



Redwood Coast Energy Authority
633 3rd Street, Eureka, CA 95501
Phone: (707) 269-1700 Toll-Free (800) 931-7232 Fax: (707) 269-1777
E-mail: info@redwoodenergy.org Web: www.redwoodenergy.org

BOARD OF DIRECTORS SPECIAL MEETING MINUTES

**Wharfinger Building, Bay Room
1 Marina Way, Eureka, CA 95501**

**December 17, 2024
Tuesday, 3:30 p.m.**

Chair Sarah Schaefer called a special meeting of the Board of Directors of the Redwood Coast Energy Authority to order on the above date at 3:32 p.m. Notice of this meeting was posted on December 14, 2024.

PRESENT: Natalie Arroyo, Vice Chair Scott Bauer (left 4:44 p.m.), Skip Jorgensen, Jason Ramos, Elise Scafani (arrived 3:40 p.m.), Chair Sarah Schaefer, Jack Tuttle, Frank Wilson, Sheri Woo. ABSENT: Kris Mobley, Yurok Tribe representative.

STAFF AND OTHERS PRESENT: Business Planning and Finance Director Lori Biondini, Infrastructure Programs Manager Juliette Bohn, General Counsel Nancy Diamond, Power Resources Senior Manager Jocelyn Gwynn, Demand-Side Management Director Stephen Kullmann, CorPower Ocean Commercial Director Kevin Rebenius, Baker Tilly Energy & Utilities Division Principal Bethany Ryer, Board Clerk Lori Taketa, Interim Executive Director Eileen Verbeck.

CONSENT CALENDAR

- 4.1** Approve Minutes of November 20, 2024, Board Meeting.
- 4.2** Approve Disbursements Report.
- 4.3** Accept Financial Reports.
- 4.4** Adopt Resolution 2024-14 Adopting Updates to the Energy Risk Management Policy.
- 4.5** Accept RCEA Racial Justice Plan Progress Report.
- 4.6** Authorize RCEA Executive Director to Execute the Department of Energy Grid Resilience Innovation Partnership (GRIP) Program Funds for Tribal Energy Resilience and Sovereignty Project GD-0000967 Conditional Award Once Finalized and Reviewed by Special Counsel.

No member of the public nor Board member requested consent calendar item discussion.

M/S: Jorgensen, Woo: Approve Consent Calendar items.

The motion passed with a unanimous roll call vote. Ayes: Arroyo, Bauer, Jorgensen, Ramos, Schaefer, Tuttle, Wilson, Woo. Noes: None. Absent: Mobley, Scafani. Abstain: None.

The Chair confirmed that a Community Choice Energy business quorum was present.

NEW CCE BUSINESS

7.1. Local Distributed Energy Storage Request for Offers

Power Resources Senior Manager Gwynn explained how energy storage is a needed component when transitioning to renewable but intermittent energy sources such as solar and wind power. Developers are expressing interest in grid connection sites at the former

power plants in Fairhaven and Blue Lake. Staff Manager Gwynn described the types of projects sought for the proposed request for offers and scoring criteria. The directors discussed how microgrids would likely be less financially attractive in this solicitation, which is geared more toward energy storage projects. They requested adding more information about community benefits to the preferred criteria section of the request.

Vice Chair Bauer, Chair Schaefer, Directors Tuttle and Woo volunteered to serve on an ad hoc Local Distributed Energy Storage Request for Offers Committee. Director Scafani disclosed that the City of Blue Lake owns a potential storage project site and inquired whether she should participate in this item's vote. The Director's ad hoc subcommittee participation was discouraged, and the Director was advised to consider for herself whether to recuse from future project discussion. The Board confirmed that non-CCE-voting directors were eligible to serve on ad hoc CCE program procurement committees because the committees are advisory and all Board members would vote on resulting contracts. There were no public comments on this item.

M/S: Bauer, Arroyo: Authorize staff to issue the Request for Offers for Local Distributed Energy Storage Resources.

The motion passed with a unanimous roll call vote. Ayes: Arroyo, Bauer, Jorgensen, Schaefer, Tuttle, Wilson. Noes: None. Absent: Mobley. Non-voting: Ramos, Woo. Abstain: Scafani.

7.2. Ocean Wave Energy Grant Proposal Letter of Intent

Senior Power Resources Manager Gwynn described how RCEA's strategic plan directs staff to explore wave energy viability. CorPower Ocean Commercial Director Rebenius introduced the international wave power development company, their buoy technology which can generate five times more energy than was previously possible by enhancing wave motion, and CorPower Ocean's current European test projects and development contracts. Wave energy buoys can be deployed in high-density clusters or with offshore wind turbines. The company is gaining funding to scale up project deployment and has applied for a U.S. Department of Energy grant to test their technology in U.S. waters at Oregon's PacWave wave energy test site. CorPower Ocean would like to partner with RCEA to learn more about how this technology can work in US conditions with community choice aggregators. RCEA's near-term involvement includes staff time, the requirements of which will be outlined in more detail for the Board should the DOE award CorPower the grant. RCEA would gain information about procuring this renewable energy source which is currently missing from RCEA's power portfolio. CorPower Ocean's west coast wave energy studies show that the wave resource off Humboldt County is one of the best in the world. Wave energy can fill solar and wind power's energy production gaps and lessen battery storage capacity needs. There were no public comments on this item.

M/S: Scafani, Bauer: Authorize staff to develop and provide a letter of intent in support of CorPower Ocean's proposal to the U.S. Department of Energy's "Oceans of Opportunity: U.S. Wave Energy Open Water Testing" funding opportunity.

The motion passed with a unanimous roll call vote. Ayes: Arroyo, Bauer, Jorgensen, Scafani, Schaefer, Tuttle, Wilson. Noes: None. Absent: Mobley. Non-Voting: Ramos, Woo. Abstain: None.

OLD BUSINESS

8.1. Regional Resilience Grant Program (Rural Fire Station Solar + Battery) Design/Build Solicitation Pathway Approval

Infrastructure Programs Manager Bohn described progress on a \$3 million grant-funded project to install standalone solar power and battery storage systems at 16 remote fire stations. The roof- or trailer-mounted systems will help keep the stations running during disasters and help pay for electricity use in non-emergency situations. Staff seek approval for a two-step design-build process where contractors are first qualified, then submit proposals. The grant will cover equipment purchase and installation. Some unexpected, special case costs may arise, such as stations needing roof reinforcement before panels can be installed. The directors discussed conflict of interest parameters, value benefits of the design-build versus lowest responsive bidder procurement process, and the importance of a maintenance package.

Directors Arroyo, Ramos, Scafani and Tuttle volunteered to serve on an ad hoc Regional Resilience Grant Program Committee to approve a shortlist of qualified respondents and to help review proposals. The full Board will be asked to award the contract. There were no public comments on this item.

M/S: Scafani, Bauer: Authorize RCEA's Executive Director to utilize the design-build process to procure design and construction of the solar plus battery storage systems for the RRGp Energy-Resilient Fire Services in High-Threat Communities project; and initiate the first step by developing and issuing an RFQ.

Delegate authority to the RRGp Ad Hoc Committee to: 1) approve the short list of qualified design build contractors, and 2) authorize the Executive Director to issue an RFP for construction of the solar plus battery storage systems.

The motion passed with a unanimous roll call vote. Ayes: Arroyo, Bauer, Jorgensen, Ramos, Scafani, Schaefer, Tuttle, Wilson, Woo. Noes: None. Absent: Mobley. Abstain: None.

NEW BUSINESS

9.1. Financial Audit for Fiscal Years Ending June 30, 2021 and 2020

Baker Tilly CPA and Principal Ryers presented a report on RCEA's FY 2020-2021 and 2019-2020 financial audits. The auditor worked on two fiscal years at once to catch up on its financial statements. These years' audits were clean with no findings. Staff quickly responded to an audit recommendation by preparing an investment policy, which the Board approved in September 2024. Work on the next two fiscal years' audits begins very shortly and new government accounting standards will be implemented. Staff expressed a desire to be current on financial audits in the next year. The directors discussed how accounts receivable aging accounts estimates, or adjustments to the percentage of past due or uncollectible accounts, were increased from 0.3% of sales to 3%, to align with actual uncollectible bill amounts. The auditors recommend monitoring uncollectible bills to fine tune the amount held in the allowance account. The directors thanked staff and the auditor for their work. There were no public comments on this item.

M/S: Woo, Arroyo: Accept and Approve Redwood Coast Energy Authority Financial Statements June 30, 2021, and 2020 and Associated Independent Auditors' Report by Baker Tilly US, LLP.

The motion passed with a unanimous roll call vote. Ayes: Arroyo, Jorgensen, Ramos, Scafani, Schaefer, Tuttle, Wilson, Woo. Noes: None. Absent: Bauer, Mobley. Abstain: None.

9.2. Rural Regional Energy Network North Pre-Launch Professional Services Agreements with Partners and FY 2024-25 Budget Adjustments

Demand-Side Management Director Kullmann provided an overview of the Rural Regional Energy Network North. The California Public Utilities Commission gave RCEA, as program administrator, permission to spend \$1.1 million for program pre-launch work. RCEA is waiting for PG&E to sign the program contract and release funds. Staff requested an RCEA mid-year budget adjustment to reflect partner contract drafting costs and other program pre-launch work. There were no public comments on this item.

M/S: Jorgensen, Scafani: Approve proposed changes to RCEA FY 24-25 budget.

The motion passed with a unanimous roll call vote. Ayes: Arroyo, Jorgensen, Ramos, Scafani, Schaefer, Tuttle, Wilson, Woo. Noes: None. Absent: Bauer, Mobley. Abstain: None.

STAFF REPORTS

10.1 Interim Executive Director's Report (Information only)

Interim Executive Director Verbeck thanked the Board for their support during the agency's transition between Executive Directors. The Directors thanked Interim Executive Director Verbeck for her skillful leadership. Incoming Executive Director Elizabeth Burks will begin working at RCEA in early January. Senior Power Resources Manager Gwynn reported that the Sandrini Solar project in Kern County began commercial operation earlier in the month. Board members will be invited to a ribbon cutting in early 2025. There were no public comments on this item.

Chair Schaefer adjourned the meeting at 5:17 p.m.

Lori Taketa
Board Clerk