



Redwood Coast Energy Authority
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BOARD OF DIRECTORS REGULAR MEETING AGENDA

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

**August 24, 2023
Thursday, 3:30 p.m.**

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

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 Board, including those received less than 72 hours prior to the Committee's meeting, will be made available to the public at www.RedwoodEnergy.org.

NOTE: Speakers wishing to distribute materials to the Board at the meeting, please provide 13 copies to the Board Clerk.

THIS IS A HYBRID IN-PERSON AND VIRTUAL MEETING.

The Board of Directors has returned to in-person hybrid meetings. When attending Board meetings, please socially distance as much as possible and be courteous to those who choose to wear a mask.

To participate in the meeting online, go to <https://us02web.zoom.us/j/81972368051>. **To participate by phone**, call (669) 900-6833 or (253) 215-8782. Enter webinar ID: 819 7236 8051.

To make a comment 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 unmute your phone or computer. You will have 3 minutes to speak.

You may submit written public comment by email to 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."

OPEN SESSION Call to Order

1. ROLL CALL - REMOTE DIRECTOR PARTICIPATION

- 1.1. Approve teleconference participation request for this meeting by Director pursuant to Brown Act revisions of AB 2449 due to an emergency circumstance to be briefly described.

2. REPORTS FROM MEMBER ENTITIES

3. ORAL COMMUNICATIONS

This time is provided for people to address the Board or submit written communications on matters not on the agenda. At the conclusion of all oral communications, the Board may respond to statements. Any request that requires Board action will be set by the Board for a future agenda or referred to staff.

4. CONSENT CALENDAR

All matters on the Consent Calendar are considered to be routine by the Board 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, Board members or members of the public can request that an item be removed for separate discussion.

- 4.1 Approve Minutes of July 27, 2023, Board Meeting.

- 4.2 Approve Disbursements Report.

- 4.3 Accept Financial Reports.

- 4.4 Approve:

- The Analyst Job Description as Provided.
- Adding the Analyst Job Description to the Salary Schedule at the Technician Position Classification.
- Reclassifying the Rural REN Technician Position to Analyst.
- The Revised Organizational Chart.

- 4.5 Authorize Staff to Prepare and Release Solicitations for RuralREN Administrative, Marketing, Legal, and Database Support Services Following Review and Approval by RCEA Administrative Staff and Legal Counsel.

- 4.6 Approve Memorandum of Understanding Between Redwood Coast Energy Authority and the County of Humboldt to Investigate Microgrid Development at County Airport Facilities and Authorize the Executive Director to Execute Said Memorandum of Understanding.

5. REMOVED FROM CONSENT CALENDAR ITEMS

Items removed from the Consent Calendar will be heard under this section.

6. NEW BUSINESS

- 6.1 Fiscal Year 2022-2023 Fourth Quarter Budget Report

Accept Quarterly Budget Report (Q4).

COMMUNITY CHOICE ENERGY (CCE) BUSINESS (Confirm CCE Quorum)

Items under this section of the agenda relate to CCE-specific business matters that fall under RCEA's CCE voting provisions, with only CCE-participating jurisdictions voting on these matters with weighted voting as established in the RCEA joint powers agreement.

7. OLD CCE BUSINESS

7.1. Net Billing Tariff Implementation Update

Approve a Net Billing Tariff design that mirrors the PG&E Net Billing Tariff to be implemented on or after December 15, 2023, as determined by Calpine's billing readiness.

8. NEW CCE BUSINESS

8.1. Procurement of Portfolio Content Category 3 Renewable Energy Certificates

Authorize staff to seek procurement of Portfolio Content Category 3 Renewable Energy Certificates as needed for RPS compliance purposes, and to procure any contracts in accordance with the transaction authorization limits in the Energy Risk Management Policy.

8.2. Portfolio Content Category 3 Renewable Energy Certificate Purchase from Humboldt Sawmill Company

Authorize staff to negotiate procurement of Portfolio Content Category 3 Renewable Energy Certificates for regulatory compliance purposes from Humboldt Sawmill Company, via either an amendment to the existing power purchase agreement between RCEA and Humboldt Sawmill Company or a new separate agreement, with the final amendment or agreement to be brought to the RCEA Board for approval at a later meeting.

END OF COMMUNITY CHOICE ENERGY (CCE) BUSINESS

9. OLD BUSINESS

9.1 Q2 CAPE Status Update (Information only.)

10. STAFF REPORTS

10.1 Executive Director's Report

11. FUTURE AGENDA ITEMS

Any request that requires Board action will be set by the Board for a future agenda or referred to staff.

12. CLOSED SESSION

- 12.1** Public Employee Performance Evaluation, pursuant to Government Code Section 54957(b)(1): Executive Director.

13. ADJOURNMENT

NEXT REGULAR MEETING

Thursday, September 28, 2023, 3:30 p.m.
Jefferson Community Center Auditorium, 1000 B Street, Eureka, CA 95501.
Online and phone participation will also be possible via Zoom.



STAFF REPORT
Agenda Item # 1.1

AGENDA DATE:	August 24, 2023
TO:	RCEA Board of Directors
FROM:	Eileen Verbeck, Deputy Executive Director
SUBJECT:	Member Teleconference Participation

BACKGROUND

Since emergency Brown Act meeting law changes went into effect in 2020 due to the COVID-19 public health emergency, the RCEA Board of Directors, Community Advisory Committee and the subcommittees of those bodies met online with no physical, public meeting location. Governor Newsom signed AB 361 into law in September 2021, which allowed these bodies to continue meeting completely virtually without publishing each member's participation location while the COVID state of emergency continued and state or local officials recommended social distancing measures or the RCEA Board determined that meeting in person posed health and safety risks.

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

RCEA Board Directors 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 a Board Director would like to attend the meeting remotely due to an emergency circumstance, the Board will take action by majority vote to approve the Director's remote participation. A vote is not necessary for a request to attend remotely for just cause. A brief

description, protecting the Director's (or Director's family member's) medical privacy, needs to be provided in both cases.

The remotely participating Board Director 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 Director, and the general nature of the individual's relationship with the Director.

If the Board Director anticipates needing to participate remotely for more than 2 meetings per year, staff recommends arranging for a publicly and ADA accessible space with visual and audio meeting capabilities from which to participate.

Staff asks to be notified one-week in advance, if possible, of remote meeting attendance so the Director's publicly and ADA accessible remote meeting address can be published in the agenda, if required per Brown Act open meeting laws.

Current Remote Participation Requests

As of the writing of this staff report, there are no requests for "just cause" or "emergency circumstances" remote director participation.

RECOMMENDED ACTION (if needed)

Approve teleconference participation request for this meeting by Director pursuant to Brown Act revisions of AB 2449 due to an emergency circumstance to be briefly described.



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BOARD OF DIRECTORS DRAFT MEETING MINUTES

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

July 27, 2023
Thursday, 3:30 p.m.

Chair Sheri Woo called a regular meeting of the Board of Directors of the Redwood Coast Energy Authority to order on the above date at 3:30 p.m. Notice of this meeting was posted on July 22, 2023.

PRESENT: Scott Bauer, Alt. Dir. Rex Bohn, Alt. Dir. Jana Ganion, Skip Jorgensen, Kris Mobley, Alt. Dir. Provolt; Elise Scafani, Vice Chair Sarah Schaefer, Frank Wilson, Chair Sheri Woo. ABSENT: Natalie Arroyo, Frankie Myers, Jason Ramos, Jack Tuttle.

Remote public participation was also possible from the Yurok Tribe's Weitchpec offices, 23001 CA-96, Hoopa, CA.

STAFF AND OTHERS PRESENT: General Counsel Nancy Diamond; Power Resources Director Richard Engel; Senior Power Resources Manager Jocelyn Gwynn; The Energy Authority Account Director Jaclyn Harr; Demand-Side Management Director Stephen Kullmann; Executive Director Matthew Marshall; Human Resources and Workforce Development Manager Kristy Siino; Board Clerk Lori Taketa; Deputy Executive Director Eileen Verbeck.

REPORTS FROM MEMBER ENTITIES / ORAL COMMUNICATIONS

There were no reports from member entities nor public oral or written communications.

CONSENT CALENDAR

- 4.1 Approve Minutes of June 22, 2023, Board Meeting.
- 4.2 Approve Disbursements Report.
- 4.3 Accept Financial Reports.
- 4.4 Approve Rural REN Portfolio Manager Job Description.

No director nor member of the public requested items be removed from the consent calendar.

M/S: Schaefer, Bauer: Approve Consent Calendar items.

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

OLD BUSINESS

- 8.1 RuralREN Statewide Rural and Hard-to-Reach Energy Efficiency Program Implementation

Power Resources Director Kullmann reported that the CPUC officially approved the Rural Regional Energy Network. As administrator, RCEA must begin preparing joint cooperation memoranda and a true up advice letter necessary for Rural Regional Energy Network implementation. Frontier Energy has experience working with and implementing REN programs and has been working with RCEA on the agency's existing energy efficiency programs. Staff proposed approving an expanded contract with Frontier to accomplish immediate start up work. There was no public comment on this item.

M/S: Schaefer, Mobley: Approve contract amendment No. 5 with Frontier Energy, Inc. for near-term Regional Energy Network launch regulatory and administrative services, with a not-to-exceed amount of \$150,000 and authorize the Executive Director to execute all applicable documents.

The motion passed with a unanimous vote. Ayes: Bauer, Bohn, Ganion, Jorgensen, Mobley, Provolt, Scafani, Schaefer, Wilson, Woo. Noes: None. Absent: Tuttle. Abstain: None.

CCE BUSINESS (Confirm quorum)

Chair Woo confirmed there was a CCE Business quorum present.

NEW CCE BUSINESS

6.1 Solicitation for CPUC-Mandated 2023 Mid-Term Grid Reliability Requirements

Power Resources Senior Manager Gwynn described this fourth attempt to solicit offers for new, renewable, carbon-free grid reliability resources including large hydropower or energy storage, for 2027 and 2028. This solicitation is to help fill load requirements that would have been unmet if the Diablo Canyon nuclear power facility went offline as originally scheduled. Load-serving entities statewide are still required to procure these additional resources even though Diablo Canyon is expected to stay online until 2030. Solicitation processes for this request for offers have been streamlined to allow for quicker agency response and fewer withdrawn offers in the current, extremely competitive energy market.

Directors Bauer and Scafani and Vice Chair Schaefer volunteered to serve on an ad hoc mid-term reliability offer review subcommittee. Chair Woo volunteered to serve but Legal Counsel Diamond determined that non-CCE voting members should not serve on this subcommittee.

It was requested that the Yurok and Blue Lake Rancheria tribes be named as RCEA member agencies in the request for offer document. There was no public comment on this agenda item.

M/S: Jorgensen, Bauer:

- 1. Authorize staff to issue the 2023 Mid-Term Reliability Request for Offers.**
- 2. Establish an ad hoc Board offer review committee and authorize it to take the following actions provided they are consistent with the RFO:**
 - (i) Approve shortlisted offers,**
 - (ii) Replace offers on the shortlist as needed, and**
 - (iii) Approve continued negotiations with a shortlisted respondent in the event their offer materially changes.**

3. **Authorize staff to engage with the shortlisted respondents, including execution of exclusivity agreements, collection of shortlist deposits, and negotiation of contract terms, prior to full Board review and approval of resulting contracts.**

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

OLD CCE BUSINESS

7.1 Energy Risk Management Quarterly Report

The Directors heard and accepted a Quarterly Energy Risk Management Report by The Energy Authority Account Director Harr. PG&E rates are expected to fall in 2023-2025, resulting in customer bill savings and a \$17.5 million reduction in projected RCEA net revenues. During the same period costs for other energy products such as resource adequacy and carbon free and renewable energy certificates are expected to rise. The Sandrini solar project, a future source of one-third of RCEA's customer load, is expecting further delays with a new energy delivery date of December 31, 2025. Like many other load-serving entities, RCEA may not be able to procure required resource adequacy, carbon and PCC1 portfolio resources due to very low supply. Ms. Harr and staff described good-faith discussions with Sandrini developer EDPR regarding the certainty of energy delivery by Q1 2025 and work to obtain solar panels with non-forced labor documentation acceptable to the U.S. Customs and Border Protection Agency.

RCEA's cash reserves are expected to continue growing at a lower rate than previously forecast. RCEA is expected to spend reserve funds during 2024. Cash reserve growth is expected to accelerate after the Sandrini project begins operation.

The Directors discussed the Sandrini project delays, the nature of discussions with the developer, and the current sellers' market in the context of extremely high energy product prices. There was no public comment on this item.

7.2 Annual Report on Humboldt Sawmill Company Memorandum of Understanding (Information only)

Power Resources Director Engel reported on the Humboldt Sawmill Company's annual report of requested biomass plant data, and the Biomass Technical Advisory Group and Community Advisory Committee review and comments on that report. Those groups' questions and concerns regarding the HSC power plant's emissions data and violations were described, as were the company's exploration of hydrogen fuel as a potential alternative biomass feedstock use. RCEA staff described potential implementation of a citizen science air quality monitoring project and CAC and public questioning of continued biomass combustion energy procurement.

The Directors discussed:

- The need for an emissions comparison between natural gas and local biomass power.
- The need for more time for the BTAG to review HSC's annual report, which would allow for better recommendations to the CAC and Board, and for better-informed Board portfolio decisions.

- The impacts to servicing local energy demand, the local lumber industry and forest land stewardship if the HSC plant closed.
- That it would be unlikely for HSC to close its biomass plant should RCEA stop procuring its energy due to the plant's function in the entire sawmill operation and the high market value of the plant's energy and renewable energy certificates.
- The CPUC proceeding allowing Community Choice Aggregator's to participate in the Bioenergy Market Adjusting Tariff program and receive credit for purchasing biomass energy from small energy providers.
- The importance of considering biomass power plants' potential to create toxic hotspots in areas surrounding the plants.
- Whether HSC has accessed AB 617 funds to reduce local emissions at old biomass power plants.
- The externalization of in-community impacts of natural gas usage, especially to Tribal nations on fracking fields.

Member of the public Martha Walden submitted written comment requesting more time to consider HSC's air quality standard violations prior to making Integrated Resource Plan decisions, supporting non-combustion uses of forest residue, and opposing RCEA's procuring biomass incineration energy due to carbon emissions and climate harm.

Member of the public Lee Dedini submitted written comment requesting that RCEA stop procuring energy from biomass combustion which is not clean energy.

Biomass Technical Advisory Group member, Forest Advisor and County Director of the Humboldt and Del Norte Counties' University of California Cooperative Extension Yana Valachovic distributed comments written in 2019, and reported that wildfire has destroyed 1/8 of California's forests in the last decade. Ms. Valachovic described the state's urgent wildfire fuel management needs; how the rest of the state envies Humboldt's remaining biomass infrastructure; the 40-year divestment from forest product infrastructure, research and development; and how this divestment harmed fast-track alternative biomass use development. Regional value-added forest industry development is capped by the inability to address additional biomass waste.

The Directors supported the Biomass Technical Advisory Group's suggestions for more detailed air quality data and staff's suggestion of continuing to request biomass data annually from Humboldt Sawmill Company with more in-depth Board discussions occurring every other year.

7.3 Humboldt's Electric Future Community Outreach Final Report

Power Resources Director Engel presented results of RCEA's community outreach efforts to inform next year's mandated Integrated Resource Plan filing process. The online and in-person workshop participants expressed strong support for reducing greenhouse gas emissions quickly, allocating RCEA resources to developing local renewable energy, and for an energy portfolio that prioritizes greenhouse gas emission reduction. Daily load considerations for different potential power portfolios were described. Staff's suggestion of engaging in a Citizen's Assembly process to improve community representation diversity was described and received Board support.

The Directors thanked staff and accepted the final, published report. The group discussed whether there has been future load analysis in the context of electrification to reduce fossil fuel use and after energy efficiency measures are taken, and the possibility of including indirect economic benefits when considering whether or not to prioritize local energy generation. There were no public comments on this agenda item.

STAFF REPORTS

9.1 Executive Director's Report

Executive Director Marshall reported that RCEA is beginning to participate in local community events and requested the directors to advise staff of upcoming tabling or public outreach opportunities. There were no public comments on this agenda item.

FUTURE AGENDA ITEMS

Director Wilson requested a layman's term description of how the grid and power resources serving Humboldt County locally are affected by grid conditions such as severe heat events for which CAISO or PG&E issue statewide or service area alerts. There were no public requests for future agenda items.

Chair Woo adjourned the meeting at 5:34 p.m.

Lori Taketa
Clerk of the Board

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Redwood Coast Energy Authority
Disbursements Report
As of June 30, 2023

Type	Date	Num	Name	Memo	Amount
Bill Pmt -Check	06/01/2023	15896	Advanced Display & Signs	Banner for Outreach	-186.31
Bill Pmt -Check	06/01/2023	15897	Amazon.com	Monthly billing - April 2023	-6,004.11
Bill Pmt -Check	06/01/2023	15898	Colonial Life	Colonial Life Premiums May 2023	-2,179.78
Bill Pmt -Check	06/01/2023	15899	Mateer, C.	Reimbursement for return of RCEA Equipment	-84.65
Bill Pmt -Check	06/01/2023	15900	Petty Cash	Replenish petty cash for May 2023 reimbursement	-95.22
Bill Pmt -Check	06/01/2023	15901	Sloan, J.	CalCCA Conference Transportation	-134.02
Check	06/01/2023	15902	CCE Customer	Res EVSE rebate #EVSE30	-376.59
Check	06/01/2023	15903	NEM Customer	NEM Account Close Out	-135.33
Check	06/01/2023	15904	SacTown Contractor's Corp.	PA Direct Install Non-RES #DI-NR-220413-0191	-662.88
Check	06/01/2023	15905	CCE Customer	PA and CCE Heat Pump Rebate RES #DS-R-230502-1282	-1,100.00
Check	06/01/2023	15906	CCE Customer	PA Equipment Rebate - Res #DS-R-230426-1251	-500.00
Liability Check	06/09/2023	ACH	EDD	Tax deposit Paydate 06/09/23	-5,919.75
Liability Check	06/09/2023	ACH	Internal Revenue Service	Tax deposit Paydate 06/09/23	-29,026.74
Liability Check	06/09/2023	ACH	Newport Group	Deferred compensation Paydate 06/09/23	-18,048.16
Bill Pmt -Check	06/09/2023	ACH	Leapfrog Energy	May 2023 RA	-36,740.00
Bill Pmt -Check	06/09/2023	ACH	Viridity Energy Solutions, Inc.	Tierra Buena RA-May 2023	-16,900.00
Liability Check	06/09/2023	15907	Umpqua Bank	HSA contribution Paydate 06/09/23	-72.07
Check	06/09/2023	15908-23	NEM Customers	2023 NEM Annual Payouts	-12,307.76
Check	06/09/2023	15924-36	CCE Customers	PA Equipment Rebate - Res #DS-R-230511-1315	-10,665.00
Check	06/09/2023	15937	Jeff Trirogoff	Scholarship Reimb for EVITP Certification Training	-275.00
Check	06/09/2023	15938	CCE Customer	PA Equipment Rebate - Res #DS-R-230427-1260	-400.00
Check	06/09/2023	15939	VISA	May 2023 Statement 04/21/2023 - 05/19/2023	-13,232.99
Bill Pmt -Check	06/09/2023	15940	AT&T	RCAM Router charges - ACV: 04/19 - 05/18	-163.00
Bill Pmt -Check	06/09/2023	15941	AT&T Long Distance	Phone charges 05/25/2023 - 06/24/2023	-193.91
Bill Pmt -Check	06/09/2023	15942	Bidwell Consulting Services, Inc.	Service fees for 2022	-4,430.00
Bill Pmt -Check	06/09/2023	15943	BitHELL, M.	CCEC Forum Per Diem Meals	-174.00
Bill Pmt -Check	06/09/2023	15944	Burks, K.	CCEC Forum Per Diem Meals	-174.00
Bill Pmt -Check	06/09/2023	15945	Chausse-Heath, V.	CCEC Forum Per Diem Meals	-191.00
Bill Pmt -Check	06/09/2023	15946	City of Arcata	May 2023 Utility User Tax #6310	-13,092.97
Bill Pmt -Check	06/09/2023	15947	City of Arcata	May 2023 Excessive Energy Use Tax #6315	-1,966.50
Bill Pmt -Check	06/09/2023	15948	City of Eureka-Water	May and June water bills	-532.54
Bill Pmt -Check	06/09/2023	15949	Donald Dame	Professional Services May 2023	-292.25
Bill Pmt -Check	06/09/2023	15950	Enterprise	Aisha Cissna CCEC Car rental 5/25/23-5/28/23	-141.15
Bill Pmt -Check	06/09/2023	15951	Eureka Oxygen	Annual fire extinguisher service	-276.15
Bill Pmt -Check	06/09/2023	15952	Eureka Rubber Stamp	Qty 2 Board meeting nameplates	-31.88
Bill Pmt -Check	06/09/2023	15953	Fukui, R.	CCEC Forum Per Diem Meals	-152.00
Bill Pmt -Check	06/09/2023	15954	Giese, L.	Mileage & Per Diem Reimbursement	-191.03
Bill Pmt -Check	06/09/2023	15955	Hilson, D.	CCEC Forum Per Diem Meals	-169.00
Bill Pmt -Check	06/09/2023	15956	HireRight	Background Check: New hire	-105.90
Bill Pmt -Check	06/09/2023	15957	Humboldt Bay Coffee Co.	Office Coffee	-51.90
Bill Pmt -Check	06/09/2023	15958	Kerekes, C.	Mileage & Per Diem Reimbursement	-241.47
Bill Pmt -Check	06/09/2023	15959	Kullmann, S.	CCEC Forum Per Diem Meals	-191.00
Bill Pmt -Check	06/09/2023	15960	Marshall, M.	Travel Reimbursements for 4 trips	-972.66
Bill Pmt -Check	06/09/2023	15961	Mattio, B.	CCEC Forum Per Diem Meals	-191.00
Bill Pmt -Check	06/09/2023	15962	Mission Uniform & Linen	June 2023 services	-246.82
Bill Pmt -Check	06/09/2023	15963	Nicklas, Alida M	CCEC Forum Per Diem Meals	-174.00
Bill Pmt -Check	06/09/2023	15964	North Coast Cleaning	May 2023 Services	-970.00
Bill Pmt -Check	06/09/2023	15965	Optimum Business-633	633 3rd St: VOIP & Internet - 05/28 - 06/27/2023	-1,100.45
Bill Pmt -Check	06/09/2023	15966	Perez, A.	CCEC Forum Per Diem Meals	-191.00
Bill Pmt -Check	06/09/2023	15967	Recology	May 2023 Services	-160.27
Bill Pmt -Check	06/09/2023	15968	Rennie, J	Mileage & Per Diem Reimbursement	-329.89
Bill Pmt -Check	06/09/2023	15969	Rio Dell-Scotia Chamber of Commerce	2023 Membership Dues	-250.00
Bill Pmt -Check	06/09/2023	15970	SDRMA WC	FY 23-24 compensation program invoice	-20,905.24
Bill Pmt -Check	06/09/2023	15971	Stephenson, N.	Travel Reimbursement and Per Diem	-277.00
Bill Pmt -Check	06/09/2023	15972	Stitch Witch	Logo gear order - 50% Remaining Balance Due	-256.83
Bill Pmt -Check	06/09/2023	15973	Terry, P.	CCEC Forum Per Diem Meals	-152.00
Bill Pmt -Check	06/09/2023	15974	Times Printing Company	June 2023 services	-2,152.10
Bill Pmt -Check	06/09/2023	15975	Ubeo Business Services	633 3rd St Printer Charges: 05/06-06/05/23	-233.22

Redwood Coast Energy Authority
Disbursements Report
As of June 30, 2023

Type	Date	Num	Name	Memo	Amount
Bill Pmt -Check	06/09/2023	15976	Verizon Wireless	Tablet/cellular service - 04/29 - 05/28/2023	-1,553.35
Paycheck	06/09/2023	ACH	Employees	Payroll	-71,049.16
Check	06/13/2023	15980	NEM Customer	NEM Account Close Out	-39.06
Check	06/13/2023	15981	NEM Customer	NEM Account Close Out	-47.51
Check	06/13/2023	15982	NEM Customer	NEM Account Close Out	-58.07
Check	06/13/2023	15983	NEM Customer	NEM Account Close Out	-37.21
Check	06/13/2023	15984	NEM Customer	NEM Account Close Out	-8.33
Check	06/13/2023	15985	NEM Customer	NEM Account Close Out	-194.51
Check	06/13/2023	15986	NEM Customer	NEM Account Close Out	-39.58
Check	06/13/2023	15987	NEM Customer	NEM Account Close Out	-2,394.86
Check	06/13/2023	15988	NEM Customer	NEM Account Close Out	-15.55
Bill Pmt -Check	06/14/2023	ACH	Humboldt Sawmill Co.	May 2023 Electricity Generation	-702,746.75
Bill Pmt -Check	06/14/2023	ACH	Keenan	Anthem Medical Insurance June 2023	-20,180.72
Bill Pmt -Check	06/14/2023	15977	California State Controller	Unclaimed property/stale checks	-885.60
Bill Pmt -Check	06/14/2023	15978	Alber's Tractor and Ag Work	Mowing services for ACV solar site on 6/5/23	-1,000.00
Bill Pmt -Check	06/14/2023	15979	Baker Tilly US, LLP	Professional services - period ending 5/26/23	-11,885.50
Bill Pmt -Check	06/21/2023	ACH	Intuit	Intuit Payroll Services - annual	-650.00
Liability Check	06/23/2023	ACH	CICCS Coalition for Controlling Insurance	EAP Services Invoice 2023-6	-63.24
Liability Check	06/23/2023	ACH	EDD	Tax deposit Paydate 6/23/23	-6,040.91
Liability Check	06/23/2023	ACH	Internal Revenue Service	Tax deposit Paydate 6/23/23	-29,436.68
Liability Check	06/23/2023	ACH	Newport Group	Deferred compensation Paydate 6/23/23	-18,585.62
Bill Pmt -Check	06/23/2023	ACH	CalPine Corporation	Data management May 2023 Costs	-75,463.92
Bill Pmt -Check	06/23/2023	ACH	PG&E Voluntary Allocation	Jan and Feb 2023 RA	-82,638.09
Bill Pmt -Check	06/23/2023	ACH	Snow Mountain Hydro, LLC	May 2023 Electricity Generation	-148,796.94
Bill Pmt -Check	06/23/2023	ACH	USDA	Loan Payment Q2-2023	-99,234.39
Liability Check	06/23/2023	15989	Umpqua Bank	HSA contribution Paydate 6/23/23	-72.07
Check	06/23/2023	15990-16009	CCE Customers	Equipment Rebates	-11,624.50
Bill Pmt -Check	06/23/2023	16010	Aiqueous, LLC	Stage 6 Next 90 & Stage 7 Jan-Dec 2023	-4,362.00
Bill Pmt -Check	06/23/2023	16011	Ameritas - Dental	#010-055098-00001 Dental - July 2023	-2,249.84
Bill Pmt -Check	06/23/2023	16012	Ameritas - Vision	010-055098-00002 Vision - July 2023	-463.08
Bill Pmt -Check	06/23/2023	16013	AT&T	RCAM Direct Line charges: 06/01 - 06/30/2023	-916.53
Bill Pmt -Check	06/23/2023	16014	Bidwell Consulting Services, Inc.	Prep of annual IRS form 500	-1,250.00
Bill Pmt -Check	06/23/2023	16015	Bithell, M.	May & June mileage and purchase Reimbs.	-424.09
Bill Pmt -Check	06/23/2023	16016	Braun Blaising & Wynne	Legal Services - Regulatory -May 2023	-1,852.74
Bill Pmt -Check	06/23/2023	16017	Carter Properties, LLC	917 3rd Street Office Lease -July 2023 rent	-2,300.00
Bill Pmt -Check	06/23/2023	16018	Chausse-Heath, V.	CCEC Forum Gas Reimbursement	-30.35
Bill Pmt -Check	06/23/2023	16019	Cissna, A.	Travel Reimbursement-CalCCA & CAISO	-7.48
Bill Pmt -Check	06/23/2023	16020	Diamond, Nancy	Legal services May 2023	-8,304.20
Bill Pmt -Check	06/23/2023	16021	Fortuna Chamber of Commerce	2023 Membership Dues	-400.00
Bill Pmt -Check	06/23/2023	16022	Frontier Energy, Inc.	PA Program Consulting - May 2023	-5,334.75
Bill Pmt -Check	06/23/2023	16023	Fukui, R.	CCEC Forum Parking Reimbursement	-36.00
Bill Pmt -Check	06/23/2023	16024	Gwynn, J.	CAISO Meeting Lodging & Gas	-336.38
Bill Pmt -Check	06/23/2023	16025	Hand Therapy Center	Ergonomic evaluations for 5 employees	-1,250.00
Bill Pmt -Check	06/23/2023	16026	Hilson, D.	CCEC Forum Gas Reimbursement	-73.13
Bill Pmt -Check	06/23/2023	16027	Humboldt Builders' Exchange	Annual membership dues	-425.00
Bill Pmt -Check	06/23/2023	16028	Kullmann, S.	CCEC Forum Gas Reimbursement	-52.75
Bill Pmt -Check	06/23/2023	16029	Local Worm Guy	April and May services	-90.00
Bill Pmt -Check	06/23/2023	16030	Lynette Mullen	Consulting Services -Meeting Prep -May 2023	-1,306.25
Bill Pmt -Check	06/23/2023	16031	McKinleyville Chamber of Commerce	2023 Annual Membership Dues	-260.00
Bill Pmt -Check	06/23/2023	16032	Mission Uniform & Linen	6/20/23 invoices	-27.53
Bill Pmt -Check	06/23/2023	16033	Nicklas, Alida M	Mileage reimbursement - June 2023	-34.52
Bill Pmt -Check	06/23/2023	16034	NYLEX.net, Inc.	Onsite network support services - July 2023	-3,620.00
Bill Pmt -Check	06/23/2023	16035	Pacific Paper Company	Self-stick easel pad and supplies for workshop	-83.66
Bill Pmt -Check	06/23/2023	16036	Perez, A.	CCEC Forum Lodging Reimbursement	-689.27
Bill Pmt -Check	06/23/2023	16037	PG&E - ACV	ACV site utilities 4/28/23-5/26/23	-468.66
Bill Pmt -Check	06/23/2023	16038	PG&E CCA	May 2023 CCE Charges	-21,999.60
Bill Pmt -Check	06/23/2023	16039	PG&E Office Utility	05/08-06/06/23 utilities for 917 3rd Street	-254.88
Bill Pmt -Check	06/23/2023	16040	Scrappier's Edge	Wide Format Poster printing & cutting	-31.01

Redwood Coast Energy Authority
Disbursements Report
As of June 30, 2023

Type	Date	Num	Name	Memo	Amount
Bill Pmt -Check	06/23/2023	16041	Stephenson, N.	May & June mileage and purchase reimbursements	-556.91
Bill Pmt -Check	06/23/2023	16042	Terry, P.	CCEC Forum Lodging Reimbursement	-745.19
Bill Pmt -Check	06/23/2023	16043	The Climate Registry	Membership dues Jan-Mar 2023	-315.00
Bill Pmt -Check	06/23/2023	16044	Westside Community Center	Board meetings 2023 and Outreach workshop	-1,575.00
Bill Pmt -Check	06/23/2023	16045	Winzler, John	Office Lease - 633 3rd Street July 2023	-7,132.30
Paycheck	06/23/2023	ACH	Employees	Payroll	-71,988.30
Check	06/30/2023	16046-99	CCE Customers	Equipment Rebates	-31,012.50
Check	06/30/2023	16100	SacTown Contractor's Corp.	PA Direct Install Non-RES #DI-NR-230505-1296	-1,120.72
Bill Pmt -Check	06/30/2023	16101	Amazon.com	Monthly billing - May 2023	-4,759.77
Bill Pmt -Check	06/30/2023	16102	City of Eureka-Other	3rd False Alarm Fee-Permit E1339	-140.00
Bill Pmt -Check	06/30/2023	16103	Colonial Life	Colonial Life Premiums June 2023	-2,179.78
Bill Pmt -Check	06/30/2023	16104	Hilson, D.	Mileage reimbursement - June 2023	-11.86
Bill Pmt -Check	06/30/2023	16105	Kerekes, C.	CCEC Forum Gas Reimbursement	-89.00
Bill Pmt -Check	06/30/2023	16106	Optimum Business-917	917 3rd St: Phone & Internet - 06/18 - 07/17/2023	-165.00
Bill Pmt -Check	06/30/2023	16107	PG&E EV Account	EV stations 05/16/2023-06/13/2023	-1,094.29
Bill Pmt -Check	06/30/2023	16108	PG&E Office Utility	05/16-06/13/23 utilities for 633 3rd Street	-848.64
Bill Pmt -Check	06/30/2023	16109	Shred Aware	Shredding services - June 2023	-103.00
Check	06/30/2023	16110	CCE Customer	PA Direct Install - Non-RES DI	-3,247.41
Check	06/30/2023	16111	VISA	June 2023 Statement 05/20/2023 - 06/21/2023	-25,312.02
TOTAL					<u>-1,702,443.00</u>

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Redwood Coast Energy Authority
Profit & Loss Budget vs. Actual
July 2022 through June 2023

	<u>Jul '22 - Jun 23</u>	<u>Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense			
Income			
Total 4 GRANTS AND DONATIONS	7,500.00		
5 REVENUE EARNED			
Total 5000 · Revenue - government agencies	897,802.13	1,101,031.00	81.54%
Total 5100 · Revenue - program related	93,025.12	30,400.00	306.0%
Total 5300 · Revenue - interest on deposits	878.45		
Total 5400 · Revenue-nongovernment agencies	312,331.80	489,124.00	63.86%
Total 5500 · Revenue - Electricity Sales	73,654,390.29	78,613,344.00	93.69%
Total 5 REVENUE EARNED	74,958,427.79	80,233,899.00	93.43%
Total Income	74,965,927.79	80,233,899.00	93.43%
Gross Profit	74,965,927.79	80,233,899.00	93.43%
Expense			
Total 6 WHOLESALE POWER SUPPLY	50,626,890.48	54,381,799.00	93.1%
Total 7 PERSONNEL EXPENSES	3,730,594.44	4,071,684.00	91.62%
Total 8.1 FACILITIES AND OPERATIONS	684,198.21	976,816.00	70.04%
Total 8.2 COMMUNICATIONS AND OUTREACH	113,472.15	177,004.00	64.11%
8.4 PROFESSIONAL & PROGRAM SRVS			
8400 · Regulatory	129,842.47	180,000.00	72.14%
8410 · Contracts - Program Related Ser	145,920.57	290,000.00	50.32%
8420 · Accounting	34,650.50	87,455.00	39.62%
8430 · Legal	190,375.51	180,000.00	105.76%
8450 · Wholesale Services - TEA	812,461.48	654,984.00	124.04%
8460 · Procurement Credit - TEA	465,435.04	690,545.00	67.4%
8470 · Data Management - Calpine	753,089.40	737,532.00	102.11%
Total 8.4 PROFESSIONAL & PROGRAM SRVS	2,531,774.97	2,820,516.00	89.76%
Total 8.5 PROGRAM EXPENSES	673,752.36	638,100.00	105.59%
Total 8.6 INCENTIVES & REBATES	604,521.72	577,823.00	104.62%
Total 9 NON OPERATING COSTS	256,612.70	246,020.00	104.31%
Total Expense	59,221,817.03	63,889,762.00	92.69%
Net Ordinary Income	15,744,110.76	16,344,137.00	96.33%
Net Income	15,744,110.76	16,344,137.00	96.33%

Redwood Coast Energy Authority
Balance Sheet
As of June 30, 2023

	<u>Jun 30, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
1010 · Petty Cash	300.00
1060 · Umpqua Checking Acct 0560	-8,960.11
1071 · Umpqua Deposit Cntrol Acct 8215	11,691,526.94
1075 · Umpqua Reserve Account 2300	1,319,298.52
1076 · First Republic Bank - 4999	62,263.94
Total Checking/Savings	<u>13,064,429.29</u>
Total Accounts Receivable	72,155.65
Other Current Assets	
1101 · Allowance for Doubtful Accounts	-3,882,223.13
1103 · Accounts Receivable-Other	14,574,858.80
1120 · Inventory Asset	21,715.00
1205 · Prepaid Insurance	20,905.24
1210 · Retentions Receivable	4,552.94
1499 · Undeposited Funds	26.00
Total Other Current Assets	<u>10,739,834.85</u>
Total Current Assets	23,876,419.79
Total Fixed Assets	9,012,135.35
Other Assets	
1700 · Security Deposits	4,053,623.26
Total Other Assets	<u>4,053,623.26</u>
TOTAL ASSETS	<u>36,942,178.40</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Total Accounts Payable	3,266,076.91
Total Credit Cards	6,091.67
Other Current Liabilities	
2002 · Deposits Refundable	1,521,045.01
2013 · Unearned Revenue - PA 2020-2023	136,075.28
Total 2100 · Payroll Liabilities	<u>285,690.72</u>
Total Other Current Liabilities	<u>1,942,811.01</u>
Total Current Liabilities	5,214,979.59
Long Term Liabilities	
Total 2700 · Long-Term Debt	<u>6,218,497.58</u>
Total Long Term Liabilities	<u>6,218,497.58</u>
Total Liabilities	11,433,477.17
Equity	
2320 · Investment in Capital Assets	117,400.25
3900 · Fund Balance	9,647,190.22
Net Income	15,744,110.76
Total Equity	<u>25,508,701.23</u>
TOTAL LIABILITIES & EQUITY	<u>36,942,178.40</u>



STAFF REPORT
Agenda Item # 4.4

AGENDA DATE:	August 24, 2023
TO:	Board of Directors
PREPARED BY:	Eileen Verbeck, Deputy Executive Director
SUBJECT:	Approve Analyst Job Description, Approve Addition of the Analyst Position to the Salary Schedule, Approve Reclassification of Vacant Rural REN Technician Position to Analyst and Approve Revised Organization Chart

BACKGROUND

In anticipation of a CPUC decision regarding the funding of a Rural Regional Energy Network (REN), the RCEA Board of Directors approved the addition of a full-time Rural REN Portfolio Manager, Rural REN Technician, and a Rural REN Specialist at the May 2023 Board meeting. On June 29, 2023, the CPUC approved the formation of a Rural REN and committed more than \$177 million over an eight-year period. RCEA will be the program administrator for the program.

These positions were created for the state-wide administration of the Rural REN to support all of the implementation partners working across the regions covered by the program. These positions will not be involved in the local implementation of RCEA energy efficiency programs. The administration of the Rural REN program will require skills in data analysis, budget creation and tracking, contract management, vendor selection, and the ability to quantify the impact and efficiency of the programs across all participating implementers.

Prior to advertising the Rural REN Technician position, staff evaluated whether the general Technician job description would be appropriate for this position. During this review it was determined that it was more appropriate to create an Analyst job description that would capture the essential functions, knowledge, skills and abilities required to meet the needs of RCEA.

The Technician job description has historically been a position that works in the field providing customers with energy assessments and other technical assistance. RCEA has determined that for the administration of Rural REN, the required position should specialize in overseeing vendor solicitations, managing REN databases and collaborative working tools, and analyzing reports, reporting, monitoring budgets and driving program performance. The proposed Analyst job description defines the key functions needed for the Rural REN administrative team.

FINANCIAL IMPACT

Staff are proposing that the Analyst job description be classified in the same salary schedule classification as Technician. The RCEA Board of Directors approved the addition of this position and included it in the FY 2023-2024 budget. There will be no other costs at this time to reclassify this position to Analyst.

RCEA will receive 10% of the total Rural REN budget for administrative functions. This CPUC funding will cover personnel costs associated with the Rural REN Portfolio Manager, Specialist and Analyst.

STAFF RECOMMENDATION

1. Approve the Analyst Job Description as provided.
2. Approve Adding the Analyst Job Description to the Salary Schedule at the Technician Position Classification.
3. Approve Reclassifying the Rural REN Technician Position to Analyst.
4. Approve the Revised Organizational Chart.

ATTACHMENTS

1. Proposed Analyst job description
2. Proposed organization chart update (with reclassified Analyst position highlighted)
3. Proposed Salary Schedule with the Addition of Analyst Position.



Analyst/Senior Analyst

General Class Description: Under general direction of a Manager or Director, an Analyst designs, develops, and implements programs and projects within their associated department; provides assistance to management; and performs related work as assigned. This class has supervisory responsibility. An Analyst is responsible for achieving program goals and objectives through analyzing data, creating reports, and developing strategies to improve program performance, and participates in the day-to-day operations and activities of their designated program or functional area within a department. An Analyst works with a Manager or Director to identify goals and objectives for programs, monitor performance, and develop strategies for improving outcomes. This position class is distinguished by broadly defined duties related to research, data analysis, program and project management, with expertise developed and expanded under supervision and oversight. This position exercises discretion and independent judgment in the coordination and prioritization of duties and responsibilities assigned and may act on behalf of the Manager or Director in their absence.

Summary

The Analyst works under general direction of the departmental Manager or Director and has responsibility for a wide range of matters related to one or more of RCEA's programs. The Analyst's key function is overseeing vendor solicitations and oversight, contract monitoring, analyzing reports, reporting, monitoring budgets and driving program performance. The Analyst identifies goals and objectives for programs, monitors performance, and develops strategies for improving outcomes. The Analyst can communicate clearly and effectively, both in writing and verbally, to explain complex data analysis to employees and stakeholders. Tasks may be to engage with customers and product and service providers, define and develop program offerings, research, analyze, and present program metrics to stakeholders, implement measures, coordinate tools and resources for program activities, and manage program outcomes.

The Analyst will perform research, solicit community feedback, and conduct analysis to develop and manage program activities. The Analyst role requires knowledge of the administration of programs and supporting partners in meeting program objectives. The Analyst aids in research efforts for the identification of best practices and opportunities for performance improvement including data base management and development.

The Analyst role requires strong knowledge of data management, analysis and stakeholder outreach and customer participation. Analyst demonstrates broad discretion and diplomacy to engage with staff and customers autonomously and make recommendations with the potential for financial and operational consequences. The Analyst is familiar with data and project management, data analysis, general office procedures, and has strong technical writing, analysis, and reporting skills.

Essential Functions and Responsibilities

Duties are illustrative only and may vary. Other duties may be assigned.

- Identifies trends, technology and customer value to support program development and design recommendations.
- Collaborates with RCEA department teams and outside consultants on program development, design, analysis, and implementation.

- Identifies, recommends, and develops materials and web-based tools to drive program participation.
- Tracks and reports program success through metrics, analytics and other program management tools.
- Delivers presentations to various community groups and local organizations.
- Identifies program funding opportunities.
- Compiles research, makes recommendations, and drafts staff reports for manager review and presentations for Board and Committee meetings.
- Professionally represents the organization to customers and project partners while conducting outreach and implementation activities.
- Identifies and engages with customers and partners to promote various RCEA services, identifies and implements measures, and develops long-term relationships for projects.
- Supports data collection and management, and metric development.
- Supports program budgets, expenses, schedules, and reporting.
- Prepares written and graphical information relating to assigned and related program areas.
- Assists with ongoing tracking and reporting of regulatory and compliance obligations.
- Provides supervision to other staff members, job trainees, and volunteers in support of various RCEA programs.
- Assists with coordinating and staffing public events, workshops, and meetings.
- Participates in routine evaluation and continuous improvement of existing policies and procedures.
- Develops procedures and manages users for RCEA tools such as databases and develops expertise in and leads use of agency and third-party reporting platforms.
- Supports the ongoing implementation of RCEA's Racial Justice Plan and actively engages in justice, equity, diversity, and inclusion efforts within the organization.

Minimum Qualifications

Experience/Education:

Any combination of training and experience that would provide the required knowledge, skills, and abilities is qualifying. A typical way to obtain the required qualifications would be:

- Education or experience equivalent to a bachelor's degree or greater in a related field.
- A minimum 3 years (5 years for Senior Analyst designation) of progressively responsible relevant work experience.

Knowledge of:

- The organization and operations of a local government agency.
- Energy-related technologies, practices, and system processes.
- Business software applications, including MS Office, Adobe, Salesforce, web browsers, tools for calendaring and project management, and database management systems.
- Administrative practices and procedures, such as business letter writing and the operation of common office equipment.
- Activities necessary for effective on-the-ground key stakeholder outreach and customer program participation.
- Principles of project management.
- Principles of customer service and business communication.

Ability to:

- Prepare and present clear and comprehensive correspondence, reports, presentations, and proposals to a diverse audience.

- Research, analyze and interpret complex data; maintain accuracy, reach conclusions, make recommendations, and develop staff reports.
- Define problem areas and evaluate, recommend, and implement alternative solutions to complex issues and problems.
- Be detail oriented and manage multiple projects in a fast-paced environment.
- Work independently.
- Deal tactfully and maintain effective working and diplomatic relations with various levels of staff, the public, civic organizations, and representatives from governmental, industry, media, and other agencies.
- Demonstrate sensitivity to and respect for the rights of individuals and differences in people's ethnic and cultural heritage, attitudes, beliefs, goals, and interests.
- Promote teamwork, a positive work environment, and collaborative problem solving.
- Work effectively in stressful situations involving tight deadlines.
- Use tact, initiative, prudence, and independent judgment within general policy, procedural, and legal guidelines.

Working Conditions and Essential Requirements

The physical demands described here are representative of those required for the position. Position requires sitting, walking, standing, bending, and twisting in the performance of daily activities. The position requires hand manipulation and repetitive hand movement and fine coordination in using a computer keyboard and other office equipment. The position requires near and far vision in reading reports and use of a computer. Acute hearing is required in supporting meetings and providing phone and in-person customer service. Fine and gross motor control is required to place and operate diagnostic and data collection equipment in a variety of settings. The position occasionally requires lifting and/or moving objects. RCEA will make reasonable accommodation of the known physical or mental limitations of a qualified applicant with a disability upon request. Possession and continued maintenance of a valid class C California driver's license or the ability to provide alternate transportation and a safe driving record is required.

Preferred Qualifications

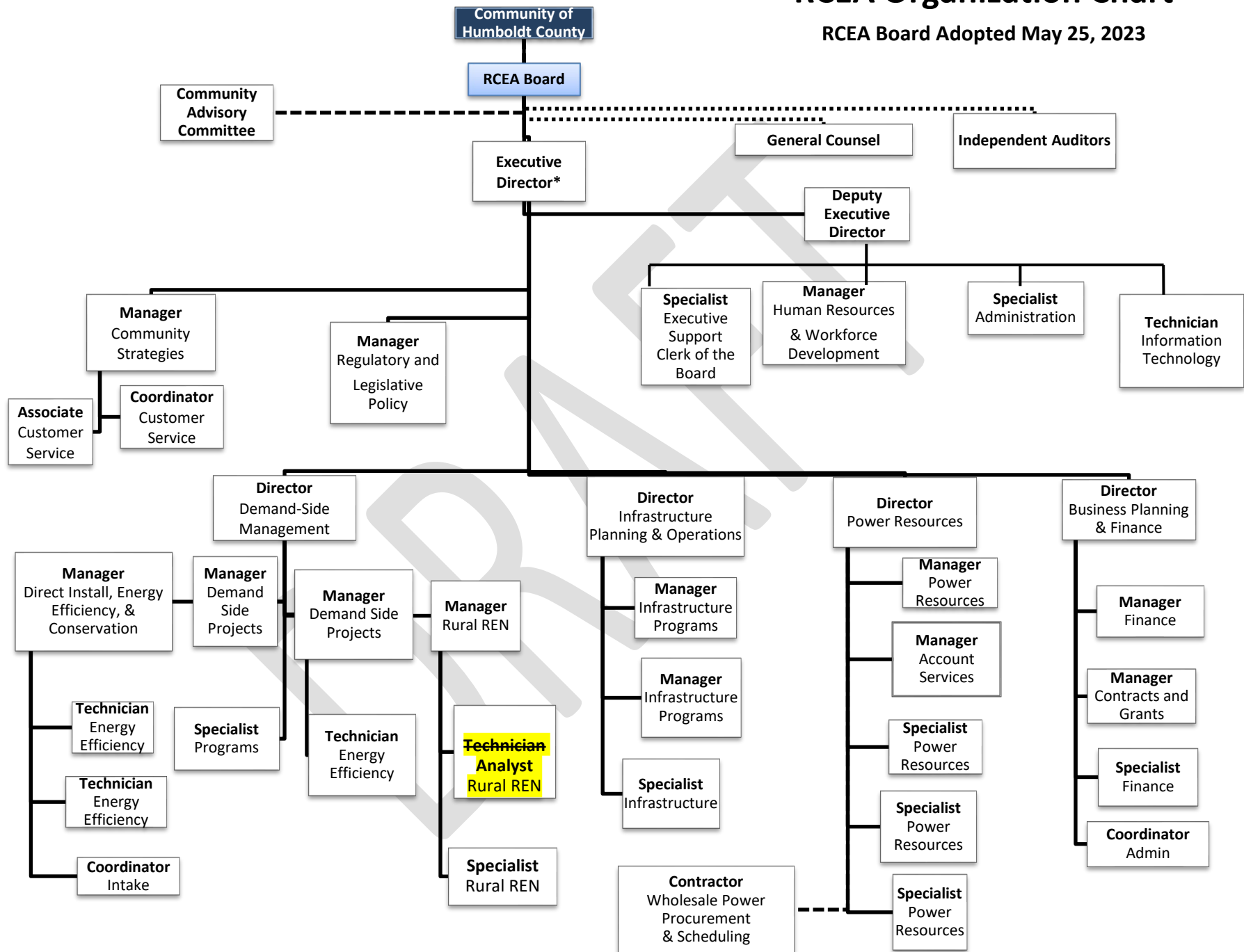
- Master's degree with a focus on energy efficiency and/or renewable energy.
- Knowledge of RCEA programs.
- Prior experience working with public agencies and/or utilities.
- Experience working with organizations involved with projects and programs in the areas of environmental and economic development.
- Experience working in an entrepreneurial context.

THE REDWOOD COAST ENERGY AUTHORITY IS COMMITTED TO A DIVERSE WORKFORCE AND IS AN EQUAL OPPORTUNITY EMPLOYER. RCEA MAINTAINS AND PROMOTES A POLICY OF NONDISCRIMINATION AND NONHARASSMENT ON THE BASIS OF RACE, RELIGION, COLOR, SEX, AGE, HANDICAP, MARITAL STATUS, SEXUAL ORIENTATION, AND NATIONAL ORIGIN OR GENETIC CHARACTERISTIC.

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RCEA Organization Chart

RCEA Board Adopted May 25, 2023



*Executive Director may approve the hiring of part-time, intern and limited-term positions if they fit within the Board adopted total personnel budget.

Draft Redwood Coast Energy Authority - Job Classifications and Pay Scales, effective 7-1-2023

	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
Assistant/Coordinator/Associate										
Hourly	21.52	22.07	22.63	23.21	23.81	24.40	25.01	25.64	26.28	26.94
Monthly	3,729.51	3,758.03	3,854.39	3,953.22	4,054.59	4,155.95	4,259.85	4,366.35	4,475.51	4,587.39
Annual	44,754.13	45,901.67	47,078.64	48,285.78	49,523.88	50,761.98	52,031.03	53,331.80	54,665.10	56,031.72

Specialist										
Hourly	31.34	32.14	32.97	33.81	34.68	35.57	36.48	37.42	38.35	39.31
Monthly	5,432.01	5,571.29	5,714.14	5,860.66	6,010.93	6,165.06	6,323.14	6,485.27	6,647.40	6,813.59
Annual	65,184.09	66,855.48	68,569.72	70,327.92	72,131.20	73,980.72	75,877.66	77,823.24	79,768.82	81,763.04

Senior Specialist										
Hourly	36.04	36.96	37.91	38.88	39.88	40.90	41.93	42.97	44.05	45.15
Monthly	6,246.81	6,406.98	6,571.26	6,739.76	6,912.57	7,089.82	7,267.06	7,448.74	7,634.96	7,825.83
Annual	74,961.71	76,883.80	78,855.18	80,877.11	82,950.88	85,077.83	87,204.77	89,384.89	91,619.51	93,910.00

Technician/Analyst										
Hourly	37.04	37.99	38.96	39.96	40.98	42.03	43.11	44.22	45.32	46.46
Monthly	6,419.65	6,584.25	6,753.08	6,926.23	7,103.83	7,285.98	7,472.80	7,664.41	7,856.02	8,052.42
Annual	77,035.74	79,011.02	81,036.94	83,114.81	85,245.96	87,431.76	89,673.60	91,972.92	94,272.24	96,629.05

Senior Technician/Senior Analyst										
Hourly	42.59	43.68	44.80	45.95	47.13	48.34	49.55	50.79	52.06	53.36
Monthly	7,382.59	7,571.89	7,766.04	7,965.17	8,169.40	8,378.88	8,588.35	8,803.06	9,023.13	9,248.71
Annual	88,591.11	90,862.67	93,192.49	95,582.04	98,032.86	100,546.52	103,060.18	105,636.69	108,277.61	110,984.55

Manager										
Hourly	42.73	43.83	44.95	46.11	47.29	48.50	49.74	51.02	52.30	53.60
Monthly	7,407.28	7,597.21	7,792.01	7,991.81	8,196.73	8,406.90	8,622.46	8,843.55	9,064.64	9,291.25
Annual	88,887.40	91,166.56	93,504.17	95,901.71	98,360.73	100,882.80	103,469.54	106,122.60	108,775.67	111,495.06

Senior Manager										
Hourly	49.14	50.40	51.70	53.02	54.38	55.78	57.17	58.60	60.07	61.57
Monthly	8,518.38	8,736.80	8,960.82	9,190.58	9,426.24	9,667.93	9,909.63	10,157.37	10,411.31	10,671.59
Annual	102,220.51	104,841.55	107,529.79	110,286.96	113,114.84	116,015.22	118,915.60	121,888.49	124,935.70	128,059.09

Director										
Hourly	61.48	63.05	64.67	66.33	68.03	69.73	71.47	73.26	75.09	76.97
Monthly	10,655.75	10,928.97	11,209.20	11,496.62	11,791.40	12,086.19	12,388.34	12,698.05	13,015.50	13,340.89
Annual	127,868.94	131,147.64	134,510.40	137,959.38	141,496.80	145,034.22	148,660.08	152,376.58	156,185.99	160,090.64

Executive Director										
Hourly	79.92	81.97	84.07	86.22	88.44	90.65	92.91	95.24	97.62	100.06
Monthly	13,852.47	14,207.66	14,571.96	14,945.60	15,328.82	15,712.04	16,104.84	16,507.46	16,920.15	17,343.15
Annual	166,229.63	170,491.93	174,863.51	179,347.19	183,945.84	188,544.49	193,258.10	198,089.55	203,041.79	208,117.83



STAFF REPORT
Agenda Item # 4.5

AGENDA DATE:	August 24, 2023
TO:	Board of Directors
PREPARED BY:	Stephen Kullmann, Director of Demand Side Management
SUBJECT:	Solicitations for RuralREN Administrative, Marketing, Legal, and Database Services

Summary

RCEA Demand Side Management (DSM) staff are continuing work on launching the newly-approved Rural Regional Energy Network (RuralREN). In order to successfully launch the RuralREN, RCEA will need to solicit consultant support in four areas: Administration, Marketing, Legal and Regulatory Support, and Database Services. These services will be paid in full out of the RuralREN budget approved by the California Public Utilities Commission (CPUC), with the exception of the database services which may be split across programs. Preliminary scopes of work (SOWs) for these services include the following:

Administrative Services:

Regulatory support to fulfill requirements of RuralREN program administration, including reporting, regulatory compliance filings, coordination with the CPUC and other energy efficiency program Portfolio Administrators, and fiscal agents. program implementation support including implementation plans, program design, implementor solicitations and contracts, rebate/measure selection and design, and ongoing review of programmatic success and challenges. Ad hoc support including attending meetings, planning for future filings, and regulatory advocacy.

Database Development and Support:

Development, implementation, and ongoing support for a database capable of managing RCEA's program implementation as well as collecting metrics and other reportables from RuralREN implementers for regulatory requirements. This database will also include data for DSM programs other than the RuralREN, such as RCEA's Local Government Partnership with PG&E and RCEA internally-funded customer programs. Expenses for the database development and support services will be split between the programs.

Legal Services:

Represent RCEA on behalf of RuralREN in legal and regulatory matters. Assist with developing and filing motions, comments, and other regulatory filings. Provide testimony at proceedings.

Marketing:

Develop the RuralREN brand and marketing material to be used REN-wide. Coordinate with marketing and outreach teams at each partner organization to co-brand and reach target audiences. Manage RuralREN online and social media presence. Develop press releases for REN-wide news.

At the July RCEA meeting, the Board approved a contract amendment with Frontier Energy for “Quick Launch” services for the RuralREN. These near-term services are ongoing and will not overlap with the services procured for in the forthcoming administrative services solicitation.

The Demand Side Management department currently uses a software database developed for its implementation programs. The forthcoming RuralREN database services solicitation will have the option of expanding this database to include REN requirements with the current database, either with or without RCEA’s contract developer of this database, or developing a new tool.

Solicitations for these services will be developed in partnership with RCEA’s administrative departments and in consultation with RCEA’s general counsel. The solicitations are anticipated to be released over the next three months, with Administrative and Database being the most time sensitive. Results of these solicitations will be brought back to the RCEA board for contract approval.

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

RuralREN formation and implementation furthers RCEA’s strategic plan goal of “(making) energy efficiency and conservation services available to every household and business in the county by 2030,” and expands work toward this goal to other rural and hard-to-reach communities across the state.

The RuralREN will also contribute to Integrated Demand Side Management, Energy Efficiency & Conservation, Demand Response and Customer Distributed Generation & Storage strategies listed in RCEA’s RePower Strategic Plan.

EQUITY IMPACTS

RENs in general, and the RuralREN in particular, are designed to reach customers that otherwise are not being reached by existing ratepayer-funded programs. Over 90% of the RuralREN counties are defined as low income in the Health and Safety Code, and over half are defined as disadvantaged. The RuralREN governance structure will include an Equity Technical Advisory Committee.

FINANCIAL IMPACT

All expenses for the aforementioned services will be fully paid for with RuralREN funds, with the possible exception of aspects of the database that serve other DSM programs such as the Local Government Partnership with PG&E and CCE services.

STAFF RECOMMENDATION

Authorize staff to prepare and release solicitations for RuralREN Administrative, Marketing, Legal, and Database support services following review and approval by RCEA administrative staff and legal counsel.

ATTACHMENTS

None.



REDWOOD COAST EnergyAuthority

STAFF REPORT Agenda Item # 4.6

AGENDA DATE:	August 24, 2023
TO:	Board of Directors
PREPARED BY:	Dana Boudreau, Director of Infrastructure Planning and Operations
SUBJECT:	Memorandum of Understanding with County to Investigate Rural Airport Facility Microgrid Development

BACKGROUND

The Airport Microgrid project at the California Redwood Coast - Humboldt County Airport has demonstrated the benefits of locating microgrids on county land to enhance energy resilience for critical facilities during power outages while transitioning the region toward local, clean renewable energy generation. Rural airports are strong microgrid candidates since they have a priority need for sustained backup power and are often surrounded by open land that can be utilized for solar array installation but is unsuitable for other development. Rohnerville Airport, for example, is a key lifeline for the Eel River Valley and provides a secondary hub to ACV for air-based emergency services and cargo delivery. This facility also hosts the Rohnerville Air Attack Base facility for wildland fire response, which had the busiest day in its 50-year history during August 2022 while fighting the Willow Creek Lightning Complex fires.

RCEA is subject to procurement orders issued by the California Public Utilities Commission through the Integrated Resource Planning (IRP) proceeding, including Decision 21-06-035 and others. These decisions address the reliability needs of the state's electric grid in the face of retiring natural gas and nuclear power plants by obligating load serving entities such as RCEA to procure or develop new capacity. RCEA's current outstanding IRP procurement obligation is to bring 8 MW of net qualifying capacity online by April 2025 from resources that can reliably generate from 5 to 10 p.m. daily. Approximately 10-15 MW nameplate solar capacity paired with equivalent storage capacity would meet this obligation. RCEA's procurement efforts to date have not yielded viable solutions to this obligation, so multiple avenues are currently being pursued including local microgrid development.

SUMMARY

The purpose and scope of this MOU is to cooperatively explore renewable energy plus storage microgrid projects at regional airport facilities. In particular, the County and RCEA seek to:

- Inventory local airport facilities and their ability to support microgrid projects that would contribute to RCEA's clean energy goals, fulfill CPUC procurement obligations and directly support long-term regional aviation goals such as workforce development;

- Where feasible, select one or more facilities for initial development activities, such as determination of electrical interconnection requirements and costs, preliminary site design, and identification of acceptable lease arrangements between the Parties;
- Agree on which facilities, if any, are suitable for microgrid deployment and the order of priority in the event more than one facility is identified.

After identifying suitable facilities for microgrid deployment and an order of deployment priority under this MOU, future MOU(s) or contract(s) would identify the specific tasks, funding sources, and which party would be responsible for individual expenses required to successfully construct, operate, and maintain the microgrid(s).

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

Development of rural airport facility microgrids would contribute toward the following RePower Strategic Plan goals and strategies:

- **Regional Energy Planning & Coordination:** *By 2030 fully establish Humboldt County as an energy secure community that can affordably and reliably meet its local energy needs with local renewable resources and has the robust local capabilities and infrastructure necessary to effectively respond to any energy emergencies or disruptions in energy supply.*
 - **1.2.1 Develop Emergency Response Capabilities.** *Coordinate with other local entities to develop regional capabilities to respond to energy emergencies and disruptions impacting energy supply, infrastructure, or energy markets. Incorporate efforts to enhance emergency response capabilities across all of RCEA's customer programs.*
- **Integrated Demand Side Management:** *Develop a network of community microgrids and renewable-energy back-up power systems across the county to reduce greenhouse gas emissions and to provide energy resiliency and long-duration emergency energy supply at all critical facilities by 2030.*
 - **2.1.7 Support and Deploy Microgrids.** *Support and deploy energy microgrids, focusing on critical infrastructure and community facilities, that combine onsite generation, energy storage, and advanced control systems to provide energy resiliency and maintain emergency-response capabilities as well as ongoing economic and environmental benefits.*
- **Energy Generation and Utility Services:** *Humboldt County can effectively respond to regional and local disruptions to energy supply and distribution systems through modernization of the local electric grid, the deployment of local distributed energy resources, and the development of community microgrids:*
 - **4.1.1 Maximize the Use of Local Renewable Energy to the Extent Technically and Economically Feasible and Prudent.** *Use the CCE program with its renewable energy targets, and programs supporting distributed energy resources, to achieve this goal.*
 - **4.1.7.2 Develop Distributed Generation.** *Encourage studies to identify key locations throughout the county that would benefit from distributed*

generation systems. Encourage development of responsive distributed generation demonstration sites.

- **4.1.8.2 Procure Local Solar Energy.** *Contract for local onshore solar energy as part of RCEA's community choice energy portfolio to the extent economically feasible and compatible with portfolio diversity needs.*

EQUITY IMPACTS

This effort supports the following RCEA racial justice plan elements:

- Diversity, equity and inclusion in program selection design and implementation: This project focuses on resilience for airport facilities, and the remote nature of Humboldt County often makes air travel essential to most demographics. Emergency life-flight services and rush shipping improve survival for highly vulnerable residents, and during disasters airports serve as life links for remote, isolated communities with heightened risk.
- Energy justice in power procurement and energy resource development: the microgrid sites in this study would equally benefit RCEA customers with access to clean, local energy generation. Underserved populations disproportionately suffer from unreliable power and pollution, and clean energy generation and storage can help to improve energy equity for all populations.

FINANCIAL IMPACT

Approving this Memorandum of Understanding has limited financial impact at this point. RCEA will provide staff time and/or consultant and legal counsel time and resources to support activities such as to develop an inventory of potential locations, and for selected sites develop an initial technical evaluation including a preliminary assessment of electrical interconnection capacity and site design. RCEA will additionally provide staff time and/or consultant and legal counsel time in evaluating potential lease arrangements between the parties. This staff time is already budgeted as part of normal program activities.

Anticipated, estimated project costs will be included in this investigation's findings and will inform project prioritization. After identifying suitable facilities for microgrid deployment and an order of deployment priority under this MOU, future MOU(s) or contract(s) would identify the specific tasks and expenses required to successfully install and deploy the microgrids.

STAFF RECOMMENDATION

Approve Memorandum of Understanding Between Redwood Coast Energy Authority and the County of Humboldt to Investigate Microgrid Development at County Airport Facilities and authorize the Executive Director to Execute said Memorandum of Understanding.

ATTACHMENTS

Attachment A: [Memorandum of Understanding Between Redwood Coast Energy Authority and County of Humboldt to Investigate Microgrid Development at County Airport Facilities](#), approved by the Humboldt County Board of Supervisors at August 15, 2023, regular meeting.

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE REDWOOD COAST ENERGY AUTHORITY AND
THE COUNTY OF HUMBOLDT
TO INVESTIGATE MICROGRID DEVELOPMENT AT COUNTY AIRPORT
FACILITIES**

This Memorandum of Understanding (“MOU”) is entered into on [date] between the Redwood Coast Energy Authority (“RCEA”) and the County of Humboldt (“County”), individually referred to as “Party” and collectively as “Parties,” concerning collaborative investigation into locating microgrids on County airport property for the Parties’ mutual benefit and for the benefit of Humboldt County residents.

1. Background

The recent Redwood Coast Airport Microgrid at the California Redwood Coast – Humboldt County Airport (ACV) demonstrates the benefits of locating microgrids on County land to enhance resilience for critical facilities while also transitioning the region toward local, clean renewable energy generation. Rural airports are strong microgrid candidates since they have a priority need for sustained backup power and are often surrounded by open land that can be used for installation of solar arrays. For example, the Rohnerville Airport is a key lifeline for the Eel River valley and provides a secondary hub to ACV for air-based emergency services and cargo delivery. This facility also hosts the Rohnerville Air Attack Base facility for wildland fire response, which on August 5, 2022 had the busiest day of its 50-year history while fighting the Lightning Complex fires near Willow Creek.

Beyond its ongoing mission to promote clean renewable energy generation in our region, RCEA is subject to procurement orders issued by the California Public Utilities Commission (CPUC) through the Integrated Resource Planning (IRP) proceeding, including Decision 21-06-035 and others. These decisions address the reliability needs of the state’s electric grid in the face of retiring natural gas and nuclear power plants by obligating load serving entities such as RCEA to procure or develop new capacity. RCEA’s current outstanding IRP procurement obligation is to bring 8 MW of net qualifying capacity online by April 2025 from resources that can reliably generate from 5:00 to 10:00 p.m. daily. Approximately 10-15 MW nameplate solar capacity paired with equivalent storage capacity would meet this obligation, depending on the generating and export capability of the resource(s). RCEA’s procurement efforts to date have not yielded viable solutions to this obligation, so multiple avenues are currently being pursued including local microgrid development.

2. Purpose and Scope

The purpose and scope of this MOU is to cooperatively explore renewable energy plus storage microgrid projects at regional airport facilities. In particular, the Parties seek to:

- Inventory local airport facilities and their ability to support microgrid projects that would contribute to RCEA's clean energy goals, fulfill CPUC procurement obligations and directly support long-term regional aviation goals such as workforce development;
- Where feasible, select one or more facilities for initial development activities, such as determination of electrical interconnection requirements and costs, preliminary site design, and identification of acceptable lease arrangements between the Parties;
- Agree on which facilities, if any, are suitable for microgrid deployment and the order of priority in the event more than one facility is identified.

After identifying suitable facilities for microgrid deployment and an order of deployment priority under this MOU, future MOU(s) or contract(s) would identify the specific tasks, and which Party would be responsible for individual expenses required to successfully install and deploy the microgrids.

3. Objectives and Goals

This project directly contributes to fulfilling renewable energy goals in the County General Plan Energy Element, RCEA's 2019 RePower Strategic Plan update, and the countywide Climate Action Plan (CAP) currently under development.

4. RCEA Responsibilities

RCEA will provide staff time and/or consultant and legal counsel time and resources to support activities such as to develop an inventory of potential locations, and for selected sites develop an initial technical evaluation including a preliminary assessment of electrical interconnection capacity and site design. RCEA will additionally provide staff time and/or consultant and legal counsel time in evaluating potential lease arrangements between the parties.

5. County Responsibilities

The County will provide staff time and/or consultant and legal counsel time and resources to inventory airport resources and support RCEA's technical evaluation and feasibility assessment. Additionally, the County will provide staff time and/or consultant and legal counsel time in evaluating potential lease arrangements between the parties.

6. Coordination

The Parties will establish points of contact in their collaboration under this MOU, including designating appropriate staff representatives who will meet on a regular basis.

IN WITNESS WHEREOF, each Party has caused this MOU to be duly signed and delivered, effective as of the date of the last Party signing.

REDWOOD COAST ENERGY AUTHORITY:

Matthew Marshall, Executive Director

Date: _____

COUNTY OF HUMBOLDT:

Date: _____

DRAFT



REDWOOD COAST Energy Authority

STAFF REPORT Agenda Item # 6.1

AGENDA DATE:	August 24, 2023
TO:	Board of Directors
PREPARED BY:	Lori Biondini, Business Planning and Finance Director
SUBJECT:	Fiscal Year 2022-2023 Q4 Budget v Actual Update

SUMMARY

The June 2023 Profit and Loss Budget versus Actual report presented this month reflects RCEA's draft final revenue and expenses for the 2022-2023 fiscal year. Discussions about the proposed 2023-2024 fiscal year budget in May and June included an overview of RCEA's expected net income for this year, and no significant changes have occurred since. This summary report includes an explanation of any minor changes; items noted with "no change" were presented in the previous quarterly report.

Revenue

Direct Donations - \$7500

No change. Not in the budget.

State Contracts and Grants - \$897,802

No change. This category came in at 82% of the budgeted amount. The remaining expected Program Administrator and CALeVIP funds are included in the fiscal year 2023-2024 budget.

Programs - \$93,025

No change. This category came in at 306% of the budgeted amount largely due to power procurement agreement projects experiencing delays and paying RCEA associated cash damages, and forfeitures of project deposits that were not included in the budget, but also due to RCEA's electric vehicle charging network generating more revenue than expected.

Interest - \$878

No change. Not in the budget.

Non-Government Contracts - \$312,332

Due to a pending grant budget adjustment, RCEA did not receive the remaining \$180K of the California Energy Commission sub-award for the Airport Microgrid before June 30. This category total came in at 64% of the budgeted amount. The remaining funds are included in the fiscal year 2023-2024 budget.

Electricity Sales - \$73,654,390

No change. Revenue from electricity sales came in at 94% of the budgeted amount.

Expenses

Wholesale Power Supply - \$50,626,890

No change. RCEA's largest expense came in at 93% of the budgeted amount.

Personnel - \$3,730,594

No change. This expense category came in at 92% of the budgeted amount. New positions that were filled in 2022-2023 include Infrastructure Programs Manager, DSM Intake Coordinator and two Power Resources Specialists.

Facilities and Operations - \$684,198

No change. This category came in at 70% of the budgeted amount. Significant purchases during the year included: a deposit on new accounting and human resources systems management software and continued development of the energy efficiency projects/customer relationship software; a second office location; and Airport Microgrid operations and maintenance.

Communications and Outreach - \$113,472

The second major annual mailing of the fiscal year did not occur before June 30. This category came in at 64% of the budgeted amount. Expense of required mailings is included in the fiscal year 2023-2024 budget.

Professional and Program Services - \$2,531,775

No change. This category came in at 90% of the budgeted amount. Legal fees, customer data management (Calpine) fees, and wholesale energy services (The Energy Authority) were over budget, with regulatory costs, program-related consultant contracts, accounting services, and energy procurement credit fees coming in much under budget.

Programs Expenses - \$673,752

This year the City of Arcata energy taxes remittance were included in this category's budget and were more than expected, as were electric vehicle charging station utility bills, consistent with the increased charging revenue. This category came in at 106% of the budgeted amount.

Incentives and Rebates - \$604,522

No change. This category came in at 105% of the budgeted amount, with about \$578K of direct rebates issued to customers, and another \$27K of energy efficiency product kits delivered to customers' homes.

Non-Operating - \$256,613

No change. This category came in at 104% of the budgeted amount.

Net Income for Fiscal Year 2022-2023 - \$15,744,111

No change. Final net income came in at 96% of the budgeted amount, a difference of -\$600K, which is small compared to the multi-million-dollar swings that our energy market forecasts regularly predict. Continued volatility of the energy market and across-the-board construction delays of new generation projects point to the importance of including positive net-income/financial reserves in the annual budget along with RCEA's mission-driven goals.

RECOMMENDED ACTIONS

Accept Quarterly Budget Report (Q4).

ATTACHMENTS

1. June 2023 Profit and Loss Budget versus Actual
2. June 2023 Balance Sheet

June 2022

April 2022 revenue forecast
adjusted down 4% and costs up
11%; assumed no rate changes.

December 2022

Mid-year adjustment based on
February 2023 revenue forecast
and included January retail rate
changes.

June 2023 Actuals

Revenue	\$ 95,469,239 +\$39M from 2021	\$ 80,233,899 -\$15.2M	\$ 74,965,928 -\$5.3M
Expense	\$ 87,469,239 +\$29M from 2021	\$ 63,889,762 -\$23.6M	\$ 59,221,817 -\$4.7M
Net	\$ 8,000,000	\$ 16,344,137	\$ 15,744,111

- RCEA operates on a fiscal year whereas customer rate changes occur at the beginning of the calendar year
- Energy market forecasts can vary greatly from day to day

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STAFF REPORT Agenda Item # 7.1

AGENDA DATE:	August 24, 2023
TO:	Board of Directors
PREPARED BY:	Sally Regli, Account Services Manager
SUBJECT:	Net Billing Tariff (NBT) Implementation Update

BACKGROUND

A presentation on the new Net Billing Tariff (NBT) was given to the Board in January 2023. Since then, the California Public Utilities Commission (CPUC) has finalized the proceeding and has required Investor-Owned Utility (IOU) implementation, including Pacific Gas and Electric (PG&E), as of April 15, 2023. Staff recommends reviewing the [January 2023 Staff Report, Agenda item 6.2](#), in the Board Meeting Packet.¹

PG&E began placing new solar customers on its NBT rate schedule on April 15, 2023. However, PG&E's billing system will not be ready for NBT until December 15, 2023, and until the NBT billing system is operational, PG&E will bill NBT customers under the existing Net Energy Metering (NEM) 2.0 tariff. PG&E refers to NBT in customer facing marketing and communications as the Solar Billing Plan (SBP).

As a Community Choice Aggregator (CCA) RCEA is not required to adopt the NBT structure for the generation side of customer bills. As RCEA's rate-setting body, the RCEA Board may choose to continue to place new solar customers on its existing NEM Tariff, adopt an NBT tariff that is consistent with CPUC Decision (D.) 22-12-056, Ordering Paragraph 12b, or create an alternate NEM or NBT program.

RCEA has partnered with other CCAs for the past year to engage in advocacy efforts in the proceeding and more recently to review NBT impacts and implementation options.

SUMMARY

Under the RCEA NEM program, customers are paid an Export Compensation Rate based on various retail rates. However, grid exports under NBT will be paid based on Avoided Cost Calculator (ACC) values which are significantly less and reflect the value the power provides to the grid at a given time. The level of the credit will vary by time of day, day of the week and season. Export Compensation Rates are based on a "locked-in" nine-year schedule of values for each hour from the most recent CPUC ACC, adopted as of January 1 of the calendar year of the customer's interconnection date.

For grid imports (purchased generation), RCEA and PG&E NBT customers are enrolled in the E-ELEC tariff. The E-ELEC tariff includes a \$15 per month Base Services Charge paid to PG&E

¹ <https://redwoodenergy.org/wp-content/uploads/2023/01/January-26-2023-Board-Meeting-Agenda-Packet.pdf>

which lowers the charges per unit of energy (kWh), on average, compared to other rate plans. (To review a comparison of NEM/NBT program designs see Attachment A).

To encourage early adoption of the NBT, residential customers who enroll in the first five years are also eligible to receive an additional credit called the Energy Export Bonus Credit or Adder Values.

A monthly customer bill comparison shows a typical bill with NEM 2.0 is about \$35.20 less in the summer month and \$18.72 more in the winter month compared to NBT. (See Attachment B)

RCEA Solar Program Options:

1. Mirror PG&E NBT - Implement a NBT using the PG&E published Export Compensation Rate, Avoided Cost Calculator values, Adder Values, and an annual True-Up with exception of the Annual Net Surplus Compensation calculation.
2. Customized NBT - Implement a modified PG&E NBT using the PG&E published Export Compensation rate, Avoided Cost Calculator values, a modified Energy Export Bonus Credit, and an Annual True-Up with/without the Net Surplus Compensation. (This option has additional operational costs, unknown currently, for billing complexity, according to RCEA's customer-billing contractor Calpine Energy Solutions)
3. Continue to apply RCEA's existing NEM 2.0 rate schedule to PG&E NBT customers.

Statewide data and anecdotal information from local solar installers suggest there has been a major slowdown in sales of new solar projects since the rollout of NBT began in April of this year. PG&E has been slow to make information on its NBT tariff available. Due to the many uncertainties and limited expected impact in the near term, staff recommends implementing option 1 as an interim solution, to be revisited in 12 to 24 months after the effects of PG&E's transition to NBT can be evaluated. A full Tariff will be presented to the Board for review at a later date, prior to PG&E's full NBT implementation in December 2023.

ALIGNMENT WITH RCEA'S STRATEGIC PLAN AND POLICIES

The 2019 RePower Strategic Plan goals included supporting wide-spread installation of customer solar photovoltaic energy systems, with a target to increase installations to a rate of one system every day for the next decade and reach 30MW of customer solar installed by 2025 and 50MW installed by 2030.

RCEA plans to reassess and if needed update the option chosen at this time in 12 months to incorporate appropriate incentives to facilitate the solar installation rate.

Under section 4.3 "Rates and Tariffs," RCEA sets a goal in our strategic plan to "provide a Net Energy Metering (NEM) program that encourages more distributed local generation and more equitably compensates such generation" (4.3.2). Changes to the NEM tariff may change RCEA's compensation structure.

- A revised NEM tariff will be published that applies to legacy customers enrolled before April 15, 2023.
- A NBT tariff will be published for new solar customers with Board approval.

In another subsection of section 4.3, "Provide Education on all Electric Rate Schedule Options" (4.3.6), RCEA sets a goal to "Provide information on all available rate schedules including Net Energy Metering..."

RCEA is providing information on the NEM and NBT schedules via our website and by directly speaking to customers as the implementation details have been received from CPUC and PG&E.

EQUITY IMPACTS

Under the Net Billing Tariff, low-income customers (those enrolled in CARE and FERA) will receive a higher adder amount than their non-low-income counterparts. The tariff is designed to increase access to solar plus storage for low-income households and disadvantaged communities; however, RCEA staff are concerned that due to our unique northern location with less available sun than other areas of the state and lower income demographic customer base this program may be less effective.

FINANCIAL IMPACTS

The estimated increase in RCEA revenue with implementation of a NBT that mirrors PG&E is minimal, as a relatively smaller number of new systems than previous years are expected to be installed in the next 12 to 24 months. The Transmission and Delivery charges assessed by PG&E are the majority of the loss of value of customer solar system financial incentives per CPUC's cost shift estimation and resulting ACC calculator values. Thus, the option selected by RCEA is not expected to make a decisive difference in how many customers choose to install new solar systems. The CCE program's financial model has not yet been updated to include the NBT implementation, pending the Board's guidance.

Staff notes that the option chosen by the Board at this time has minimal financial impacts in the next 2 years, other than the amount RCEA is contributing to reserves, based on the small expected number of new NBT customers in the next 12 to 24 months. RCEA staff plans to revisit the tariff when more meaningful data is available and anticipate returning to the Board in 12 to 24 months for a more long-term decision on the RCEA NBT rate design.

RECOMMENDED ACTION

Approve a Net Billing Tariff (NBT) design that mirrors the PG&E NBT to be implemented on or after December 15, 2023, as determined by Calpine's billing readiness.

ATTACHMENTS

Attachment A - NEM and NBT Program Comparison
Attachment B - NEM NBT Bill Comparison

	NEM 2.0	NBT
Rate Schedule	TOU rates (4-9 pm peak rates)	TOU Electrification Rates (peak rates; 4-9 pm; 3-4 pm and 9 pm-12am Partial peak rates)
Value of solar used concurrently on-site	Offsets imports (equivalent to retail rate)	Unchanged
Value of solar exported to grid	Retail rate	Avoided Cost Calculation (ACC) price per interval plus excess generation bonus- no more retail credit
Net Surplus Compensation (NSC) payment at true-up	Net exports times NSC rate	Net exports times NSC rate, minus ACC export value already granted
Non-bypassable charge application	Net imports within each interval	All imports (separately metered)
Billing and true-up period	IOU annual billing and true-up (both charges and credits roll over for 12 months)	Monthly billing and payment; annual true-up (credits roll over for 12 months)
CARE and FERA Discounts	Applied to the retail export compensation rate	Not applied to the retail export compensation rate
Smart Rate	Not Eligible	Eligible
Monthly Payments	Residential and small-medium businesses default to annual payment.	All classes: Net charges paid each month
Non Bypassable Charges	Charged on positive net usage	No netting of imports and exports
Netting	Interval netting of imports and exports (RES 1 hr. and Non-RES 15 min.)	No netting of imports and exports

NEM 2.0 and NBT Bill Comparison for a Typical Residential Solar Customer

NEM 2.0 Imports, Exports, and Net Bill With (E-TOUC-C Rate)											
July						January					
	Exports (KWh)	Price	Imports (KWh)	Price	Net Cost		Exports (KWh)	Price	Imports (KWh)	Price	Net Cost
	-497.68	\$ (75.49)	304.22	\$ 44.34	\$ (31.15)		-46.6	\$ (5.78)	858.49	\$ 111.95	\$106.17
				Bill Total	\$ (31.15)					Bill Total	\$106.17
NBT Imports, Exports, and Net Bill Using ACC, With Bonus Credit (E-ELEC Rate)											
July						January					
Exports (KWh)	Price	Export w/ bonus	Imports (KWh)	Price	Net Cost	Exports (KWh)	Price	Export w/ bonus	Imports	Price	Net Cost
-497.68	\$ (42.65)	\$ (8.96)	304.22	\$ 55.66	\$ 4.05	-46.6	\$ (1.84)	\$ (0.84)	858.49	\$ 90.12	\$ 87.45
				Bill Total	\$ 4.05					Bill Total	\$ 87.45

The monthly customer bill comparison above reveals a typical bill with NEM 2.0 is \$35.20 less in the summer month and \$18.72 more in the winter month compared to NBT.

- The NBT Avoided Cost Calculator (ACC) rate component is substantially lower for export generation credits than the NEM 2.0 retail rate credits.
- PG&E's NBT includes an additional "bonus credit adder" of \$0.018 per kWh of export generation for customers who sign up in the first three years, and this adder program lasts for the first 9 years of NBT.



REDWOOD COAST EnergyAuthority

Net Billing Tariff (NBT)
Overview and RCEA Tariff Recommendation
for RCEA Board of Directors
August 24, 2023

Topics

Net Billing Tariff (NBT) Overview

RCEA NBT – Value/Cost Analysis

Options and Recommendation

Questions



What are NEM and NBT Tariffs?

- NEM reflects rules and a billing system that credits customers for net monthly excess electricity produced by their own generation system (e.g., rooftop solar panels) and sent to the grid.



- NBT reflects new rules and a billing system with revised compensation on non-netted excess generation. This tariff is a result of the Dec. 15, 2022, California Public Utility Commission (CPUC) NBT Decision and applies to residential solar customers applying for interconnection after April 14, 2023.

Note: PG&E's is publicly marketing NBT as "Solar Billing Plan."

NBT Recent Decision

The California Public Utilities Commission (CPUC) finalized the state's new Net Energy Metering version 3.0 (NEM 3), now known as Net Billing Tariff (NBT), on December 15, 2022.

The Net Billing Tariff went into effect in April 2023.

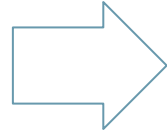
Net Billing decouples the value of imported and exported energy. The new framework values exported energy based on hourly values determined by the Avoided Cost Calculator (ACC) model verses a monthly netting of energy generated and usage.



NEM Evolution – CPUC Policy Objectives

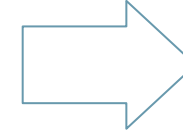
NEM 1.0
1995 – 2017

- Promote rooftop solar by crediting customers at retail rate
- Diversify energy resource mix
- Tariffs favor mid-day solar production



NEM 2.0
2017 – Apr. 14, 2023

- With significant participation in NEM, align compensation closer to cost causation via TOU rate, and payments of non-bypassable charges



NBT
April 15, 2023 - present

- Reform the program to align compensation for excess generation with net benefits provided to grid.
- Keep growth of solar renewable generation

NEM/NBT Comparison

	NEM 2.0	NBT
Rate Schedule	TOU rates (4-9 pm peak rates)	E-ELEC Rate (4-9 pm peak rates, 3-4 pm & 9 pm-12am partial peak rates)
Value of solar used concurrently on-site	Offsets imports (equivalent to retail rate)	Same value as for NEM 2.0
Value of solar exported to grid	Retail rate (PG&E) Retail Rate plus \$0.01 (RCEA)	Avoided Cost Calculator (ACC) price per interval
Net Surplus Compensation (NSC) payment at true-up	Net exports times NSC rate (PG&E)	Annual net exports times NSC rate, minus credit adjustment for previously paid excess energy
Non-bypassable charges calculation basis	Net imports within each interval	All imports (separately metered)
Billing and true-up period	Annually (PG&E) with true-up (both charges and credits roll over for 12 months) Monthly (RCEA)	Monthly billing and payment; annual true-up (credits roll over for 12 months)

Net Billing Tariff Value/Cost Analysis

Sample Summer/ Winter bill comparison: NEM versus NBT

For an average RCEA residential solar customer with:

Summer monthly usage: -177 kWh (net generator)

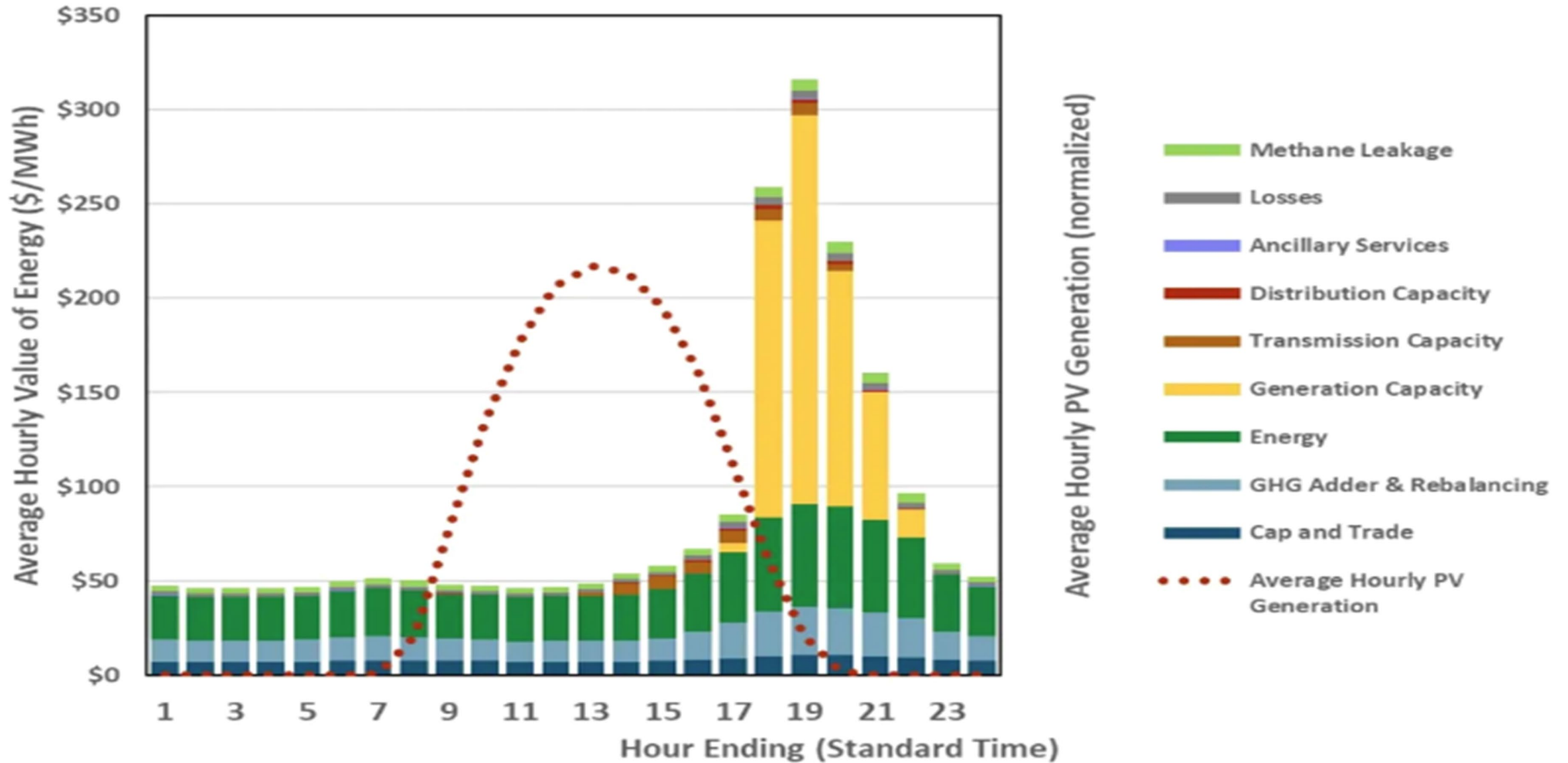
Winter monthly usage: 809 kWh (net user)



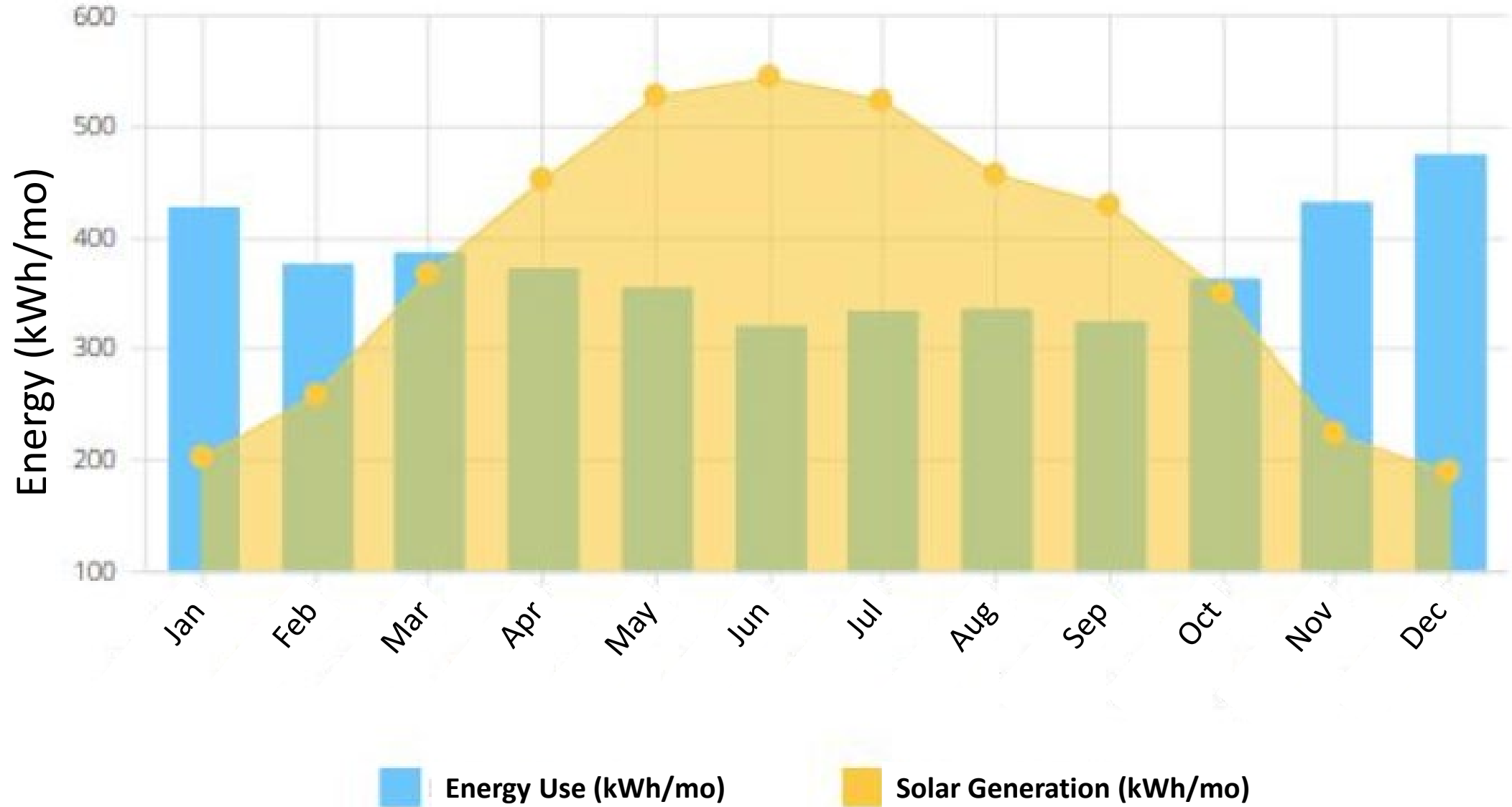
Customer generation cost for average monthly residential bills

NEM 2.0	summer	-\$36.13 (net credit)
	winter	\$105.88
NBT	summer	\$4.05
	winter	\$87.45

Avoided Cost Calculator Values



Monthly Energy Use vs Solar Generation



NBT Export Compensation Rates

Hourly export rates (\$/kWh) based on the Avoided Cost Calculator (ACC)

		2023 Weekday Base Export Compensation (no adders)											
Hour of Day		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
	1	0.053	0.056	0.049	0.047	0.050	0.049	0.051	0.054	0.053	0.050	0.054	0.051
	2	0.053	0.056	0.049	0.048	0.052	0.050	0.052	0.053	0.052	0.051	0.057	0.050
	3	0.051	0.056	0.050	0.047	0.051	0.051	0.050	0.053	0.051	0.050	0.054	0.049
	4	0.051	0.055	0.050	0.048	0.051	0.052	0.050	0.052	0.051	0.050	0.053	0.049
	5	0.051	0.056	0.051	0.049	0.055	0.050	0.051	0.053	0.050	0.050	0.054	0.048
	6	0.053	0.057	0.052	0.050	0.053	0.052	0.053	0.053	0.052	0.051	0.056	0.051
	7	0.056	0.058	0.053	0.040	0.036	0.052	0.054	0.055	0.053	0.052	0.058	0.056
	8	0.057	0.060	0.048	0.014	0.018	0.045	0.050	0.056	0.048	0.051	0.061	0.061
	9	0.055	0.048	0.032	0.009	0.007	0.038	0.050	0.055	0.039	0.043	0.048	0.055
	10	0.048	0.031	0.020	0.011	0.011	0.037	0.050	0.055	0.040	0.043	0.046	0.048
	11	0.046	0.026	0.018	0.008	0.012	0.039	0.050	0.055	0.040	0.043	0.041	0.045
	12	0.046	0.028	0.018	0.004	0.009	0.039	0.050	0.055	0.040	0.043	0.037	0.042
	13	0.045	0.027	0.018	0.002	0.008	0.041	0.049	0.056	0.042	0.044	0.038	0.042
	14	0.044	0.028	0.018	0.001	0.008	0.088	0.051	0.060	0.045	0.047	0.039	0.043
	15	0.046	0.029	0.021	0.001	0.009	0.143	0.060	0.117	0.057	0.099	0.042	0.046
	16	0.052	0.041	0.032	0.006	0.019	0.207	0.075	0.133	0.116	0.120	0.069	0.059
	17	0.061	0.062	0.051	0.024	0.038	0.225	0.213	0.315	0.135	0.167	0.067	0.063
	18	0.063	0.062	0.063	0.064	0.068	0.285	0.227	0.499	2.372	0.126	0.070	0.067
	19	0.066	0.064	0.073	0.072	0.074	0.251	0.226	0.727	2.680	0.126	0.071	0.069
	20	0.065	0.064	0.075	0.090	0.088	0.195	0.134	0.340	0.202	0.072	0.068	0.069
	21	0.062	0.063	0.067	0.068	0.076	0.088	0.092	0.281	0.089	0.066	0.065	0.067
	22	0.059	0.061	0.059	0.060	0.062	0.074	0.083	0.192	0.081	0.059	0.062	0.065
	23	0.056	0.059	0.052	0.056	0.057	0.058	0.055	0.061	0.061	0.054	0.060	0.057
	24	0.055	0.058	0.051	0.052	0.055	0.054	0.054	0.060	0.061	0.056	0.057	0.055

NBT Export Compensation Rates

Hourly export rates (\$/kWh) based on the Avoided Cost Calculator (ACC)

		2023 Weekday Base Export Compensation (no adders)											
Hour of Day		Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
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	3	0.051	0.056	0.050	0.047	0.050	0.050	0.052	0.053	0.053	50	0.054	0.049
	4	0.051	0.055	0.050	0.048	0.050	0.050	0.052	0.053	0.053	50	0.053	0.049
	5	0.051	0.056	0.051	0.049	0.050	0.050	0.052	0.053	0.053	50	0.054	0.048
	6	0.053	0.057	0.052	0.050	0.050	0.050	0.052	0.053	0.053	51	0.056	0.051
	7	0.056	0.058	0.053	0.040	0.030	0.032	0.034	0.035	0.035	0.052	0.058	0.056
	8	0.057	0.060	0.048	0.014	0.018	0.045	0.050	0.056	0.048	0.051	0.061	0.061
	9	0.055	0.048	0.032	0.009	0.007	0.038	0.050	0.055	0.039	0.043	0.048	0.055
	10	0.048	0.031	0.020	0.011	0.011	0.037	0.050	0.055	0.040	0.043	0.046	0.048
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	21	0.062	0.063	0.067	0.068	0.076	0.088	0.092	0.281	0.089	0.066	0.065	0.067
	22	0.059	0.061	0.059	0.060	0.062	0.074	0.083	0.192	0.081	0.059	0.062	0.065
	23	0.056	0.059	0.052	0.056	0.057	0.058	0.055	0.061	0.061	0.054	0.060	0.057
	24	0.055	0.058	0.051	0.052	0.055	0.054	0.054	0.060	0.061	0.056	0.057	0.055

Mid-day in spring – lowest value when solar is over-producing regionwide, summer load hasn't hit yet

Early evening Sept. – highest value when sun going down, A/C loads at peak

Comparison of residential solar system economics under NEM 2.0 and NBT

Bill Plan	System Size	Electric bill lifetime savings*	Initial Cost	Payback Period, Years
NEM 2.0, ETOU-C	3.25kW	\$55,950	\$ 11,375	5.6
NBT, E-ELEC	3.25kW	\$26,469	\$ 11,375	11.1



(*assuming 30-year solar panel life, 15-year inverter life)

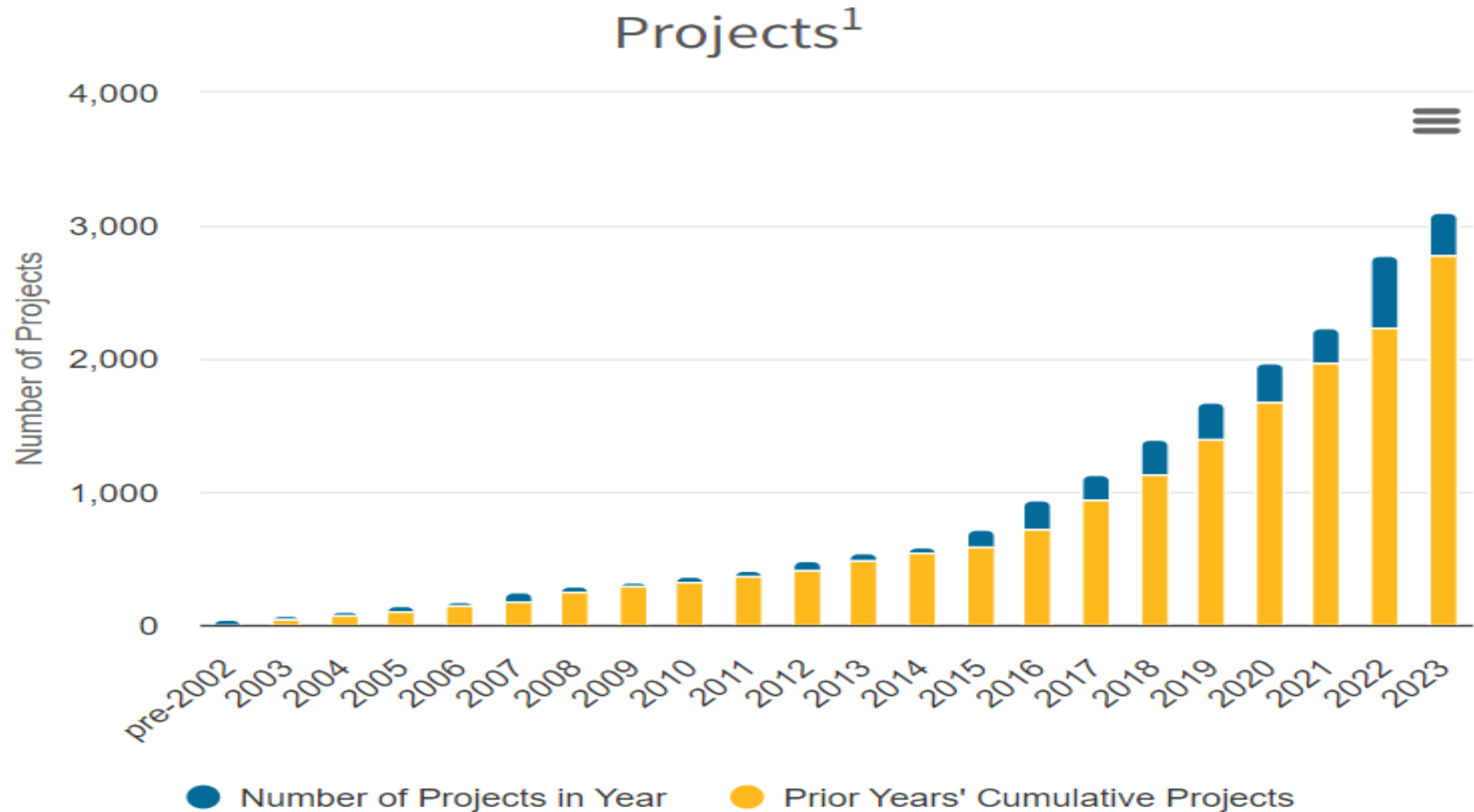
Same cost to install for either program, but NEM has greater overall bill savings for a quicker payback

Comparison of solar system economics with and without battery under NBT

Battery system size (kWh)	Solar system size (DC kW)	% usage offset	Total cost (post ITC tax credit)	Payback period (years)	First year bill savings	Annual PV exports (% of total generation)
13.5	3.5	90%	\$16,625	16.5	\$1,016	23%
none	3.5	100%	\$8,453	12.3	\$607	67%

Comparing 2 like systems, one with a battery and one without. Showing less exports with a battery as used on-site is more and more bill savings.

Humboldt Co. Interconnection Applications



What can customers do to keep solar value high?

- **Export less electricity – currently approx. 50% of residential daytime solar electricity is exported with the other 50% used for daytime loads.**
- **NBT encourages best practices which reduce exports:**
 - ✓ Discourages exports during system off peak with daytime rates as low as ~\$0; shift energy use for household needs to midday.
 - ✓ Encourages exports during system peaks, 4-9 PM, with rates as high as \$4/kWh; battery installations support this effort.
 - ✓ Smaller installs – installs below 100% of load have better value
 - ✓ Storage – significant value from storing excess during non-peak and exporting during peak hours

Net Billing Tariff Options and Recommendations

Considerations

- The extent of these changes to solar customer rates and the expected decline in new solar customer participation makes it **difficult to forecast RCEA equity and financial outcomes** at this time.
- The **generation component (RCEA)** of the NBT program design is a much **smaller percentage** of the total loss in solar system value than **delivery (PG&E)**
- **Solar customers** make up **6.2% of RCEA's residential customers**
- In the past year RCEA added an average of 40 new NEM accounts per month. A **decrease in new solar systems** appears to be occurring with the **implementation of NBT** due to the **lower offset in monthly bills**, the **cost of solar systems paired with battery**, and the current amount of NEM 2.0 installations in the queue.
- The approximately **3,300 existing NEM customers** served by RCEA **will remain on the NEM tariff for 20 years from their install date.**

Successor tariff options considered by staff

1. Mirror PG&E in transitioning to NBT
 - ✓ Keep consistent with T&D and Generation tariff design
2. Apply NEM 2.0 generation tariff design to the PG&E NBT customers (maintain status quo)
 - ✓ RCEA NEM pays retail rate plus a penny; no Net Surplus Compensation
3. Adopt NBT, but customize components to increase incentive either for low-income, paired storage, or for all participants
 - ✓ Options are limited by Calpine's ability to customize billing for each of their CCA clients statewide

Recommended Action

- Approve a Net Billing Tariff (NBT) design that mirrors the PG&E NBT to be implemented on or after December 15, 2023, as determined by Calpine's billing readiness.

Note: Staff will reevaluate NBT in 12 to 24 months after post implementation data can be obtained for a more substantial impact assessment.

Questions?

- Thank you -

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REDWOOD COAST EnergyAuthority

STAFF REPORT Agenda Item # 8.1

AGENDA DATE:	August 24, 2023
TO:	Board of Directors
PREPARED BY:	Richard Engel, Director of Power Resources Jocelyn Gwynn, Senior Power Resources Manager
SUBJECT:	Portfolio Content Category 3 Renewable Energy Certificates

BACKGROUND

California's Renewable Portfolio Standard (RPS) requires load-serving entities (LSE) such as RCEA to procure minimum amounts of renewable energy, expressed as a percentage of total energy sold to customers, over multi-year compliance periods. Renewable energy is procured in units of Renewable Energy Certificates (RECs), where each REC is equivalent to one megawatt-hour (MWh) of electric energy from a state-designated renewable resource. In California, the RECs are classified as belonging to one of three portfolio content categories (PCCs)¹:

- PCC1 are bundled RECs, meaning the energy and RECs are sold together. PCC1 RECs are typically procured from generating resources within California, or certain out-of-state resources that meet strict chain of custody requirements. These are normally the most expensive type of REC to procure. Per State rules, at least 75% of an LSE's RPS requirement must be met with PCC1 RECs. The RECs from RCEA's Redwood Coast Airport Microgrid are an example of PCC1 RECs.
- PCC2 are bundled RECs that typically come from out-of-state resources which aren't interconnected to a California balancing authority, meaning the chain of custody requirements are not as strict. Therefore, some greenhouse gas emissions from non-renewable generation are assumed to be associated with these resources for California's emissions reporting purposes. Wind energy purchased from projects in the Pacific Northwest are an example of PCC2 RECs RCEA has purchased. No more than 25% of an LSE's RPS requirement can be met with PCC3 RECs.
- PCC3 are unbundled RECs, where the certificates are sold separately from the associated energy resource. This unbundling generally makes PCC3 RECs less attractive as a marketable product and thus the least expensive. No more than 10% of an LSE's RPS requirement can be met with PCC3 RECs.

¹ There is also a PCC0 category that is used to refer to legacy renewable energy generation from the few remaining older projects that pre-date establishment of the RPS.

PCC3 RECs are reported in a separate category on the power content label that RCEA publishes and distributes to customers annually. However, since they are unbundled from the associated energy generation, that energy does not show up on the power content label as part of RCEA's power mix.

SUMMARY

To date, RCEA has met its renewable energy procurement goals and state compliance requirements through purchase of PCC1 and PCC2 RECs. A 2019 study of community choice aggregators by the UCLA Luskin Center for Innovation found that most CCAs sought to minimize their use of PCC3 RECs.²

However, RCEA has recently had to confront conditions that may make it necessary to procure some PCC3 RECs in order to remain in compliance with the RPS and with Senate Bill 350, which mandates that 65% of an energy provider's required renewable supply must be procured under contracts of at least ten years' duration or from provider-owned resources. For one, the extended delay in the Sandrini Sol 1 solar project coming online will cause RCEA to come up short on the RECs it needs for the current RPS compliance period ending in December 2024, without corrective action. Normally staff would seek to replace the Sandrini PCC1 RECs with PCC1 RECs from an alternative source. However, after years of relatively stable prices, PCC1 RECs have recently increased more than four-fold in price in little more than a year.

In light of these developments, staff requests Board approval to procure up to 10% of RCEA's State-required PCC3 RECs as needed for renewable energy compliance purposes. Any long-term contracts of this product will be brought to the full Board for approval, per the transaction authorization limits in RCEA's Energy Risk Management Policy.

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

Not applicable. Staff's recommendation is directed at achieving regulatory compliance.

EQUITY IMPACTS

Not applicable.

FINANCIAL IMPACT

Between now and the end of the current RPS compliance period, PCC1 RECs are forecast to cost six to nine times more than PCC3 RECs. In the volumes needed over this period, procuring the maximum allowed volume of PCC3 RECs instead of PCC1 RECs could save RCEA approximately \$4-6 million based on the forecasted price differential. Cost considerations aside, PCC1 RECs are currently scarce and may simply not be available to RCEA under long-term contract in the volumes and timeframe needed.

² https://innovation.luskin.ucla.edu/wp-content/uploads/2019/11/Rapid_Growth_of_Community_Choice_Energy.pdf

STAFF RECOMMENDATION

Authorize staff to seek procurement of Portfolio Content Category 3 Renewable Energy Certificates as needed for RPS compliance purposes, and to procure any contracts in accordance with the transaction authorization limits in the Energy Risk Management Policy.

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STAFF REPORT
Agenda Item # 8.2

AGENDA DATE:	August 24, 2023
TO:	Board of Directors
PREPARED BY:	Richard Engel, Director of Power Resources
SUBJECT:	Procurement of Portfolio Content Category 3 Renewable Energy Certificates from Humboldt Sawmill Company

BACKGROUND

As noted in a separate staff report in this month's Board packet, significant project delays including the major Sandrini Sol 1 solar project, along with sharply increased prices in renewable energy certificates (RECs) needed to offset these delays, have made it necessary for staff to recommend procurement of Portfolio Content Category 3 (PCC3) RECs in order to meet Renewable Portfolio Standard (RPS) requirements. These RPS requirements include minimum annual renewable energy procurement targets and a subset of that which must be procured long-term contracts of ten or more years.

Humboldt Sawmill Company (HSC) has recently approached RCEA with an opportunity to purchase PCC3 RECs associated with onsite energy use by their sawmill, which is powered by HSC's own Scotia biomass plant that RCEA procures wholesale electricity from under long-term contract. HSC is installing new metering that will make it feasible to generate and market these RECs for the first time. These are deemed PCC3 RECs because they are unbundled from the energy, i.e. the energy is being used onsite by HSC while the associated RECs are being offered for sale to RCEA.

SUMMARY

Due to the delay in the Sandrini Sol 1 project, RCEA is seeking replacement RECs under long-term contract to comply with Senate Bill 350, as discussed in a separate staff report in this Board packet. HSC leadership has stated they would be willing to sell the PCC3 RECs for a 10-year term. They have also provided indicative pricing that is consistent with information we have on current market pricing for PCC3 RECs.

The offer from HSC is unique in several ways:

- No other source of PCC3 RECs or renewables not already under contract by either RCEA or PG&E is available within our service area.

- Unlike typical PCC3 RECs available on the market, where chain of custody may not be well-documented or transparent, the origin of these RECs is plainly visible to our community and associated with economic activity that returns value to Humboldt County.
- The RECs are a newly available compliance resource associated with energy production already taking place, so RCEA's procuring them will not result in any new pollutant or greenhouse gas emissions.
- HSC has proven to be a trustworthy and cooperative RCEA business partner since 2017.

For these reasons, staff believe it would not be productive to issue a solicitation seeking PCC3 resources of value comparable to what is being offered by HSC. Staff request Board approval to enter into sole-source negotiations with HSC for long-term procurement of PCC3 RECs, with a final contractual agreement to be brought back to the Board for approval.

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

Not applicable. Staff's recommendation is directed at achieving regulatory compliance and does not result in any incremental renewable energy generation.

EQUITY IMPACTS

As noted above, the PCC3 RECs offered by HSC are a newly available compliance resource associated with energy production already taking place, so procuring them will not result in any new pollutant or greenhouse gas emissions. Therefore, the proposed transaction does not impact the equity concerns around biomass emissions that have been raised with the Board in the past.

FINANCIAL IMPACT

From initial information provided by HSC, it appears RCEA would be able to procure 25,000 to 30,000 PCC3 RECs per year associated with sawmill energy use. As noted in a separate staff report, between now and the end of the current RPS compliance period, PCC1 RECs, which are what RCEA would normally procure to meet its RPS regulatory needs, are forecast to cost six to nine times more than PCC3 RECs. With this range of expected price differential, by procuring the HSC's PCC3 RECs, RCEA would save approximately \$1.3 to \$1.6 million between October 2023 when HSC plans to begin producing PCC3 RECs and December 2024 when the current RPS compliance period ends. Savings over the ten-year term are speculative since they are highly dependent on REC prices, which have proven to be volatile in recent years. The PCC3 RECs could also enable RCEA to sell unneeded PCC1 RECs from its portfolio in the future, thereby maximizing revenue to RCEA.

STAFF RECOMMENDATION

Authorize staff to negotiate procurement of Portfolio Content Category 3 Renewable Energy Certificates for regulatory compliance purposes from Humboldt Sawmill Company, via either an amendment to the existing power purchase agreement between RCEA and Humboldt Sawmill Company or a new separate agreement, with the final amendment or agreement to be brought to the RCEA Board for approval at a later meeting.



STAFF REPORT
Agenda Item # 9.1

GENDA DATE:	August 24, 2023
TO:	Board of Directors
PREPARED BY:	Matthew Marshall, Executive Director
SUBJECT:	RePower Humboldt Energy Strategic Plan Update

BACKGROUND

Following approximately nine months of analysis and gathering public input, the RCEA Board adopted an update to the RePower Humboldt Strategic Plan, RCEA's comprehensive action plan for energy in December 2019. The plan establishes goals and strategies to guide RCEA's work over the 2020-2030 period, and is available online at:

<https://redwoodenergy.org/wp-content/uploads/2020/06/RePower-2019-Update-FINAL-.pdf>

SUMMARY

Staff intends to provide RePower Humboldt Plan updates every six months to keep the Board informed on implementation progress. At the meeting RCEA department directors will provide a presentation on the current status of plan implementation and related activities. This will include updates on the four focus areas of the plan:

1. Regional Planning and Coordination
2. Integrated Demand Side Management
3. Low-Carbon Transportation
4. Energy Generation and Utility Services.

STAFF RECOMMENDATION

N/A – Information only.

ATTACHMENTS

Presentation slides will be shared at this meeting.



STAFF REPORT
Agenda Item # 10.1

AGENDA DATE:	August 24, 2023
TO:	Board of Directors
FROM:	Matthew Marshall, Executive Director
SUBJECT:	Executive Director's Report

SUMMARY

Executive Director Matthew Marshall will provide updates on topics as needed.

RECOMMENDED ACTION

None. (Information only.)