REDWOOD COAST Energy Authority

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 (CAC) Regular Meeting Agenda

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

Tuesday, September 8 2026
6-7:30 PM

Meeting Information

1. Meeting Reports and Comments

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 (CAC), including those received less than 72 hours prior to the Committee's meeting, will be made available to the public at redwoodenergy.org.

Speakers wishing to distribute materials to the Board at the meeting must provide 15 copies to the Board Clerk.

2. How to Participate

When technical difficulties arise that prevent members of the public from offering comments, or if broadcasting is disrupted due to matters out of RCEA's control, the meeting will be discontinued unless otherwise allowed by law.

To participate in the meeting online, go to https://us02web.zoom.us/j/82223381610.

To participate by phone, call (669) 900-6833 Enter webinar ID: 822 2338 1610.

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

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

3. Accessibility

Need help with accessibility? Any member of the public 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.

Meeting Agenda

Underlined actions indicate that a vote is needed.

1. Open 6 - 6:05 p.m. (5 min.)

- Roll call
- Confirm any remote member participation.
- Review meeting agenda and goals.

Brown Act Teleconference Participation Rules

2. Non-Agenda Item Public Comment 6:05 - 6:10 p.m. (5 min.)

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.

3. Executive Director's Report 6:10 - 6:20 p.m. (10 min.)

Hear Executive Director's update.

4. Consent Calendar 6:20- 6:25 p.m. (5 min.)

All matters on the Consent Calendar are considered 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.

a. Approve July 14, 2026, CAC Meeting Minutes.

5. Items Removed from Consent Calendar 6:25 - 6:30 p.m. (5 min.)

This time is set aside for discussion of items removed from the Consent Calendar.

6. Customer Programs Overview 6:30 – 6:50 p.m. (20 min.)

Hear an overview of current RCEA customer programs, with a focus on the heat pump rebate.

7. Annual Report on Humboldt Sawmill Company Memorandum of Understanding 6:50 – 7:20 p.m. (30 min.)

Hear and discuss a report on HSC's annual data submission including information on its biomass feedstock, greenhouse gas emissions, co-generation plant monthly monitoring reports, opacity reports, cylinder gas audits, Air District notices of violations, and a draft Health Risk Assessment Report.

8. Member and Board Liaison Reports 7:20 – 7:30 p.m. (10 min.)

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.

a. Board Liaison
b. Committee Members

9. Close & Adjourn 7:30 p.m.

Next Regular CAC Meeting

Tuesday, November 10, 2026, 6 p.m.
Jefferson Community Center Auditorium, 1000 B Street, Eureka, CA 95501

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REDWOOD COAST Energy Authority

Staff Report

Agenda Item # 1

Information

Agenda Date	September 8, 2026
To	RCEA Community Advisory Committee
Prepared by	Eileen Verbeck, Deputy Executive Director
Subject	Member Teleconference Participation

Background

The California legislature revised the state's open meeting laws, or the Brown Act, in response to the COVID-19 State of Emergency which ended in early 2023. Since the pandemic, the Brown Act has been amended to codify modern teleconference meeting practices. SB 707 (Durazo, 2025) sets out the latest Brown Act revisions.

Summary

Beginning January 1, 2026, CAC members may attend up to two meetings per year from a remote location without making the location accessible to the public for "just cause," as defined below:

1. Childcare or caregiving to child, parent, grandparent, grandchild, sibling, spouse, domestic partner; or
2. Contagious illness that prevents in person attendance; or
3. Mental of physical need not subject to reasonable accommodation provisions; or
4. Travel while on official business of RCEA or another state or local agency; or
5. Immunocompromised child, parent, grandparent, grandchild, sibling, spouse, or domestic partner that requires remote participation; or
6. Physical or family medical emergency; or
7. Military service obligations. "Emergency circumstance" due to a physical or family medical emergency that prevents the member from attending in person.

A vote is not necessary for a member to attend remotely for just cause, but the following requirements must be fulfilled:

1. At the beginning of the meeting, the remotely participating CAC member provides a brief description of the just cause reason, protecting the member's (or family member's) medical privacy;
2. Meeting minutes reflect the specific just cause reason;
3. Member participates through audio and visual means, unless a physical condition results in the member's need to participate off camera;
4. Member discloses individuals 18 years or older present in the room, and the general nature of their relationship with the CAC member;

5. At least a quorum of the CAC must participate from one or more physical locations within Humboldt County that are publicly accessible and noticed on the meeting agenda;
6. If disruption in teleconference service occurs, the meeting must be discontinued until teleconference service is restored;
7. Votes are conducted by roll call; and
8. Member may participate remotely due to just cause up to two times per year.

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

Staff asks to be notified one-week in advance 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 by the Brown Act.

In addition to expanded "just cause" teleconference meeting participation guidelines, SB 707 codified reasonable accommodation measures for CAC members with physical or mental disabilities, as defined under the Americans with Disabilities Act. Members living with these disabilities may participate remotely from non-public locations. Their participation will be treated as in-person attendance at the physical meeting location, including for quorum purposes. Reasonable accommodation participation requires the following:

1. CAC member must use audio and visual technology, unless their physical condition results in needing to participate off camera; and
2. Member must disclose individuals 18 years old or older present in the room and disclose the general nature of their relationship to the member.

These reasonable accommodation requirements supersede all other teleconferencing requirements.

Alignment with RCEA's Strategic Plan

N/A - Compliance with the Brown Act is a transparency requirement for California local public agencies.

Equity Impacts

SB 707 author Senator Maria Elena Durazo stated an intention for the bill to increase public meeting participation. The bill's measures increase civic engagement opportunities for people facing barriers due to disability and distance from meeting locations by using technology that was widely adopted during the COVID-19 pandemic.

Financial Impact

Procurement and staff time related to complying with Brown Act requirements are included in the current fiscal year budget.

Staff Recommendation

None.

Resources

- Link to the Ralph M. Brown Act[1], California Government Code Sections 54950 - 54963, revised October 3, 2025.
- RCEA's public meeting location list:

Body	Date	Time	Location
Board of Directors	4th Thursday of each month	3:30 p.m.	Wharfinger Building Bay Room, 1 Marina Way, Eureka, CA 95501
Community Advisory Committee	2nd Tuesday of odd-numbered months	6 p.m.	Jefferson Community Center Auditorium, 1000 B Street, Eureka, CA 95501
Finance Committee	As needed, dates TBD	TBD	RCEA Offices, 633 Third Street, Eureka, CA 95501

[1] California Code, GOV 54950.5.: https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=54950.&nodeTreePath=6.2.1.22&lawCode=GOV

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REDWOOD COAST Energy Authority

Staff Report

Agenda Item # 3

Information

Agenda Date	September 8, 2026
To	Community Advisory Committee
Prepared by	Elizabeth Burks, Executive Director
Subject	Executive Director's Report

Summary

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

Staff Recommendation

None. Information only.

Attachments

None.

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Community Advisory Committee (CAC) Draft Meeting Minutes

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

Tuesday, July 14 2026
6:00 PM

Mid-Klamath Watershed Council Building
38150 State Highway 96, Orleans, CA 95556

Attendance

Members Present

Norman Bell, Deborah Dukes, Benjamin Fordham, Richard Johnson, Luna Latimer (at Orleans meeting location), Kit Mann, Vice Chair Dennis Leonardi, Hope Sakho, Carol Schmitt. Board Liaison Sarah Schaefer (non-voting).

Absences

Chair Ethan Lawton

Board-Nominee Vacancies

Blue Lake Rancheria, Fortuna, Rio Dell, Yurok Tribe.

Staff Present

IT Technician Ken Beals, Business Planning and Finance Director Lori Biondini, Executive Director Elizabeth Burks, Regulatory and Legislative Policy Manager Faith Carlson, Northern Rural Energy Network (NREN) Coordinator Shea Donnelly, Customer Programs Director Stephen Kullmann, Regulatory and Legislative Policy Intern Giovanna Signorelli, Board Clerk Lori Taketa, Deputy Executive Director Eileen Verbeck.

Meeting (Call to Order)

1. Open

Vice Chair Leonardi called the hybrid in-person and teleconference meeting to order on the above date at 6 p.m. at the Jefferson Community Center and the Mid-Klamath Watershed Council Building (remote, public meeting location). The meeting agenda was posted on July 9, 2026. Vice Chair Leonardi

DRAFT

welcomed new CAC members Carol Schmitt and Hope Sakho, who introduced themselves and described their backgrounds in low-income housing electrification and Tribal energy sovereignty.

2. Non-Agenda Item Public Comment

There were no non-agenda item public comments received for this meeting.

3. Executive Director's Report

Executive Director Burks reported that CAC comments were forwarded to the Board and considered in the development of RCEA's Integrated Resource Plan (IRP) filing. The Board selected a policy-focused portfolio that maintains RCEA's renewable and carbon-free goals and retains biomass energy for now. Staff noted that the IRP is a non-binding, 20-year planning document.

Staff reviewed the draft Humboldt Bay Area Plan update for alignment with RCEA strategic goals and found broad consistency, particularly related to offshore wind development and harbor infrastructure planning. Staff's comments requested more specific plans regarding energy-efficient design, reduction of vehicle miles traveled and natural gas line elimination.

Recruitment has begun for RCEA's Director of Engagement and Regional Climate Planning. The director will oversee community engagement efforts, supervise the Regional Climate Action Plan Administrator, support offshore wind engagement, and serve as the primary staff liaison to the CAC.

Executive Director Burks introduced Regulatory and Legislative Policy Intern Giovanna Signorelli. There was no public comment.

4. Consent Calendar

3.1. Approve March 10, 2026, CAC Meeting Minutes.

Neither CAC members nor members of the public requested Consent Calendar item discussion.

Motion Dukes, Second Johnson: Approve March 10, 2026, CAC Meeting Minutes.

The motion passed with a unanimous roll call vote: Ayes: Bell, Dukes, Fordham, Johnson, Latimer, Leonardi, Mann, Sakho, Schmitt. Noes: None. Abstain: None. Absent: Lawton.

6. Fiscal Year 2026-2027 Update

Executive Director Burks and Business Planning and Finance Director Biondini explained that RCEA electricity generation rates will be higher than PG&E's generation portion of the bill for the first time. Staff asked the CAC to help explain the increase to the community. At the upcoming Board meeting, staff will propose an increase to the generation part of customers' electricity bills. For reference, a 6% generation increase means roughly less than $3 more per month for an average residential electricity bill.

Staff explained that the Power Charge Indifference Adjustment (PCIA) doubled in the past year and makes up over half of RCEA customers' generation charges. Power costs decreased by 1/3 earlier this year, benefiting customers but when combined with the PCIA increase hurt RCEA's ability to cover power costs and keep rates lower than PG&E's. The RCEA Board is committed to maintaining a 100% renewable and carbon-free portfolio, preserving core customer programs, coordinating regional climate

action planning and maintaining RCEA's financial viability. The generation rate increase will help RCEA meet the Board's goals and keep financial reserves high enough to avoid power transaction fees.

Committee members discussed customer impacts, opt-out risks, and communications strategies. When discussing the rate change with the community, staff emphasized the need to explain RCEA's benefits to Humboldt County residents: local control and transparency, a higher renewable energy content portfolio than PG&E, local customer programs paid for mostly by funds brought back to the County by RCEA staff, and advocacy efforts on behalf of Humboldt County residents. Up to now, RCEA customers have saved between $5 and $7 million compared with what they would have paid as PG&E customers.

Regulatory and Legislative Manager Carlson explained the PCIA, its origins and effect on community choice aggregators throughout California. Committee members discussed how the PCIA fee sunsets in all other states with CCAs, but not in California. Staff reviewed ongoing PCIA reform legislative and regulatory efforts, including CPUC Assembly Bill 1761. Committee members suggested educational materials, tribal engagement, city council outreach, and future legislative updates.

Member of the public Marty Smukler asked whether the rate increase would impact solar and commercial customers. The proposed changes would not alter solar programs and would apply across customer classes. Vice Chair Leonardi closed the public comment period.

7. CPUC Energy Efficiency Program Survey

Customer Programs Director Kullmann explained how regional energy networks like the Northern Rural Energy Network (NREN) fills gaps in investor-owned utility provided energy efficiency services. RCEA, and more recently NREN, help bring funds Humboldt County customers pay into the Public Purpose Program back to the county in the form of energy efficiency services.

The CPUC is asking for community input on how to evaluate NREN's efficiency and electrification programs in the rural areas it serves. Committee members discussed the need to include measures beyond energy savings alone that reflect the needs of rural and underserved communities. Member suggestions included: contractor education and workforce development measures; long-term customer assistance measures including phone support for new technology adopters; deployment of renewable backup power generation programs to serve people in remote areas with unreliable electricity service; and arguing against disposal requirements for previous generation equipment for low-income rural customers.

Staff requested that members complete and return the CPUC survey individually. There were no public comments on this item.

9. Close & Adjourn

Vice Chair Leonardi adjourned the meeting at 7:51 p.m.

Lori Taketa, Clerk of the Board

During the preparation of this work the author used CoPilot, Otter AI, and Zoom AI to create a draft. The author reviewed and edited the resulting draft and takes full responsibility for this document's content.

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REDWOOD COAST Energy Authority

Staff Report

Agenda Item # 6

Information

Agenda Date	September 8, 2026
To	Community Advisory Committee
Prepared by	Stephen Kullman, Customer Programs Director
Subject	Customer Programs Overview with Focus on Heat Pumps

Summary

Prior to launching Community Choice Energy in 2017, the Redwood Coast Energy Authority was formed in 2003 to provide energy efficiency and greenhouse gas reduction services to member agencies and their constituents. Throughout this time, RCEA has leveraged numerous funding sources to offer programs and services to all customer sectors, continuously expanding its reach and engagement and advocating for greater equity in energy efficiency programs in rural California. Over this time, air-sourced heat pump technology has grown in importance as a tool to increase building efficiency, reduce greenhouse gas emissions, and improve indoor air quality and comfort.

Background

RCEA's Customer Programs Department is led by a Department Director, with three Program Managers, four full-time and one part-time Analysts, three Specialists, and one Assistant, all focused on serving the Humboldt Community and predominantly funded through sources outside of RCEA's CCE revenue. The main source of funding is RCEA's Northern Rural Energy Network initiative, but programs are also funded through the longstanding Redwood Coast Energy Watch partnership with PG&E and various competitive grants such as the Rural Resilience Partnership Grant. In addition to procuring customer program funding for RCEA, Customer Programs staff have assisted in acquiring many millions of dollars in state and federal grants and low interest financing for multiple Humboldt County jurisdictions and schools.

RCEA Customer Program Offerings

Residential:

- No-cost energy efficiency kits
- Phone-based and in-home energy assessments
- Direct rebate program for energy efficient upgrades such as induction stoves and other appliances, heat pumps and weatherization
- Partner contractor heat-pump and weatherization installations (launching soon)
- Energy Consultations
- Induction Cooktop loan program

- E-Bike Voucher Program
- EV Rebates

Commercial

- Energy assessments
- Referrals to statewide and PG&E led programs
- Incentives for installation of upgrades such as lighting, heat pumps, weatherization, and more
- Low interest loans (under development)

Public Agencies

- All commercial programs
- Calculating building energy use (benchmarking) in compliance with state regulations
- Project funding and management support
- Preliminary solar, storage, and resiliency planning
- Solar plus storage program for remote rural fire stations (RRGP)

Workforce Education and Training

- Partnerships with workforce training programs and adding electrification and energy efficiency curriculum

Heat Pumps:

Heat pumps have become an increasingly important tool for promoting energy efficiency and greenhouse gas reductions. According to the Humboldt County Regional Climate Action Plan, building energy makes up approximately 14 percent of Humboldt's GHG profile. Of that, approximately 13 percent of building energy emissions are due to the use of natural gas and one percent due to indirect emissions associated with electricity use. Heat Pumps are used for space and water heating, clothes dryers, and pool heaters.

Heat pumps are not new technology. Air conditioners and refrigerators are both forms of heat pumps. Heat pumps use the thermodynamic properties of a compressed liquid, called a refrigerant, to move heat from one location to another. In the case of a refrigerator, heat is moved from inside the refrigerator and released through the coils on the back. For a heat pump hot water heater, heat is removed from the ambient air and released into the water storage tank. Heat pump space heaters, which can be either ducted central units or individual "mini-split" units, can act as both heaters and air conditioners, either moving heat from outside to inside, or the opposite.

Because heat pumps use electricity to pump and compress the refrigerant rather than create heat, they are considerably more efficient than combustion or electric resistance heaters, and when replacing natural gas or propane combustion heaters can greatly improve indoor air quality.

RCEA has been offering direct customer rebates for heat pump space heaters, water heaters, and dryers through NREN and previous programs and is launching a partner contractor installation program with higher incentives.

Alignment with RCEA's Strategic Plan

RCEA's Customer Programs align with the following strategies in the REpower Humboldt Strategic Plan:

1.1.3 Support Energy-sector Workforce Development.

1.3.1 Develop Regional Energy Funding Mechanisms.

1.3.4 Implement Energy Project Financing

1.4.3 Assist with Climate Action Planning

1.4.8 Develop Programs that Foster Social Equity

1.5.4 Provide Energy Efficiency, Conservation and Electrification Education and Training

1.5.5 Provide Energy Professional Education and Training.

2.1.1 Support Member Agency and Local Government Energy Management.

2.1.3 Assist with Facility Benchmarking

2.1.4 Perform Energy Assessments.

2.1.5 Integrate Distributed Energy Resources

2.2.1 Maximize the Efficiency of Buildings

2.2.2 Support Electrification

2.2.3 Increase Equipment Efficiency through Market Transformation

2.2.4 Promote Performance Contracting.

2.2.5 Develop and Support Behavioral, Retro-Commissioning and Operations Programs

2.4.2 Implement the Public Agency Solar Program

Equity Impacts

RENs in general, and the Northern Rural Energy Network in particular, are designed to reach customers that otherwise are not being reached by existing ratepayer-funded programs. The NREN programs will ensure that hard-to-reach, disinvested, disadvantaged, and underserved rural customers are provided with an equitable level of services and support of CPUC energy programs and are empowered to take action to better manage their energy use and cost through increased awareness, support resources, a trained workforce, and access to financing to improve their homes and businesses.

Financial Impact

RCEA Customer Programs have brought millions of dollars in customer program funding to Humboldt County that would otherwise have gone to other parts of the state.

Staff Recommendation

Information Only

Attachments

None

RCEA Customer Programs Overview with a Focus on Heat Pumps

Stephen Kullmann, Customer Programs Director
RCEA Community Advisory Committee Meeting, September 8, 2026

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Northern Rural Energy Network

RCEA Customer Programs – multi-sector

Residential:



Commercial



Workforce Education and Training





Public Agencies

RCEA Customer Programs



Residential:

1. **No-cost energy efficiency kits**
2. **Phone-based and in-home energy assessments**
3. **Direct rebate program for energy efficient upgrades such as induction stoves, washer/dryers, heat pumps and weatherization**
4. **Partner contractor heat-pump and weatherization installations (launching soon)**
5. **Energy Consultations**
6. **Induction Cooktop loan program**
7. **E-Bike Voucher Program**
8. **EV Rebates**

RCEA Customer Programs



Commercial

1. **Energy assessments**
2. **Referrals to statewide and PG&E-led programs**
3. **Incentives for installation of upgrades such as lighting, heat pumps, weatherization, and more**
4. **Low interest loans (under development)**

RCEA Customer Programs

Public Agencies

1. **All commercial programs**
2. **Calculating building energy use (benchmarking) in compliance with state regulations**
3. **Project funding and management support**
4. **Preliminary solar, storage, and resiliency planning**
5. **Solar plus storage program for remote rural fire stations (RRGP)**



RCEA Customer Programs

Workforce Education and Training

1. **Partnerships with workforce training programs and adding electrification and energy efficiency**



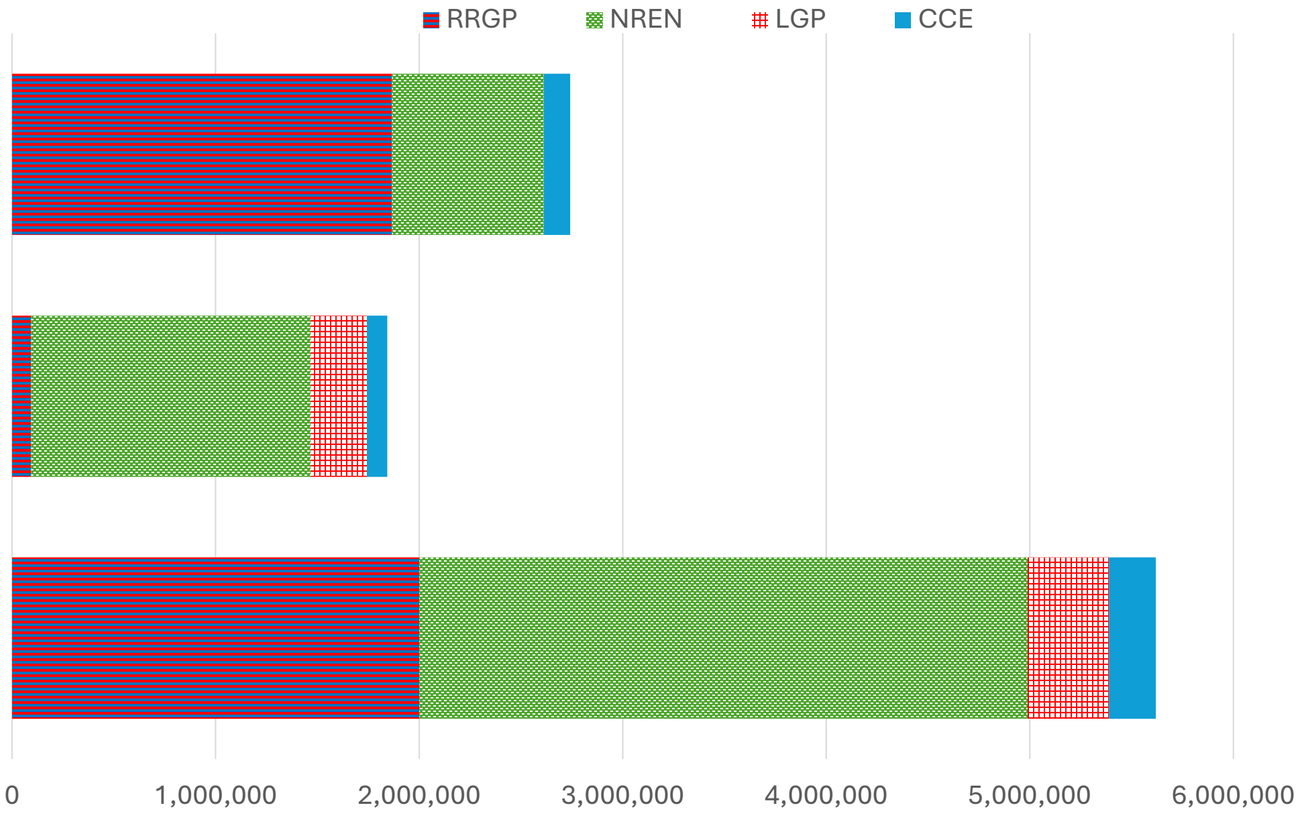
Customer Programs Funding Sources

- **Northern Rural Energy Network (NREN):** Comes from a portion of Public Purpose Program (PPP*) charge on all PG&E customers bills
- **Local Government Partnership (LGP):** Contract with PG&E also funded through PPP charge
- **Rural Resilience Grant Program (RRGP):** Competitive grant from Governor's Office of Land Use and Climate Innovation
- **Community Choice Energy (CCE):** Funds designated by Board for local programs

*** Prior to NREN, Rural Northern California ratepayers contributed more to the PPP than they received in programs and services**

Customer Programs FY 26-27 Budgets *

- **Incentives and Services:** ~$2.7 million
  - RRGP 68%; NREN 27%; LGP 0%; CCE 5%
- **RCEA Staff Expenses:** ~$1.8 million
  - RRGP 5%; NREN 75%; LGP 15%; CCE 5%
- **Total FY 26-27 Budget:** ~$5.6 million
  - RRGP 36%; NREN 53%; LGP 7%; CCE 4%



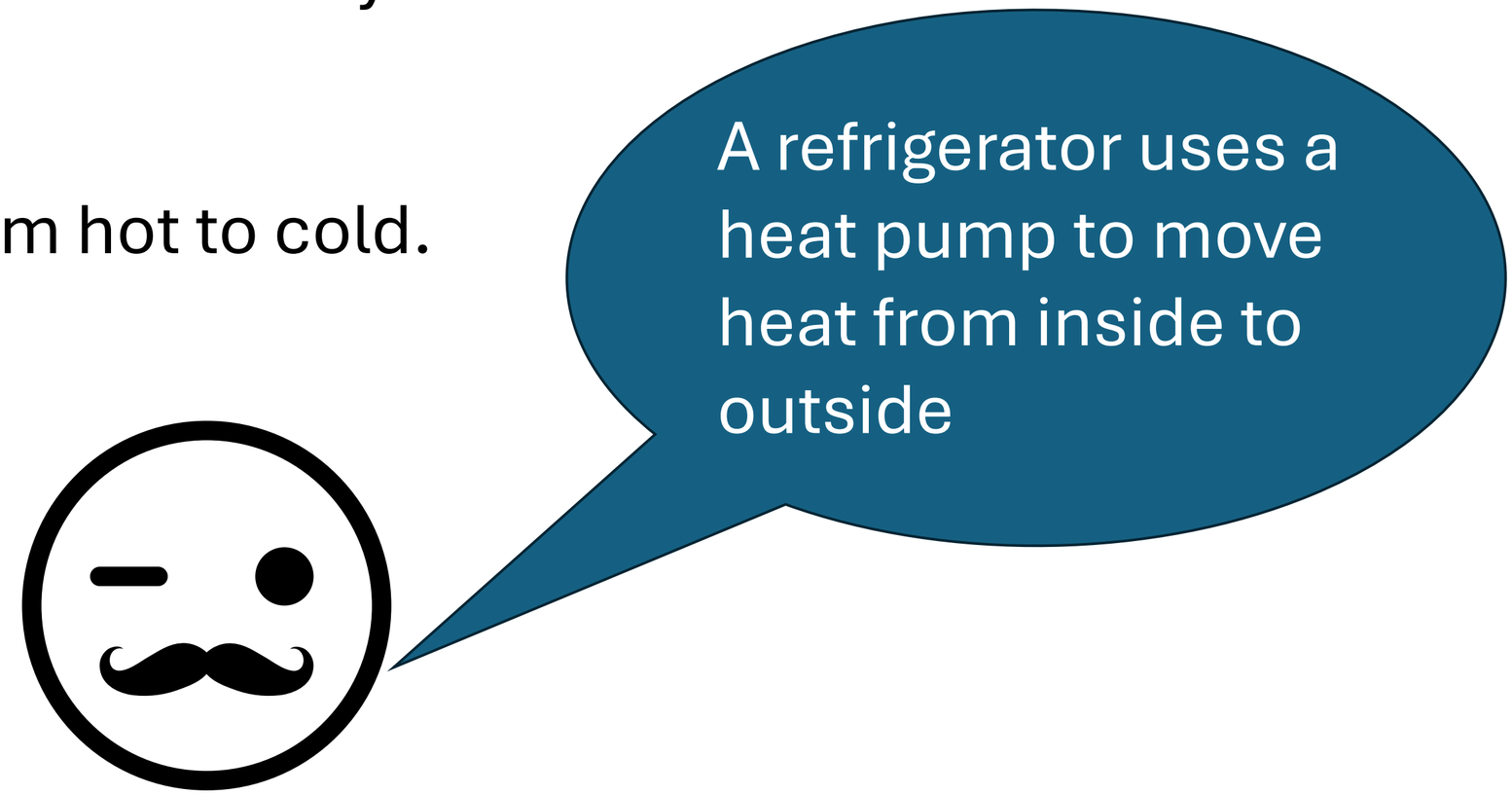
*** Does not include NREN Portfolio Administration or NREN Partner Pass-Through Funds**

Let’s Talk about Heat Pumps

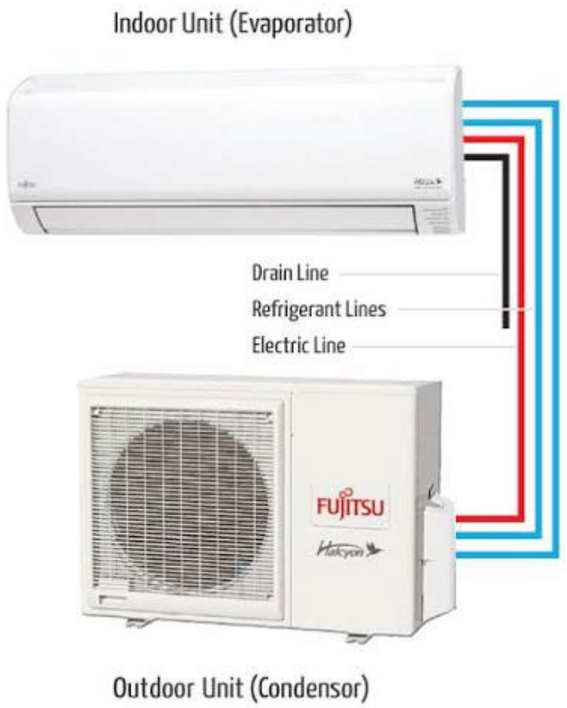
It’s all about the first and second laws of thermodynamics

1. Energy cannot be created or destroyed.

2. Heat flows naturally from hot to cold.

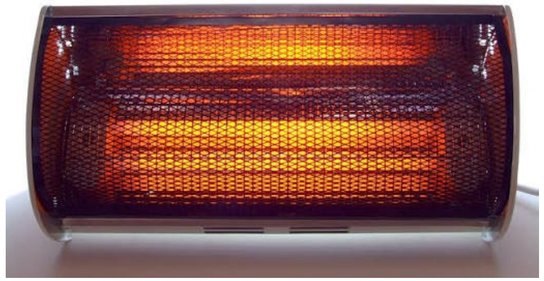


Types of Heaters (space, central/ducted, or water)



Electric Heat Pump
Moves heat from one location to another
Mini-Split (pictured) has an indoor and outdoor unit. Ducted has a central unit and moves air through ducts

Electric Resistance
Forces electricity through smaller wires creating resistance and heat





Combustion
Burns a fuel such as natural gas, propane, kerosene, wood, etc. to produce heat

Images from https://www.fujitsugeneral.com/us/residential/what-is-a-mini-split.html
https://www.wolffardis.com/defective-space-heaters/
https://www.grainger.com/

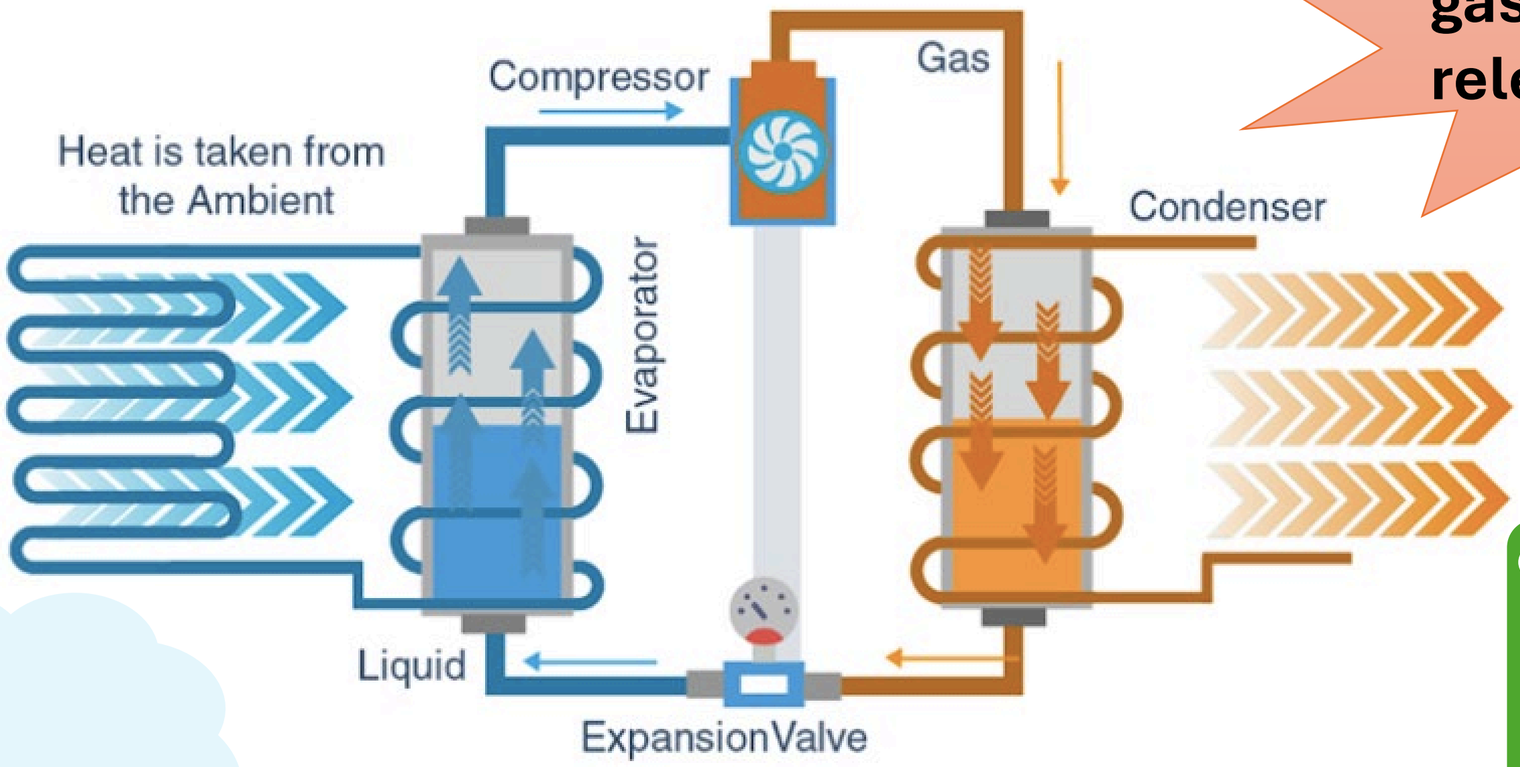
Why Heat Pumps?

- **Most of Humboldt County's building greenhouse gas emissions come from burning natural gas. Replacing space and water heaters with electric heat pumps helps us achieve climate goals**

- **Heat pumps are up to four times more efficient than electric resistance, using less electricity and saving money**

How does a heat pump move heat?

Electricity pumps refrigerant through the system



Compressed gas is hotter, releasing heat

Expanded liquid is cooler, absorbing heat

Flow can be reversed for heating or cooling

Image from ecodena.com

RCEA/NREN Heat Pump Incentives

Residential rebate program:

Heat pump heaters: $300-$1000/ton
Heat pump pool heater: $1000
Heat pump hot water heaters: $800-$1500
Heat pump clothes dryer: $350-750

Commercial and Residential Direct Install Programs

50-75 % of project cost for commercial HPHWH
Heat Pump Heaters: $2000-4000/ton
Residential HPHWH: up to $7000

- **Incentive amounts depend on existing fuel and equipment and new equipment specs and efficiency**
- **Enhanced incentive amounts available for qualified customers**

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Northern Rural Energy Network

Mail-In Rebates versus Direct Install

- **Mail-in rebate occurs post-installation**
  - No RCEA inspection required
  - Payment direct to customer
  - Residential only
  - Less oversight = lower incentives and savings credit to program
- **Direct-Install requires pre-project engagement**
  - RCEA pre-and post inspections
  - Must use participating contractor
  - Incentive paid to contractor with pass-through to customer
  - More oversight = higher incentives and saving credit to program

Recruiting partner contractors now – Open House Sept. 15

Proper Installation and Refrigerants

- Heat pumps rely on a closed cycle using refrigerants. Any leakages will result in loss of pressure and effectiveness

- Common synthetic refrigerants can have thousands of times the greenhouse gas impacts as CO2. Any leaks can negate the positive impact of the heat pump.

- RCEA staff are coordinating with the California Energy Commission and others on promoting natural refrigerants with lower GHG impact

Thank You

- **More information on RCEA's Rebate Page:**
  https://redwoodenergy.org/programs-rebates/rebates-incentives/
- **and on NREN's Rebate Finder Tool:**
  https://northernren.org/residential-rebates/

REDWOOD COAST Energy Authority

Staff Report

Agenda Item # 7

Information

Agenda Date	September 8, 2026
To	Community Advisory Committee
Prepared by	Richard Engel, Director of Power Resources
Subject	Annual Report on Humboldt Sawmill Company Memorandum of Understanding

Background

When authorizing extension of RCEA's power purchase agreement (PPA) for biomass energy with Humboldt Sawmill Company (HSC) in April 2021, RCEA's Board directed staff to "periodically review the contract…assessing current alternate biomass uses and other environmental considerations." To create a framework for the requested periodic review, staff negotiated a memorandum of understanding (MOU) between RCEA and HSC, which the RCEA Board adopted in September 2021. One provision of the MOU is as follows:

> Annually on or around May 1 and continuing until the termination of the PPA, representatives of the Parties will meet to review the terms of the PPA and to discuss the continued viability of biomass power production by the HSC facility relative to other potential or actual uses of the biomass feedstock by HSC or other entities.

The MOU also calls for HSC to provide data on plant performance on request; types, quantities, and sources of biomass feedstock; and plant emissions. HSC have generally been responsive to specific data requested by RCEA staff under the MOU.

As a reminder, the MOU's purpose is not to terminate or otherwise override the terms of the PPA. As the MOU states: "This MOU does not and is not intended to supersede, replace, or subordinate any provisions, representations, covenants, rights, or obligations in the PPA." While the MOU does not allow for early termination of the biomass PPA, it could help form a pathway for alternative use of the biomass plant's feedstock material once the current PPA's term expires.

Summary

Data provided for the past reporting year included:

- An updated table providing data requested by RCEA, including:
  - Monthly amounts of biomass feedstock, broken down by geographic origin (inside or outside Humboldt County) and supplier (sourced internally from Humboldt Redwood Company or Mendocino Redwood Company or externally)
  - Monthly use of biomass and auxiliary diesel fuel, electric output to RCEA and for onsite use, and thermal energy recovered for industrial use

    - Annual total emissions of greenhouse gases (biogenic and non-biogenic) and a number of criteria pollutants
- A set of “Co-Gen Monthly Monitoring Reports” filed with the North Coast Unified Air Quality Management District (Air District) by HSC that disclose startup and shutdown events, equipment breakdowns and malfunctions, and emergency events. The reports include extensive tables of emissions data for the plant at hourly or more frequent intervals.
- Quarterly opacity reports providing data from opacity sensors in the boiler stacks to confirm the sensors are working properly.
- Quarterly cylinder gas audits on the plant’s continuous emission monitoring systems in each boiler’s stack to confirm the monitoring systems are working properly.
- A throughput report showing monthly total amounts of steam produced and amounts of biomass and diesel fuel combusted for each of the plant’s boilers.

In addition to the data provided by HSC, there are three items of special note this year.

- HSC reported that they received no new notices of violation from the Air District in the past reporting year. This was the first reporting year since the MOU reporting cycle began in 2021 that HSC has had no notices of violation.
- RCEA requested and received from the Air District a draft Health Risk Assessment (HRA) Report prepared for HSC at the Air District’s direction by Landau Associates. The assessment, which was conducted per the Air Toxics “Hot Spots” Information and Assessment Act of 1987 (Assembly Bill 2588) and delivered to the Air District on June 15, 2026, modeled and quantified impacts of HSC plant emissions on health of populations near the plant. The draft report found that cancer risks fall below the Air District’s notification or remediation thresholds. The draft report is subject to review and revision by the Air District and the State-level Office of Environmental Health Hazard Assessment before receiving final approval.
- The US EPA issued an order denying petition dated May 5, 2026, in response to the January 1, 2025, petition from the Environmental Protection Information Center and the Humboldt Coalition for Clean Energy that staff reported to the CAC last year. That petition had asked the EPA to object to the Title V operating permit issued to HSC by the Air District.

The fifth annual meeting between RCEA and HSC staff per the MOU took place at HSC’s Scotia headquarters on June 16, 2026. The materials listed above were reviewed, and HSC management described improvements they have recently made at the plant to improve efficiency and reduce emissions. For example, they noted that capping off a steam line that is no longer needed reduced cold startup time following extended shutdowns from ten hours to five hours, reducing the amount of diesel needed as auxiliary fuel during these startups.

RCEA staff reviewed the materials provided by HSC and then shared them with members of the Biomass Technical Advisory Group (BTAG). RCEA staff attempted to convene a meeting of BTAG to discuss the HSC materials, but were unable to identify a date and time this summer when more than a very small number of members were available to attend. Staff instead asked the BTAG members to provide written comments on the materials and provided a follow-up reminder. No comments were received prior to publication of this report, other than HSC leadership indicating they had no responses to the prompts provided.

The materials provided by HSC, the draft Health Risk Assessment provided by NCUAQMD, and the US EPA's order denying petition are available for review on the Energy Sources page of RCEA's website at https://redwoodenergy.org/about/energy-sources/ under the "Local Biomass Energy" subheading.

Staff asked at the annual meeting what progress HSC has made on their ongoing investigation of alternative uses for their biomass plant feedstock. HSC leadership reported that they have continued to investigate alternative biomass uses at their Mendocino County facility, but to date they have not committed to move forward with development of a new project, given the currently poor economics of the alternatives they have evaluated.

Alignment with RCEA's Strategic Plan

RCEA's consultations with HSC in implementing the terms of the MOU are in keeping with the following strategies in the RePower Humboldt plan:

- 4.1.11.3 Investigate the Impacts of Biomass Emissions
- 4.1.11.6 Plan for a Long-Term Transition Away from Direct Combustion of Forest Derived Biomass and Toward Lower-Impact Uses of this Material

Review of HSC's reporting by BTAG is in keeping with the RePower Humboldt plan's direction:

- 4.1.11.4 Establish a Biomass Technical Advisory Committee

However, as noted no discussion with or review by BTAG took place this year.

Equity Impacts

This is an information only item and has no associated equity impacts.

Financial Impact

This is an information only item and has no associated financial impacts.

Staff Recommendation

Information item only. Summary of the CAC discussion will be presented to the Board.

Attachments

None. See https://redwoodenergy.org/about/energy-sources/ under the "Local Biomass Energy" subheading for a link to the materials mentioned in this report that were provided by HSC, the Air District, and the US EPA.

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Review of Annual Reporting Materials from Humboldt Sawmill Company

Presentation to CAC
September 8, 2026

REDWOOD COAST EnergyAuthority

Materials Provided by Humboldt Sawmill Company

- Completed RCEA-supplied reporting template including data on fuel use and sources, electric production, and emissions
- Monthly cogen reports to NCUAQMD for Jan-Dec 2025, including emissions and opacity data
- Quarterly cylinder gas and opacity audits
- Throughput report showing monthly totals of steam produced, biomass and diesel fuel use, and days of operation for each of the plants three boilers

Additional Information and Materials for CAC Review

- HSC reported that they received no new notices of violation from the Air District in the past reporting year. This was the first reporting year since the MOU reporting cycle began in 2021 that HSC has had no notices of violation.
- RCEA requested and received from the Air District a draft Health Risk Assessment (HRA) Report prepared for HSC at the Air District's direction by Landau Associates. The assessment, which was conducted per the Air Toxics "Hot Spots" Information and Assessment Act of 1987 (Assembly Bill 2588) and delivered to the Air District on June 15, 2026, modeled and quantified impacts of HSC plant emissions on health of populations near the plant. The draft report found that cancer risks fall below the Air District's notification or remediation thresholds. The draft report is subject to review and revision by the Air District and the State-level Office of Environmental Health Hazard Assessment before receiving final approval.
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Public Access to HSC Reporting Materials

RCEA has made the reporting materials described on the preceding slides available at https://redwoodenergy.org/about/energy-sources/ under the “Local Biomass Energy” subheading



Local Biomass Energy

The term biomass refers to materials of biological origin, such as forest and agricultural waste, that can be used as fuel for generating electric power. In 2020, RCEA commissioned a consultant report on biomass power in Humboldt County.

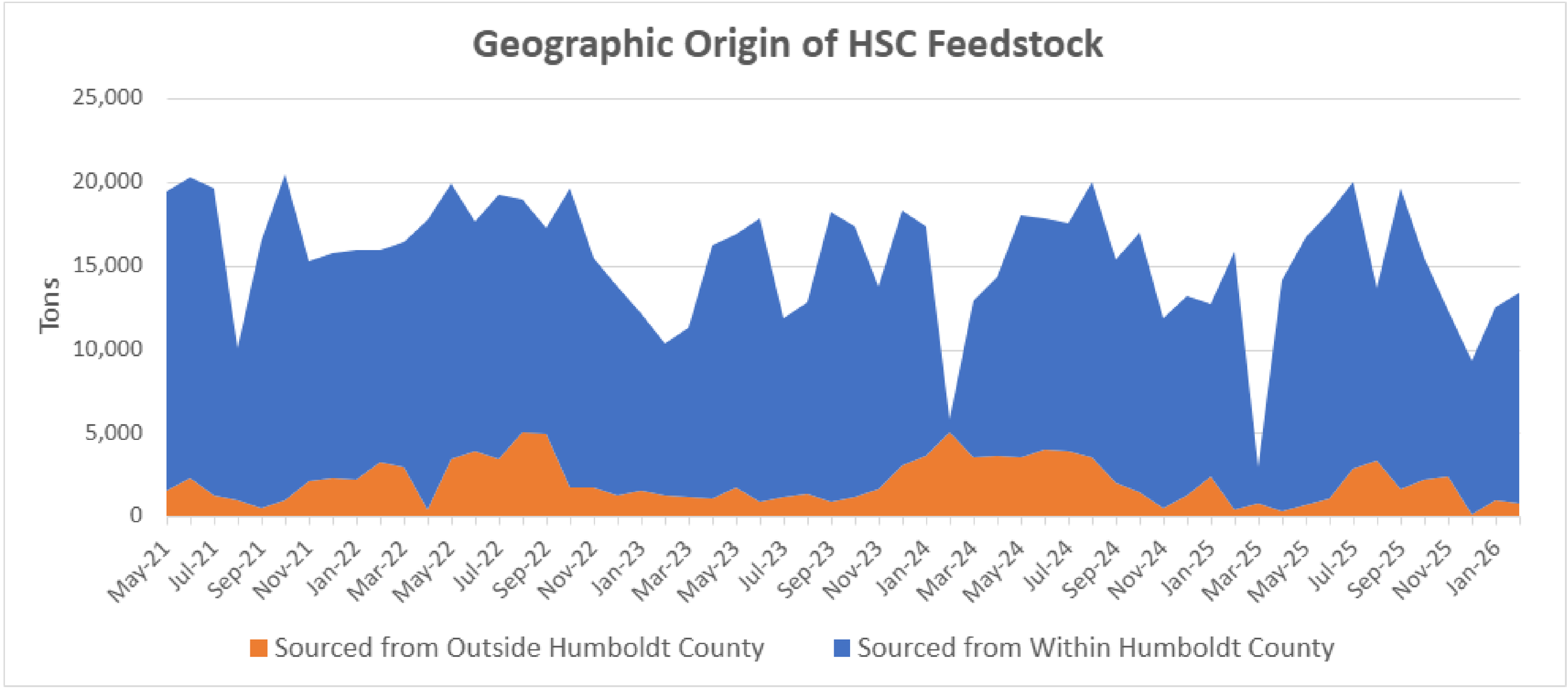
Local biomass power from Humboldt Sawmill Company in Scotia makes up approximately 20% of RCEA’s current electricity portfolio. The facility uses waste material from local sawmills to fuel its two operating generating units, which power their lumber mill in addition to supplying power to the grid.

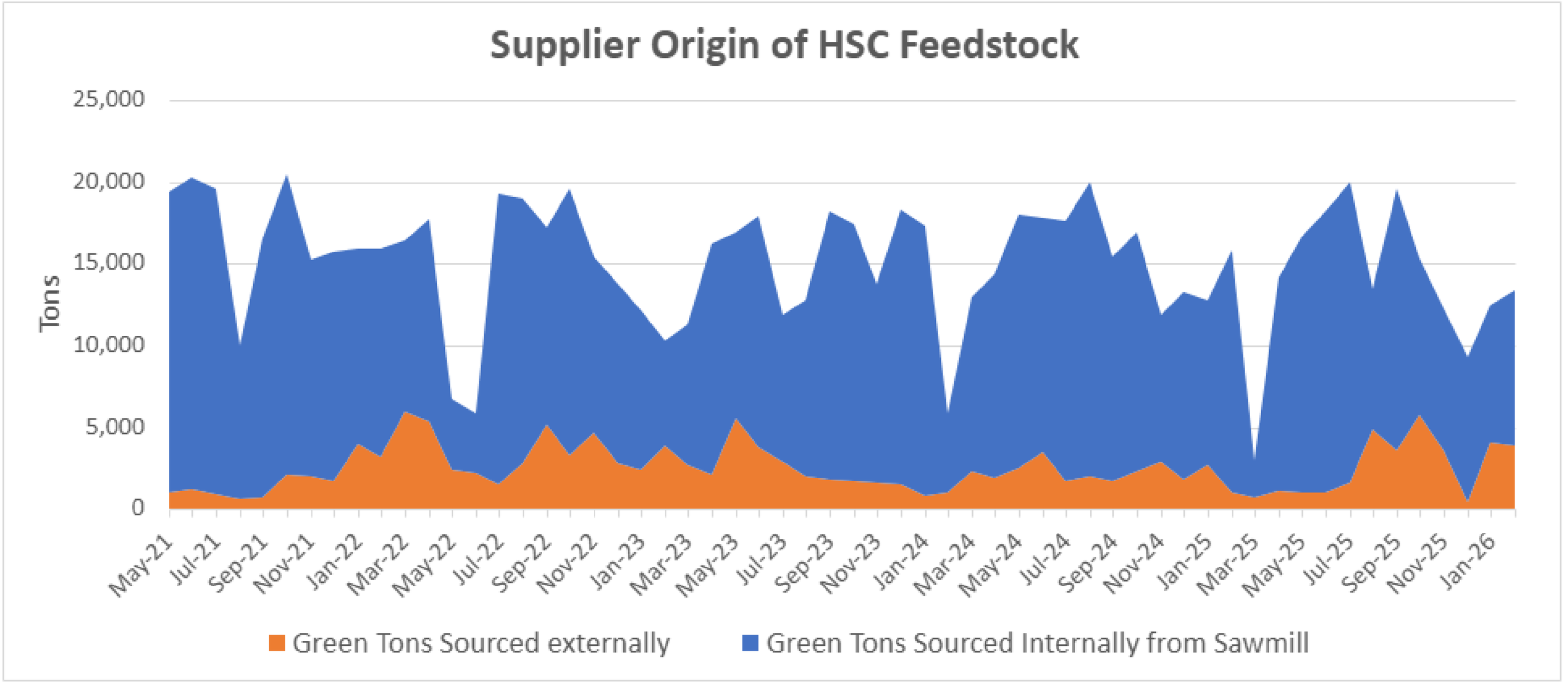
2026 Reporting Materials Provided by Humboldt Sawmill Company per their memorandum of understanding with RCEA. View the complete reports as well as a draft Health Risk Assessment ordered by the North Coast Unified Air Quality Management District and EPA Administrator’s Order denying the January 1, 2025, Petition filed by the Environmental Protection Information Center and the Humboldt Coalition for Clean Energy on the title V permit issued to Humboldt Redwood Company, LLC sawmill here.

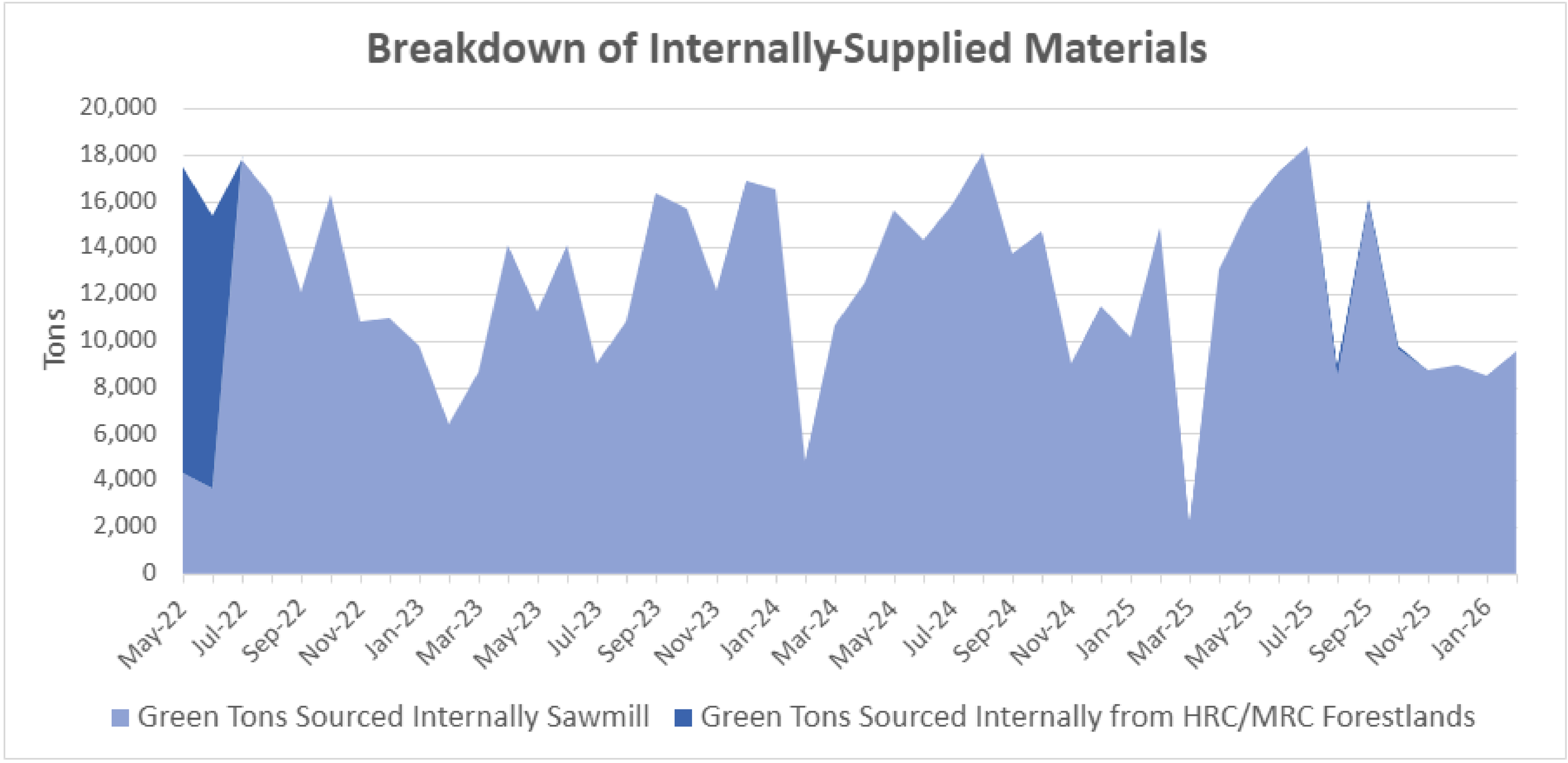
Annual Meeting of HSC and RCEA and BTAG follow-up

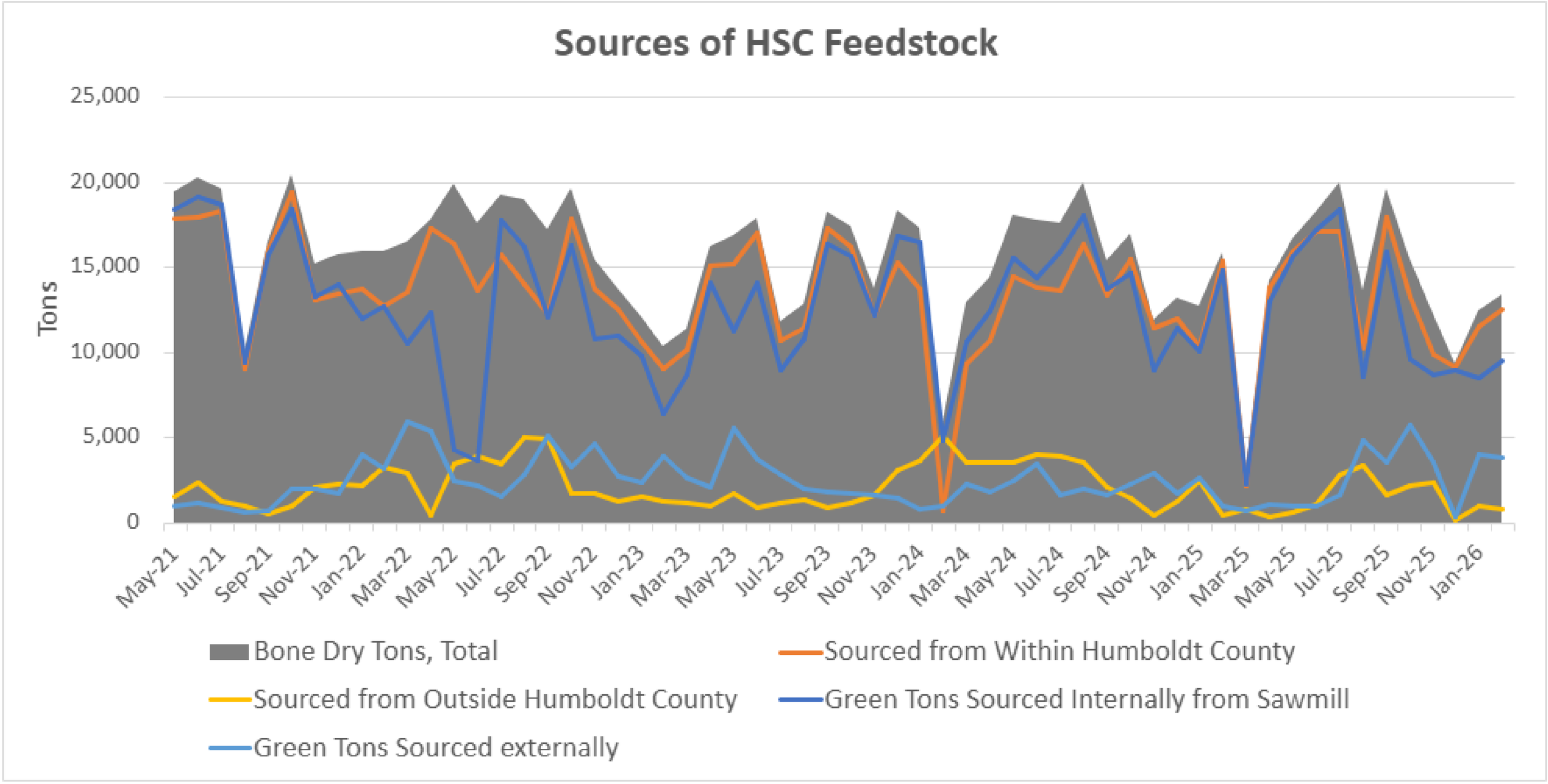
- HSC and RCEA staff met on June 16, 2026 to review HSC's reporting materials
- Staff were unable to convene a meeting of the Biomass Technical Advisory Group (BTAG) this year to review the HSC materials, due to very limited availability of BTAG members during the summer season following release of the materials.
- Staff sought online feedback from BTAG members on the HSC materials but received minimal response.
- Alternative biomass uses: HSC reported that they continue to evaluate potential for using biomass in alternative power generation or hydrogen production facilities. They reported that project economics continue to be a challenge and did not have any new progress on project development to report.

Visualizations of Data Provided by Humboldt Sawmill Company

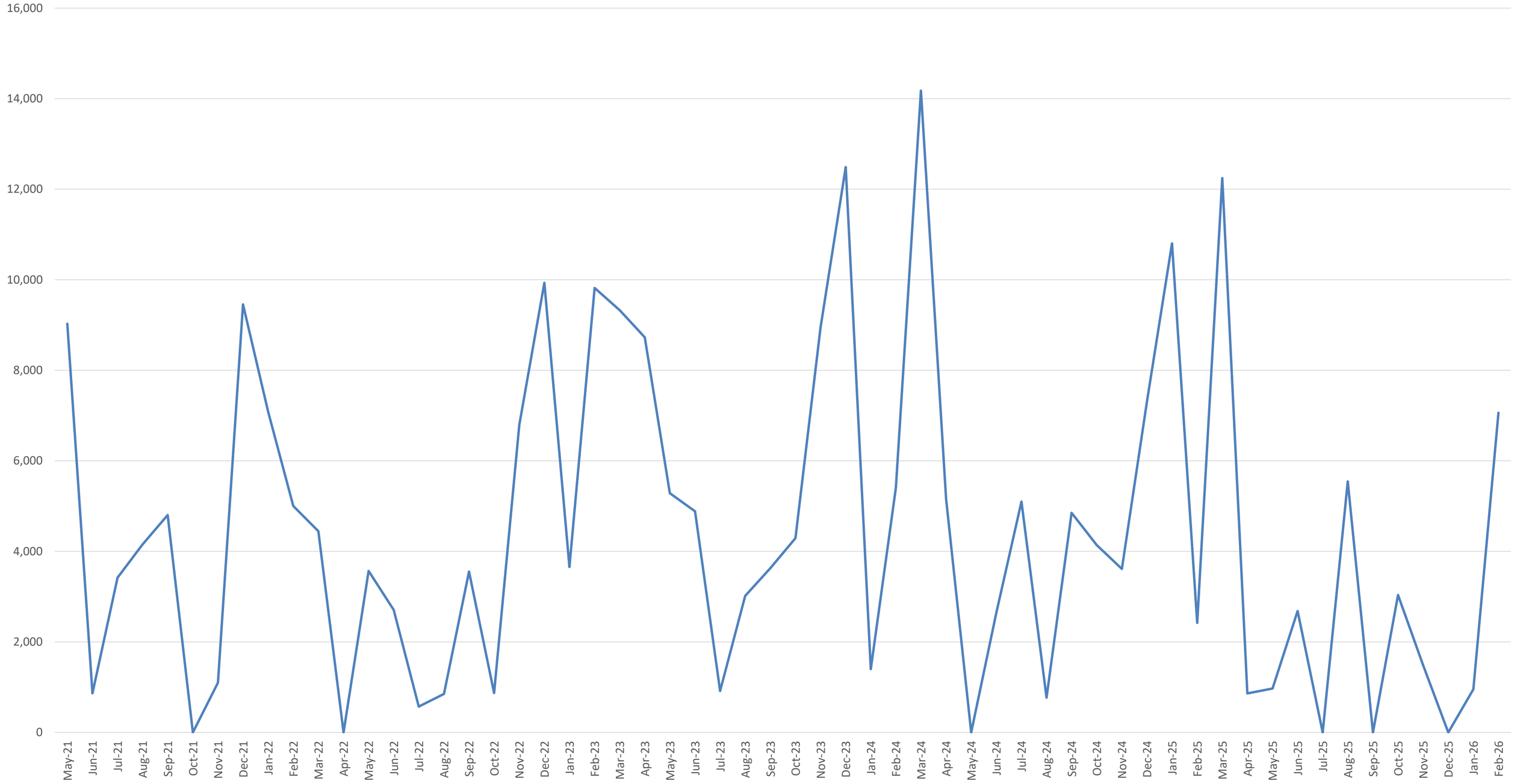

Geographic Origin of HSC Feedstock
25,000
20,000
15,000
10,000
5,000
0
Tons
May-21
Jul-21
Sep-21
Nov-21
Jan-22
Mar-22
May-22
Jul-22
Sep-22
Nov-22
Jan-23
Mar-23
May-23
Jul-23
Sep-23
Nov-23
Jan-24
Mar-24
May-24
Jul-24
Sep-24
Nov-24
Jan-25
Mar-25
May-25
Jul-25
Sep-25
Nov-25
Jan-26
Sourced from Outside Humboldt County
Sourced from Within Humboldt County

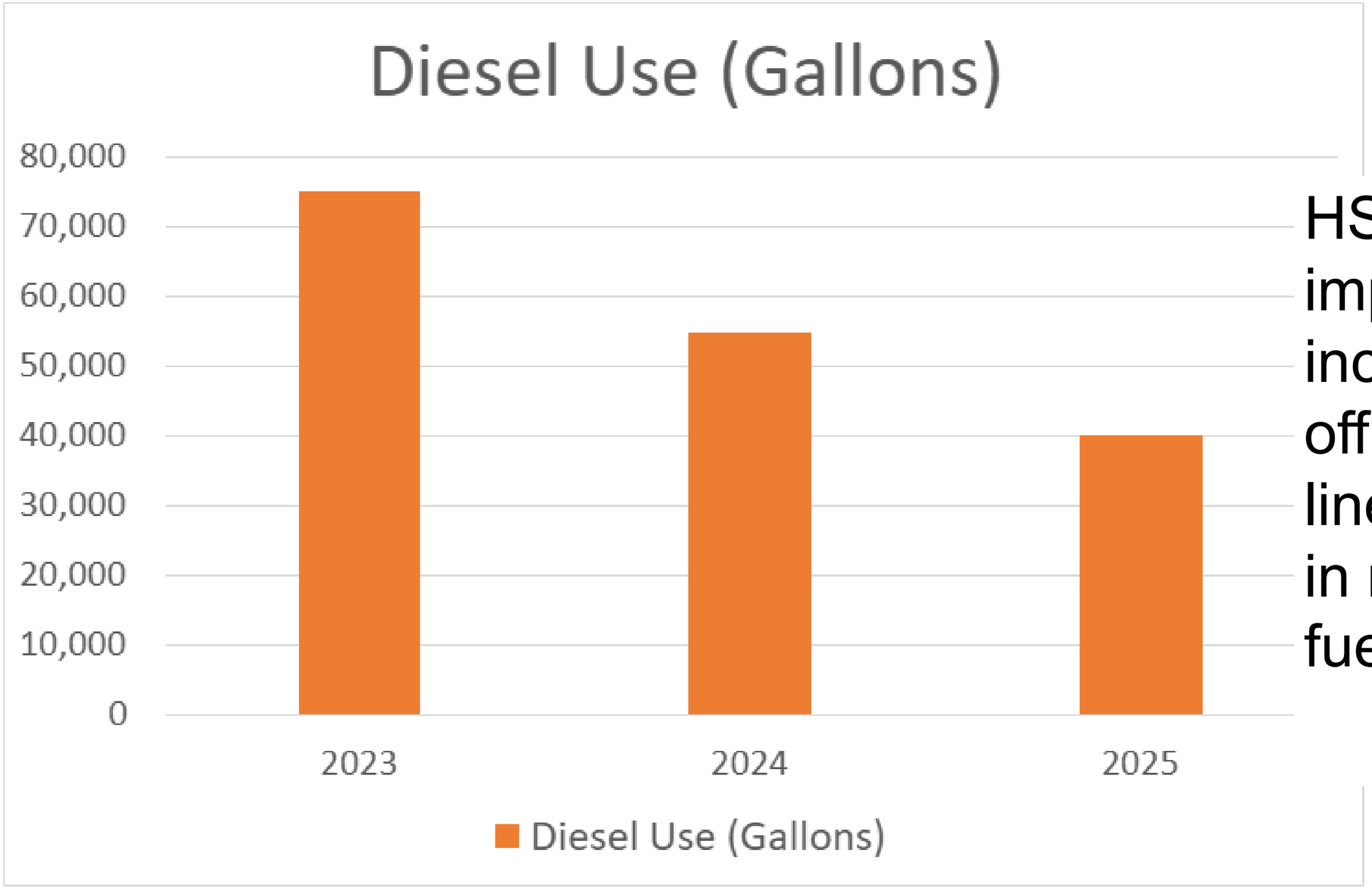

Supplier Origin of HSC Feedstock
25,000
20,000
15,000
10,000
5,000
0
Tons
May-21
Jul-21
Sep-21
Nov-21
Jan-22
Mar-22
May-22
Jul-22
Sep-22
Nov-22
Jan-23
Mar-23
May-23
Jul-23
Sep-23
Nov-23
Jan-24
Mar-24
May-24
Jul-24
Sep-24
Nov-24
Jan-25
Mar-25
May-25
Jul-25
Sep-25
Nov-25
Jan-26
Green Tons Sourced externally
Green Tons Sourced Internally from Sawmill


Breakdown of Internally-Supplied Materials
Tons
20,000
18,000
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
May-22
Jul-22
Sep-22
Nov-22
Jan-23
Mar-23
May-23
Jul-23
Sep-23
Nov-23
Jan-24
Mar-24
May-24
Jul-24
Sep-24
Nov-24
Jan-25
Mar-25
May-25
Jul-25
Sep-25
Nov-25
Jan-26
Green Tons Sourced Internally Sawmill
Green Tons Sourced Internally from HRC/MRC Forestlands

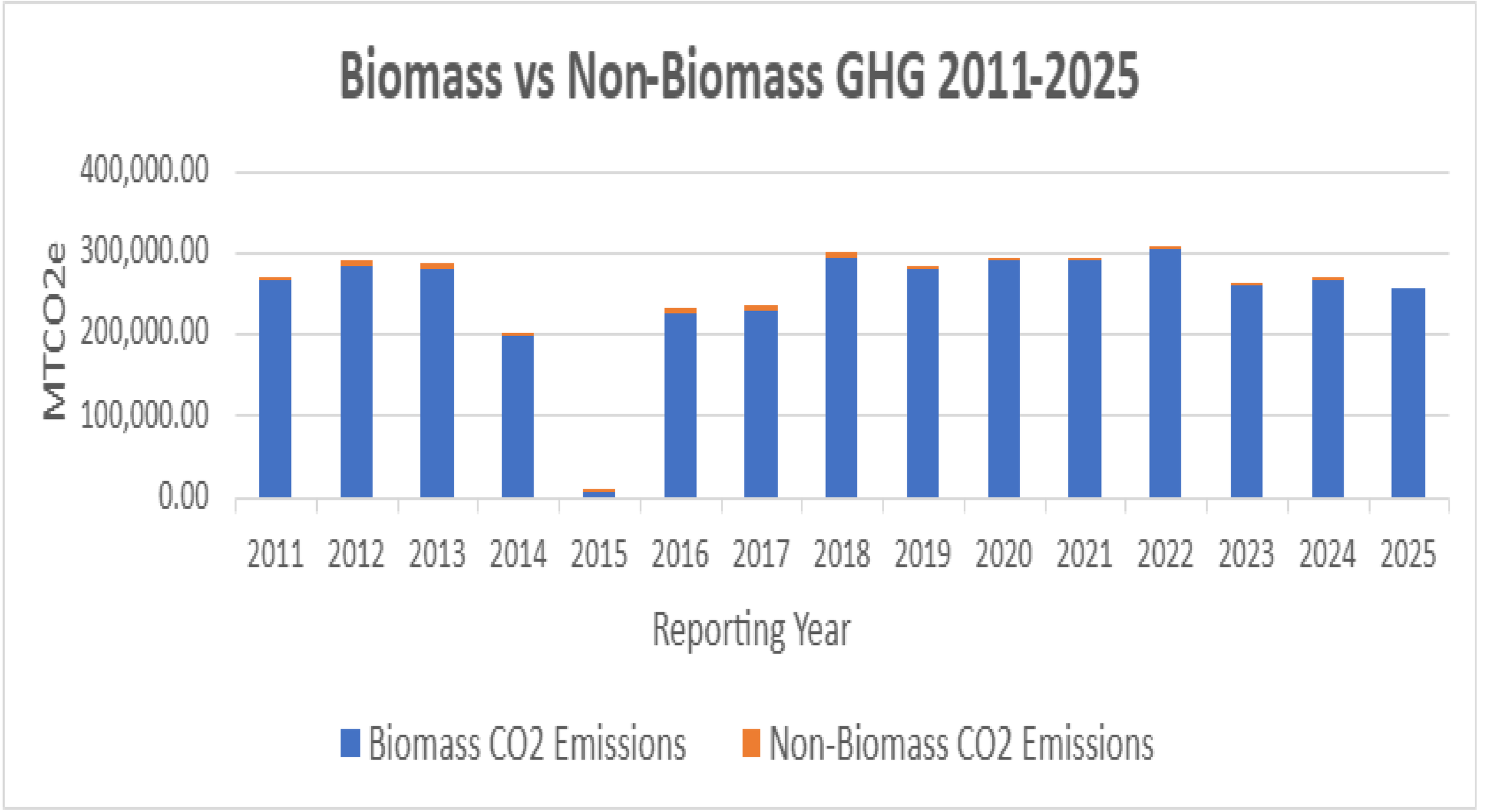

Sources of HSC Feedstock
Tons
25,000
20,000
15,000
10,000
5,000
0
May-21
Jul-21
Sep-21
Nov-21
Jan-22
Mar-22
May-22
Jul-22
Sep-22
Nov-22
Jan-23
Mar-23
May-23
Jul-23
Sep-23
Nov-23
Jan-24
Mar-24
May-24
Jul-24
Sep-24
Nov-24
Jan-25
Mar-25
May-25
Jul-25
Sep-25
Nov-25
Jan-26
Bone Dry Tons, Total
Sourced from Within Humboldt County
Sourced from Outside Humboldt County
Green Tons Sourced Internally from Sawmill
Green Tons Sourced externally

Diesel Use (Gallons)





HSC reports plant improvements including capping off unused steam line have resulted in reduced diesel fuel use


Biomass vs Non-Biomass GHG 2011-2025
400,000.00
300,000.00
200,000.00
100,000.00
0.00
MTCO2e
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
Reporting Year
Biomass CO2 Emissions
Non-Biomass CO2 Emissions

THANK YOU

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