



# Redwood Coast Energy Authority

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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