment.

Advisory Committee Member and Announcements

Lorenzo Kristov asked Staff about how Time of Use (TOU) rates were being received. Ms. Boyles informed those present that some residential customers have transitioned, but the majority will transition in April 2022. In addition, in speaking with other CCAs, customers appeared to understand the change and a few were confused about TOU and what it meant. VCE Staff will continue to monitor.

Yvonne Hunter commented that at the CalCCA Virtual Annual Meeting on December 1st, Senator Alex Padilla will be one of the speakers. He has deep local government roots and having him at the CalCCA event is wonderful.

Chair Shewmaker informed those present that the CPUC has initiated the process for ending natural gas in new homes.

Mr. Sears encouraged those who will be attending the CalCCA Annual Meeting to visit with other CCAs.



David Springer expressed his excitement of the replacement of furnace and hot water heaters programs that are rolling out on December 1st and to look at comfortablehoimerebates.com website for more information.

**Adjournment to
Next Meeting**

The December meeting has been scheduled for the 3rd Thursday on **December 16th at 5 p.m.** due to the Christmas holiday. Thanks to everyone for participating.

Alisa M. Lembke
Board Clerk/Administrative Analyst