



Board of Directors Meeting Minutes

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

Thursday, August 27 2026
3:30 PM

Attendance

Present

Scott Bauer	Sarah Schaefer, Vice Chair
Carlos Diaz	Jack Tuttle
Michael Gerace, Chair	Frank Wilson
Skip Jorgensen	Mike Wilson
Elise Scafani	

Absent

Jason Ramos	
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Staff and Others Present

Name	Title
Ken Beals	Information Technology Technician
Elizabeth Burks	Executive Director
Faith Carlson	Regulatory & Legislative Manager
Nancy Diamond	RCEA Legal Counsel
Richard Engel	Power Resources Director
Stephen Kullmann	Customer Programs Director
Lori Taketa	Board Clerk
Eileen Verbeck	Deputy Executive Director

Open Session (Call to Order)

Chair Gerace called a meeting of the Board of Directors of the Redwood Coast Energy Authority to order at the above location and date at 3:33 p.m. Notice of this meeting was posted on August 21, 2026.

4. Staff Reports

4.1. Executive Director's Report

Executive Director Burks reported on staff's successful application for \$2.9 million in investment tax credits for the Redwood Coast Airport microgrid. The RCEA electricity rate will change on September 1. Nine customers opted out so far due to the rate change, roughly the same number as in other months. Staff are discussing the rate change at member jurisdiction meetings. Recruitment continues for the Director of Engagement and Regional Climate Planning and staff General Counsel positions.

Regulatory and Legislative Manager Carlson reported on Power Charge Indifference Adjustment (PCIA) legislation and regulatory proceedings. The California Public Utilities Commission decided that Community Choice Aggregators' (CCAs') customers will not benefit from pre-2019 banked Renewable Energy Credits despite having paid for them prior to becoming CCA customers. In the Legislature, the PCIA Data Transparency Bill passed both houses and awaits the Governor's signature. There were no public comments.

5. Consent Calendar

- 5.1. Approve Minutes of July 23, 2026, Board Meeting.
- 5.2. Approve Disbursement Reports for June 2026, and Financial Reports for this Fiscal Year through June 2026.
- 5.3. Enter into an Agreement for Professional Services Between the Redwood Coast Energy Authority and Owsley Electric Inc. for Electrical Services at the Redwood Coast Airport Microgrid for a Term up to Five (5) Years and a Total Not to Exceed of \$325,000 and Authorize the Executive Director to Execute All Applicable Documents Pending Review by RCEA Legal Counsel.
- 5.4. Approve Waiver of Potential Conflict of Interest and Provide Informed Consent Regarding Counsel Representation by the Law Offices of Nancy Diamond on Redwood Coast Energy Authority's Interests in the Regional Climate Action Plan.

There were no requests to remove items from the consent calendar, nor public comments.

M/S: M. Wilson, Tuttle: Approve Consent Calendar items.

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

9. Presentations

9.1. Presentation on RCEA's Customer Programs Featuring the Heat Pump Rebate Program

Customer Programs Director Kullmann presented an overview of RCEA's customer programs, detailing services across residential, commercial, public agency, and workforce education sectors. These

programs are funded mostly through external sources such as California's Regional Resilience Planning and Implementation Grant program and the Public Purpose Program (PPP), which is funded by a charge on all electricity bills. The Northern Rural Energy Network program and the Local Government Partnership are funded through the PPP. Historically, Humboldt County residents paid into the PPP but received little customer program service in return. RCEA staff bring these funds back to Humboldt County and rural Northern California in the form of energy efficiency customer programs. Residents do not need to be RCEA Community Choice Aggregation customers to participate in most of these programs.

Natural gas heating causes most of the greenhouse gas emissions from buildings in Humboldt County. Director Kullmann explained the benefits of using electric heat pumps. Since 2025, RCEA issued 56 heat pump space heater rebates and 46 hot water heat pump rebates. RCEA will launch a new heat pump program that offers rebates as high as 100% for commercial customers and up to \$7,000 for residential customers who work directly with contractors. RCEA will host an open house on September 15 to recruit local contractors.

The group discussed the costs and benefits of switching from natural gas to heat pumps. There might not be immediate cost savings due to high electric rates, but heat pumps offer long-term benefits including decarbonization and use as air conditioners during summer months. There were no public comments on this agenda item.

9.2 Introductory Study Session on Electricity Service Municipalization

In response to Director requests for information on ways to reduce RCEA exposure to investor-owned utilities' actions and to give RCEA more price control, Power Resources Director Engel and Regulatory and Legislative Manager Carlson presented an overview of public power options. Following two waves of municipal utility formation in the late 1800s as cities grew and electrification spread, and the early 2000's after the Enron scandal, Community Choice Aggregators, municipal utilities, and rural electric co-operatives face challenges to formation and operation including investor-owned utility opposition, high asset transfer negotiation and infrastructure costs, and legal barriers that can take years to overcome. In the last 25 years, less than 10% of municipalization attempts in the U.S. succeeded.

Staff highlighted the success of CCAs in California, which currently meet nearly a quarter of the state's total electric load. Two other promising public power opportunities are greenfield development (electrification of areas formerly unserved by an investor-owned utility) and rural electric coops, which can borrow funds at low interest rates through the U.S. Department of Agriculture Rural Utilities Service. Barriers to publicly-owned power infrastructure in Humboldt County include the region's vast and difficult terrain, risk of assuming costs associated with wildfires, and lack of significant new industrial development as a potential electric revenue source.

The group discussed a local hybrid approach: municipal electricity for areas around Humboldt Bay and rural electric co-ops for more remote areas. Staff stressed the importance of legislative efforts to end the Power Charge Indifference Adjustment to gain more control over costs under the existing CCA framework. In the future, the Board will discuss revising RCEA's Policy Platform to more strongly support publicly-owned power, continue work to sunset the PCIA, explore a regional approach to public power, and learn more about how rural electric cooperatives work. Staff asked the Board to prioritize issues to be addressed (cost savings, independence from investor-owned utility actions, or energy resilience) as different goals require different strategies.

Community Advisory Committee member Carol Schmitt, speaking as a member of the public, highlighted the importance of considering energy resilience in future planning. Chair Gerace closed the public comment period.

10. Future Agenda Items

The Directors asked for updates on PCIA sunseting efforts and a discussion on strategies to increase the regional electricity load.

Chair Gerace adjourned the meeting at 5:20 p.m.

Lori Taketa
Clerk of the Board

The author used Zoom AI to generate a draft of these minutes. After using this tool, the author reviewed, edited and takes full responsibility for the content of these minutes.