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BOARD OF DIRECTORS MEETING MINUTES

Humboldt Bay Municipal Water District Office **February 27, 2020**
828 7th Street, Eureka, CA 95501 **Thursday, 3:30 p.m.**

Chair Austin Allison called a regular meeting of the Board of Directors of the Redwood Coast Energy Authority to order on the above date at 3:30 p.m. Notice of this meeting was posted on February 22, 2020. PRESENT: Chair Austin Allison, Stephen Avis, Chris Curran, Vice Chair Estelle Fennell, Dwight Miller, Frank Wilson, Michael Winkler, Sheri Woo. ABSENT: Dean Glaser. STAFF AND CONSULTANTS PRESENT: Business Planning and Finance Director Lori Biondini, Operations Director Dana Boudreau, RCEA General Counsel Nancy Diamond, Power Resources Account Services Manager Mahayla Slackerelli, Executive Director Matthew Marshall, Clerk of the Board Lori Taketa.

REPORTS FROM MEMBER ENTITIES - There were no reports from member entities.

ORAL COMMUNICATIONS

Chair Allison invited public comment. No member of the public came forward to speak.

Executive Director Matthew Marshall reported that the County Board of Supervisors will discuss an energy resilience and independence bond measure at the Tuesday, March 3, meeting. RCEA staff is providing technical assistance in preparation for this discussion.

Director Marshall went on to recognize and thank outgoing Board Chair Michael Winkler for his service, adding that RCEA has never had a more interested, technically knowledgeable Chair in its 17-year history.

Chair Allison closed public comment. Director Fennell arrived at 3:35 p.m.

CONSENT CALENDAR

- **3.1** Approve Minutes of January 23, 2020, Board Meeting.
- **3.2** Approve Disbursements Report.
- **3.3** Accept Financial Reports.
- **3.4** Authorize Executive Director to Enter into Real Property Negotiations for New Office Space, APN 001-104-001-000.

Chair Allison invited public comment. No member of the public came forward to speak.

Chair Allison removed agenda item 3.1 by emailed request of member of the public Dr. Ken Miller and closed the public comment period.

M/S: Miller, Winkler: Approve consent calendar items 3.2, 3.3, and 3.4.

The motion passed with a unanimous vote. Ayes: Allison, Avis, Curran, Fennell, Miller, Wilson, Winkler, Woo. Noes: None. Abstain: None. Absent: Glaser.

ITEMS REMOVED FROM CONSENT CALENDAR

Chair Allison read Ken Miller's email requesting identification of potential onshore wind sites in the minutes of the last Board meeting.

Chair Allison invited further public comment. No one came forward to speak. Chair Allison closed public comment.

M/S: Fennell, Miller: Approve consent calendar item 3.1 as written.

The motion passed with a unanimous vote. Ayes: Allison, Avis, Curran, Fennell, Miller, Wilson, Winkler, Woo. Noes: None. Abstain: None. Absent: Glaser.

COMMUNITY CHOICE ENERGY (CCE) BUSINESS - Chair Allison confirmed a quorum was present to conduct CCE business.

OLD CCE BUSINESS – None.

NEW CCE BUSINESS

6.1. 2020 Distributed Storage Solicitation

Matthew Marshall reported that the California Public Utilities Commission (CPUC) assigned all load-serving entities to procure an increased proportional share of Resource Adequacy (RA) for new power generation facilities to provide power reliability to the electric grid. The increased requirement is due to natural gas plant decommissioning, projected increased electricity demand and for solar power balancing. The state allows purchasing RA from pooled, behind-the-meter energy storage resources that reduce load and are California Independent Systems Operator demand-responsive. A concurrent state incentive program targeting battery storage at local government and critical facilities presents an opportunity to invite companies working with behind-the-meter storage resources to submit proposals to help meet resiliency needs during outages and also provide resource adequacy to the grid. Funds from RCEA's resource adequacy budget would leverage upcoming state incentive program funds to fulfill these dual needs.

The directors discussed the inclusion of thermal, hot or cold water, energy storage in the RFP due to thermal storage's potentially lower cost, lack of toxicity and longer life cycle than batteries; staff's focus on battery storage to encourage participation in the favorable upcoming rebate opportunity; and local distributed storage RA's anticipated higher cost compared with other RA sources, which would be comparable to past small energy purchases.

Chair Allison invited public comment. No one came forward to speak. Chair Allison closed public comment.

M/S: Miller, Avis: Authorize staff to release a Request for Proposals for up to 5 MW of local behind-the-meter energy storage systems, including battery, thermal and other storage systems, in alignment with the terms provided, and with an RCEA incentive not to exceed 150% of market RA prices, in addition to any funds currently budgeted for 2020 carbon-free energy procurement not committed by May 1, 2020.

The motion passed with a unanimous vote. Ayes: Allison, Avis, Curran, Fennell, Miller, Wilson, Winkler. Noes: None. Non-Voting: Woo. Absent: Glaser.

END OF COMMUNITY CHOICE ENERGY (CCE) BUSINESS

OLD BUSINESS

7.1 Fiscal Year 2019-2020 2nd Quarter Budget Summary (Information only)

Business Development and Finance Director Lori Biondini reported that agency revenue and expenses are projected to be under budget amounts at the end of the year due to: airport microgrid project delays, lower personnel expenses from staff vacancies, and lower than anticipated incentive and rebate disbursement due to staff focus on program administrator status application and Energy Watch contract completion. Staff anticipates that the approved customer program funding will be used. Large postage increases for required mailings increased outreach spending. No budget amendments are recommended.

Director Fennell reported receiving a call from a Petrolia resident requesting that overdue bill envelopes not be stamped “Past Due.” Account Services Manager Mahayla Slackerelli reported that staff received the customer’s feedback and revised the overdue statement envelope to read “Important Billing Information Inside.”

Chair Allison invited public comment.

Member of the public Deborah Dukes requested a thank you note be sent to the customer with acknowledgement that her comment made an immediate difference.

Chair Allison closed public comment.

NEW BUSINESS

8.1 Clean Mobility Grant Application

Operations Director Dana Boudreau reported that the County requested that RCEA be a sub-applicant for a Clean Mobility Options Voucher Pilot Program grant. If approved, RCEA would assist with electric vehicle charging station installation at underserved community locations identified by the County Department of Health and Human Services.

The directors discussed partnering with affordable housing developers to include connection to the Clean Mobility Options Voucher Program and sustainable transportation plans with their grant funding applications.

Chair Allison invited public comment. No one came forward to speak. Chair Allison closed public comment.

M/S: Fennell, Winkler: Adopt Resolution No. 2020-2, authorizing RCEA to partner with the County of Humboldt to achieve Clean Mobility grant goals and authorize the Executive Director to execute associated documents as necessary.

The motion passed with a unanimous vote. Ayes: Allison, Avis, Curran, Fennell, Miller, Wilson, Winkler, Woo. Noes: None. Abstain: None. Absent: Glaser.

STAFF REPORTS – Staff had no reports to present.

FUTURE AGENDA ITEMS - No future agenda items were requested by the Board.

CLOSED SESSION

Chair Allison invited public comment on the closed session items. Member of the public Deborah Dukes thanked the Board for going to closed session so soon. The directors adjourned to closed session at 3:56 p.m. to discuss the following:

11.1. Public employee performance evaluation, pursuant to Government Code section 54957(b)(1): Executive Director.

11.2. Conference with real property negotiators per Government Code section 54956.8 in re APN 001-104-001-000; RCEA negotiator: Executive Director; Owner's negotiating party: Kramer Investment Corporation; Under negotiation: price and terms.

11.3. Closed Session to meet with legal counsel per Government Code Section 54956.9(d)(4), in re PG&E, Bankruptcy Court, 19-30088, Northern District of California.

Director Fennell left at 5:04 p.m.

The directors reconvened to open session at 5:35 p.m. Chair Allison stated there was nothing to report from closed session.

Chair Allison adjourned the meeting at 5:35 p.m.

Lori Taketa
Clerk of the Board