



Redwood Coast Energy Authority

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Redwood Coast Energy Authority Office
633 3rd St., Eureka, CA 95501

May 11, 2021
Tuesday, 6 - 7:30 p.m.

COMMUNITY ADVISORY COMMITTEE MEETING

COVID-19 NOTICE: RCEA OFFICES ARE NOT OPEN TO THE PUBLIC

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 Community Advisory Committee meeting will not be convened in a physical location. Committee 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: 822 2338 1610. **To watch the meeting online**, join the Zoom webinar at <https://us02web.zoom.us/j/82223381610>.

You may submit written public comment before and during the meeting by email to PublicComment@redwoodenergy.org. Please identify the agenda item number in the subject line. Emailed public comment 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 comment.

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 or to access the meeting materials should email Ltaketa@redwoodenergy.org or call (707) 269-1700 at least 3 business days before the meeting. Advance notification enables RCEA staff to make their best effort to reasonably accommodate access to this meeting and its materials 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 Community Advisory Committee, including those received less than 72 hours prior to the Committee's meeting, will be made available to the public at www.redwoodenergy.org.

COMMUNITY ADVISORY COMMITTEE MEETING AGENDA

Agenda Item	What / Action	When
1. Open	<p>Roll Call: Norman Bell Roger Hess Elizabeth Burks Richard Johnson Jerome Carman Luna Latimer Colin Fiske Dennis Leonardi, Vice Ch. Catherine Gurin Kit Mann Larry Goldberg, Chair Amin Younes Pam Halstead Stephen Avis, Board liaison</p> <p>Review meeting agenda and goals.</p>	6 - 6:05 (5 min.)
2. Approval of Minutes	Action: Approve minutes of March 9, 2021, CAC meeting.	6:05 - 6:10 (5 min.)
3. Non-Agenda Item Public Comment	This item is provided for the public to address the Committee on matters not on the agenda. At the end of public comments, the Committee will respond to statements, set requests requiring action to a future agenda, or refer requests to staff.	6:10 – 6:15 (5 min.)
4. Time of Use Rate Report	Receive a report on the time-of-use billing transition. (Information only.)	6:15 – 6:25 (10 min.)
5. Biomass Alternatives Subcommittee Update	Hear an update from the Biomass Alternatives Subcommittee and provide direction for next steps.	6:25 – 6:50 (25 min.)
6. Bond Subcommittee Report	Hear an update from the Bond Subcommittee and provide direction for next steps.	6:50 – 7:15 (25 min.)
7. Member Reports	This time is provided for Committee members to share information on topics not on the agenda. At the end of member reports, the Executive Director will set requests requiring action to a future agenda or refer requests to staff or the Board.	7:15 – 7:25 (10 min.)
8. Close & Adjourn	Summarize actions, outcomes, Board communication items, next steps	7:25 - 7:30 (5 min.)

NEXT REGULAR CAC MEETING – Tuesday, July 13, 2021, 6 - 7:30 p.m.
 Location to be determined.



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COMMUNITY ADVISORY COMMITTEE MEETING **DRAFT MINUTES**

March 9, 2021 - Tuesday, 6 - 7:30 p.m.

The agenda for this meeting was posted on March 5, 2021. Community Advisory Committee Chair Larry Goldberg called the meeting to order at 6:03 p.m., stating that the meeting was being conducted by teleconference pursuant to Brown Act waivers included in Governor Newsom's COVID-19 State of Emergency Executive Orders and in response to local efforts to reduce the spread of the virus. Chair Goldberg stated that the posted agenda outlined instructions for the public on listening to the meeting and providing comment.

Members present:

Norman Bell	Roger Hess
Elizabeth Burks	Richard Johnson
Jerome Carman (arrived 6:38 p.m.)	Luna Latimer
Colin Fiske	Dennis Leonardi, Vice Chair
Larry Goldberg, Chair	Kit Mann
Catherine Gurin	Matty Tittmann (arrived 6:09 p.m.)
Pam Halstead	Chris Curran, Board Liaison (non-voting)

Members absent:

Amin Younes

Staff and others present:

Richard Engel, Power Resources Director
Jaclyn Harr, The Energy Authority Client Services Manager
Matthew Marshall, Executive Director
Nancy Stephenson, Community Strategies Manager
Tyler Studds, Head of Offshore Wind Business Development – West, Ocean Winds
Lori Taketa, Board Clerk

Minutes Approval

Chair Goldberg invited comment. There were no comments from CAC members or the public. Chair Goldberg closed the public comment period.

Motion Leonardi, Second Halstead: Approve minutes of January 12, 2021, CAC meeting.

The motion passed with a unanimous roll call vote. Ayes: Bell, Burks, Fiske, Gurin, Goldberg, Halstead, Hess, Johnson, Latimer, Leonardi, Mann. Noes: None. Abstain: None. Absent: Carman, Tittmann, Younes.

Chair Goldberg invited public comment on non-agenda items. No member of the public commented. Chair Goldberg closed the public comment period.

RePower Humboldt Energy Strategic Plan Update (information only)

The County tasks RCEA with developing a regional Comprehensive Action Plan for Energy in its General Plan. Executive Director Matthew Marshall reported on RCEA's progress on the strategic plan objectives:

- County climate action plan work continues. Reports to the different municipalities and the County Board of Supervisors and public meetings will begin soon.
- Upgrades are being made to electric vehicle (EV) charging stations. RCEA is making city and County planners aware of new EV infrastructure building code standards and encouraging implementation.
- Airport microgrid site preparation is beginning.
- RCEA is pursuing long-term renewable energy resilience solutions with PG&E for Hoopa and Willow Creek, which do not benefit from the Humboldt Bay Generating Station's islanding capability.
- The agency is exploring clean power options for Samoa Peninsula development.
- The CCE program is planning how to do its part to make up for the Diablo Canyon nuclear power plant's decommissioning. It is hoped that local projects can fulfil the anticipated state new project construction requirement.
- New Demand-Side Management programs are beginning in 2021. Funding will come from CPUC programs, PG&E partnership and RCEA's CCE program.
- RCEA is in final negotiations to use customer battery storage for grid reliability. Customers whom RCEA helped to reserve over \$40 million in behind-the-meter energy storage state funding may participate in this program.
- RCEA is participating in developing a Rural Regional Energy Network (RuralREN) made up of rural, hard to reach energy efficiency agencies to pursue program funding. RCEA will be the fiscal administrator for this RuralREN.

The group discussed how:

- RCEA can make electric-powered transportation rebates more equitable by encouraging EV charging development at multi-family housing properties and by offering a second ebike rebate targeting CARE and FERA customers;
- Electrification does not make sense for Eastern Humboldt unless cleaner power generation during power outages can be established to replace diesel generators, as power outages happen in that area frequently;
- The RuralREN's request for RCEA to be the fiscal lead indicates RCEA's prominent position; and
- The CPUC is beginning to acknowledge building electrification's importance in decarbonization in its public purpose program energy efficiency funding programs. RCEA will support funding these types of projects.

CCE Program Status and Request for CAC Input on Balancing Financial Goals

Power Resources Director Richard Engel described how the Board strives to maintain the Community Choice Energy program's financial viability while balancing these goals:

- Customer rate savings compared to PG&E's power generation rates,
- Maintaining a green power portfolio compared with PG&E's power mix and state law mandates,
- Building the CCE program's financial reserves, and
- Funding customer programs.

This year will be financially challenging based on market predictions and the program will need to dip into financial reserves. The Energy Authority Client Services Manager Jaclyn Harr described how the Board adjusted the customer rate discount to 0.5% below PG&E's generation rates and temporarily reduced the RCEA energy portfolio's environmental targets in excess of state requirements as a belt-tightening measure. Ms. Harr described other factors driving the CCE program's financial forecast:

- an increase in delayed electric bill payments during the pandemic,
- PG&E's generation rate changes,
- the expected power charge indifference adjustment (PCIA or exit fee) increase which PG&E and the CPUC control, and
- the effects of summer and winter extreme weather on energy prices.

RCEA addresses these risks by building the program's financial reserves and purchasing energy price hedges. Ms. Harr reminded the committee that these risks also illustrate the need to assess the CCE program's goals in the context of the larger financial and energy picture. The CCE program is entering into state-mandated, long-term renewable power procurement contracts that will help stabilize energy prices and provide more fiscal certainty.

Due to the limited time available, Chair Goldberg asked that the report on how other CCE programs are addressing financial difficulties, gathering CAC input for the Board on how to improve the CCE program's financial situation, and the time-of-use billing report be moved to the May CAC meeting.

Offshore Wind Project Update

Ocean Winds Head of Offshore Wind Business Development – West Tyler Studds described Ocean Winds' experience with floating and fixed bottom offshore wind around the world. Ocean Winds partnered with Aker Offshore Wind and RCEA to submit an unsolicited lease to the Bureau of Ocean Energy Management (BOEM) for development of an area 32 km off Humboldt County's coastline. BOEM since denied the lease proposal and opened an auction call area overlapping the partnership's proposed development area. Mr. Studds described the partnership's goals to provide competitively priced renewable energy, prioritize stakeholder engagement and acceptance, and maximize both local infrastructure investment and the project's economic viability. Mr. Studds described Humboldt's extremely high-quality, deep-water wind resource which rivals the best areas around the world and which approach levels needed to provide the county with baseload power to balance solar energy during non-

daylight hours. The necessary harbor development, BOEM lease process, multi-year site assessment and study periods, and turbine and cable configuration were described.

The partnership's proposed offshore wind project energy capacity is comparable to that of the Humboldt Bay Generating Station. Developing additional turbines and increasing output is not currently feasible since the turbines would need to be stopped during high wind periods due to the grid's inability to export large amounts of excess electricity. The Schatz Energy Research Center worked with PG&E to analyze possible over-land and sub-sea transmission lines from Humboldt County. The infrastructure upgrade was estimated to cost at least \$1-2 billion, and investment by the state in a project of this scale is unlikely until it is demonstrated that viable offshore wind can be developed.

Upon inquiry about ocean floor feeding whales near the proposed turbine sites, Mr. Studds reported that publicly-funded studies are being conducted on offshore wind and its potential impacts on ocean life. Mooring and inter-array cables are too large to cause marine animal entanglements, however fishing net entanglement does pose potential risk to whales. Project designers will incorporate mitigation strategies based on study findings.

Member Reports

- The committee members thanked outgoing member Matty Tittmann for his service since the CAC was founded.
- Member Kit Mann reported that the presentation of the Alternative Biomass Uses Subcommittee's report to the Board has been delayed due to full agendas. Member Mann hopes to present the report in March.
- Member Fiske requested hearing about ways to lobby the CPUC on changes to the power charge indifference adjustment as part of May's CCE program status report.

Chair Goldberg adjourned the meeting at 7:34 p.m.

Lori Taketa
Board Clerk



**COMMUNITY ADVISORY COMMITTEE
STAFF REPORT
Agenda Item # 4**

AGENDA DATE:	May 6, 2021
TO:	Community Advisory Committee
PREPARED BY:	Mahayla Slackerelli, Account Services Manager
SUBJECT:	Time-of-Use Billing

SUMMARY

The California Public Utilities Commission has been directing the state towards electric rates that value the time energy is used as well as total usage. Moving Californians to time-of-use (TOU) rates will disincentive using energy at the highest demand times of day, namely the afternoon and evening, when the strain on the grid is the highest and energy generation is the most polluting.

Residential TOU Transition

Residential customers who are currently on a tiered rate, in which energy costs are the same whenever it is used, will be transitioned to a TOU rate. This transition is happening in waves throughout California. Residential customers on the North Coast will be transitioned in June 2021. Customers may choose to opt out of this transition and remain on their current rate. However, PG&E and RCEA analyses have shown that due to Humboldt County's mild climate nearly all local residents will benefit from a switch to TOU. In addition, RCEA and PG&E will be providing bill protection for customers that switch to TOU in the mass transition. For eligible customers RCEA and PG&E will review the first year of service on the new TOU rate; if the customer would have done better on their old rate, they will be credited the difference.

Non-Residential TOU Transition

In March 2021, non-residential customers in PG&E's service territory were transitioned to a new set of TOU rates. Many commercial, industrial, and agricultural electricity customers have been on TOU rates previously, but all non-residential customers are being transitioned to new business TOU rates with some adjusted features. The new business rates include later peak rates from 4 - 9 p.m., a shorter summer season from June through September and a new super off-peak rate available 9 a.m. – 2 p.m. March through May. All non-residential customers were automatically transitioned to the new business rates with a few exceptions. A short list of agricultural customers that will be highly impacted by the business rates will have another year before they are automatically transitioned. Also, a small group of non-residential net energy metering customers were offered the opportunity to remain on their legacy rates.

STAFF RECOMMENDATION

None. Information only.



**COMMUNITY ADVISORY COMMITTEE
STAFF REPORT
Agenda Item # 5**

AGENDA DATE:	May 11, 2021
TO:	Community Advisory Committee
PREPARED BY:	Richard Engel, Power Resources Director Michael J. Furniss, Consultant to RCEA
SUBJECT:	Updates from Biomass Alternatives Subcommittee

SUMMARY

The CAC's Biomass Alternatives Subcommittee would like to bring two interrelated items to the full CAC for discussion.

1. Developing a memorandum of understanding between RCEA and Humboldt Sawmill Company on alternative uses of biomass feedstock
2. Direction from the CAC on the continuation of the subcommittee

Memorandum of understanding with Humboldt Sawmill Company

At their April meeting, the RCEA Board of Directors approved an amendment to RCEA's biomass Power Purchase Agreement (PPA) with Humboldt Sawmill Company (HSC). The amendment extends the contract to 2031 for purposes of compliance with the State's SB 350 requirement that load-serving entities procure at least 65% of their State-mandated renewable energy via long-term contracts of at least ten years' duration. The amendment also substantially reduces the pricing per unit of energy procured from current levels, and allows greater flexibility in generation volume along with binding generation forecasts by HSC. The Board's motion approving the amendment directed staff to "periodically review the contract with Humboldt Sawmill Company, assessing current alternate biomass uses and other environmental considerations."

Staff proposes to fulfill this request from the Board with a memorandum of understanding (MOU) between RCEA and HSC. The MOU would recognize that RCEA and the community's benefits from biomass power depend on there not being a more beneficial use available for the biomass feedstock. HSC's willingness to extend the term of their PPA indicates they currently consider biomass power to be the most economically attractive option for disposal of the waste material their sawmill produces. The MOU would call for HSC and RCEA to confer periodically over the remaining life of the PPA to determine whether emerging alternative uses of the feedstock might justify both parties agreeing to revisit the terms of the PPA.

Staff invites the CAC members to provide input on the scope and terms of the proposed MOU, including how frequently the parties would confer and how alternative feedstock uses might be assessed.

Continuation of the Subcommittee

The Biomass Alternatives Subcommittee is an *ad hoc* group not subject to Brown Act open meeting requirements. As such, it must serve a specific purpose, with a defined endpoint, rather than being a standing body operating for an indefinite period. When formed, the biomass alternatives subcommittee was intended to sunset after a proposal for RCEA's involvement in alternative biomass use options was presented to the Board for consideration. The preliminary report presented in March was an interim step in developing such a proposal. Topic #1 in this report addresses continuing efforts toward such a proposal.

More recently, staff proposed how the subcommittee might sunset after Michael Furniss's consulting contract work with RCEA on biomass is done later this year. A third option was introduced at the subcommittee's most recent meeting: Sunsetting the CAC subcommittee upon creation of a Biomass Technical Advisory Group (BTAG) of subject matter experts, as envisioned in the 2019 update of RCEA's strategic plan.

Staff asks the CAC to determine a triggering event or date when the subcommittee should be dissolved, and when the BTAG should be established.



**COMMUNITY ADVISORY COMMITTEE
STAFF REPORT
Agenda Item # 6**

AGENDA DATE:	May 11, 2021
TO:	Community Advisory Committee
PREPARED BY:	Aisha Cissna, Legislative and Regulatory Policy Manager
SUBJECT:	Update from Energy Independence and Resilience Bond Subcommittee

SUMMARY

On behalf of the CAC's Energy Independence and Resilience Bond Subcommittee ("Bond Subcommittee" or "Subcommittee"), Staff would like to:

- 1) Provide an update on the short list of potential revenue bond project concepts developed by the Subcommittee, and
- 2) Receive feedback from the CAC as it pertains to continuing the Subcommittee with an expanded scope: to evaluate non-revenue-generating projects that could be a suitable fit for potential State and/or Federal funding opportunities.

Short List of Potential Revenue Bond Project Concepts

The CAC Bond Subcommittee was formed at the July 14, 2020 CAC regular meeting. The scope of work for the Bond Subcommittee is to work with RCEA staff to evaluate and assess the feasibility of potential options for a County revenue bond to fund local energy independence and resilience.

Over the course of four meetings, the Subcommittee brainstormed eight potential energy resilience project ideas, developed criteria for selecting revenue-generating projects which would be suitable for further exploration, and identified the three most promising projects:

- 1) Small commercial floating offshore wind
- 2) Renewable energy feed-in-tariff (new resource, ~1-3 MW capacity, located in RCEA service territory, and RPS compliant)
- 3) Low-cost customer financing for distributed generation and energy efficiency projects

The three chief criteria used to select these projects were:

- 1) The project has potential to generate revenue sufficient to repay the bond,
- 2) The project has significant potential to reduce greenhouse gas emissions, and
- 3) The project would produce greater energy resilience in Humboldt County (i.e. increasing baseload resources, reduced fossil fuel dependence, etc.).

Continuation of the Subcommittee

The Bond Subcommittee is an *ad hoc* group not subject to Brown Act open meeting requirements. As such, it must serve a specific purpose, with a defined endpoint, rather than being a standing body operating for an indefinite period. When formed, the Bond Subcommittee was intended to sunset after a revenue bond project proposal was developed for consideration by the County Board of Supervisors (“BOS”), per the direction provided by the BOS in their March 17, 2020 meeting.

The Subcommittee is seeking feedback from the CAC as it pertains to expanding its scope for two reasons:

- 1) In brainstorming proposal ideas, the group also generated a list of non-revenue-generating projects that seemed worthy of developing further, and
- 2) Since the initiation of the Subcommittee, the political and economic climate has changed, resulting in potential funding and financing opportunities at the State and Federal level that were not previously available.

During the brainstorming process, the Subcommittee identified several non-revenue-generating ideas that they wanted to bring to the CAC for consideration including, but not limited to:

- Subscription or pay-as-you-go transportation services (i.e. carsharing, bike-sharing, and other mobility on-demand services)
- Biomass plant using gasification or other advanced particulate emission technology
- Projects identified in regional planning documents such as the County’s 2030 Climate Action Plan, HCAOG’s Regional Transportation Plan, and RCEA’s Electric Vehicle Readiness Plan.

Some members of the Subcommittee have demonstrated interest in further developing these ideas, especially in light of recent State and Federal policy initiatives. One such Federal initiative is the \$2.3 trillion American Jobs Plan. As written, this plan would invest in electric vehicle infrastructure, public transit, clean energy tax credits, heat pumps, retrofitting old buildings, and more. Furthermore, the State and Federal government have expressed an appetite to invest in port infrastructure for offshore wind. The State’s current budget surplus, situated in the hands of a Governor and legislature that have shown commitment to energy resilience initiatives—as well as public support—can possibly lead to more funding streams, as well.

Staff asks the CAC to determine support for amending the scope of the Bond Subcommittee to further develop non-revenue-generating project ideas to be poised for upcoming State and Federal funding opportunities.