



Board of Directors Meeting Minutes

Wharfinger Building, Bay Room (downstairs)
1 Marina Way, Eureka, CA 95501

Thursday, February 26 2026
3:30 PM

Attendance

Present

Renee Contreras-DeLoach (Alt. Dir.)	Michael Gerace, Chair
Skip Jorgensen	Elise Scafani
Sarah Schaefer, Vice Chair (left at 4:50 p.m.)	Mike Wilson

Absent

Carlos Diaz	Jason Ramos
Jack Tuttle	Frank Wilson
Sheri Woo	

Staff and Others Present

Name	Title
Ken Beals	Information Technology Technician
Lori Biondini	Business Planning & Finance Director
Elizabeth Burks (via teleconference)	Executive Director
Scott Burnham	NewGen Strategies & Solutions
Ronnie Chausse	Interim Finance Manager
Alanna Daley	NewGen Strategies & Solutions
Nancy Diamond	Legal Counsel
Richard Engel	Power Resources Director
Lori Taketa	Board Clerk
Eileen Verbeck	Deputy Executive Director

Open Session (Call to Order)

2. Ceremonial Item

- 2.1. Proclamation Honoring 15 Years of Dedicated Service by Humboldt Bay Municipal Water District Director Sheri Woo

Vice Chair Schaefer and other Directors expressed appreciation to Director Woo for her long service on the RCEA Board. Director Woo, attending this meeting as a member of the public and not as a voting Board member, thanked and praised the Directors and staff for their efforts during her long tenure.

5. Staff Reports

- 5.1. Executive Director's Report

Deputy Executive Director Verbeck reported that the US Department of Energy (DOE) contacted the Tribal Energy Resilience and Sovereignty (TERAS) partners to resume negotiations on the TERAS grant under certain conditions including removing community benefits and associated costs and prohibiting use of solar as an energy source. The partners agreed to resume discussions. The Directors thanked Deputy Executive Director Verbeck for her professionalism in working with Tribal partners and the DOE.

6. Consent Calendar

- 6.1. Approve Minutes of January 22, 2026, Board Meeting.
- 6.2. Accept Disbursement Report for December 2025, and Financial Reports for This Fiscal Year Through December 2025.
- 6.3. Receive Federal Activity Report.
- 6.4. Approve Amendment No. 1 to Agreement for Employment of Executive Director with Elizabeth Burks.
- 6.5. Approve First Amendment to Commercial Lease Agreement for 633 3rd Street, with Rent in the Sum of \$8,144.97 per Month and a Term Ending May 31, 2027, and Authorize the Executive Director to Execute All Applicable Documents Pending Review by RCEA Legal Counsel.
- 6.6. Adopt Resolution 2026-2 Approving a Revised RCEA Records Retention Policy and Schedule.
- 6.7. Accept RCEA Racial Justice Plan Progress Report.
- 6.8. Appoint Carol Schmitt as an At-Large Community Advisory Committee Member with a Term expiring March 31, 2028.
- 6.9. Receive Humboldt Bay Municipal Water District's Notice of Withdrawal from RCEA Joint Powers Authority.
- 6.10. Approve Amended and Restated Northern Rural Energy Network Memorandum of Agreement.

No member of the public nor the Board requested discussion of these items.

M/S: Schaefer, Scafani: Approve all Consent Calendar items.

The motion passed with a unanimous vote. Ayes: Contreras-DeLoach, Gerace, Jorgensen, Scafani, Schaefer, M. Wilson. Noes: None. Absent: Diaz, Ramos, Tuttle, F. Wilson, Woo. Abstain: None.

Due to impending loss of quorum, the agenda was rearranged to discuss New Business before Old Business.

8. Old Business

8.1. Sandrini Battery Storage Community Benefits Fund

Provide feedback and give direction to staff to:

1. Engage with EDP Renewables to achieve agreement in principle on how funds will be expended and
2. Develop a formal proposal for Board approval at a future meeting for a community benefits endowment.

The Directors did not discuss this matter due to loss of quorum. It will be included in the Board's March meeting agenda.

9. New Business

9.1. Cost of Service Rate Design Study Update and Rate Adjustment Consideration

Scott Burnham described the cost-of-service study NewGen Strategies and Solutions performed on RCEA using this and next fiscal years as test years. Mr. Burnham explained the study's process and goal of determining how much it costs to provide electricity and programs to RCEA customers, and the remaining work of dividing those costs among RCEA's customer classes. Over the two test years, keeping RCEA's current lower-than-PG&E rate, RCEA would collect roughly 7% less than actual costs. While collection rates are close to actual costs for residential customers, rates for small, medium, and large commercial, industrial and agricultural customers do not match actual costs. Maintaining the same reduced rate compared to PG&E rates and spending down reserves to maintain this rate discount would steadily drain RCEA's financial reserves, which are needed to maintain stable electricity provider operations. Staff recommended conducting significant community outreach to discuss whether and how much customer programs RCEA should offer, and to understand commercial, industrial and agricultural customer needs. Staff proposed doing this as part of updating RCEA's strategic plan, last revised in 2019. In the meantime, staff proposed continuing to charge slightly less than PG&E while closely monitoring the number of days of operating expenses held in reserve. Should the reserve amount fall below 180 days cash on hand target as specified by RCEA's Reserve Policy, staff would consult the Board on whether to increase rates as an interim measure before adopting rates based on cost of service.

The Directors discussed how the Power Charge Indifference Adjustment (PCIA) inflates RCEA customer costs. The PCIA is a charge PG&E adds to RCEA customer bills to make back what they paid to buy power on the customer's behalf while they were with PG&E. In other states with community choice aggregators, PCIAs have an end date. But in California, the charge does not sunset and sometimes increases based on its underlying formulas, as it did recently. RCEA's and other California CCAs' advocacy efforts are focusing on finding out how the PCIA is calculated to determine whether the process unfairly benefits PG&E and the state's other investor-owned utilities. The Directors supported staff's recommended approach of continuing to offer slightly lower rates than PG&E while tracking

RCEA's financial reserves. Staff will notify the Board and request action should the reserves fall below the target levels. There was no public comment on this agenda item.

9.2. California Community Power's Hydrostor Willow Rock Energy Storage Service Agreement

Power Resources Director Engel described California Community Power (CC Power) and how the joint powers authority allows small CCAs like RCEA to procure a share of larger and sometimes more innovative projects with the pooled CCA funds. The Willow Rock compressed air energy storage project offers an alternative instead of relying only on batteries for the long-duration storage capacity procurement mandated by the California Public Utilities Commission. The project has a negative net present value but is still a better value than procuring more battery storage, due to tariff risks imported batteries face.

The Directors inquired about the project site footprint. Concern was expressed about impacts to the surrounding communities, tribes and environment. There were no public comments.

M/S: M. Wilson, Schaefer: Approve Resolution 2026-3 Authorizing Participation in California Community Power's Procurement of Hydrostor's Willow Rock Advanced Compressed Air Energy Storage Project.

The motion passed with the following vote. Ayes: Contreras-DeLoach, Jorgensen, Scafani, Schaefer, M. Wilson. Noes: Gerace. Absent: Diaz, Ramos, Tuttle, F. Wilson, Woo. Abstain: None.

9.3. Harbor District Waterfront Facility Improvement Program Grant Contracting Opportunity

Due to lack of time, staff did not report on this item and the directors did not request discussion or clarification of information provided in the published staff report. There was no public comment.

M/S: Schaefer, Jorgensen: Approve entering into a grant subrecipient agreement with the Humboldt Bay Harbor, Recreational and Conservation District to perform outreach and community engagement services for the Waterfront Facility Improvement Program grant and authorize the Executive Director to execute the Agreement once finalized and any associated documents necessary to secure the grant subaward, pending review by RCEA legal counsel.

The motion passed with a unanimous vote. Ayes: Contreras-DeLoach, Gerace, Jorgensen, Scafani, Schaefer, M. Wilson. Noes: None. Absent: Diaz, Ramos, Tuttle, F. Wilson, Woo. Abstain: None.

10. Future Agenda Items

This item was not discussed at the meeting due to loss of quorum. Member of the public Walt Paniak submitted written comment requesting Board discussion of biomass pollution standards if current standards are relaxed.

Chair Gerace adjourned the meeting at 4:50 p.m. due to loss of quorum.

Lori Taketa
Clerk of the Board