



Silicon Valley Clean Energy Authority

Board of Directors Meeting

Wednesday, August 14, 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 7:06 p.m.

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 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 Susan Ellenberg, County of Santa Clara

Alternate Director Anthony Eulo, City of Morgan Hill

Absent:

Director Jeannie Bruins, City of Los Altos

Director Bob Nuñez, City of Milpitas

Director Liz Gibbons, City of Campbell

Director Fred Tovar, City of Gilroy

Public Comment on Matters Not Listed on the Agenda

No speakers.

Consent Calendar

Chair Abe-Koga opened public comment for those wishing to pull an item from the consent calendar.
No speakers.

Chair Abe-Koga closed public comment for those wishing to pull an item from the consent calendar.

MOTION: Director Ellenberg moved and Alternate Director Eulo seconded the motion to approve the Consent Calendar.

The motion carried unanimously with Directors Bruins, Gibbons, Nuñez and Tovar absent.

1a) Approve Minutes of the June 12, 2019, Board of Directors Meeting

1b) Receive May and June 2019 Treasurer Reports

1c) Approve Human Resources Policy 5, Paid Time Off Cash-Out Option Policy

1d) Receive Rate Update Effective August 1, 2019

- 1e) Adopt Resolution to Authorize the Chief Executive Officer to Execute Master Agreements with NRG Power Marketing, LLC, Wellhead Power Exchange, LLC, and DTE Energy Trading, Inc. and to Amend Approved Master Agreement with TransAlta Energy Marketing (US) Inc.
- 1f) Approve Time Extension and Authorize Chief Executive Officer to Execute Second Amendment to Agreement with Calpine Energy Solutions, LLC
- 1g) Authorize the Chief Executive Officer to Execute Agreement with Richards, Watson & Gershon for Legal Services
- 1h) Authorize the Chief Executive Officer to Execute Amended Agreement Increasing the Not-to-Exceed Amount for Accounting Services with Maher Accountancy
- 1i) Receive Decarbonization Programs Update
- 1j) Executive Committee Report
- 1k) Audit Committee Report

Regular Calendar

2) CEO Report (Discussion)

CEO Girish Balachandran introduced the item by addressing the materials at the dais, and initiated a sparkling cider toast for SVCE's California Energy Commission award of \$6 million grant money for electric vehicle charging structures. CEO Balachandran introduced new SVCE staff members Community Outreach Specialist Colleen McCamy, and Associate Data Analyst Rebecca Fang; both provided brief comments. CEO Balachandran provided brief comments on the Regulatory and Legislative Update included in the CEO report.

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

3) Approve 2020 Time-of-Use Rate Transition for Residential Customers (Action)

Director of Account Services and Community Relations Don Bray presented a PowerPoint presentation and responded to Board member questions.

Chair Abe-Koga opened public comment.
Bruce Karney, Mountain View resident, commented on the time-of-use rate program proposal and questioned if the PG&E modeling tool that predicts cost will be accurate for solar customers without storage the same way it is for people who do not have solar. Karney commented his belief that the E1 rate category will go away.

Director of Account Services and Community Relations Bray responded to Karney's inquiry.

Chair Abe-Koga closed public comment.

Director Ellahie requested information on cost savings during the time of day affecting the duck curve.

MOTION: Director Corrigan moved and Director Sinks seconded the motion to confirm SVCE's participation in the Time-of-Use Transition as of October 1, 2020, and confirm that SVCE will offer bill protection for the first 12 months following implementation.

The motion carried unanimously with Directors Bruins, Gibbons, Nuñez, and Tovar absent.

4) Proposed FY 19-20 Operating Budget (Discussion)

Director of Finance and Administration Don Eckert presented a PowerPoint presentation and responded to Board member questions.

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

Director Ellenberg encouraged staff to consider adding a position for human relations and requested staff look at other CCAs around the same size.

Chair Abe-Koga left the meeting at 8:15 p.m. and Vice Chair Miller presided over the remainder of the meeting.

Director Smith requested staff show how much money is set aside for strategic marketing and initiatives in the budget.

Director Ellahie requested a cost break down of margins by customer class.

Board members discussed the reserves target and Alternate Director Eulo cautioned against building too much reserve; CEO Balachandran noted a discussion would be brought back to the Board in the first quarter of 2020. Director Sinks requested staff help the Board understand the impact some actions have and how quickly reserves could disappear.

Director Ellahie requested staff consider purchasing an office building.

Vice Chair Miller summarized comments from the Board which included the following:

1. Human Resources Parameters

A need for on-site;
Market based element;
Discussion of benefits, pay, reviewing SVCE's policies, help in hiring, and diversity; and,
Feeling the organization is big enough, SVCE probably needs more focus and attention in the HR professions.

2. Account services

The Board fully understands there is a big goal on direct access (DA), but the Board would like some money/time introspection into marketing and other opportunities in addition to DA.

3. Request for Cost/Margin of service of residential versus commercial customers (introspection)

4. Reserves

Request for more discussion about how SVCE is going to tail off of budget reserve growth;
The organization is under a lot of unknowns and board members would feel more comfortable with money in the bank; and,
Suggestions for the 2020-21 budget cycle about potentially buying a building, more programs, and taking less money from customers.

5) Reach Codes Update (Discussion)

Director of Decarbonization and Grid Innovation Programs Aimee Bailey and Account Services Manager John Supp presented a PowerPoint presentation; staff responded to Board member questions.

Vice Chair Miller opened public comment.
Bruce Karney, Carbon Free Mountain View, commented on the organizations which he is a member of, and noted they would be interested in helping with the support of implementation of reach codes in member agencies. Karney suggested staff work as closely and communicate as frequently as possible with activist groups. Karney announced a meeting at the Quinlan Center in Cupertino of the Youth Climate Activists, and encouraged board members to attend.

Bryan Mekechuk, resident of Monte Sereno, provided feedback on what was said at the Monte Sereno council meeting, volunteered to help with outreach to other member agencies, and encouraged board members engage and involve youth commissions.

Vice Chair Miller closed public comment.

Vice Chair Miller summarized Board comments that Directors are doing what they can in terms of engagement, and staff is doing an exceptional job in helping member agencies.

6) Finance and Administration Committee Report (Discussion)

Vice Chair Miller reported the Finance and Administration Committee met and discussed the proposed FY 2019-20 Operating Budget, discussed Human Resources Policy 5, Paid Time Off Cash-Out Option Policy, and expansion of the legal services contract. The next Finance and Administration Committee is scheduled for September 3rd.

Vice Chair Miller opened public comment.

No speakers.

Vice Chair Miller closed public comment.

7) Legislative Ad Hoc Committee Report (Discussion)

Director Sinks reported the Legislative Ad Hoc Committee met July 9th to discuss priority bills and recent events in the 2019 legislative session. July 12th was the start of summer recess and the deadline for bills to pass through the required policy committees in the second house. Bills under discussion included those considering centralized procurement, such as AB 56, as well as bills touching on Integrated Resource Planning, the CCA Code of Conduct, defining the Provider of Last Resort and Diversity in CCA procurement. Committee members reviewed the progress of bills of interest and thanked those who contacted Senator Jerry Hill for his opposition vote on AB 56. The legislative ad hoc committee will reconvene on August 27th to plan for the remainder of the session, which ends September 13th.

Board Member Announcements and Direction on Future Agenda Items

Director Ellahie announced SVCE Accounts Manager John Supp would be presenting October 2, 7:30 a.m., at the Los Gatos morning rotary, and on September 7th the Los Gatos Rotary has a Claws for Cause fundraiser at the Los Gatos Lodge and encouraged anyone who may be interested in attending contact him for details.

Alternate Director Eulo invited Board members to cook with induction cooktops, and shared his experience.

Director Corrigan commented the difficulty in finding a large induction cooktop.

Director Smith announced the Sunnyvale City Council approved Sunnyvale's Climate Action Plan 2.0. Director Smith shared highlights of the plan, and noted she would send a link of the final version through staff.

Adjourn

Chair Abe-Koga adjourned the meeting at 9:25 p.m.

ATTEST:



SECRETARY