



## **BOARD OF DIRECTORS MEETING MINUTES**

**August 25, 2022 - Thursday, 3:30 p.m.**

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Notice of this meeting was posted on August 20, 2022. Vice Chair Chris Curran called a regular meeting of the Board of Directors of the Redwood Coast Energy Authority to order on the above date at 3:34 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. Vice Chair Curran stated that the posted agenda contained public teleconference meeting participation instructions.

PRESENT: Chair Stephen Avis (left 5 p.m.), Scott Bauer, Rex Bohn (left 5:30 p.m.), Vice Chair Chris Curran, Mike Losey Jack Tuttle (arrived 4:09 p.m.), Frank Wilson, Sheri Woo. ABSENT: Sarah Schaefer. STAFF AND OTHERS PRESENT: Business Planning and Finance Director Lori Biondini; General Counsel Nancy Diamond; Power Resources Director Richard Engel; Senior Power Resources Manager Jocelyn Gwynn; Executive Director Matthew Marshall; Administration Specialist Meredith Matthews; Community Strategies Manager Nancy Stephenson; Clerk of the Board Lori Taketa; Deputy Executive Director Eileen Verbeck.

### **ORAL COMMUNICATIONS**

There were no public comments on items not on the agenda. Vice Chair Curran closed the oral communications portion of the meeting.

### **CONSENT CALENDAR**

- 3.1 Approve Minutes of July 28, 2022, Board Meeting.
- 3.2 Approve Disbursements Report.
- 3.3 Accept Financial Reports.
- 3.4 Extend Resolution No. 2022-6 Ratifying Governor Newsom's March 4, 2020, State of Emergency Proclamation and Authorizing Remote Teleconference Meetings of RCEA's Legislative Bodies, for the Period August 27, 2022, Through September 25, 2022, Pursuant to Brown Act Revisions of AB 361.
- 3.5 Authorize the Executive Director to Execute an Amendment for a Six-Month Extension of the Commercial Office Lease for RCEA's Existing Headquarters at 633 3rd Street, Eureka, CA.
- 3.6 Approve Amendment to Professional Services Agreement with Aiqueous for Demand-Side Management Database Development and Operation Services, Increasing the Not-to-Exceed Amount to \$334,000 Through December 2023, and Authorize the Executive Director to Prepare and Execute All Applicable Documents, Including Contract Extension Provisions.
- 3.7 Approve Amendment to Master Services Agreement with Schatz Energy Research Center for Programmatic Research and Development Technical Support Services.

- Increasing the Not-to-Exceed Amount From \$100,000 to \$250,000 Through June 2025, and Authorize the Executive Director to Prepare and Execute All Applicable Documents.
- 3.8** Authorize staff to Develop and Execute a Contract with the Bear River Band of the Rohnerville Rancheria for the Reimbursement of Installing Mobile Home Solar at Two Agreed Upon Locations Not to Exceed a Total Project Cost of \$29,700.00, Pending Final Contract Review and Approval by RCEA General Counsel Prior to Execution.
- 3.9** Authorize Staff to Solicit Bids for Electrical Portions of Construction Work at the Eureka 3rd and H Streets Electric Vehicle Charging Site for a Budget Not to Exceed \$56,000 and Authorize the Executive Director to Execute All Applicable Documents With the Lowest Responsive Bidder.
- 3.10** Accept Quarterly Budget Report (Q4).

Director Woo requested items 3.5 and 3.9 be removed and Director Wilson requested items 3.6, 3.7 and 3.8 be removed from the consent calendar.

**M/S: Avis, Woo: Approve consent calendar items 3.1, 3.2, 3.3, 3.4, and 3.10.**

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

The directors requested excluding non-routine items from the consent calendar and confirmation that legal counsel has examined and approved all agreements. Staff and the Board reviewed the agency's agreement legal review process. Directors noted items 3.6 and 3.7 involved increases to budgeted amounts and requested greater transparency and explanation of these areas during the budget process.

**M/S: Woo, Avis: Approve consent calendar items 3.5, 3.6, 3.7, 3.8, and 3.9.**

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

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

## **OLD CCE BUSINESS**

### **5.1 2021 Power Source Disclosure Attestation**

Power Resources Director Engel spoke about the customer report on power sources used during the previous year. Due to energy market volatility in 2021 and the agency's resulting difficult financial situation, power from less expensive renewable sources was purchased. Out-of-state solar, which has less rigorous chain-of-custody accounting and must be assumed to have some emissions, was included in RCEA's REpower+ 100% renewable product. As a result, the mailed report shows the 2021 REpower+ product having some greenhouse gas emissions. In the future, only in-state renewables will be used for the REpower+ power portfolio.

There were no responses from the public to Vice Chair Curran's invitation for comment and the public comment period was closed.

**M/S: Avis, Bauer: Adopt Resolution 2022-7 Approving and Attesting to the Veracity of RCEA's 2021 Power Source Disclosure Report and Power Content Label.**

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

## **NEW CCE BUSINESS**

### **6.1 Zero-Emission Resource Mid-Term Reliability Request for Offers**

Power Resources Senior Manager Gwynn reported on the CPUC decision requiring load serving entities (LSEs) to procure new capacity to replace the Diablo Canyon nuclear plant's ability to produce a steady flow of energy during critical evening hours.

The directors discussed the desirability of local projects and expressed frustration with fulfilling state requirements in ways that do not benefit local energy production, reliability or clean energy needs. Staff described the Fairhaven energy storage project's potential long-term benefit of storing offshore wind-generated electricity for use during low renewable energy supply times, and the importance of meeting state requirements in ways that move the agency toward fulfilling local goals.

There were no responses from the public to Vice Chair Curran's invitation for comment and the public comment period was closed.

**M/S: Losey, Bohn: Authorize staff to issue the Request for Offers for Zero-Emission Resources, in accordance with the terms provided.**

**Expand the scope of the Board ad hoc Mid-Term Reliability Solicitation Subcommittee to review and approve the following actions provided they are consistent with the RFO: (i) the offer shortlist, (ii) replacement of offers on the shortlist if negotiations with a shortlisted respondent are discontinued, and (iii) continued negotiations with a shortlisted respondent whose offer changes during the negotiation process.**

**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: Avis, Bauer, Bohn, Curran, Losey, Tuttle, Wilson. Noes: None. Absent: Schaefer. Abstain: None. Non-Voting: Woo.**

## **OLD BUSINESS**

### **7.1. Quarterly (Q2) CAPE/RePower Strategic Plan Status Update (Information only)**

Executive Director Marshall described agency progress toward strategic plan goals achieved in the last six months, including:

- A \$700,000 California Energy Commission grant to install additional electric vehicle charging stations in rural County areas
- Submission of a Rural Regional Energy Network application to the CPUC

- Local firefighter training to fight solar battery storage fires
- Airport microgrid commercial operations and successful islanded operation
- Discussions with PG&E on Willow Creek and Hoopa microgrid development
- Fairhaven battery storage procurement
- \$1.46 million payment received in bill credits for RCEA customer unpaid bills
- Working with CORE Hub on regional energy resilience collaboration
- Working with Sonoma Clean Power on regional transmission planning.

Executive Director Marshall described the upcoming Bureau of Ocean Energy Management lease auction and Humboldt Wind Energy Area development in the context of the state's ambitious renewable energy production goals and timeline. Any Humboldt offshore wind project over 150 MW will require upgraded transmission lines. Full development of both Humboldt lease areas will be necessary to achieve California's 5,000 MW by 2030 goal. Achievement of the 25,000 MW by 2045 goal requires offshore wind development off Del Norte County, Cape Mendocino and Humboldt County. Transmission infrastructure upgrades will cost between \$5 and \$10 billion and will require commercial viability of the Humboldt and another northern California offshore wind area to be feasible. Transmission upgrades will need to begin soon as this type of development takes a very long time.

There were no responses from the public to Vice Chair Curran's invitation for comment and the public comment period was closed.

#### **7.2. Offshore Wind Development Cooperative Agreement, Agreement in Principle**

Legal Counsel Diamond reviewed proposed Offshore Wind Development Cooperative Agreement changes resulting from changes in RCEA's partner companies, and reasons for replacing the Cooperative Agreement with an Agreement in Principle that will address the Bureau of Ocean Energy Management's increased scale of proposed development in the Humboldt Wind Area, potential energy offtaking arrangements, the RCEA-project company relationship during project development and operation, Interconnection Agreement ownership if the project company does not acquire a lease, and commitments to engage the community and stakeholders in project development, including hiring and training local skilled labor. This Agreement in Principle may need to be signed prior to the BOEM lease auction. Staff wants to retain the ability to influence who the grid interconnection queue position should be sold to should Redwood Offshore Wind not obtain a lease.

There were no responses from the public to Vice Chair Curran's invitation for comment and the public comment period was closed.

#### **M/S: Avis, Bauer:**

1. **Approve Third Amendment to Cooperation Agreement;**
2. **Approve Termination of Cooperation Agreement;**
3. **Approve Agreement in Principle;**
4. **Authorize the Executive Director to execute all such documents.**

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

## **STAFF REPORTS**

### **9.1. Executive Director's Report**

Executive Director Marshall described the Federal Inflation Reduction Act's energy incentives which support many of RCEA's existing programs, including home energy efficiency and electrification and alternative fuel transportation programs.

## **FUTURE AGENDA ITEMS**

Staff will schedule a Finance Subcommittee meeting to discuss supplemental budget items in more detail.

## **CLOSED SESSION**

There was no new information to share nor actionable items regarding closed session item:

**11.1** Conference with real property negotiators pursuant to Government Code § 54956.8 in re: APNs 001-141-005 and 001-141-006; RCEA negotiator: Executive Director; Owner's negotiating party: Wells Commercial; Under negotiation: price and terms.

The directors declined adjourning to closed session. Vice Chair Curran adjourned the meeting at 5:57 p.m.

Lori Taketa  
Clerk of the Board