



Redwood Coast Energy Authority
633 3rd Street, Eureka, CA 95501
Phone: (707) 269-1700 Toll-Free (800) 931-7232 Fax: (707) 269-1777
E-mail: info@redwoodenergy.org Web: www.redwoodenergy.org

BOARD OF DIRECTORS MEETING MINUTES

**Wharfinger Building, Bay Room
1 Marina Way, Eureka, CA 95501**

**October 24, 2024
Thursday, 3:30 p.m.**

Chair Sarah Schaefer 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. Notice of this meeting was posted on October 18, 2024.

PRESENT: Natalie Arroyo, Vice Chair Scott Bauer (arrived 3:46 p.m.), Skip Jorgensen, Kris Mobley, Elise Scafani, Chair Sarah Schaefer, Jack Tuttle (arrived 3:37), Frank Wilson, Sheri Woo. ABSENT: Frankie Myers, Jason Ramos.

STAFF AND OTHERS PRESENT: Regulatory and Legislative Policy Manager Faith Carlson, Finance Specialist Ronnie Chaussé, Power Resources Director Richard Engel, The Energy Authority California Account Director Jaclyn Harr, Board Clerk Lori Taketa, Interim Executive Director Eileen Verbeck.

ORAL AND WRITTEN COMMUNICATIONS

Member of the public Wendy Ring submitted a link to an article on the negative impacts of biomass plant air pollution on children's brains and stated that the Air District approved Humboldt Sawmill Company's permit modification to increase particulate emissions.

CONSENT CALENDAR

- 4.1 Approve Minutes of September 26, 2024, Board Meeting.
- 4.2 Approve Disbursements Report.
- 4.3 Accept Financial Reports.
- 4.4 Accept Quarterly Regulatory and Legislative Policy Engagement Report.
- 4.5 Appoint Elizabeth Burks as RCEA Executive Director, and Approve the Agreement for Employment of Executive Director.
- 4.6 Authorize the Executive Director to Execute the 2024-2027 PG&E Funding Agreement for \$32,178,044 Upon Final Review and Approval by RCEA General Counsel; and, Upon Full Execution, Authorize the Executive Director to Issue Solicitations for Consultant and Subcontractor Services to Implement the Northern California RuralREN in Regions Covered by PG&E funding.
- 4.7 Approve Resolution 2024-14 Approving the Form of and Authorizing the Execution of the Hatchery Road Solar A Feed-In Tariff Power Purchase Agreement with RPCA Solar 5, LLC.

Chair Schaefer asked for items 4.5 and 4.7 to be removed from the consent calendar. There were no public comments nor Board discussion on the remaining consent calendar items.

M/S: Arroyo, Mobley: Approve Consent Calendar items 4.1 through 4.4, and item 4.6.

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

ITEMS REMOVED FROM CONSENT CALENDAR

Incoming Executive Director Elizabeth Burks introduced herself to the Board. Director Woo thanked everyone who served on the recruitment committee. The Hatchery Road Feed-In Tariff power purchase agreement was not ready for approval at this meeting.

M/S: Arroyo, Jorgensen: Appoint Elizabeth Burks as RCEA Executive Director and approve the Agreement for Employment of Executive Director.

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

OLD CCE BUSINESS

6.1. Energy Risk Management Quarterly Report

The Energy Authority California Account Director Jaclyn Harr presented a more positive financial forecast than she presented in the previous quarterly report. Ms. Harr explained the Financial Security Requirement and Market Price Benchmarks, both of which affected RCEA's changed financial outlook. The Power Charge Indifference Adjustment is expected to decrease in 2025, having a positive impact on RCEA's net revenues. The annual net revenue forecast improved for this year through 2026 and the agency's cash reserves are projected to grow steadily under currently forecasted conditions.

The directors asked when its prior renewable energy procurement goals could be reinstated. Staff stated it was premature to resume the more aggressive goals but that the Board will be asked to consider the matter in early 2025. There were no public comments on this item.

M/S: Bauer, Mobley: Accept Energy Risk Management Quarterly Report.

The motion passed with a unanimous vote. Ayes: Arroyo, Bauer, Jorgensen, Mobley, Scafani, Schaefer, Tuttle, Wilson. Noes: None. Absent: Myers, Ramos. Abstain: None. Non-Voting: Woo.

6.2. Motion to Reconsider: Statewide Allocation of Carbon-Free Attributes from Diablo Canyon Nuclear Power Plant

Interim Executive Director Verbeck described a CCE business voting process error made at the September Board meeting that may have affected the Board's vote.

M/S: Schaefer, Mobley: Reconsider the Diablo Canyon Power Plant nuclear allocation due to clarification of the CCE voting process required to pass a motion on CCE business.

The motion passed with the following vote. Ayes: Arroyo, Jorgensen, Mobley, Scafani, Schaefer, Tuttle, Wilson. Noes: Bauer. Absent: Myers, Ramos. Abstain: None. Non-Voting: Woo.

Power Resources Director Engel and Regulatory and Legislative Policy Manager Carlson re-explained the history and operation extension of the Diablo Canyon nuclear power plant. Due to very high renewable and carbon-free power prices, staff decided to ask the Board if they would consider accepting the nuclear clean energy credit for a single year, which RCEA's non-nuclear power policy allows as a short-term exception. Staff described potential income of approximately \$500,000 from selling an equivalent volume of RCEA's non-nuclear (i.e. hydro) carbon-free energy credits. Both positive and negative impacts of accepting the allocation were discussed. Accepting the allocation will not reduce customer bills.

The Community Advisory Committee discussed the nuclear allocation in October and voted 8 to 4 with 1 abstention to recommend that the Board accept the nuclear allocation to achieve cost savings. CAC members supported the Board recommendation to add opposition to new nuclear plant development to RCEA's policy platform. The Rio Dell City Council also requested a nuclear allocation presentation and unanimously agreed to support accepting the nuclear allocation due to the financial benefit to RCEA and the community.

Since the September Board meeting, numerous community members submitted written comments both opposing and supporting accepting the nuclear allocation credits. The following community members spoke at this meeting:

Community Advisory Committee members Dennis Leonardi and Deborah Dukes described the committee's discussion. Both supported accepting the nuclear allocation to bolster RCEA's financial situation.

Arcata resident Joanne McGarry opposed accepting the nuclear allocation and supported energy conservation efforts.

The County's Alternate RCEA Director Mike Wilson supported using cost savings from accepting the nuclear credit to fund new renewable energy development.

Cal Poly Humboldt student John Rutter supported accepting the nuclear allocation.

M/S: Mobley, Scafani: Accept the Diablo Canyon nuclear allocation under scenario #2 (cost savings) presented by staff and review whether to continue accepting the allocation each year. Direct staff during the 2025 Board review to report on allocation savings received and receive the Board's direction on allocation of those funds.

The motion passed with the following vote. Ayes: Arroyo, Bauer, Jorgensen, Mobley, Scafani, Tuttle, Wilson. Noes: Schaefer. Absent: Myers, Ramos. Abstain: None. Non-Voting: Woo.

NEW BUSINESS

9.1 Summary of RCEA-Related Climate Action Plan Implementation Measures (Information only)

Regulatory and Legislative Policy Manager Carlson described RCEA's role in the current plan's implementation measures, many of which align with RCEA's strategic plan. There was no public comment on this item.

STAFF REPORTS

10.1 Interim Executive Director's Report (Information only)

Interim Executive Director Verbeck reported that Hoopa Valley and Karuk Tribal Councils both expressed interest in joining RCEA as member agencies. Staff will provide both Councils with information about joining the joint powers authority. The directors requested that the November and December Board meetings be rescheduled. There was no public comment on this item.

Chair Schaefer adjourned the meeting at 5:29 p.m.

Lori Taketa
Board Clerk