

**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 December 3, 2018 Meeting Minutes
DATE: January 24, 2019

Recommendation

Receive, review and approve the attached draft December 3, 2018 CAC meeting Minutes.



MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE MEETING
Monday, December 3, 2018

Chairperson Gerry Braun opened the Community Advisory Committee of the Valley Clean Energy Alliance in regular session on Monday, December 3, 2018 at 5:31 p.m. held at the Davis Senior Center, 646 A Street, Davis, California.

Welcome and Roll Call

Committee Members Present: Gerry Braun (Chair), *Christine Shewmaker (Vice-Chair / * departed at 7:30 p.m.),
, Marsha Baird (Secretary), Yvonne Hunter, Lorenzo Kristov

Committee Members Absent: Mark Aulman, David Springer

**Approval of
Agenda**

Ms. Shewmaker made a motion to approve the December 3, 2018 Community Advisory Committee Agenda, seconded by Ms. Baird. Motion passed unanimously by the following vote:

AYES: Braun, Shewmaker, Baird, Hunter, Kristov

NOES: None

ABSENT: Aulman, Springer

ABSTAIN: None

Public Comment

Chairperson Braun opened up the meeting for public comment. Josh Cunningham of Valley Climate Action Center informed those present that they, along with Cool Davis, are ramping up to push electricity in all new construction with zero carbon emissions. Later, they will push towards all electric retrofits. In the future, Climate Action will look towards VCEA to collaborate on other projects. No other comments were made by the public at this time. Chairperson Braun closed the public comment period.

**VCEA Staff and
Advisory Task
Group Reports**

Regulatory / Legislative Task Group – Ms. Hunter informed those present that the Task Group team identified topics to be discussed with VCEA Interim General Manager Mitch Sears. A meeting has been set up with the Task Group’s members and Mr. Sears to improve the Task Group’s operations and processes.

Mr. Sears informed those present that there are over 160 Cities and Counties across the State that are served by CCA’s. Butte County has been severely impacted due to the Camp Fire and so has the City of Chico. He continues to offer VCE’s support, then when appropriate, VCE will provide support to them in forming a CCA. He informed those present that the City of Woodland Council Member and VCE Board Member, Tom Stallard, informed him that there will be a benefit event for Butte County on Sunday, December 9th.



**Consent Agenda
– Approval of
October 29, 2018
Committee
Meeting Minutes**

Ms. Hunter informed those present that a correction needed to be made on page one of the October 29, 2018 draft CAC meeting minutes, under the Regulatory / Legislative Task Group Report, “she” should be replaced with “they”. Ms. Hunter made a motion to approve the Consent items with the correction to the October 29, 2018 meeting minutes, seconded by Chairperson Braun. Motion passed unanimously by the following vote:

AYES: Braun, Shewmaker, Baird, Hunter, Kristov

NOES: None

ABSENT: Aulman, Springer

ABSTAIN: None

**Receive
Customer
Enrollment
Update**

Ms. Hunter made a motion to approve the Consent items, including the Customer Enrollment update, with the correction to the October 29, 2018 meeting minutes, seconded by Chairperson Braun. Motion passed unanimously by the following vote:

AYES: Braun, Shewmaker, Baird, Hunter, Kristov

NOES: None

ABSENT: Aulman, Springer

ABSTAIN: None

**Recommendation
to Proceed /
Complete PCC-2
Procurement for
2019**

VCE Staff Gary Lawson introduced this item and reminded the CAC that on May 30, 2018 the CAC reviewed Staff’s recommendation to suspend PCC-2 Procurements and the Board made the decision to suspend procurement on June 6, 2018. Mr. Lawson clarified that Staff are only seeking CAC’s recommendation to the Board to proceed and complete procurement of renewable energy (PCC-2) for 2019. A brief question, answers and discussion amongst Staff and Members occurred.

Ms. Hunter made a motion to support Staff’s recommendation that the VCE Board approve a resolution authorizing staff to resume the procurement of PCC-2 Renewal Power for VCE’s projected 2019 needs, seconded by Mr. Kristov. Motion passed unanimously by the following vote:

AYES: Braun, Shewmaker, Baird, Hunter, Kristov

NOES: None

ABSENT: Aulman, Springer

ABSTAIN: None

Public Comment

Mr. Sears informed Chairperson Braun that a couple of people recently joined the meeting and missed the Public Comment period during the beginning of the meeting and would now like to address the Committee. After Chairperson Braun confirmed that the public had comments to items not listed on the agenda, he opened the floor back up to the public.

Jason Taormino of West Davis Active Adult informed those present that they are building an electric-renewable demonstration home in collaboration with Valley Climate Action Center (VCAC). They also have a retrofit existing homes project



program and hope to work in the future with Valley Clean Energy on projects and/or programs.

A resident asked where VCE is purchasing their electricity and suggested that VCE look at procuring it from a hydroelectric facility located in Butte County. The resident also asked what other types of electric are being looked at, such as solar. Chairperson Braun said that there is an item on the Agenda where this will be discussed.

There being no other public comments, Chairperson Braun closed the floor and moved on to the next item on the Agenda.

Review VCE Board Approved Modifications to rate structure, rate discount and postponement of NEM Customer Enrollment RE: PCIA

Mr. Sears provided an update on the Board's policy adjustments taken at their November 15, 2018 meeting in which they addressed VCE's rate structure, discount, and the postponement of NEM Customer enrollment. The actions taken were in response to the California Public Utilities Commission's (CPUC) decision on the Power Charge Indifference Adjustment (PCIA) charges for those who exit an IOU (PG&E) to receive electricity from a Community Choice Aggregator (CCA). Mr. Sears informed those present that there are legislative efforts being made by CalCCA towards addressing PCIA, Resource Adequacy (RA) and having the CPUC support CCAs statewide. Mr. Sears recapped that the Board approved the following:

1. adopted a minimum VCE net margin (after bank loan principal payments) target of 5%;
2. postponed enrollment of Net Energy Metering customers until at least January 2020 with a reassessment of enrollment date in mid-2019;
3. for 2019, adopted electric generation rates identical to PG&E, after factoring the Power Charge Indifference Adjustment (PCIA) imposed by regulatory agencies; and,
4. study adoption of a new rate structure featuring an annual dividend rebate structure to be implemented starting in July 2019.

Mr. Sears informed those present that the CPUC missed their Proposed Decision (PD) issue deadline in early December; therefore, it is anticipated that the CPUC will adopt the PD in January 2019. This will make the rates effective March 1st. The PCIA number was folded into the model, but it is still unknown what the PG&E rates will be.

There were brief discussions on when the rebate would go into effect, when the NEM enrollment would occur, and when/what postponement information will be communicated to the NEM customers. It was suggested that VCE keep solar installers informed of the postponement too.

It was also suggested that VCE Staff look at the residential and commercial solar customer base to determine if VCE should be communicating to them differently. In addition, factors, such as the load, resource adequacy, fixed costs, and rates of each



of these segments, should be looked at to determine if VCE should take a different approach when communicating with them.

Chairperson Braun opened the floor to public comments. There being none, the discussion amongst the Members and Staff continued.

In reference to Mr. Sears comment earlier in the meeting, where there are over 160 cities and counties that are CCAs, it was asked what the load or migration of other cities and counties is moving to CCA's. Mr. Sears informed those present that 30 to 40% of load is going to CCAs and it is anticipated to increase to approximately 50% as new CCAs enter into the market.

Review and Discuss Updated CAC Charge, Year Two Activities and Topics, CAC Work Plan Priorities and possible 2019 Task Groups and Process Improvements

Chairperson Braun introduced this item and summarized that the following documents were provided in the CAC packet to encourage discussion:

- First year progress report, specifically for the second year – operational phase activities;
- Updated CAC Charge;
- VCE Integrated Resource Plan (IRP) – listing of possible local resource related action plan activities; and,
- 2019 VCE Calendar.

Mr. Sears had a meeting with three of the CAC Members to discuss how does the CAC operate moving forward, now that we are in the operational phase of VCE. It was agreed that the role of the CAC should be more on the strategic planning, topics such as: long term goals, dividend rate structure, NEM, other programs and items mentioned in the IRP-list of possible plan activities, community outreach implementation, and legislative engagement.

Chairperson Braun asked each of the Members present what their priorities are for the CAC in 2019.

Mr. Kristov: he asked that the 12-month calendar include as much as possible upcoming items to be addressed by the CAC so that better planning and preparation could be achieved by each individual member. Items of importance to him are: the alignment of the JPA members, how VCE can support other jurisdictions in their energy efficiency efforts and the impact of green energy.

Ms. Hunter: she would like to be able to balance innovative programs and ideas with the financial constraints of VC; brainstorm and have in depth discussion on items, such as rate structure, NEM options, opting up outreach; and, how to help VCE with all the things that VCE would like to do.



Ms. Baird: she would like to concentrate on the IRP local resource related action plan activities and do some long-term planning. Possibly have a task group focusing on portions of the IRP to do some in depth work, then provide the information to the CAC.

Ms. Shewmaker: she would like to first concentrate on those items that must be addressed, then look at those projects and/or programs that VCE would like to do. Having a more explanative calendar will assist in this. And, she would like to focus on Items 7 and 6 listed under Year Two (Operational Phase) of the First Year Progress Report.

Chairperson Braun: he would like to focus on: 1) the process as the CAC is most effective when they know what is expected of them, so planning out the year on the calendar will assist in narrowing down their focus; 2) short term goals, such as what can VCE do to enhance their revenues, additional rate options, all solar, looking into what other CCAs do for pricing, what is the flexibility for rate setting; and, 3) long term goals, such as collaborating the utilities and member communities engaging the public.

Chairperson Braun opened the floor to public comment.

A resident commented that “customer loyalty through local options and programs PG&E does not offer” as stated in the 7.g. of the Year two (Operation Phase) Frist Year Report, is very important to people - going local and building up the momentum.

A resident commented that she would like to see communities get back to energy efficiency, so providing information on how to be energy efficient needs to be widely accessible to the public. There being no other public comment, Chairperson Braun closed the floor.

Mr. Kristov commented that it is important to provide a narrative to be heard by the public, which tells the story about CCAs, rather than the CPUC’s narrative. VCE’s narrative should reemphasize the goals of CCAs to reduce greenhouse gases, etc., which is in line with the State’s goals.

It was suggested that the new customer outreach and marketing consultant, Green Ideals, be asked to “craft a story”, a narrative, to inform the public why CCAs are important with the hopes of gaining loyalty from the customers.

Ms. Baird commented that the CAC should focus on items that they can make an impact on rather than making decisions on items where there are not a lot of options. Chairperson Braun added that the CAC need to be more efficient with their time in addressing items.



Chairperson Braun asked Mr. Sears if they need to address the Task Groups at this meeting or if the item can be tabled to the CAC's next meeting. And, do they need to form new Task Groups. Mr. Sears informed those present that Task Groups could be tabled to the next meeting and that the CAC should review, disband, re-create, change and if needed form new Task Groups. This item was tabled until the next CAC meeting.

Since the CAC's Monday, December 31st meeting has been cancelled, the CAC Members asked that the Board Clerk send out an inquiry to the Members on a mid-January date to meet. Mr. Sears informed those present that the Board will discuss rates at their January 10th meeting.

It was asked what the status was of the City of Woodland candidate who submitted an application for appointment to the CAC. Mr. Sears informed those present that the consideration of appointment is to be addressed at the Board's December 10th meeting. Chairperson Braun asked what the status was on filling the vacant Yolo County seat on the CAC. No applications have been received to date for this seat, but efforts are on-going.

**Election of Chair,
Vice Chair and
Secretary**

Chairperson Braun thanked all of the CAC members for their service and work as he felt it was a big team effort. The Members present discussed whether there was a need to follow the Board's yearly rotation of its officers amongst the three jurisdictions and all agreed that was not necessary as the Board consists of elected officials and the CAC consists of volunteers.

Ms. Hunter made a motion that Gerry Braun, Christine Shewmaker, and Marsha Baird hold their same positions of Chair, Vice Chair, and Secretary for the 2019 year, seconded by Mr. Kristov. Motion passed unanimously by the following vote:

AYES: Braun, Shewmaker, Baird, Hunter, Kristov

NOES: None

ABSENT: Aulman, Springer

ABSTAIN: None

The following CAC Members will hold the positions of:

Chair: Gerry Braun (City of Davis)

Vice Chair: Christine Shewmaker (City of Woodland)

Secretary: Marsha Baird (Yolo County)

**Advisory
Committee
Member and
Staff
Announcements**

Ms. Shewmaker asked that Staff find out what other CCA Advisory Committees are doing and working on. She is interested in the topics, issues and how they are addressing the items that come to the CAC for review, discussion and analysis. Possibly a monthly conference call amongst the CAC's and/or visiting other CAC meetings.



Ms. Hunter informed those present that she met with Beth Vaughn of CalCCA. They discussed a variety of subjects. Ms. Shewmaker asked that Ms. Vaughn be invited to attend a VCE CAC meeting. Mr. Sears will put the request into CalCCA.

Ms. Hunter is also interested in having monthly meetings/conference calls with the other CAC's.

Mr. Kristov provided an update to those present on the PUC's decision of IOU's becoming the central buyer for procuring local resources, which he believes undermines the CCAs. Stakeholders because they cannot be implemented in 2020. IOUs will become the central buyer. Undermining the CCAs. This will have to be a legislative item for CCA's.

Ms. Shewmaker departed at 7:30 p.m.

Mr. Sears informed those present that CalCCA is aware of the central buyer and resource adequacy issues and will be focusing on addressing them. He reminded those present that the Transportation Committee will be approving the SACOG grant allocation at a meeting this week, of which VCE Staff Jim Parks will be attending. In addition, he informed those present that he was asked to speak to the San Joaquin Forum on climate protection.

Chairperson Braun informed those present that a Climate Emergency Declaration was passed by the towns of South Lake Tahoe, Truckee, and Nevada City.

Next Meeting

The December 31, 2018 meeting has been cancelled and a mid-January 2019 meeting is being requested. Thereafter, the next meeting is scheduled for Monday, February 4, 2019 at 5:30 p.m. at the Yolo County Department of Community Services, Cache Creek Room, 292 W. Beamer Street, Woodland, California.

Adjournment

Chairperson Braun adjourned the meeting at 7:36 p.m.

Alisa Lembke
Board Clerk/Administrative Analyst