



**Silicon Valley Clean Energy Authority**

**Board of Directors Meeting**

Wednesday, June 14, 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 7:02 p.m.

**Roll Call**

**Present:**

Chair Rob Rennie, Town of Los Gatos  
Director Courtenay C. Corrigan, Town of Los Altos Hills  
Alternate Director Anthony Eulo, City of Morgan Hill  
Director Jim Griffith, City of Sunnyvale  
Director Margaret Abe-Koga, City of Mountain View (arrived at 7:11 p.m.)  
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 7:05 p.m.)  
Director Jeannie Bruins, City of Los Altos  
Director Burton Craig, City of Monte Sereno

**Absent:**

Vice Chair Daniel Harney, City of Gilroy

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

Bruce Karney spoke regarding the Foothill-De Anza Community College District's consideration of entering into a contract for Bloom Energy boxes and requested SVCE Board members speak with board members from the Foothill-De Anza Community College District on becoming a customer of SVCE.

Director Sinks noted he reached out to Directors of the Foothill-De Anza Community College District and would like to hear from staff if they have spoken with management.

**Consent Calendar**

Alternate Director Eulo requested to pull Items 1d, 1f, and 1j for further discussion.

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

MOTION: Director Miller moved and Director Gibbons seconded the motion to approve the Consent Calendar with the exception of Items 1d, 1f, and 1j.

The motion carried unanimously with Director Abe-Koga and Vice Chair Harney absent.

- 1a) Approve Minutes of the May 10, 2017, Board of Directors Meeting**
- 1b) Approve Minutes of the May 12, 2017, Board of Directors Special Meeting**
- 1c) Regulatory/Legislative Update**
- 1e) Approve SVCE Information Technology Policies**
- 1g) Approve Vehicle Use Policy**
- 1h) Authorize CEO to Approve Confirmation Letter with Tenaska Power Services Company for PCC3 Deliveries**
- 1i) Authorize CEO to Approve Confirmation Agreements with EDF Trading North America, LLC for PCC2 Deliveries**
- 1k) Approve Amendment to Medical Leave Policy and Provide Short-Term Disability Insurance for SVCE Employees**
- 1l) Authorize CEO to Approve Agreement with Freelance Media Buying for Media Strategy, Media Planning and Media Buying Services**
- 1m) Approve First Amendment to Amended and Restated Employment Agreement for Chief Executive Officer**

#### **1d) SVCE Legislative Platform**

Regulatory/Legislative Analyst Hilary Staver provided information and responded to Board questions. Alt. Dir. Eulo requested staff include a blanket statement tying things to SVCE's Strategic Plan similar to, "Bills that support the objectives listed in the Strategic Plan will be supported, and those that stop the Strategic Plan from being implemented will be opposed."

MOTION: Alt. Dir. Eulo moved and Dir. Bruins seconded the motion to approve the SVCE Legislative Platform with the addition of a statement referring to SVCE's Strategic Plan.

FRIENDLY AMENDMENT: Director Griffith offered a friendly amendment to include, in the process of sending letters, a review and approval by the current Board Chair.  
Alt. Dir. Eulo and Dir. Bruins accepted the friendly amendment.

The motion carried unanimously with Vice Chair Harney absent.

#### **1f) Approve Travel and Meeting Expense Reimbursements for Employees Policy**

MOTION: Alt. Dir. Eulo moved and Director Corrigan seconded the motion to approve General and Administrative Policy #1, providing guidelines for employee reimbursements for travel and meetings, with revisions to Section V, A. *Accommodations*, omitting the first paragraph in the section, and inserting the word "reasonable" in the last sentence to read, "In instances where lodging is required for a Meeting, every *reasonable* effort shall be made to choose the lowest cost lodging alternative."

The motion carried unanimously with Vice Chair Harney absent.

#### **1j) Approve SVCE Self Service Feed-In Tariff (SSFIT) Electric Schedule**

Manager of Account Services Don Bray provided information and responded to Board questions; CEO Tom Habashi provided additional information.

Chair Rennie opened public comment for items 1d, 1f, and 1j.  
No speakers.  
Chair Rennie closed public comment for items 1d, 1f, and 1j.

MOTION: Alt. Dir. Eulo moved and Director Miller seconded the motion to approve the SVCE Self Service Feed-In Tariff (SSFIT) Electric Schedule.

The motion carried unanimously with Vice Chair Harney absent.

## **Regular Calendar**

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

Chair Rennie stated the Executive Committee met on May 23 and discussed staff recommendations for a shift in SVCE's initial policies. Chair Rennie announced staff recommended canceling the Executive Committee meeting scheduled for June and the Board meeting scheduled for July due to lack of content and many member communities being on vacation.

MOTION: Director Cortese moved and Director Bruins seconded the motion to cancel the Executive Committee meeting scheduled for June 27 and the Board of Directors meeting scheduled for July 12.

Chair Rennie opened public comment.

James Tuleya, resident of Sunnyvale, noted that the initial discussion of programs was to be discussed in July and emphasized that programs are a very important next step for SVCE.

CEO Habashi stated that staff will be ready to present programs at the August Board meeting, as well as the budget for next fiscal year.

Chair Rennie closed public comment.

The motion passed unanimously with Vice Chair Harney absent.

### **3) CEO Report**

CEO Tom Habashi presented the CEO report which included an update on SVCE new hires, an update on the Power Charge Indifference Adjustment (PCIA), and strategies to address the needs of Direct Access Customers. CEO Habashi provided an update on a meeting with staff of the Foothill-De Anza Community College District and an enrollment update. CEO Habashi responded to Board questions on the PCIA; Manager of Account Services Bray responded to Board questions on the Foothill-De Anza Community College District meeting.

Director Sinks requested staff inform SVCE Directors if they would like to speak with Foothill-De Anza Community College District Board members; Director Corrigan encouraged other SVCE Board members reach out to Foothill-De Anza Community College District Board members.

Chair Rennie opened public comment.

No speakers.

Chair Rennie closed public comment.

### **4) Treasurer Report**

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

Chair Rennie opened public comment.

No speakers.

Chair Rennie closed public comment.

## **5) Approve Formation of an Audit and Finance Committee (Action)**

CEO Habashi presented the staff report and Director of Administration and Finance Eckert provided additional information on the commitment of Audit and Finance Committee members and the plan for quarterly meetings.

The Board discussed the makeup of the Audit and Finance Committee; CEO Habashi responded to Board questions.

Director Miller, Director Gibbons, and Director Craig volunteered to serve on the Audit and Finance Committee.

Director Bruins expressed concern over a majority of Directors serving on multiple sub-committees; Director Miller offered to step down from his Executive Committee position.

MOTION: Chair Rennie moved and Dir. Abe-Koga seconded the motion to appoint Director Cortese, Director Gibbons, Director Miller, Director Corrigan and Director Craig as primary members on the Audit and Finance Committee, with the option to pick an alternate that can be a staff member of their respective communities.

Director Miller clarified with the maker of the motion that Audit and Finance Committee members will be reassessed in January 2018, making the committee a six-month assignment.

Director Cortese left the meeting at 8:02 p.m.

Director Gibbons clarified with the maker of the motion that the five appointed Audit and Finance Committee members would be members of the Board and should return to the Executive Committee with recommended alternates, who will not be a public citizen, but could be another council member/supervisor or Finance staff person.

Chair Rennie opened public comment.

No speakers.

Chair Rennie closed public comment.

Chair Rennie noted scheduling of the first Audit and Finance Committee meeting could be done offline with staff.

The motion passed unanimously with Director Cortese and Vice Chair Harney absent.

## **6) Adopt Resolution Amending the Organization Chart to Delete One Community Outreach Specialist and Add One Account Services Representative (Action)**

Director of Marketing and Public Affairs Alan Suleiman presented the staff report and responded to Board questions.

MOTION: Alternate Director Eulo moved and Director Bruins seconded the motion to adopt Resolution 2017-07, amending the adopted organization chart to delete one Community Outreach Specialist position and add one additional Account Services Representative.

Chair Rennie opened public comment.

No speakers.

Chair Rennie closed public comment.

Director Craig requested staff send an organization chart including staff member names to the Board.

The motion carried unanimously with Director Cortese and Vice Chair Harney absent.

## **7) Approve Strategic Plan (Action)**

CEO Habashi presented the Strategic Plan and responded to Board questions.

Chair Rennie opened public comment.

No speakers.

Chair Rennie closed public comment.

MOTION: Alternate Director Eulo moved and Director Bruins seconded the motion to approve the Strategic Plan.

The motion carried unanimously with Director Cortese and Vice Chair Harney absent.

## **8) Approve Update to Key Policies to Guide SVCE's Operations into the Future (Action)**

CEO Habashi provided a PowerPoint presentation and responded to Board questions.

Chair Rennie opened public comment.

Bruce Karney requested the Board pause on decision making for the recommended rates, rebates and product mix. Karney spoke of his support for community programs in reference to goals outlined in the Strategic Plan and his opinion that the expected programs for SVCE communities are running behind. Karney noted that, speaking on behalf of Carbon Free Silicon Valley, he does not support the proposed customer generation rates.

James Tuleya spoke of his experience working on programs at PG&E and his assumption staff will put sufficient budget for programs in the budget. Tuleya noted it is not unreasonable to come back with proposals for programs in September, he is a big proponent of programs as long as they are sufficiently budgeted, and is in favor of the dividend rebate program for reasons given by staff and Directors.

Chair Rennie closed public comment.

The following suggestions and comments were given to staff:

### **1 – SVCE Reserve Policy**

Board members requested the word “annual” be included in the recommendation: “SVCE’s reserves target will be set at a minimum/target/maximum of 25/50/75 percent of *annual* operating expenses. This fund will combine rate stabilization, capital and working capital reserves.”

### **2 – SVCE Customer Generation Rates**

Board members requested the recommendation specify the GreenStart product: “Rates for 2017 and 2018 calendar years are set at 1% below PG&E in each of the two years *for the GreenStart product*; for 2019 and beyond, rates will be set at 2% below PG&E’s rates.” Board discussion included the percentage SVCE should be below PG&E and remaining cost competitive to give consumers an opportunity to make their own choices about the product options they have.

### **3 – SVCE Net Operating Revenue**

Board discussion included quantifying cash flow scenarios, SVCE’s budget, funds for future programs, and holding revenues as opposed to issuing a rebate at the end of the year.

### **4 – SVCE Power Resource Preferences**

Board discussion included the current power supply mix and options for the future mix.

### **5 – SVCE Product Offerings**

Board discussion included previous marketing approaches to the community, the use of the word “renewable”, past and future SVCE messaging, PG&E’s product offerings, the option of offering additional

SVCE products, staying competitive with PG&E, exceeding RPS minimums, and staying with the two products that are currently offered.

Director Abe-Koga requested messaging from staff for community meetings; Director Miller requested a chart detailing how the RPS will change over time.

The Board requested financial information from staff to support the recommendations presented as well as a menu of various policy options, and were in consensus to wait on making a decision until a future meeting.

CEO Habashi summarized Board feedback to include a breakdown of the recommendations as individual agenda items with supporting financial documentation and different options, including not changing the current policies as one of those options, and bringing it back to the Board for approval. Board members clarified that some of the recommendations could be bundled into one staff report and should include the greenhouse gas emissions associated with the recommendation.

No action was taken on this item.

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

Director Miller announced an electric vehicle DC Fast Charging Station grand ribbon cutting at the Saratoga Library at 4:30p.m. on June 22 and noted there will be mock signs that state, "100% greenhouse gas free provided by Silicon Valley Clean Energy."

Director Sinks reported that a Cupertino community survey, with polling conducted between April 4-15, showed that 33.5% of Cupertino residents have at least seen, heard, or read about Silicon Valley Clean Energy. Director Sinks stated he met with the Natural Resource Defense Council (NRDC) last week and requested the SVCE Board consider supporting NRDC's initiative to expand California Independent System Operator (California ISO) to take management of the western grid at the August Board meeting. Director Sinks noted that in discussions with other board members from CCAs in the bay area, board members feel the need to be prepared to develop a clear strategy to make key legislative points; Director Sinks will report back on additional discussions at the August Board meeting.

Director Bruins voiced concern of having a majority of sub-committees serving in multiple capacities and requested an agenda item for the August Board meeting to replace Howard Miller on the Executive Committee.

### **Adjourn**

Chair Rennie adjourned the meeting at 10:07 p.m.