



Silicon Valley Clean Energy Authority

Board of Directors Meeting

Wednesday, March 8, 2023

7:00 pm

Cupertino Community Hall
10350 Torre Avenue
Cupertino, CA

Administrative Conference Room, Gilroy City Hall
7351 Rosanna St.
Gilroy, CA 95020

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

MEETING MINUTES

Call to Order:

Chair Tyson called the Regular Meeting to order at 7:01 p.m.

Roll Call

Present:

George Tyson (Chair), Los Altos Hills
Tina Walia (Vice Chair), Saratoga
Elliot Scozzola, Campbell
Sheila Mohan, Cupertino
Zachary Hilton, Gilroy (Participated via teleconference)
Sally Meadows, Los Altos
Rob Rennie, Los Gatos
Evelyn Chua, Milpitas
Bryan Mekechuk, Monte Sereno
Tanya Carothers, Morgan Hill (Participated via teleconference through 7:52 p.m.)
Yvonne Martinez Beltran, Morgan Hill (Joined and participated via teleconference at 7:52 p.m.)
Margaret Abe-Koga, Mountain View
Larry Klein, Sunnyvale
Otto Lee, Santa Clara County

Absent:

None.

Public Comment on Matters Not Listed on the Agenda

No speakers.

Consent Calendar

There were no questions or comments from the Board; there were no requests from the public to speak on any matter on the Consent Calendar.

- 1a) Approve Minutes of the February 8, 2023, Board of Directors Meeting
- 1b) Receive January 2023 Treasurer Report

- 1c) Adopt Resolution Amending SVCE Conflict of Interest Code to Add Multiple Positions
- 1d) Executive Committee Report
- 1e) Finance and Administration Committee Report
- 1f) Audit Committee Report
- 1g) Legislative Ad Hoc Committee Report
- 1h) California Community Power Report

MOTION: Director Mekechuk moved and Director Chua seconded the motion to approve the Consent Calendar, Items 1a through 1h.

The motion carried unanimously by verbal roll call vote.

Regular Calendar

2) Receive Audit Results and Accept the Findings from Independent Auditor (Action)

Amrit Singh, CFO and Director of Administrative Services, introduced the item and Kellin Gilbert, lead Audit Partner of Pisenti & Brinker LLP, who conducted an audit of the years ended September 30, 2022 and 2021 SVCE financial statements. Mr. Gilbert provided a presentation that included: the results of the current year audit, which was an unmodified opinion and no significant deficiencies in internal control; an outline of roles and responsibilities for management and auditor; risk assessment procedures; audit procedures; audit procedures for a single audit, which was new for 2022; and required board communications.

Director Mekechuk, Audit Committee Chair, provided comments on the audit process and results.

Chair Tyson opened Public Comment.

No speakers.

Chair Tyson closed Public Comment.

MOTION: Director Lee moved and Director Klein seconded the motion to receive the Year-End Financial Statements and accept the findings from the Independent Auditor's Report for the Fiscal Year 2021-22.

The motion carried unanimously by verbal roll call vote.

3) CEO Report (Discussion)

CEO Girish Balachandran addressed the following topics in his report:

- 1) Introduction of SVCE's new Decarbonization Management Analyst, Doug Bernard, who provided brief welcome comments;
- 2) A hiring update on new employees who would be joining in the coming months;
- 3) An update on hydro;
- 4) A preview of contracts that would be coming to the Board of Directors for approval; and
- 5) An update on Diablo Canyon.

CEO Balachandran responded to a question from Dir. Mekechuk regarding future office real estate given the growth of the organization and the status of in-person and remote work.

Chair Tyson opened Public Comment.

No speakers.

Chair Tyson closed Public Comment.

4) Adopt Resolution Approving the Mid-Year 2022-23 Adjusted Operating Budget (Action)

Director Martinez Beltran joined the meeting during Item 4 and Alternate Director Carothers left the meeting.

Amrit Singh, CFO and Director of Finance and Administrative Services, provided a presentation on the Mid-Year 2022-23 Adjusted Operating Budget. CFO Singh's presentation included a review of the budget timeline, addressed changes since the adoption of the annual budget, a comparison of mid-year and annual adopted budgeted key line items, a review of updated SVCE margin from December rate change, a review of updates to energy expenses, a review on reserve projections, and a staffing update.

Staff responded to board member questions regarding rates and their effect on reserves, potential penalty costs included in the mid-year budget, customer participation rate, clarification on rate savings, assumptions for energy demand, demand growth projections, fiscal year start date, and resource adequacy costs.

MOTION: Director Rennie moved and Vice Chair Walia seconded the motion to adopt Resolution 2023-04 approving the mid-year 2022-23 Adjusted Operating Budget that projects contribution of \$73.4 million to the reserves.

Chair Tyson opened Public Comment.
No speakers.
Chair Tyson closed Public Comment.

The motion carried unanimously by verbal roll call vote.

Board Member Announcements and Future Agenda Items

Chair Tyson announced the Bay Area Air Quality Management (BAAQMD) would be having a meeting March 15, 2023 to discuss bay area district standards for NOx emissions and noted he would be speaking in support of the vote.

Director Abe-Koga announced the BAAQMD board would be looking at Regulation 9 Rule 4 and Regulation 9 Rule 6 that relate to nitrogen oxides from space heater furnaces and water heaters and noted the amendment would ban replacement of these gas appliances starting in 2027.

Director Lee confirmed with legal counsel that there would be no potential conflict with him or Director Abe-Koga's vote at the BAAQMD meeting, and clarified the proposed amendment is about NOx, not gas stoves, and is focused on replacement of water heaters.

Director Klein announced the City of Sunnyvale's City Hall would be opening later in the month, and a ribbon cutting event would be taking place on April 3rd, 2023, with a bigger celebration in the fall.

Director Chua announced the City of Milpitas' Energy and Environmental Sustainability Commission was busy prepping for Earth Day on April 22, 2023.

Director Mekechuk commented he serves on the Santa Clara County Recycling and Solid Waste Reduction Commission and an agenda item was recently presented on biogas; Director Mekechuk requested SVCE staff look at the staff report for awareness and a potential opportunity.

Director Martinez Beltran shared the American Association of University Women (AAUW) young women leaders had an experts talk February 28, 2023 on climate change with guest speakers.

Adjourn

Chair Tyson adjourned the meeting at 8:23 p.m.

ATTEST:

DocuSigned by:

Andrea Pizano

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Andrea Pizano, Board Secretary