



# Redwood Coast Energy Authority

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## **COMMUNITY ADVISORY COMMITTEE MEETING**

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

**November 12, 2024  
Tuesday, 6 - 7:30 p.m.**

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

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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](http://www.RedwoodEnergy.org).

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

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### **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](mailto: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	<p><u>Roll Call:</u></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">Norman Bell</td> <td style="width: 50%;">Luna Latimer</td> </tr> <tr> <td>Deborah Dukes</td> <td>Ethan Lawton</td> </tr> <tr> <td>Colin Fiske</td> <td>Dennis Leonardi</td> </tr> <tr> <td>Benjamin Fordham</td> <td>Kit Mann</td> </tr> <tr> <td>Chris Honar</td> <td>Pliny McCovey</td> </tr> <tr> <td>Richard Johnson</td> <td>Michael Shackelford</td> </tr> <tr> <td></td> <td>Kris Mobley, Board Liaison</td> </tr> </table> <p>Remote member participation:</p> <p><b><u>Action (if needed): 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></b></p> <p><b>Review meeting agenda and goals.</b></p>	Norman Bell	Luna Latimer	Deborah Dukes	Ethan Lawton	Colin Fiske	Dennis Leonardi	Benjamin Fordham	Kit Mann	Chris Honar	Pliny McCovey	Richard Johnson	Michael Shackelford		Kris Mobley, Board Liaison	6-6:05 p.m. (5 min.)
Norman Bell	Luna Latimer															
Deborah Dukes	Ethan Lawton															
Colin Fiske	Dennis Leonardi															
Benjamin Fordham	Kit Mann															
Chris Honar	Pliny McCovey															
Richard Johnson	Michael Shackelford															
	Kris Mobley, Board Liaison															
2. Non-Agenda Item Public Comment	<p>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.</p>	6:05 – 6:10 p.m. (5 min.)														
3. 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><b>Actions:</b></p> <p style="padding-left: 40px;"><b>3.1. <u>Approve October 8, 2024, CAC Special Meeting Minutes.</u></b></p>	6:10 – 6:15 p.m. (5 min.)														
4. Items Removed from Consent Calendar	<p>This time is set aside for discussion of items removed from the Consent Calendar.</p>	6:15 – 6:20 p.m. (5 min.)														

<b>Agenda Item / What</b>	<b>How / Action</b> <u>Underlined actions</u> indicate that a vote is needed.	<b>When</b>
5. CAC Annual Report, Work Goal Review	<b>Action:</b> Provide input on draft CAC annual report and CAC 2025 work goals. Enlist 2024 Annual Report working group members.	6:20 - 6:30 p.m. (10 min.)
6. Venue Change to Wharfinger	<b>Action:</b> Provide staff with feedback on meeting venue preferences.	6:30 – 6:35 p.m. (5 min.)
7. Update on Financials and Nuclear Allocation	<b>Action:</b> Hear staff update on financial changes, market volatility and Board nuclear allocation decision. (Information only)	6:35 – 6:55 p.m. (20 min)
8. Potential Rate Change: Cost-of-Service	<b>Action:</b> Hear a presentation on this different customer rate calculation method. (Information only)	6:55 – 7:10 p.m. (15 min.)
9. CAC Social Media Engagement Basics	<b>Action:</b> Learn how to use social media to support RCEA public engagement efforts.	7:10 – 7:20 p.m. (10 min.)
10. Interim Executive Director’s Report	<b>Action:</b> Hear report from Interim Executive Director	7:20 – 7:25 p.m. (5 min.)
11. 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.  11.1. Board Liaison 11.2. Committee Members	7:25 – 7:30 p.m. (5 min.)
12. Close & Adjourn		7:30 p.m.

**NEXT REGULAR CAC MEETING** – Tuesday, January 14, 2025, 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 # 1**

AGENDA DATE:	November 12, 2024
TO:	RCEA Community Advisory Committee
FROM:	Eileen Verbeck, Interim Executive Director
SUBJECT:	Member Teleconference Participation

**BACKGROUND**

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The COVID-19 State of Emergency ended on February 28, 2023, and RCEA Board and CAC meetings returned 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**

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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 or for non-just cause or emergency reasons, staff recommends arranging for a publicly and ADA accessible space with visual and audio meeting capabilities from which to participate in keeping with previous Brown Act teleconference meeting requirements.

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, as may be required per Brown Act open meeting laws.

**RECOMMENDED ACTION**

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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 SPECIAL MEETING**

### **DRAFT MINUTES**

**October 8, 2024 - Tuesday, 6 - 7:30 p.m.**

Chair Christopher Honar called the hybrid in-person and teleconference meeting to order on the above date at 6:02 p.m. at the Wharfinger Building Bay Room, 1 Marina Way, Eureka, CA. The meeting agenda was posted on October 4, 2024.

#### **Members present:**

Norman Bell	Luna Latimer
Elizabeth Burks	Ethan Lawton
Deborah Dukes	Dennis Leonardi (arrived 6:05 p.m.)
Colin Fiske	Kit Mann
Benjamin Fordham	Pliny McCovey
Christopher Honar	Michael Shackelford
Richard Johnson	

**Members absent:** None.

**Board-Nominee Vacancies:** Rio Dell, Yurok Tribe

**Board Liaison present:** Kris Mobley (non-voting)

#### **Staff and others present:**

Faith Carlson, Regulatory and Legislative Policy Manager

Richard Engel, Power Resources Director

Lori Taketa, Board Clerk

Eileen Verbeck, Interim Executive Director

Member of the public Ken Miller submitted a comment opposing California's residential solar program changes, a non-agenda item.

### **3. Consent Calendar**

#### **3.1. Approve July 9, 2024, CAC Meeting Minutes.**

There was no public comment on this item.

**Motion Shackelford, Second Johnson: Approve July 9, 2024, CAC meeting minutes.**

**The motion passed with the following unanimous vote: Ayes: Bell, Burks, Dukes, Fiske, Fordham, Honar, Johnson, Latimer, Lawton, Mann, McCovey, Shackelford.**

**Noes: None. Abstain: None. Absent: Leonardi.**

## **5. Renewable Energy Procurement Update (Information only)**

In June, the Board of Directors paused RCEA's procurement policy aimed at meeting its 100% renewable and carbon free by 2025 goal. Power Resources Director Engel and Interim Executive Director Verbeck described factors driving RCEA's energy procurement, including managing agency financial risk, meeting CPUC renewable energy procurement requirement deadlines, and community-supported and Board-adopted goals. New factors presented to the Board prior to their June decision included:

- Dramatic increases in renewable and carbon-free energy prices
- Increased procurement requirements to cover the highest energy needs for every hour of every day and the resulting energy trading pressures
- Expected PG&E rate reductions and Power Charge Indifference Adjustment (PCIA) increases, both of which cut RCEA net revenues used to build financial reserves and run programs.

Staff described operational and energy efficiency program budget cuts for the next fiscal year, and similar situations faced by other Community Choice Aggregators (CCAs). The CPUC set new CCA cash reserve requirements. If RCEA's reserves fall under the required amount, the agency faces heavy regulatory burdens. Adequate reserves are also needed to weather a very volatile energy market and events like the pandemic. Staff are exploring changing to a rate setting model based on the cost of serving Humboldt customers rather than simply discounting a set amount below PG&E rates, which eliminates some risks but introduces others.

The committee discussed:

- CPUC and PG&E actions' effect on CCAs
- how the PCIA ensures that PG&E will cover its costs
- how RCEA and other CCAs do not have this safety net
- upcoming PCIA advocacy efforts
- the possibility of longer-range financial modeling for rate adjustments.

A member requested inviting the Humboldt Bay Harbor District Executive Director and a Cal Poly Humboldt representative to speak to the CAC about the viability of wave and tidal energy as a renewable energy source. There was no public comment.

## **6. Diablo Canyon Nuclear Allocation**

Regulatory and Legislative Manager Carlson and Power Resources Director Engel described the Diablo Canyon nuclear power plant's history and how the nuclear energy credit came about. Staff explained RCEA's nuclear procurement policy, current renewable credit prices and why the Board may have another opportunity to decide whether to accept the nuclear energy allocation. Staff will ask the Board each year whether they want to continue accepting the nuclear energy credit until 2030, when the Diablo Canyon plant is scheduled to retire. The Board asked staff to draft policy platform amendments regarding new nuclear energy development.



The following community members submitted written comments opposing accepting the nuclear allocation:

Craig Benson	Louise Minor
Deborah Lynn Gregory Fisher, Rio Dell	Dave Ryan, Arcata
Colin Fiske, Arcata	Melissa Stansberry
Craig Knox, Arcata	Jennifer Taylor, Arcata
Jennifer Marlow, Arcata	Jim Vandegriff, Trinidad
Kathleen Marshall, Arcata	Michael Welch, Redwood Alliance
Julie McNiel, Eureka	Wendy Ring

The following community members submitted written comments in support of accepting the nuclear allocation:

Curtis Clark	Tim Smyth (Stand Up for Nuclear, Mothers for Nuclear, Generation Atomic, The Breakthrough Institute)
Lee Dedini, Bayside	Liz Stefanik-Webb
Gary Falxa, Eureka	Taylor Watson, Eureka
Douglas Jackson, Arcata	
Kit Mann, Blue Lake	
Ryan Pickering	

David Weisman of the Alliance for Nuclear Responsibility Legal Fund said the CPUC hid the shared cost of Diablo Canyon nuclear power in the Public Purpose Programs charge on customer energy bills instead of listing it as a separate line item.

CAC member views on this issue were divided. Those who supported accepting the clean energy credits said:

- The projected \$500,000 potential savings from accepting the credit should be used to help poor and underserved community members.
- Not accepting the credit would be irresponsible in light of RCEA's negative financial outlook.
- Consider dividing the cost benefit between reserve fund preservation and community benefit.
- Human actions forced us into making energy decisions, all of which have negative consequences.
- It does not make sense to reject a benefit for which we are already paying.
- Community messaging about this decision is important and should include promoting RePower+ 100% carbon-free and renewable energy.
- RCEA needs to be involved in anti-nuclear advocacy.

Members opposed to accepting the nuclear allocation shared the following concerns:

- Diablo Canyon nuclear waste is stored in a seismically active area.
- RCEA will appear to be moving away from its original goals.
- People are talking about RCEA on social media more than ever. Using the credit to cut greenhouse gas emissions may look bad to community members.
- If PG&E sets RCEA's rates and California customers already pay for Diablo Canyon's operations, accepting the allocation will not shrink RCEA customer bills.
- Nuclear procurement on RCEA's Power Content Label will undermine support.

- Community messaging about accepting the allocation would be difficult and needs to be nuanced.
- Accepting the allocation sends a message to the state to revive nuclear power plant development. This outweighs any RCEA cost savings.

**Motion Mann, Second Dukes: Recommend that the RCEA Board of Directors accept the Diablo Canyon nuclear allocation and implement Scenario 2, cost savings.**

**The motion passed with the following fallback vote: Ayes: Dukes, Fordham, Honar, Latimer, Lawton, Leonardi, Mann, McCovey. Noes: Bell, Fiske, Johnson, Shackelford. Abstain: Burks. Absent: None.**

Following the CAC's Charter and due to a lack of consensus, staff stated that a summary of dissenting opinions would be presented to the RCEA Board with the Committee's recommendation.

#### **7. Annual Report on Humboldt Sawmill Company Biomass Use**

This presentation and discussion was postponed to the next meeting.

#### **8. Interim Executive Director's Report**

Interim Executive Director Verbeck welcomed new CAC member Benjamin Fordham and reported that staff hope to make a public announcement about the Executive Director recruitment in the next month.

#### **9. Member and Board Liaison Reports**

Board liaison Mobley stated she was eagerly anticipating a new Executive Director announcement. No CAC member shared reports.

Chair Honar adjourned the meeting at 7:48 p.m.

Lori Taketa  
Clerk of the Board



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

AGENDA DATE:	November 12, 2024
TO:	RCEA Community Advisory Committee
PREPARED BY:	Eileen Verbeck, RCEA Interim Executive Director
SUBJECT:	Draft CAC Annual Report & 2025 Goals

**SUMMARY**

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The Community Advisory Committee reports the group's past year accomplishments and upcoming year goals annually to the RCEA Board of Directors with the aim of aligning the CAC's work within RCEA's work goals and helping the Board thoughtfully utilize the committee as a resource to support Board decision-making and agency public engagement efforts. The Committee conducts its goal setting process every odd-numbered year and makes adjustments as needed at the midway point.

The Community Advisory Committee approved the goals listed below in 2023. Due to long project timelines and staffing limitations, these goals were continued through 2024. Staff recommends continuing these goals for the time being and re-evaluating them after the new RCEA Executive Director starts in 2025.

- a. Help guide community outreach and messaging for RCEA programs.
- 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.
- c. Support and help guide offshore wind energy community outreach.
- d. Provide input on the development of new and expanding RCEA customer programs.
- e. Assist with identifying and prioritizing critical facilities and at-risk communities that would benefit from enhanced energy resilience infrastructure, including future microgrid deployment and/or facility-level renewable back-up power systems.
- f. Finalize recommendations to the RCEA Board and County Board of Supervisors for energy-project bond and/or alternative financing opportunities, support any resulting implementation efforts as appropriate.

- g. Help facilitate community input on the finalization and adoption of the Humboldt Regional Climate Action Plan.

Staff asks the Committee for input on the attached draft Annual Report and work goals and will seek the same from the Board in December. The edited report will be brought back to the full CAC for approval in January 2025, prior to presentation to the Board in February.

### **STAFF RECOMMENDATION**

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Provide input on draft Community Advisory Committee annual report and CAC 2025 work goals.

Volunteer to help review and edit the 2024 Annual Report for approval by the CAC in January and presentation to the Board in February 2025.

### **ATTACHMENTS**

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Draft Community Advisory Committee 2024 Annual Report and 2025 work goals.

**Redwood Coast Energy Authority**  
**COMMUNITY ADVISORY COMMITTEE**  
**2024 ANNUAL REPORT TO THE RCEA BOARD OF DIRECTORS**  
**February 2025**

The Community Advisory Committee meets every other month, supports RCEA public engagement efforts and provides decision-making support and input to the RCEA Board.

<b>2024 Committee Members</b>	<b>Representing Jurisdiction:</b>	<b>Term Expiration</b>
<b>Norman Bell</b>	Arcata	<b>March 2025</b>
<b>Deborah Dukes</b>	Eureka	<b>March 2025</b>
<b>Colin Fiske</b>	At-Large	March 2026
<b>Benjamin Fordham</b>	County 3 (McKinleyville Area)	March 2026
<b>Christopher Honar, Chair</b>	County 2 (Southern Humboldt)	<b>March 2025</b>
<b>Richard Johnson</b>	Trinidad	<b>March 2025</b>
<b>Luna Latimer</b>	County 1 (Eastern Humboldt)	<b>March 2025</b>
<b>Ethan Lawton, V. Chair</b>	Humboldt Bay Municipal Water District	March 2026
<b>Dennis Leonardi</b>	Ferndale	March 2026
<b>Kit Mann</b>	Blue Lake	<b>March 2025</b>
<b>Pliny McCovey</b>	At-Large	March 2026
<b>Michael Shackelford</b>	Blue Lake Rancheria	March 2026
<b>Vacancy</b>	Fortuna	March 2026
<b>Vacancy</b>	Rio Dell	<b>March 2025</b>
<b>Vacancy</b>	Yurok Tribe	March 2026
<b><u>Other 2024 Members:</u></b>		
<b>Elizabeth Burks</b>	Fortuna, January-October	
<b>Larry Goldberg</b>	At-Large, January-March	
<b>Emily Morris</b>	At-Large, January-March	
<b>Jerome Qiriazzi</b>	County 2, January-March	
<b>Jeff Tirogoff</b>	At-Large, January-March	

Committee Liaison:

Eileen Verbeck, Interim Executive Director

**I. ACCOMPLISHMENTS**

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Dennis Leonardi and Jerome Qiriazzi served as Chair and Vice Chair through the March CAC meeting. Chris Honar and Ethan Lawton were elected to serve as Chair and Vice Chair in May 2024.

The Committee heard updates and received training on:

- a. California open meeting laws, the Public Records Act transparency law, conflicts of interest, ethical public service conduct and Statements of Economic Interest.
- b. The Income Graduated Fixed Charge
- c. The Board's decision to temporarily pause renewable energy procurement aimed at achieving 100% renewable and carbon-free energy by 2025, and market and regulatory factors informing the Board's decision
- d. The potential Cost-of-Service rate calculation change
- e. How to use social media to support RCEA public engagement efforts.

The Committee provided input and recommendations to the Board on:

- a. Electricity rate increase public messaging on RCEA's website
- b. RCEA's 2024 Regulatory and Legislative Policy Platform
- c. The RCEA contract with Humboldt Sawmill Company (Due to lack of consensus on a recommendation, a summary of dissenting views was presented to the Board.)
- d. An RCEA pilot battery storage rebate program
- e. A standardized Residential Energy Efficiency Kit (Feedback was provided directly to the Community Strategies Team and the overseeing Demand-Side Management program Technician.)
- f. The Diablo Canyon nuclear allocation.

The CAC ad hoc subcommittees accomplished the following in 2024:  
(Former subcommittee members' names are *italicized*.)

**Bond Subcommittee** (Staff Liaison: Interim Executive Director Eileen Verbeck)

Members: *Elizabeth Burks*, Colin Fiske, *Larry Goldberg*, Richard Johnson, *Jeff Trirogoff*

This subcommittee was not engaged in 2024. In January 2023, the CAC recommended that the Board 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 subcommittee's previously shortlisted projects, allowing for additional projects to be determined at a later date, and prioritizing projects with community investment pathways. The Board approved issuing the RFP in February 2023. The RFP for bond development and issuance has not yet been released.

**Climate Action Plan Outreach Subcommittee** (Staff Liaison: Interim Executive Director Eileen Verbeck)

Members: *Elizabeth Burks*, *Larry Goldberg*, Richard Johnson, Ethan Lawton, *Jerome Qiriaz*

- a. This subcommittee was not engaged in 2024. Instead, the entire CAC was invited to promote and provide input on the Regional Climate Action Plan during its 30-day public review period. Some CAC members also attended the County's CAP public information meeting in September.
- b. Next steps: RCEA will determine what resources can be dedicated to CAP outreach; RCEA and the County will jointly develop a CAP outreach proposal; the ad hoc subcommittee will provide input on this proposal.

**Critical Facilities (and At-Risk Communities) Subcommittee** (Staff liaison: Juliette Bohn)

Members: Luna Latimer, Dennis Leonardi, Pliny McCovey, *Jerome Qiriaz*, *Jeff Trirogoff*

This subcommittee was not engaged in 2024.

**Customer Programs Outreach Subcommittee** (Staff Liaison: DSM Director Kullmann)

Members: Colin Fiske, Luna Latimer, Dennis Leonardi, Kit Mann, Michael Shackelford, *Jeff Trirogoff*

Subcommittee members participated in a workshop with local solar installers to provide feedback on proposed RCEA battery storage rebates to address the state's changes to the net energy metering program. Further input was gathered from the entire CAC and a pilot program recommendation was forwarded to the Board.

**McKinleyville - Arcata Major Project Subcommittee** (Staff Liaison: Interim Executive Director Eileen Verbeck)

Members: Colin Fiske, Chris Honar, Richard Johnson

- a. In 2023, the subcommittee met and helped decide on follow-up actions to be performed by staff on the following community projects:
  - i. Life Plan Humboldt, We Are Up, ADU Policy Development
  - ii. McKinleyville Town Center
  - iii. Arcata Gateway Project
  - iv. Humboldt Bay Harbor Port Development
  - v. Eureka Parking Lot Housing Projects
- b. Staff work on these projects will resume as staffing capacity allows.

**Off-Grid Cannabis Greenhouse Gas Impact Subcommittee** (Staff Liaison: Juliette Bohn, Infrastructure Programs Manager)

Members: *Larry Goldberg*, Chris Honar, *Jeff Trirogoff*

- a. The CAC formed this ad hoc subcommittee at its January 2023 meeting with the following work scope:
  - 1. Arrange partnership with Cal Poly Humboldt to quantify off-grid cannabis cultivation's greenhouse gas emissions.

2. Monitor the County's off-grid cannabis renewable energy fuel switching program.
  3. Develop innovative ways to encourage off-grid gas and diesel fuel use reduction.
  4. Include non-funded ways (e.g. education, project support) to reduce diesel use.
  5. Include non-cannabis grower generator users.
  6. Focus on Southern Humboldt to intersect with grid upgrade planning.
- b. Due to staff capacity constraints and resource considerations to not duplicate work already being done through Climate Action Plan studies or through projects addressing Southern Humboldt grid issues, staff has not met with this ad hoc subcommittee.

**Offshore Wind Outreach Subcommittee** (Staff Liaison: unassigned)

Members: *Elizabeth Burks, Larry Goldberg, Dennis Leonardi, Kit Mann, Emily Morris, Jeff Trirogoff*

- a. Staff reported on their visit to Massachusetts' working offshore wind areas.
- b. Staff will engage the CAC and subcommittee on offshore wind public education and as a sounding board for public concerns.
- c. Staff is waiting until the County of Humboldt and CORE Hub determine their role in educational and outreach material development before re-engaging the subcommittee. The subcommittee will be asked to help develop RCEA messaging and education materials to complement the County's and CORE Hub's efforts.

**II. GOALS FOR 2025**

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The Committee conducts its goal setting process every odd-numbered year and makes adjustments as needed at the midway point as work is accomplished and new opportunities for CAC engagement arise. The work goals below involve long project trajectories and the CAC decided to continue work on the 2023 goal list in 2024. Staff recommends continuing the goals through 2025, with a mid-year review after the new RCEA Executive Director has started.

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- a. Help guide community outreach and messaging for RCEA programs.
- 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.
- c. Support and help guide offshore wind energy community outreach.
- d. Provide input on the development of new and expanding RCEA customer programs.



- e. Assist with identifying and prioritizing critical facilities and at-risk communities that would benefit from enhanced energy resilience infrastructure, including future microgrid deployment and/or facility-level renewable back-up power systems.
- f. Finalize recommendations to the RCEA Board and County Board of Supervisors for energy-project bond and/or alternative financing opportunities, support any resulting implementation efforts as appropriate.
- g. Help facilitate community input on the finalization and adoption of the Humboldt Regional Climate Action Plan.

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

AGENDA DATE:	November 12, 2024
TO:	RCEA Community Advisory Committee
PREPARED BY:	Eileen Verbeck, RCEA Interim Executive Director
SUBJECT:	Potential CAC Meeting Venue Change

**SUMMARY**

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The end of year presents an opportunity to make housekeeping adjustments, including venue changes. To this end, staff would like to find out:

1. whether Committee members are satisfied with continuing to meet at the Jefferson Community Center,
2. whether the group prefers meeting at the Wharfinger Building, or
3. if the group would like staff to find other venues that are closer to public transportation.

**STAFF RECOMMENDATION**

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Provide staff with feedback on meeting venue preferences.

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# REDWOOD COAST Energy Authority

## STAFF REPORT Agenda Item # 7

AGENDA DATE:	November 12, 2024
TO:	Community Advisory Committee
PREPARED BY:	Eileen Verbeck, Interim Executive Director
SUBJECT:	Update on RCEA Financial Projections and Nuclear Allocation

### BACKGROUND

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The CAC heard an update on RCEA's financial projections at the October meeting. Based on the information available to staff at the time of the meeting, it was estimated that RCEA anticipated negative net revenue for the next two fiscal years. Since the presentation to the CAC in October, there have been unforeseen changes in the market which have greatly improved RCEA's financial outlook.

### SUMMARY

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Due to the large swing in the revenue projections, Staff wanted to update the CAC and provide background information highlighting the factors affecting the changes in the financial outlook. Staff will provide a presentation to the CAC on the changes in the energy market.

Additionally, Staff will provide an update on the Board's decision to accept the Diablo Canyon Power Plant nuclear allocation for 2025.

### ALIGNMENT WITH [RCEA'S STRATEGIC PLAN](#)

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Not applicable, information only.

### EQUITY IMPACTS

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Not applicable.

### FINANCIAL IMPACT

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### STAFF RECOMMENDATION

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None, for information and discussion only

### ATTACHMENT

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None

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# Factors Affecting Financial Outlook

PG&E Rate  
Changes

Actual Load  
versus  
Projected  
Load

Increased  
Market Price  
Benchmark

- Results in a decreased PCIA. 😊

# What are Market Price Benchmarks (MPBs)?

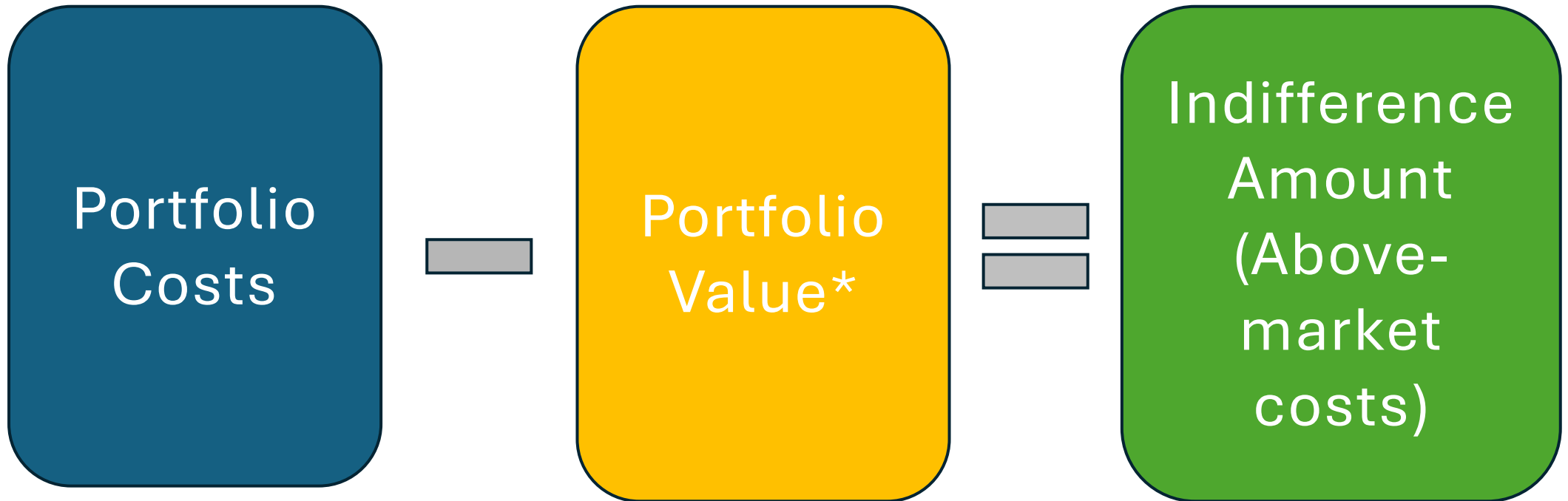
- MPBs are estimates of the per unit value of the generation resources in an IOU's portfolio
- MPBs are utilized to
  - calculate the PCIA that IOU and CCA customers pay



# How are Market Price Benchmarks expected to change?

		2024 Final PG&E MPBs	2025 Forecast PG&E MPBs
Energy Index	On-Peak		\$55.02
	Off-Peak		\$53.18
RA Adder	System	\$28.65	\$42.54
	Local	\$12.22	\$13.29
	Flexible	\$12.89	\$14.16
RPS Adder		\$54.56	\$71.24

# The PCIA Collects the Above-Market Costs of the IOU's PCIA Generation Portfolio



\*Value calculated using "Market Price Benchmarks" (MPB)

Graphic adapted from CalCCA  
Primer: Power Charge  
Indifference Adjustment  
Presentation September 2024

# PCIA – A Two-Sided Coin

## Market Effects Push and Pull



Historically, the PCIA rate has mostly been positive, adding a charge to customers because Market Price Benchmarks decreased compared to when the costs were incurred.



When Market Price Benchmarks increase the PCIA rate decreases, reducing this line item on customer bills.



Due to the dynamics of inputs to the PCIA, over- and under-collections of revenue, the PCIA often swings up and down year to year.

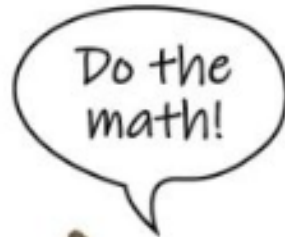
# How has PG&E's average residential PCIA changed over time?



*Adapted from CalCCA Primer: Power Charge Indifference Adjustment Presentation September 2024*

# Understanding RCEA's Portion of the Bill

- <https://redwoodenergy.org/residential-electricity-service/#1679608055649-142d4993-c485>



Start with PG&E's " <b>Generation Credit</b> ":	+ 51.24
<i>then subtract:</i>	
the <b>PCIA</b> :	- 22.32
the <b>Franchise Fee Surcharge</b> :	- 0.26
and <b>RCEA's generation total</b> :	- 28.15
<i>(usually on page 4)</i>	
<hr/>	
<b>the sum is the savings =</b>	<b>\$0.51</b>

# Annual Net Revenue Forecast

## Expected Power Purchase Costs and Revenues with MPB Update

	Adjusted (November)	
	FY24-25	FY25-26
Retail Revenues	\$ 67,320,101	\$ 75,111,909
Power Costs	\$ 61,980,604	\$ 66,436,890
Net Revenues	\$ 5,339,497	\$ 8,675,019

# Diablo Canyon Nuclear Allocation Update

- Board accepted the allocation under scenario #2 (realize cost savings).
- Board would like to review each year if RCEA continues to accept the allocation.
- Board directed staff to report back on the actual cost savings and receive Board direction on the allocation of those funds.



**STAFF REPORT  
Agenda Item # 8**

AGENDA DATE:	November 12, 2024
TO:	Redwood Coast Energy Authority (RCEA) Community Advisory Committee
PREPARED BY:	Sally Regli, Senior Account Services Specialist
SUBJECT:	Cost-of-Service Rate (COS) Design

**BACKGROUND**

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Community Choice Energy (CCE) provider Central Coast Community Energy (3CE) was recently the subject of a court case challenging the rates they charge for electric service, which per California’s Proposition 26 are deemed a tax like other fees charged by local government agencies. 3CE was one of the first California CCE providers to switch to using its actual cost of service as a basis for setting its rates, replacing the traditional CCE rate-setting model that simply applies a flat percentage discount to the investor-owned utility (IOU) rates. RCEA currently applies a 0.5% discount to PG&E’s generation rates. 3CE was able to prevail in court by demonstrating that basing its rates on its cost of service is consistent with Proposition 26 guidelines. Other CCE providers have begun to adopt cost-of-service rates or are considering doing so.

After three months of research and gathering insights from other Community Choice Aggregation agencies (CCAs) using a cost-of-service rate model or that are planning to do so, staff concluded that transitioning from the current IOU discount rate model to a Cost of Service (COS) based model could offer additional benefits beyond alignment with Proposition 26.

Since launching the CCA program in 2017, RCEA used an IOU discount rate approach to set rates. This method had practical advantages. The rate was easy for customers to understand and enabled RCEA to cover costs while gaining rate setting expertise. However, after recently processing several rate changes in one year that resulted in volatile financial forecasts, RCEA staff sees transitioning to a cost-of-service model as the best approach. The COS rate-based model will help stabilize our revenue stream and provide a more defensible customer cost rate-setting method.

**SUMMARY**

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RCEA staff conducted interviews with four CCAs: 3CE, Sonoma Clean Power (SCP), Peninsula Clean Energy (PCE), and San Jose Clean Energy (SJCE). Staff learned what these CCAs experienced financially and operationally while transitioning to the cost-of-service model. Peer-to-peer discussions covered the vendor contracting process to perform a cost-of-service study, final rate design method components, staff work product impacts, costs, marketing and customer experience, financial impacts, and lessons learned. Staff will present research findings at the meeting.

Staff seek initial feedback from the CAC as we prepare to bring a proposal to the RCEA Board to hire a consultant to perform a cost-of-service study that would inform future rate-setting.



**STAFF RECOMMENDATION**

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N/A – Information only.

**ATTACHMENTS**

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Staff will share presentation slides at this meeting.

# Cost of Service

Redwood Coast Energy Authority

## Presentation to the RCEA Community Advisory Committee

November 12, 2024

Sally Regli, Senior Specialist &  
Marisha Ramirez, Account Services Manager

# How are RCEA rates set?

- Currently a “PG&E rate discount” approach

Our rates are tied to PG&E’s. When PG&E raises or lowers their generation rate,

RCEA rates change in the same direction.



# What is a Cost-of Service Model?

A method to design rates based on a cost to provide service study rather than linking directly to PG&E's rates.

## PROCESS:

- ❖ Solicit vendors for Cost-of-Service study
- ❖ Determine RCEA revenue requirement
- ❖ Assign the revenue requirement across customer classes (cost drivers)
- ❖ Compare with PG&E rates and adjust for agency goals

# What is a Hybrid Cost-of Service Model?

A rate model using the COS study as a basis with additional consideration for:

- How the rates compare to PG&E's rates
- Targeted reserves
- Program goals and incentives.

# Rate Setting Principles

COS Model may allow RCEA to check more boxes.

## Current Method

- ✓ Understandable
- ✓ Cost Recovery
- ✓ Fairness

## COS Method

- Greater Financial Stability
- More Transparency
- Increased Rate Stability
- Economically efficient

# Why change RCEA's rate model?

ADDRESS REGULATORY GUIDELINES

```
graph TD; A[ADDRESS REGULATORY GUIDELINES] --> B[STABILIZE FORECASTED REVENUE – BETTER FINANCIAL PLANNING]; B --> C[IDENTIFY UNIQUE COST TO SERVE HUMBOLDT COUNTY CUSTOMERS VS. PG&E'S STATEWIDE CUSTOMERS]; C --> D[REDUCE FREQUENCY OF RATE CHANGES];
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STABILIZE FORECASTED REVENUE – BETTER FINANCIAL PLANNING

IDENTIFY UNIQUE COST TO SERVE HUMBOLDT COUNTY CUSTOMERS VS. PG&E'S STATEWIDE CUSTOMERS

REDUCE FREQUENCY OF RATE CHANGES

# ADDRESS REGULATORY GUIDLINES

Proposition 26 –  
Ballot initiative that  
established state and  
local government’s  
power to impose fees  
and charges.

Existing Law -  
authorizes the  
CPUC\* to fix the  
rates and charges for  
public utilities that  
are just and  
reasonable.

Senate Bill 695 2024  
Report - outlines  
recommendations to  
limit cost and rate  
increases for  
California’s Investor-  
Owned Utilities  
(IOUs).

\* California Public Utility Commission



## STABILIZE FORECASTED REVENUE- BETTER FINANCIAL PLANNING

- RCEA decides when rates change are needed.
- RCEA determines rate setting priorities - power costs, reserves, program development, etc.
  - RCEA can synchronize rate revenue with its fiscal year budget .
- CCAs implementing cost-of-service hybrid rate design say:
  - Current forecasting data has become more reliable.
  - Includes all costs and provides key data for rate decision-making.

# RCEA'S COST TO SERVE HUMBOLDT COUNTY CUSTOMERS VS. PG&E'S STATEWIDE CUSTOMER SERVICE

- PG&E statewide customer energy use - peaks in the summer
- RCEA Humboldt customer energy use - peaks in the winter
- PG&E's territory covers over 40 counties
- Cost-of-Service study will identify costs to serve Humboldt County customers' unique needs
- RCEA can tailor rates to its local customers

## REDUCES FREQUENCY OF RATE CHANGES

With the “PG&E discount” method, we track PG&E. When they implement a change, so do we.

- RCEA’s rates have changed 11 times since 2017.
- Explaining bill charges to customers is harder after rate changes.
  - RCEA rate changes lag behind PG&E’s so customers see multiple changes on their bill in different billing cycles.
- CCAs implementing cost-of-service hybrid rate design say:
  - Fewer rate changes
  - No significant increase in opt outs



What are other CCAs  
doing?

# San Jose Clean Energy (SJCE)

- Contracted for Cost-of-Service study
- Used hybrid rate design approach
- COS study informed their decision-making process:

The final rate design incorporated the cost-of-service study results, a comparison to PG&E rates, and considered their reserves strategy and programs.



# Marin Clean Energy (MCE)

- Among the CCAs, comes closest to using a full Cost-of-Service design
- Has an annual “rate setting cycle” unless a negative net revenue risk scenario develops
- Rate Design Ad-Hoc Committee reviews the rate design before Board approval

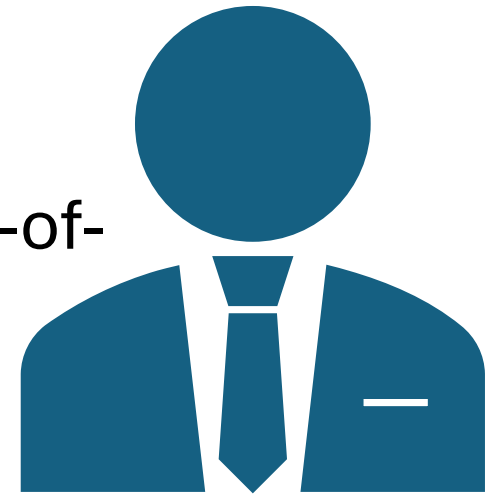


# Central Coast Community Energy (3CE)

- Used a hybrid Cost-of-Service design
- Less frequent rate changes

3CE's reviews rates every year and completes a Cost-of-Service study every three years.

- Market shifts required an annual rate change



# Cost of Service Model Benefits

- Provides data to validate reasonable rates
- Allows RCEA to control rate change frequency
- Is a bottom-up approach vs. top-down revenue stream
- Increases fiscal revenue stability for annual budget
- Long-term reduction in staff time





## Next Steps

- Cost Estimate and budget approval
- Issue Request for Proposal for COS study
- Hire a consultant
- Develop rate design model
- Engage the CAC, community, and Board, gain stakeholder support



# REDWOOD COAST Energy Authority

## STAFF REPORT Agenda Item # 9

AGENDA DATE:	November 12, 2024
TO:	RCEA Community Advisory Committee
PREPARED BY:	Brytann Busick, Community Strategies Manager
SUBJECT:	CAC Social Media Engagement Basics

### BACKGROUND

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One core role of the Community Advisory Committee is to support RCEA public engagement efforts. As the agency ramps up its social media presence in preparation for revitalized energy efficiency programs, anticipated rate calculation changes, etc., staff asks for your support in amplifying community messaging through social media.

### SUMMARY

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RCEA maintains social media accounts on Facebook, Instagram, and LinkedIn. Learn from RCEA's new Community Strategies Manager, Brytann Busick, about how you can help amplify RCEA's efforts on our social media platforms.

### ALIGNMENT WITH [RCEA'S STRATEGIC PLAN](#)

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CAC social media engagement is intended to support RCEA public engagement efforts to further RCEA's mission and work to implement the RePower Humboldt strategic plan.

### EQUITY IMPACTS

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After increasing RCEA's followers on social media, Community Strategies will be able to better target customers to provide them with the most relevant and helpful information for them. This will help RCEA to further our equity efforts as an organization, especially since many people get their news and community information through social media.

### FINANCIAL IMPACT

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Not applicable.

### ATTACHMENTS

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1. Social Media Engagement Handout

# REDWOOD COAST ENERGY AUTHORITY: Social Media Amplification Guide

Thank you for helping us spread the word about RCEA! By amplifying our social media messages, you play a key role in increasing our impact in Humboldt County. Here's how you can help:



## 1 Follow RCEA on Social Media

- Facebook: @RedwoodEnergy
- Instagram: @RedwoodEnergy
- LinkedIn: @RedwoodEnergy

## 2 Simple Actions to Amplify Our Message

- Like & Comment: Show support by engaging with RCEA's posts.
- Share Posts: Reposting helps us reach new audiences. No need to wait for an event—share about our programs and energy-saving tips anytime!
- Tag RCEA when you share: @RedwoodEnergy

## 3 Best Practices for Sharing

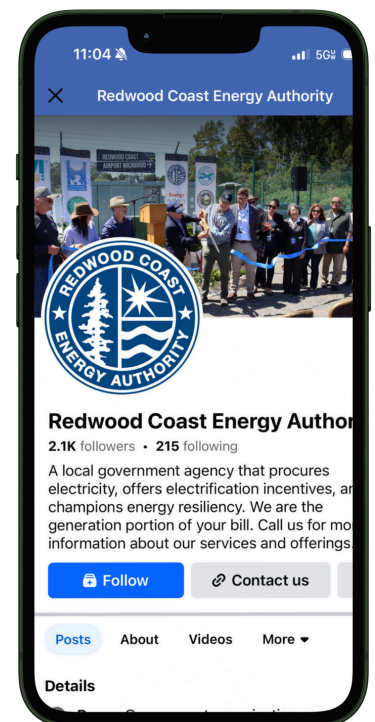
- Add a Personal Comment: "Excited to support @RedwoodEnergy's latest project!"
- Use Approachable Language: Keep it simple and welcoming.
- Skip the Jargon: Use everyday language so more people can understand the message.

## 4 Quick Sharing Phrases

- "Looking for energy-saving tips? Check out @RedwoodEnergy!"
- "RCEA has great resources for Humboldt County. See their latest post!"
- "Supporting local sustainability with @RedwoodEnergy!"

## Your Impact Matters!

Each share extends RCEA's message to new community members, increasing awareness of our programs, workshops, and resources. Thank you for helping us build a more energy-efficient Humboldt County!

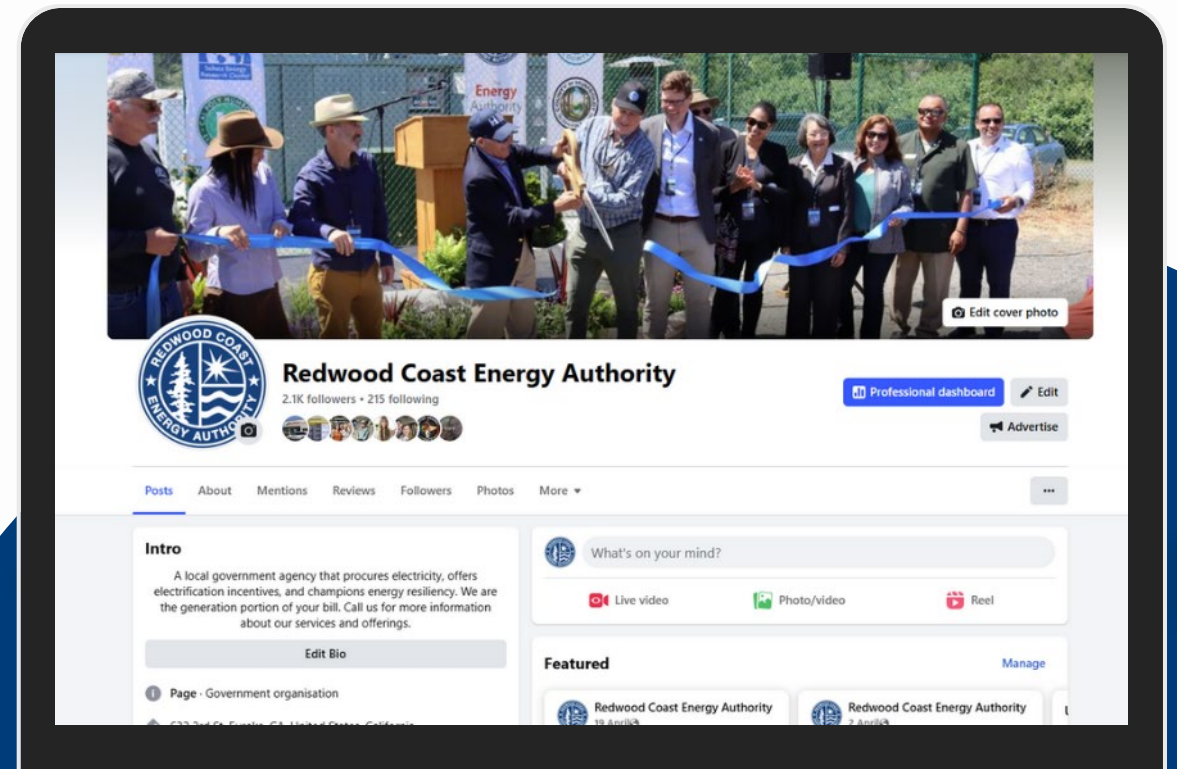


**QUESTIONS?** Reach out anytime at [bbusick@redwoodenergy.org](mailto:bbusick@redwoodenergy.org)



# COMMUNITY ADVISORY COMMITTEE:

## Amplifying RCEA's Message





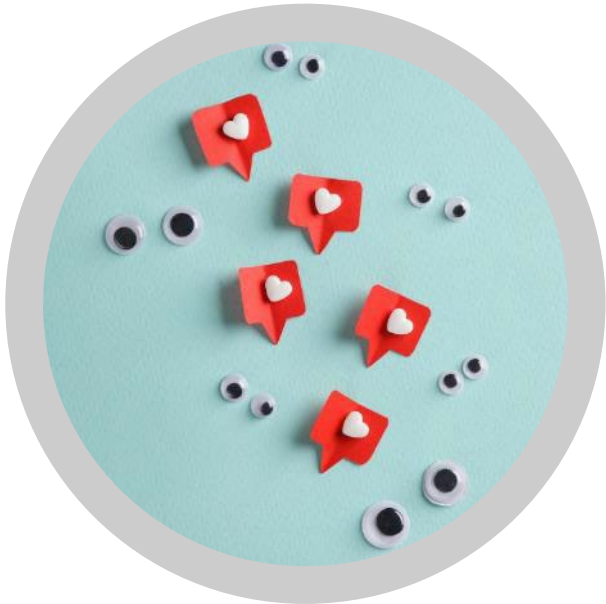
# Why Amplify RCEA's Message?





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- 1 Extend Our Reach in the Community**  
Each share increases awareness of RCEA programs and services.
- 2 Promote Energy Savings and Sustainability**  
Your network learns about ways to save energy and reduce costs.
- 3 Highlight RCEA's Community Impact**  
Help showcase how RCEA supports Humboldt County.

# How to Amplify RCEA's Social Media Messages

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-  **Follow RCEA on Social Media**  
Find us on Facebook, Instagram, and LinkedIn.
-  **Like and Comment on Posts**  
Engage with posts boosts visibility to a wider audience.
-  **Share RCEA's Posts**  
Reach beyond RCEA's followers by sharing on your own profile.
-  **No Need to Wait for Events!**  
Share posts about programs, tips, or RCEA's mission anytime.



# Social Media Best Practices

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- 1 Add a Personal Comment**  
Example: “Excited about this new RCEA program!”
- 2 Tag RCEA (@RedwoodEnergy)**  
Tagging helps RCEA see and engage with your post.
- 3 Keep it Simple and Approachable**  
Make the information accessible to everyone in the community.
- 4 Avoid Jargon or Technical Terms**  
Make the information accessible to everyone in the community.

# Suggested Phrasing for Sharing RCEA Posts

- ✓ **Promoting Programs and Resources**  
“Looking for ways to save energy? Check out @RedwoodEnergy for tips and programs that can help!”
- ✓ **Invitation to an Event or Workshop**  
“Don’t miss this upcoming RCEA workshop! Join us to learn about energy efficiency for your home.”
- ✓ **General Support for RCEA’s Mission**  
“Proud to support @RedwoodEnergy and their work for a sustainable Humboldt County!”
- ✓ **Highlight a Specific Tip or Benefit**  
“Did you know RCEA offers free energy-saving resources? Check out their latest post!”





# The Impact of Amplification

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## Increased Reach Means Greater Awareness

Each share can help hundreds more community members learn about RCEA programs.



## Promotes Community Engagement

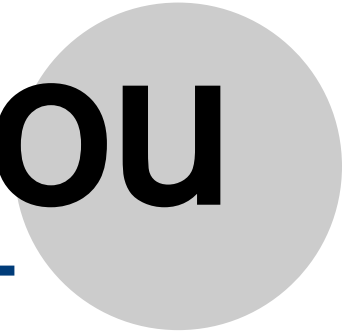
More engagement leads to more sign-ups for workshops and increased program participation.



## Supports RCEA's Mission

Shared posts help educate the community about energy savings and sustainability efforts.

**Thank You**



# Get In Touch With Community Strategies

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707.572.6200



[bbusick@redwoodenergy.org](mailto:bbusick@redwoodenergy.org)