



BOARD OF DIRECTORS MEETING AGENDA

July 22, 2021 -Thursday, 3:30 p.m.

COVID-19 NOTICE

RCEA AND HUMBOLDT BAY MUNICIPAL WATER DISTRICT OFFICES WILL NOT BE OPEN TO THE PUBLIC FOR THIS MEETING

Pursuant to the Governor's Executive Order [N-29-20](#) of March 17, 2020, and the Humboldt County Health Officer's March 30, 2020, [Shelter-in-Place Order](#), the RCEA Board of Directors meeting will not be convened in a physical location. Board members will participate in the meeting via an online Zoom video conference.

To listen to the meeting by phone, call (669) 900-6833 or (253) 215-8782. Enter webinar ID: 819 7236 8051. **To watch the meeting online**, join the Zoom webinar at <https://us02web.zoom.us/j/81972368051>.

You may submit written public comment by email to PublicComment@redwoodenergy.org. Please identify the agenda item number in the subject line. Comments will be included in the meeting record but not read aloud during the meeting.

To make a comment during the public comment periods, raise your hand in the online Zoom webinar, or press star (*) 9 on your phone to raise your hand. You will continue to hear the meeting while you wait. When it is your turn to speak, a staff member will unmute your phone or computer. You will have 3 minutes to speak.

While downloading the Zoom application may provide a better meeting experience, Zoom does not need to be installed on your computer to participate. After clicking the webinar link above, click "start from your browser."

In compliance with the Americans with Disabilities Act, any member of the public needing special accommodation to participate in this meeting should call (707) 269-1700 or email Ltaketa@redwoodenergy.org at least 3 business days before the meeting. Advance notice enables RCEA staff to make their best effort to reasonably accommodate access to this meeting while maintaining public safety.

Pursuant to Government Code section 54957.5, all writings or documents relating to any item on this agenda which have been provided to a majority of the Board of Directors, including those received less than 72 hours prior to the RCEA Board meeting, will be made available to the public at www.redwoodenergy.org.

OPEN SESSION Call to Order

1. REPORTS FROM MEMBER ENTITIES

2. ORAL COMMUNICATIONS

This time is provided for people to address the Board on matters not on the agenda. At the conclusion of all oral communications, the Board may respond to statements. Any request that requires Board action will be set by the Board for a future agenda or referred to staff.

3. CONSENT CALENDAR

All matters on the Consent Calendar are considered to be routine by the Board and are enacted in one motion. There is no separate discussion of any of these items. If discussion is required, that item is removed from the Consent Calendar and considered separately. At the end of the reading of the Consent Calendar, Board members or members of the public can request that an item be removed for separate discussion.

3.1 Approve Minutes of June 24, 2021, Board Meeting.

3.2 Approve Disbursements Report.

3.3 Accept Financial Reports.

4. REMOVED FROM CONSENT CALENDAR ITEMS

Items removed from the Consent Calendar will be heard under this section.

COMMUNITY CHOICE ENERGY (CCE) BUSINESS (Confirm CCE Quorum)

Items under this section of the agenda relate to CCE-specific business matters that fall under RCEA's CCE voting provisions, with only CCE-participating jurisdictions voting on these matters with weighted voting as established in the RCEA joint powers agreement.

5. OLD CCE BUSINESS

5.1. Energy Risk Management Quarterly Report

Accept Energy Risk Management Quarterly Report.

6. NEW CCE BUSINESS – None.

END OF COMMUNITY CHOICE ENERGY (CCE) BUSINESS

7. OLD BUSINESS

7.1. RePower Humboldt Energy Strategic Plan Update (Information only)

7.2. Racial Justice Plan

Accept Racial Justice Plan progress report.

Continue ad hoc Racial Justice Plan Board Subcommittee through 2022.

8. NEW BUSINESS – None.

9. STAFF REPORTS

9.1. Update by Executive Director Matthew Marshall on offshore wind project.

10. FUTURE AGENDA ITEMS

Any request that requires Board action will be set by the Board for a future agenda or referred to staff.

11. CLOSED SESSION

11.1. CONFERENCE WITH REAL PROPERTY NEGOTIATIONS Pursuant to Government Code § 54956.8 in re: APNs 001-104-001-000 and 001-011-021-000; RCEA negotiator: Executive Director; Owner's negotiating party: Kramer Investment Corporation and the City of Eureka; Under negotiation: price and terms.

12. RECONVENE TO OPEN SESSION

13. CLOSED SESSION REPORT

14. ADJOURNMENT

NEXT REGULAR MEETING

Thursday, August 26, 2021, 3:30 p.m.

This meeting will be an online teleconference following shelter-in-place orders.



BOARD OF DIRECTORS MEETING DRAFT MINUTES

June 24, 2021 - Thursday, 3:30 p.m.

Notice of this meeting was posted on June 21, 2021. Chair Sheri Woo called a regular meeting of the Board of Directors of the Redwood Coast Energy Authority to order on the above date at 3:32 p.m., stating that the teleconference meeting was being conducted pursuant to Brown Act waivers included in Governor Newsom's COVID-19 State of Emergency Executive Order [N-29-20](#) of March 17, 2020, and the Humboldt County Health Officer's March 30, 2020, [Shelter-in-Place Order](#). Chair Woo stated that the posted agenda contained public teleconference meeting participation instructions.

PRESENT: Vice Chair Stephen Avis, Scott Bauer, Chris Curran, David Grover, Mike Losey, Sarah Schaefer, Frank Wilson, Mike Wilson, Chair Sheri Woo. ABSENT: None. STAFF AND OTHERS PRESENT: Business Planning and Finance Director Lori Biondini, Infrastructure Planning and Operations Director Dana Boudreau, Power Resources Director Richard Engel, Community Advisory Committee Nominee Ethan Lawton, Community Strategies Manager Nancy Stephenson, Clerk of the Board Lori Taketa.

REPORTS FROM MEMBER ENTITIES

Director Grover reported that the Trinidad Town Hall solar panels had been installed.

Director Losey reported on FEMA-funded emergency generator installation at Fortuna pump stations and Tesla battery power pack installation progress at a Fortuna water booster station and the municipal well that are scheduled to be brought online soon or that have been added to the city's design schedule.

ORAL COMMUNICATIONS

There were no oral communications from the public on matters not on the agenda. Chair Woo closed the public comment period.

CONSENT CALENDAR

- 3.1 Approve Minutes of May 27, 2021, Board Meeting.
- 3.2 Approve Disbursements Report.
- 3.3 Accept Financial Reports.
- 3.4 Adopt Resolution No. 2021-3, A Resolution of the Board of Directors of the Redwood Coast Energy Authority to Partner with the Humboldt Transit Authority on a U.S. Department of Transportation Equitable and Sustainable Public Transit Planning for Rural America Project Grant Application.

3.5 Authorize the Executive Director to Execute a Legal Services Agreement with Braun Blasing Smith Wynne, P.C. for Regulatory Support and Legal Services Through June 2024, Subject to Sufficient Budgetary Allocations and Pending RCEA General Counsel Review.

3.6 Appoint Ethan Lawton to the Community Advisory Committee for the Remainder of a Term Ending on April 12, 2022.

Chair Woo pulled item 3.6 from the consent calendar. Director Bauer arrived at 3:42 p.m.

M/S: Losey, Grover: Approve all consent calendar items except item 3.6.

The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Curran, Grover, Losey, Schaefer, F. Wilson, M. Wilson, Woo. Noes: None. Absent: None. Abstentions: None.

REMOVED FROM CONSENT CALENDAR ITEMS

Community Advisory Committee (CAC) candidate Ethan Lawton introduced himself to the Board. Directors Grover, Wilson, Vice-Chair Avis and Chair Woo expressed support for Mr. Lawton's service on the CAC. There were no comments from members of the public.

M/S: Avis, Grover: Approve consent calendar item 3.6.

The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Curran, Grover, Losey, Schaefer, F. Wilson, M. Wilson, Woo. Noes: None. Absent: None. Abstentions: None.

There were no Community Choice Energy business items to discuss at this meeting.

OLD BUSINESS

5.1. RCEA Fiscal Year 2021-22 Budget

Business Planning and Finance Director Biondini reported on the revised draft budget which incorporated Board-approved salary schedule adjustments, addition of a new staff position and backfilling of previously untitled positions. Airport microgrid grants and expenses are being moved from this fiscal year to the next due to construction delays; wholesale power costs and bad customer debt are expected to increase. The increased Power Charge Indifference Adjustment (PCIA) and COVID-related revenue impacts in 2020 continued into the 2021 calendar year. A return to positive net revenue is forecasted for the 2022 calendar year. Reserves are expected to continue increasing at a moderate rate. The possibility of recouping customer debt through federal and state relief funds was discussed. It remains uncertain how much of this funding RCEA will receive.

There was no public comment on this agenda item.

M/S: Grover, Avis: Adopt proposed RCEA Fiscal Year 2021-2022 budget.

The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Curran, Grover, Losey, F. Wilson, M. Wilson, Woo. Noes: None. Absent: Schaefer. Abstain: None.

STAFF REPORTS

7.1. Report by Executive Director Matthew Marshall on Board meetings post shelter-in-place

Clerk of the Board Taketa reported on current Brown Act teleconference meeting law exemptions which expire on September 30, 2021 and described meeting options and hybrid meeting solutions being explored by other local jurisdictions. The directors discussed the benefits of meeting in person again and of continuing online meetings, and expressed a reluctance to make hurried, potentially costly decisions as state meeting laws remain in flux and ramifications of hybrid meetings have not been assessed. The Board requested that staff continue to track state Brown Act legislation and meeting decisions being made by other jurisdictions, and to report back at the August meeting.

No member of the public commented.

7.2. Report by Director of Infrastructure Planning & Operations Dana Boudreau on the Redwood Coast Airport Microgrid Project

Director of Infrastructure Planning and Operations Boudreau described the airport microgrid project, its community and ratepayer benefits, and updated the Board on progress made to date. The project's lease agreement with the County, system design, and permits have been completed. Two more signatures are required for final FAA approval. Cultural monitoring has begun and there have been no findings at the project site. Hardware installation is expected to be completed in September and testing should begin in November. The microgrid is scheduled to begin operating in January 2022 and to participate in the wholesale power market in April. The Directors were invited to participate in the July 7 Take Off press event.

The directors expressed support for the microgrid's ability to keep airport "lifeline" operations continuing during emergencies and to continue operating indefinitely despite the airport's often foggy location.

FUTURE AGENDA ITEMS

There was a request for a brief report at each meeting on the offshore wind project.

CLOSED SESSION

8.1. CONFERENCE WITH REAL PROPERTY NEGOTIATIONS Pursuant to Government Code § 54956.8 in re: APNs 001-104-001-000 and 001-011-021-000; RCEA negotiator: Executive Director; Owner's negotiating party: Kramer Investment Corporation and the City of Eureka; Under negotiation: price and terms.

No member of the public responded to Chair Woo's invitation for comment. Chair Woo closed the public comment period. The directors adjourned to closed session at 4:53 p.m.

Directors Curran, Losey, F. Wilson, M. Wilson and Chair Woo reconvened in open session at 5:27 p.m. Chair Woo stated there was nothing to report out from closed session.

Chair Woo adjourned the meeting at 5:28 p.m.

Lori Taketa
Clerk of the Board

DRAFT

Redwood Coast Energy Authority

Disbursements Report

As of May 31, 2021

| Type | Date | Num | Name | Memo | Amount |
|-----------------|------------|-------------|-------------------------------------|---|-------------|
| Paycheck | 05/07/2021 | 1 | Employee | Final Payroll | -1,071.94 |
| Bill Pmt -Check | 05/10/2021 | ACH | Tesla Motors | Mobilization - Change Order 002 | -80,000.00 |
| Liability Check | 05/10/2021 | E-pay | EDD | Taxes | -35.33 |
| Liability Check | 05/10/2021 | E-pay | Internal Revenue Service | Taxes | -294.42 |
| Liability Check | 05/10/2021 | E-pay | EDD | Taxes | -4,674.80 |
| Liability Check | 05/10/2021 | E-pay | Internal Revenue Service | Taxes | -22,655.74 |
| Liability Check | 05/10/2021 | E-pay | EDD | Taxes | -97.15 |
| Check | 05/10/2021 | 11905-12287 | NEM Customers | Annual Payouts | -138,764.34 |
| Check | 05/10/2021 | 12288 | VISA | April statement 3/23-4/20/21 | -8,648.11 |
| Check | 05/10/2021 | 12289 | CCA Customer | EV Rebate #EV1 | -2,250.00 |
| Bill Pmt -Check | 05/10/2021 | 12290 | Advanced Security | Security monitoring: May-July 2021 | -127.50 |
| Bill Pmt -Check | 05/10/2021 | 12291 | Aiqueous, LLC | PowerPath Configuration Project Hours - April | -4,425.00 |
| Bill Pmt -Check | 05/10/2021 | 12292 | Boudreau, D. | VOID: Purchase & mileage reimbursements | 0.00 |
| Bill Pmt -Check | 05/10/2021 | 12293 | Braun Blaising Smith Wynne | Legal Services - Regulatory - March | -10,392.05 |
| Bill Pmt -Check | 05/10/2021 | 12294 | Central Coast Community Energy | Cost-sharing for Legal & Consulting Services | -830.64 |
| Bill Pmt -Check | 05/10/2021 | 12295 | City of Arcata | April Utility User Tax | -5,840.05 |
| Bill Pmt -Check | 05/10/2021 | 12296 | City of Eureka-Water | Water service, 3/24-4/20/21 | -81.76 |
| Bill Pmt -Check | 05/10/2021 | 12297 | Diamond, Nancy | Legal services | -13,400.00 |
| Bill Pmt -Check | 05/10/2021 | 12298 | Donald Dame | Professional Services Apr 2021 | -218.75 |
| Bill Pmt -Check | 05/10/2021 | 12299 | FedEx | ResKit Mailing | -34.39 |
| Bill Pmt -Check | 05/10/2021 | 12300 | Halvorsen, Nicole | N. Halvorsen:Postage Reimbursement, NEM | -264.00 |
| Bill Pmt -Check | 05/10/2021 | 12301 | North Coast Cleaning | April monthly cleaning service | -105.00 |
| Bill Pmt -Check | 05/10/2021 | 12302 | PG&E Engineering | ACV Microgrid Interconnection fees | -4,925.74 |
| Bill Pmt -Check | 05/10/2021 | 12303 | PG&E Utility Account | 3/24-4/22/21 utilities | -788.68 |
| Bill Pmt -Check | 05/10/2021 | 12304 | Ray Morgan Company | Printer Charges: 4/6-5/5/21 | -23.28 |
| Bill Pmt -Check | 05/10/2021 | 12305 | Recology | April garbage service | -91.71 |
| Bill Pmt -Check | 05/10/2021 | 12306 | Silicon Valley Clean Energy | Fractional Share of legal fees - April | -3,726.63 |
| Bill Pmt -Check | 05/10/2021 | 12307 | Times Printing Company | NEM Payout mailings | -685.50 |
| Bill Pmt -Check | 05/10/2021 | 12308 | WREGIS | Tranfer of RECs and annual fee | -418.16 |
| Bill Pmt -Check | 05/10/2021 | 12309 | City of Arcata | April Excessive Energy Use Tax | -3,809.13 |
| Paycheck | 05/10/2021 | ACH | Employees | Payroll | -55,447.34 |
| Liability Check | 05/25/2021 | ACH | Newport Group | Deferred Compensation Contributions | -12,150.96 |
| Bill Pmt -Check | 05/25/2021 | ACH | Humboldt Redwood Company | Humboldt Redwood Co. April 2021 | -586,404.93 |
| Bill Pmt -Check | 05/25/2021 | ACH | Keenan | Anthem Medical Insurance June 2021 | -22,800.37 |
| Liability Check | 05/25/2021 | E-pay | EDD | Taxes | -4,414.91 |
| Liability Check | 05/25/2021 | E-pay | Internal Revenue Service | Taxes | -21,443.00 |
| Liability Check | 05/25/2021 | E-pay | EDD | Taxes | -41.90 |
| Liability Check | 05/25/2021 | 12310 | Umpqua Bank | HSA Contributions | -434.43 |
| Check | 05/25/2021 | 12311-21 | NEM Customers | NEM Annual Payouts | -15,641.34 |
| Check | 05/25/2021 | 12322 | CCE Customer | EV Rebate #EV10 | -1,000.00 |
| Check | 05/25/2021 | 12323 | CCE Customer | VOID: EV Rebate #EV09 | 0.00 |
| Bill Pmt -Check | 05/25/2021 | 12325 | Aiqueous, LLC | Formstack Go: May | -7,362.50 |
| Bill Pmt -Check | 05/25/2021 | 12326 | Ameritas - Dental | #010-055098-00001 June 2021 | -1,562.84 |
| Bill Pmt -Check | 05/25/2021 | 12327 | Ameritas - Vision | 010-055098-00002 June 2021 | -318.64 |
| Bill Pmt -Check | 05/25/2021 | 12328 | Balance Point Home Performance | Heat Pump Technical Webinar | -2,000.00 |
| Bill Pmt -Check | 05/25/2021 | 12329 | Boudreau, D. | VOID: Mileage and purchase reimbursements | 0.00 |
| Bill Pmt -Check | 05/25/2021 | 12330 | Brant Electric | Fortuna EV Station Repairs | -188.22 |
| Bill Pmt -Check | 05/25/2021 | 12331 | Central Coast Community Energy | Cost-sharing for Legal & Consulting Services | -1,278.76 |
| Bill Pmt -Check | 05/25/2021 | 12332 | City of Fortuna | City Staff Time & Expenses for MicroGrant | -5,000.00 |
| Bill Pmt -Check | 05/25/2021 | 12333 | Developed Employment Services, LLC. | Facilities maintenance work | -61.52 |
| Bill Pmt -Check | 05/25/2021 | 12334 | Frontier Energy, Inc. | Professional Services - Program Support | -2,138.00 |
| Bill Pmt -Check | 05/25/2021 | 12335 | North Coast Journal | VOID: 1/4 page ad | 0.00 |
| Bill Pmt -Check | 05/25/2021 | 12336 | NYLEX.net, Inc. | Onsite network support services - June | -3,200.00 |
| Bill Pmt -Check | 05/25/2021 | 12337 | PG&E EV Account | EV stations March | -450.52 |

Redwood Coast Energy Authority
Disbursements Report
As of May 31, 2021

| Type | Date | Num | Name | Memo | Amount |
|-----------------|------------|-------|-----------------------------|---|-----------------------------|
| Bill Pmt -Check | 05/25/2021 | 12338 | Platt/Rexel | ResKit Supplies | -127.02 |
| Bill Pmt -Check | 05/25/2021 | 12339 | SacTown Contractor's Corp. | PA Non-Residential Direct Install Audit #6263 | -1,076.60 |
| Bill Pmt -Check | 05/25/2021 | 12340 | SDRMA WC | FY 21-22 Workers Comp program invoice | -14,193.06 |
| Bill Pmt -Check | 05/25/2021 | 12341 | Silicon Valley Clean Energy | Fractional Share of legal fees - May | -1,278.76 |
| Bill Pmt -Check | 05/25/2021 | 12342 | Verizon Wireless | April tablet/cell service for staff & equipment | -1,790.76 |
| Bill Pmt -Check | 05/25/2021 | 12343 | Winzler, John | Office Lease - June 2021 | -6,512.00 |
| Check | 05/25/2021 | 12344 | CCE Customer | EV Rebate #EV09 | -1,000.00 |
| Bill Pmt -Check | 05/25/2021 | 12345 | North Coast Journal | 1/4 page ad | -350.00 |
| Bill Pmt -Check | 05/28/2021 | ACH | CalPine Corporation | Calpine April 2021 Costs | -61,512.00 |
| Paycheck | 05/25/2021 | ACH | Employees | Payroll | -52,734.44 |
| TOTAL | | | | | <u>-1,192,594.62</u> |

Redwood Coast Energy Authority
Profit & Loss Budget vs. Actual
July 2020 through May 2021

| | Jul '20 - May 21 | Budget | % of Budget |
|--|-------------------------|---------------|--------------------|
| Ordinary Income/Expense | | | |
| Income | | | |
| 5 REVENUE EARNED | | | |
| Total 5000 · Revenue - government agencies | 90,420.00 | 737,317.00 | 12.26% |
| Total 5100 · Revenue - program related sales | 12,750.33 | 9,000.00 | 141.67% |
| Total 5400 · Revenue-nongovernment agencies | 792,031.24 | 1,556,600.00 | 50.88% |
| Total 5500 · Revenue - Electricity Sales | 41,597,958.61 | 41,763,500.00 | 99.6% |
| Total 5 REVENUE EARNED | 42,493,160.18 | 44,066,417.00 | 96.43% |
| Total Income | 42,493,160.18 | 44,066,417.00 | 96.43% |
| Gross Profit | 42,493,160.18 | 44,066,417.00 | 96.43% |
| Expense | | | |
| Total 6 WHOLESALE POWER SUPPLY | 37,045,383.82 | 36,074,000.00 | 102.69% |
| Total 7 PERSONNEL EXPENSES | 2,260,547.39 | 2,838,644.00 | 79.64% |
| Total 8.1 FACILITIES AND OPERATIONS | 968,213.06 | 6,606,484.00 | 14.66% |
| Total 8.2 COMMUNICATIONS AND OUTREACH | 62,259.46 | 114,000.00 | 54.61% |
| Total 8.3 TRAVEL AND MEETINGS | 751.25 | 18,450.00 | 4.07% |
| 8.4 PROFESSIONAL & PROGRAM SRVS | | | |
| 8400 · Regulatory | 155,575.86 | 200,000.00 | 77.79% |
| 8410 · Contracts - Program Related Ser | 325,951.15 | 326,000.00 | 99.99% |
| 8420 · Accounting | 19,280.00 | 75,000.00 | 25.71% |
| 8430 · Legal | 156,417.50 | 125,000.00 | 125.13% |
| 8450 · Wholesale Services - TEA | 572,203.83 | 620,500.00 | 92.22% |
| 8460 · Procurement Credit - TEA | 618,541.39 | 650,500.00 | 95.09% |
| 8470 · Data Management - Calpine | 900,806.60 | 913,450.00 | 98.62% |
| Total 8.4 PROFESSIONAL & PROGRAM SRVS | 2,748,776.33 | 2,910,450.00 | 94.45% |
| Total 8.5 PROGRAM EXPENSES | 517,849.09 | 627,550.00 | 82.52% |
| Total 8.6 INCENTIVES & REBATES | 55,922.49 | 601,000.00 | 9.31% |
| Total 9 NON OPERATING COSTS | 43,144.89 | 35,500.00 | 121.54% |
| Total Expense | 43,702,847.78 | 49,826,078.00 | 87.71% |
| Net Ordinary Income | -1,209,687.60 | -5,759,661.00 | 21.0% |
| Net Other Income | 0.00 | 6,000,000.00 | 0.0% |
| Net Income | -1,209,687.60 | 240,339.00 | -503.33% |

Redwood Coast Energy Authority
Balance Sheet
As of May 31, 2021

| | <u>May 31, 21</u> |
|--|-----------------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| 1010 · Petty Cash | 493.22 |
| 1050 · GRANTS & DONATIONS 3840 | 15,204.58 |
| 1060 · Umpqua Checking Acct 0560 | 1,061,871.40 |
| 1071 · Umpqua Deposit Cntrol Acct 8215 | 3,586,307.13 |
| 1075 · Umpqua Reserve Account 2300 | 2,000,000.00 |
| 1076 · First Republic Bank - 4999 | 15,000.00 |
| 8413 · COUNTY TREASURY 3839 | 5,065.52 |
| Total Checking/Savings | 6,683,941.85 |
| Total Accounts Receivable | 75,357.29 |
| Other Current Assets | |
| 1101 · Allowance for Doubtful Accounts | -1,310,530.45 |
| 1103 · Accounts Receivable-Other | 10,053,071.10 |
| 1120 · Inventory Asset | 21,715.00 |
| 1202 · Prepaid Expenses | -13,726.14 |
| 1205 · Prepaid Insurance | -46,160.38 |
| 1210 · Retentions Receivable | 1,001.00 |
| 1499 · Undeposited Funds | 5,393.25 |
| Total Other Current Assets | 8,710,763.38 |
| Total Current Assets | 15,470,062.52 |
| Total Fixed Assets | 151,725.39 |
| Other Assets | |
| 1700 · Retained Deposits | 3,971,875.00 |
| Total Other Assets | 3,971,875.00 |
| TOTAL ASSETS | <u>19,593,662.91</u> |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | |
| 2000 · Accounts Payable | 3,087,370.31 |
| Total Accounts Payable | 3,087,370.31 |
| Total Credit Cards | 9,663.98 |
| Total Other Current Liabilities | 1,759,717.76 |
| Total Current Liabilities | 4,856,752.05 |
| Total Liabilities | 4,856,752.05 |
| Equity | |
| 2320 · Investment in Capital Assets | 151,725.38 |
| 3900 · Fund Balance | 15,794,873.08 |
| Net Income | -1,209,687.60 |
| Total Equity | 14,736,910.86 |
| TOTAL LIABILITIES & EQUITY | <u>19,593,662.91</u> |



REDWOOD COAST Energy Authority

STAFF REPORT Agenda Item # 5.1

| | |
|--------------|--|
| AGENDA DATE: | July 22, 2021 |
| TO: | Board of Directors |
| PREPARED BY: | Jocelyn Gwynn, Manager of Power Resources Jaclyn Harr, TEA Client Services Specialist |
| SUBJECT: | Energy Risk Management Quarterly Report |

BACKGROUND

The RCEA Board of Directors adopted an Energy Risk Management Policy in December 2016 in order to establish functions and procedures to manage the risks associated with the Community Choice Energy program's power procurement activities. In accordance with this policy, a quarterly update on activities and projected financial performance is presented to the Board during regularly scheduled meetings.

SUMMARY

TEA Client Services Specialist Jaclyn Harr and RCEA staff will provide an energy risk management quarterly program update that covers the following topics:

1. CCE Program Financial Update
2. Central Procurement Entity Request for Offers for Local Resource Adequacy
3. Integrated Resource Plan Mid-Term Reliability Final Decision

RECOMMENDED ACTION

Accept Energy Risk Management Quarterly Report.

ATTACHMENTS

Energy Risk Management Quarterly Report slides will be presented at the meeting.



RCEA Energy Risk Management Plan Quarterly Report

July 2021

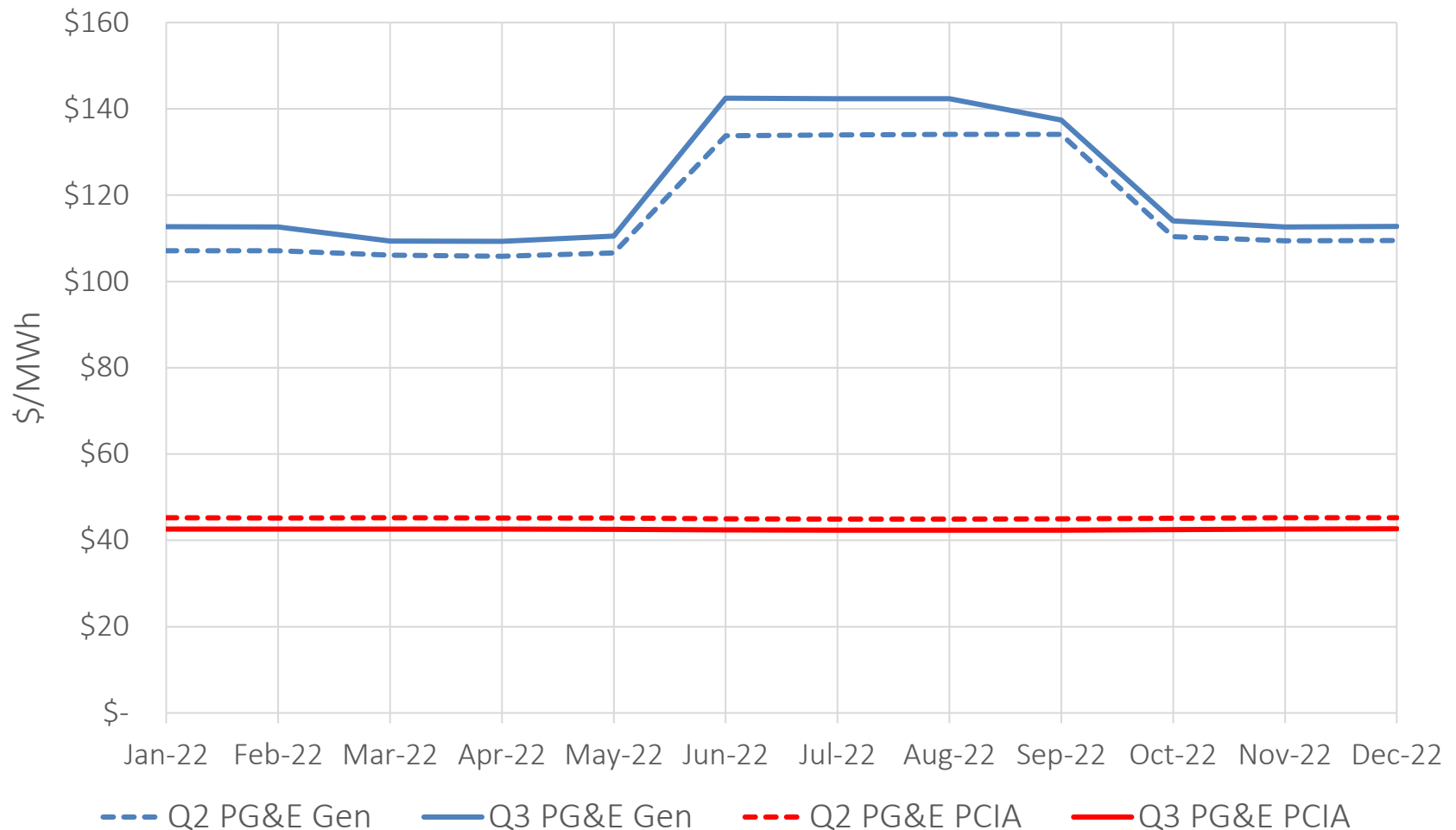
Outline

- What products and why
- Recent policy changes driving procurement

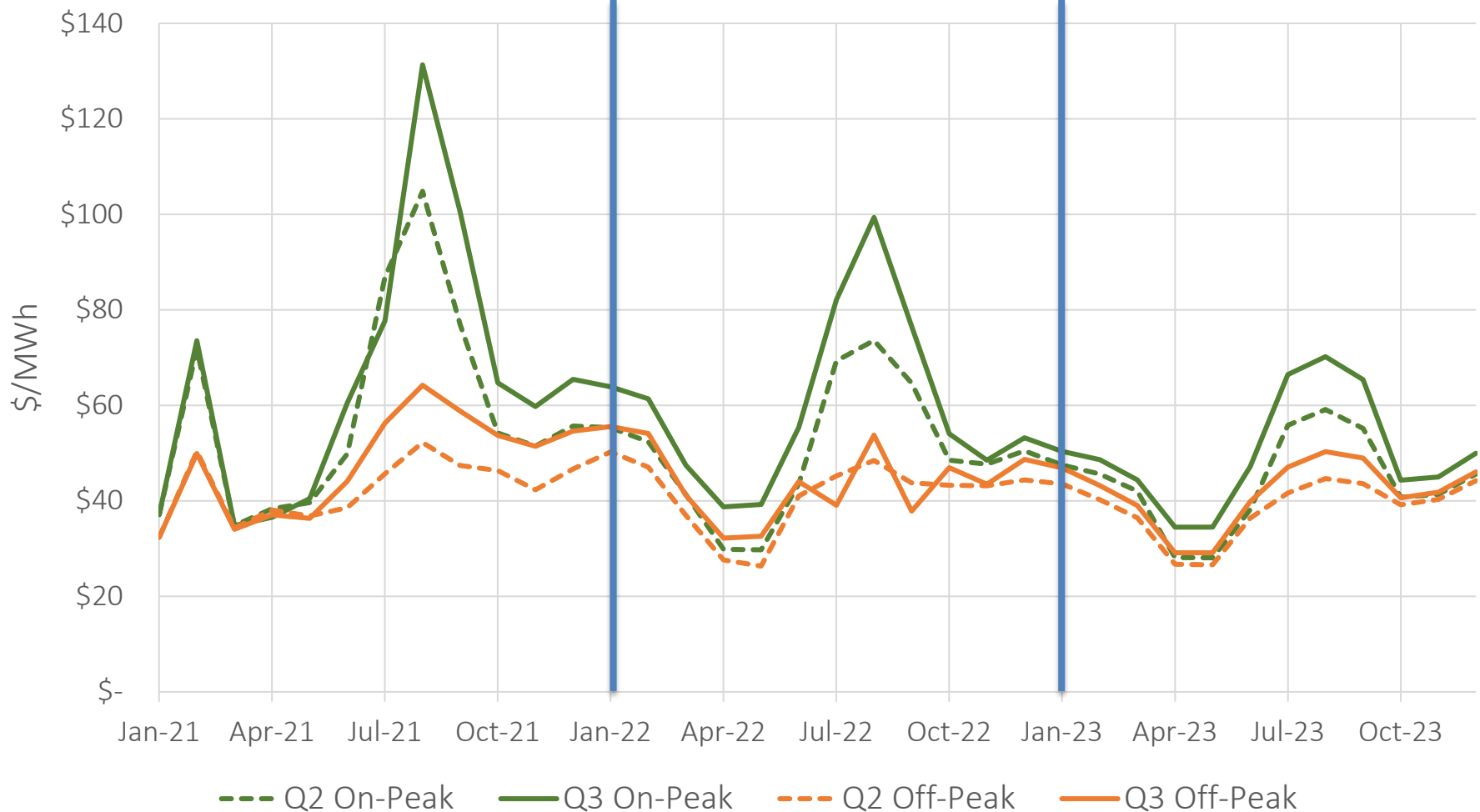
Financial Forecast Drivers (compared to Q2 forecast)

- **2022 PG&E Rates Outlook Improves Overall**
 - Generation Rates: 4.2% average increase
 - PCIA Rates: 5.8% average decrease
- **Wholesale Energy Prices Increase**
 - 2021: 10% increase
 - 2022: 14% increase
 - 2023: 12% increase, with costs offset by Sandrini Solar revenues
- **Other Changes**
 - HSC contract amendment modeled

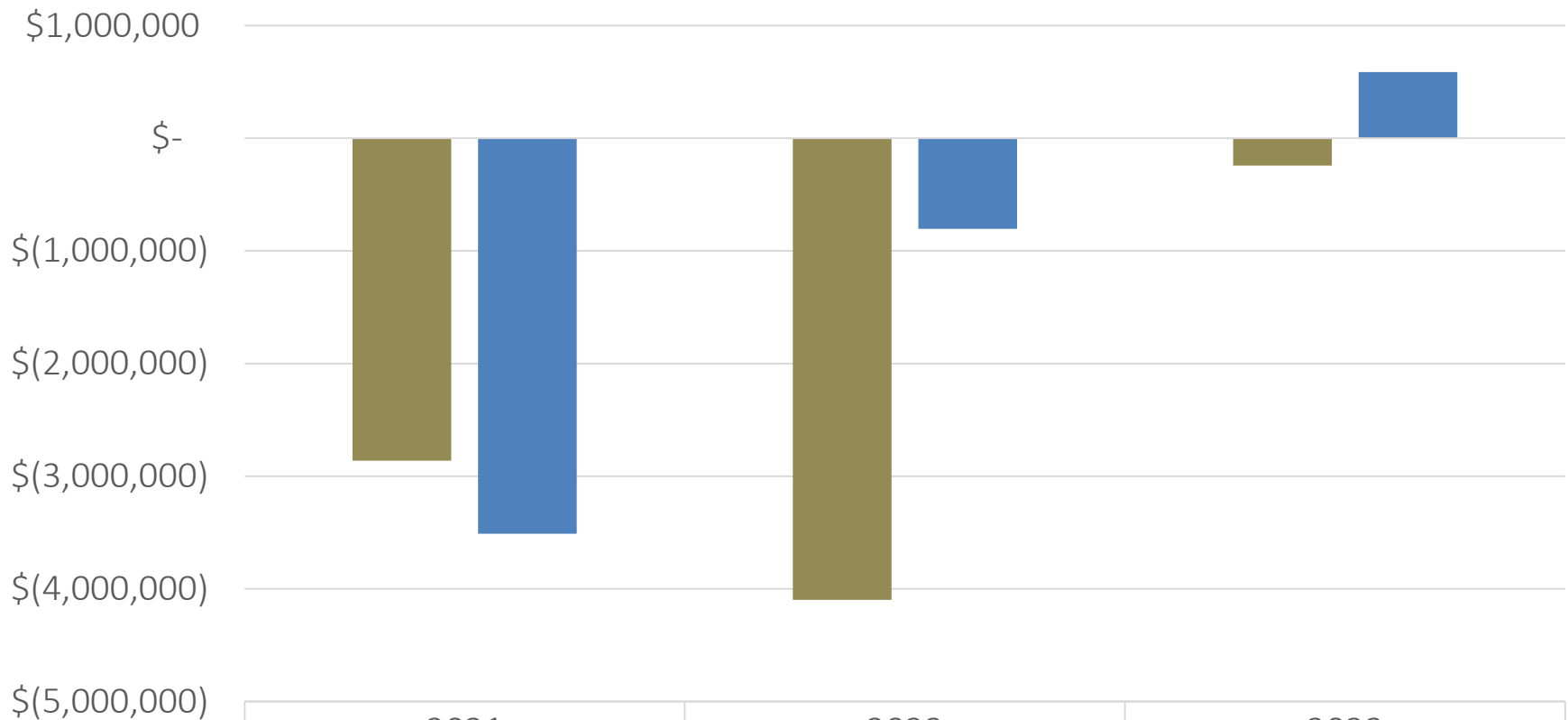
2022 PG&E Rates Forecast



Cost of Energy

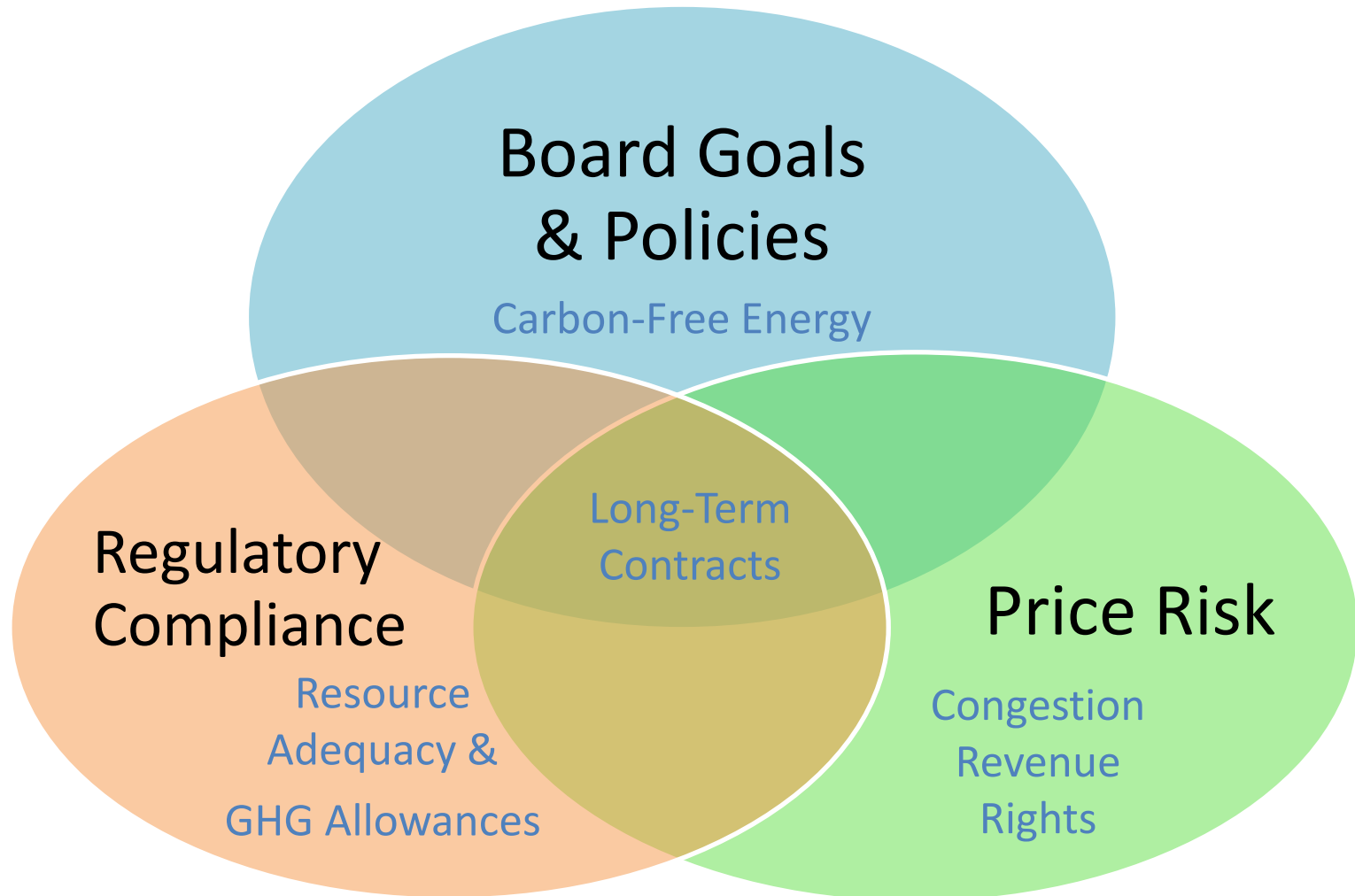


Net Revenue Forecast



| | 2021 | 2022 | 2023 |
|---------------|---------------|---------------|-------------|
| ■ Q2 Forecast | \$(2,861,200) | \$(4,097,940) | \$(244,112) |
| ■ Q3 Forecast | \$(3,509,925) | \$(804,510) | \$586,966 |

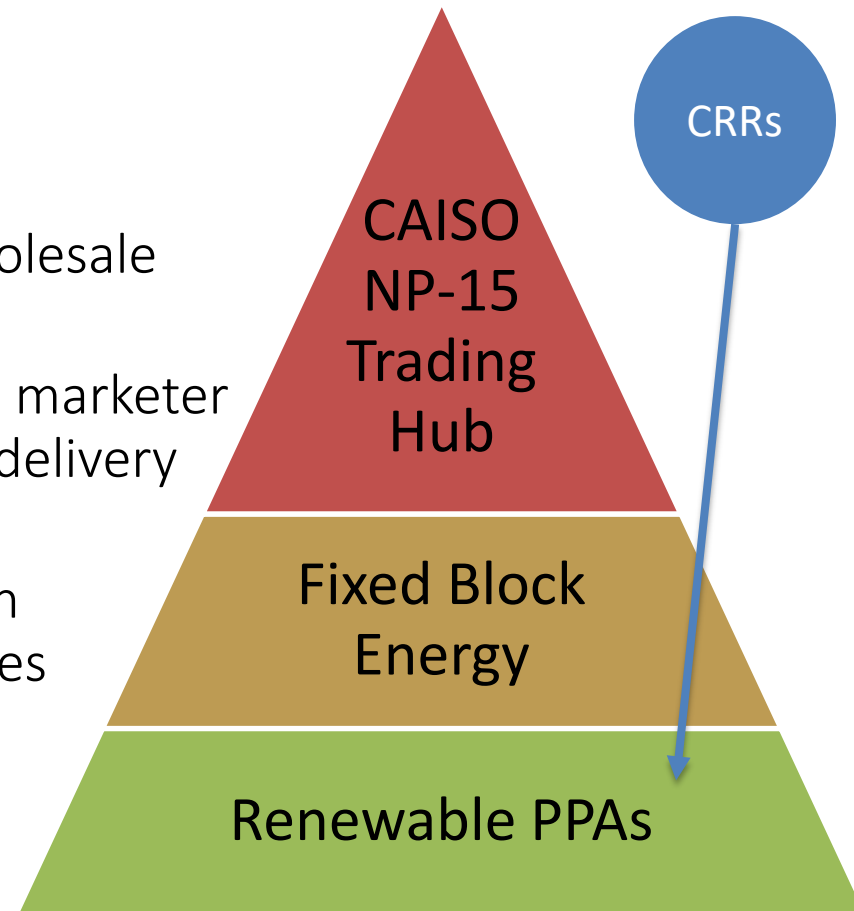
Procurement Purposes & Products



Energy Procurement

- Buy at “spot” market aka CAISO Wholesale Market
- Buy ahead from generator or power marketer at agreed upon price, quantity, and delivery period
 - *Can* come from generator(s) with valuable “green energy” attributes

“Index Plus” REC and
Carbon Free Contracts



Resource Adequacy Procurement

System RA

- **Goal:** CAISO has enough resources to meet monthly system peak
- **Supply:** Any generator in the CAISO footprint, and out-of-state resources that have transmission rights to flow into CAISO

Local RA

- **Goal:** CAISO has enough resources in local load pockets to maintain grid reliability amid transmission constraints
- **Supply:** Any System RA resource located in the area of need on transmission system

Flexible RA

- **Goal:** CAISO has enough dispatchable & ramping resources committed as RA to meet load as it changes throughout the day
- **Supply:** Separate attribute that some generators in CAISO have; providing Flex RA brings additional bidding obligations

**Change
Coming!**

Local RA Areas

- Greater Bay Area
- “PG&E Other” – six subregions
- Big Creek/Ventura
- LA Basin
- San Diego IV Area (essentially all SDG&E service territory)



Central Procurement Entity for Local RA

- PG&E acting as CPE for 7 NorCal Local Areas
- CPE procuring now for 2023 (100% local RA need) and 2024 (50% local RA need)
- LSEs, such as RCEA, may:
 - **Bid** their local resources into the CPE's solicitations
 - Sell system, flex, and local attributes to CPE
 - **"Show"** their local resources to reduce total local RA need for all entities
 - Retain system & flex attributes, give CPE local attribute
 - **Keep** their local resources for own needs
 - Retain system & flex attributes, local attributes ignored
- Challenges of new system:
 - Reduced control of RA costs for CCAs
 - Reduction in incentive to build resources in locally constrained areas
 - Complex contracting mechanism, particularly with PG&E as CPE

New California Capacity Over Time

Early 2000s:

California Energy Crisis



California increases natural gas fleet to add needed capacity to grid

2005 – 2020:

Renewable Portfolio Standard Increasing
(20% in 2017 to 50% in 2030)



Three IOUs procure large amounts of wind and solar

2020 – 2030:

Retirements of Nuclear
+ Once-Through-Cooling



SMART (?) renewable & storage development plus Energy Efficiency & Distributed Energy Resources

Mid-Term Reliability Procurement

“Landmark” decision requiring procurement of **11,500 MW of RA capacity**

| Procurement Category | Aug 2023 | Jun 2024 | Jun 2025 | Jun 2026 |
|--|------------|------------|-----------|-------------|
| Basic Directive (RCEA share in red) | 2,000 (7) | 6,000 (20) | 1,500 (5) | 2,000 (7) |
| Diablo Canyon Replacement | 2,500 (8) | | | |
| Other Need | 7,000 (24) | | | |
| Long Lead Time: Long Duration Storage | | | | 1,000 (3.5) |
| Long Lead Time: Other | | | | 1,000 (3.5) |

Some of the contracting requirements:

- All resources must be non-fossil fuel, incremental to existing fleet, and 10+ year contracts
- DC Replacement must be zero emission generating resource available 5 – 10 pm every day
- LLT: Long Duration Storage must discharge for 8 continuous hours
- LLT: Other must be zero emission/RPS generating resource with at least 80% capacity factor



STAFF REPORT
Agenda Item # 7.1

| | |
|--------------|--|
| AGENDA DATE: | July 22, 2021 |
| TO: | Board of Directors |
| PREPARED BY: | Matthew Marshall, Executive Director |
| SUBJECT: | RePower Humboldt Comprehensive Action Plan for Energy Update |

SUMMARY

Following approximately nine months of analysis and gathering public input, in December 2019 the RCEA Board adopted an update to the RePower Humboldt strategic plan, which establishes goals and strategies to guide RCEA's work over years 2020-2030, and is available online at:

<https://redwoodenergy.org/wp-content/uploads/2020/06/RePower-2019-Update-FINAL-.pdf>

Staff intends to provide updates every six months to keep the Board informed on implementation progress in the four focus areas of the RePower Humboldt plan:

1. Regional Planning and Coordination
2. Integrated Demand Side Management
3. Low-Carbon Transportation
4. Energy Generation and Utility Services.

STAFF RECOMMENDATION

N/A – Information only.

An aerial photograph of an offshore wind farm. In the foreground, a large white wind turbine stands on a yellow tripod-style foundation. A red and white service vessel is positioned nearby, connected to the turbine by a yellow platform. In the background, other wind turbines and a smaller vessel are visible on the blue ocean under a clear sky.

RePower Humboldt Strategic Plan Progress Update July 2021



RCEA's RePower Humboldt Strategic Plan

Updated December 2019 – 4 focus

a



**Regional
Planning &
Coordination**



**Energy
Generation &
Utility Services**



**Integrated
Demand Side
Management**



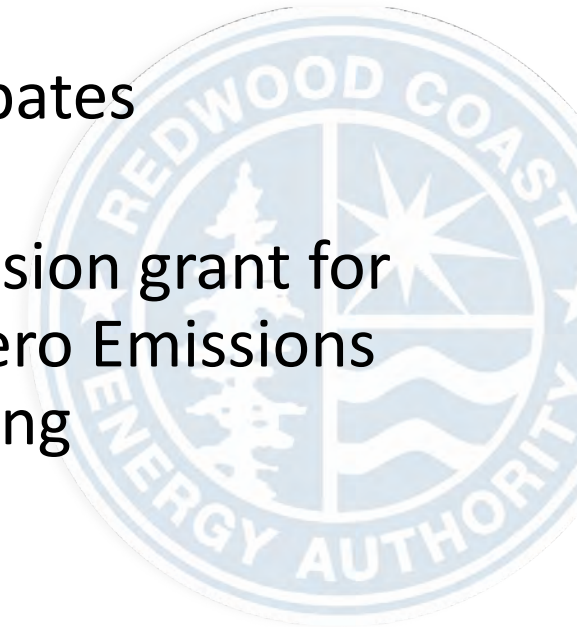
**Low-carbon
Transportation**



**Low-carbon
Transportation**

Current activities:

- New charging station locations – Arcata Community Center construction completing today, airport stations progressing
- Electric vehicle customer rebates
- Awarded CA Energy Commission grant for Medium- and Heavy-Duty Zero Emissions Vehicle Infrastructure planning





**Integrated
Demand Side
Management**

AKA:

**Customer Energy
Solutions**

Current activities:

- Building-electrification heat pump rebate program launched
- Customer battery-storage and grid reliability program with Swell finalized and launched
- Energy Efficiency programs continuing to ramp back up

**Online
workshops next
Wednesday,
7/28 at 10am
and 5:30pm**



**Energy
Generation &
Utility Services**

Current activities:

- Airport microgrid construction progressing



- Sandrini and local FIT solar projects progressing toward construction and coming online before the end of 2022
- First customer-based reliability contract, with Leap, went live in June (featured in LA Times)

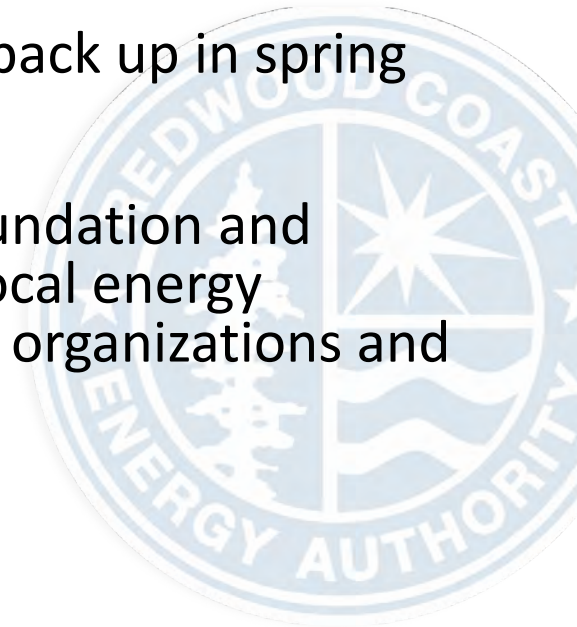




**Regional
Planning &
Coordination**

Current activities:

- Continuing work with County and Cities on regional climate action plan – public review draft coming soon
- Offshore wind activities ramped back up in spring
- Working with Humboldt Area Foundation and other partners on developing a local energy resilience network of community organizations and stakeholders.





Aker Offshore Wind



STAFF REPORT
Agenda Item # 7.2

| | |
|--------------|---|
| AGENDA DATE: | July 22, 2021 |
| TO: | Board of Directors |
| PREPARED BY: | Mahayla Slackerelli, Account Services Manager |
| SUBJECT: | Racial Justice Plan Progress Update |

SUMMARY

In June 2020, amid the resurgence of national and global discussion on racial justice, the RCEA Board of Directors adopted a resolution on racial justice (please see attachment). At that time, an ad hoc board subcommittee was assembled to work with staff to address the commitments with the resolution. This report is to update the Board and public on progress made in the last year on those commitments.

1. Increase RCEA's involvement in CalCCA's Environmental Justice and Equity Committee.

RCEA staff has been working closely with the CalCCA Environmental Justice and Equity Committee to learn from other CCAs and share what RCEA has been doing. More than one CCA has passed a resolution citing RCEA's resolution as motivation.

In addition to the CalCCA Equity group, starting this month, RCEA is participating as a member of the newly created Equity Metrics Working Group of the California Energy Efficiency Coordinating Committee (CAEECC), which will advise the CPUC on equity issues.

2. Add equity and inclusion activities to new job descriptions, future revisions of existing job descriptions, and staff work plans.

RCEA recently joined the Government Alliance on Race and Equity in the hopes of receiving expert advice on revising job descriptions and work plans.

3. Seek ways to ensure diversity and inclusion in hiring and promotion, observing the legal limitations on such practices set by state and national statutes.

RCEA is adjusting the current hiring process to be more inclusive. In recent recruitments, the hiring committees have instituted tests for the specific skills needed in the position, alongside the traditional oral interviews to reduce bias. Hiring committees are assigned required reading on avoiding bias prior to commencing the recruitment process. Staff has reduced some of the rigid requirements in job postings in order to encourage non-traditional applicants to apply. Job applicants are now asked questions on the topic of Diversity, Equity, and Inclusion (DEI) in

interviews. Staff has created a list of community-based organizations affiliated with underrepresented groups to send job openings to.

Staff is preparing an internal survey to set baseline demographics to track how RCEA is doing in making room for people of all backgrounds on staff. This survey will be anonymous for all staff except upper management in order to track upward mobility for underrepresented groups.

4. Increase engagement with the local tribes and work directly with the tribes on a long-term plan for meaningful collaboration.

RCEA leadership has contacted the Tribal Chairmen's Association to gauge interest in enhanced participation with RCEA.

5. Explicitly address inclusion in selection, design, and implementation of RCEA's programs and projects, and in our public outreach and education materials to ensure that communities and organizations of Indigenous, Black, Latinx, Asian, and other people of color are optimally served.

After doing community outreach to understand how other organizations are supporting inclusion in program development, staff was advised that RCEA needs to understand the demographics of who RCEA's programs have been serving so that we can determine who has been left out. Staff has pivoted to focusing on demographics surveys of program recipients including a pilot survey for net energy metering customers who receive an annual payout for their excess electricity generation. Voluntary demographic surveys have already begun for recipients of RCEA's residential energy efficiency kits and heat pump rebates. Once we have established a baseline for who we have been serving staff will be able to tailor programs to underserved populations in our community.

Additional Considerations

As a California government agency, RCEA is restricted by Proposition 209 regarding affirmative action in hiring or contracting, and cannot explicitly favor any groups based on race, sex, color, ethnicity, or national origin above another. In 2020, Proposition 16, which would have repealed the ban on affirmative action, was defeated. This prohibition constrains the options that RCEA has to promote policies to benefit historically underrepresented groups.

A racial justice impact section will be added to the staff report template for reports to the Board of Directors once staff has gathered sufficient data on racial demographics of program customers to determine the impact with some confidence.

FINANCIAL IMPACT

None.

STAFF RECOMMENDATION

Accept Racial Justice Plan progress report.

Continue ad hoc Racial Justice Plan Board Subcommittee through 2022.

ATTACHMENTS:

1. A Resolution of the Board of Directors of the Redwood Coast Energy Authority Adopting a Commitment to Racial Justice
2. Racial Justice Plan
3. Racial Justice Plan Schedule

RESOLUTION NO. 2020-3

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE REDWOOD COAST ENERGY AUTHORITY ADOPTING A COMMITMENT TO RACIAL JUSTICE

WHEREAS, the murder of George Floyd by a Minneapolis police officer on May 25, 2020, and many other such incidents have catalyzed a national movement against police brutality, racism and white supremacy more broadly; and

WHEREAS, RCEA endeavors to end structural and institutional racism; and

WHEREAS, Humboldt County has a history of racial injustice which continues through the present day, dating back to white settlers forcefully removing Indigenous peoples from their land through government-sanctioned murder and violence and the expulsion of the entire Chinese immigrant population; and

WHEREAS, Indigenous, Black, Latinx, Asian, and other people of color have experienced discrimination throughout the history of the United States including redlining policies that have resulted in them being disproportionately affected by environmental pollutants caused by energy generation among other sources; and

WHEREAS, Indigenous, Black, Latinx, Asian, and other people of color have been subject to structural economic racism resulting in substantial disparities in household wealth as compared to white families; and

WHEREAS, RCEA is committed to supporting the economic viability of Humboldt County; and

WHEREAS, RCEA is committed to environmental justice, which is integrally linked to racial justice.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of the Redwood Coast Energy Authority adopts a commitment to racial justice.

BE IT FURTHER RESOLVED that RCEA staff is directed to:

1. Increase RCEA's involvement in CalCCA's Environmental Justice and Equity Committee.
2. Add equity and inclusion activities to new job descriptions, future revisions of existing job descriptions, and staff work plans.
3. Seek ways to ensure diversity and inclusion in hiring and promotion, observing the legal limitations on such practices set by state and national statutes.
4. Increase engagement with the local tribes and work directly with the tribes on a long-term plan for meaningful collaboration.
5. Explicitly address inclusion in selection, design, and implementation of RCEA's programs and projects, and in our public outreach and education materials to ensure that communities and organizations of Indigenous, Black, Latinx, Asian, and other people of color are optimally served.
6. Create a racial justice action plan to bring back to the Board of Directors for approval.

Adopted this ____ day of _____, 2020

ATTEST:

Austin Allison, RCEA Board Chair

Lori Taketa, Clerk of the Board

Date: _____

Date: _____

CLERK'S CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of Resolution 2020-3 passed and adopted at a regular meeting of the Redwood Coast Energy Authority, County of Humboldt, State of California, held on the ____ day of _____, 2020, by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

Clerk of the Board, Redwood Coast Energy Authority

RACIAL JUSTICE PLAN OF THE REDWOOD COAST ENERGY AUTHORITY

Adopted by the RCEA Board of Directors on XX/XX/2021

Energy is a necessity in modern life. RCEA recognizes that due to race not all communities have the same access to energy services; in fact, many people have been left out of energy infrastructure decisions, program benefits, professional careers, and policy design. Humboldt County has a history of racial injustice which continues through the present day, dating back to white settlers forcefully removing Indigenous peoples from their land through government-sanctioned murder and violence and the expulsion of the entire Chinese immigrant population. Indigenous, Black, Latinx, Asian, and other people of color have been subject to structural economic racism resulting in substantial disparities in household wealth as compared to white families. RCEA recognizes that access to energy, energy efficiency, freedom from pollution and a place in the renewable energy transition intimately affect economic and personal health outcomes. RCEA strives to more equitably serve everyone in the Humboldt County community. To that end, RCEA has adopted this Racial Justice Plan and commits to the following actions:

Internal Operations

1. Equity actions in job descriptions, staff work plans, and regular staff trainings:

RCEA is committed to creating a supportive and affirming space for staff across all identities, particularly Black, Indigenous and People of Color and other marginalized groups. We will continue to look for ways that our agency can support authentic engagement.

- Current job descriptions will be revised to include equity actions as follows:
 - Department Director position descriptions: *“Lead the ongoing implementation of RCEA’s Racial Justice Plan within the [Director’s Department] and actively champion and support justice, equity, diversity, and inclusion efforts across the organization.”*
 - Promote regular staff training opportunities on the topic of diversity, equity and inclusion.
 - Promote outreach and service to historically disadvantaged community groups in design and implementation of customer programs.
 - Excellent written and verbal communication skills, and ability to present to diverse audiences, specifically racially, ethnically, and socioeconomically diverse communities.
 - Experience considering the impacts of the work on multiple communities, including communities of color, in technical analysis.
 -
 - All other position descriptions: *“Support the ongoing implementation of RCEA’s Racial Justice Plan and actively engage in justice, equity, diversity, and inclusion efforts within the organization.”*
 - As an individual staff member or part of a team, assist in efforts to promote customer programs that serve racially diverse communities.

- Human resources staff will explicitly include equity actions in new job descriptions as appropriate to the position.
- Staff supervisors will add equity actions to yearly staff work plans. These additions will document any equity work that staff is already doing in work plans and add new tasks appropriate to the position as dictated by this Plan.
- RCEA staff will participate in regular trainings on implicit bias.

2. Diversity, equity and inclusion in hiring and promotion:

RCEA recognizes the benefits of building a diverse team, and how equitability and diversity can increase engagement and performance.

- RCEA will survey staff every two years to track staff demographics, equity and diversity in hiring and promotion and, to the extent feasible, compare and evaluate internal data to county-wide demographics.
- All participants in hiring committees will receive refresher training on implicit bias before the recruitment process begins.
- Human resources will actively promote open positions to historically underserved affinity groups, on local campuses in the community, and affinity trade groups.
- Recruitment will include skills testing as appropriate for the position in conjunction with a traditional oral interview to reduce likelihood for bias in applicant review.
- At least one question relating to diversity, equity, and inclusion (DEI) will be included in oral interviews in recruitments. This will allow the hiring committee to assess the candidate's ability to succeed in DEI responsibilities of the position as well as signaling to all candidates that this is a core RCEA value.

External Partnerships and Programs

1. Tribal engagement:

Humboldt County is home to many Tribes. The Wiyot, Hupa, Yurok, Karuk, as well as the Bear River Rancheria, The Blue Lake Rancheria, Trinidad Rancheria, Big Lagoon Rancheria, and Table Bluff Reservation are several of them. Many of the programs RCEA implements in the community are on Tribal land, and, as such, seeks Tribal engagement.

- RCEA staff will continue and expand work with local Tribes on program development, customer outreach, and policy setting.
- RCEA staff will continue and expand efforts to identify opportunities to collaborate with local Tribes as partners on sustainable energy initiatives.
- The RCEA Board of Directors will strive to include Tribal representation on the RCEA Community Advisory Committee.
- RCEA will establish a formal "Tribal Liaison" position within the organization by either assigning the role to an appropriate staff member or engaging a qualified outside consultant. The Tribal Liaison will be responsible for fostering ongoing communication and collaboration with local Tribes as well as supporting internal compliance with the Tribal-engagement elements of this Plan.
- RCEA leadership will attend local Tribal Chairman's meetings as invited to better understand local energy-related priorities and needs.

- RCEA leadership will seek to meet with individual Tribal governments to determine interest in participation in RCEA's programs and governance.

2. Diversity, equity and inclusion in program selection design and implementation:

- To provide a baseline for how RCEA is serving all segments of our local community, when possible RCEA will issue a voluntary demographics survey to customers receiving program benefits such as rebates, technology or professional services.
- Using customer surveys that have been collected, RCEA will annually evaluate the distribution equity of RCEA's programmatic dollars using standard statistical methods to the extent feasible. If RCEA programs are found to underserve some segment of the population, staff will reach out to community-based organizations to learn how to connect with and support those communities.
- Every two years RCEA staff leadership will conduct a diversity, equity and inclusion review of all RCEA programs, which will include an evaluation of aggregated demographic survey results along with overall program design and implementation strategies. With input from the RCEA Community Advisory Committee, programmatic goals and strategies will be adjusted or reset as necessary to ensure that RCEA is equitably serving the entire community.

3. Collaboration with the CalCCA Environmental Justice and Equity Committee, and other external equity organizations:

As a member of CalCCA, who "share a commitment to inclusion and representation of our diverse communities through democratic governance and intensive community engagement," RCEA will represent Humboldt County in these endeavors.

- RCEA staff will continue to be active members of the CalCCA Environmental Justice and Equity Committee.
- RCEA staff will learn how other CCAs develop programs and policies to reach historically underserved community members in order to incorporate successful practices in RCEA's regular operations.
- Staff will share RCEA's successes in community engagement with other CCAs to promote improved practices throughout California.
- As of June 2021, RCEA is now a member of the Government Alliance on Race and Equity (GARE). RCEA will utilize GARE's member resources for opportunities related to staff training, assessment tools and discussion forums.
- As of July 2021, RCEA will participate as a member of the newly formed Equity Metrics Working Group of the California Energy Efficiency Coordinating Committee (CAEECC), which serves as an advisory group to the CPUC.

RCEA staff will provide an annual report to the Board of Directors and RCEA's Community Advisory Committee on the implementation of this Racial Justice Plan.

Redwood Coast Energy Authority Racial Justice Plan Schedule

| | | 2021 | | | | | 2022 | | | | | | | | | | | | |
|---|---|--------------------------------|-----------|-----------------------|-----------------------|----------------|-----------|----------|----------------|-------|----------------|------|------|----------------|-----------|----------|----------|----------|--|
| Measures | | August | September | October | November | December | January | February | March | April | May | June | July | August | September | October | November | December | |
| Internal Operations | Job description revisions | Develop | | | | Bring to board | | | | | | | | | | | | | |
| | Equity activities in new job descriptions | Develop | | | Bring to board | | | | | | | | | | | | | | |
| | Equity activities in work plans | | | | | | Implement | | | | | | | | | | | | |
| | Implicit bias trainings | Staff training | | | Staff training | | Implement | | Staff training | | Staff training | | | Staff training | | | | | |
| | Staff demographics survey | Develop | | Implement | | | | | | | | | | | | | | | |
| | Hiring committee implicit bias training | Develop | | Ongoing participation | | | | | | | | | | | | | | | |
| | Implement equity strategies in hiring | Develop | | Implement | | | | | | | | | | | | | | | |
| External Partnerships and Programs | Work with Tribes on program development, on | Sovereign's Day and survey | | | Ongoing participation | | | | | | | | | | | | | | |
| | Tribal representation on CAC | Reach out to Tribal leadership | | | | | | | | | | | | | | | | | |
| | Establish Tribal Liason position | | | | | | | | | | | | | | | | | | |
| | Tribal Chairman's meeting attendance | Ongoing participation | | | | | | | | | | | | | | | | | |
| | Meet with Tribes on RCEA governance | Reach out to Tribal leadership | | | | | | | | | | | | | | | | | |
| | Customer demographics survey | Launching ongoing survey | | | | | | | | | | | | | | | | | |
| | Customer demographics analysis | | | | | | | | | | | | | | | Analysis | | | |
| | Program equity evaluation | | | | | | | | | | | | | | | | | | |
| CalCCA Environmental Justice and Equity Con | | Ongoing participation | | | | | | | | | | | | | | | | | |



REDWOOD COAST
EnergyAuthority

STAFF REPORT

Agenda Item # 9.1

| | |
|--------------|--|
| AGENDA DATE: | July 22, 2021 |
| TO: | Board of Directors |
| PREPARED BY: | Matthew Marshall, Executive Director |
| SUBJECT: | Executive Director's Update on Offshore Wind Project |

SUMMARY

Executive Director Matthew Marshall will provide a brief update on local and national offshore wind related activities at this Board meeting.

STAFF RECOMMENDATION

N/A – Information only.

ATTACHMENTS

None.