



**Silicon Valley Clean Energy Authority**

**Board of Directors Meeting**

Wednesday, March 8, 2017

7:00 pm

Cupertino Community Hall

10350 Torre Avenue

Cupertino, CA

**MEETING MINUTES**

**Call to Order**

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

**Roll Call**

**Present:**

Chair Rob Rennie, Town of Los Gatos  
Vice Chair Daniel Harney, City of Gilroy  
Alternate Director Steve Schmidt, Town of Los Altos Hills  
Alternate Director Anthony Eulo, City of Morgan Hill  
Director Jim Griffith, City of Sunnyvale (arrived at 7:03 p.m.)  
Director Margaret Abe-Koga, City of Mountain View  
Director Howard Miller, City of Saratoga  
Director Rod Sinks, City of Cupertino  
Director Liz Gibbons, City of Campbell  
Director Dave Cortese, County of Santa Clara (arrived at 7:06 p.m.)  
Director Jeannie Bruins, City of Los Altos  
Director Burton Craig, City of Monte Sereno

**Absent:**

None.

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

Curtis Wright, San Jose resident, spoke regarding residential solar panels and support of an at-cost energy buyback program.

**Consent Calendar**

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

MOTION: Director Gibbons moved and Director Miller seconded the motion to approve Consent Calendar Items 1a-1g.

The motion carried unanimously with Director Cortese absent.

**1a) Approve Minutes of the February 8, 2017, Board of Directors Meeting**

**1b) Adopt Resolution Confirming the Appointment of a New Chair and Vice Chair**

- 1c) Adopt Resolution Certifying Authority Representatives on River City Bank Loans**
- 1d) Adopt Amended Conflict of Interest Code**
- 1e) Approve Amended Engagement Letter with Troutman Sanders LLP**
- 1f) Approve Confirmation Agreements with Sonoma Clean Power and Pacific Gas and Electric Company to Acquire Resource Adequacy Capacity for 2017**
- 1g) Approve Congestion Revenue Rights Entity Agreement with the California Independent System Operator Corporation**

## **Regular Calendar**

### **2) Executive Committee Report**

Vice Chair Harney stated the Executive Committee met on February 22 and discussions included SVCE revenues vs. expenses, residential vs. commercial accounts, energy program options, a potential modification to the roll out, and power procurement.

Chair Rennie opened public comment.

No speakers.

Chair Rennie closed public comment.

### **3) CEO Report**

CEO Tom Habashi presented the CEO report which included a new hire update on the Customer Service Representative (CSR) and Power Supply Director positions; CEO Habashi clarified that only one CSR will be hired as opposed to two as listed in the staff report. CEO Habashi provided an update on outreach to customers with exceptions, upgrade and opt out enrollment and power supply mix. CEO Habashi responded to Board questions.

Chair Rennie opened public comment.

Richard Fancher, Los Altos resident, spoke regarding his belief that SVCE has misled customers on providing better rates than PG&E and recommended action be taken as referenced in his letter to the Board; Fancher responded to Board questions.

Tara Martin-Milius, Sunnyvale resident, requested consideration of bucket 3 as part of SVCE's procurement of power supply.

Chair Rennie closed public comment.

The Board discussed the letter sent to PG&E's SmartRate customers and PG&E pricing and data. Pamela Leonard, Community Outreach Specialist, and CEO Habashi responded to Board questions. Director Bruins requested staff maintain a list of PG&E SmartRate customer opt outs to inform them of new SVCE programs once available.

The Board discussed adding a line about the exception programs to future mailers; Chair Rennie noted differing opinions from the Board.

### **4) Treasurer Report**

Director of Administration and Finance, Don Eckert, presented the Treasurer report and responded to Board questions. CEO Habashi provided additional information and responded to Board questions.

Alternate Director Eulo inquired about the Customer Service Representative position referenced in the CEO Report; Director of Administration and Finance Eckert clarified that the position title is Account Services Representative I/II.

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

**5) Request for Deferment of Enrollment to July 2017 for Selected Santa Clara County Municipal Accounts**

Manager of Account Services, Don Bray, presented the staff report and responded to Board questions.

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

MOTION: Director Bruins moved and Director Miller seconded the motion to approve Santa Clara County's request to defer enrollment of selected accounts from April 2017 to July 2017.

The motion carried unanimously.

**6) Modification to SVCE Program Roll Out**

CEO Habashi presented the staff report and provided an update on power procurement; CEO Habashi responded to Board questions.

Chair Rennie opened public comment.

Bruce Karney, President of the Board of Carbon Free Silicon Valley, spoke in support of merging phases 2 and 3 and suggested moving the roll out to August as opposed to July.

Chair Rennie closed public comment.

The Board provided comments regarding options for power procurement, additional details on financial impacts in staff reports for future items, and public perception on modification to the roll out.

Director Cortese left the meeting at 8 p.m.

MOTION: Alternate Director Eulo moved and Director Bruins seconded the motion to approve the modification to the SVCE Program rollout to combine the second and third phases into one enrollment phase in July 2017.

Following discussion, Board members requested a press release announcing the merge.

The motion carried unanimously with Director Cortese absent.

**7) Approve SVCE Financial Policies**

Director of Administration and Finance Eckert presented the staff report and responded to Board questions.

Chair Rennie opened public comment.  
No comment.  
Chair Rennie closed public comment.

The following comments were given to staff:

***FP7 – Purchasing Card Policy***

Include the words “are prohibited” to Section 7c., “Personal or non-business expenditures of any kind.”;

Omit “or identification” in Section 7b., “P-Cards shall not be used for personal purchases or identification.”

### ***FP1 – Accounting Policy***

Move Item 3, “A management letter, the by-product of an annual audit, shall be presented to the SVCE Board by the independent certified public accounting firm no later than 60 days from issuance of the Authority’s CAFR,” to the end of the policy following Item 7, and add the sentence, “The Board shall have final approval over the audit.”

Chair Rennie summarized Board comments regarding the auditing process with the expectation that the auditor would meet with the Audit Committee to review details and make changes if necessary to the audit, which would then be presented to the Board; the auditor would attend the Board meeting to respond to Board questions.

Director of Administration and Finance Eckert summarized the direction from the Board to move Item 3 in *FP1—Accounting Policy* to the end of the policy with the addition of a sentence indicating that the Board will approve the audit results, omit the identification clause in *FP7 – Purchasing Card Policy*, Section 7b, and make sections 7a-7d in *FP7 – Purchasing Card Policy* grammatically consistent with an action.

MOTION: Alternate Director Eulo moved and Director Miller seconded the motion to approve SVCE Financial Policies FP1 through FP9, including the direction to staff as indicated by the Board and reiterated by Director of Administration and Finance Eckert.

The motion carried unanimously with Director Cortese absent.

### **8) Approve Amendment to FY 2016-2017 Annual Operating Budget**

Director of Finance and Administration Eckert presented the item and responded to Board questions.

Chair Rennie opened public comment.

Bruce Karney spoke in support of using funds to develop high impact energy programs that will help SVCE member communities, including funding annual greenhouse gas reporting for all member jurisdictions.

Curtis Wright requested that SVCE not lose sight of its goal of reducing greenhouse gases and spoke in support of providing various programs to residents.

Bruce Naegel, Carbon Free Silicon Valley, spoke in support of annual measurements to track greenhouse gases.

Chair Rennie closed public comment.

MOTION: Director Miller moved and Director Gibbons seconded the motion to approve amendment to the FY 2016-17 Annual Operating Budget.

CEO Habashi responded to questions relating to energy programs.

FRIENDLY AMENDMENT: Director Bruins offered a friendly amendment to not list a specific program in the budget, but commit \$400,000 to Energy Programs.

Director Miller and Director Gibbons accepted the friendly amendment.

RESTATED MOTION: Director Miller restated the motion to approve amendment to the FY 2016-17 Annual Operating Budget, with an edit to leave \$400,000 for yet unspecified future energy programs.

The motion carried unanimously with Director Cortese absent.

### **9) Legislative/Regulatory Update**

Regulatory/Legislative Analyst, Hilary Staver, presented the item and responded to Board questions. CEO Habashi responded to additional questions.

Chair Rennie opened public comment.

James Tuleya, Sunnyvale resident, encouraged the Board to support Regulatory/Legislative Analyst Staver in collaboration with other Community Choice Aggregators (CCAs), his opinion on legislation and the challenge of overhead costs among investor-owned utilities.

Bruce Karney provided information on other CCA programs in the U.S. and potential legislative threats facing CCAs.

Chair Rennie closed public comment.

### **Board Member Announcements and Direction on Future Agenda Items**

Chair Rennie reported that he and Community Outreach Specialist Leonard presented at the Los Gatos Chamber of Commerce.

Director Miller requested that the marketing department create an SVCE sign that states, "This business/facility/shop is powered by 100% greenhouse gas free," with the SVCE logo that businesses can download and display in their windows.

Director Sinks noted that he would like to see charge point meters branded with the SVCE logo that read, "100% GHG Free".

Alan Suleiman, Director of Marketing & Public Affairs, provided an update on marketing efforts.

Director Sinks reported that he spoke at San Jose State University, Cupertino High School with Community Outreach Specialist Leonard, and will speak at the Cupertino Community Meeting on March 13, 6 p.m. at Cupertino Community Hall.

Director Miller reported on his community meeting in Saratoga.

Alternate Director Schmidt stated that he has been responsible for the Town of Los Altos Hills' greenhouse gas inventory since 2008 and reported that the Town of Los Altos Hills will hit targets in the short-term for greenhouse gas reductions as a result of SVCE.

Chair Rennie announced upcoming SVCE meetings:

March 28, 11:30 a.m. – Executive Committee Meeting, SVCE Office, 333 W. El Camino Real, Suite 290, Sunnyvale, CA

April 3, Noon – SVCE Launch Event, Cupertino Community Hall, 10350 Torre Ave., Cupertino, CA

April 12, 7 p.m. – Board Meeting, Cupertino Community Hall, 10350 Torre Ave., Cupertino, CA

### **Adjourn**

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