



Silicon Valley Clean Energy Authority

Board of Directors Meeting

Wednesday, November 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

MEETING MINUTES

Call to Order:

Chair Tyson called the meeting to order at 7:00 p.m.

Prior to Roll Call, Director Meadows made a statement that she was appearing remotely pursuant to AB 2449 under the Just Cause provision because she was unable to attend in person due to a contagious illness. Director Meadows noted there were no other individuals present in the room with her.

Roll Call

Present:

George Tyson (Chair), Los Altos Hills
Tina Walia (Vice Chair), Saratoga
Elliot Scozzola, Campbell (Arrived during Closed Session)
Sheila Mohan, Cupertino
Zach Hilton, Gilroy (Participated via teleconference)
Sally Meadows, Los Altos (Participated via teleconference)
Rob Rennie, Los Gatos
Evelyn Chua, Milpitas
Bryan Mekechuk, Monte Sereno
Yvonne Martinez Beltran, Morgan Hill
Pat Showalter, Mountain View
Murali Srinivasan, Sunnyvale
Otto Lee, Santa Clara County

Absent:

None

Public Comment on Matters Not Listed on the Agenda

No speakers.

Public Comment on Closed Session

No speakers.

The Board of Directors convened to Closed Session at 7:03 p.m.

Convene to Closed Session

Public Employee Appointment
Title: Chief Executive Officer

CONFERENCE WITH LABOR NEGOTIATORS

Agency Designated Representatives: George Tyson, Tina Walia and Rob Rennie
Unrepresented Employee: Chief Executive Officer

The Board of Directors reconvened at 7:42 p.m.

Report from Closed Session

Chair Tyson reported the Board met in Closed Session to consider appointment of a new CEO and by a vote of 13 Directors in favor, no opposing, and no abstentions, the Board voted to appoint Monica Padilla as SVCE's new CEO.

Consent Calendar

MOTION: Chair Tyson moved and Vice Chair Walia seconded the motion to pull Item 1c) *Approve Employment Agreement with Chief Executive Officer from the Consent Calendar.*

The motion carried unanimously by verbal roll call vote.

1c) Approve Employment Agreement with Chief Executive Officer

Chair Tyson thanked staff and members of the Board of Directors for their input in the search for a new CEO, and voiced support of the selection of Monica Padilla as the new CEO.

Board members provided comments supporting Monica Padilla as the next CEO.

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

Chair Tyson recommended the approval of the Employment Agreement with Monica Padilla as the new CEO for SVCE, noting the agreement provides the following:

- 1) An annual salary of \$403,000
- 2) 40 hours of management leave, in addition to the SVCE standard Paid Time Off, and
- 3) A \$400 per month transportation allowance for an electric car.

MOTION: Vice Chair Walia moved and Director Rennie seconded the motion to approve the employment agreement with the Chief Executive Officer as read by Chair Tyson and included in the agenda packet.

The motion carried unanimously by verbal roll call vote.

CEO Girish Balachandran provided positive comments on the new CEO selection; COO and Director of Power Resources Padilla thanked CEO Balachandran and the Board of Directors and shared a few words about her future role.

The Board of Directors addressed the remaining items on the Consent Calendar.

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

MOTION: Director Chua moved and Director Lee seconded the motion to approve the remaining items on the Consent Calendar.

The motion carried unanimously by verbal roll call vote.

- 1a) Approve Minutes of the October 11, 2023, Board of Directors Meeting
- 1b) Receive September 2023 Treasurer Report
- 1d) Adopt Resolution Approving Amended Conflict of Interest Code
- 1e) Approve Plan to Implement Net Billing Tariff (Solar Billing Plan, NEM3) for New Solar Customers without Modification Beginning December 15, 2023
- 1f) Approve Scholarship Funds for 2024 EmPower Silicon Valley Student Short-Film Competition
- 1g) Closing Report of the Ad Hoc Committee of the Board to Address Legislative Responses to Industry Transition
- 1h) Legislative Response to Industry Transition 2023 Ad Hoc Committee Report
- 1i) Executive Committee Report
- 1j) California Community Power Report
- 1k) Additional Committee Reports

Regular Calendar

2) CEO Report (Discussion)

CEO Balachandran provided the CEO Report, which included the following:

- 1) Invitation to SVCE's December 13, 2023 event, *Reflect & Recharge*;
- 2) Announcement that PG&E rates would likely be higher than expected and PCIA would be lower than expected;
- 3) Announcement that updates regarding the anticipated RA citation would be provided by legal counsel;
- 4) Introductions to the following new employees:
 - a. Britta Bradshaw, Power Resources Manager
 - b. Adam Pearse, Regulatory Analyst
 - c. Brett Sirianni, Information Technology Analyst
 - d. Willy Wang, Power Resources Planner

All provided brief welcome comments.

3) Approve 2024 Legislative Policy Platform and Identify Focus Areas for the 2024 Legislative Ad Hoc Committee (Action)

Bena Chang, Director of Government and Legislative Affairs, presented the following:

- A recap of the 2023 legislative year and a forecast for 2024;
- A proposed 2024 Legislative Policy Platform for approval, which included the following main guiding principles:
 - Affordability and Rates
 - Climate Change Mitigation/Fuel Switching
 - Clean, Reliable Grid
 - Competitive Equity/Do No Harm
 - Health Impact/Safety

- Equity
- A request to the Board of Directors to authorize the creation of a 2024 Legislative Ad Hoc Committee, with appointments to be made in February 2024.

Director of Government and Legislative Affairs responded to a committee member question regarding Climate Bonds.

Chair Tyson opened Public Comment.

No speakers.

Chair Tyson closed Public Comment.

MOTION: Vice Chair Walia moved and Director Martinez Beltran seconded the motion to approve SVCE's 2024 Legislative Policy Platform and create the 2024 Legislative Ad Hoc Committee.

The motion carried unanimously by verbal roll call vote.

4) Authorize the Chief Executive Officer to Make Changes to the GreenStart and GreenPrime Retail Rate Offerings (Action)

Director Hilton left the meeting at 9:00 p.m. during Item 4.

Chair Tyson introduced the item. Maren Wenzel, Senior Manager of Energy Policy and Regulatory Analysis, and Don Bray, Director of Strategic Development, provided a presentation evaluating SVCE's GreenStart and GreenPrime offerings and reviewed short-term options to achieve 100% clean or alternatives.

The presentation addressed long-term pathways to achieving SVCE's mission and offering customer valued clean energy products, provided an overview of SVCE standard product offerings, addressed challenges with carbon-free energy procurement in 2024, and reviewed short-term options for GreenStart and GreenPrime.

Staff presented the following recommendations:

GreenStart 2024

1. Continue to seek carbon-free resources within budget parameters for calendar year 2024;
2. Approve the procurement of nuclear carbon-free resources, provided:
 1. Allocations from PG&E are not available
 2. Sufficient volume is available to achieve 100% Clean below budget
3. If carbon-free resources are not available within budget, adjust 100% Clean goal for 2024 to current position of ~78% Clean

GreenPrime 2024

1. Discontinue Green-e Certification for 2024 for GreenPrime
2. Re-price GreenPrime premium for 2024 from .8 cents per kWh to 1.2 cents per kWh, reflecting underlying cost increases but maintaining 100% RE/CF GreenPrime as a viable alternative to GreenStart for our GreenPrime customers.
3. Communicate GreenPrime rate and process changes to customers in December 2023

Staff also provided a recommended path for beyond 2024:

- Return with recommended overall Clean target for CY 2025-2030 as part of 2024 Integrated Resource Plan and 2045 Pathway to Carbon Neutral discussion
- Re-assess GreenStart and GreenPrime offerings holistically with consideration for findings from above analysis including product value proposition, cost allocation, hedging and price premium

Vice Chair Walia provided comments regarding the discussion at the Executive Committee level and the support of staff's recommendation.

Board members asked questions and provided comments on the presentation from staff.

Chair Tyson opened Public Comment.

Bruce Karney shared PowerPoint slides and addressed SVCE emission factors, shared a graph of Unincorporated County emissions vs. all of SVCE territory, commented that decarbonizing electricity bent the carbon curve downwards and rising emission factors bent the carbon curve upwards, and urged the SVCE Board of Directors to make sure that SVCE does not leave its carbon-free roots and become an agency that is 78-85% carbon-free.

Chair Tyson closed Public Comment.

The Board of Directors agreed to address and vote on the recommendations for GreenStart and GreenPrime separately.

MOTION: Director Lee moved and Director Martinez Beltran seconded the motion to support Staff's recommended path for GreenStart 2024 which included:

- 1. Continue to seek carbon-free resources within budget parameters for calendar year 2024**
- 2. Approve the procurement of nuclear carbon-free resources, provided:**
 - 1. Allocations from PG&E are not available**
 - 2. Sufficient volume is available to achieve 100% Clean below budget**
- 3. If carbon-free resources are not available within budget, adjust 100% Clean goal for 2024 to current position of ~78% Clean**

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

The Board of Directors proceeded to discuss the options for 2024 GreenPrime.

MOTION: Director Mekechuk moved and Director Lee seconded the motion to:

- 1. Discontinue Green-e Certification for 2024 for GreenPrime**
- 2. Re-price GreenPrime premium for 2024 from .8 cents per kWh to 1.5 cents per \$0.015/kWh, reflecting underlying cost increases but maintaining 100% RE/CF GreenPrime as a viable alternative to GreenStart for our GreenPrime customers**
- 3. Communicate GreenPrime rate and process changes to customers in December 2023**

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

5) Authorize the Chief Executive Officer to Execute a 15-Year Power Purchase Agreement with SunZia Wind PowerCo LLC and Potential Replacement PPAs in Substantial Form and Any Necessary Ancillary Agreements and Documents (Action)

Director Chua left the meeting at 9:29 p.m.

Monica Padilla, COO and Director of Power Resources, introduced Kris Van Vactor, Wholesale Energy Markets Manager, and provided a presentation to the Board of Directors requesting authorization for the Chief Executive Officer to execute an agreement with SunZia Wind PowerCo LLC. COO and Director of Power Resources Padilla reviewed the progress made toward meeting long-term clean energy goals, fall 2022 procurement efforts, information on SunZia Wind PowerCo, LLC, how the SunZia Wind project would help meet agency and state goals and help with long-term RPS procurement mandates, and the contribution toward building a clean portfolio.

Staff responded to Board Member questions regarding the project.

Chair Tyson opened Public Comment.

Bruce Karney commented on PG&E filing a request to extend the life of Diablo Canyon an additional 20 years, and questioned what the impact would be knowing that Diablo Canyon would be operating until the

mid-2040s on the overall procurement strategies.

Chair Tyson closed Public Comment.

MOTION: Director Martinez Beltran moved and Alternate Director Showalter seconded the motion to authorize the Chief Executive Officer to Execute the SunZia Wind agreement and potential replacement PPAs for the procurement of renewable wind energy in substantial form and any necessary ancillary agreements and documents as follows:

1. **SunZia Wind PowerCo LLC, Power Purchase Agreement (PPA) (“SunZia Wind”)**
 - a. **100 MW or approximately 316,000 MWh per year of Renewable Portfolio Standard (RPS) Portfolio Category Content One (“PCC1”) eligible resources**
 - b. **15-Year term PPA with expected commercial operation date (COD) and term from September 30th, 2026, through September 29th, 2041.**
 - c. **Total amount not-to-exceed \$361,000,000.**

The motion carried by verbal roll call vote with Directors Chua and Hilton absent.

6) Update on Permit Modernization and Policy Experimentation Program Rollout (Discussion)

Zoe Elizabeth, Deputy Director of Decarbonization Programs and Policy, provided a presentation on the Permit Modernization and Policy Experimentation program which included background information and an overview of the program and proposed schedule.

Deputy Director of Decarbonization Programs and Policy responded to Board Member feedback and questions about the program.

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

Board Member Announcements and Future Agenda Items

Director Martinez Beltran thanked SVCE for their sponsorship of the Dia De Los Muertos celebrations in South County.

Director Mekechuk announced SVCE’s Ford Lightning F-150 would be helping the City of Monte Sereno in the City of Los Gatos Holiday Parade on December 2, 2023.

Adjourn

Chair Tyson adjourned the meeting at 9:54 p.m.

ATTEST:

DocuSigned by:

Andrea Pizano

Andrea Pizano, Board Secretary