



## **BOARD OF DIRECTORS MEETING MINUTES**

**April 28, 2022 - Thursday, 3:30 p.m.**

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Notice of this meeting was posted on April 22, 2022. Chair Stephen Avis called a regular meeting of the Board of Directors of the Redwood Coast Energy Authority to order on the above date at 3:32 p.m., stating that the teleconference meeting was being conducted pursuant to the AB 361 Brown Act open public meeting law revisions signed into law on September 16, 2021, and Governor Newsom's State of Emergency Proclamation of March 4, 2020. Chair Avis stated that the posted agenda contained public teleconference meeting participation instructions.

PRESENT: Chair Stephen Avis (briefly offline from 4:15-4:20 p.m.), Scott Bauer (arrived 3:34 p.m.), Rex Bohn, Vice Chair Chris Curran, David Grover, Mike Losey, Sarah Schaefer, Frank Wilson, Sheri Woo. ABSENT: None. STAFF AND OTHERS PRESENT: Power Resources Director Richard Engel, The Energy Authority Client Services Manager Jaclyn Harr, Community Strategies Manager Nancy Stephenson; Clerk of the Board Lori Taketa, Deputy Executive Director Eileen Verbeck.

### **REPORTS FROM MEMBER ENTITIES**

Director Losey mentioned a Washington Post article rating 25 investor-owned utilities' performance on climate change policy implementation. Eleven utilities were found to be actively obstructing climate change policies. PG&E scored among the highest-rated utilities for implementing climate change policies.

Chair Avis reported that a large tract off the Oregon Coast was opened for offshore wind development.

### **ORAL COMMUNICATIONS**

There were no public comments for non-agenda items. Chair Avis closed the oral communications portion of the meeting.

### **CONSENT CALENDAR**

- 3.1 Approve Minutes of March 24, 2022, Board Meeting.
- 3.2 Approve Disbursements Report.
- 3.3 Accept Financial Reports.
- 3.4 Adopt RCEA Resolution 2022-4 Ratifying Governor Newsom's March 4, 2020, State of Emergency Proclamation and Authorizing Remote Teleconference Meetings of RCEA's Legislative Bodies for the Period April 28, 2022, through May 27, 2022, Pursuant to Brown Act Revisions.
- 3.5 Accept Annual RCEA Supplier Diversity Report and Plan.

No member of the Board or public requested items to be removed from the consent calendar.

**M/S: Grover, Losey: Approve the consent calendar items.**

**The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Bohn, Curran, Grover, Losey, Schaefer, Wilson, Woo. Noes: None. Absent: None. Abstain: None.**

Chair Avis confirmed there was a quorum to conduct Community Choice Energy business.

## **OLD CCE BUSINESS**

### **5.1 Energy Risk Management Quarterly Report**

The Energy Authority Client Services Manager Jaclyn Harr described rate and revenue projections for 2023 and beyond and presented a range of possible rate scenario models. Ms. Harr expressed optimism about agency revenues in the next two years but advised caution due to the extremely volatile energy market and regulatory uncertainty. Ms. Harr described RCEA's energy price hedging to moderate exposure to energy cost fluctuations; the Russia-Ukraine war's impact on natural gas prices and California energy production; and the Sandrini solar project's delays due to solar industry-wide supply chain and tariff issues.

Ms. Harr verified that a significant portion of RCEA's cash reserves are still tied up as buyer security for the Sandrini Solar project, and that contract negotiations for the project have been reopened due to a six-month construction delay. There was discussion about lowering customer rates or offering year-end bill credits as the agency's fiscal position improves, the need to pay back loans that are helping the agency weather a recent cash shortfall and reprioritizing reserve funding.

There were no responses from the public to Chair Avis' invitation for comment. Chair Avis closed the public comment period.

**M/S: Grover, Losey: Accept Energy Risk Management Quarterly Report.**

**The motion passed with a unanimous roll call vote. Ayes: Bauer, Bohn, Curran, Grover, Losey, Schaefer, Wilson. Noes: None. Absent: Avis. Abstain: None. Non-Voting: Woo.**

## **OLD BUSINESS**

### **7.1. CPUC-Mandated Long-Duration Storage (LDS) Procurement**

Power Resources Director Richard Engel described RCEA's participation in the California Community Power (CC Power) procurement to meet CPUC mandates. Director Engel described the Goal Line long duration storage project, its complex contract structure and the ongoing firm clean resources mandated procurement. Of CC Power's ten CCA members, six are participating in the Goal Line procurement. CCAs often choose not to participate if they can meet procurement mandates more easily by other means or if they determine the contracts being pursued by CC Power do not align with their agency's own procurement preferences. Smaller CCAs such as RCEA often participate in CC Power's joint procurements to benefit from greater, pooled buying power. Staff was disappointed that non-lithium-ion battery projects did not score higher in the group's analysis, but ultimately supported the Goal Line lithium-ion battery project due to concerns that non-lithium-ion battery vetting delays would cause missed LDS compliance deadlines, which RCEA is on track to meet.

Chair Avis invited public comment. There were no comments from the public. Chair Avis closed the public comment period.

**M/S: Losey, Grover: Delegate authority to the Executive Director to execute on behalf of Redwood Coast Energy Authority as a member of California Community Power the following agreements and any necessary ancillary documents for the Goal Line Long Duration Storage project with a delivery term of 15 years starting at the Commercial Operation Date on or about June 1, 2025, for an RCEA share not to exceed 3.21 MW:**

- a) **Project Participation Share Agreement by and among Redwood Coast Energy Authority, California Community Power and participating community choice aggregators**
- b) **Energy Storage Service Agreement - Buyer Liability Pass Through Agreement by and among Redwood Coast Energy Authority, California Community Power and Goal Line BESS 1, LLC**
- c) **Operations Agreement by and among Redwood Coast Energy Authority, California Community Power and participating CCAs for Goal Line (agreement to be developed, not attached).**

**The motion passed with the following roll call vote. Ayes: Avis, Bauer, Bohn, Curran, Grover, Losey, Schaefer, Wilson, Woo. Noes: None. Absent: None.**

#### **FUTURE AGENDA ITEMS**

Director Bauer requested Board discussion of ways to speed up renewable energy project construction given the long lead times for project development and permitting. The offshore wind project may take until 2030 to permit and build, but global greenhouse gas emissions must be halved by that time. Current renewable energy project construction speeds are inadequate to meet the goal. The directors discussed how regulatory agency (like the California Coastal Commission) approvals often slow project development, how Oregon and New York offshore wind projects will likely be operational before California projects and how agencies nationwide at all levels need to ascertain how to address the climate crisis swiftly while not circumventing concerns underpinning regulations. It was suggested that staff investigate efforts to change environmental regulation to complete renewable projects within federal infrastructure funding deadlines. Staff pointed out that the Board's legislative platform directs staff to support streamlining renewable resource projects and that staff is communicating with the Governor's office about ways to move the offshore wind project forward as quickly as possible.

The directors welcomed Supervisor Bohn to his first meeting in years as the County's Director, and thanked Director Grover for his enthusiastic service. Director Grover confirmed that Councilmember Jack Tuttle would be attending the May meeting as Trinidad's newly appointed representative.

The meeting was adjourned at 4:47 p.m.

Lori Taketa  
Clerk of the Board