



Silicon Valley Clean Energy Authority

Board of Directors Meeting

Wednesday, December 12, 2018

7:00 pm

Cupertino Community Hall
10350 Torre Avenue
Cupertino, CA

MEETING MINUTES

Call to Order

Chair Corrigan called the meeting to order at 7:01 p.m.

Roll Call

Present:

Chair Courtenay C. Corrigan, Town of Los Altos Hills
Vice Chair Margaret Abe-Koga, City of Mountain View
Director Marsha Grilli, City of Milpitas
Alternate Director Anthony Eulo, City of Morgan Hill
Director Nancy Smith, City of Sunnyvale
Director Howard Miller, City of Saratoga
Director Rod Sinks, City of Cupertino
Director Rob Rennie, Town of Los Gatos
Director Liz Gibbons, City of Campbell
Alternate Director Neysa Fligor, City of Los Altos
Director Burton Craig, City of Monte Sereno

Absent:

Alternate Director Fred Tovar, City of Gilroy
Director Dave Cortese, County of Santa Clara

Public Comment on Matters Not Listed on the Agenda

No speakers.

Adoption of Resolutions Commending Directors Craig, Grilli and Harney for Their Dedicated Service to SVCE

Chair Corrigan recognized Directors Craig, Grilli and Harney for their service to SVCE.

MOTION: Director Rennie moved and Director Miller seconded the motion to adopt Resolutions 2018-16, 2018-17, and 2018-18 commending Directors Craig, Grilli, and Harney.

The motion carried unanimously with Alternate Director Tovar and Director Cortese absent.

The Board gathered for a group photo; Directors Craig and Harney provided brief comments.

Consent Calendar

MOTION: Director Gibbons moved and Alternate Director Eulo seconded the motion to approve the Consent Calendar.

The motion carried unanimously with Alternate Director Tovar and Director Cortese absent.

- 1a) Approve Minutes of the November 14, 2018, Board of Directors Meeting**
- 1b) Receive October 2018 Treasurer Report**
- 1c) Receive CPAG Report**
- 1d) Adopt Resolution Amending the Authority's Conflict of Interest Code to Amend Four Position Titles and Add Four Positions**
- 1e) Approve Renewal of the Legislative Ad Hoc Committee of the Board for 2019**
- 1f) Approve Amendment to Financial Policy 6 – Purchasing to Increase the Authority of the CEO to \$100,000 to Approve and Execute Contracts**

Chair Corrigan opened public comment.

No speakers.

Chair Corrigan closed public comment.

Regular Calendar

2) CEO Report (Discussion)

CEO Girish Balachandran provided a CEO report which included a timeline for Strategic Plan updates. Senior Regulatory Analyst Poonum Agrawal provided a Regulatory/Legislative update and responded to Board questions. CEO Balachandran provided additional information.

Chair Corrigan opened public comment

No speakers.

Chair Corrigan closed public comment.

3) Appoint Representatives for Vacant Seats on the SVCE Audit Committee and Finance and Administration Committee (Action)

Chair Corrigan introduced the item.

Chair Corrigan opened public comment

No speakers.

Chair Corrigan closed public comment.

MOTION: Director Gibbons moved and Vice Chair Abe-Koga seconded the motion to appoint Director Nancy Smith as a representative on the SVCE Audit Committee, and Alternate Director Tony Ndah as a representative on the Finance and Administration Committee, through February 2019.

The motion carried unanimously with Alternate Director Tovar and Director Cortese absent.

4) Adopt Resolution to Revise the SVCE Strategic Plan to Establish 2025 and 2030 GHG Reduction Targets, Adopt the Decarbonization Strategy & Programs Roadmap, and Adopting a FY 2019 and FY 2020 Budget for the Implementation of Decarbonization Programs (Action)

CEO Balachandran introduced the item and provided brief introductory comments. Director of Decarbonization and Grid Innovation Programs Aimee Bailey presented a PowerPoint presentation.

The Board inquired of and discussed the figures referenced in the 1990 levels in the GHG emissions trajectory and long-term perspective.

Director Smith noted the following amendments on materials:

Proposed Programs Roadmap – Summary Table & Key Points handout

- Under *'Built Environment'*, *'BE2: All-Electric Showcase Grants'*, should be *'BE3: FutureFit Heat Pump Water Heaters'* on page 115;
- *'BE3: FutureFit Heat Pump Water Heaters'* should be referenced as *'BE2: All-Electric Showcase Grants'*;
- Under *'Mobility'*: MO1 and MO2 are referred to as EV1 and EV2 in the Board package;
- Under *'Education & Outreach'*: Clarification on which program the GHG emissions inventory update amounts to.

SVCE Board Packet

- Page 139: EVO2 erroneously has a zero in place of a letter O.

Chair Corrigan opened public comment.

James Tuleya, resident of Sunnyvale and Chair of Carbon Free Silicon Valley, supported the staff recommendation and encouraged the Board to adopt the proposal. Tuleya noted Carbon Free Silicon Valley was looking forward to having clarity on the metrics by which the programs and overall strategy would be monitored and assessed.

Steve Schmidt, resident of Los Altos Hills and Alternate Director of the Board, supported the staff recommendation and agreed with Tuleya that having metrics to monitor programs is critical.

Bruce Karney, resident of Mountain View and member of the Carbon Free Silicon Valley Board, supported the proposed programs and strategies. Karney encouraged the Board to begin thinking about what consequences could result for member agencies not reaching GHG emissions goals, and suggested focusing on per-capita goals rather than absolute goals.

Mike Balma, resident of Mountain View and board member of Carbon Free Mountain View, supported the staff recommendation and noted it institutionalizes emissions reductions. Balma noted he appreciated the innovation and leadership specifically around the reach codes and heat pump water heater programs, as well as the collaboration SVCE has had with other community choice energy programs.

Bryan Mekechuk, resident of Monte Sereno and Customer Program Advisory Group member, supported the budget request. Mekechuk noted two opportunities: 1) changing behavior on retail pricing, and 2) the virtual power plant and energy storage component included in the programs roadmap.

Chair Corrigan closed public comment.

The Board discussed overall support of the programs roadmap and encouraged staff to promote the roadmap in legislation/regulatory, to other community choice aggregators, and to community members.

Director Miller recommended annual reporting include a report back in February as opposed to January to allow for new Board member participation.

Chair Corrigan suggested speakers be available to give classroom presentations to involve students and discuss how they can be part of the GHG emission reduction solution.

General Counsel Greg Stepanicich noted an amendment to the proposed resolution under Section 4, to read, "The form of agreements *for the implementation of the SVCE decarbonization programs approved by Section 2 above*, attached hereto as Attachments 5, 6 and 7, are hereby approved."

MOTION: Alternate Director Eulo moved and Director Miller seconded the motion to adopt Resolution No. 2018-20 taking the following four actions:

1. Adopt the revised Strategic Plan to include the proposed 2025 and 2030 greenhouse gas emissions reduction targets (Attachment 2);
2. Adopt the SVCE Decarbonization Strategy & Programs Roadmap and program briefs (Attachments 3 and 4);
3. Approve the following budget requests for the first tranche of programs, totaling \$6,025,000 for FY2019 through FY2020; and,
4. Approve the form of agreements for the SVCE Decarbonization Programs set forth in Attachments 5, 6 and 7.

The motion carried unanimously with Alternate Director Tovar and Director Cortese absent.

5) SVCE 2019 Electric Rates – Outlook and Rate Setting Process (Discussion)

Director of Account Services and Community Relations Don Bray presented the staff report and responded to Board questions.

Chair Corrigan opened public comment.

No speakers.

Chair Corrigan closed public comment.

6) Executive Committee Report (Discussion)

Chair Corrigan reported the Executive Committee met December 4, 2018 and discussed the decarbonization plan and programs roadmap, received a strategic plan update from staff, and discussed the increased approval limit for the CEO. Chair Corrigan noted a special meeting was held to discuss the outlook and rate setting process for SVCE's 2019 electric rates.

7) Finance and Administration Committee Report (Discussion)

Director Craig reported there was nothing to report.

8) Legislative Ad Hoc Committee Report (Discussion)

Director Sinks reported the Legislative Ad Hoc Committee met on November 30, 2018 and discussed legislative strategies and priorities with the newly retained SVCE lobbyist of Aaron Reed and Associates. Staff proposed legislative priorities related to CCA procurement authority, PCIA, data access and transparency. Director Sinks noted the group is looking forward to a proactive year.

9) Audit Committee Report (Discussion)

Chair Corrigan reported the committee met December 5, 2018 and was joined by Mike Maher of Maher Accountancy and Brett Bradford of Pisenti and Brinker, LLP by phone. Bradford discussed the plans for the annual audit process and answered committee questions. The committee also received a presentation from staff on the overview of the annual IT audit.

Board Member Announcements and Direction on Future Agenda Items

Director Smith announced she was appointed to the National League of Cities Energy Environment and Natural Resources Committee.

Chair Corrigan announced at the November City of Los Altos Hills council meeting she was interested in pursuing reach codes as part of Los Altos Hills' annual building update.

Adjourn

Chair Corrigan adjourned the meeting at 9:01 p.m.

ATTEST:



SECRETARY