



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
BOARD OF DIRECTORS MEETING
THURSDAY, DECEMBER 12, 2024**

The Board of Directors of the Valley Clean Energy Alliance duly noticed their regular meeting for Thursday, December 12, 2024 at 5:30 p.m. to be held at City of Davis Community Chambers located at 23 Russell Boulevard, Davis, California 95616. Director Jesse Loren established that there was a quorum present and began the meeting at 5:31 p.m.

Board Members Present: Jesse Loren, Tania Garcia-Cadena, Will Arnold, Richard Casavecchia, Tom Stallard, Bapu Vaitla (Vice Chair, arrived at 5:27 p.m.)

Members Absent: Lucas Frerichs, Jim Provenza

Welcome, Director Jesse Loren welcomed everyone to the meeting.
Approval of the Agenda, Motion made by Director Stallard to approve the agenda, seconded by
Recognition of Garcia-Cadena. Motion passed by the following vote:
Board Members AYES: Loren, Garcia-Cadena, Arnold, Casavecchia, Stallard
Service NOES: None
ABSENT: Frerichs, Stallard, Vaitla
ABSTAIN: None

Director Loren presented a proclamation recognizing Will Arnold's service to VCE and to the City of Davis. Other Directors thanked Director Arnold for his service. VCE Executive Officer Mitch Sears thanked, on behalf of Staff, for all of his work. (Vice Chair Bapu Vaitla arrived at 5:37 p.m.) Attendee and VCE Customer Christine Shewmaker thanked Will Arnold for his service.

Public Comment – Director Loren opened up public comment on general and consent
General and items. There were no written or verbal public comments.
Consent Items

Public Comment on Director Loren announced that the Board will be going into Closed
Closed Session Session and asked if there were any public comment on the Closed
Items Session items. There being no verbal or written public comment,
Director Loren announced that it is anticipated that no reportable action
will be taken in Closed Session.



CLOSED SESSION:
Conference with
Legal Counsel –
Anticipated
Litigation

The Board convened into Closed Session at 5:37 p.m. and adjourned their Closed Session at 5:57 p.m. Vice Chair Vaitla stated that there was nothing to report out. The Board reconvened into the regular meeting at 6:00 p.m.

Approval of
Consent Agenda /
Resolution 2024-
015 thru 2024-019

Vice Chair Vaitla informed those present that VCE's general legal counsel, Inder Khalsa from Richards, Watson and Gershon, has an announcement regarding Item 18 - Employment Agreement for Executive Officer between VCE and Mitch Sears. Ms. Khalsa announced, per the Brown Act, information about Executive Officer Mitch Sears' employment agreement with VCE.

Motion made by Director Casavecchia to approve the consent agenda items, seconded by Director Arnold. Motion passed with Directors Frerichs and Provenza absent. The following items were:

5. approved November 14, 2024 Board meeting Minutes;
6. received 2025 long range calendar;
7. received Treasurer's reports: a) September 30, 2024 and b) October 31, 2024;
8. received legislative update provided by Pacific Policy Group;
9. received November 2024 regulatory update dated December 4, 2024 provided by Keyes & Fox;
10. received Community Advisory Committee November 21, 2024 meeting summary;
11. approved Amendment Eight (8) to Keyes & Fox Agreement for energy advisory services to extend the term and increase the not to exceed amount as Resolution 2024-015;
12. approved Amendment One (1) to Richards, Watson and Gershon Agreement for legal services to extend the term as Resolution 2024-016;
13. received summary of VCE Grant activity;
14. approved 2025 Legislative and Regulatory Platform;
15. approved updated VCE Reserve Policy and Dividend Program Guidelines;
16. authorized Executive Officer, in consultation with legal counsel, to execute and sign Hourly Flex Pricing Pilot Agreement(s) as Resolution 2024-017;
17. approved Agricultural Flexible Irrigation Technology (AgFIT) Pilot program budget amendment and receive close out update as Resolution 2024-018; and,



18. approved Employment Agreement for Executive Officer between Valley Clean Energy and Mitch Sears as Resolution 2024-019.

Item 19: Approve 2025 Operating Budget and 2025 Customer Rates. (Discussion/Action) Resolution 2024-020

VCE Executive Officer Mitch Sears introduced this item. VCE Staff Edward Burnham provided an overview and update on the 2024 Operating Budget and reviewed Staff's recommendation on 2025 Customer Rates. The Board and Staff discussed: effective date of 2025 rates; VCE having their own rates; the fluctuation of Power Charge Indifference Adjustment (PCIA) charges; bill explainer for customers; proposed costs in 2025; and, the 2025 Operating budget outlook. There were no written or verbal public comments.

Motion made by Director Loren to approve the 2025 budget with \$102.1 Million of operating revenues and \$27.7 million of operating expenses for a net income of \$29.4 million, and approve 2025 VCE Customer rates as follows: Standard Green Rates with a 5% discount to PG&E's 2025 generation rates; an additional 5% discount (10% combined) to PGE 2025 Rates for CARE/FERA and Medical Baseline customers; and, Base Green Rate discount of 2.5% to PG&E 2025 generation rates. This motion was seconded by Director Casavecchia. Motion passed as Resolution 2024-020 by the following vote:

AYES: Loren, Garcia-Cadena, Arnold, Casavecchia, Stallard, Vaitla

NOES: None

ABSENT: Frerichs, Provenza

ABSTAIN: None

Item 20: Discuss and seek recommendation on GHG-Free allocations from large hydro and nuclear resources. (Discussion/Action) Resolution 2024-021

VCE Chief Operating Officer Gordon Samuel reviewed hydro allocations and VCE's historical action of accepting GHG-free allocations. He reviewed what has changed regarding nuclear allocations compared to prior years; provided an overview of what other CCAs are doing; and, reviewed Staff's recommendation to accept both large hydro and nuclear GHG-free attributes. The Board and Staff discussed: why carbon free nuclear is not considered renewable; legal issues around large hydro facilities; and, individual jurisdiction's view on nuclear. There was no written public comment.

Verbal Public Comment: Christine Shewmaker stated that she opposes accepting nuclear allocations and would like VCE to focus on the long term RPS goal.



Motion made by Director Arnold to accept the 2025 allocation of large hydro and nuclear power GHG-free attributes and authorize the Executive Officer to enter into an agreement(s) with PG&E to accept the Large Hydro and Nuclear GHG-free allocations, motion seconded by Director Stallard. Motion passed as Resolution 2024-021 by the following vote:

AYES: Loren, Garcia-Cadena, Arnold, Casavecchia, Stallard

NOES: Vaitla

ABSENT: Frerichs, Provenza

ABSTAIN: None

Item 21: Board
Member and Staff
Announcements

There were no reports from the Board. Mr. Sears informed those present that he attended the UC Davis Energy Efficiency Institute Advisory Board meeting, in which a variety of industries came together to discuss energy efficiency, carbon reduction and affordability that have state and national implications.

Announcement /
Adjournment

Vice Chair Vaitla announced that the Board's January meeting has been cancelled and the next scheduled meeting is on Thursday, February 13, 2025. There being no further business to discuss the meeting was adjourned at 6:46 p.m.

A handwritten signature in blue ink, appearing to read "Alisa M. Lembke".

Alisa M. Lembke
VCEA Board Secretary