

Public Comment

RCEA Board of Directors
February 25, 2021 Meeting

Public Comment

Comment received
on items not on the agenda



IBEW **LOCAL 551**

**INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS**

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HUMBOLDT AND DEL NORTE COUNTIES

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February 18, 2021

Mr. Matthew Marshall
Executive Director
633 3rd Street
Eureka, CA 95501

RE: Redwood Coast Energy Authority

Dear Mr. Marshall and Board Members,

I am writing on behalf of IBEW Local 551, to express our concern that the decision of Redwood Coast Energy Authority to join the California Community Power JPA ("CCP JPA") will weaken local control over the terms and types of procurement agreements that are entered into by Redwood Coast Energy Authority and result in projects that are not consistent with community labor and environmental values. Redwood Coast Energy Authority is just one vote out of nine Community choice aggregation program ("CCA") members, with a strong likelihood that additional CCAs may also join the CCP JPA. While a CCA can decide not to participate in a project if it does not like the terms of the negotiated agreement, that puts Redwood Coast Energy Authority in a position where it will likely be pitted between agreeing to a contract that is not consistent with its labor and environmental goals and values and saying no to a needed project where there may not be a clear alternative option.

To address this issue, we are asking Redwood Coast Energy Authority to adopt a formal resolution to direct its staff to propose, lobby for, and support the adoption of formal CCP JPA policies to ensure that the CCP JPA will seek to award contracts and negotiate contract terms that support local hire, support local business, support union labor and apprenticeship programs that create employment opportunities, support maintaining area construction wage standards, and support inclusive business practices. We also support having the CCP JPA adopt upfront policies not to negotiate agreements for unbundled renewable energy credits and to ensure that the siting of new power plants resulting from CCP-negotiated power purchase agreements fully consider environmental and equity impacts.

We understand that some of the CCA staff have proposed that labor, equity and environmental policies be negotiated between participating members on a project-

by-project basis – rather than having the CCP JPA adopt clear policies up front. We oppose this approach. This is an empty policy that will not effectively resolve these concerns. If equity, labor and environmental policies and goals are not adopted up front by the CCP JPA, then individual CCAs will have to spend resources and political capital to lobby for inclusion of these policies on a case-by-case basis – with little likelihood that these policies will be included on the large projects this JPA is intended to procure. With a JPA that is starting with nine members and may expand greatly, this JPA dilutes any influence that the Redwood Coast Energy Authority's Board has over the terms of these individual agreements. If these goals and policies are to be meaningful, they need to be adopted up front and baked into the DNA of the CCP JPA.

Furthermore, case-by-case adoption would require all participating CCAs to unanimously agree to any policies for a specific project – any single CCA member would have veto power over applying these policies. Adoption of a broader CCP JPA policy governing all agreements, on the other hand, requires just a majority vote of the CCA members. We urge you to direct staff to immediately propose and lobby for labor, equity and environmental policies and goals to be adopted by the CCP JPA that would apply to all projects developed or negotiated by the CCP JPA.

In particular, we would like to see the CCP JPA adopt the following:

A. Sustainable Workforce Policy. The CCP JPA shall use best efforts to ensure each construction contractor or subcontractor performing work on any CCP JPA project utilize local businesses, union labor, local apprenticeship, and fair compensation practices in program implementation including proper assignment of work to crafts that traditionally perform the work. CCP JPA projects shall include, but not be limited to, power purchase agreements, energy storage agreements, or energy efficiency program agreements developed or negotiated by the CCP JPA and entered into by more than one of the CCP JPA's individual CCA members. The CCP JPA shall collect information from respondents to any bidding and/or RFO/RFP/RFQ process regarding past, current and/or planned efforts by project developers and their contractors to:

- Employ workers and use businesses from the service territories of the CCP JPA members.
- Employ properly licensed (A, B, C10, C7, C46) contractors and California Certified electricians.
- Utilize multi-trade project labor agreements on the proposed project or any prior project developments.
- Utilize local apprentices, particularly graduates of local pre-apprenticeship programs.
- Pay workers the correct prevailing wage rates for each craft, classification and type of work performed.

- Display a poster at jobsites informing workers of prevailing wage requirements.
- Provide workers compensation coverage to on-site workers.
- Support and use State of California approved apprenticeship programs.

Relevant information submitted by proposers will be used to evaluate potential workforce impacts of proposed projects with the goal of promoting fair compensation, fair worker treatment, multi-trade collaboration, and support of the existing wage base in local communities where contracted projects will be located.

B. Prevailing Wage Policy: The CCP JPA shall require bidders on all CCP JPA projects to pay prevailing wages for construction work, including any construction work contracted by third parties in order to fulfil the terms of the CCP JPA project. CCP JPA projects shall include, but not be limited to, power purchase agreements, energy storage agreements, or energy efficiency program agreements developed or negotiated by the CCP JPA and entered into by more than one of the CCP JPA's individual CCA members.

C. Project Labor Agreement Policy. CCP-developed projects that will be jointly-owned by more than one CCA member shall be constructed through a multi-trade project labor agreement or through multiple such agreements. Each construction contractor or subcontractor performing work on any CCP JPA member-owned project shall use a combination of local labor, union labor and apprenticeship programs, and shall follow fair compensation practices including proper assignment of work to crafts that traditionally perform the work.

D. Unbundled Renewable Energy Credits (RECs) Policy. The CCP JPA shall not pursue projects involving the use of unbundled renewable energy credits (RECs) for meeting its members' renewable energy goals.

E. Environmental and Environmental Justice Policy. The CCP JPA shall avoid or mitigate, to the extent feasible, potential environmental and environmental justice impacts of projects, and shall seek to ensure sustainable siting of renewable energy projects as part of the procurement process

F. Geographical Preference Policy. The CCP JPA shall first give a preference to projects that are located in a county or city that receives electric service from one or more of the CCP JPA member CCAs, then to projects that are located in Northern California, and then to projects that are located within California.

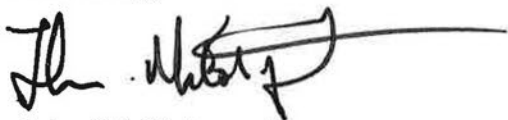
G. Public Advisory Committee Policy. The CCP JPA shall form a public advisory committee, including labor, environmental and equity representatives, to

ensure transparency and public engagement in CCP's operations and procurement practices.

IBEW Local 551 respectfully urges Redwood Coast Energy Authority to adopt a formal resolution to direct its staff to support adoption of the above labor, equity and environmental policies by the CCP JPA as upfront policies that will guide the development of all projects under the CCP JPA. By joining the CCP JPA, Redwood Coast Energy Authority inherently diminishes local control over the terms of procurement agreements. This undermines one of the fundamental purposes of the CCA. Local control is further diminished by the fact that the CCP JPA board is made up of staff, which is contrary to CCAs structure of having elected officials make these decisions so that they are held accountable by the public. By adopting clear policies now, Redwood Coast Energy Authority will ensure that its participation in this super-sized JPA will not undermine community values regarding supporting labor, local businesses, environmental values, and inclusive business practices.

Thank you for your consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read "John McEntagart", with a long horizontal flourish extending to the right.

John McEntagart
Business Manager
IBEW Local 551

Public Comment

Public comment received
for agenda item 5.2
Biomass Power Purchase
Agreement with Humboldt
Sawmill Company

Redwood Coast Power LLC

5487 N. Milwaukee Avenue
Chicago, Illinois 60630-1249

773-792-1310
Fax: 773-792-8358

ONeillChicago@Hotmail.com

David S. O'Neill
January 22, 2021

Mr. Matthew Marshall
Executive Director
Redwood Coast Energy Authority
633 3rd St.
Eureka, CA 95501

**re: Resubmitted Open Letter and Proposal to Supply Renewable Energy to the
Redwood Coast Energy Authority at a Stated Price per MegaWatt Hour**

Dear Mr. Marshall:

In November of 2020, Redwood Coast Power LLC ("Redwood Coast Power") submitted a proposal to the Redwood Coast Energy Authority ("RCEA") to supply base-load, renewable, biomass power from a local generation source in response to an expression of interest by the RCEA to purchase such power. The proposal was presented at the RCEA's November 19, 2020 meeting. With the exception of some irrelevant and false statements made by a generally disrespected member of the public, there was no argument presented to discourage the RCEA from further pursuing this opportunity. However, to date, the RCEA has taken no further action with respect to this proposal. The RCEA has failed to act in the potential best interest of their rate payers and residents of their service area.

As a result of this inaction, Redwood Coast Power is resubmitting the proposal and requesting that the RCEA Board instruct the RCEA staff to advance this opportunity by contacting and working with the representatives of Redwood Coast Energy to gather detailed information on the proposal and supply this information to the RCEA Board to allow the Board the to make an informed decision to enter into a power-purchase agreement with Redwood Coast Power.

It must be noted that the RCEA's lack of action with respect to this proposal is against the expressed interest of a large contingent of the RCEA's rate payers. Redwood Coast Power has consistently been shown support for bringing its plant back into operation from the community. This support comes from individuals interested in the jobs that can be created at the plant and ancillary businesses, people interested in good use of the forest assets and economic growth and people simply interested in justice and fair treatment. As evidence of this support, I have included a sampling of some of the petitions that were submitted on behalf of Redwood

Coast Power in response to a previous request for proposal that request we prove that we had wide-spread backing for operating the plant. As a Community Choice Aggregator, the interest of the rate payers should be of great interest to the RCEA.

The offer to supply power to the RCEA from Redwood Coast Power is restated as follows:

Redwood Coast Power LLC is offering to supply base-load, biomass energy to RCEA for a fixed price of \$50 per MegaWatt hour. Under this proposal, Redwood Coast Power will retain the “renewable energy credits” generated from the sale. It is our understanding that the RCEA has an excess of renewable energy credits. However, if the RCEA elects to obtain the renewable energy credits, a method of compensation can be negotiated.

Redwood Coast Power is of the opinion that this price is very competitive with the price that the RCEA is presently paying for biomass power as well as the full cost that the RCEA incurs in buying power from sources that are not base-load and not reliably delivered. In addition to the reasonable price for base-load, renewable power, this proposal has the additional benefits previously discussed:

- a reliable, non-interruptible, base-load power supply, delivered on a reliable basis that would maximize its value to the RCEA.
- the power will be generated at the Redwood Coast Power Biomass Power and Carbon Sequestration Plant located at 200 Taylor Way in Blue Lake, CA. That has been fully refurbished to provide clean and efficient operation. Among the repairs and improvements are:
 1. The process control system has been modernized
 2. The electro-static precipitator has been rebuilt
 3. The cooling tower capacity has been increased
 4. The fuel dryer has been repaired
 5. The boiler feed grates have been repaired
 6. The fuel supply has been improved and a reliable fuel supply has been established for meeting the SB 859 requirements of using wood from Tier 1 and Tier 2 hazardous forests
 7. The rotor in the turbine has been remachined
 8. The boiler and super heater tubes have been replaced and cleaned and
 9. Changes have been made to increase the quantity and quality of char generated and to facilitate the collection and shipping of char
- the plant will be operated to maximize the production of high-quality char. As a result of the char production, carbon from the carbon-base wood fuel will be sequestered. This carbon capture will consequently reduce green house gases and global warming. LandGas Technology LLC (the manager of Redwood Coast Power) is a leader in the field of char production and beneficial use and is offering to make the city of Blue Lake and the RCEA participants in this pioneering effort.

- the plant will achieve among the lowest emission rates in the state of California. Our permit requires emissions of less than:

- a) NOx emissions of 0.12 lb/MMBtu on a 24-hour Rolling Average basis and 0.10 lb/MMBtu on an annual Rolling Average Basis;
- b) CO emissions of 0.40 lb/MMBtu on a 24-hour Rolling Average basis; and
- c) PM10 emissions of 0.02 lb/MMBtu on a 3-hour average basis.

These standards are considerably below the emissions that are being achieved by the RCEA's present biomass-energy suppliers.

- by creating a market for the power produced by Redwood Coast Power, the RCEA will not only be ensuring its customers base-load power, it will also be benefitting the area in other ways including:

1. Creating local jobs including jobs for the employees laid off at the DG Fairhaven Biomass Plant
2. Supporting local saw mills and foresters by creating a market for their wood waste
3. Allowing for proper forest management by allowing over crowded forests to be properly thinned and harvested
4. Preventing forest fires that result from a lack of forest management
5. Payment of rent, permit fees, taxes and utilities to local units of government
6. Carbon sequestration and the creation of a source of char to local industrial users and farmers that is presently in short supply
7. Increase activity for businesses in the city of Blue Lake and surrounding communities.

- the potential benefit of RCEA being able to supply power during periods when PG&E curtails transmission as a result of the plant being located in the center of the Blue Lake service area.

The RCEA has recently announced that it is participating in the California Community Choice Aggregators' Request for Long-Duration Storage. The devastating environmental impact and high cost of batteries is something that should be avoided if a better alternative is available. This proposal is that better alternative. The use of an existing facility that produces base-load power and eliminates the need for expensive, inefficient batteries manufactured from rare metals and toxins that will need to be disposed in landfills and leach into the ground water should be prioritized. Especially when it will be done at a lower price, with greater local economic benefits and with carbon capture.

I would like this letter to be treated as an open letter to the RCEA Board as well as the customers of the RCEA. I would appreciate your efforts to forward this letter to the member of the RCEA Board and other parties that will be involved in the consideration of the offer at your February, 2021 Board meeting. I would also appreciate if the letter could be included in the package of information for that meeting or made available to the general public through other means before or at the meeting.

As I stated in the November, 2020 submittal, Redwood Coast Power LLC presents this Proposal in good faith and would appreciate RCEA acting in kind. However, Redwood Coast Power is of the opinion that the RCEA did not act in kind to our November proposal and questions why this courtesy was not extended. If any party has a reason to object to this Proposal, Redwood Coast Power would expect an opportunity to consider any objections and either refute the objection or work towards a resolution agreeable to all parties. I would appreciate the opportunity to further discuss this Proposal with the RCEA and look forward to your response.

Thank you for your consideration of this offer and please call me with any questions or concerns.

Sincerely submitted,



David S. O'Neill

cc (without attachments):

Richard Engel

County of Humboldt – Mike Wilson

City of Trinidad – Dave Grover

City of Arcata – Sarah Schaefer

City of Blue Lake – Chris Curran

City of Eureka – Scott Bauer

City of Ferndale – Stephen Avis

City of Fortuna – Mike Losey

City of Rio Dell – Frank Wilson

Humboldt Municipal Water District – Sheri Woo

Humboldt County Board of Supervisors

Rex Bohn, District 1

Michelle Bushnell, District 2

Mike Wilson, Vice Chair District 3

Virginia Bass, Chair District 4

Steve Madrone, District 5

From: [David O'Neill](#)
To: [Public Comment](#)
Cc: [Aaron Roberts](#); [blue lake](#); [Brian Morrison](#); [REDACTED]; [Glen Zane](#); [Kevin Davis](#)
Subject: 5.2. Biomass Power Purchase Agreement with Humboldt Sawmill Company
Date: Thursday, February 25, 2021 8:21:45 AM

I would like to enter the following public comment for the RCEA Board Meeting of February 25, 2021 related to Old Business Item:

5.2. Biomass Power Purchase Agreement with Humboldt Sawmill Company Direct staff to enter negotiations with Humboldt Sawmill Company for an amendment to the existing power purchase agreement at a reduced price, with flexibility to provide additional energy, and for a term of 2021-2031, to be brought back to the Board for approval at a future meeting.

I am requesting that no action be taken on this matter unless and until, the Board and the staff have fully reviewed and considered the proposal to supply base-load, biomass power under the proposal from Redwood Coast Power from the Blue Lake Power Plant in Blue Lake, CA. This proposal is included in the Public Comment section of the agenda for this meeting. Note that this item is Old Business and should have been included in the "Old Business" section of the Agenda for this meeting so that it could be given the same consideration as Item 5.2.

If the Board does decide to allow the staff to enter negotiations with Humboldt Sawmill Company for an amendment to the existing power-purchase agreement, the staff should be instructed to not only try to negotiate a reduced price, but it should also try to negotiate some of the other benefits that are available under the Redwood Coast proposal. Any final agreement to amend the existing PPA should, at a minimum, result in:

- Emission standards at or below the emission standards that are imposed on the Blue Lake Power Plant
- The support of the local sawmills and forestry industry in and around the Redwood Coast Energy Authority service area, Including creating a reliable outlet and beneficial use of these parties' waste
- The guaranteed proper, beneficial use of the by-products of the combustion process for generating the power including the char and ash generated
- A positive benefit to global warming by sequestering carbon from the ash and char generated in the combustion process
- Creation of char and the guarantee that the use of this char will be to benefit local agriculture or other industry in the area
- The creation of at least 20 long-term, skilled and high-paying jobs for resident in and around the Redwood Coast Energy Authority service area.
- Continued payment of rent and other payments to the city of Blue Lake and Humboldt County and substantial economic activity in Blue Lake and surrounding communities
- Locally produced power that can guarantee Blue Lake electrical power during periods of power curtailments.

If, as a result of any negotiations to extend the present PPA, these benefits, which should be available under a negotiated agreement with Redwood Coast Power, cannot be agreed to, the staff should be instructed to cease negotiations for an extension of the present PPA and subsequently enter into negotiations with Redwood Coast to formulate a new PPA for the maximum benefit of the RCEA rate payers.

David S. O'Neill

Attorney at Law

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(O) (773) 792-1310

[REDACTED]

(F) (773) 792-8358

From: [REDACTED]
To: [Public Comment](#)
Subject: comment on agenda item 5.2 power purchase agreement with scotia
Date: Thursday, February 25, 2021 3:41:24 PM

Ten years seems like a long time for RCEA to lock itself into an obligation to buy any amount of carbon-intensive power. At the very least it should stress flexibility to buy less power from Scotia instead of more. In the next nine years we need to achieve a drastic reduction of greenhouse gas emissions to prevent the situation from becoming catastrophic for our children. Biomass does not fit the bill.

Scientists, economists, and climate activists object to the official designation of biomass as carbon-neutral as the time window for reducing our emissions shrinks. If not for this mistaken and highly problematic designation, biomass would have been completely abandoned many years ago as genuinely green alternatives become available and cheaper. Even natural gas compares favorably to biomass, especially when particulates in the air are considered.

In the next ten years we are hoping for increased availability of solar and wind power in Humboldt county. Plus, flexibility to innovate is always key. Current examples are more storage, increased grid capability and strategies to reduce peak usage by structuring rates, and smart grid-balancing programs such as Ohm Connect. Whatever is not feasible now could become feasible during the next ten years.

The bottom line is desperately simple. We must draw down atmospheric carbon. Humboldt Redwood Company will never consider alternative uses for its wood waste that could sequester significant amounts of carbon as long as RCEA's ratepayers subsidize the status quo.

Thank you.

Martha Walden

Sent from Windows Mail