



BOARD OF DIRECTORS MEETING MINUTES

November 18, 2021 - Thursday, 3:30 p.m.

Notice of this meeting was posted on November 15, 2021. Chair Sheri Woo 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., 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 Woo stated that the posted agenda contained public teleconference meeting participation instructions.

PRESENT: Vice Chair Stephen Avis, Scott Bauer, Chris Curran, David Grover, Mike Losey, Sarah Schaefer, Frank Wilson, Chair Sheri Woo. ABSENT: Mike Wilson. STAFF AND OTHERS PRESENT: Power Resources Director Richard Engel; RCEA Consultant Michael Furniss; Power Resources Manager Jocelyn Gwynn; The Energy Authority Client Services Manager Jaclyn Harr; Executive Director Matthew Marshall; Customer Service Coordinator Summer Sanderson; Clerk of the Board Lori Taketa.

There were no reports from member entities nor comments from the public on non-agenda items. Chair Woo closed the non-agenda item public comment period.

CONSENT CALENDAR

- 3.1 Approve Minutes of October 28, 2021, Board Meeting.
- 3.2 Approve Disbursements Report.
- 3.3 Accept Financial Reports.
- 3.4 Accept Quarterly Budget Report (Q1).
- 3.5 Authorize Chair Woo to Finalize and Send a Letter to Senator Mike McGuire Expressing Support for the Great Redwood Trail and Opposition to New Coal Export Facilities and Infrastructure.
- 3.6 Authorize Extension of Resolution No. 2021-7 Ratifying Governor Newsom's March 4, 2020, State of Emergency Proclamation and Authorizing Remote Teleconference Meetings of RCEA's Legislative Bodies, for the Extension Period November 28, 2021, Through December 28, 2021, Pursuant to Brown Act Revisions of AB 361.
- 3.7 Approve Expanding the Mission of the Existing Long-Duration Storage Ad Hoc Committee to Encompass Review of California Community Power's Firm Clean Energy Resources Solicitation.
- 3.8 Approve Contracting with Breadcrumb Cybersecurity for a Total of \$24,375 to Perform a Data Security Assessment and Authorize the Executive Director to Develop and Execute the Contract and All Associated Documents.

3.9 Approve Accepting Technology and Equipment for Clean Heating Initiative Quick Start Grant Program Funds and Authorize the Executive Director to Execute a Contract for the Grant and Any Associated Documents.

No director nor member of the public requested items be removed from the consent calendar.

M/S: Grover, Losey: Approve all consent calendar items.

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

Chair Woo confirmed there was a quorum to conduct CCE business.

OLD CCE BUSINESS

6.1 Energy Risk Management Quarterly Report

The Energy Authority Client Services Manager Jaclyn Harr reported on the significantly improved net revenue forecast for RCEA in 2022 due to anticipated changes in the power charge indifference adjustment (PCIA) exit fee and PG&E rates. The Board was advised to maintain the current rate discount relative to PG&E's rates at least through mid-2022 and build reserves to weather uncertain energy market and regulatory conditions. RCEA will face a cash shortfall for at the beginning of 2022 due to a lag between when bills for procuring energy and environmental energy products are due and when rate payer revenue is received.

Staff is investigating a line of credit or short-term loan to bridge the budget shortfall period. Like other CCAs, RCEA has been affected by high energy prices, high PCIA rates, and pandemic-related unpaid customer bills. RCEA will recoup about \$1.4 million of the \$3 million in unpaid customer energy bills in early 2022 through a state utility relief program. These funds are expected to arrive too late to impact the cash-flow shortfall period. The Sandrini Solar project development security deposit is also encumbering \$4 million in reserves, contributing to the need for a bridge loan. Staff will report on loan options in December.

Chair Woo invited public comment. There were no comments from the public on non-agenda items. Chair Woo closed the public comment period.

M/S: Grover, Losey: Accept Energy Risk Management Quarterly Report.

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

There was no new business to discuss.

OLD BUSINESS

7.1 Consultant Presentation on Small Hydropower (Information only)

RCEA Consultant Michael Furniss presented a report identifying six of the most promising small, grid-connected, run-of-the-river potential hydropower project sites in Humboldt County.

This research addresses a renewable energy development area identified in the updated RePower Humboldt strategic plan, Humboldt County General Plan and in the mission of public lands. The report provides information to remove some risks for potential small hydropower developers. Hydropower projects of between 100KW and 10 MW capacity are promising in Humboldt County since the area is reliably wet relative to the rest of the state, the steepness of many stream lengths is too steep for salmon or steelhead to use but ideal for tapping water's potential energy, and the timing of hydropower availability complements solar and wind power. Mr. Furniss and Bikash Pradhan, a Humboldt State University Environmental Resources Engineering program graduate student and run-of-the-river hydropower expert from Bhutan, will present more details of their research and suggested next steps for RCEA at two RCEA-sponsored webinars on December 7.

The directors discussed the need to promote and incentivize diverse renewable energy development given small hydropower's limited financial returns, and how small hydropower is deployed in other countries without environmental harm and how microhydro may help people to disconnect from the power grid and reduce energy demand.

Chair Woo invited public comment. No member of the public came forward to speak. Chair Woo closed the public comment period.

NEW BUSINESS

8.1 RCEA Comments on McKay Tract Subdivision Draft Environmental Impact Report

Chair Woo recused herself at 4:59 p.m. due to a remote conflict of interest. Her employer, SHN, is a subcontractor working on this development project.

Executive Director Marshall reported on proposed RePower Humboldt-related comments on the North McKay Ranch Subdivision project's draft environmental impact report (DEIR), which was drafted by the Community Advisory Committee's (CAC) Major Projects Subcommittee. The CAC will propose assisting the agency with commenting on major development projects as part of their 2022 work plan at the Board's December meeting. The North McKay Ranch project DEIR comment period ends on December 1, before the Board will consider the CAC's 2022 work goals. The CAC formed an ad hoc Major Projects Subcommittee to propose comments on the McKay Tract project to the Board during the interim period.

The subcommittee's comments point out the County General Plan Energy Element's recognition of RCEA's RePower Humboldt document as one of the County's central planning documents, the need for RePower's goals to be addressed in the North McKay Ranch project's plans, the need for project consistency with RePower's transportation and emissions goals, and for project consistency with RePower's building electrification goals.

The directors expressed support for RCEA to submit the proposed comments on the North McKay Ranch Subdivision project and other major development projects and for development of a process for the CAC to follow in developing comments.

No member of the public responded to Vice Chair Avis' invitation to speak. Vice Chair Avis closed the public comment period.

M/S: Losey, Grover: Approve RCEA comments on McKay Tract Subdivision Draft Environmental Impact Report pertaining to RePower Humboldt strategic plan goals and authorize the Executive Director to submit comments to the Humboldt County Planning and Building Department.

The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Curran, Grover, Losey, Schaefer, F. Wilson. Noes: None. Absent: M. Wilson. Recused: Woo.

Chair Woo returned to the meeting at 5:13 p.m.

STAFF REPORTS

9.1. Update from Executive Director (Information only)

Executive Director Marshall reported that the Harbor District issued a request for qualifications for engineering, design and permitting work for an offshore wind dock. The Bureau of Ocean Energy Management designated a ~~More~~ Morro Bay wind energy area and is on schedule to conduct a California-wide offshore wind auction in the fall. Eileen Verbeck, formerly employed at the City of Arcata, started work as RCEA's Deputy Executive Director, and will introduce herself to the Board at the December meeting.

No member of the public responded to Chair Woo's invitation for comment.

There were no requests for future agenda items from the directors or the public.

CLOSED SESSION

Chair Woo invited public comment on agenda item 11.1 – Public Employee Performance Evaluation, pursuant to Government Code Section 54957(b)(1): Executive Director.

There was no public comment on this item. The Board adjourned to closed session at 5:17 p.m. and reconvened in open session at 5:51 p.m.

Executive Director Marshall stated there was nothing to report out from closed session and adjourned the meeting at 5:51 p.m.

Lori Taketa
Clerk of the Board