



Silicon Valley Clean Energy Executive Committee Meeting

Friday, August 25, 2023
10:00 am

George Tyson, Chair
Town of Los Altos Hills

Tina Wallia, Vice Chair
City of Saratoga

Elliot Scozzola
City of Campbell

Sheila Mohan
City of Cupertino

Zach Hilton
City of Gilroy

Sally Meadows
City of Los Altos

Rob Rennie
Town of Los Gatos

Evelyn Chua
City of Milpitas

Bryan Mekechuk
City of Monte Sereno

Yvonne Martinez Beltran
City of Morgan Hill

Margaret Abe-Koga
City of Mountain View

Larry Klein
City of Sunnyvale

Otto Lee
County of Santa Clara

Silicon Valley Clean Energy Office
333 W. El Camino Real, Suite 330
Sunnyvale, CA

16870 Prospect Ave.
Thousand Island Park, NY 13692

Morgan Hill City Hall
17575 Peak Ave.
Morgan Hill, CA 95037

Teleconference Meeting Information:

<https://svcleanenergy-org.zoom.us/j/84748056423>

Telephone (Audio only):

US: +1 669 219 2599

Webinar ID: 847 4805 6423

Members of the public may observe this meeting electronically by accessing the meeting via instructions above. Public Comments can be sent in advance of the meeting via email up to three hours before the meeting begins to Board Clerk Andrea Pizano at Andrea.Pizano@svcleanenergy.org and will be distributed to the Executive Committee. The public will also have an opportunity to provide comments during the meeting. Members of the public using Zoom may comment during public comment or the applicable agenda item by using the Raise Hand feature and you will be recognized by the Chair. Those using the telephone (audio only) feature should press star 9 on your phones to initiate the "Raise Hand" function in Zoom. You will then be announced, unmuted, and your time to speak will begin.

The public may provide comments on any matter listed on the Agenda. Speakers are customarily limited to 3 minutes each, however, the Committee Chair may increase or decrease the time allotted to each speaker based on the number of speakers, the length of the agenda and the complexity of the subject matter. Speaking time will not be decreased to less than one minute.

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act ("ADA") please contact Board Clerk Andrea Pizano at Andrea.Pizano@svcleanenergy.org prior to the meeting for assistance.

svcleanenergy.org

333 W El Camino Real
Suite 330
Sunnyvale, CA 94087

AGENDA

Call to Order

Roll Call

George Tyson, Chair
Town of Los Altos Hills

Tina Wallia, Vice Chair
City of Saratoga

Elliot Scozzola
City of Campbell

Sheila Mohan
City of Cupertino

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City of Mountain View

Larry Klein
City of Sunnyvale

Otto Lee
County of Santa Clara

Public Comment on Matters Not Listed on the Agenda

The public may provide comments on any matter not listed on the Agenda provided that it is within the subject matter jurisdiction of SVCE. Speakers are customarily limited to 3 minutes each, however, the Committee Chair may increase or decrease the time allotted to each speaker based on the number of speakers, the length of the agenda and the complexity of the subject matter. Speaking time will not be decreased to less than one minute.

Consent Calendar (Action)

- 1) Approve Minutes of the June 23, 2023, Executive Committee Meeting

Regular Calendar

- 2) CEO Update (Discussion)
- 3) Strategic Focus Areas Update (Discussion)
- 4) Virtual Power Plant Update and Plans for 2024 (Discussion)
- 5) Programs Snapshot: Commercial and Industrial Program Offerings (Presentation – Information Only)

Committee/Staff Remarks

Adjourn

svcleanenergy.org

333 W El Camino Real
Suite 330
Sunnyvale, CA 94087



**Silicon Valley Clean Energy
Executive Committee Meeting**

Friday, June 23, 2023
10:00 a.m.

Silicon Valley Clean Energy Office
333 W El Camino Real, Suite 330
Sunnyvale, CA

Morgan Hill City Hall
17575 Peak Ave.
Morgan Hill, CA 95037

Via dell'Opio Nel Corso, 60
53045 Montepulciano SI, Italy

DRAFT MEETING MINUTES

Call to Order

Chair Walia called the meeting to order at 10:03 a.m.

Roll Call

Present:

Chair Tina Walia, City of Saratoga
Vice Chair Bryan Mekechuk, City of Monte Sereno
Director George Tyson, Town of Los Altos Hills
Director Rob Rennie, Town of Los Gatos (participated remotely)
Director Yvonne Martinez Beltran, City of Morgan Hill (participated remotely)

Absent:

Director Larry Klein, City of Sunnyvale

Public Comment on Matters Not Listed on the Agenda

No speakers.

Consent Calendar

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

MOTION: Director Tyson moved and Director Mekechuk seconded the motion to approve the Consent Calendar.

The motion carried by verbal roll call vote with Director Klein absent.



1) Approve Minutes of the May 26, 2023, Executive Committee Meeting

Regular Calendar

2) CEO Update (Discussion)

CEO Girish Balachandran announced plans for summer reliability, a July hiatus from the Board of Directors meeting and Executive Committee meeting, plans to update budget numbers in July, and an announcement that Peninsula Clean Energy (PCE)'s CEO, Jan Pepper, would be retiring and Shawn Marshall would be the incoming CEO of PCE.

Chair Walia opened public comment.

No speakers.

Chair Walia closed public comment.

3) Recommend the SVCE Board of Directors Ratify Broker Transaction Expenses for Past Commodity Purchases (Action)

Zak Liske, Senior Manager of Power Operations, presented staff's request that the Executive Committee recommend the SVCE Board of Directors ratify broker expenses for past transactions, to the extent these transactions exceed the CEO's authority, in an amount totaling approximately \$357,000. Senior Manager of Power Operations Liske explained that SVCE's current Purchasing Policy (FP6), limits the not-to-exceed maximum dollar amount to \$100,000 per vendor per fiscal year, and staff would be proposing to include an amendment to the Energy Risk Management Policy that would increase the limit per broker as part of the authority delegated to the CEO by the Board of Directors within the Energy Risk Management Policy.

Staff responded to committee member questions regarding the overage amount and use of brokers, and commodity related expenses.

Committee members discussed the dollar amount being requested and if the value identified should be rounded up higher in the event there are any administrative errors.

Chair Walia opened public comment.

No speakers.

Chair Walia closed public comment.

MOTION: Director Martinez Beltran moved and Director Tyson seconded the motion to recommend the SVCE Board of Directors ratify broker expenses with Tullett Prebon, Equus, and Karbone ("Brokers") for past commodity transactions, in an amount totaling \$357,515.55, with an option to increase this amount if needed.

The motion carried with Director Klein absent.

4) Recommend the SVCE Board of Directors Approve the Amended Energy Risk Management Policy (Action)



Karthik Rajan, Senior Risk Manager, presented the proposed amendments to SVCE's Energy Risk Management policy for the Executive Committee's support which included:

- Enhancing approved product provisions for executing gas transactions for potential hedging of peaking resources like Middle River transactions,
- Enhancing the delegation of authority to account for gas transactions, and account for brokerage costs; and
- Streamlining the process for authorized personnel acknowledgements.

Staff responded to committee member questions regarding the proposed amendments. The committee discussed the request to put the proposed amendments on the Consent Calendar for the August Board of Directors meeting; the committee was in consensus that placing the item on the Consent Calendar would be appropriate.

Chair Walia opened public comment.

No speakers.

Chair Walia closed public comment.

MOTION: Director Mekechuk moved and Director Martinez Beltran seconded the motion to approve the changes to the Energy Risk Management policy as set forth by staff in the presentation.

The motion carried with Director Klein absent.

5) FY 2023-24 Budget Framework Update (Discussion)

Amrit Singh, CFO and Director of Administrative Services, presented a preliminary budget forecast highlighting a potentially good financial year, a recommendation to continue the 4% discount to customers until the new 2024 PG&E rates are in effect, and the addition of 12 full-time positions.

The committee took a brief recess due to technical difficulties at 11:32 a.m. and returned at 11:38 a.m.

Chair Walia opened public comment.

No speakers.

Chair Walia closed public comment.

Staff responded to committee member questions regarding programs funds, and committee members provided feedback on the proposed budget in preparation for additional iterations before approval.

6) Programs Snapshot: Medical Baseline Battery Pilot (Presentation – Information Only)

Following Item 5, Director Martinez Beltran left the meeting and a quorum was lost. The committee proceeded to hear Item 6, as it was an information item.

Justin Zagunis, Director of Decarbonization Programs and Policy introduced Raul Hernandez, Senior Marketing Specialist, who presented information on the medical baseline battery pilot program. Senior Marketing Specialist Hernandez noted the program was created to provide 50 free backup batteries to SVCE customers who require electricity for medical devices and are at higher risk of possible power outages.

Staff responded to committee member questions on the program.

Chair Walia opened public comment.

No speakers.

Chair Walia closed public comment.



Committee/Staff Remarks

No comments.

Adjournment

Chair Walia adjourned the meeting at 12:20 p.m.

ATTEST:

Andrea Pizano, Board Secretary



Staff Report – Item 2

Item 2: CEO Update

From: Girish Balachandran, CEO

Prepared by: Andrea Pizano, Board Clerk/Executive Assistant

Date: 8/25/2023

This item will be addressed in the form of an oral report to the Executive Committee.



Staff Report – Item 3

Item 3: Strategic Focus Areas Update

From: Girish Balachandran, CEO

Prepared by: Andrea Pizano, Board Clerk/Executive Assistant

Date: 8/25/2023

RECOMMENDATION

This item will be addressed in the form of a presentation to the Executive Committee from CEO Balachandran on the FY23-24 Strategic Focus Areas.

BACKGROUND

The SVCE Board of Directors has been adopting annual Strategic Focus Areas since 2021. Adopting Strategic Focus Areas is useful for the Board of Directors and CEO to establish priorities for the year.

The FY23-24 Strategic Focus Areas were previously introduced at the May Executive Committee and June Board of Directors meetings, and included in the June Executive Committee and August Finance & Administration Committee and Board of Directors meetings as part of the FY24 preliminary operating budget. Although these focus areas are being considered for FY23-24, many of these areas will remain a focus topic beyond 2024 as the work that will be performed will extend well beyond one year.

ANALYSIS & DISCUSSION

Staff will be requesting the Board of Directors approve and adopt the following five focus areas (in no particular order) at the September 13, 2023 Board of Directors meeting:

- Expand Clean and Reliable Grid Actions
- Expand Customer Base & Interaction
- Accelerate Building & Transportation Electrification
- Implement Innovative Financing Solutions
- Attract & Retain Employees

Supporting work for these focus areas includes the risk and opportunities being updated, the strategies and measures in SVCE’s workplan being updated, the utilization of Monday.com to track progress and actions during the year, and updating details under each Strategic Focus Area.

The only change since the last time this was presented to the Board is to include the hiring of a new CEO under the “Attract & Retain Employees” focus area.

STRATEGIC PLAN

The focus areas support the overall SVCE Strategic Plan.

FISCAL IMPACT

N/A

ALTERNATIVE

Staff is requesting feedback from the Executive Committee on these focus areas before finalizing for board consideration. Staff is open to suggestions and feedback from the committee.

ATTACHMENT

1. FY23-24 Proposed Strategic Focus Areas

SVCE FY23-24 Proposed Strategic Focus Areas

Expand Clean & Reliable Grid Actions

Explore 24x7 clean energy delivery at scale, evaluate SVCE role in enhancing and distribution and transmission reliability

- Explore pathways to measure & achieve carbon free 24x7 for the entire portfolio and aligned with SVCE's mission
- Implement Google's Carbon Free Energy (CFE) framework and explore opportunities to offer expanded clean offerings to other customers
- Explore VPP opportunities and how we can demonstrate the "grid of the future"
- Explore targeted SVCE role to enhance distribution and transmission reliability

Expand Customer Base & Interaction

Grow non-residential customer base; expand Offerings & emphasize electrification to all customers

- Be the Supplier of Choice; attract and retain DA customers
- Maintain competitive rates; increase customer offerings and demand side programs
- Expand value proposition emphasizing electrification

Accelerate Building and Transportation Decarbonization

Accelerate deployment of currently adopted decarbonization strategies and goals; evaluate and capitalize on federal and state funding opportunities to further improve programs

- Grow our capacity and deploy programs at a much larger scale
- Operationalize equity into programs
- Assist member agencies evaluating federal and state decarbonization policies and program impacts
- Explore opportunities to influence and partner with other organizations on supporting a clean energy workforce.

Implement Innovative Finance Solutions

Leverage Balance Sheet for Structured Financing and use financing solutions to increase impact of decarbonization program offerings, especially to lower-income customers

- Continue building strong financial reserves
- Attract and retain DA customers
- Implement innovative financing solutions to customers, particularly to reach those with barriers to conventional programs (e.g., low income, renters)

Employees

Be The Employer of Choice, & Increase Staffing

- Hire CEO
- Attract and Hire New Employees, passionate about our mission and with excellent job knowledge
- Build and maintain a high-performance agency; preserve start-up culture of employee innovation, engagement, and collaboration
- Continue enhancing remote, hybrid and in-person work



Staff Report – Item 4

Item 4: Virtual Power Plant Update and Plans for 2024

From: Girish Balachandran, CEO

Prepared by: Andrea Pizano, Board Clerk/Executive Assistant

Date: 8/25/2023

This item will be addressed in the form of a presentation to the Executive Committee from Don Bray, Director of Strategic Development, with an update on Virtual Power Plant (VPP) efforts.

ATTACHMENT

The presentation for this item will be posted to SVCE’s website.



Staff Report – Item 5

Item 5: Programs Snapshot: Commercial and Industrial Program Offerings

From: Girish Balachandran, CEO

Prepared by: Andrea Pizano, Board Clerk/Executive Assistant

Date: 8/25/2023

This item will be addressed in the form of a presentation to the Executive Committee providing a snapshot overview of SVCE’s Commercial and Industrial Program offerings.

ATTACHMENT

The presentation for this item is posted to SVCE’s website.