



Silicon Valley Clean Energy Authority

Board of Directors Meeting

Wednesday, July 13, 2016

7:00 pm

Cupertino Community Hall

10350 Torre Avenue

Cupertino, CA

MEETING MINUTES

Call to Order

Chair Rod Sinks called the meeting to order at 7:02 p.m.

Roll Call

Present:

Chair Rod Sinks, City of Cupertino
Vice Chair Rob Rennie, Town of Los Gatos (arrived at 7:11 p.m.)
Director Jeannie Bruins, City of Los Altos
Director John Harpootlian, Town of Los Altos Hills
Director Burton Craig, City of Monte Sereno
Director Steve Tate, City of Morgan Hill
Director John McAlister, City of Mountain View
Director Joe Simitian, County of Santa Clara
Alternate Director Emily Lo, City of Saratoga
Alternate Director Tara Martin-Milius, City of Sunnyvale
Director Liz Gibbons, City of Campbell
Director Daniel Harney, City of Gilroy

Absent:

None.

Public Comment on Matters Not Listed on the Agenda

None.

Consent Calendar

MOTION: Director Bruins moved and Director Craig seconded the motion to approve the Consent Calendar.

The motion carried unanimously with Vice Chair Rennie absent.

- 1a) Approve Minutes of the June 8, 2016, Board of Directors Meeting**
- 1b) Approve Professional Services Agreement with LEAN Energy US**

Regular Calendar

- 2) Executive Committee Report**

CEO Tom Habashi provided a report of the first Executive Committee meeting.

3) CEO Report

CEO Habashi provided the CEO report including an announcement regarding plans for a Board Workshop to be scheduled on an upcoming Saturday based on availability of a majority of the Board. Habashi responded to Board questions. Communications Manager Misty Mersich provided additional information regarding outreach to large commercial users.

Chair Sinks announced a request to hear Item 6 before Item 4. Without objection, the Board heard Item 6 following Item 3.

4) Adopt Resolution Approving SVCE Implementation Plan and Authorize Submittal to CPUC

The Board considered Item 4 following Item 6.

CEO Habashi introduced the item.

Due to technical difficulties, the Board recessed at 7:59 p.m.
The Board reconvened at 8:08 p.m. with all Board members present.

John Dalessi, Pacific Energy Advisors, presented the report and responded to Board questions.

Chair Sinks opened public comment.
No speakers.
Chair Sinks closed public comment.

MOTION: Director Simitian moved and Director McAlister seconded the motion to adopt resolution 2016-5 to approve the SVCE Implementation Plan and authorize submittal to the CPUC, with an amendment in two parts on page 42: 1) indicating that the data management contract will require that the services are provided consistent with our customer confidentiality agreements on pages 39-40 and 2) that the third party vendor, prior to a contract being awarded, provides adequate assurances in the judgment of our professional staff and legal counsel as to the data security measures they have taken to protect data. The motion carried unanimously.

5) Approve Power Supply Portfolio Parameters

CEO Habashi presented the report and responded to Board questions.

Chair Sinks opened public comment.

Bruce Karney, Board of Directors, Carbon Free Mountain View, spoke in support of the plan and suggested there should be a second 100% renewable energy product at a higher price for those who want it.

James Tuleya, Leadership of Sunnyvale Cool, Board of Directors, Carbon Free Mountain View, and lead in the Climate Solutions Campaign of 350 Silicon Valley, spoke regarding the goals and efforts of the organizations and in support of the leadership in Silicon Valley.

Mike Balma, Board of Directors, Carbon Free Mountain View, spoke in support of the 100 percent carbon free option and not using unbundled RECs, and provided information regarding the definition of local solar.

John Scarboro, Board of Directors, Carbon Free Mountain View and member of the City of Mountain View Planning Commission, stated Carbon Free Mountain View supports net metering at one cent more per kilowatt hour plus FIT. Scarboro spoke in support of 100 percent carbon free electricity and expressed concerns regarding large hydro due to climate change.

Cherie Walkowiak, Founder of Carbon Free Mountain View, spoke in support of carbon free energy.

Adam Stern, Executive Director, Acterra, spoke in support of the staff recommendation and regarding the importance of the opt-up option.

Bruce Naegel spoke in support of the proposal and cautioned regarding the use of hydro to ensure there is enough supply and no problem with drought.

Chair Sinks closed public comment at 9:18 p.m.

MOTION: Director Simitian moved and Director Harney seconded the motion to authorize the CEO to negotiate acquisition of electric supplies to meet the needs of customers within SVCE service area. The following criteria will guide negotiations and acquisition of power supply portfolios for the next five years:

- Acquisition will hedge 100% of forecasted demand for CY 2017 and 2018, 80% for 2019, 65% for 2020 and 50% for 2021
- The hedged portion of the power supply mix will be 100% carbon free, comprised of 25% renewable PCC1, 25% renewable PCC2 and 50% carbon free (large hydroelectric)

In addition, the following strategy would be implemented in the pursuit of long-term planning:

- SVCE will set aside 1% of its revenue to invest in local generation and demand side programs.
- The motion carried unanimously.

Following action on Item 5, the Board considered Item 7.

6) Presentation of Community Survey Results

Item 6 was considered following Item 3.

Communications Manager Misty Mersich introduced the item. Charles Hester, Vice President, Godbe Research, presented the Community Survey Results and responded to Board questions. At the request of Director Gibbons, Hester stated he would provide a copy of the Marin Clean Energy survey via staff. At the request of Director Harney, Hester stated he would provide follow up information regarding any ethnicity, income and geography outliers. At the request of Director Bruins, Hester stated cross tabs data is available via staff.

Chair Sinks opened public comment.

Bruce Naegel, Mountain View, spoke regarding the importance of how the survey results compare to those of other CCEs.

Chair Sinks closed public comment.

Following Item 6, the Board considered Item 4.

7) Adopt Policy Delegating Limited Authority to Chief Executive Officer, Board Chair and Vice-Chair to Support or Oppose Legislation or Regulatory Actions Affecting SVCEA

Item 7 was considered following Item 5.

General Counsel Greg Stepanicich presented the report and responded to Board questions.

MOTION: Director Simitian moved and Director McAlister seconded the motion to adopt a policy described in the Analysis and Discussion section of the staff report delegating limited authority to the Chief Executive Officer (CEO), Board Chair and Vice Chair to take action to support or oppose legislation or other regulatory matters affecting SVCEA; authorizing the CEO, Chair and Vice Chair of the Board of

Directors to sign documents, provide testimony or otherwise take a position on legislative or regulatory matters on behalf of SVCEA when all of the following conditions are met:

- The matter is directly related to SVCEA's mission or operations.
- There is a need for action before the next Board meeting.
- Calling a special meeting to address the matter is neither practical nor appropriate under the circumstances.
- The CEO has taken into consideration relevant policies and past positions of the Board of Directors.
- The CEO has taken into consideration the positions taken by other California CCEs and when appropriate has consulted with the Executive Officers of other affected CCEs.
- The CEO has conferred with the Chair of the Board of Directors or the Vice Chair in the absence of the Chair and both agree that all of the required conditions for taking action under this policy have been met.
- The CEO reports any action taken pursuant to this policy at the next regularly scheduled Board of Directors meeting as part of the CEO Report;

With the additional requirement that if a position is taken, that it be shared with the Board by email at the earliest opportunity and that the ability of the Board be preserved at the meeting in which it is announced to take action or not.

Director Gibbons inquired if there would be a benefit to adding a requirement that items be brought to the Executive Committee for review to the extent practical. Following discussion, Director Simitian incorporated into the motion that notification of actions be placed on Executive Committee meeting agendas subsequent to an action being taken.

Director McAlister accepted the addition to the motion.

Chair Sinks opened public comment.

John Scarboro spoke regarding the need to respond to some items quickly.

Chair Sinks closed public comment.

The motion carried with Director Harpootlian dissenting.

Board Member Announcements

Chair Sinks reported he spoke at the Silicon Valley Leadership Group Energy Summit and provided an overview of the summit and a slide presentation.

Adjourn

Chair Sinks adjourned the meeting at 10:10 p.m.