

**Western Community Energy
Joint Meeting of the Board of Directors and
Technical Advisory Committee
March 11, 2020
Summary Minutes**

Item 4.A

1. CALL TO ORDER / ROLL CALL

The Joint Meeting of the Board of Directors and Technical Advisory Committee was called to order at 1:03 p.m. by Chair Ben Benoit at the WRCOG's office, Citrus Conference Room.

Board of Directors present:

Todd Rigby, City of Eastvale
Russ Brown, City of Hemet
Chris Barajas, City of Jurupa Valley
Ted Hoffman, City of Norco
Rita Rogers, City of Perris (2:20 p.m. departure)
Ben Benoit, City of Wildomar (Chair)

Technical Advisory Committee Members present:

Bryan Jones, City of Eastvale
Andy Okoro, City of Norco

Staff present:

Steve DeBaun, Legal Counsel, Best Best & Krieger
Rick Bishop, WRCOG Executive Director
Barbara Spoonhour, WRCOG Deputy Executive Director - Operations
Andrew Ruiz, WRCOG Chief Financial Officer
Janis Leonard, WRCOG Administrative Services Manager
Tyler Masters, WRCOG Program Manager
Don Ries, WRCOG Program Manager
Suzy Nelson, Administrative Assistant
Anirudhha Dhruva, WRCOG Intern

Guests present:

Beth Vaughan, CalCCA
Craig Martin, Pilot Power
Denis Vermette, Pilot Power

2. PLEDGE OF ALLEGIANCE

Director Chris Barajas led the Board and Committee members, staff, and guests in the Pledge of Allegiance.

3. PUBLIC COMMENTS

There were no public comments.

4. MINUTES - (Jurupa Valley / Perris) 6 yes; 0 no; 0 abstention. Item 4.A was approved. The City of Canyon Lake was not present.

A. Summary Minutes from the February 12, 2020, Joint Meeting of the Board of Directors and Technical Advisory Committee are Available for Consideration.

Action: 1. Approved the Summary Minutes from the February 12, 2020, Joint Meeting of the Board of Directors and Technical Advisory Committee.

5. CONSENT CALENDAR - (Perris / Hemet) 6 yes; 0 no; 0 abstention. Items 5.A through 5.D were approved. The City of Canyon Lake was not present.

A. Financial Summary Update

Action: 1. Received and filed.

B. Program Schedule Update

Action: 1. Received and filed.

C. Marketing and Outreach Activities Update

Action: 1. Received and filed.

D. Regulatory and Legislative Activities Update

Action: 1. Received and filed.

6. REPORTS / DISCUSSION

A. CalCCA Presentation

Beth Vaughan reported that one of the main roles of CalCCA is to advocate on behalf of the CCAs in regulatory and legislative arenas. CalCCA consists of 170 cities and counties throughout the state. Between 2010 and 2018 19 CCAs launched.

The energy sector is in the process of transitioning to something that is decentralized. Load shifting is a big issue for the Investor Owned Utilities (IOUs). CalCCA meets regularly with renewable trade associations. CalCCA's Regulatory Committee meets weekly and discusses what is going on not only statewide, but in each of the IOU's territories.

CalCCA created a Compliance Committee, which maintains a list of compliance requirements and debates various matters with the California Public Utilities Commission (CPUC). Based upon actions by CalCCA millions of dollars have been recovered on behalf of its members. CalCCA is well recognized within the media, so when they call the CPUC, they also call CalCCA for comment.

Ms. Vaughan reviewed the list of CalCCA's 2020 anticipated legislative priorities, which included Power Safety Power Shutoffs, IOU bankruptcy, and preventing another energy crisis, to name a few.

CCAs are beginning to look at other sources of energy such as biogas and geothermal. CalCCA will soon be hosting best practices webinars. CalCCA has 18 operational members.

Action: 1. Received and filed.

B. Southern California Edison 's Smart Energy Program (SEP) Update

Barbara Spoonhour reported that the Southern California Edison's (SCE) Smart Energy Program (SEP) would not transfer over to WCE. This Program allows SCE to adjust customer's smart thermostats during an energy event; these customers would receive up to a \$40 credit per year.

At its last meeting, this Board directed staff to develop a WCE option for these customers.

There is not enough time for WCE to prepare, fund, and launch a comparable program. Staff is proposing to offer current SCE SEP customers that do not opt-out of WCE a guaranteed credit of \$10 per month to remain with WCE for June, July, August, and September (for a guaranteed total of \$40), and the customer will still receive a discount on their generation rate. WCE will not adjust smart thermostats during high usage days. For the 1,300 customers under SCE's SEP Program, and opted to stay with WCE, the cost would be approximately \$13,000 for Fiscal Year 2019/2020 and approximately \$39,000 for Fiscal Year 2020/2021.

In order for WCE to operate an SEP Program, WCE would require assistance from a consultant to develop and implement a Demand Response (DR) Program. The consultant should also be able to grow with WCE to develop and implement additional DR Programs.

Director Rita Rogers asked if a notice was sent to the 1,300 SCE SEP customers.

Ms. Spoonhour responded that those customers received a courtesy letter indicating that WCE is launching.

Chairman Ben Benoit asked if WCE customers will see a message on their smart thermostats about usage being curtailed.

Ms. Spoonhour responded that they will not this year but will next year. This credit will be for June, July, August, and September only in both 2020 and 2021. Customers will be notified.

Director Ted Hoffman asked what the cost will be to develop this program.

Ms. Spoonhour responded that within the next few months staff will be able to better determine options and costs.

Chairman Benoit asked if WCE could contract with SCE on this matter.

Ms. Spoonhour responded that staff would look into it.

- Actions :**
1. Adopted Resolution No. 2020-06: A Resolution of the Board of Directors of Western Community Energy Adopting an Incentive for Current Southern California Edison's Smart Energy Program Customers.
 2. Authorized the development and release of a Request for Proposal to develop future Demand Response Programs.

(Perris / Norco) 6 yes; 0 no; 0 abstention. Item 6.B was approved. The City of Canyon Lake was not present.

C. Pilot Power Presentation on Online Energy Dashboard

Denis Vermette provided a live demonstration of the online dashboard. Committee members will be provided with login credentials. The dashboard will provide rate class information on commercial and residential accounts and by city. Historical load information will be accessible. Forecasted load amounts will be accessible. A Request for Proposals will be released within the next week or so for services to fill in the gaps.

For October, the funding is hedged at 60% so far. Going into the prom month the funds should be hedged at approximately 95%. Forecasted revenue by rate class will be updated within the next few days. Once WCE launches and opt-outs are received, that information will be uploaded to the dashboard as well. Information will also be viewable on cell phones.

Calendar functions will be made available as customers come online. There will also be a documentation center for transparency purposes. All members will receive an email this Friday that will contain their log-in credentials.

Action: 1. Received and filed.

D. Approval of 2nd Quarter Agency Budget Amendment for Fiscal Year 2019/2020

Andrew Ruiz reported that WRCOG and WCE have entered into an Implementation and Management Services Agreement in which WRCOG provides all start-up costs for WCE with the expectation that WCE will pay back WRCOG.

Pre- and post-notifications have been mailed to all customers - approximately 530,000 pieces of mail. This number is up from previous estimates as Southern California Edison has provided a list of updated numbers. The transfer of approximately \$400,000 to WCE to cover the mailers has been approved by WRCOG's Executive Committee. Additional expenses exceeded the original budgeted amount by approximately \$822.00. These costs will be offset by a decrease in other expenditures.

Action: 1. Approved the 2nd Quarter Budget Amendment for Fiscal Year 2019/2020.

(Perris / Hemet) 6 yes; 0 no; 0 abstention. Item 6.D was approved. The City of Canyon Lake was not present.

E. Program Launch Update

Tyler Masters reported that staff continues attending community events and City Council meetings to provide information on WCE. This week the first notice for the Cities of Eastvale, Hemet, and Jurupa Valley, and the second notice for the Cities of Norco, Perris, and Wildomar were sent out.

Informational meetings are being scheduled with city staff to provide pop-up kiosks with resources to point customers' questions to WCE staff, WCE's website, and/or the call center.

As of last week, the number of opt-outs is one percent of one quarter. The main reason for this is because customers have indicated that they just do not like being enrolled automatically. Net Energy Metering (NEM) customers are being enrolled quarterly. There have been 18 customers who have opted-up to green rates, and one opted for completely organic energy.

Staff are taking a more active role in social media utilizing the tool called Mention, which will allow staff to determine who is talking about WCE. Staff will be able to respond to questions received in social media.

Action: 1. Received and filed.

7. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop reported that Don Ries has been hired to work in WCE and brings with him knowledge of a number gas and energy programs.

General assembly is scheduled June 25, 2020, and will feature two keynote speakers, Denis McDonough and Reince Priebus, both Chiefs of Staff from two different administrations. As with last year, this will be an all-day

event beginning with a leadership conference in the morning and the VIP and General Reception in the late afternoon, followed by the General Assembly in the evening.

Member jurisdictions are invited to participate in WRCOG's Podcast.

8. ITEMS FOR FUTURE AGENDAS

Barbara Spoonhour indicated that staff are working on a joint rate comparison with Southern California Edison (SCE); this will show the WCE rates compared to SCE rates. These findings need to be posted to WCE's website by May 2020. Staff received confirmation that SCE is raising its rates on April 13, 2020.

Chairman Ben Benoit asked to have an item to discuss a fee WCE could charge to customers who opt back in to WCE after having opted-out.

9. GENERAL ANNOUNCEMENTS

There were no general announcements.

10. NEXT MEETING : The next Joint Meeting of the Board of Directors and Technical Advisory Committee is scheduled for Wednesday , April 8 , 2020 , at 1:00 p.m. , at the Western Riverside Council of Governments ' Office, 3390 University Avenue, Suite 200, Riverside.

11. ADJOURNMENT : The Joint Meeting of the Board of Directors and Technical Advisory Committee adjourned at 2:24 p.m.