



BOARD OF DIRECTORS MEETING MINUTES

October 27, 2022 - Thursday, 3:30 p.m.

Notice of this meeting was posted on October 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 3:34 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. Chair Avis asked Vice Chair Chris Curran to continue facilitating the meeting, and Vice Chair Curran stated that the posted agenda contained public teleconference meeting participation instructions.

PRESENT: Chair Stephen Avis, Scott Bauer, Rex Bohn (arrived 3:38 p.m., left 5:00 p.m.), Vice Chair Chris Curran, Mike Losey, Sarah Schaefer, Jack Tuttle, Frank Wilson, Sheri Woo. ABSENT: None. STAFF AND OTHERS PRESENT: Regulatory and Legislative Policy Manager Aisha Cissna; General Counsel Nancy Diamond; Power Resources Director Richard Engel; Senior Power Resources Manager Jocelyn Gwynn; Executive Director Matthew Marshall; Administrative Specialist Meredith Matthews; Power Resources Specialist Colin Mateer; Board Clerk Lori Taketa; Deputy Executive Director Eileen Verbeck.

ORAL COMMUNICATIONS

Member of the public Wendy Ring expressed support for community solar and expressed hope that RCEA take advantage of AB 2316 and the Inflation Reduction Act to help public and nonprofit entities build solar facilities for reduced cost to further energy justice and local, renewable energy.

Executive Director Marshall congratulated Chair Avis on being honored by the American Planning Association for outstanding contributions to professional planning.

Member of the public Walt Paniak thanked RCEA for offering REpower+, a carbon-free energy service to customers.

Vice Chair Curran closed the oral communications portion of the meeting.

CONSENT CALENDAR

- 3.1 Approve Minutes of September 22, 2022, Board Meeting.
- 3.2 Approve Disbursements Report.
- 3.3 Accept Financial Reports.
- 3.4 Accept Legislative Quarterly Report.
- 3.5 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 October 27, 2022, through November 25, 2022, pursuant to Brown Act revisions of AB 361.

Neither directors nor members of the public requested items be removed from the consent calendar.

M/S: Losey, Schaefer: Approve consent calendar items.

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

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

OLD CCE BUSINESS

5.1. Integrated Resource Plan Power Portfolio Approval

Power Resources Director Engel clarified that the Board-supported, diversified scenario preserves the diversified energy portfolio recommended by RCEA's strategic plan. Its biomass energy could be sourced from lower-emissions projects after the Humboldt Sawmill Company contract ends in 2031. The Integrated Resource Plan (IRP) process, a biennial planning exercise, was described. Staff will engage the Community Advisory Committee and community to offer input during the next 2-year cycle, and staff will incorporate the input under Board direction within regulatory boundaries. Aspects of the preferred portfolio were reviewed, including its share of new resource building, emissions, and criteria pollutants.

The Humboldt-Del Norte County Medical Society submitted written comment calling on the RCEA Board and the Humboldt County Board of Supervisors to move forward on the RePower Humboldt strategic plan to end biomass incineration and to commit to not expand, initiate or renew biomass combustion contracts.

Member of the public Diane Ryerson submitted written comment opposing biomass combustion for electricity due to greenhouse gas and particulate emissions.

Member of the public Wendy Ring asked RCEA to prioritize clean energy and health over local energy, stated her opposition to biomass energy in RCEA's portfolio due to significant climate and public health impacts, and stated that more climate beneficial uses of mill waste currently exist.

Dan Chandler of 350 Humboldt supported non-combustion biomass uses, opposed RCEA's contract extension with Humboldt Sawmill Company due to global warming impacts and expressed frustration that RCEA did not purchase existing solar power in lieu of extending the HSC contract. Mr. Chandler also submitted written comment for 350 Humboldt opposing an IRP submission that includes a biomass contract extension and supporting the prioritization of reducing greenhouse gas emissions over local and new renewable energy.

Member of the public Martha Walden opposes inclusion of biomass energy in RCEA's IRP preferred portfolio, does not consider biomass energy to be part of RCEA's promise to supply 100% clean and renewable energy by 2025, and stated that the public is looking to RCEA for maximum leadership to address the dire climate change emergency.

Member of the public Joanne McGarry asked RCEA to prioritize energy conservation while waiting for clean, renewable energy sources. Ms. McGarry opposed biomass energy and supported a local, decentralized energy system.

Nancy Ihara requested submission of portfolio two or four to the CPUC due to biomass energy's negative climate impacts and in the context of international global disasters.

A member of the public named Ellen opposed biomass' inclusion in the IRP portfolio and stated that it was misleading to market renewables while promoting an energy source that is as damaging as coal.

Member of the public Jesse Noell requested that RCEA analyze biomass' health and climate change costs and help avoid those costs by helping people and community groups install rooftop solar on parking lots and public buildings. Mr. Noell requested a thermometer graphic showing battery storage growth and reduction of health impacts at the Board's next meeting.

Member of the public Walt Paniak supported the least cost option portfolio, expressed concern that HSC's biomass power is too expensive, and supported applying savings from not purchasing biomass energy toward more microgrids for first responder locations in rural areas. Mr. Paniak also submitted written comment supporting the least cost option.

Vice Chair Curran closed the public comment period.

The directors asked for clarification about how local renewable energy purchases affect the actual electrons used locally. The directors discussed the importance of public education about the local, renewable energy by 2030 goal; the need to reconsider the strategic plan's emphasis on locally-sourced energy; and the importance of HSC's resource adequacy in meeting state mandates in a very competitive resource adequacy market. There was interest in receiving more information about biomass' local health impacts from the medical community and asking staff to plan a transition away from biomass combustion energy.

Staff noted that RCEA's contract with HSC gives the agency some leverage to request plant improvements. Changes in the energy market have made HSC's electricity and renewable energy products competitively priced. Staff clarified that RCEA is not financially subsidizing local biomass energy now.

M/S: Bohn, Bauer:

Adopt Resolution No. 2022-8 Approving the 2022 Integrated Resource Plan Portfolio.

Delegate Authority to the Executive Director to Approve the Final Integrated Resource Plan for Submission to the California Public Utilities Commission.

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

OLD BUSINESS

7.1. Racial Justice Plan Progress Update

Deputy Executive Director Verbeck recapped the reasons why RCEA drafted its Racial Justice Plan and progress made on drafting and implementing the plan.

The directors discussed the Yurok tribe's request to join RCEA in a non-voting capacity like the Humboldt Bay Municipal Water District's. The directors expressed appreciation for staff work on the plan.

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, Schaefer:

Accept Racial Justice Plan progress report.

Adopt Racial Justice Plan.

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

NEW CCE BUSINESS

8.1 Rural Regional Energy Network Regulatory and Legal Services Agreement with PfefferLegal

Demand-Side Management Director Kullmann reported on the proposed Rural REN, which will deliver energy efficiency programs more effectively to rural and hard-to-reach areas statewide, the program's extended approval process timeline and the need to change legal counsel during the project's development stage.

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

M/S: Woo, Losey: Authorize the Executive Director to execute a Legal Services Agreement with PfefferLegal for RuralREN regulatory support and legal services through December 2023 for a not to exceed value of \$90,000, subject to sufficient budgetary allocations and pending RCEA General Counsel review.

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

8.2 PG&E Southern Humboldt Transmission Issues (Information only.)

Executive Director Marshall provided background information on Humboldt County's electrical grid infrastructure and described the constriction issues facing areas in Southern Humboldt. Grid constrictions are limiting electrical load and economic growth in Fortuna and Rio Dell. The 43 new customers in areas served by PG&E's Garberville 1102 circuit including Phillipsville, Shelter Cove, Whitethorn, Briceland, Ettersberg, Honeydew and Petrolia, will not be able to increase electrical load without \$300 million in distribution system upgrades. Other parts of the local electrical grid are also unable to support increased loads. These areas include Fields Landing, southeast Eureka's Walnut Drive, Arcata up to Fickle Hill including Sunnybrae and Cal Poly Humboldt, areas served by the Hoopa substation including Weitchpec down the Klamath River to Pecwan and up to Soames Bar. Executive Director Marshall described ways RCEA could deploy distributed resources such as battery storage in the Eel River Valley area to lessen constriction issues while PG&E upgrades infrastructure,

and other ways to help provide service in remote affected areas. Transmission upgrades to export offshore wind may also improve transmission-level issues through parts of southern Humboldt County.

The directors expressed frustration and disappointment in PG&E and the infrastructure limitations and reiterated that the CPUC is responsible for ensuring that PG&E meets its obligations as a utility. Staff was encouraged to continue pressing PG&E for information through the CPUC.

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

8.3 Memorandum of Understanding with the California Fishermen's Resiliency Association

Executive Director Marshall described RCEA outreach efforts with local fishermen since offshore wind was identified as a Community Choice Energy goal in 2016. RCEA and the Humboldt Fishermen's Marketing Association signed a memorandum of understanding in 2018 to work together for the coexistence of offshore wind and the commercial fishery. RCEA provided the Association with a \$20,000 grant to hire a consultant who helped the group establish a nonprofit Fishermen's Resiliency Association to act as a single point of offshore wind negotiation with fishing port associations from San Francisco north to Crescent City. The Fishermen's Resiliency Association memorandum of understanding will allow RCEA to engage with these port associations through a single entity. The intention is to work with fishermen to engage with developers so the offshore wind and fishing industries can coexist.

The directors praised the organization and Board for the forethought to work closely with the local fishing community. A request was made for more direct wording on page three above the Governing Law section, replacing the word "necessarily." General Counsel Diamond agreed to address the language in question.

No member of the public commented on this report. Vice Chair Curran closed the comment period.

M/S: Losey, Woo: Approve a Memorandum of Understanding between the California Fishermen's Resiliency Association and RCEA with the addition of the requested language change, if any, by RCEA Legal Counsel, and authorize the Executive Director to execute the agreement contingent on final review and approval by RCEA Legal Counsel.

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

STAFF REPORTS

9.1. Executive Director's Report

Executive Director Marshall described the December 6 Bureau of Ocean Energy Management offshore wind lease auction process. Developers may win up to one of five California lease areas, two of which are off the Humboldt County coastline. While RCEA and its partners are competing for a lease, RCEA will work with any successful developers locally. The Humboldt Bay Harbor, Recreation and Conservation District selected Crowley Wind Services to develop the harbor infrastructure as part of a future west coast offshore wind hub.

RCEA provided the Harbor District with \$50,000 to develop plans and pursue port development funding.

No member of the public commented on this report. Vice Chair Curran closed the comment period.

CLOSED SESSION

There was no public comment regarding closed session items:

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.

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

The directors adjourned to closed session at 6:05 p.m. The Board reconvened from closed session at 6:28 p.m. Executive Director Marshall stated there was nothing to report from closed session and adjourned the meeting at 6:28 p.m.

Lori Taketa
Clerk of the Board