



Humboldt's Electric Future

Public RCEA Workshops

June 5 (in-person) and June 8 (online), 2023



Agenda

Topic
Refreshments
Opening Comments (workshop facilitator Lynette Mullen)
Welcome (RCEA Board Chairperson Sheri Woo)
Team Introductions (RCEA Exec. Director Matthew Marshall)
Background (Power Resources Director Richard Engel)
Prep for group discussion (Lynette)
Activity 1: Facilitated Discussion Groups (Lynette/Richard)
Report out to larger group (Lynette)
Activity 2: Resource Allocation (Lynette/Richard)
Activity 3: Preferred Energy Portfolios (Lynette/Richard)
Wrap up & close (Lynette)

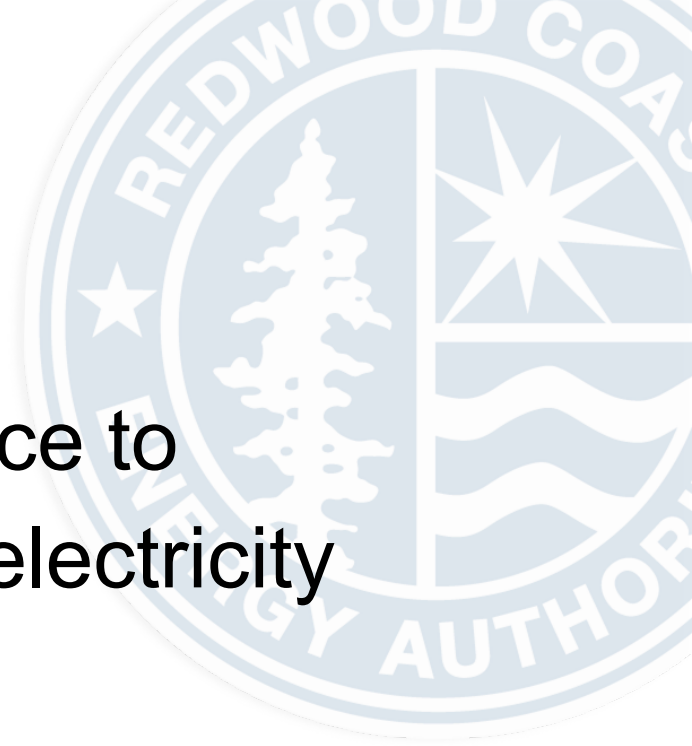
Workshop Overview and Purpose



- Educate the community about RCEA's power resource planning goals and constraints
- Gather public input to inform RCEA's 2024 Integrated Resource Plan, and general power procurement planning



RCEA Community Choice Energy



- RCEA provides electricity generation service to Humboldt, PG&E continues to deliver the electricity and provide billing
- RCEA's generation rates parallel PG&E's rates with a fixed discount
- Revenues are allocated to financial reserves, customer energy programs, and local development initiatives

RCEA Board-Adopted Procurement Goals

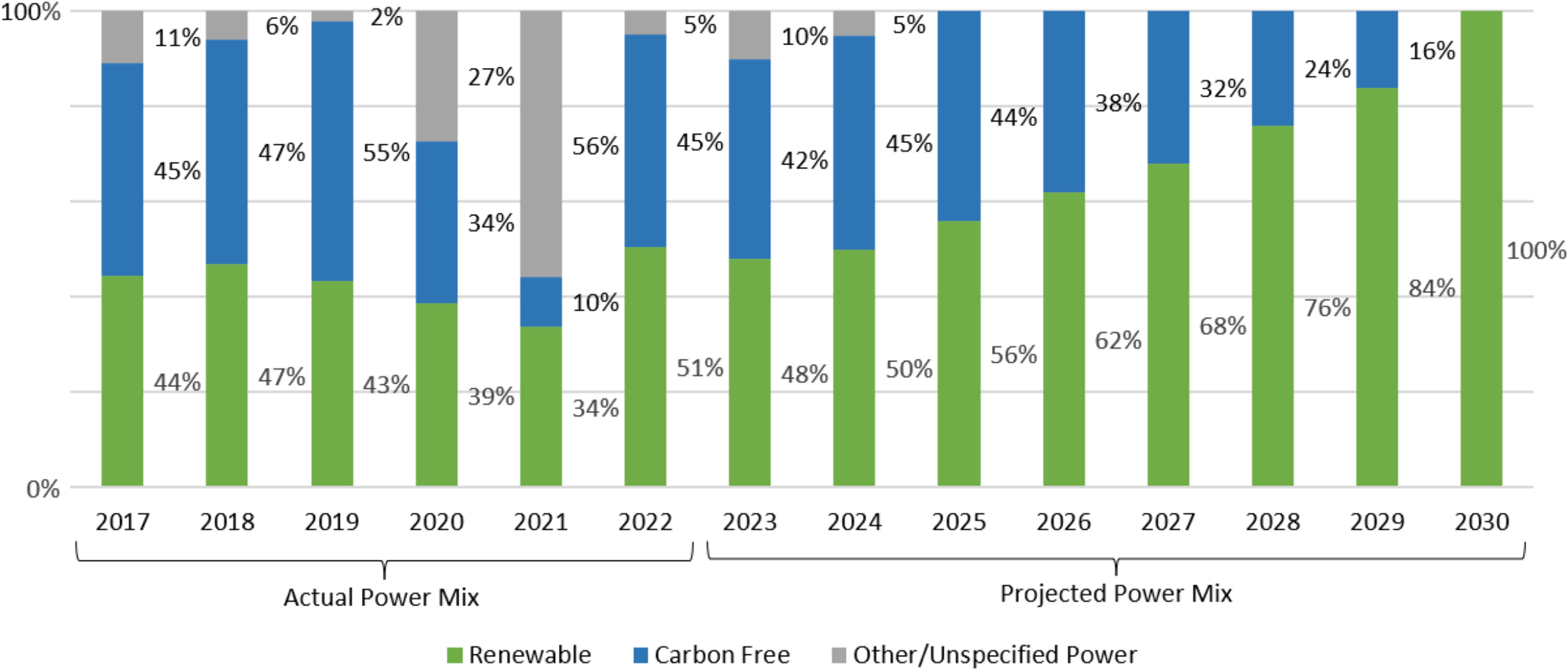
2025

Provide 100% renewable and carbon-free energy

2030

Provide 100% local net-zero emission renewable energy

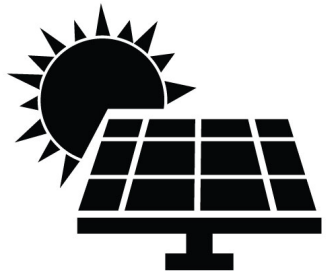
RCEA's Past & Future Power Mix



Renewable & Carbon-Free Energy

Renewable
Carbon-Free

Solar

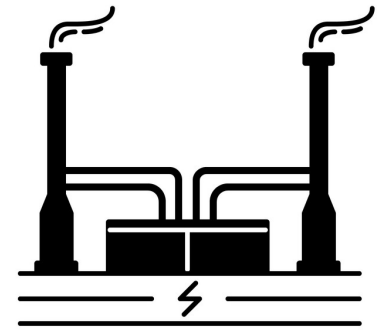
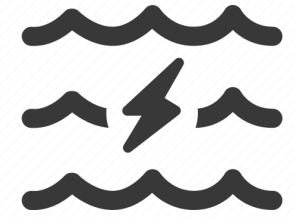


Wind



Small hydropower

Wave



Geothermal



Bioenergy

Large hydropower



Nuclear (RCEA does not procure)

How Does RCEA Supply Power for Customers?



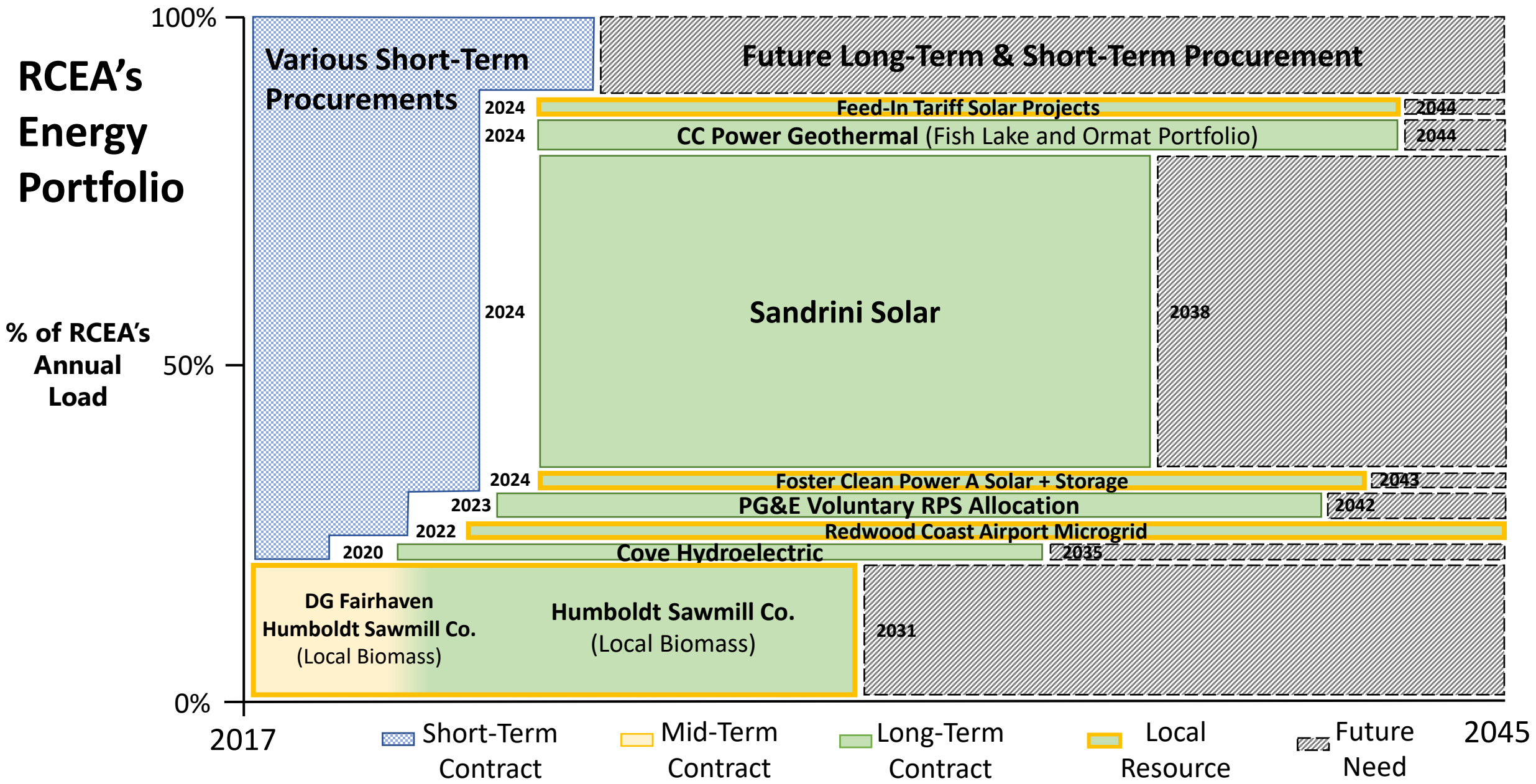
- Buys power from various generating resources under short- and long-term (10+ years) contracts.
- Supplies power from an RCEA-owned resource.
- Runs solicitations each year to build long-term resource portfolio, manage financial risk and comply with state laws.

State Laws and Regulations for Procurement

- **Renewable Portfolio Standard (RPS):** Sets escalating targets for renewable energy procurement.
- **Senate Bill 350:** Requires 65% of RPS energy from contracts of at least ten-year length or from RCEA-owned resources.
- **Integrated Resource Plan Procurement Orders:** Require procurement of resources that ensure grid reliability and resource sufficiency.

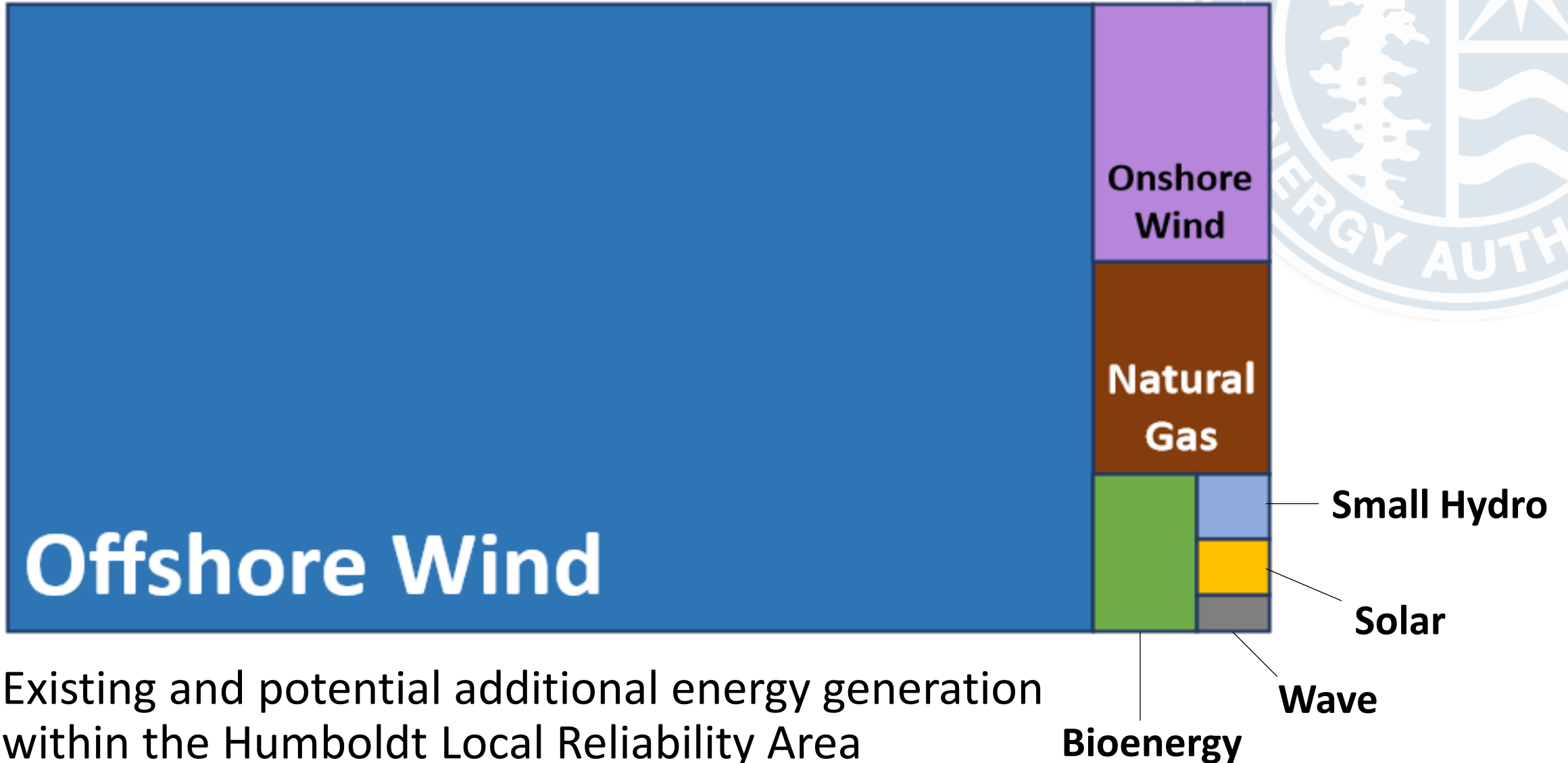


RCEA's Energy Portfolio

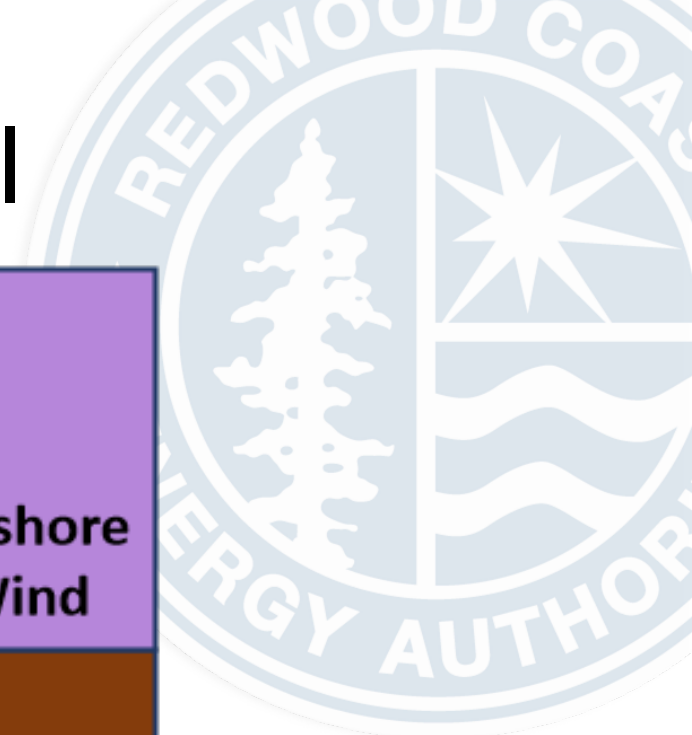


Updated June 2023, Scale Approximate

Local Generation Resource Potential



Existing and potential additional energy generation within the Humboldt Local Reliability Area

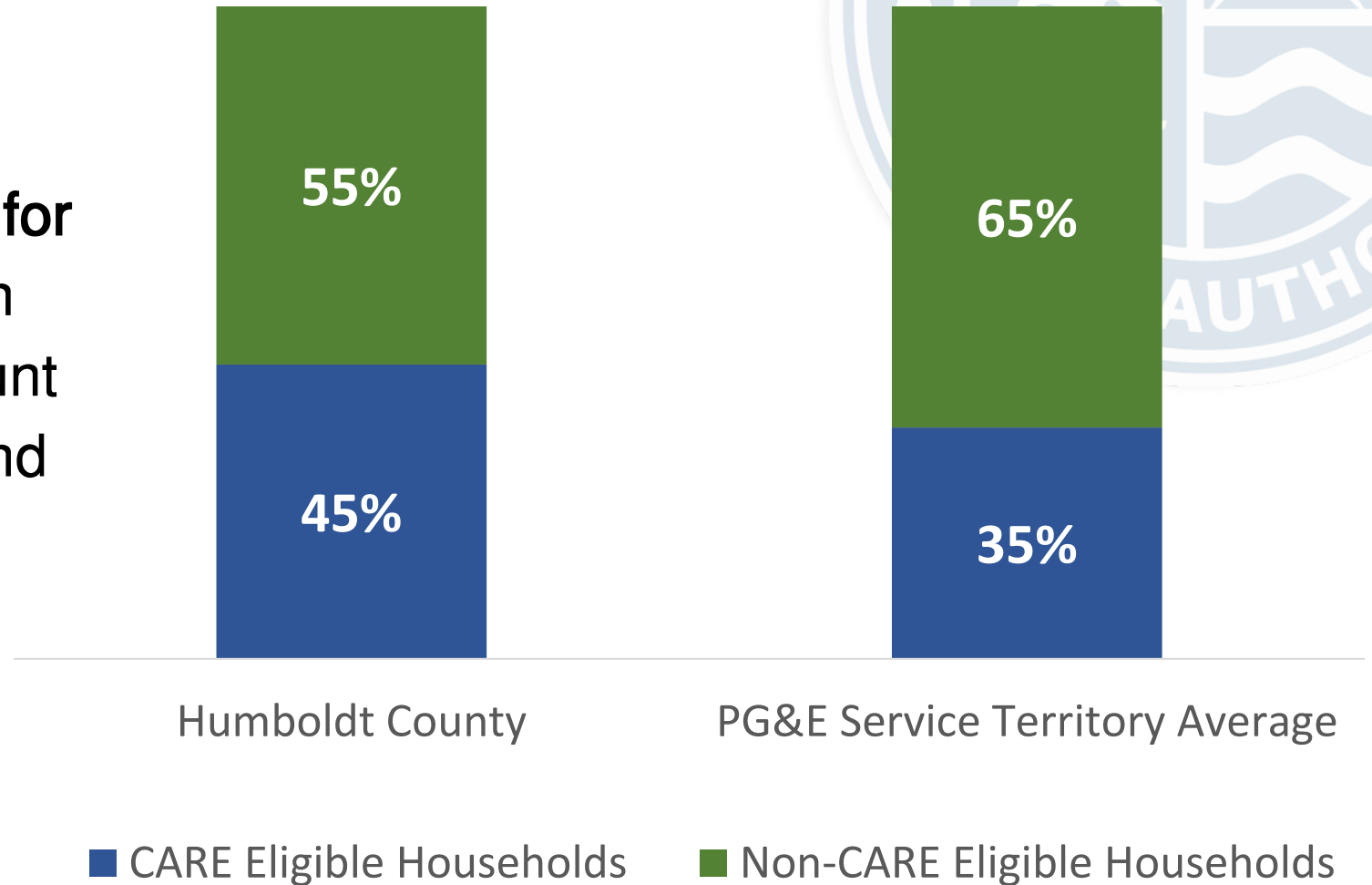


RCEA has experienced limited success in procuring local energy projects

Benefits	Challenges
Job creation	High cost
Economic development	Lengthy/uncertain timelines
Consumed close to source	Resource constraints
Reduced need for imports	Limited developer interest
Energy independence	Infrastructure limitations
	Environmental impacts / NIMBYism

Energy affordability is a challenge for Humboldt

California Alternate Rates for Energy (CARE) program provides a monthly discount of 20% or more on gas and electricity.



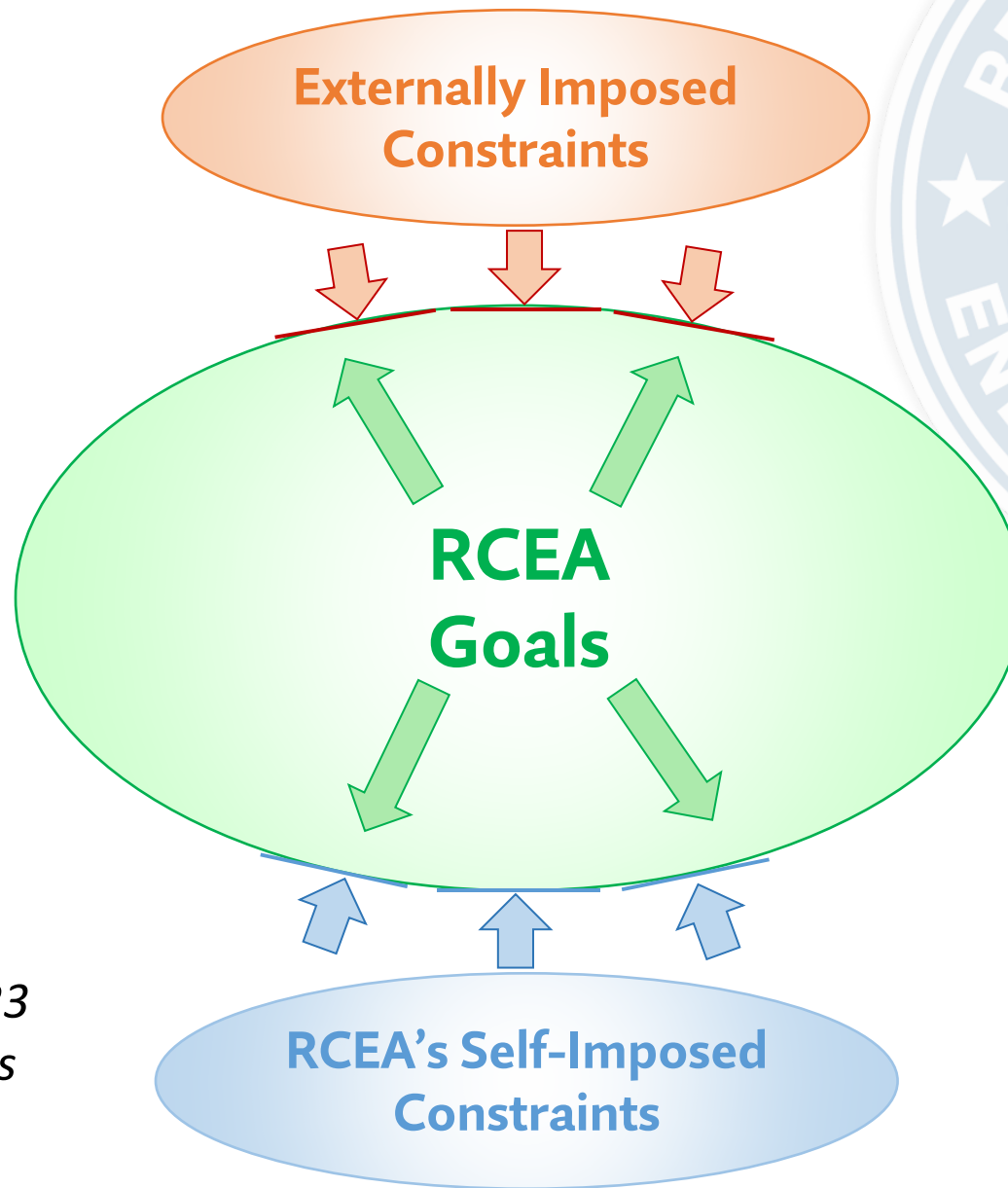
Data Source: Opinion Dynamics and Tierra Resource Consultants

Value of Building Reserves

- Financial reserves are like an organizational savings account
- Critical to the long-term viability of RCEA for:
 - Stabilizing electricity rates
 - Buffering unforeseen market conditions
 - Creditworthiness needed for securing favorable contract terms and financing new projects
- RCEA's Board of Directors has a goal of building \$35M in reserves, and we are now about one-third of the way there as we continue to recover from pandemic-era financial setbacks



The Balancing Act



See Humboldt's Electric Future *April 2023*
report for a more detailed version of this
graphic



Key Events & Project Timeline



June 5 & June 8, 2023

Host community workshops

July 11, 2023

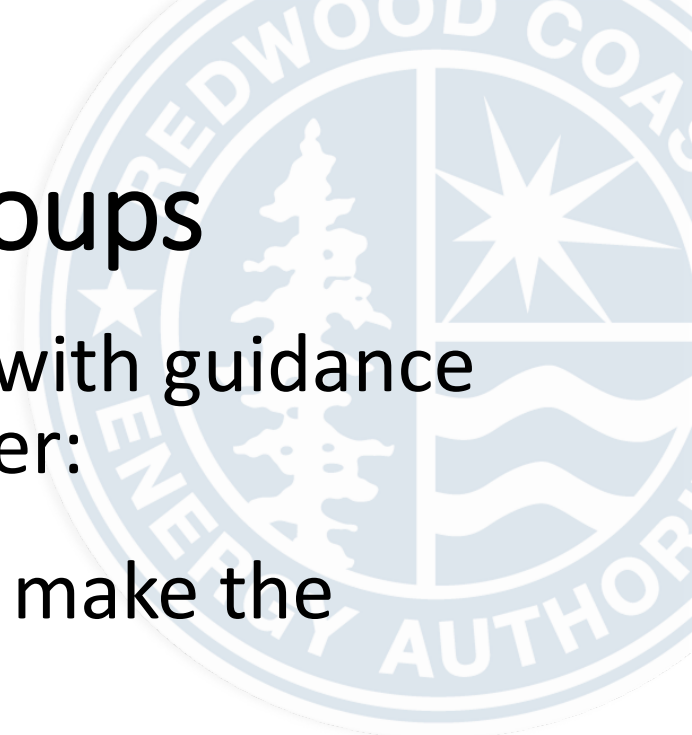
Present draft Humboldt's Electric Future final report to RCEA Community Advisory Committee

July 27, 2023

Present final draft of Humboldt's Electric Future report to RCEA Board

Fall 2024

Begin 2024 Integrated Resource Plan



Activity 1 – Facilitated Discussion Groups

Participants will discuss the following questions with guidance from their table facilitator and RCEA staff member:

1. How can RCEA spend its available funds to make the biggest impact?
2. How important is developing local Humboldt generation resources compared to other goals?
3. What are challenges to providing equitable, affordable energy while achieving local renewable energy goals?

Debrief Activity 1

Small Discussion Groups



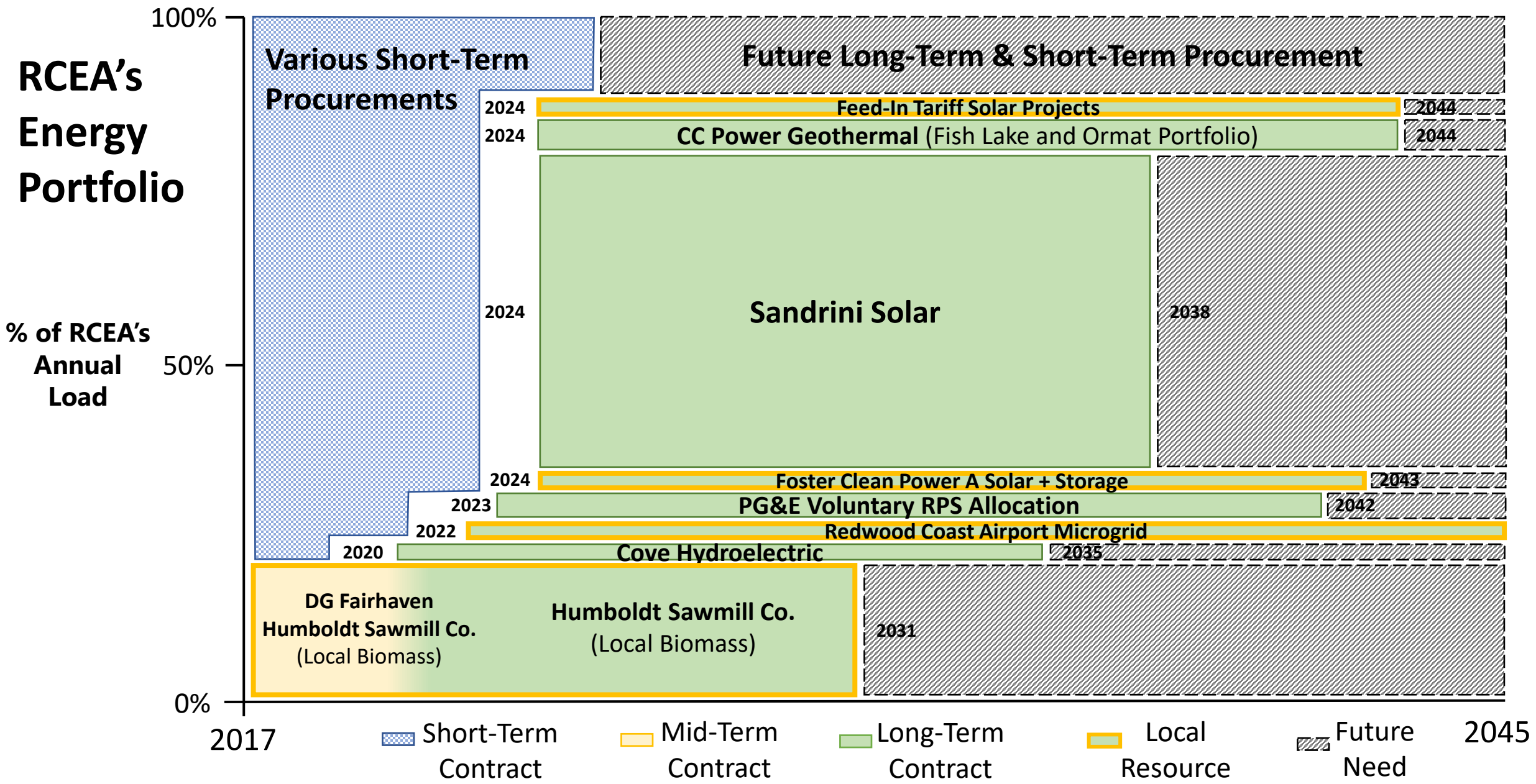


Activity 2 – Resource Allocation

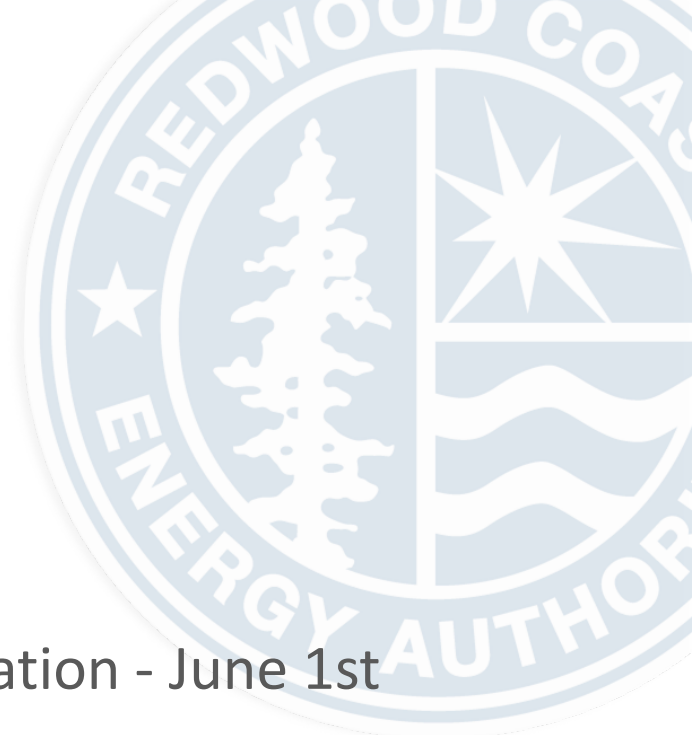
Participants will allocate their ten virtual tokens among the following priorities:

- A: Local renewable energy projects
- B: Lower electricity rates for all
- C: Lower electricity rates for low income customers
- D: Customer energy programs
- E: Building financial reserves

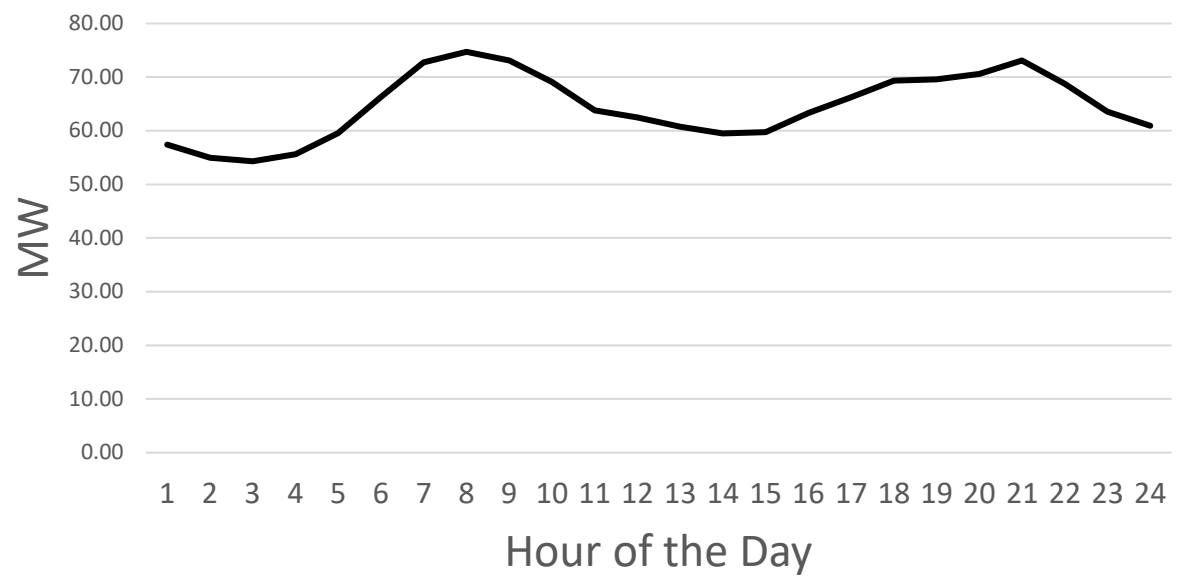
RCEA's Energy Portfolio



Scale Approximate

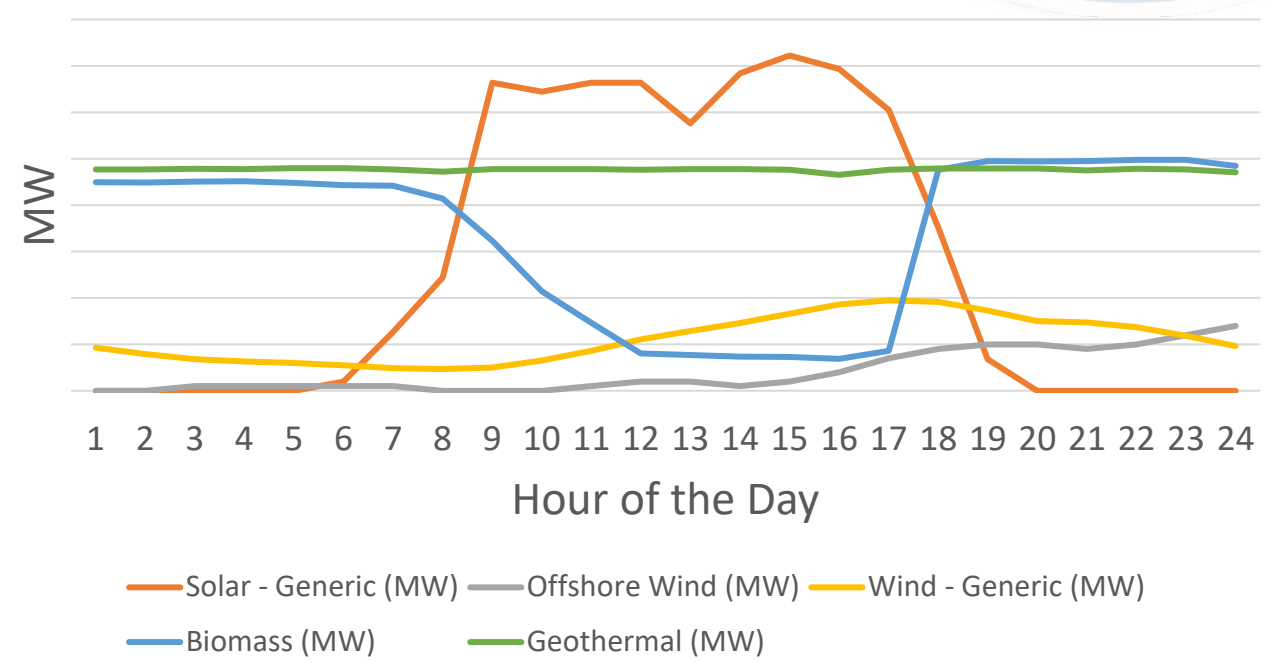


Hourly Customer Load - June 1st

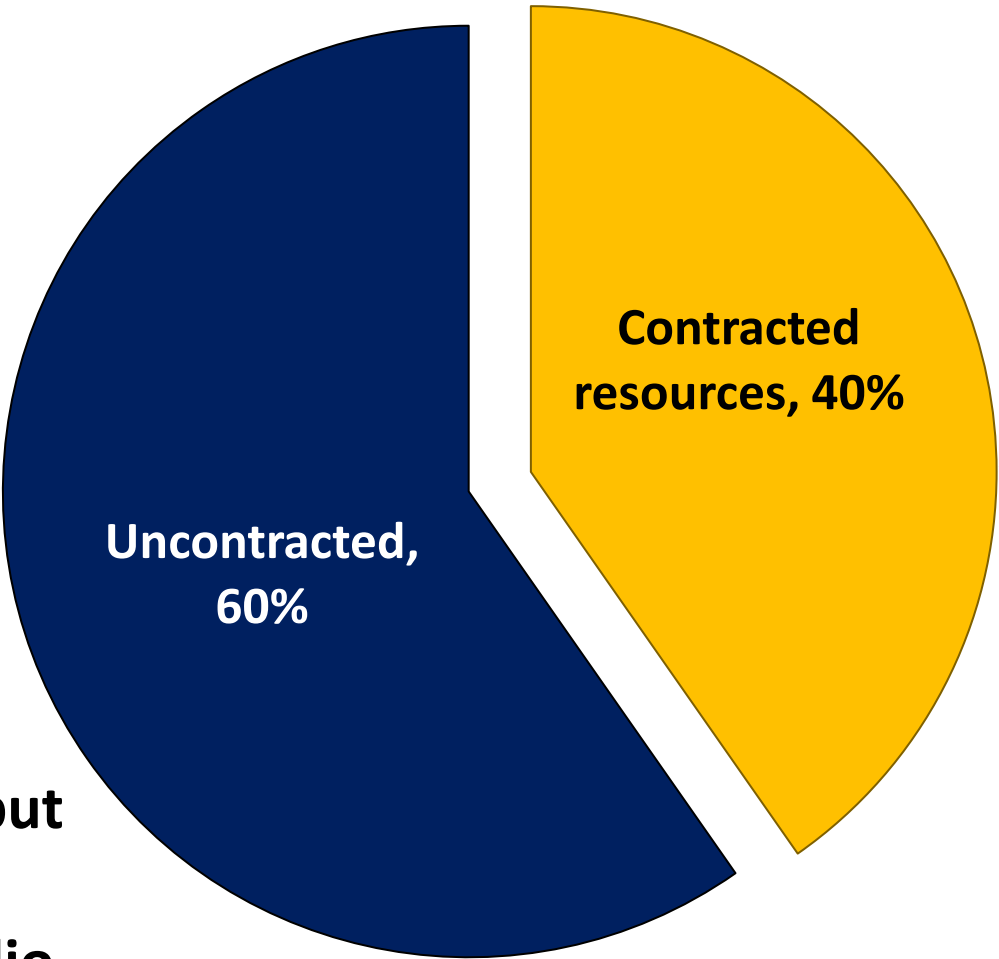


The most valuable resource or mix of resources is the one that best matches customer load hour by hour

Renewables Generation - June 1st



Activity 3 – Preferred Energy Portfolio



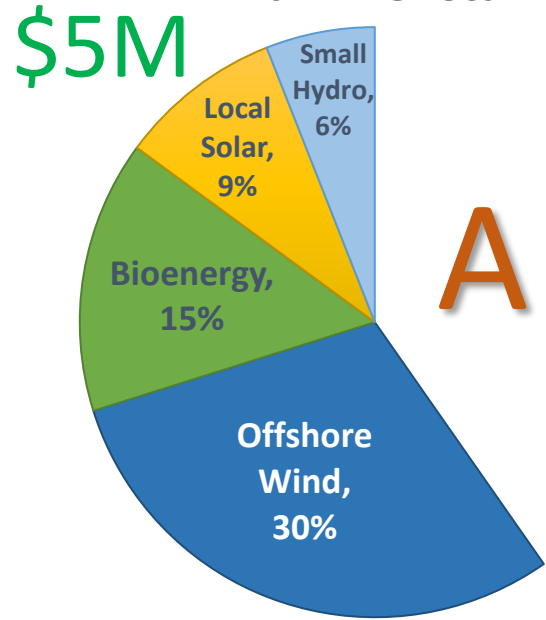
RCEA seeks public input on this uncommitted portion of our portfolio



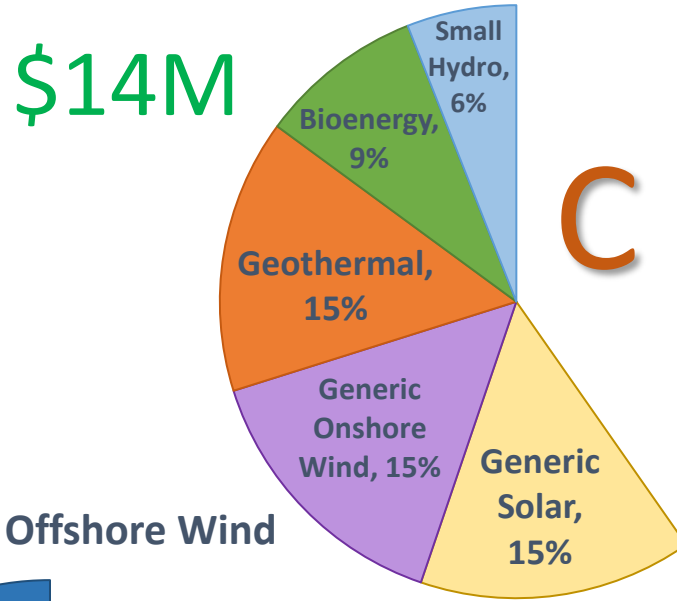
Mostly solar

Activity 3 – Preferred Energy Portfolio

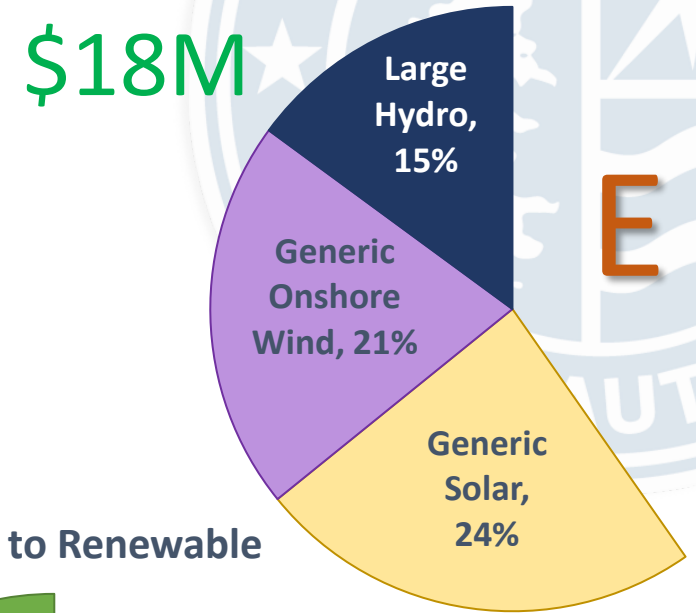
Maximize Local



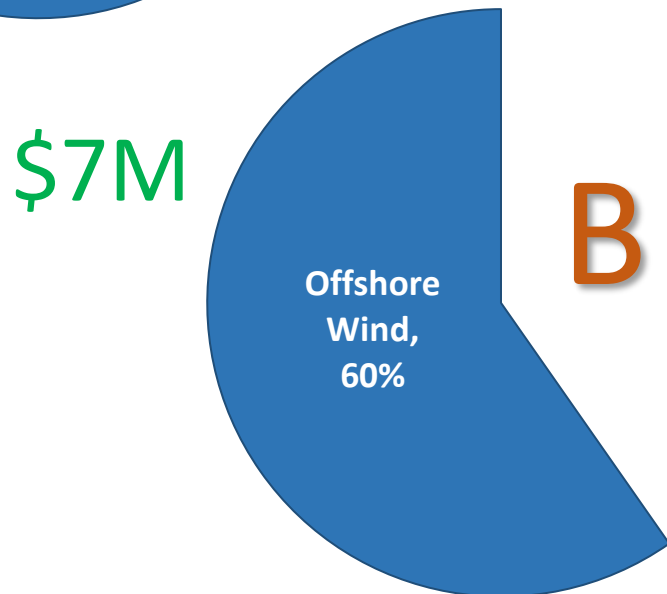
Maximize Resource Diversity



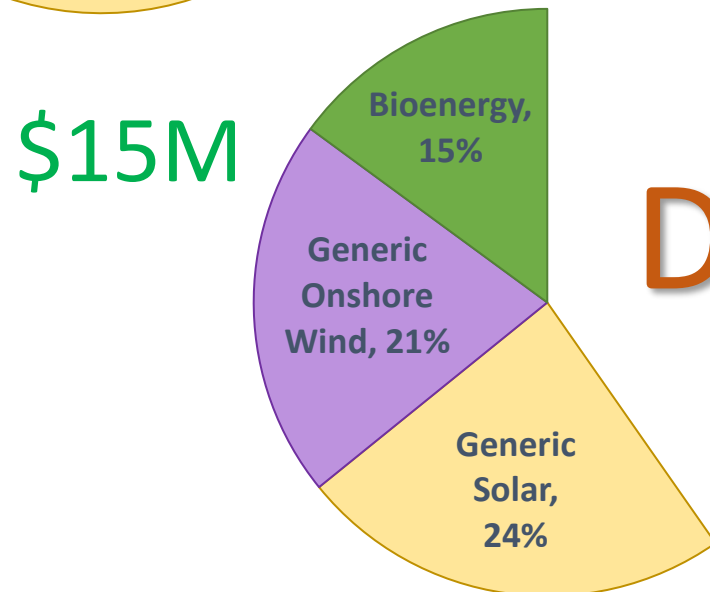
Reduce Greenhouse Gases



Maximize Offshore Wind



Quickest to Renewable



**\$ = net
yearly
revenue
to RCEA**



Debrief Activity 2 & 3

Resource Allocation & Preferred Energy Portfolio



Thank you for participating!

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