

**VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE**

Staff Report Item 5

TO: VCEA Community Advisory Committee
FROM: Alisa Lembke, Board Clerk/Administrative Analyst
SUBJECT: CAC Draft October 29, 2018 Meeting Minutes
DATE: December 3, 2018

Recommendation

Receive, review and approve the attached draft October 29, 2018 CAC meeting Minutes.



MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE MEETING
Monday, October 29, 2018

Chairperson Gerry Braun opened the Community Advisory Committee of the Valley Clean Energy Alliance in regular session beginning at 5:37 p.m. at the Yolo County Department of Community Services, located at 292 W. Beamer Street, Woodland, California.

Welcome and Roll Call

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

Committee Members Absent: None

Approval of Agenda

Mark Aulman moved to approve the October 29, 2018 Community Advisory Committee Agenda, seconded by Christine Shewmaker. Motion passed unanimously by the following vote:

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

NOES: None

ABSENT: None

ABSTAIN: None

Public Comment

Chairperson Braun opened up the floor to public comment. There being none, he closed the comment period.

VCEA Staff and Advisory Task Group Reports

Outreach Task Group: Mr. Aulman provided an update on the community outreach and marketing services request for proposals (RFP). The Outreach Task Group was asked to assist VCE Staff with reviewing proposals received and interviews. He informed those present that eight (8) proposals were received; four (4) were interviewed over the past two weeks; and, two (2) finalists were selected as the most qualified. Each finalist was asked to submit three (3) references and VCE Staff are calling those references provided. Staff will then present findings to the Board at their scheduled meeting on Thursday, November 15th. Mr. Kristov asked if a recommendation from the CAC will be needed. Mr. Aulman stated that a recommendation from the CAC would not be needed.

Regulatory/Legislative Task Group: Ms. Yvonne Hunter informed those present that several telephone conference calls have been set up in the next few weeks to discuss several different matters, such as recommendation process and how to assist VCE Staff, then she will meet with Mr. Mitch Sears to discuss.

Ms. Lisa Limcaco announced that VCE along with the Cities of Davis and Woodland and Yolo County partnered to submit a grant application and was chosen as a recipient of the SACOG grant in the amount of approximately \$2.9 million.



**Approval of
October 1, 2018
Committee
Meeting Minutes**

Chairperson Braun made a motion to approve the October 1, 2018 CAC meeting Minutes, seconded by Ms. Marsha Baird. Motion passed unanimously with Mr. Aulman abstaining.

CAC Charge

Ms. Hunter made a motion to approve the revised and updated CAC Charge, seconded by Ms. Christine Shewmaker. Motion passed unanimously. Ms. Hunter thanked everyone for providing their input and suggested that VCE Staff when presenting the CAC's recommendation to the Board, to include the original Charge with redlined revisions.

**Draft Revised
CAC First Year
Progress Report**

Chairperson Braun thanked everyone for their contribution. Ms. Baird informed those present that she incorporated the most recent comments. Ms. Hunter made one final suggestion which was to add the positions (Chair, Vice Chair, and Secretary) next to the Member's name.

Ms. Shewmaker made a motion to approve the First Year Progress Report with the addition of positions held next to the Member's name, seconded by Chairperson Braun. All of the members thanked Ms. Baird for incorporating everybody's input into a report. Chairperson Braun commented that it is a timely report and good for soliciting new members because the report captures what the CAC have been doing. Motion passed unanimously

**Updated on PCIA
and SB 237**

VCEA Staff Gary Lawson provided a brief recap of the California Public Utilities Commission's (CPUC) decision on the Power Charge Indifference Adjustment (PCIA), commonly known as the "exit fee". This fee is charged to customers who leave a large utility to receive electric generation from a Community Choice Aggregate (CCA). He stated that information is coming in and no analysis has been completed at this point because of so many "moving parts". He reviewed the history and how PCIA costs are determined. He reminded those present that the CPUC adopted the Alternate Proposed Decision (APD) on October 11, 2018. He reviewed several scenarios and how those scenarios would impact VCEA, highlighting items such as impact on financials, net income, and Debt Service Coverage Ratio (DSCR).

He informed those present that the PCIA and PG&E rates should be forthcoming and were anticipated to be published on November 8th, so this was the main reason for the VCEA Board to cancel their November 8th meeting and hold a special meeting on November 15th since more information should be available.

He informed the CAC that the Board would need to make some policy decisions. Options will be provided to the Board at their PCIA Workshop (Special meeting) scheduled for Thursday, November 1st. Policy options, such as reducing renewable/clean energy content in 2020 as the 2019 energy has already been procured; deferring NEM customer enrollment; reducing what is paid to a NEM generator; eliminating or reducing VCE rate discount; and, reducing operating costs.



Questions and suggestions were provided by the CAC Members, such as, reducing reserves to assist with cash flow; why does postponing NEM customer enrollment matter; possibly offering a choice to the NEM customer to opt in but only if billed monthly in the effort to help with the cash outlay; suggestion to include the 10% operating costs in the scenarios; and, how often are the PCIA rates reviewed.

Mr. Lawson explained that deferring NEM enrollment assists with the cash outlay issue and PCIA rates are reviewed annually by the CPUC.

Mr. Lawson reviewed the upcoming Board calendar with a Special meeting / PCIA workshop scheduled for Thursday, November 1st; cancelling the Board's regularly scheduled meeting of November 8th and scheduling a Special Board meeting for Thursday, November 15th; and the December meeting.

The CAC Members discussed their concerns, such as how to 1) best communicate with VCE customers; 2) increase Customer support and participation; and, 3) balance short- and long-term goals while focusing on VCE's vision. In addition, CAC Members discussed the need for clear communication with Customers and the potential of an increase in opt outs. Chairperson Braun suggested that VCE Staff look at VCE's power mix.

Ms. Shewmaker provided information on Senate Bill 237 – Direct Access which was recently signed into law in September 2018. She commented to those present that this bill will have an effect on VCE and other CCAs.

**VCEA Staff
Report on
Quarterly
Procurement
Update**

Mr. Lawson reviewed with those present some of the highlights of his quarterly report on the procurement progress of VCE's Energy Portfolio which was presented to the Board at their meeting held on October 18, 2018. He reviewed forecast peak, energy loads, peak day loads, power budget, original forecast, and current forecast. He informed those present that procurement of energy is approximately 85-90% of VCE's budget.

**Review and
discuss Board and
CAC Long Range
Calendars, Work
Plans, Local
Resource
Development
Update and
Progress on IRP
Action Steps**

Mr. Lawson informed those present that he and Staff have been working on the Long-Term Resource Plan, Integrated Resource Plan, and evaluating the proposals received in response to the Request for Offers (RFO) for Renewable Resources.

Terms of Service

Chairperson Braun asked Board Clerk Alisa Lembke to introduce the solicitation and recruitment item. Ms. Lembke provided a verbal update of the current advertisement status. Ms. Hunter suggested that VCE Staff ask the City of Woodland and Yolo County to post the solicitation on their website. Ms. Shewmaker introduced the terms of service of the current CAC Members. The CAC Members discussed the possibility of longer



terms to retain continuity, the current level of commitment that has been shown by its Members, and the experience of its existing Members. It was suggested that Staff look into the option of having Members at Large and the process of appointment of CAC Members.

After a brief discussion, the Members agreed to be in the following “classes” for terms of service:

Class 1

Yolo – David Springer
Woodland – Mark Aulman
Davis – Yvonne Hunter

Class 2

Yolo – Marsha Baird
Woodland – Christine Shewmaker
Davis – Gerry Braun

Class 3

Yolo – Vacant
Woodland - Vacant
Davis – Lorenzo Kristov

**Advisory
Committee
Member and Staff
Announcements**

Ms. Shewmaker informed those present that she attended the Board’s last meeting and there was mention of potential legal action. She asked Staff if CalCCA would be filing a rehearing request of the California Public Utilities Commission’s decision on the Power Charge Indifference Adjustment (PCIA). Ms. Limcaco informed those present that there are some issues that would be discussed in closed session at the Board’s next meeting.

Mr. Aulman informed those present that the Daily Democrat published a story on the PCIA and worked with VCE Staff Jim Parks on drafting a response but put a hold on responding until more facts came in and/or there was more chatter.

Mr. Springer asked how it went with VCE presenting information to the City of Winters Council at their meeting held earlier this month. Staff will check with Interim General Manager Mitch Sears on the status.

Next Meeting

The next Community Advisory Committee meeting is scheduled for Monday, December 3, 2018 at 5:30 p.m. at the Davis Senior Center, 646 A Street, Davis, CA 95616.

Adjournment

Chairperson Braun made a motion to adjourn, seconded by Ms. Baird.

Meeting was adjourned at 8:00 p.m.

Alisa Lembke
Board Clerk/Administrative Analyst