



**Silicon Valley Clean Energy  
Executive Committee Meeting**

Friday, March 24, 2023  
10:00 a.m.

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

**MEETING MINUTES**

**Call to Order**

Chair Walia called the meeting to order at 10:01 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 Yvonne Martinez Beltran, City of Morgan Hill (arrived at 10:29 a.m.)

**Absent:**

Director Rob Rennie, Town of Los Gatos

**Public Comment on Matters Not Listed on the Agenda**

No speakers.

**Consent Calendar**

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

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

**The motion carried by verbal roll call vote with Directors Martinez Beltran and Rennie absent.**

**1) Approve Minutes of the February 24, 2023, Executive Committee Meeting**

**Regular Calendar**

**2) CEO Update (Discussion)**



CEO Girish Balachandran welcomed attendees to the first in-person meeting of the Executive Committee at suite 330 in the SVCE office. CEO Balachandran spoke to the following items:

- The Governor's budget change proposals surrounding central procurement, penalty structure, and the CPUC's authority to order load serving entities' procurement; and
- The Bay Area Air Quality Management District's action to pass rules associated with banning appliances that emit nitrous oxides.

CEO Balachandran responded to committee member questions.

Chair Walia opened public comment.

No speakers.

Chair Walia closed public comment.

### **3) Recommend Board Approval of Operating Rules and Regulations Amendment to Expand Executive Committee Membership to Up to Six Board Members (Action)**

Board Clerk Andrea Pizano provided a presentation requesting the Executive Committee recommend that the Board of Directors approve the proposed amendment to SVCE's Operating Rules and Regulations to expand Executive Committee membership to up to six Board members. Board Clerk Pizano noted if approved, the item would be included on the April Board of Directors meeting agenda and the May Board of Directors meeting agenda for final approval. An item would also be brought to the Board of Directors in May to appoint a sixth member to the existing Executive Committee.

Chair Walia opened public comment.

No speakers.

Chair Walia closed public comment.

**MOTION: Vice Chair Mekechuk moved and Director Tyson seconded the motion to recommend the Board of Directors approve the proposed amendment to SVCE's Operating Rules and Regulations to expand Executive Committee membership to up to six Board members.**

**The motion carried with Directors Martinez Beltran and Rennie absent.**

### **4) Recommend the SVCE Board of Directors Authorize the Chief Executive Officer to Negotiate and Execute a Power Purchase Agreement with Middle River Power for up to 100 MW of a Natural Gas Peaker Plant combined with up to 134 MWs of Battery Energy Storage System for a term of 12 years to meet Resource Adequacy and Mid-term Reliability Procurement Order Requirements (Action)**

Director Martinez Beltran arrived during Item 4.

Monica Padilla, COO and Director of Power Resources, and Charles Grinstead, Senior Manager of Power Resources, provided a presentation requesting the committee recommend the SVCE Board authorize the CEO to negotiate and execute a power purchase agreement with Middle River Power. The presentation addressed California's clean goals, reliability challenges and requirements; SVCE's energy and capacity portfolio, procurement and progress efforts; Middle River Power's Hanford hybrid natural gas power plant with battery energy storage system; and the staff recommendation.



Staff responded to Executive Committee member questions regarding the project, what could be done with the funds that would be set aside to mitigate emissions associated with the energy produced from the project, other CCAs engaging in similar projects, and information on natural gas.

Chair Walia opened public comment.

No speakers.

Chair Walia closed public comment.

**MOTION: Director Tyson moved and Director Martinez Beltran seconded the motion to recommend the SVCE Board of Directors:**

1. **Delegate Authority to CEO to finalize and execute a Power Purchase Agreement with Middle River Power for its Hybrid Natural Gas Power Plant with Battery Energy Storage System, with the following parameters:**
  - **99.4 MW of Resource Adequacy Capacity from Natural Gas Power Plant**
  - **New 131.4 MW, one-hour BESS at site for an additional 16 MW of Resource Adequacy and Mid-term Reliability Procurement Order compliant capacity**
  - **Option to utilize toll energy under certain conditions to meet reliability**
  - **12-year term with an expected on-line date of April 2024**
  - **Not to exceed dollar amount: \$280,000,000**
2. **Approve exception to the Energy Risk Management Policy to enable gas transactions needed to manage Hanford PPA**
3. **Direct staff to develop a policy and/or guidelines to set aside funds to be used for programs and/or projects to mitigate emissions associated with energy produced by the Hanford project resulting from the Hanford PPA**

The motion carried with Director Rennie absent.

**5) Recommend the SVCE Board of Directors Authorize the Chief Executive Officer to Negotiate and Execute a Power Purchase Agreement with Rio Bravo Fresno for up to 25 Megawatts of Biomass Renewable Energy for 2.75 years to meet Renewable Portfolio Standard and Resource Adequacy Requirements (Action)**

Senior Manager of Power Resources Grinstead presented a PowerPoint presentation requesting the Executive Committee recommend the SVCE Board of Directors authorize the CEO to negotiate and execute a power purchase agreement with Rio Bravo Fresno for up to 25 megawatts of biomass renewable energy. The presentation included the request and justification, background on the project, and next steps.

Staff responded to committee member questions about the project.

Chair Walia opened public comment.

No speakers.

Chair Walia closed public comment.



**MOTION: Director Martinez Beltran moved and Vice Chair Mekechuk seconded the motion to recommend the SVCE Board of Directors delegate authority to the CEO to execute a short-term power purchase agreement (PPA) with Rio Bravo Fresno Biomass energy, with the following parameters:**

- **Capacity: 25 megawatts**
- **Est. Annual Generation: 175,000 MWhs**
- **Price: fixed dollar per megawatt hour**
- **Term: 2.75 years, May 1, 2023, through December 31, 2025**
- **Not-to-exceed dollar amount: \$60,000,000**

**The motion carried with Director Rennie absent.**

#### **6) Electrification Discount Design Update (Discussion)**

Peter Mustacich, Energy Services Lead, provided a presentation to the Executive Committee with a request for feedback on the staff recommendation to adopt the “TOU Super” discount design.

Energy Services Lead Mustacich responded to committee member questions regarding the energy usage profiles and discount designs presented, and shared their feedback on the questions posed by staff which included:

1. Would you support the staff recommendation to adopt the “TOU Super” discount design?
2. Would you support the decision not to include bill-protection?
3. Should we guarantee the discount until 2027 to align with BAAQMD’s zero-NOx appliance rulemaking?

Chair Walia opened public comment.

Bruce Karney commented on the proposed rate structure, noting there were two things that the structure could incentivize: 1) for people who have a qualifying technology already, to modify the timing of the charging they do of their car, and 2) incentivize people who do not have a qualifying technology to make a purchasing decision to go out and get it. Karney noted his concern if there is a limitation on the number of customers that can be accommodated in this program, to make sure the program is designed to incentivize people doing new things that they wouldn’t have done already.

Chair Walia closed public comment.

The committee discussed evaluating a monitored phased enrollment for a limited time, and staff noted other program proposals incorporating the committee’s comments would be brought back to the group.

#### **7) Programs Snapshot: Member Agency Programs and Workgroup Activities (Presentation – Information Only)**

Senior Manager of Public Sector Services, Tony Eulo, presented information on member agency programs including the Community Energy Resilience and Electrification Demonstration grants, modernizing program processes, policy experimentation, reach code support, technical assistance for EV fleet planning, the member agency working group, SVTEC, and expansion of assistance with grant applications.

Chair Walia opened public comment.

No speakers.

Chair Walia closed public comment.



**Committee/Staff Remarks**

CEO Balachandran noted there is a Cities Association meeting in June, and staff is looking to contribute to that meeting.

Director Martinez Beltran announced Cal Cities would be having a legislative summit in Sacramento April 12-14, 2023.

**Adjournment**

Chair Walia adjourned the meeting at 12:09 p.m.

**ATTEST:**

DocuSigned by:

*Andrea Pizano*

8BC3567ACEA848D...

Andrea Pizano, Board Secretary