



Redwood Coast Energy Authority

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COMMUNITY ADVISORY COMMITTEE MEETING 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 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