



Redwood Coast Energy Authority  
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## **BOARD OF DIRECTORS MEETING MINUTES**

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

**February 27, 2025  
Thursday, 3:30 p.m.**

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Chair Scott Bauer called a 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 February 21, 2025.

PRESENT: Chair Scott Bauer, Michael Gerace, Skip Jorgensen, Alt. Dir. Cheryl Kelly, Alt. Dir. Heidi Moore-Guynup, Elise Scafani, Sarah Schaefer, Frank Wilson, Alt. Dir. Mike Wilson.  
ABSENT: Jerry King, Sheri Woo.

STAFF AND OTHERS PRESENT: Business Planning and Finance Director Lori Biondini, Executive Director Elizabeth Burks, Regulatory and Legislative Policy Manager Faith Carlson, Power Resources Director Richard Engel, The Energy Authority California Account Director Jaclyn Harr, Board Clerk Lori Taketa, Deputy Executive Director Eileen Verbeck.

### **ORAL AND WRITTEN COMMUNICATIONS**

Fortuna resident Dorre Howard submitted written comment opposing RCEA's biomass contract with Humboldt Sawmill Company.

### **CONSENT CALENDAR**

- 4.1 Approve Minutes of January 23, 2025, Board Meeting.
- 4.2 Approve Disbursements Report.
- 4.3 Accept Financial Reports.
- 4.4 Adjust RCEA Finance Committee Term Appointment Dates to End on February 28, 2026, to Simplify Mid-Year Budget Adjustment Meeting Scheduling.

**M/S: Schaefer, Moore-Guynup: Approve Consent Calendar items.**

**The motion passed with a unanimous vote. Ayes: Bauer, Gerace, Jorgensen, Kelly, Moore-Guynup, Scafani, Schaefer, F. Wilson, M. Wilson. Noes: None. Absent: King, Woo. Abstain: None.**

Chair Bauer confirmed that a Community Choice Energy (CCE) quorum was present.

### **OLD CCE BUSINESS**

#### **6.1. Energy Risk Management Semi-Annual Report**

Business Development and Finance Director Biondini described how the CCE program's risk management reports are semiannual to inform the Board's annual budget setting and mid-year budget adjustment discussions. CCE revenues are higher than expected. Net power costs are less than forecast, largely because the Sandrini solar project now fulfils a large part of RCEA's electricity needs at a fixed price. Power Resources Director Engel reported that PG&E's electricity generation rate was higher than forecasted while the power charge indifference adjustment (investor-owned utility customer exit fee) was lower than forecasted,

resulting in higher RCEA revenues. The two-year cash projection is improved. Uncollected customer debt since the pandemic totals more than \$7.9 million. Staff Dir. Engel explained how RCEA and PG&E handle customer debt and how RCEA budgets for uncollectible debt. There were no public comments on this item.

**M/S: M. Wilson, Jorgensen: Accept Energy Risk Management Semi-Annual Report.**

**The motion passed with a unanimous vote. Ayes: Bauer, Jorgensen, Kelly, Scafani, Schaefer, F. Wilson, M. Wilson. Noes: None. Absent: King, Woo. Abstain: None. Non-Voting: Gerace, Moore-Guynup.**

## **NEW BUSINESS**

### **9.1. Fiscal Year 2024-25 Mid-Year Budget Adjustment**

Deputy Executive Director Verbeck reported on proposed adjustments to the June 2024 Board-adopted budget, which was written when electricity market forecasts were less favorable, and program funding had not yet been received. Since the budget's adoption, projected net revenues increased from negative \$1.8 million (a budget shortfall) to positive \$13.8 million, primarily due to initial receipt of Northern Regional Energy Network (NREN) funding and receipt of Sandrini Solar Project construction delay damages. Considering the improved net revenue projections, staff proposed reinstating funding for operations and programs that were cut in June, including unfreezing vacant staff positions, increasing electric vehicle rebate funding, and funding a cost-of-service rate analysis. The Finance Committee supported staff's recommendation to: 1) keep renewable volumes currently in RCEA's portfolio; and 2) not sell renewable energy products in excess of the state standards. These actions will not increase customer costs and will keep RCEA's electricity portfolio at 82% renewable plus carbon free resources. With the proposed budget adjustments, RCEA should reach its reserve goal by early next fiscal year. Following the Board-adopted Reserve Policy, the Board may allocate funds in excess of the reserve target for bill credits or other programs after the reserve goal is maintained for 12 months. The directors expressed interest in investing reserves to generate funds for customer programs and to shelter the agency from market and policy volatility. There was interest in using reserve funds for a local bond to develop locally-owned and controlled resilience projects. Directors expressed hope that changing to cost of service rate setting would lead to customer bill savings and opt-ins. There were no public comments on this item.

**M/S: Gerace, Moore-Guynup: Approve proposed changes to the RCEA Fiscal Year 2024-25 Budget.**

**The motion passed with a unanimous vote. Ayes: Bauer, Gerace, Jorgensen, Kelly, Moore-Guynup, Scafani, Schaefer, F. Wilson, M. Wilson. Noes: None. Absent: King, Woo. Abstain: None.**

### **9.2. Federal Activity Update**

Regulatory and Legislative Policy Manager Carlson reported on numerous, recent executive actions and their impacts on RCEA's work. Staff expect slower implementation for energy efficiency rebates and incentives, slowed and higher-priced renewable energy development due to tariffs, and more difficulty for Humboldt County and other rural areas when pursuing federal funding. The Tribal Energy Resilience and Sovereignty project is the most impacted RCEA project. Federal funding has been paused for the project's microgrid development in

areas with unreliable or nonexistent electricity service. Executive Director Burks expressed to staff that the agency stands firm in its core values and mission. The directors requested updates on federal actions, their impacts and possible Board and staff action at each meeting, encouraged each other to share information from their contacts and to cooperate in enlisting strategic support at the regional and state levels. There were no public comments.

## **STAFF REPORTS**

### **11.1 Executive Director's Report (Information only)**

Executive Director Burks interviewed all staff members and several Board directors as part of her onboarding process. Sheri Woo is now serving as Board Vice Chair. The April 24 Board meeting will focus on affordability issues. RCEA received 131 customer phone calls in January. Over half the callers wanted to discuss their high electricity bills. Twenty out of 25 callers who asked to opt out of RCEA service decided to remain after learning about what RCEA does and how to read their electricity bill. Staff postponed the CCE weighted vote discussion to March so the requesting director could be present. There were no public comments.

Chair Bauer adjourned the meeting at 5:07 p.m.

Lori Taketa  
Board Clerk