



REDWOOD COAST EnergyAuthority

Arcata | Blue Lake | Blue Lake Rancheria | County of Humboldt | Eureka | Ferndale | Fortuna | Humboldt Bay Municipal Water District | Rio Dell | Trinidad | Yurok Tribe

COMMUNITY ADVISORY COMMITTEE MEETING

**Jefferson Community Center Auditorium
1000 B Street, Eureka, CA 95501**

**May 13, 2025
Tuesday, 6 - 7:30 p.m.**

Anyone needing special accommodation to participate in this meeting or access the meeting materials should email LTaketa@redwoodenergy.org or call (707) 269-1700 at least 3 business days before the meeting. Assistive listening devices are available.

Pursuant to Government Code section 54957.5, all writings or documents relating to any item on this agenda which have been provided to a majority of the Community Advisory Committee, including those received less than 72 hours prior to the Committee's meeting, will be made available to the public at www.RedwoodEnergy.org.

NOTE: Speakers wishing to distribute materials to the Committee at the meeting, please provide 17 copies to the Board Clerk.

THIS IS A HYBRID IN-PERSON AND VIRTUAL MEETING.

When attending CAC meetings, please be courteous to those who choose to wear a mask.

To participate in the meeting by phone, call (669) 900-6833 or (253) 215-8782. Enter webinar ID: 822 2338 1610. **To participate in the meeting online**, join the Zoom webinar at <https://us02web.zoom.us/j/82223381610>.

To comment by phone or online during the public comment periods, raise your hand in the online Zoom webinar, or press star (*) 9 on your phone to raise your hand. When it is your turn to speak, a staff member will ask you to unmute your phone or computer. You will have 3 minutes to speak.

Email written comments to PublicComment@redwoodenergy.org. Please identify the agenda item number in the subject line. Comments will be included in the meeting record but not read aloud during the meeting.

COMMUNITY ADVISORY COMMITTEE

MEETING AGENDA

Agenda Item / What	How / Action <u>Underlined actions</u> indicate that a vote is needed.	When										
1. Open	<p><u>Roll Call:</u></p> <table><tr><td>Norman Bell</td><td>Luna Latimer</td></tr><tr><td>Deborah Dukes</td><td>Ethan Lawton</td></tr><tr><td>Colin Fiske</td><td>Dennis Leonardi</td></tr><tr><td>Benjamin Fordham</td><td>Kit Mann</td></tr><tr><td>Richard Johnson</td><td>Pliny McCovey</td></tr></table> <p>Sarah Schaefer, Board Liaison</p> <p>Remote member participation:</p> <p>Action (if needed): <u>Approve teleconference participation request for this meeting by committee member pursuant to Brown Act revisions of AB 2449 due to an emergency circumstance to be briefly described.</u></p> <p>Review meeting agenda and goals.</p>	Norman Bell	Luna Latimer	Deborah Dukes	Ethan Lawton	Colin Fiske	Dennis Leonardi	Benjamin Fordham	Kit Mann	Richard Johnson	Pliny McCovey	6-6:05 p.m. (5 min.)
Norman Bell	Luna Latimer											
Deborah Dukes	Ethan Lawton											
Colin Fiske	Dennis Leonardi											
Benjamin Fordham	Kit Mann											
Richard Johnson	Pliny McCovey											
2. Non-Agenda Item Public Comment	<p>This item is provided for the public to address the Committee on matters not on the agenda. At the end of public comments, the Committee may respond to statements, or refer requests requiring action to the Executive Director or the Board of Directors.</p>	6:05 – 6:10 p.m. (5 min.)										
3. Consent Calendar	<p>All matters on the Consent Calendar are considered to be routine by the CAC and are enacted in one motion. There is no separate discussion of any of these items. If discussion is required, that item is removed from the Consent Calendar and considered separately. At the end of the reading of the Consent Calendar, CAC members or members of the public can request that an item be removed for separate discussion.</p> <p>Actions:</p> <p>3.1. <u>Approve March 11, 2025, CAC Meeting Minutes.</u></p>	6:10 – 6:15 p.m. (5 min.)										
4. Items Removed from Consent Calendar	<p>This time is set aside for discussion of items removed from the Consent Calendar.</p>	6:15 – 6:20 p.m. (5 min.)										

Agenda Item / What	How / Action <u>Underlined actions</u> indicate that a vote is needed.	When
5. CAC Subcommittee Discussion	Action: CAC to provide recommendations on which existing ad hoc subcommittees should be retained, repurposed, or dissolved.	6:20 – 6:45 p.m. (25 min.)
6. 100% Local Renewable Portfolio by 2030 Goal	Action: Provide staff with input on modifying the RePower Humboldt strategic plan's 100% local renewables by 2030 goal.	6:45 – 7:20 p.m. (35 min.)
7. Executive Director's Report	Action: Hear Executive Director's update on different topics. (Information only)	7:20 – 7:25 p.m. (5 min.)
8. Member and Board Liaison Reports	<p>This time is provided for Committee members and the Board Liaison to share information on topics not on the agenda. At the end of member reports, the Executive Director will set requests requiring action to a future agenda or refer requests to staff or the Board.</p> <ul style="list-style-type: none"> a. Board Liaison b. Committee Members 	7:25 – 7:30 p.m. (5 min.)
9. Close & Adjourn		7:30 p.m.

NEXT REGULAR CAC MEETING – Tuesday, July 8, 2025, 6 - 7:30 p.m.
Jefferson Community Center Auditorium, 1000 B Street, Eureka, CA 95501.

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REDWOOD COAST Energy Authority

COMMUNITY ADVISORY COMMITTEE STAFF REPORT Agenda Item # 1

AGENDA DATE:	May 13, 2025
TO:	RCEA Community Advisory Committee
FROM:	Eileen Verbeck, Deputy Executive Director
SUBJECT:	Member Teleconference Participation

BACKGROUND

The COVID-19 State of Emergency ended on February 28, 2023, and RCEA Board and CAC meetings returned to meeting in-person at a physical location, with allowances under existing Brown Act rules or new AB 2449 Brown Act rules should a Board or CAC member need to participate from a remote location for certain reasons. If another state of emergency is declared, these bodies may be able to return to completely remote meetings.

SUMMARY

CAC members may attend up to two meetings per year from a remote location without making the location accessible to the public for the following reasons:

1. "Just cause"
 - a. To provide childcare or caregiving need to a child, parent, grandparent, grandchild, sibling, spouse, or domestic partner;
 - b. Due to a contagious illness that prevents the member from attending in-person;
 - c. Due to a need related to a physical or mental disability as defined in Government Code sections 12926 and 12926.1 not otherwise accommodated; and
 - d. Due to travel while on official business of the legislative body or another state or local agency.
2. "Emergency circumstance" due to a physical or family medical emergency that prevents the member from attending in person.

If the CAC member would like to attend the meeting remotely due to an emergency circumstance, the committee will take action by majority vote to approve the member's remote participation. A vote is not necessary for a request to attend remotely for just cause. A brief description, protecting the member's (or member's family member's) medical privacy, needs to be provided in both cases.

The remotely participating CAC member needs to publicly disclose at the meeting before any action (vote) is taken, whether anyone 18 years of age or older is present in the room at the remote location with the member, and the general nature of the individual's relationship with the CAC member.

If the CAC member anticipates needing to participate remotely for more than 2 meetings per year or for non-just cause or emergency reasons, staff recommends arranging for a publicly and ADA accessible space with visual and audio meeting capabilities from which to participate in keeping with previous Brown Act teleconference meeting requirements.

Staff asks to be notified one-week in advance, if possible, of remote meeting attendance so the member's publicly and ADA accessible remote meeting address can be published in the agenda, as may be required per Brown Act open meeting laws.

RECOMMENDED ACTION

Approve teleconference participation request for this meeting by committee member pursuant to Brown Act revisions of AB 2449 due to an emergency circumstance to be briefly described.



COMMUNITY ADVISORY COMMITTEE MEETING **DRAFT MINUTES**

March 11, 2025 - Tuesday, 6 - 7:30 p.m.

Chair Chris Honar called the hybrid in-person and teleconference meeting to order on the above date at 6:02 p.m. at the Jefferson Community Center Auditorium, 1000 B Street, Eureka, CA. The meeting agenda was posted on March 7, 2025.

Members present:

Norman Bell	Luna Latimer
Deborah Dukes	Ethan Lawton, Vice Chair
Benjamin Fordham	Dennis Leonardi
Christopher Honar, Chair	Kit Mann
Richard Johnson	

Members absent: Colin Fiske, Pliny McCovey

Board-nominee vacancies: Blue Lake Rancheria, Fortuna, Rio Dell, Yurok Tribe.

Staff present:

Elizabeth Burks, Executive Director	Patricia Terry, NREN Sr. Portfolio Mgr.
Faith Carlson, Regulatory & Legislative Mgr.	Lori Taketa, Board Clerk
Richard Engel, Power Resources Director	Eileen Verbeck, Deputy Exec. Director
Stephen Kullmann, Demand-Side Mgmt. Dir.	

2. Non-Agenda Item Public Comment

No non-agenda public comment was received at the meeting.

3. Consent Calendar

3.1. Approve January 14, 2025, CAC Meeting Minutes.

There was no public comment on this item.

Motion Latimer, Second Lawton: Approve January 14, 2025, CAC meeting minutes.

The motion passed with the following unanimous vote: Ayes: Bell, Dukes, Fordham, Honar, Johnson, Latimer, Lawton, Leonardi, Mann. Noes: None. Abstain: None. Absent: Fiske, McCovey.

5. Chair/Vice Chair Selection

Staff clarified that the CAC Charter allows members to serve repeat terms as chair or vice chair, so long as the member does not serve more than two terms consecutively. There was no public comment on this item.

Motion Leonardi, Second Dukes: Appoint Ethan Lawton as Community Advisory Committee chair for a term beginning April 1, 2025, and ending March 31, 2026.

The motion passed with the following unanimous vote: Ayes: Bell, Dukes, Fordham, Honar, Johnson, Latimer, Lawton, Leonardi, Mann. Noes: None. Abstain: None. Absent: Fiske, McCovey.

Motion Johnson, Second Latimer: Appoint Dennis Leonardi as Community Advisory Committee vice chair for a term beginning April 1, 2025, and ending March 31, 2026.

The motion passed with the following vote: Ayes: Bell, Dukes, Fordham, Honar, Johnson, Latimer, Lawton, Mann. Noes: None. Abstain: Leonardi. Absent: Fiske, McCovey.

6. Northern Rural Energy Network (NREN) Update (Information only)

Demand-Side Management Director Kullmann and NREN Portfolio Manager Terry reported on the Northern Rural Energy Network (NREN), a program to administer ratepayer funds for energy efficiency programs reaching customers not served by traditional investor-owned utility programs. NREN serves 14 rural, hard-to-reach counties in the Sierra Nevada region and three on the North Coast. The \$33 million budget for 2024 to 2027 will fund four project partners for program costs, including RCEA's local programs and overall administrator costs. NREN's funding source is public purpose program dollars, a charge on every California utility bill. With NREN funding, RCEA offers both PG&E and RCEA customers heat pump water and space heater rebates, efficient appliance rebates, and home energy efficiency kits. RCEA will continue energy efficiency assessments and project support for residents, small businesses and local school, tribe and government facilities. Future programs will support workforce education to upskill local contractors and connect local building departments with PG&E codes and standards training programs. The CAC may be asked to help assess local program needs.

The group discussed possible future neighborhood electrification programs when gas lines are slated for replacement; NREN funding restrictions for electrification programs for unregulated fuel appliances, such as propane and wood; and how RCEA CCE funds might be directed toward unregulated fuel switching programs. There was no public comment on this item.

7. Offshore Wind Outreach Discussion

Executive Director Burks described RCEA's strategic plan's offshore wind initiatives and the agency's participation to date in the Bureau of Ocean Energy Management auction and community outreach. Executive Director Burks asked for committee input into RCEA's role in offshore wind development and community engagement going forward. The committee requested that RCEA:

- Support a pilot offshore wind energy project to power the local region
- Help ensure community benefits like workforce, healthcare and infrastructure development that could attract future economic development
- Engage in public education about how offshore wind can replace local natural gas and biomass energy
- Advocate for green port facilities and grid upgrades, especially in grid-constrained areas of the County
- Report back to CAC about harbor development environmental impacts and lifecycle analyses
- Advocate for certification of local fishermen to do environmental impact monitoring
- Advocate for development of other local energy sources such as wave and tide to power the heavy lift terminal and its development.

The committee's suggestions will be brought to the RCEA Board during their discussion on this topic. There were no public comments on this item.

8. 2025 RCEA Policy Platform

Regulatory and Legislative Manager Carlson described proposed changes to RCEA's Policy Platform resulting from the NREN launch, the Board's discussion while deciding to accept Diablo Canyon nuclear plant carbon free attributes, increased affordability concerns, increased scrutiny of energy efficiency program funding, and federal administration changes. Recent federal actions regarding energy and local government were described. The \$88 million in federal funds for the Tribal Energy Resilience and Sovereignty microgrids on tribal land project has been paused.

Committee members supported advocacy prohibiting investor-owned utilities from using ratepayer funds to lobby legislators or regulators, and opposing further efforts to reduce or undermine distributed generation incentives, including for rooftop solar. There was no public comment on this item.

9. Executive Director's Report

Executive Director Burks invited the CAC to the County's draft Climate Action Plan environmental impact report public meeting; announced the reappointment of CAC members Dukes, Johnson, Latimer and Mann, and the upcoming renomination of member Bell. Directors Sarah Schaefer and Natalie Arroyo will be the Board liaison and alternate liaison, respectively. Staff invited everyone to the RCEA Board electricity affordability study session in April. Executive Director Burks presented Chair Honar a certificate of appreciation for his service on the CAC.

10. Member and Board Liaison Reports

CAC members requested improved electric vehicle rebate information sharing when customers call RCEA, and praised staff for community outreach presentations with 350 Humboldt and the Ferndale Chamber of Commerce.

Chair Lawton adjourned the meeting at 8:01 p.m.

Lori Taketa
Clerk of the Board



REDWOOD COAST EnergyAuthority

STAFF REPORT Agenda Item # 5

AGENDA DATE:	May 13, 2025
TO:	Community Advisory Committee
PREPARED BY:	Elizabeth Burks, Executive Director RCEA
SUBJECT:	Community Advisory Committee Subcommittee Discussion and Review

BACKGROUND

The RCEA Board appointed members to the newly-formed Citizen's Advisory Committee in June 2016 to help plan and conduct community workshops to educate and collect community feedback on a Humboldt County Community Aggregation program. After RCEA's Community Choice Energy Program launched in 2017, the Board voted to continue the renamed Community Advisory Committee with a revised mission to support RCEA public engagement efforts and to provide decision-making support and input to the RCEA Board.

The CAC created its first ad hoc subcommittee in 2018 to refine a CCE-funded customer program proposal and selection process. Since 2018, CAC members formed numerous ad hoc subcommittees to, among other projects, provide staff with community engagement strategy input, assess the feasibility of energy revenue bond projects (7/2020), and propose possible RCEA involvement in alternative biomass uses (10/2020).

Ad-hoc subcommittees are temporary advisory committees comprised of fewer than a quorum of a legislative body. These committees are not subject to the Brown Act open meeting laws and must be dissolved once the specific task for which they were formed is completed.

SUMMARY

Due to staff turnover, staff work focus adjustments, and long project timeframes, CAC subcommittee engagement was minimal in 2024.

Current CAC ad hoc subcommittees include:

- Bond
- Climate Action Plan Outreach
- Critical Facilities – extended at 9/12/23 meeting to help with facility heat map creation, provide initial input on Resilience Scorecard
- Customer Programs Outreach
- McKinleyville Arcata Major Project
- Off Grid Cannabis Greenhouse Gas Impact
- Offshore Wind Outreach

Staff would like to revisit these subcommittees and determine which can be dissolved, and which should continue. A description of the current subcommittees and staff comments and recommendations for the subcommittee are included in Attachment 1.

Staff recommend dissolution of many of the subcommittees, and continuing only those that can be adequately staffed, and those that have a clear nexus with our strategic plan and current RCEA activities. In many cases staff favor bringing issues before the whole CAC rather than to a subcommittee.

We also need to identify which CAC members are interested in serving on the subcommittees that do continue.

ALIGNMENT WITH [RCEA'S STRATEGIC PLAN](#)

CAC's subcommittees were formed to promote various strategies in the RePower Humboldt plan:

For the subcommittees staff is recommending to continue, the following strategies are applicable.

- Bond Ad Hoc Subcommittee
 - Pursuing bond financing could help fund renewable energy projects for critical facilities.
 - 2.1.7 Support and Deploy Microgrids. Support and deploy energy microgrids, focusing on critical infrastructure and community facilities, that combine onsite generation, energy storage, and advanced control systems to provide energy resiliency and maintain emergency-response capabilities as well as ongoing economic and environmental benefits.
- Customer Programs Ad Hoc Subcommittee
 - Supports the Integrated Demand Side Management Goal to:
Make energy efficiency and conservation services available to every household and business in the county by 2030.

EQUITY IMPACTS

Engaging with the CAC and CAC ad hoc subcommittees offers additional opportunities to view projects and proposals with an equity lens and to have discussions about how to best engage with our community, especially those that are under resourced or marginalized.

FINANCIAL IMPACT

Ad hoc subcommittee financial impacts are limited to budgeted staff time and outreach efforts.

STAFF RECOMMENDATION

CAC to provide recommendations on which existing ad hoc subcommittees should be retained, repurposed, or dissolved.

ATTACHMENTS

Attachment 1- Discussion of Existing Ad Hoc Subcommittees.

Attachment 1

Current CAC Subcommittees, Members and Staff Recommendation / Discussion

Bond Subcommittee

Members: Colin Fiske, Richard Johnson

Background:

This subcommittee was formed in July 2020 after the County asked RCEA to evaluate potential energy projects for financing. The subcommittee was to assess the feasibility of energy revenue bond projects and work with staff on evaluating options and developing recommendations for the County. Originally In January 2023, the CAC recommended that the Board direct staff to issue a request for proposals for bond development and issuance services to identify suitable financing mechanism(s) for one or more of the subcommittee's previously shortlisted projects, allowing for additional projects to be determined at a later date, and prioritizing projects with community investment pathways. The Board approved issuing the RFP in February 2023. The RFP for bond development and issuance has not yet been released. This subcommittee was not engaged in 2024.

Staff Discussion:

The Board continues to express interest in the potential for a bond. This subcommittee could be re-engaged, revisiting past work and providing recommendations for how to proceed. RCEA has capacity to staff this subcommittee. Meetings would likely start in August 2025 at the earliest.

Climate Action Plan Outreach Subcommittee

Members: Richard Johnson, Ethan Lawton,

Background:

This subcommittee was formed in March 2022 with the intent to sunset after countywide adoption of the Regional Climate Action Plan. The purpose of this subcommittee is to advise and assist in implementing outreach about the Humboldt Regional Climate Action Plan. This subcommittee was not engaged in 2024. Instead, the entire CAC was invited to promote and provide input on the Regional Climate Action Plan during its 30-day public review period. Some CAC members also attended the County's CAP public information meeting in September. The comment period for the Draft Environmental Impact Report (DEIR) closed on April 5, 2025. The

County is now in the process of preparing responses to DEIR. The Final EIR is tentatively scheduled to be presented to decision makers in June 2025.

Staff Discussion:

RCEA can help spread the word about upcoming hearings for RCAP adoption once they are announced through our social media accounts and email communications. Once adopted, RCEA will have a role in implementation and will be a member of the Regional Climate Committee. Staff recommend that important topics related to implementation and membership on the Regional Climate Committee come before the full CAC. The CAC could request an ad hoc subcommittee be formed as needed depending on how implementation progresses.

Critical Facilities (and At-Risk Communities) Subcommittee

Members: Luna Latimer, Dennis Leonardi, Pliny McCovey

Background:

This subcommittee was formed in March 2022 to create a list of critical facilities serving at-risk communities in need of resilience building, including future microgrid deployment and/or facility-level renewable back-up power systems. The list was created, and the group's work scope was extended to create a clearer methodology for prioritizing facilities for which to pursue resilience funding in 2023. The prioritization methodology has not been developed and this subcommittee was not engaged in 2024.

Although a prioritization methodology was not developed, the exercise coincided with RCEA applying for and receiving \$3M from the California Governor's Office of Land Use and Climate Innovation Regional Resilience Grant Program (RRGP) to plan and implement the Energy-Resilient Fire Services in High-Threat Communities project. The project will install resilient energy systems (solar + battery energy storage) at 16 fire stations and one emergency services communications tower that serve high-fire risk areas in remote Humboldt County communities.

Staff Discussion:

Staff recommend dissolving this subcommittee while we evaluate long-term funding opportunities for resiliency projects. The existing critical facilities list can be provided to the Bond subcommittee to see if there are any potential overlaps with bond opportunities.

Customer Programs Outreach Subcommittee

Members: Deborah Dukes, Luna Latimer, Dennis Leonardi, Kit Mann

Background:

This subcommittee was formed in March 2022 for the purpose of providing guidance for and assisting with outreach for RCEA Program Administrator and Rural Regional Energy Network programs. In 2024 subcommittee members participated in a workshop with local solar installers to provide feedback on proposed RCEA battery storage rebates to address the state's changes to the net energy metering program. Further input was gathered from the entire CAC and a pilot program recommendation was forwarded to the Board.

Staff Discussion:

With the Northern Rural Energy Network launch there will be a variety of new customer programs. This subcommittee can add valuable input on new programs as they roll out. RCEA has capacity to staff this committee. They would meet on an as needed basis.

McKinleyville - Arcata Major Project Subcommittee

Members: Colin Fiske, Richard Johnson

Background:

This subcommittee was formed in May 2023. In 2023, the subcommittee met and helped decide on follow-up actions to be performed by staff on the following community projects:

- i. Life Plan Humboldt
- ii. We Are Up
- iii. ADU Policy Development
- iv. McKinleyville Town Center
- v. Arcata Gateway Project
- vi. Humboldt Bay Harbor Port Development
- vii. Eureka Parking Lot Housing Projects

Staff Discussion:

Many of the projects have been completed, while several others are still in process. RCEA does not have capacity to meaningfully engage in all of these projects through a subcommittee. Staff recommend that RCEA reach out proactively to each City and the County of Humboldt and request project referrals when there are general plan updates, new ordinances, or large projects that could benefit from RCEA's review. Many of these projects do have implications for RCEA

strategic plan initiatives and RCEA could raise that during a referral and consultation process with the appropriate jurisdiction. RCEA would encourage CAC members to bring projects to RCEA's attention as well in case we haven't been directly engaged by the jurisdiction.

Off-Grid Cannabis Greenhouse Gas Impact Subcommittee

Members: there are no current CAC members on this subcommittee

Background:

The CAC formed this ad hoc subcommittee at its January 2023 meeting with the following work scope:

1. Arrange partnership with Cal Poly Humboldt to quantify off-grid cannabis cultivation's greenhouse gas emissions.
2. Monitor the County's off-grid cannabis renewable energy fuel switching program.
3. Develop innovative ways to encourage off-grid gas and diesel fuel use reduction.
4. Include non-funded ways (e.g. education, project support) to reduce diesel use.
5. Include non-cannabis grower generator users.
6. Focus on Southern Humboldt to intersect with grid upgrade planning.

Staff Discussion:

Due to staff capacity constraints and resource considerations to not duplicate work already being done through Climate Action Plan studies or through projects addressing Southern Humboldt grid issues, staff has not met with this subcommittee. Staff recommend disbanding this subcommittee.

Offshore Wind Outreach Subcommittee

Members: Norman Bell, Dennis Leonardi, Kit Mann

Background:

This subcommittee was founded in March 2022 to advise and assist in implementing outreach around the Bureau of Ocean Energy Management (BOEM) offshore wind lease auction process. The auction occurred in December 2022.

Staff recently engaged the entire CAC in a discussion of RCEA's future involvement in offshore wind and received board direction. The Board was supportive of RCEA being involved in the

following and emphasized the importance of supporting the Harbor District in their terminal development efforts.

1. Public education and outreach
2. Engaging with central procurement planning
3. Transmission planning
4. Supporting a pilot project or small-scale project that could happen in State waters
5. Supporting broad community benefits and especially supporting lower electricity rates for frontline communities such as Humboldt County
6. Support the Harbor District in zero-emission terminal planning

Staff Discussion:

Given the BOEM lease auction has passed, there is no need to keep this subcommittee for its original purpose. It could be reinitiated with a new purpose to advise on RCEA's outreach efforts related to offshore wind going forward. Alternatively, these items could be brought before the full CAC for future discussion. Staff recommend bringing items before the full CAC for the time being and reinstating this subcommittee when there are specific activities or milestones that warrant subcommittee level work.

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STAFF REPORT

Agenda Item # 6

AGENDA DATE:	May 13, 2025
TO:	Community Advisory Committee
PREPARED BY:	Richard Engel, Director of Power Resources Jocelyn Gwynn, Senior Power Resources Manager
SUBJECT:	Local Energy Procurement Goal

BACKGROUND

Section 4 “Energy Generation & Utility Services” in RCEA’s 2019 RePower Humboldt strategic plan states as a goal: “By 2030 Humboldt County will be a net exporter of renewable electricity and RCEA’s power mix will consist of 100% local, net-zero-carbon-emission renewable sources.”¹

Since adoption of the plan, RCEA has made some progress toward this goal, contracting for several energy generation and storage projects located in Humboldt County and completing the RCEA-owned Redwood Coast Airport Microgrid project. Once all contracted local resources are online, this will account for about 22% of RCEA’s annual energy needs, 18% of which comes from HSC’s Scotia biomass facility (contract expires in 2031).

Humboldt County has the resource potential to meet its clean energy needs locally. Compared with most other California counties, Humboldt has a rich pool of energy generation potential from onshore and offshore wind, biomass, solar, and small hydro power, while our electric load is relatively small. However, local projects tend to be smaller, more expensive and pose higher development risk than non-local projects. Additionally, roughly 60% of RCEA’s annual energy needs have already been contracted through 2030, with about 40% coming from non-local resources that are contracted through 2040. After being active in the market for almost a decade, staff is finding the goal difficult to meet and not in RCEA’s best economic interest to pursue at all cost.

Putting aside for a moment where the energy is generated, it appears financially feasible to continue RCEA’s trajectory to 100% renewable energy by 2030. We expect 82% of our energy to come from renewable or carbon-free resources in 2025, and 100% renewable or carbon-free by next year. In subsequent years the renewable portion of the portfolio will continue to grow.

There have been multiple challenges to ensuring RCEA’s portfolio is all local by 2030:

- California Law: RCEA as a load-serving entity (LSE) is subject to laws and regulations, such as the renewable portfolio standard and reliability procurement orders, that have required us to enter contracts for non-local resources such as the Sandrini solar and storage projects in Kern

¹ <https://redwoodenergy.org/wp-content/uploads/sites/850/2024/12/RePower-Humboldt-CAPE-2019-Plan-Update.pdf>

County where there were no competing local offers. These contracts have terms that will extend beyond 2030. Transferring the contracts to another buyer is likely infeasible given that they were negotiated by and for RCEA.

- Community acceptance: At times the community has been skeptical of proposals for new local clean energy projects. In 2019 RCEA completed negotiation of a contract for wind energy with the Terra-Gen project proposed near Rio Dell that would have satisfied over 60% of our customer load. However, the project was denied its permit due to community opposition. More recently, offshore wind has raised concerns among Tribes and the local fishing industry. A proposal for a local battery energy storage project has also resulted in community pushback.
- Development risk: several contracted local projects have failed and others have been delayed due to myriad issues including lack of contractor interest, interconnection cost overruns, weather, and landowner issues, among others.
- Transmission constraints: Humboldt has relatively small transmission capacity connecting it to the rest of the state's grid, which means resources built here can rarely provide resource adequacy, since it is contingent on deliverability to the larger grid. This means a major value stream that most power projects include either isn't there or is uncertain for local projects. The potential of developing offshore wind could result in additional transmission buildout to Humboldt, but whether, when and how that is implemented is very uncertain.
- Cost: Where local resources have been offered, these have come at a considerable price premium compared with other offers. This is discussed further under Financial Impact section below.
- Developer interest: there are fewer developers building projects in Humboldt, and often they are smaller, newer companies, which sometimes requires us to adjust our standards in terms of qualifications, experience and creditworthiness for potential counterparties.
- Offshore wind delay: RCEA's local procurement goal was set during a time that the offshore wind resource was expected to be built and operational by 2030. Due to the lengthy federal leasing and permitting process, which has now been put on hold by the current administration, offshore wind is on a longer timeline.

Public input received by RCEA indicates mixed views on the importance of procuring locally. In its 2023 "Humboldt's Electric Future" planning process, RCEA asked community participants to perform a resource allocation exercise. Collectively they distributed more than twice as many resources to local renewable development than any other need (financial reserves, customer programs, or offering lower rates). However, when they were asked to vote on five different hypothetical future power portfolios with information on cost provided, local renewables received less support. The portfolio that focused on rapid greenhouse gas reduction received nearly twice as many votes as the more costly "maximize local" portfolio.²

SUMMARY

Staff intend to bring a proposal to the Board to modify the local aspect of the strategic plan's 100% renewable goal. Staff anticipate recommending that RCEA only pursue local procurement to the extent economically feasible up to a specific capacity target and/or cost ceiling. Input from the

² <https://redwoodenergy.org/wp-content/uploads/sites/850/2025/01/Humboldts-Electric-Future-2023-Final-Report.pdf>
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Community Advisory Committee will help staff to craft a potential amendment to the strategic plan's language.

ALIGNMENT WITH RCEA'S STRATEGIC PLAN

Section 4 "Energy Generation & Utility Services" in RCEA's strategic plan states as a goal: "By 2030 Humboldt County will be a net exporter of renewable electricity and RCEA's power mix will consist of 100% local, net-zero-carbon-emission renewable sources."

The strategic plan emphasizes how energy development can contribute to the local economy. In section 1 "Regional Energy Planning & Coordination," a stated goal is "Build the clean energy sector into a cornerstone of the local economy through a breadth of strategies that include innovation, research and development, local energy-related business development, and establishing Humboldt Bay as the primary west coast hub for the offshore wind energy industry." Staff recognizes how procuring energy for RCEA's community choice energy program from new and existing local energy projects can help to meet this goal.

However, strategy 4.1.1 states "Maximize the Use of Local Renewable Energy *to the Extent Technically and Economically Feasible and Prudent*." [emphasis added] Given the challenges discussed above, adjusting the 100% local goal may be needed to ensure RCEA's procurement is "technically and economically feasible and prudent."

EQUITY IMPACTS

Electric affordability has recently become a major concern and is taken into account in all of RCEA's key decision-making. As discussed with the Board in April, lower income households are hit especially hard by high electric costs. Modifying the local procurement goal in a way that is expected to reduce power procurement costs could benefit all RCEA's ratepayers, which would benefit those in low-income circumstances proportionally more relative to their income.

FINANCIAL IMPACT

Through RCEA's several power solicitations since launching the CCE program, staff have observed that offers for local projects consistently come with a higher unit price. Because of variability among offers in project characteristics including megawatt capacity, and fluctuations in power market prices over time, it is not possible to make a direct comparison of cost of local vs. non-local projects. Developers, who are typically based outside Humboldt County, have shared with staff the challenges they face in building local projects, chiefly related to workforce. In some cases these companies are in agreements to use union labor and need to bring in skilled union workers from outside the area. This means additional costs and challenges in housing these workers for months at a time in a scarce housing market.

In addition, it does not appear feasible to build projects locally at the large scale needed to achieve the economies of scale seen in projects such as the 100 MW solar + 92 MW storage Sandrini project in Kern County contracted by RCEA at competitive prices. Further, as described previously, until additional transmission capacity is built to Humboldt, local projects cannot be relied on to deliver resource adequacy, which is one of the three major value streams (alongside energy and renewable

energy attributes) that RCEA considers in its economic valuation of projects. Modifying the existing goal to allow non-local procurement could thus allow RCEA to reduce overall procurement costs, and would bring the strategic plan more in line with prudent utility practice and current economic reality.

STAFF RECOMMENDATION

Provide staff with input on modifying the RePower Humboldt strategic plan's 100% local renewables by 2030 goal

ATTACHMENTS

- Staff will make a presentation at the meeting about RCEA's 100% local renewables by 2030 goal.



STAFF REPORT
Agenda Item # 7

AGENDA DATE:	May 13, 2025
TO:	Community Advisory Committee
FROM:	Elizabeth Burks, Executive Director
SUBJECT:	Executive Director's Report

SUMMARY

Executive Director Elizabeth Burks will provide updates on topics as needed.

RECOMMENDED ACTION

None. (Information only.)

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