



**Silicon Valley Clean Energy Authority
Board of Directors Special Meeting**

Wednesday, April 08, 2020

7:00 pm

Pursuant to State of California Executive Order N-29-20, dated March 17, 2020, the meeting was conducted via teleconference.

MEETING MINUTES

Call to Order

Chair Miller called the meeting to order at 7:03 p.m.

Roll Call

Present:

Chair Howard Miller, City of Saratoga
Vice Chair Nancy Smith, City of Sunnyvale
Director Liz Gibbons, City of Campbell
Director Rod Sinks, City of Cupertino
Director Neysa Fligor, City of Los Altos
Director George Tyson, Town of Los Altos Hills
Director Rob Rennie, Town of Los Gatos
Director Carmen Montano, City of Milpitas
Director Javed Ellahie, City of Monte Sereno
Director Yvonne Martinez Beltran, City of Morgan Hill
Director Margaret Abe-Koga, City of Mountain View

Absent:

Director Fred M. Tovar, City of Gilroy
Director Susan Ellenberg, County of Santa Clara

All present Board members participated via teleconference.

Public Comment on Closed Session

No speakers.

General Counsel Greg Stepanicich announced the group would meet in Closed Session to discuss anticipated litigation on two groups of items: 1) potential early termination of the Duran Mesa PPA and, 2) legal consequences of one of the parties to SVCE's PPAs invoking a force majeure due to the COVID-19 crisis.

The Board convened to Closed Session at 7:07 p.m.

Convene to Closed Session

Conference with Legal Counsel—Anticipated Litigation
Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2)
Number of potential cases: Three

The Board returned from Closed Session at 7:26 p.m. with Directors Ellenberg and Tovar absent.

Report from Closed Session

Chair Miller reported there was no report.

Public Comment on Matters Not Listed on the Agenda

No speakers.

Consent Calendar

MOTION: Director Gibbons moved and Director Martinez Beltran seconded the motion to approve the Consent Calendar.

Chair Miller opened public comment.

No speakers.

Chair Miller closed public comment.

The motion carried unanimously by roll call vote with Directors Ellenberg and Tovar absent.

- 1a) Approve Minutes of the March 11, 2020, Board of Directors Meeting**
- 1b) Approve Minutes of the March 11, 2020, Board of Directors Special Meeting**
- 1c) Receive January 2020 Treasurer Report**
- 1d) Adopt Resolution Amending SVCE Conflict of Interest Code to Add Position of Director of Regulatory and Legislative Policy to the List of Designated Positions for Filing**
- 1e) Authorize the Chief Executive Officer to Execute a 3-year Agreement with Enervee Corporation for an Appliance Marketplace for the Customer Resource Center for an Amount of \$471,500**
- 1f) Authorize the Chief Executive Officer to Execute a 3-year Agreement with CLEAResult Consulting Inc. for Program Administration Services for the Electric Vehicle Infrastructure Technical Assistance Program for an Amount not to exceed \$500,000**
- 1g) Approve Amendment to Fitness Reimbursement Policy**
- 1h) Executive Committee Report**
- 1i) Finance and Administration Committee Report**
- 1j) Audit Committee Report**
- 1k) Legislative and Regulatory Responses to Industry Transition Ad Hoc Committee Report**

Regular Calendar

2) CEO Report (Discussion)

CEO Girish Balachandran provided a CEO report on high-level framing of big issues related to COVID-19 including employee relations, the power charge indifference adjustment (PCIA), future PSPS events, customer load, and maintaining SVCE's mission. CEO Balachandran responded to Board member questions.

Chair Miller opened public comment.

No speakers.

Chair Miller closed public comment.

3) Adopt Resolution Delegating Authority to the Chief Executive Officer to Award Certain Contracts, Execute Agreements and Set Customer Rates on Behalf of Silicon Valley Clean Energy for the Next Ninety Days When Board Meetings are Cancelled or No Quorum Can Be Reached Due to a Public Health State of Emergency Relating to the COVID-19 Virus (Action)

Director of Finance and Administration Don Eckert introduced the item and provided a staff report; staff responded to Board member questions.

The Board discussed the timing of the proposed 90 days, and the cancelled July Board of Directors meeting.

CEO Balachandran noted staff would assess workload and determine if the July 8, 2020 Board of Directors meeting should be reinstated.

Chair Miller opened public comment.

James Tuleya, resident of Sunnyvale, commented he appreciated the work of the Board and staff during this time, and supported the plan.

Chair Miller closed public comment.

MOTION: Director Sinks moved and Vice Chair Smith seconded the motion to adopt Resolution 2020-13 delegating authority to the Chief Executive Officer (“CEO”) to enter into certain contracts, set rates, and take other specific actions necessary to ensure the continuous operation of Silicon Valley Clean Energy (“SVCE”) with the following amendments:

- Make the authority until the June 10, 2020 Board of Directors Meeting;
- Do everything to establish quorum for a Special Meeting; and,
- The Chief Executive Officer would seek advice and counsel from the Chair and/or Vice Chair prior to invoking the authority.

Director Sinks clarified that the preference would be to have a Special Board meeting if possible, and if a quorum cannot be met, then the hope would be to invoke the Executive Committee, and if that cannot happen, then consulting with the Chair and/or Vice Chair as available.

General Counsel Stepanicich confirmed with Director Rennie that if the state and County of Santa Clara terminate the state of emergency relating to the COVID-19 virus, the resolution would be cancelled.

The motion carried unanimously by roll call vote with Directors Ellenberg and Tovar absent.

4) Adopt Resolution to Implement SVCE Generation Rate Changes Effective May 1, 2020 (Action)

Director of Account Services and Community Relations Don Bray and Director of Finance and Administration Eckert presented a PowerPoint presentation.

CEO Balachandran provided additional information on the proposed \$10 million for customer relief and community resiliency efforts; staff responded to Board member questions.

Chair Miller opened public comment.

James Tuleya, resident of Sunnyvale and Chair of Carbon Free Silicon Valley, voiced support of the staff recommendation.

Chair Miller closed public comment.

MOTION: Director Sinks moved and Director Gibbons seconded the motion to Adopt Resolution 2020-14

1. authorizing the CEO to implement SVCE generation rate changes effective May 1, 2020, resulting in an updated FY19/20 contribution to reserves of \$30M and utilizing an applicable SVCE discount to PG&E rates under the ‘Discount Framework’ described herein; the applicable discount is expected to be 4%, but may be modified per the Discount Framework to reflect the impact of actual versus currently-projected May 1 PG&E generation rate and PCIA changes.

2. Set aside \$10 million for customer relief and community resiliency efforts and direct the CEO to develop a program for such efforts and present it to the Board at the May Board meeting

The motion carried unanimously by roll call vote with Directors Ellenberg and Tovar absent.

5) Authorize the Chief Executive Officer to Execute a Confirmation Agreement with PG&E to Receive Carbon-free Allocation for 2020 Deliveries (Action)

CEO Balachandran presented a PowerPoint presentation and responded to Board member questions.

Chair Miller opened public comment.

James Tuleya, resident of Sunnyvale and Carbon Free Silicon Valley, expressed his support for the staff recommendation to accept the PG&E allocations for both hydro and nuclear power.

Board Clerk Andrea Pizano read a comment submitted by Bruce Karney supporting the staff recommendation (attached).

Chair Miller closed public comment.

MOTION: Director Ellahie moved and Vice Chair Smith seconded the motion to Authorize the Chief Executive Officer (“CEO”) to execute a Confirmation Agreement with Pacific Gas and Electric (PG&E) to receive an allocation of greenhouse gas free (“GHG or carbon-free”) attributes paid for by SVCE customers and associated with PG&E’s large hydroelectric plants and its nuclear plant (Diablo Canyon Power Plant (“DCPP”)) for deliveries to start in mid-2020 and go through the end of 2020.

Director Fligor questioned if there was a way to add footnotes to the Power Content Label to clarify that SVCE is not actually using the nuclear power; General Counsel Stepanicich and CEO Balachandran noted a sentence could be added to the website and label to the effect that SVCE does not directly source nuclear energy, but the nuclear energy came to SVCE as an environmental attribute associated with an allocation from PG&E.

The motion carried unanimously by roll call vote with Directors Ellenberg and Tovar absent.

6) Authorize the Chief Executive Officer to Execute a 15-Year Power Purchase Agreement with Rabbitbrush Solar, LLC for Renewable Solar PV Supply (PCC1) and Energy Storage in Substantial Form and Including Any Necessary Ancillary Agreements and Documents (Action)

Director of Power Resources Monica Padilla presented a PowerPoint presentation and responded to Board member questions.

MOTION: Director Fligor moved and Vice Chair Smith seconded the motion to authorize the Chief Executive Officer (CEO) to execute a Power Purchase Agreement (PPA) with Rabbitbrush Solar, LLC (“Rabbitbrush”) in substantial form and any necessary ancillary agreements and documents with the following key terms:

- 40 MW of Solar photovoltaic (PV) supply with 8 MW of energy storage qualifying as Portfolio Category Content One (PCC1) renewable resource;
- 15-Year term power delivery from June 30, 2022 to June 29, 2037; and
- Total amount not-to-exceed \$64,323,500.

Chair Miller opened public comment.

No speakers.

Chair Miller closed public comment.

The motion carried unanimously by roll call vote with Directors Ellenberg and Tovar absent.

Board Member Announcements and Direction on Future Agenda Items

Chair Miller announced there were no social events in the City of Saratoga for the month of April.

Director Gibbons commented the notes from staff following Board meetings are helpful; CEO Balachandran noted they would be sent following the Board meeting. Director Gibbons thanked staff for the support during the meeting.

Director Sinks recognized staff and Chair Miller for their work in preparing for and running the Board meeting. Director Sinks commented he hopes various agencies band together to offer solutions for grid resiliency, and offered his appreciation to staff for their continued leadership in resiliency projects.

Vice Chair Smith announced three of SVCE's Board members were featured on the cover of CalCCA's and announced CalCCA would be holding a webinar on April 24, 2020 regarding microgrid projects throughout the state; Vice Chair Smith requested staff forward both to the other members of the Board.

Director Martinez Beltran announced she attended the Hispanics in Energy Summit in Washington D.C. and provided information on the summit.

Adjourn

Chair Miller adjourned the meeting at 9:57 p.m.

Attachment

1. Public Comment Received, Bruce Karney

ATTEST:



SECRETARY