



Redwood Coast Energy Authority

633 3rd Street, Eureka, CA 95501

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E-mail: info@redwoodenergy.org Web: www.redwoodenergy.org

COMMUNITY ADVISORY COMMITTEE MEETING

**Jefferson Community Center Auditorium
1000 B Street, Eureka, CA 95501**

**March 14, 2023
Tuesday, 6 - 7:30 p.m.**

Any member of the public needing special accommodation to participate in this meeting or access the meeting materials should email LTaketa@redwoodenergy.org or call (707) 269-1700 at least 3 business days before the meeting. Assistive listening devices are available.

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.

NOTE: Speakers wishing to distribute materials to the Committee at the meeting, please provide 17 copies to the Board Clerk.

THIS IS A HYBRID IN-PERSON AND VIRTUAL MEETING.

The Community Advisory Committee has returned to in-person hybrid meetings. When attending CAC meetings, please socially distance as much as possible and be courteous to those who choose to wear a mask.

To participate in the meeting by phone, call (669) 900-6833 or (253) 215-8782. Enter webinar ID: 822 2338 1610. **To participate in the meeting online**, join the Zoom webinar at <https://us02web.zoom.us/j/82223381610>.

To comment by phone or online 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 ask you to unmute your phone or computer. You will have 3 minutes to speak.

You may email written comments 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.

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."

COMMUNITY ADVISORY COMMITTEE MEETING AGENDA

Agenda Item / What	How / Action <u>Underlined actions</u> indicate that a vote is needed.	When
1. Open	Roll Call: <div style="display: flex; justify-content: space-between;"> <div> Norman Bell Elizabeth Burks Colin Fiske Catherine Gurin, Vice Chair Larry Goldberg Roger Hess Chris Honar Kris Mobley, Board Liaison </div> <div> Richard Johnson Luna Latimer Ethan Lawton Dennis Leonardi, Chair Kit Mann Emily Morris Jeff Trirogoff </div> </div> Review meeting agenda and goals.	6:00 p.m.
2. Remote Member Participation	Action: <u>Approve teleconference participation request for this meeting by committee member pursuant to Brown Act revisions of AB 2449 due to an emergency circumstance to be briefly described.</u>	6:00 – 6:05 p.m. (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 may respond to statements, or refer requests requiring action to the Executive Director or the Board of Directors.	6:05 – 6:10 p.m. (5 min.)
4. Consent Calendar	<p>All matters on the Consent Calendar are considered to be routine by the CAC 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, CAC members or members of the public can request that an item be removed for separate discussion.</p> <p>Actions:</p> <p>4.1. <u>Approve January 10, 2023, CAC Meeting Minutes.</u></p> <p>4.2. <u>Accept Local Major Projects Staff Notification List – None as of agenda publication.</u></p>	6:10 – 6:15 p.m. (5 min.)
5. Items Removed from Consent Calendar	This time is set aside for discussion of items removed from the Consent Calendar.	6:15 – 6:20 p.m. (5 min.)
6. Q4 CAPE Status Update	Action: Hear a semiannual update on RCEA RePower Strategic Plan goal progress, current and upcoming projects. (Information only.)	6:20 – 6:40 p.m. (20 min.)

Agenda Item / What	How / Action <u>Underlined actions</u> indicate that a vote is needed.	When
7. Net Energy Metering Successor Tariff Update	Action: Hear an update on the Net Billing Tariff's changes to rooftop solar ownership benefits and upcoming potential RCEA actions. (Information only.)	6:40 – 7:00 p.m. (20 min.)
8. CAC Chair, Vice Chair Selection	Action: <u>Accept nominations for, and appoint, a Community Advisory Committee chair and vice chair for terms beginning April 1, 2023, and ending March 31, 2024.</u>	7:00 – 7:10 p.m. (10 min.)
9. Member and Board Liaison Reports	This time is provided for Committee members and the Board Liaison 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. 10.1. Board Liaison 10.2. Committee Members	7:10 – 7:25 p.m. (15 min.)
10. Close & Adjourn		7:30 p.m.

NEXT REGULAR CAC MEETING – Tuesday, May 9, 2023, 6 - 7:30 p.m.
Jefferson Community Center Auditorium, 1000 B Street, Eureka, CA 95501.

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COMMUNITY ADVISORY COMMITTEE STAFF REPORT Agenda Item # 2

AGENDA DATE:	March 14, 2023
TO:	RCEA Community Advisory Committee
FROM:	Eileen Verbeck, Deputy Executive Director
SUBJECT:	Member Teleconference Participation

BACKGROUND

Since emergency Brown Act meeting law changes went into effect in 2020 due to the COVID-19 public health emergency, the RCEA Board of Directors, Community Advisory Committee and the subcommittees of those bodies met online with no physical, public meeting location. Governor Newsom signed AB 361 into law in September 2021, which allowed these bodies to continue meeting completely virtually without publishing each member's participation location while the COVID state of emergency continued and state or local officials recommended social distancing measures or the RCEA Board determined that meeting in person posed health and safety risks.

The COVID-19 State of Emergency ended on February 28, 2023, and RCEA Board and CAC meetings must return to meeting in-person at a physical location, with allowances under existing Brown Act rules or new AB 2449 Brown Act rules should a Board or CAC member need to participate from a remote location for certain reasons. If another state of emergency is declared, these bodies may be able to return to completely remote meetings.

SUMMARY

CAC members may attend up to two meetings per year from a remote location without making the location accessible to the public for the following reasons:

1. "Just cause"
 - a. To provide childcare or caregiving need to a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner;
 - b. Due to a contagious illness that prevents the member from attending in-person;
 - c. Due to a need related to a physical or mental disability as defined in Government Code sections 12926 and 12926.1 not otherwise accommodated; and
 - d. Due to travel while on official business of the legislative body or another state or local agency.
2. "Emergency circumstance" due to a physical or family medical emergency that prevents the member from attending in person.

If the CAC member would like to attend the meeting remotely due to an emergency circumstance, the committee will take action by majority vote to approve the member's remote

participation. A vote is not necessary for a request to attend remotely for just cause. A brief description, protecting the member's (or member's family member's) medical privacy, needs to be provided in both cases.

The remotely participating CAC member needs to publicly disclose at the meeting before any action (vote) is taken, whether anyone 18 years of age or older is present in the room at the remote location with the member, and the general nature of the individual's relationship with the CAC member.

If the CAC member anticipates needing to participate remotely for more than 2 meetings per year, staff recommends arranging for a publicly and ADA accessible space with visual and audio meeting capabilities from which to participate.

Staff asks to be notified one-week in advance, if possible, of remote meeting attendance so the member's publicly and ADA accessible remote meeting address can be published in the agenda, if required per Brown Act open meeting laws.

RECOMMENDED ACTION

Approve teleconference participation request for this meeting by committee member pursuant to Brown Act revisions of AB 2449 due to an emergency circumstance to be briefly described.



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COMMUNITY ADVISORY COMMITTEE MEETING

DRAFT MINUTES

January 10, 2023 - Tuesday, 6 - 7:30 p.m.

The agenda for this meeting was posted on January 6, 2023. Community Advisory Committee Chair Dennis Leonardi called the meeting to order at 6:03 p.m., stating that the meeting was being conducted by teleconference pursuant to revised Brown Act provisions signed into law on September 16, 2021. Chair Leonardi stated that the posted agenda outlined instructions for public participation in this meeting.

Members present:

Norman Bell

Elizabeth Burks

Colin Fiske

Larry Goldberg

Catherine Gurin, Vice Chair

Roger Hess

Christopher Honar (arrived 6:20 p.m.)

Sarah Schaefer, Board Liaison (non-voting)

Luna Latimer

Ethan Lawton

Dennis Leonardi, Chair

Kit Mann

Emily Morris

Jeff Trirogoff

Jerome Qiriazzi

Members absent: Richard Johnson

Staff present:

Aisha Cissna, Regulatory & Legislative Policy Manager

Stephen Kullmann, Demand-Side Management Director

Matthew Marshall, Executive Director

Nancy Stephenson, Community Strategies Manager

Lori Taketa, Board Clerk

Eileen Verbeck, Deputy Executive Director

Non-Agenda Item Public Comment

No member of the public submitted comment or requested to speak. Chair Leonardi closed the non-agenda public comment period.

Consent Calendar

3.1. Approve November 8, 2022, CAC Meeting Minutes.

3.2. Undertake a full CAC goal setting process every two years, adjusting goals every other year as necessary,

Continue work on existing CAC 2022 work goals in 2023, and

Authorize the Chair and Vice-Chair to assist RCEA staff in finalizing the Community Advisory Committee Annual Report and present it to the RCEA Board of Directors.

3.3. Accept Local Major Projects Staff Notification List – No projects at this time.

No member of the public or committee requested an item be removed from the Consent Calendar. Committee members clarified the process of notifying staff regarding upcoming development projects that could impact RePower goal achievement. Chair Leonardi closed

the public comment period.

Motion Fiske, Second Gurin: Approve Consent Calendar items.

The motion passed with a roll call vote. Ayes: Bell, Burks, Fiske, Goldberg, Gurin, Hess, Latimer, Lawton, Leonardi, Mann, Morris, Qiriaz, Trirogoff. Noes: None. Abstain: None. Absent: Honar, Johnson.

5. Offshore Wind Auction Results

Executive Director Marshall described how federal and state climate action efforts prioritize developing the country's best offshore wind resources which are located off the northern California and Oregon coastlines. RCEA's project partners dropped out of December's Bureau of Ocean Energy Management offshore wind lease auction when bidding exceeded their budget cap.

The two Humboldt lease winners are German-based RWE and Copenhagen Infrastructure Partners. RWE is the second-largest offshore wind developer in the world with European projects already in operation. They have been developing relationships within the local community, meeting with fishermen and some Tribes.

CIP manages renewable energy investment funds and has created a project company with offshore wind development partners. Magellan Wind, a well-regarded respondent to RCEA's 2018 request for qualifications for potential project partners, is a CIP project partner. Magellan representatives have visited the area many times and met with Tribes and other stakeholders. Magellan will manage CIP's initial 9 months of work in the area. RCEA will work to represent local interests with both RWE and CIP.

Under the best conditions, BOEM site assessment plan approval (including environmental and wind studies, construction and operations plan proposals), permitting, construction start and turbine fabrication will take a minimum of seven years for a smaller scale project. A full build-out requires transmission upgrades.

Harbor development will be the first and most visible impact for most Humboldt residents and will include large, heavy-lift, multipurpose marine terminal construction and redevelopment in Samoa.

The state has two targets for offshore wind energy output: 2-5 GW by 2030 and 25 GW by 2045. The 2030 goal focuses on Morro Bay due to Humboldt County's transmission constraints. The 2045 goal requires two new transmission lines out of the Humboldt area and additional wind development areas beyond the December auction blocks. Potential transmission line paths could go directly south underwater; come ashore near Eureka and then go south; and/or go east then south.

Harbor development will be handled by the Harbor District. Transmission upgrade planning, decision making and implementation will be at the state-level. RCEA is developing a fact sheet explaining what entities approve different aspects of the development process. The transmission buildout will be large-scale project in and of itself, with overland options passing through Southern and/or Eastern Humboldt.

The group discussed that while CORE Hub did not get BOEM to adopt the full scope of proposed bid credits for community benefits, they successfully persuaded BOEM to assign more non-monetary bid credits than has ever been done. Federal legislation may or may not allow California to retain some auction proceeds for community benefits

or to pay for development or may allocate all proceeds to federal coffers per usual. The group expressed the importance of the local community's ability to use wind energy produced offshore instead of allowing it to be exported directly south to heavily populated areas. The need to investigate other potential renewable energy resources was reiterated. Staff expressed how RCEA and the community must engage diligently in the transmission planning process to ensure that Humboldt County does not become a flyover community. There were no public comments.

6. Cannabis Grow Greenhouse Gas Impacts

Demand-Side Management Director Kullmann described County staff's recommendation to use \$2.5 million to transition 84 off-grid cannabis cultivation operations to renewable energy. The program is expected to reduce generator fuel usage by roughly 166,000 gallons per year, or about the amount of fuel needed to power 200 homes for a year. The County's proposed program lacks monitoring components and potential misuse of program benefits to expand operations will be difficult to track.

RCEA cannot fund off-grid cannabis cultivators due to customer program funding restrictions. The agency's current funding and programs cannot provide services to customers who do not pay the public service goods surcharge or who are not RCEA customers. Agency staff time and funding are currently being deployed to reduce greenhouse gas emissions within the community, including emissions of on-grid cannabis processors.

The Committee members supported forming a subcommittee to partner with Cal Poly Humboldt to quantify off-grid cannabis cultivation's greenhouse gas emissions, monitor the County program's impacts and develop innovative ways to encourage reduction of off-grid gas and diesel fuel use. Staff encouraged the group to include non-rebate and non-funding methods such as education and project support to encourage fossil fuel use reduction. Committee members are interested in expanding research scope to include non-cannabis generator fuel use. Air Quality Management District partnership was suggested and a presentation on RCEA's on-grid cannabis industry programs was requested.

Committee members Honar and Trirogoff volunteered to serve on the subcommittee which member Goldberg volunteered to chair. There were no responses to Chair Leonardi's invitation for public comment.

7. Bond Subcommittee Update

Regulatory and Legislative Policy Manager Cissna recapped CAC Bond Subcommittee and RCEA staff work exploring potential revenue bond projects to improve resilience since the County requested RCEA assistance in March 2020. The subcommittee developed criteria for determining potential bond projects and explored project microbond funding. Staff determined the necessity of identifying specific projects to move forward, and the possibility of combining traditional municipal bond issuance with microbonds. There is interest in bond financing structures allowing community members project investment in \$500 or \$1000 increments. Four priority projects were identified through the subcommittee's developed criteria and from projects already under staff consideration that address community needs in high-impact areas or for which resilience response resources are available. RCEA staff lack bond financing expertise and suggest seeking professional support.

Bond Subcommittee members supported staff recommendations and learned how the 9

project short list complement existing community efforts by the Schatz Energy Research Center and local Tribes. Staff will gather more specific details on whether microgrids could address Southern Humboldt grid constriction issues when meeting with PG&E representatives. Member Trirogoff volunteered to join the Bond Subcommittee. There were no responses from the public to Chair Leonardi's invitation to comment.

Motion Qiriaz, Second Goldberg: Recommend that the RCEA Board of Directors direct staff to issue a request for proposals for bond development and issuance services to identify suitable financing mechanism(s) for one or more of the shortlisted projects, allowing for an additional project to be determined, and prioritizing projects with community investment pathways.

The motion passed with a roll call vote. Ayes: Bell, Burks, Fiske, Goldberg, Gurin, Hess, Honar, Latimer, Lawton, Leonardi, Mann, Morris, Qiriaz, Trirogoff. Noes: None. Abstain: None. Absent: Johnson.

8. In-Person Hybrid Meeting Briefing

Deputy Executive Director Verbeck reported on public meeting law changes that will go into effect at the end of February and meeting attendance options starting in March. Staff will send out remote participation instructions before the CAC's March 14 meeting. No member of the public commented on this item.

9. Member and Board Liaison Reports

Member Qiriaz requested to have Access Humboldt air CAC meetings.

Member Trirogoff requested support for local renewable energy project financing to keep dollars in the community. Executive Director Marshall described: RCEA's efforts to provide small project financing; the Bond Subcommittee's community financing considerations; and the proposed Rural Regional Energy Network's financing programs.

Board Liaison Schaefer reported on Board RCEA Racial Justice Plan approval and described how the CAC will play an important role in offshore wind community outreach. She invited CAC members to contact her directly regarding Board activities.

Chair Leonardi adjourned the meeting at 7:46 p.m.

Lori Taketa
Clerk of the Board



**COMMUNITY ADVISORY COMMITTEE
STAFF REPORT
Agenda Item # 4.2**

AGENDA DATE:	March 14, 2023
TO:	RCEA Community Advisory Committee
PREPARED BY:	Eileen Verbeck, Deputy Executive Director
SUBJECT:	Local Major Projects

BACKGROUND

Prior to the adoption of the CAC goals in February 2022, the CAC formed a Major Project Ad Hoc Subcommittee to draft and present recommended comments on the North McKay Ranch Development project's draft environmental impact report. The evaluation and input provided by the CAC focused on the proposed project's impact on RePower Humboldt strategic plan goals. The CAC Major Project Ad Hoc Subcommittee sunset date coincided with the approval of the comment letter by the Board and the designation of a process for the CAC to provide input for local projects moving forward.

Based on the feedback from this process the CAC created work goal B, *monitor and advocate for implementation of RePower Humboldt Comprehensive Action Plan for Energy goals and notify staff of community activities and projects that may have significant impact on the ability to reach these goals.*

Further clarification from the Board outlines the process for the CAC to discuss local major projects as it relates to work goal B as follows:

1. If CAC members see a need to comment on or engage with a local project in development in ways that are within RCEA's scope, they notify the RCEA Executive Director.
2. If staff agrees that engaging with project developers is appropriate for RCEA, then staff will follow up or request volunteers for an ad hoc CAC Major Projects Subcommittee specific to a particular project for assistance in drafting comments.
3. If it is unclear whether engagement falls within RCEA's scope, staff will ask the Board for direction.
4. It is more productive for RCEA to engage and provide input early in the development process, rather than when the project is soliciting public comment (e.g. RCEA provided the County with technical input related to Nordic Aquafarms prior to the solicitation for public comments).
5. If RCEA has not been invited to provide input and RePower strategies are not accounted for in project plans, then it is appropriate for RCEA to comment during the public comment phase.

SUMMARY

Staff proposed a standing agenda item at each CAC meeting to provide an opportunity for CAC members to bring forward any upcoming projects or plans that may impact RCEA's ability to meet the Repower goals. If staff agrees that a project is within RCEA's scope, staff will engage with developers of the project in early stages or a project-specific CAC ad hoc subcommittee will be formed to develop comments to present to the Board if the project is in the public comment phase.

As of March 7, 2023, there are no upcoming projects or plans that the CAC has identified to discuss.

STAFF RECOMMENDATION

Accept Local Major Projects Staff Notification List – None as of agenda publication.

(Committee members may remove this item from the Consent Calendar If there are projects to discuss.)

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

AGENDA DATE:	March 14, 2023
TO:	Community Advisory Committee
PREPARED BY:	Matthew Marshall, Executive Director
SUBJECT:	RePower Humboldt Strategic Plan Overview of Agency Goals, Current and Upcoming Projects (Information Only)

BACKGROUND

The RCEA Board of Directors originally adopted the Humboldt County Comprehensive Action Plan for Energy (CAPE) in September 2012. CAPE was RCEA's primary strategic planning document and identified implementation measures specific to fulfilling RCEA's mission, as well as RCEA's role as the regional energy authority.

In April 2019 RCEA undertook a comprehensive update of the CAPE to better coordinate RCEA's targets and strategies with those of the County and seven member agency cities as they developed the County-wide Climate Action Plan. The update also adapted RCEA's strategies to a quickly-changing energy landscape and integrated measures from other regional strategic planning documents, including:

- RePower Humboldt: A Strategic Plan for Renewable Energy Security and Prosperity (2013)
- North Coast Plug-in Electric Vehicle Readiness Plan (2014)
- Northwest California Alternative Fuels Readiness Plan (2016)
- Board Adopted Community Choice Aggregation Program Guidelines (2016)
- County General Plan Energy Element (2017)
- North Coast and Upstate Fuel Cell Vehicle Readiness Project (2019)

The 2019 CAPE update involved a nine-month countywide education and public outreach campaign to gather community input on actions to accomplish the strategic plan's goals. Over 1,200 written comments were received during the update process. RCEA's strategic plan was updated and reviewed by RCEA's Community Advisory Committee. Additional changes based on the Committee's review were made and the document was adopted by the Board in December 2019 under a new title: "RePower Humboldt: The Redwood Coast Energy Authority's Comprehensive Action Plan for Energy." The plan establishes goals and strategies to guide RCEA's work over the 2020-2030 period, and is available online at:

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

SUMMARY

Staff provides RePower Humboldt Plan updates every six months to keep the Board and the Community Advisory Committee informed on implementation progress. At the meeting RCEA staff will

provide a presentation on the current status of plan implementation and related activities. This will include updates on the four focus areas of the plan:

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

RECOMMENDATION ACTION

None. Information provided to inform Committee members and the community.

ATTACHMENTS

Presentation slides will be shared at this meeting.

RePower Humboldt Strategic Plan Introduction

March 2023



RCEA's RePower Humboldt Strategic Plan

Updated December 2019 – 4 focus areas:



**Regional
Planning &
Coordination**



**Integrated
Demand Side
Management**



**Low-Carbon
Transportation**



**Energy
Generation &
Utility Services**



Regional Planning & Coordination

Main goals:

- Achieve net-zero greenhouse gas emissions county-wide by 2030
- Establish Humboldt County as energy secure community by 2030: local capabilities/infrastructure to address energy emergencies and disruptions
- Build the clean energy sector as a cornerstone of the local economy: innovation, R&D, business development





Regional Planning & Coordination

Current activities:

- Continuing work with County and Cities on regional climate action plan
- Working with PG&E, regulators, and others on grid capacity issues
- Exploring next phase of microgrids: Tribes, other airport sites, essential services, southern Humboldt
- **Offshore wind leases auction held**, developer site assessment plans and associated studies are the next step

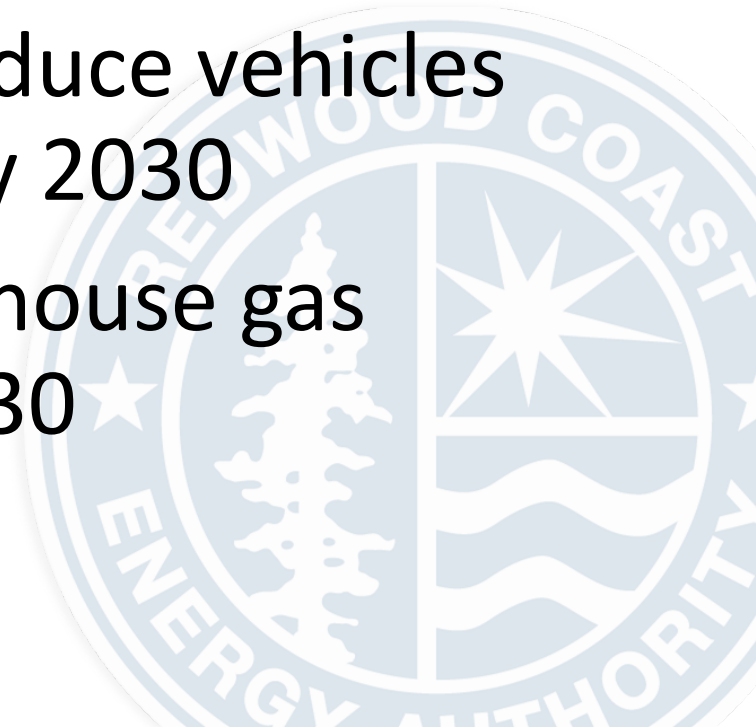




**Low-Carbon
Transportation**

Main goals:

- Reach 6,000+ EVs in Humboldt by 2025
Reach 22,000 EVs by 2030
- Develop EV charging infrastructure to support EV targets
- With other public entities, reduce vehicles miles traveled at least 25% by 2030
- Reduce transportation greenhouse gas emissions by over 65% by 2030





**Low-Carbon
Transportation**

Current activities:

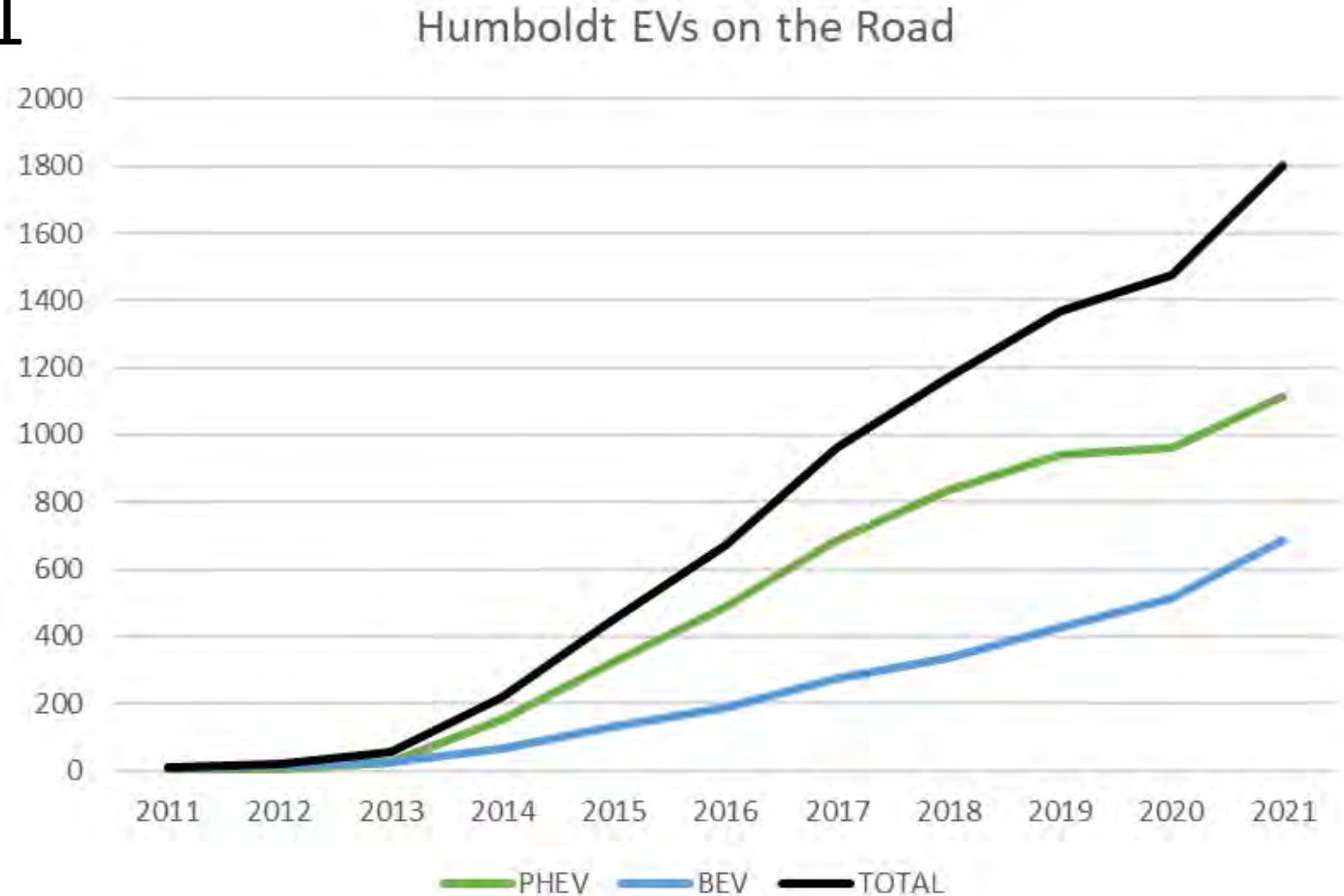
- RCEA's EV charging network
 - 15 sites; 4 new sites to be added in 2023
- \$200k CA Energy Commission (CEC) grant to develop blueprint for medium-duty/heavy-duty fleet conversions and fueling infrastructure
- \$700k CEC grant to install EV charging at rural community service centers with resiliency and low-income emphasis
- RCEA-funded customer rebates for EVs, EV chargers, and e-bikes



**Low-Carbon
Transportation**

2025 Goal: 6,000 EVs

- 2022 data not yet available
- 2021: 1,801

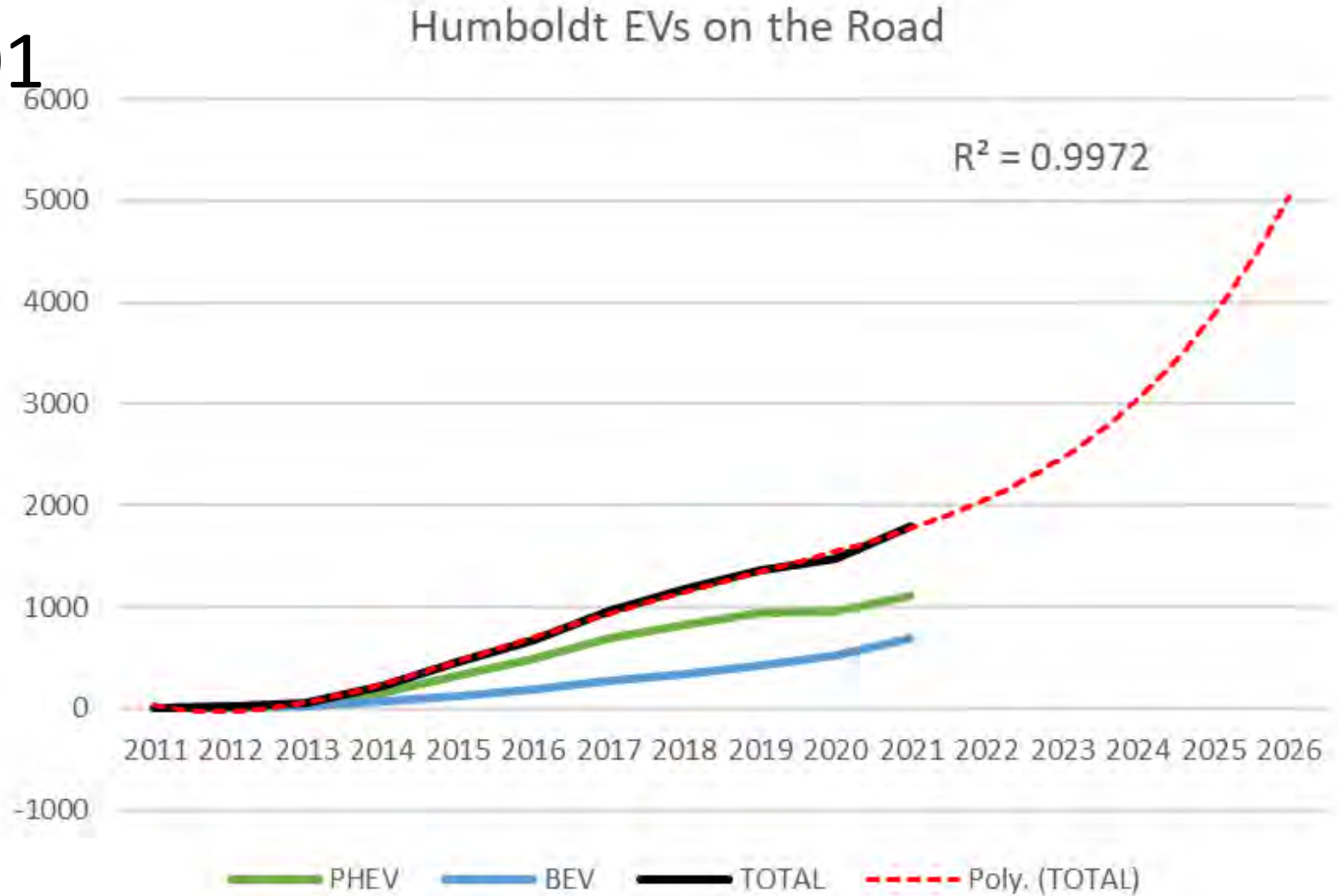




Low-Carbon Transportation

2025 Goal: 6,000 EVs

- 2022 data not yet available
- 2021: 1,801





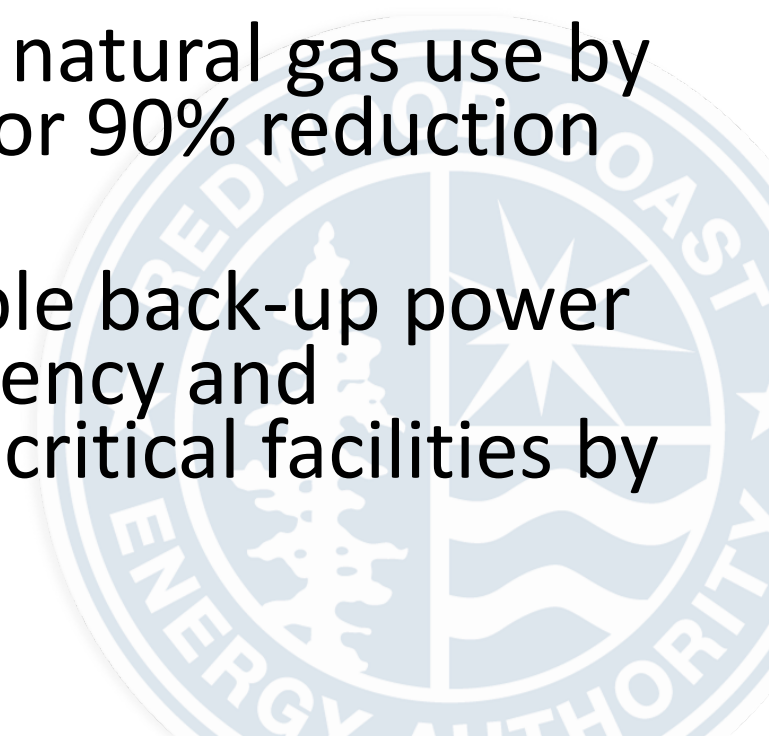
**Integrated
Demand Side
Management**

AKA:

**Customer
Energy
Solutions**

Main goals:

- Support the wide-spread installation of customer solar energy systems to reach 30MW of customer solar installed by 2025 and 50MW by 2030.
- Provide energy efficiency and conservation services to every household and business in the county by 2030.
- Implement programs to reduce natural gas use by 20% by 2030 with a trajectory for 90% reduction by 2050.
- Deploy microgrids and renewable back-up power systems to provide energy resiliency and emergency energy supply at all critical facilities by 2030.





**Integrated
Demand Side
Management**

AKA:

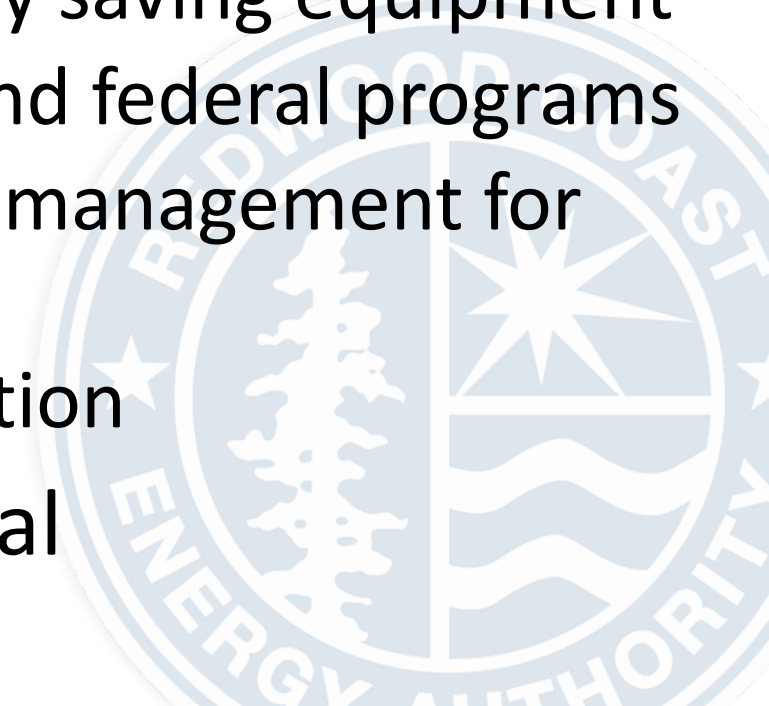
**Customer
Energy
Solutions**

What we do:

Provide customers ...

- tools to manage energy use, costs, and environmental impact
- One-stop-shop to access multiple programs
- rebates and incentives for energy saving equipment
- referrals to other state, utility, and federal programs
- technical assistance and project management for public agencies
- community outreach and education

...to help keep energy dollars local





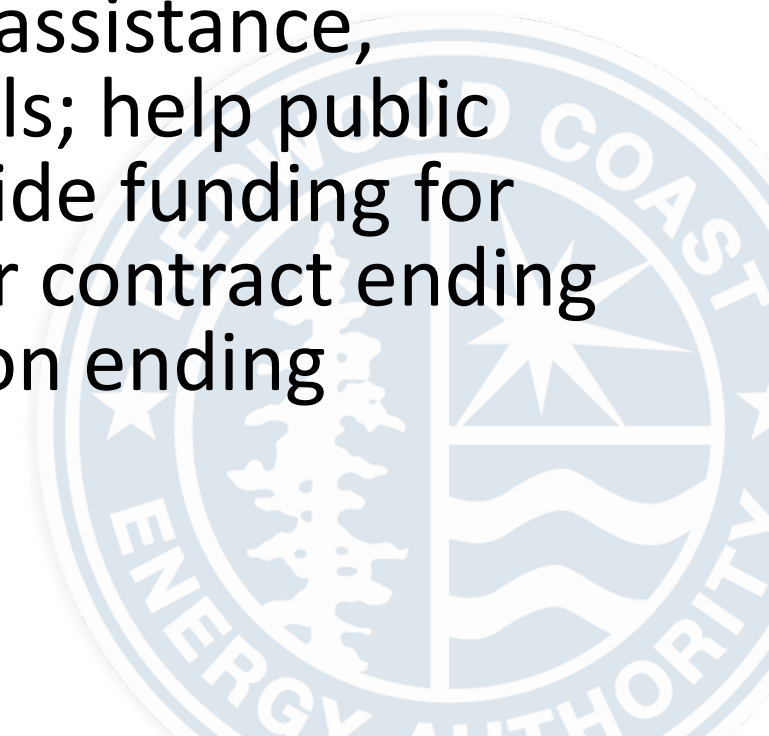
**Integrated
Demand Side
Management**

AKA:

**Customer
Energy
Solutions**

What we do:

- **Ratepayer-funded programs through the CPUC** for equipment (including lighting, heat pumps, refrigeration) rebates and installation incentives. \$1.9M three-year program ending June 2023
- **Local Government Partnership with PG&E** to provide customers with technical assistance, assessments, and program referrals; help public agencies secure and manage outside funding for energy projects. \$766k, three-year contract ending June 2023; \$1M, 2.5-year extension ending December 2027.





**Integrated
Demand Side
Management**

AKA:

**Customer
Energy
Solutions**

What we do:

- **TECH Clean CA Quick Start Grant:** \$161,480 for heat pump rebates for propane and kerosene fuel users
- **Customer programs internally-funded by RCEA's Community Choice Energy Program:**
 - Solar net-energy-metering program with enhanced customer compensation compared to PG&E
 - Key Account Services for public agencies, schools, Tribes, and large commercial customers
 - Free Residential Energy Kits
 - Heat Pump Rebates
 - “Community Grid Program” that pays customers with battery storage to be part of a “virtual power plant” to provide grid benefits

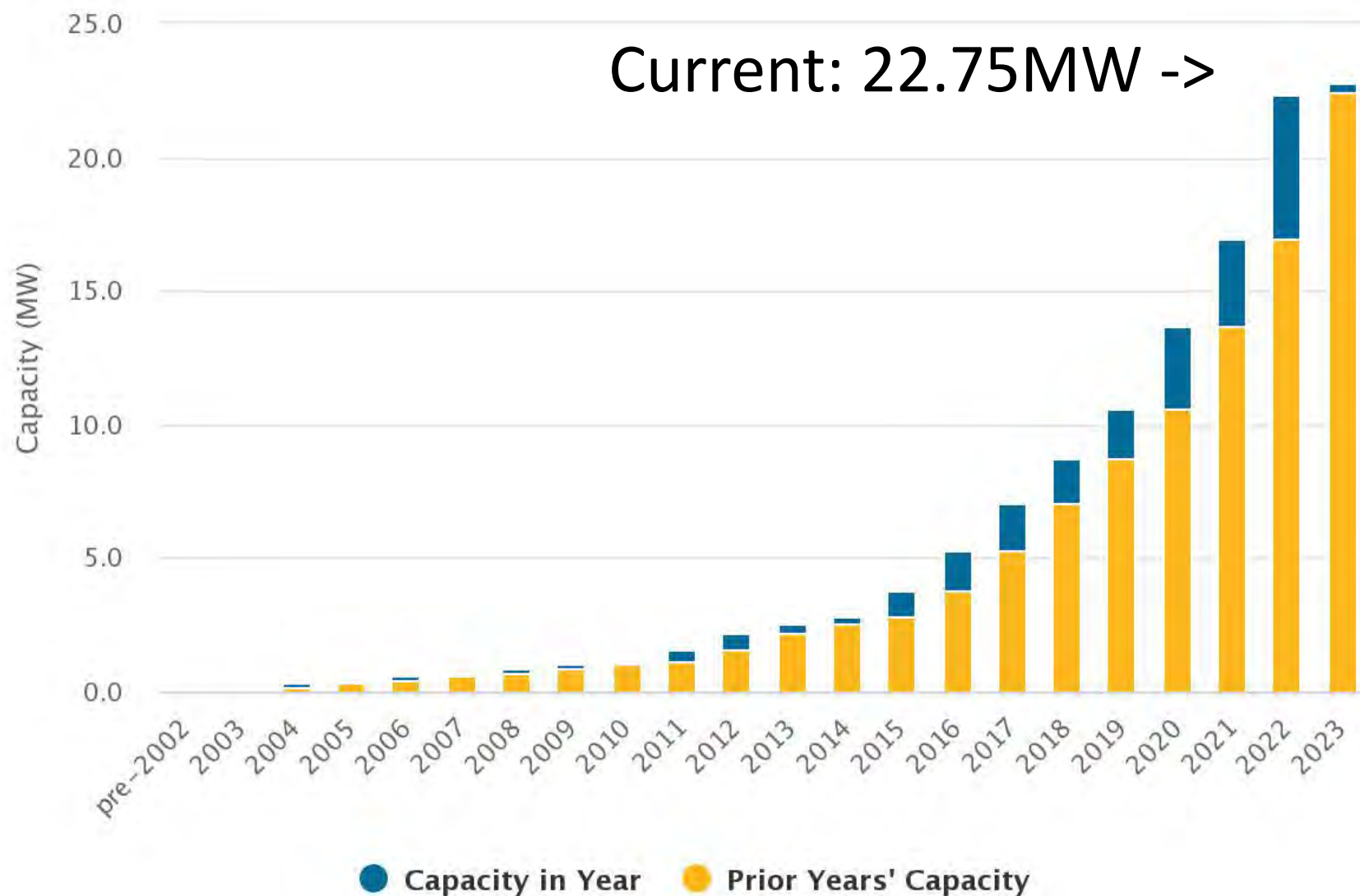


Customer dollar PV Target: 30MW by 2025

**Integrated
Demand Side
Management**

AKA:

**Customer
Energy
Solutions**



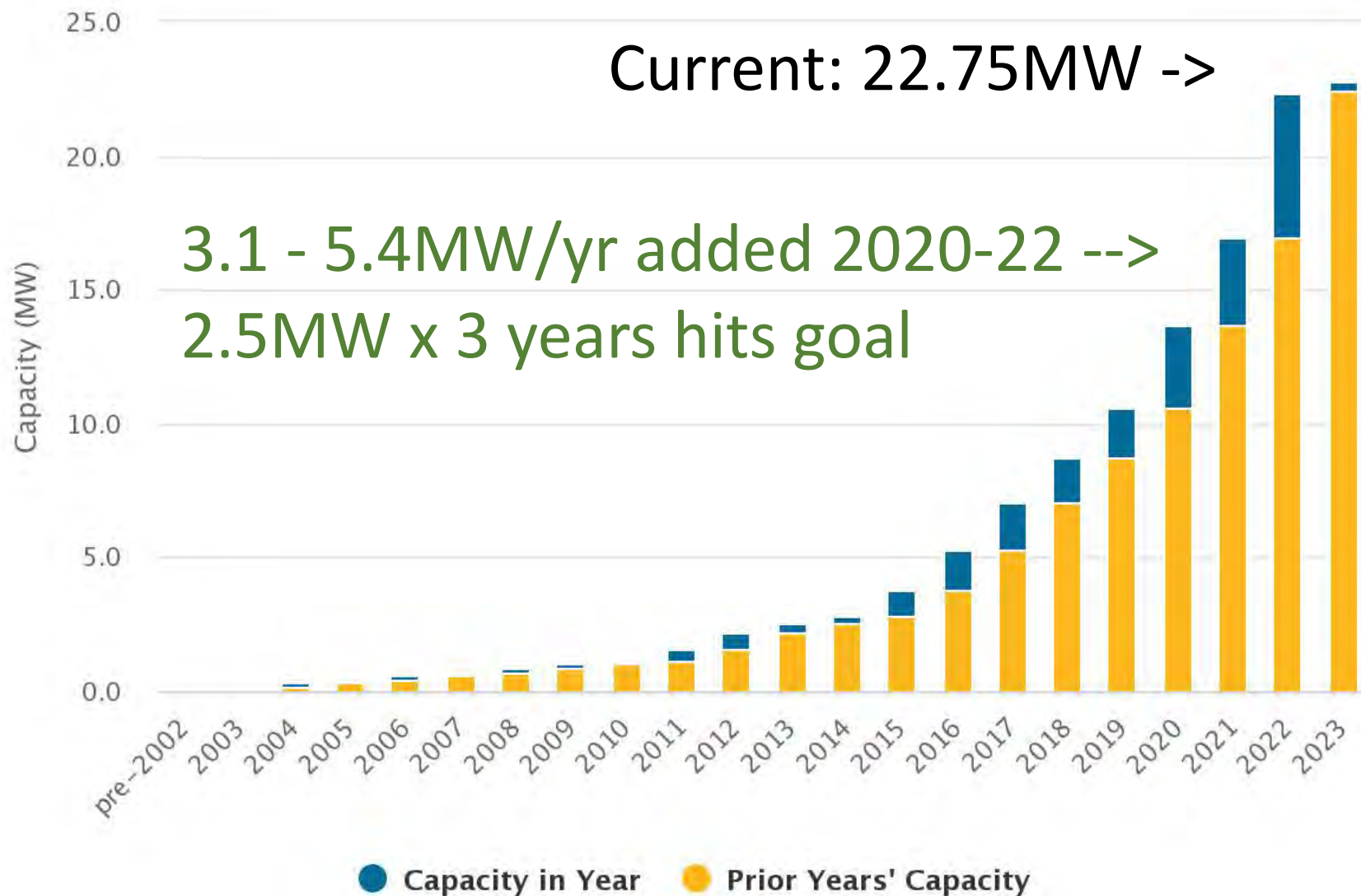


2025 customer solar PV target: 30MW

**Integrated
Demand Side
Management**

AKA:

**Customer
Energy
Solutions**





**Integrated
Demand Side
Management**

AKA:

**Customer
Energy
Solutions**

What's next:

Rural “Regional Energy Network” (Rural REN)

- \$90 million, four-year state-wide program proposal is currently going through CPUC review/approval process.
- RCEA designated as program administrator on behalf of seven implementation partners serving different part of the state.

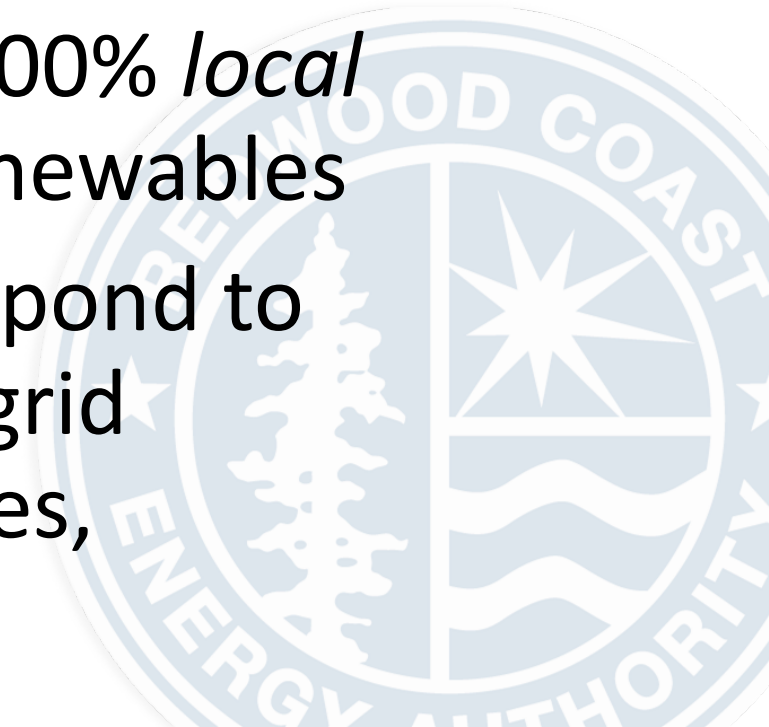




Energy Generation & Utility Services

Main goals:

- By 2025, 100% of RCEA power mix will be from renewable sources
- By 2030 Humboldt will be a net exporter of renewable electricity
- By 2030, power mix will be 100% *local* net-zero-carbon-emission renewables
- Humboldt County able to respond to electric disruptions through grid modernization, local resources, microgrids





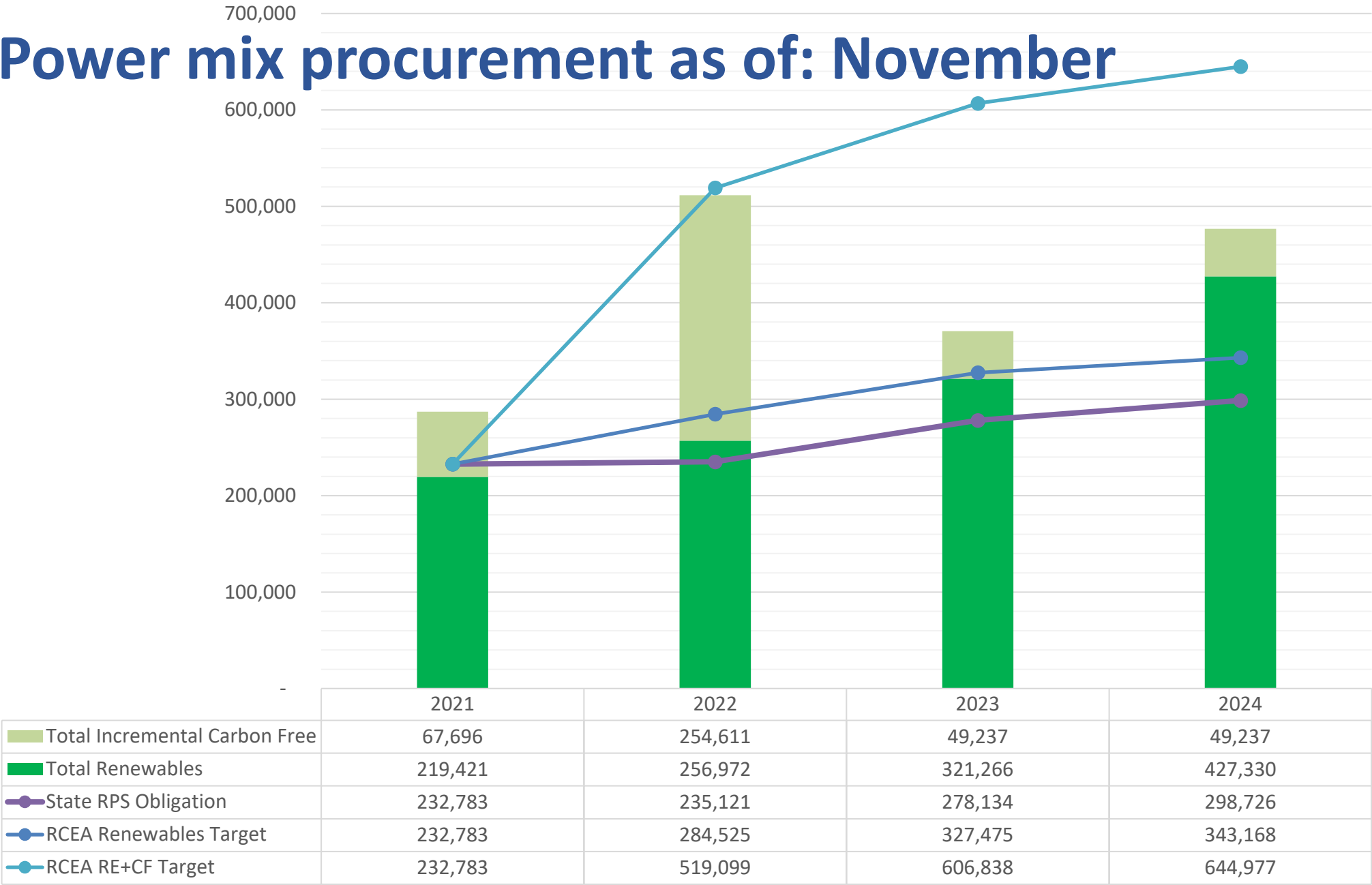
**Energy
Generation &
Utility Services**

Current activities:

- Airport microgrid getting fine-tuned; gained positive national press for winter emergency performance.
- Pursuing collaboration on resilient clean local power generation in northeastern area served by Hoopa and Willow Creek substations
- New solicitation just released; ideal offers would help with State compliance while building toward 100% local renewable goal

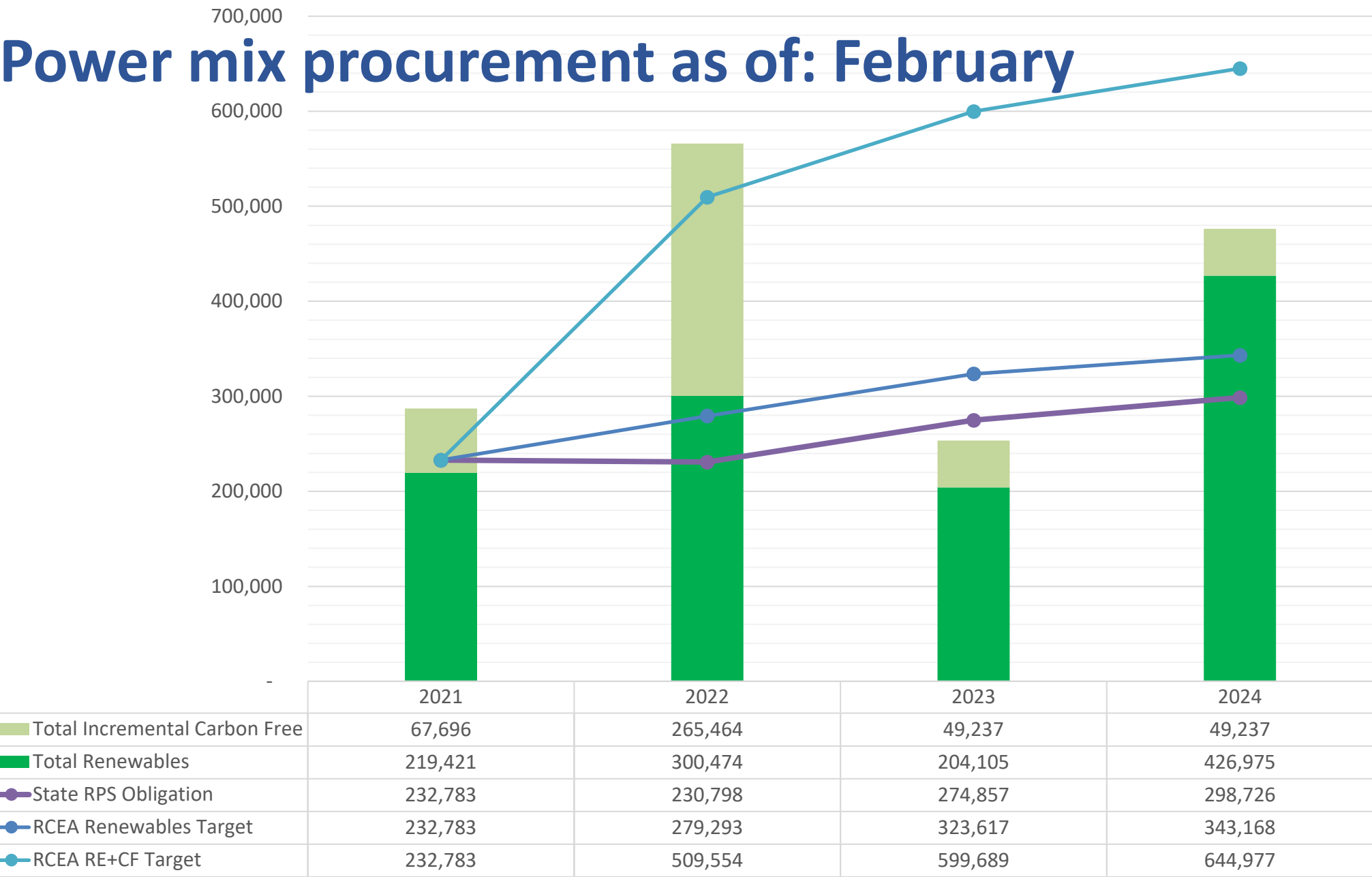


Energy Generation & Utility Services





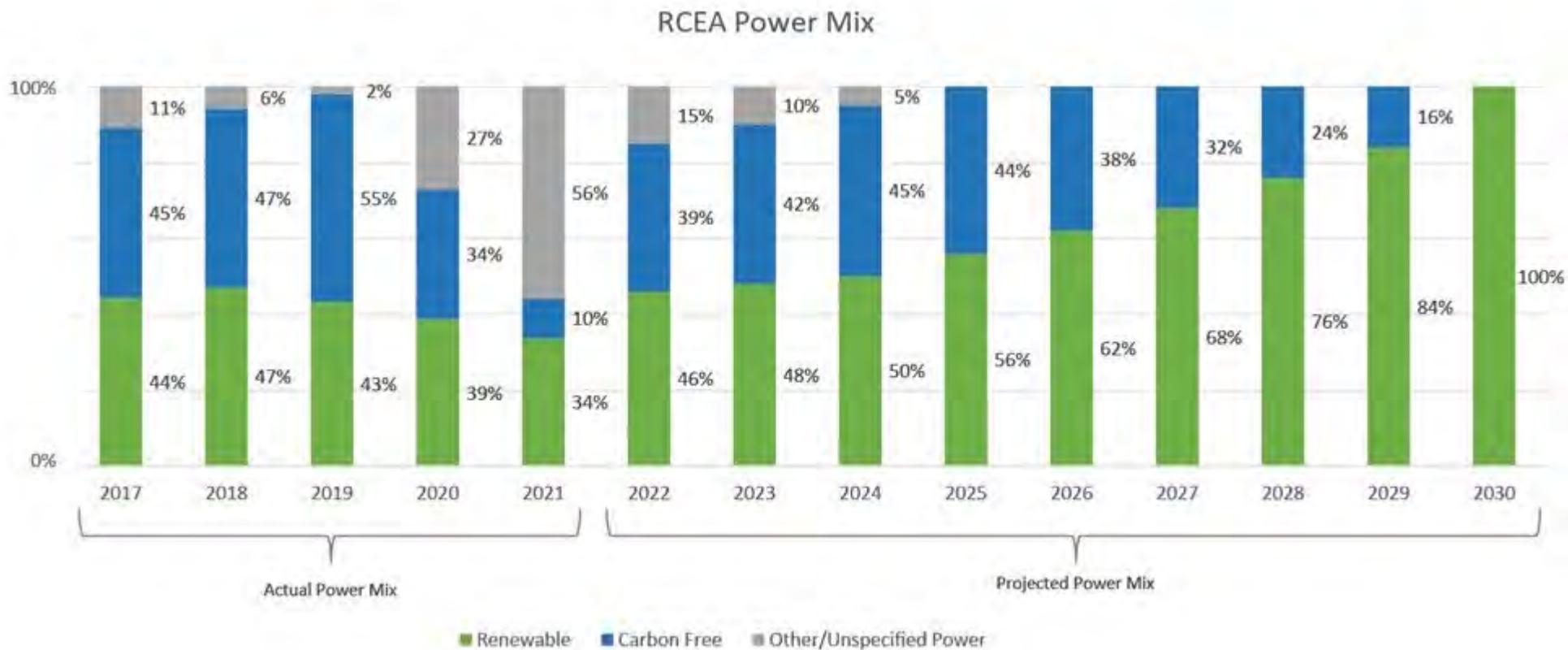
Energy Generation & Utility Services





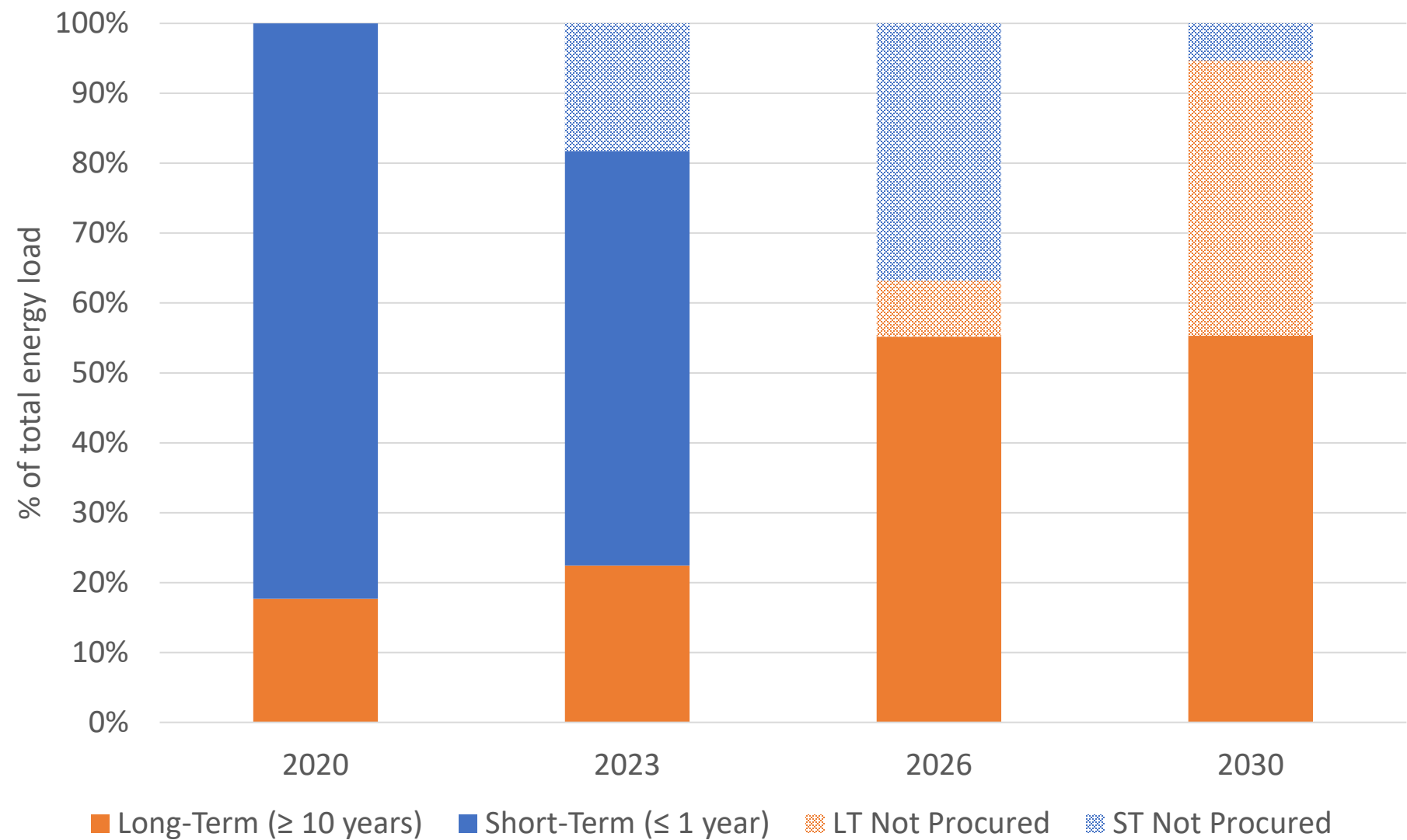
Energy Generation & Utility Services

Power mix procurement targets



RCEA Portfolio Progress

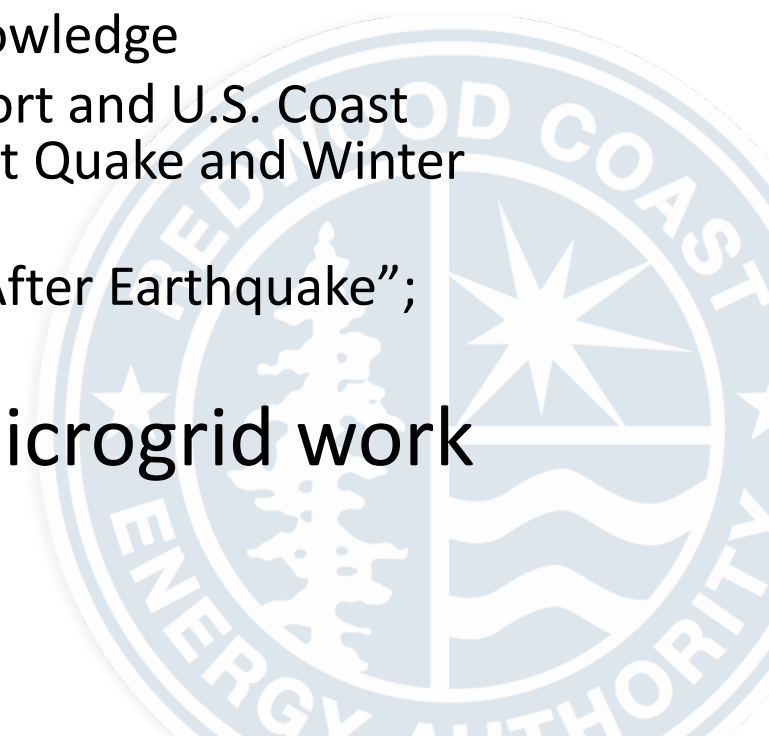
Moving toward longer-term procurement





Highlight: Redwood Coast Airport Microgrid exceeds expectations

- Airport microgrid performed well during worst-case earthquake, storm scenarios
- National press
 - “Earthquakes? Winter Storm? No Problem for the Redwood Coast Energy Authority Microgrid”; Microgrid Knowledge
 - “Clean Energy Microgrid Keeps Arcata Airport and U.S. Coast Guard Station Powered Following Humboldt Quake and Winter Storms”; PG&E Currents
 - “Microgrid Keeps Airport Up and Running After Earthquake”; Flying Magazine
- Establishes the bar for future microgrid work in the region and state





**COMMUNITY ADVISORY COMMITTEE
STAFF REPORT
Agenda Item # 7.1**

AGENDA DATE:	March 14, 2023
TO:	Community Advisory Committee
PREPARED BY:	Aisha Cissna, Regulatory and Legislative Policy Manager
SUBJECT:	Net Energy Metering Successor Tariff Update

BACKGROUND

The net energy metering (NEM) tariff allows customers who install rooftop solar, and other qualifying electric generation technology, to serve their onsite energy needs and receive credits on their electric bills for surplus energy sent to the electric grid. The CPUC defines tariffs as the collective “sheets that a utility must...publish...that set forth the terms and conditions of the utility’s services to its customers[.]” Tariffs may also refer to the individual rates, charges, classifications, special conditions, and rules of a utility.

The NEM tariff was initially established in California in the 1990s and has been revised once. The original tariff is informally known as “NEM 1.0” and the subsequent tariff is referred to as “NEM 2.0.” In recent years, the CPUC determined that NEM 2.0 was overly generous to rooftop solar owners, paying them substantially more for surplus generation exported to the grid than the actual value of this energy. This subsidy came at the expense of other customers not equipped with solar, raising issues of fairness and equity.

In August 2020, the California Public Utilities Commission (CPUC) initiated a proceeding to develop a successor tariff to NEM 2.0. After its initial attempt to update the tariff in 2021 was met resistance from many stakeholder groups including the Governor’s office, on December 15, 2022, the CPUC adopted a revised decision which established the net billing tariff (NBT) as the successor to NEM. RCEA partnered with other CCAs for the past year to engage in advocacy efforts in the proceeding.

SUMMARY

Under the net energy metering program, customers were paid retail rates for their exports to the grid. On average, the export compensation rate was in the \$0.20/kWh to \$0.30/kWh range.

Under the net billing tariff regime, customers will be paid for exports based on Avoided Cost Calculator (ACC) values. The Avoided Cost Calculator refers to a CPUC tool which calculates the costs that the electric grid can avoid through the deployment of distributed energy resources, including rooftop solar. Current Avoided Cost Calculator rates change by climate zone and on an hourly basis, depending on energy demand and other grid needs. The Avoided Cost Calculator values can range from approximately \$0.03 per kWh to \$0.50 per kWh but generally are much lower than today’s NEM export compensation rates. This range is subject to change as the Investor-Owned Utilities (IOUs) provide future details on the tariff with refined ACC values.

The successor tariff provides a “glide path” to the ACC export compensation amounts for residential customers using additional compensation that will decrease over time until the base ACC value is achieved. The adder amount is intended to achieve \$100 per month bill savings for net billing tariff customers and ensure a 9-year payback period for residential customers. Low-income customers, which the Decision defines as customers enrolled in the CARE and FERA bill discount programs, receive a higher adder.

The CPUC previously considered a grid access charge, which would saddle net billing customers with a monthly fixed fee based on the size of their solar array. On average, the charge would have amounted to \$10 per month. This provision received heavy pushback from the public. In the final decision, the CPUC did not adopt this charge and instead opted to address this charge in a different regulatory proceeding.

For grid imports (energy that a customer needs to buy from the utility to supplement their own generation), PG&E net billing customers will be automatically enrolled in the E-ELEC tariff and pay the E-ELEC rate. This rate ranges from approximately \$0.26 per kWh to \$0.53 per kWh. In addition to these per kWh charges, E-ELEC customers will pay a \$15 per month fixed charge. This fixed charge is distinct from the grid access charge mentioned above, which would have been a separate, additional charge on top of the import rate fixed charge.

An equity fund is available to assist low-income customers with accessing solar plus storage. This will be administered through the Self-Generation Incentive Program (SGIP).

NEM 1.0 and NEM 2.0 tariffs will be unchanged for customers who installed their systems when these tariffs were in effect, and the CPUC decision maintains a 20-year legacy period for such customers. April 15, 2023, is currently set as the last date that customers can enroll in the NEM 2.0 tariff. Pending other documents the CPUC will need to approve, the sunset date may be extended.

The attached “Customer Explanation of Net Billing Tariff” was provided by the CPUC as an appendix to its decision to clarify customer impacts using non-technical language. RCEA staff will be further analyzing the net billing tariff to inform potential changes to the incentives and rates paid to rooftop solar customers in our service territory. Any such proposed changes will be brought to the Board for discussion and approval.

ALIGNMENT WITH RCEA’S STRATEGIC PLAN

Under section 4.3 “Rates and Tariffs,” RCEA sets a goal in our strategic plan to “provide a net energy metering program that encourages more distributed local generation and more equitably compensates such generation.” (4.3.2) Changes to the NEM tariff may change RCEA’s compensation structure.

In another subsection of section 4.3, “Provide Education on all Electric Rate Schedule Options” (4.3.6), RCEA sets a goal to “Provide information on all available rate schedules including Net Energy Metering...” Tracking NEM successor tariff developments is important to providing customers with up-to-date information on the NEM rate schedule.

EQUITY IMPACTS

The SGIP program described in the CPUC’s decision is intended to provide funding to low-income customers to install solar and storage systems. Under the net billing tariff, low-income customers (those enrolled in CARE and FERA) will receive a higher adder amount than their non-low-income counterparts. The tariff is designed to increase access to solar plus storage for low-income households and disadvantaged communities.

FINANCIAL IMPACTS

RCEA and PG&E will both contribute to paying for export compensation credits. At present, the estimated generation component that RCEA will be responsible for ranges from approximately \$0.02/kWh to \$0.22/kWh. Staff is currently determining the overall financial impact of this arrangement and may propose to refine it as additional tariff details are issued in the coming months.

RECOMMENDED ACTION

None. Information provided to inform Committee members and the community.

ATTACHMENTS

Customer Explanation of Net Billing Tariff



~~NEM 3.0~~ Net Billing Tariff Decision

RCEA Community Advisory Committee

March 14, 2023

Overview

1. Background
2. NEM vs NBT
3. Export compensation rate
4. Import rate
5. Glide path
6. Implementation
7. Next steps

Background

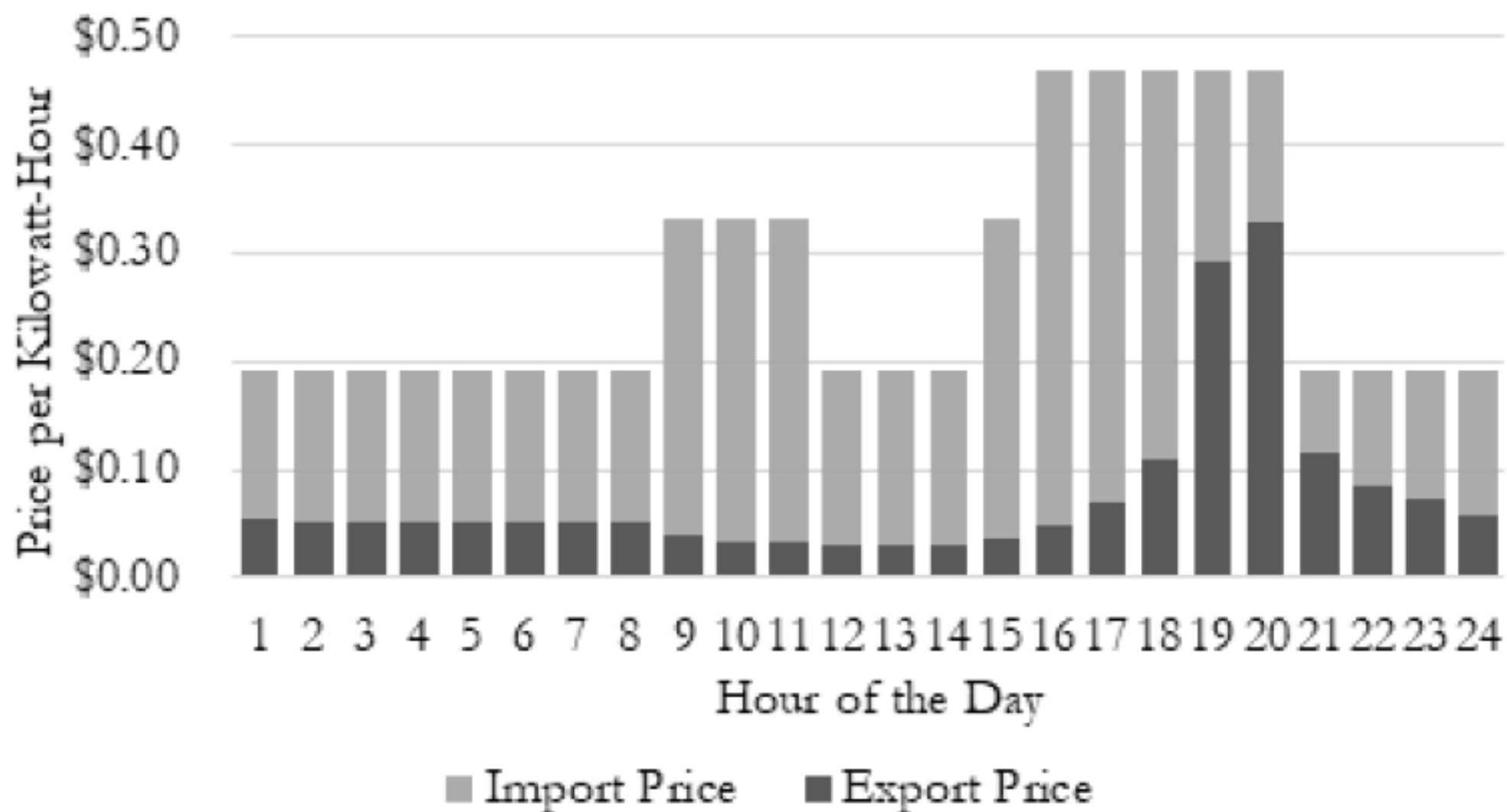
- Revision of NEM req'd by legislature and previous CPUC decisions
- Primary goals
 - Ensure NEM customers pay their fair share for grid services
 - Eliminate non-participant subsidies
 - Incentivize storage
- December 2021 → December 2022



Net Energy Metering vs Net Billing Tariff

- NEM tariff compensates customers for excess energy exported to the grid at the retail rate
- Net billing tariff (“NBT”) compensates customers for excess energy to the grid at the “Avoided Cost Calculator” rate
- Sunset period for NEM 2.0 enrollment is April 15, 2022
- NEM 1.0 and NEM 2.0 legacy status maintained
- Grid access charge punted

Example Day of Electricity Import and Export Prices



Import Rate

ELECTRIC SCHEDULE E-ELEC
RESIDENTIAL TIME-OF-USE (ELECTRIC HOME)
SERVICE FOR CUSTOMERS WITH QUALIFYING ELECTRIC TECHNOLOGIES

Sheet 2

(N)

(N)

RATES:(Cont'd.)

TOTAL BUNDLED RATES

Fixed Charge (\$ per meter per day)

\$0.49281

(N)

Total Energy Rates (\$ per kWh)

Summer Usage

Winter Usage

PEAK

\$0.53159

(N)

\$0.30007

(N)

PART-PEAK

\$0.36971

(N)

\$0.27798

(N)

OFF-PEAK

\$0.31303

(N)

\$0.26412

(N)

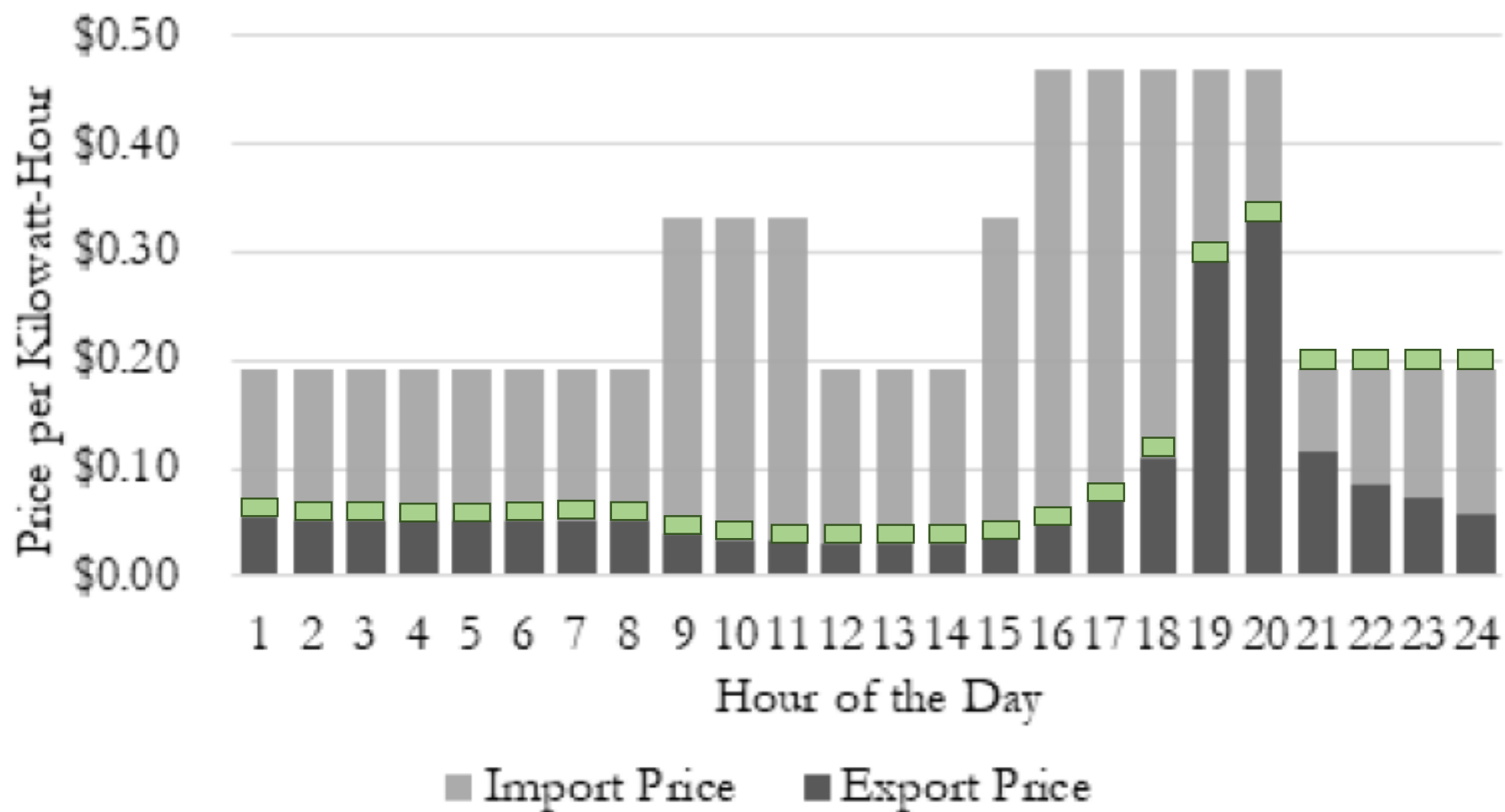
Glide Path: “ACC Plus Adder”

- Intended to achieve \$100/month bill savings and a 9-year payback period (residential customers)

Table 7. Adopted Initial ACC Plus Adders by Utility (\$/kWh)

Customer Segment	PG&E	SDG&E	SCE
Residential Non-CARE	\$0.022	\$0.000	\$0.040
Residential CARE	\$0.090	\$0.000	\$0.093
Commercial (not eligible)	\$0.000	\$0.000	\$0.000


Example Day of Electricity Import and Export Prices



Access to Adder

- If customer enrolls in NBT before 2027, export compensation rate will stay constant for 9 years then subject to changes every 2 years
- Customers enrolled in NBT before 2027 receive ACC Plus Adder
- Non-residential customers are not eligible for adder
- Customers req'd to add solar do not get adder

Implementation



12/15/22

- Decision adopted
- Sunset period countdown begins


- IOUs submit AL to provide details of tariff; summarize structure of tariff, price components, and rate factors




TBD

- Energy Division processes ALs

- No additional customers permitted to take service under NEM 2.0 based on interconnection application date




4/14/23



12/15/23

- IOUS must have updated billing systems and transition to full implementation for res customers



6/15/24

- IOUS must have updated billing systems and transition to full implementation for non-res customers



Thank You

Appendix A

Customer Explanation of Net Billing Tariff

How Electricity Bill Savings Work

If you install solar at your home, the majority of your electric bill savings will come from reducing the amount of electricity that you buy, or import, from your electricity provider. A minor additional amount of bill savings will come from your provider's Net Billing program. Net Billing provides financial credits on your bill when your solar system sends, or exports, excess electricity to the electric grid after first meeting the electricity needs in your home. If you are the original PG&E, SCE, or SDG&E customer who installed solar on your roof, you will have Net Billing for at least 9 years from the time your solar system starts operating.

Net Billing and Your Electricity Bill

Importing and Exporting Electricity

Since the sun isn't always shining, most solar customers also rely on electricity from the electric grid. Pairing a battery with your solar system allows you to store your excess solar energy from sunlit hours and then use the stored energy at home, instead of importing electricity from the electric grid, during part of the evening. Your monthly electric bill will summarize how much electricity your home imported from and exported to the electric grid, and the resulting overall charge or credit due to your account.

Bill Charges

PG&E, SCE, and SDG&E solar customers are required to go on an electrification time-of-use (TOU) rate plan. On a TOU rate plan, you will pay different prices for electricity at different times of the day (also called "TOU periods"). Prices for the energy you import from the electric grid are highest during the "peak" period between 4 p.m. and 9 p.m. The electricity rates in each plan, and which plans are allowed for use with Net Billing, are subject to change; go to cpuc.ca.gov/electricrates for details.

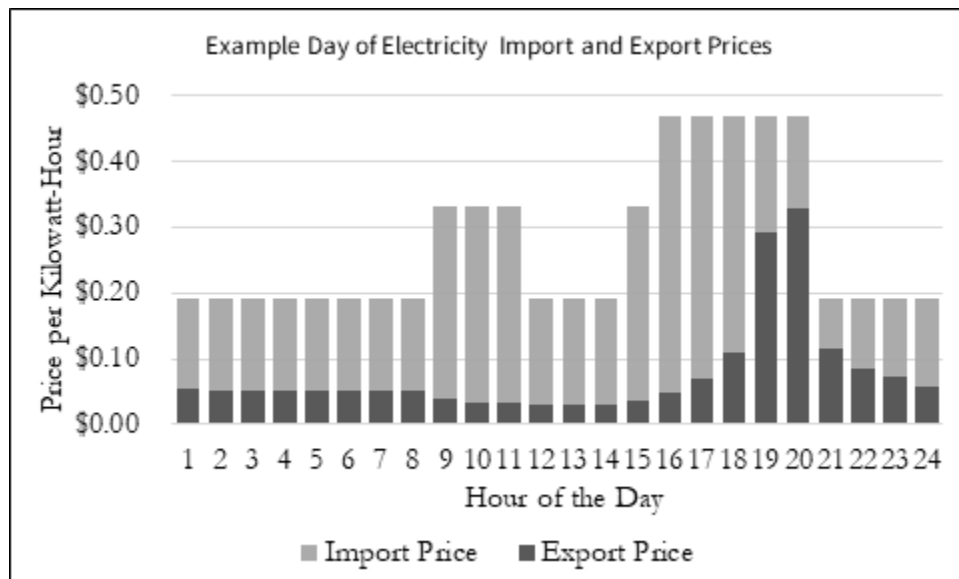
In addition to charges for energy you import, you may see non-bypassable charges and a fixed charge listed on your electric bill.

- All customers pay small charges to help maintain the electric grid and help low-income and disadvantaged Californians afford energy and access clean energy programs. These are called non-bypassable charges since you cannot bypass them using solar bill credits. However, if you receive the ACC Plus adder described below, you may apply it to non-bypassable charges.
- Each TOU rate plan eligible for use with the Net Billing program includes a monthly charge of around \$15, sometimes called a fixed, basic, or service charge or fee.

Bill Credits

Bill Credits for Exports

You will receive bill credits at a set price per unit (kilowatt-hour) of electricity exported, based on the electricity's value to the electric grid in each hour of the day. The price will usually be lower than what you pay for a kilowatt-hour of electricity. The value generally follows TOU periods, meaning you will receive low prices for energy exported during the less expensive TOU periods, and so on. If you want to maximize your bill credits, you can pay closer attention and use less energy (in order to export more) during the specific hours in your "peak" TOU period when prices are highest. If you have a battery, you may be able to program it to automatically store up energy produced by your solar panels during sunny hours, and then export energy during the most lucrative evening hours.



If you apply to connect your solar system to the electric grid before the end of 2027, then for the first nine years after your solar system is interconnected to the electric grid, these prices will be based on what was predicted before you installed solar, to provide a measure of certainty for the purpose of predicting bill savings. However, you may opt out of this arrangement if you wish. After nine years, or if you either opt out or apply to connect your system after 2027, the prices you receive will be set every two years. They can rise or fall but are not expected to change drastically each year.

ACC Plus

California has an ACC Plus adder to help residential PG&E and SCE customers access solar energy. (SDG&E customers are excluded because their solar systems generate more bill savings due to SDG&E's higher electric rates.) If you apply to connect your system to the PG&E or SCE electric grid

before the end of 2027, you will receive the adder in the form of slightly higher-than-normal bill credits for your energy exports for nine years. After that, you will receive bill credits based on your exports' value to the electric grid, as described above. If you have a low bill in a given month and part of the adder is left over after reducing your bill to the minimum amount, that part of the adder will roll over to future months as needed and will not expire.

Customers who are required to add solar (e.g., by California's building code) do not receive the adder.

Monthly Payments and Net Surplus Compensation

Even though installing solar can reduce your electricity costs, most Net Billing customers will still pay electric bills in most months of the year. In months when there are excess solar bill credits, the credits will roll over to following months, until they are used up or it is time for your annual "true-up." Though it's rare, if you export more electricity than you import in a 12-month period, you will be paid "net surplus compensation" of a few cents per excess kilowatt-hour. Because this rate is so low, it is generally not in your financial interest to install a solar system that produces much more energy than you use.

(END OF APPENDIX A)



COMMUNITY ADVISORY COMMITTEE STAFF REPORT Agenda Item # 8

AGENDA DATE:	March 14, 2023
TO:	RCEA Community Advisory Committee
FROM:	Eileen Verbeck, Deputy Executive Director
SUBJECT:	Selection of CAC Chair and Vice Chair

BACKGROUND

Following procedure outlined in the Community Advisory Committee Charter, the chair and vice chair are to be selected during the first quarter of each calendar year. The term for each role shall be one year, beginning in April and ending the following April. According to the Charter, no member will serve as chair or vice chair for more than two consecutive terms.

Current Chair Dennis Leonardi and Vice Chair Gurin have served in their respective roles for one year each. Current Chair Dennis Leonardi served as Vice Chair for two consecutive terms in 2020 and 2021.

The duty of the chair is to:

- Facilitate meetings, or request staff assistance to facilitate meetings
- On an as-needed basis, call special meetings between regularly scheduled meetings
- Encourage participation and help create a civil, collaborative environment
- Make sure each committee members' thoughts and ideas are heard and that input and feedback from the public is fairly considered for each discussion item
- Help group stay focused on task and build agreements.

The vice chair fulfills these roles when the chair is unavailable.

The CAC membership term expiration dates are as follows:

REPRESENTING JURISDICTION	MEMBER NAME	TERM EXPIRATION DATE*
ARCATA	Norman Bell	3/31/2023
AT-LARGE	Colin Fiske	3/31/2024
AT-LARGE	Larry Goldberg, Chair	3/31/2024
AT-LARGE	Emily Morris	3/31/2024
AT-LARGE	Jeff Trirogoff	3/31/2024
BLUE LAKE	Kit Mann	3/31/2023
COUNTY 1	Luna Latimer	3/31/2023
COUNTY 2	Christopher Honar	3/31/2023
COUNTY 3	Jerome Qiriazzi	3/31/2024
EUREKA	Catherine Gurin	3/31/2023

FERNDALE	Dennis Leonardi, Vice Chair	3/31/2024
FORTUNA	Elizabeth Burks	3/31/2024
HBMWD	Ethan Lawton	3/31/2024
RIO DELL	Roger Hess	3/31/2024
TRINIDAD	Richard Johnson	3/31/2023

* Following May 2022 CAC Charter amendments, term expiration dates expire on March 31st.

RECOMMENDED ACTION

Accept nominations for, and appoint, a Community Advisory Committee chair and vice chair for terms beginning April 1, 2023, and ending March 31, 2024.