



Redwood Coast Energy Authority

633 3rd Street, Eureka, CA 95501

Phone: (707) 269-1700

Toll-Free (800) 931-7323

Fax: (707) 269-1777

E-mail: info@redwoodenergy.org

Web: www.redwoodenergy.org

COMMUNITY ADVISORY COMMITTEE MEETING

DRAFT MINUTES

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

Vice Chair Ethan Lawton called the hybrid in-person and teleconference meeting to order on the above date at 6:05 p.m. at the Jefferson Community Center Auditorium, 1000 B Street, Eureka, CA. The meeting agenda was posted on November 8, 2024.

Members present:

Norman Bell

Deborah Dukes

Colin Fiske

Benjamin Fordham

Christopher Honar, Chair

Richard Johnson

Ethan Lawton, Vice Chair

Dennis Leonardi

Pliny McCovey

Members absent: Luna Latimer, Kit Mann, Michael Shackelford.

Board-nominee vacancies: Fortuna, Rio Dell, Yurok Tribe

Board Liaison present: Kris Mobley (non-voting)

Staff present:

Brytann Busick, Community Strategies Manager

Marisha Ramirez-Escareño, Account Services Manager

Sally Regli, Senior Specialist, Rate Analysis and Key Accounts

Lori Taketa, Board Clerk

Eileen Verbeck, Interim Executive Director

2. Non-Agenda Item Public Comment

Member of the public and Biomass Technical Advisory Group member Dr. Wendy Ring emailed comments on information submitted by Humboldt Sawmill Company in its annual RCEA biomass use report. Dr. Ring expressed concern about the mill's emissions test validity, increased mill operation time and increased emissions.

Member of the public Walt Paniak submitted an article on adverse health effects of biomass combustion from ambient PM2.5.

Dr. Wendy Ring expressed concern at the meeting about HSC's permit renewal process and missed opportunities to assess whether the biomass plant meets current emissions standards. Dr. Ring stated that RCEA as an energy offtaker should be responsible for investigating environmental and health concerns with the Scotia plant.

Staff rescheduled the CAC's review of HSC's annual report to January 2025 due to Board meeting quorum issues.

3. Consent Calendar

3.1. Approve October 8, 2024, CAC Special Meeting Minutes.

There was no public comment on this item.

Motion Leonardi, Second Honar: Approve October 8, 2024, CAC special meeting minutes.

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

5. CAC Annual Report, Work Goal Review

Interim Executive Director Verbeck explained the decision to postpone re-evaluation of committee work goals due to the current goals' long-term timelines, changes in staffing and the hiring of a new Executive Director who may want to revisit the goals with the Committee in the new year. Different committee members supported revising the goals to reflect the committee's work in the past 18 months and requested adding engagement with the Harbor District to prioritize wave and tidal energy development to power the harbor's development and operation. Chair Honar and Vice Chair Lawton volunteered for the ad hoc Annual Report Subcommittee to help staff edit the committee's annual report. There was no public comment on this item.

6. Potential Meeting Venue Change

The committee discussed the possibility of changing meeting venues. The group agreed that the Wharfinger Building Bay Room, despite its well-lit parking area, was not a good meeting venue due to lack of easy public transportation access and awkward pillar placement. The group agreed to continue meeting at the Jefferson Community Center until staff can find another Eureka location for the committee to consider that has convenient public transportation access and comfortable seating. There was no public comment.

7. Update on RCEA Financials and Nuclear Allocation (Information only)

Interim Executive Director Verbeck explained regulatory and market factors affecting RCEA's financial condition, which can change frequently and dramatically within short time frames. The CPUC's Market Price Benchmarks and the Power Charge Indifference Adjustment were explained in detail. These factors affect PG&E's and RCEA's electricity procurement charges and recently caused a positive change in RCEA's projected near term financial outlook. PG&E is lobbying against the method of calculating the market price benchmark, and RCEA's financial outlook may change again as a result. The committee discussed these factors' effects on customer bills.

Interim Executive Director Verbeck reported that the Board voted to accept the Diablo Canyon nuclear allocation under the cost savings scenario recommended in a split vote by the CAC. The Board will review accepting the allocation annually, receive a staff report on

actual cost savings provided by accepting the allocation, and direct staff on how the cost savings should be used. There was no public comment on this item.

8. Potential Rate Change: Cost-of-Service

Senior Rate Analysis Specialist Regli and Accounts Services Manager Ramirez-Escareño described a proposed rate calculation method which would base electricity rates on the cost to provide electricity specifically to Humboldt County ratepayers. The current rate structure is based on a Board-set discount on PG&E's rates to serve the investor-owned utility's much larger territory and customer base with different electricity use patterns. Benefits of the cost-of-service rate model, commonly used by water and other utilities, include: stabilizing RCEA's revenue forecasts, reducing rate change frequency, and providing rate transparency and justification. This rate calculation method is being adopted by other Community Choice Aggregators (CCAs) to gain some independence from investor-owned utility interests.

The committee discussed the importance of adopting the cost-of-service rate calculation model to meet Community Choice Energy program goals, how RCEA customers will still see higher bills if PG&E continues increasing distribution rates, how RCEA's customer base differs from those of other CCAs in more affluent areas, and the need for public messaging explaining the change as a way to gain some local control over energy costs. The group reiterated the need to consider and highlight the rate change's benefits to the community. There was no public comment on this item.

9. CAC Social Media Engagement Basics

Community Strategies Manager Busick described best practices for amplifying RCEA's message on social media platforms and to help RCEA reach more customers with its services. Staff are increasing social media posting rates to build RCEA's brand in the community. There was no public comment on this item.

10. Interim Executive Director's Report

Interim Executive Director Verbeck reported that former CAC member and incoming Executive Director Beth Burks begins work at RCEA in January. Vice Chair Lawton presented Ms. Burks with a certificate of appreciation.

Vice Chair Lawton adjourned the meeting at 7:54 p.m.

Lori Taketa
Clerk of the Board

This page
intentionally
left blank.