



**Silicon Valley Clean Energy Authority**

**Board of Directors Meeting**

Wednesday, February 13, 2019

7:00 pm

Cupertino Community Hall

10350 Torre Avenue

Cupertino, CA

**MEETING MINUTES**

**Call to Order**

Chair Abe-Koga called the meeting to order at 7:02 p.m.

Members of the Board participated in roll call by introducing themselves from their seats at the dais.

**Roll Call**

**Present:**

Chair Margaret Abe-Koga, City of Mountain View

Vice Chair Howard Miller, City of Saratoga

Director Javed Ellahie, City of Monte Sereno

Director Bob Nuñez, City of Milpitas

Director Marico Sayoc, Town of Los Gatos

Director Nancy Smith, City of Sunnyvale

Director Rod Sinks, City of Cupertino

Director Courtenay Corrigan, Town of Los Altos Hills

Director Liz Gibbons, City of Campbell

Director Jeannie Bruins, City of Los Altos (arrived at 7:05 p.m.)

**Absent:**

Director Susan Ellenberg, County of Santa Clara

Director Fred Tovar, City of Gilroy

Director Yvonne Martinez Beltran, City of Morgan Hill

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

Bruce Karney, Chair of Carbon Free Mountain View, introduced himself to new members of the Board of Directors and commented he is proud that SVCE is the only community choice organization that has chosen to make 100% greenhouse gas free electricity available by default to all of its customers.

**Consent Calendar**

Chair Abe-Koga opened public comment.

No speakers.

Chair Abe-Koga closed public comment.

Prior to the motion, Director Sinks commented on Item 1e) *Authorize CEO to Execute Grant Agreement with Bay Area Air Quality Management District for FutureFit Heat Pump Water Heater Initiative*, noting he and Chair Abe-Koga serve on the Bay Area Air Quality Management District Board and are excited for the BAAQMD and SVCE partnership on electric heat pump water heaters.

MOTION: Director Sinks moved and Director Smith seconded the motion to approve the Consent Calendar

The motion carried unanimously with Directors Ellenberg, Martinez Beltran and Tovar absent.

- 1a) Approve Minutes of the January 9, 2019, Board of Directors Meeting**
- 1b) Approve Minutes of the December 12, 2018 Customer Program Advisory Group Meeting**
- 1c) Customer Program Advisory Group Report**
- 1d) Approve Amendment to Financial Policy 6 – Purchasing Policy to Grant the CEO the Authority to Execute Agreements Not to Exceed \$500,000 in Response to Emergency Situations with the Prior Written Consent of Two Executive Committee Members**
- 1e) Authorize CEO to Execute Grant Agreement with Bay Area Air Quality Management District for FutureFit Heat Pump Water Heater Initiative**
- 1f) Approve 2019 Updates to Exhibits C, Annual Energy Use, and Exhibit D, Voting Shares, of the SVCE Joint Powers Agreement**
- 1g) Approve the Cancellation of the July 10, 2018 Board of Directors Meeting, and Move the August Board of Directors Meeting to August 21, 2019**
- 1h) Approve Amendment to Credit Agreement and Other Related Documents with River City Bank to Increase the Line of Credit to \$35 million, and Adopt Resolution Certifying Representatives with River City Bank Loans**
- 1i) Approve General and Administrative Policy 5 – Code of Ethics Policy**

General Counsel Greg Stepanicich noted for the record regarding Item 1e) *Authorize CEO to Execute Grant Agreement with Bay Area Air Quality Management District for FutureFit Heat Pump Water Heater Initiative*, disclosure that Chair Abe-Koga and Director Sinks serve on the Bay Area Air Quality Management District (BAAQMD) Board. General Counsel Stepanicich confirmed with Chair Abe-Koga that she and Director Sinks did not need to recuse themselves from voting on the item.

## **Regular Calendar**

### **2) Receive Financial Audit Report from Pisenti & Brinker LLP (Action)**

Brett Bradford of Pisenti & Brinker LLP introduced himself and presented a PowerPoint presentation; Bradford responded to Board questions regarding results of the financial audit.

Vice Chair Miller inquired if SVCE would be in a position to develop a Comprehensive Annual Financial Report (CAFR) next year; Director of Finance and Administration Don Eckert confirmed a CAFR would be created next year.

MOTION: Director Corrigan moved and Director Bruins seconded the motion to receive the Year-End Financial Statements and the Independent Auditor's Report for the Fiscal Year 2017-18.

Chair Abe-Koga opened public comment.  
No speakers.  
Chair Abe-Koga closed public comment.

The motion carried unanimously with Directors Ellenberg, Martinez Beltran and Tovar absent.

### **3) CEO Report (Discussion)**

CEO Girish Balachandran provided a CEO report which included introductions of new employees Colleen Regan and Robert Spragg; both provided brief comments. CEO Balachandran noted SVCE's implementation staff, representing SVCE, Santa Clara County, Mountain View, Sunnyvale, and Cupertino, would be receiving a SPUR Impact Award on March 22.

Chair Abe-Koga presented plaques of recognition to immediate past chair Courtenay Corrigan, and past Chair Director Sinks.

Manager of Regulatory and Legislative Affairs Staver provided a Regulatory and Legislative Update and responded to questions from the Board. Director Sinks requested staff email a summary of the comments submitted to the California Public Utilities Commission (CPUC) by SVCE and Northern California CCAs on the order instituting investigation into PG&E's safety culture, as well as talking points for Directors.

CEO Balachandran announced a special meeting/orientation for the Board of Directors would take place on February 23<sup>rd</sup>, 10:00 a.m. - 2:00 p.m. at the Sunnyvale Community Center, and noted he would be speaking at the Cities Association February 14<sup>th</sup>.

Chair Abe-Koga opened public comment.

No speakers.

Chair Abe-Koga closed public comment.

#### **4) Appoint Board Committee Members (Action)**

CEO Balachandran introduced the item; Board Clerk Andrea Pizano summarized Board interests for the 2019 committees as follows:

##### **Audit Committee**

Director Bruins

Director Corrigan

Director Smith

##### **Finance and Administration Committee**

Vice Chair Howard Miller

Director Gibbons

Alternate Director Rennie

Director Nuñez

##### **Legislative Ad Hoc Committee**

Chair Abe-Koga

Director Ellahie

Director Nuñez

Director Sayoc

Director Sinks

Director Smith

General Counsel Stepanicich confirmed with the Board additional committee members could be added during the course of the year, so long as the appointment is placed on the agenda for Board approval, with up to a maximum of six members serving on each committee.

Following discussion, Director Ellahie expressed interest in serving on the Finance and Administration Committee.

Chair Abe-Koga opened public comment.

No speakers.

Chair Abe-Koga closed public comment.

MOTION: Director Sinks moved and Director Gibbons seconded the motion to approve the 2019 Committee Assignments, as summarized in the staff report, with the addition of Director Javed Ellahie on the Finance and Administration Committee.

The motion carried unanimously with Directors Ellenberg, Martinez Beltran and Tovar absent.

## **5) Electric Vehicle Supply Equipment Incentive Program (Action)**

Director of Decarbonization and Grid Innovation Programs Aimee Bailey presented a PowerPoint presentation on the budget request for an electric vehicle supply equipment (EVSE) incentive program and responded to Board member questions.

Director of Decarbonization and Grid Innovation Programs Bailey clarified the \$8M ask is \$2M per year between FY2020 and FY2023.

Director Corrigan requested staff consider ways of serving other open and remote areas that are worthy of electric vehicle supply equipment such as open space parking lots, and suggested collaborating with local library systems.

Chair Abe-Koga opened public comment.

No speakers.

Chair Abe-Koga closed public comment.

MOTION: Director Bruins moved and Director Corrigan seconded the motion to adopt Resolution No. 2019-02 to approve the budget request for the Electric Vehicle Supply Equipment Incentive Program (EVSE Incentive Program) totaling \$8M for the four-year period of FY2020-FY2023.

The motion carried with Directors Ellenberg, Martinez Beltran, and Tovar absent.

## **6) 2020 Time-of-Use Rate Transition for Residential Customers (Discussion)**

Director of Account Services and Community Relations Don Bray introduced the item, presented a PowerPoint presentation, and responded to Board questions.

Chair Abe-Koga opened public comment.

No speakers.

Chair Abe-Koga closed public comment.

## **7) Executive Committee Report (Discussion)**

Chair Abe-Koga reported the Executive Committee last met on January 29<sup>th</sup> and discussed the 2020 Time-of-use Rate transition, Code of Ethics Policy, and future stakeholder and community input processes. A Chair and Vice Chair of the Executive Committee were selected, as well as a regular meeting schedule of every fourth Friday of the month from 9:30-11:30 a.m. Chair Abe-Koga reported the group also discussed moving power contracts executed by the CEO to the end of the Board packets, which was referenced in Appendix A of the board packet materials.

Chair Abe-Koga announced staff's request to cancel the regularly scheduled February 22<sup>nd</sup> Executive Committee meeting due to a light agenda; there were no objections from the Board.

## **8) Finance and Administration Committee Report (Discussion)**

Vice Chair Miller reported the Finance and Administration Committee met on January 25<sup>th</sup> and received a presentation from an unnamed bank; Vice Chair Miller noted the committee gave staff feedback on what conditions they may want to talk to another bank. Staff presented a recommendation to expand SVCE's current line of credit with River City Bank, and an update on the fiscal year-end financial condition.

Chair Abe-Koga opened public comment on Items 7 and 8.

No speakers.

Chair Abe-Koga closed public comment on Items 7 and 8.

## **9) Legislative Ad Hoc Committee Report (Discussion)**

Chair Abe-Koga reported there was no report as the group had not met.

## **10) Audit Committee Report (Discussion)**

Director Corrigan reported the Audit Committee met several times this winter, including February 4<sup>th</sup>, where the committee received an update of the financial audit by Brett Bradford of Piseni and Brinker LLP. Staff presented an update on both the annual IT audit and the Automated Meter Infrastructure (AMI) audit, which is required by the CPUC and is focused on the security of customer information; the committee also approved a request for information on cybersecurity.

Director Corrigan noted the next Audit Committee meeting is tentatively scheduled for April 29<sup>th</sup> to receive updates on the IT audit.

Chair Abe-Koga opened public comment.

No speakers.

Chair Abe-Koga closed public comment.

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

Director Corrigan introduced the 2019 Los Altos Hills SVCE Alternate Director George Tyson, and noted she and Alternate Director Tyson may reverse roles next year to allow for a smooth transition for Los Altos Hills and SVCE when Director Corrigan's term on the Los Altos Hills City Council expires in November 2020.

Director Gibbons announced the American Institute of Architects Silicon Valley Chapter would be hosting a conference, *Architectural Intelligence*, on March 1 focused on sustainability and energy conservation; Director Gibbons noted she would get the information to Board Clerk Pizano to distribute to the Board.

## **Public Comment on Closed Session**

No speakers.

General Counsel Stepanicich announced the Board would be meeting in closed session to discuss existing litigation that involves the PG&E bankruptcy.

The Board convened to Closed Session in the Community Hall Kitchen at 8:44 p.m.

## **Convene to Closed Session (Community Hall Kitchen)**

Conference with Legal Counsel – Existing Litigation

Government Code Section 54956.9(d)(1)

Name of Case: In re Pacific Gas and Electric Company, Debtor, United States Bankruptcy Court, Northern District of California, San Francisco Division, Case No. 19-30088

The Board returned to the Council Chambers at 9:06 p.m. with Directors Ellenberg, Martinez Beltran, and Tovar absent.

## **Report from Closed Session**

Chair Abe-Koga reported there was nothing to report.

## **Adjourn**

Chair Abe-Koga adjourned the meeting at 9:06 p.m.

ATTEST:



SECRETARY