



BOARD OF DIRECTORS MEETING MINUTES

December 15, 2022 - Thursday, 3:30 p.m.

Notice of this meeting was posted on December 11, 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 3:35 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, Rex Bohn (arrived 3:42 p.m.), Mike Losey, Sarah Schaefer, Jack Tuttle, Frank Wilson, Sheri Woo. ABSENT: Scott Bauer, Elise Scafani. STAFF AND OTHERS PRESENT: General Counsel Nancy Diamond; Power Resources Director Richard Engel; Demand Side Management Director Stephen Kullmann, Executive Director Matthew Marshall; Community Strategies Manager Nancy Stephenson, Board Clerk Lori Taketa; Deputy Executive Director Eileen Verbeck.

CHAIR PRO TEM APPOINTMENT

Director Woo was nominated to serve as Chair Pro Tem and Director Schaefer volunteered to serve as Vice Chair Pro Tem to facilitate the December and January Board meetings. There were no public comments and Executive Director Marshall closed the comment period.

M/S: Avis, Losey: Appoint Sheri Woo as RCEA Board Chair Pro Tem and Sarah Schaefer as Vice Chair Pro Tem to serve through January 2023.

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

REPORTS FROM MEMBER ENTITIES

Director Losey reported that this is his last RCEA Board meeting. The new Fortuna Director will be Christina Mobley. Director Losey wished the agency Board and staff well, and the Directors and staff thanked Director Losey for his service.

ORAL COMMUNICATIONS

CalCCA Executive Director Beth Vaughan introduced herself and thanked Executive Director Marshall for serving as the CalCCA Board President for the past two years. Ms. Vaughan stated that Executive Director Marshall is a valued Board director and CalCCA benefited from his skilled leadership and navigation through challenging issues.

Chair Pro Tem Woo closed the non-agenda oral communications portion of the meeting.

CONSENT CALENDAR

4.1 Approve Minutes of November 17, 2022, Board Meeting.

- 4.2 Approve Disbursements Report.**
- 4.3 Accept Financial Reports.**
- 4.4 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 December 15, 2022, through January 14, 2023, pursuant to Brown Act revisions of AB 361.**
- 4.5 Adopt Resolution 2022-10 Adopting Updates to the Energy Risk Management Policy.**
- 4.6 Adopt Proposed RCEA 2023 Policy Platform.**

Chair Pro Tem Woo requested item 4.5, the resolution adopting Energy Risk Management Policy updates, be removed from the consent calendar.

M/S: Bohn, Schaefer: Approve consent calendar items items 4.1 through 4.4, and 4.6.

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

ITEMS REMOVED FROM CONSENT CALENDAR

Chair Pro Tem Woo pointed the directors to section 4.2 of the Energy Risk Management Policy outlining the Board of Directors' responsibilities. The Chair reminded the Board that they are responsible for determining RCEA's strategic direction, understanding procurement strategies, approving risk exposure and understanding the policy and its appendices on the hedging strategy among other areas. Part of the February Board meeting will be dedicated to orienting new Board members and reviewing operations and programs.

There were no responses from the public to Chair Pro Tem Woo's invitation for public comment and the public comment period was closed.

M/S: Avis, Losey: Adopt Resolution 2022-10 Adopting Updates to the Energy Risk Management Policy.

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

There was no Community Choice Energy business on this agenda.

OLD BUSINESS

6.1. PG&E Local Government Partnership Contract Extension

Demand Side Management Director Stephen Kullmann reported on the Local Government Partnership program's work from July 2020, and on the additional \$1 million budget increase from PG&E to continue work under this contract for 2.5 more years. To date, RCEA has worked with 57 different public agencies, three local tribes, 35 schools and education agencies, 162 commercial customers and 157 residential customers through this program, and helped bring \$5.5 million in grants and loans to these Humboldt County customers for energy efficiency upgrades and renewable energy improvements.

There were no responses from the public to Chair Pro Tem Woo's invitation for comment and the public comment period was closed.

M/S: Losey, Schaefer: Approve a Change Order to the PG&E Local Government Partnership Contract to extend the term through 2025, increase the budget by \$1,000,000, and make minor revisions to the program design and authorize the Executive Director to execute all applicable documents after review and approval of RCEA General Counsel.

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

STAFF REPORTS

8.1. Executive Director's Report (Information only)

Executive Director Marshall reported that RCEA's partner companies, Aker and Mainstream, withdrew from the December 6 BOEM offshore wind lease auction when their dollar limit was reached. RCEA will engage with the two companies that secured leases. RWE, a German company committed to offshore wind development, has engaged with local commercial fishermen and the Eureka Chamber of Commerce. California North Floating LLC, is the project company for Copenhagen Infrastructure Partners and Magellan Wind. During RCEA's 2018 offshore wind development request for qualifications, Magellan was well-received and tied for second place. RCEA will invite representatives from both companies to introduce themselves at a future Board meeting. RCEA retains the first right of refusal for determining who may purchase its project company's place in the CAISO interconnection study queue. This decision will be brought to the Board for consideration in the future. The directors discussed concerns about whether offshore wind electrons will be used locally to meet renewable energy targets or bypass Humboldt County. The group agreed on the need to continue regional grid upgrade advocacy to prevent offshore wind power going directly to the Bay Area. Staff will receive information from the California Energy Commission on how a Southern California community made local grid investment a condition of renewable energy development in their area.

A local group, including Humboldt Community Services District Director Gregg Gardiner, is advocating for forming a not-for-profit cooperative to purchase and operate PG&E's Humboldt County transmission infrastructure. This is modeled on a similar, successful approach taken by the island of Kauai when forming its electric cooperative. Mr. Gardiner was actively involved in that effort. RCEA is participating in conversations with the local advocacy group. Investigating and considering investor-owned utility model alternatives is a strategy listed in the RePower Strategic Plan. Director Bohn stated the local effort has financial backing from Collette and Associates, which has organized 60 electricity cooperatives in the U.S., and requested the group's informational flier be shared with the Board. There was support for further discussion on the topic when more information becomes available. PG&E's current willingness to sell transmission assets was discussed.

Executive Director Marshall reported on the new proposal for solar energy billing, or Net Energy Metering (NEM), which is being considered at the CPUC. Most of CalCCA's proposed changes have been rejected by the CPUC and the new proposed compensation rates for exporting solar energy to the grid are much lower than they are currently. RCEA has typically

compensated its NEM customers by 1 cent more than PG&E would, but the Board may want to consider a different approach.

There were no responses from the public to Chair Pro Tem Woo's invitation for comment and the public comment period was closed.

FUTURE AGENDA ITEMS

Directors requested discussion of potentially buying PG&E's Humboldt County transmission infrastructure and establishing a not-for-profit entity to maintain and run the local grid.

CLOSED SESSION

There was no public comment regarding closed session items:

- 10.1** 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.
- 10.2** Public Employee Performance Evaluation, pursuant to Government Code Section 54957(b)(1): Executive Director.

The directors adjourned to closed session at 4:30 p.m. to discuss items 10.1 and 10.2. Executive Director Marshall stated there was nothing to report from closed session and reported the meeting was adjourned at 5:15 p.m.

Lori Taketa
Clerk of the Board