



Western Community Energy Joint Meeting of the Board of Directors and Technical Advisory Committee

AGENDA

Wednesday, May 11, 2022
1:15 PM

Western Riverside Council of Governments
3390 University Avenue, Suite 200
Riverside, CA 92501

[Join Zoom Meeting](#)

Meeting ID: 854 9483 2033

Password: 051122

Dial in: (669) 900 9128 U.S.

SPECIAL NOTICE – COVID-19 RELATED PROCEDURES IN EFFECT

Due to the State and local recommendations for social distancing resulting from the threat of Novel Coronavirus (COVID-19), this meeting is being held via Zoom under Assembly Bill (AB) 361 (Government Code Section 54953). Pursuant to AB 361, WCE does not need to make a physical location available for members of the public to observe a public meeting and offer public comment. AB 361 allows WCE to hold Board meetings via teleconferencing or other electronic means and allows for members of the public to observe and address the Board telephonically or electronically.

In addition to commenting at the Board meeting, members of the public may also submit written comments before or during the meeting, prior to the close of public comment to snelson@wrcog.us.

Any member of the public requiring a reasonable accommodation to participate in this meeting in light of this announcement shall contact Suzy Nelson 72 hours prior to the meeting at (951) 405-6703 or snelson@wrcog.us. Later requests accommodated to the extent feasible.

The Board of Directors may take any action on any item listed on the agenda, regardless of the Requested Action.

1. CALL TO ORDER (Ted Hoffman, Chair)
2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. PUBLIC COMMENT

At this time members of the public can address the Board of Directors regarding any items within the subject matter jurisdiction of the Board of Directors that are not separately listed on this agenda. Members of the public will have an opportunity to speak on agenda items at the time the item is called for discussion. No action may be taken on items not listed on the agenda unless authorized by law. Whenever possible, lengthy testimony should be presented to the Board of Directors in writing and only pertinent points presented orally.

5. CONSENT CALENDAR

All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Board of Directors, any public comments on any of the Consent Items will be heard. There will be no separate action unless members of the Board of Directors request specific items be removed from the Consent Calendar.

A. Assembly Bill 361 Findings

Requested Action(s):

1. Affirm the findings of the Western Community Energy Board of Directors in Resolution Number 2022-03, adopted on April 13, 2022, which are:
 - a. The Governor proclaimed a State of Emergency on March 4, 2020, related to the COVID-19 pandemic, which State of Emergency continues to exist today; and
 - b. State or local officials have recommended measures to promote social distancing.

B. Summary Minutes from the April 13, 2022, Joint Meeting of the WCE Board of Directors and Technical Advisory Committee

Requested Action(s):

1. Approve the Summary Minutes from the April 13, 2022, Joint Meeting of the WCE Board of Directors and Technical Advisory Committee.

6. REPORTS / DISCUSSION

Members of the public will have an opportunity to speak on agenda items at the time the item is called for discussion.

A. Approval of Second Receivable Assignment Agreement Between WCE and SCE

Requested Action(s):

1. Adopt Resolution No. 2022-04; A Resolution of the Board of Directors of Western Community Energy approving a second Receivable Assignment Agreement between Western Community Energy and Southern California Edison Company.

B. NEM Customers Notice Update

Requested Action(s):

1. Receive and file.

7. REPORT FROM THE EXECUTIVE DIRECTOR

Dr. Kurt Wilson

8. ITEMS FOR FUTURE AGENDAS ~ Members

Members are invited to suggest additional items to be brought forward for discussion at future Board meetings.

9. GENERAL ANNOUNCEMENTS ~ Members

Members are invited to announce items / activities which may be of general interest to the Board.

10. NEXT MEETING

The next Joint Meeting of the Board of Directors and Technical Advisory Committee is scheduled for Wednesday, June 8, 2022, at 1:15 p.m., on the Zoom platform with the option for Committee members to attend in-person.

11. ADJOURNMENT



Western Community Energy Joint Meeting of the Board of Directors and Technical Advisory Committee

Staff Report

Subject: Assembly Bill 361 Findings
Contact: Dr. Kurt Wilson, Executive Director, kwilson@wrcog.us, (951) 405-6701
Date: May 11, 2022

Requested Action(s):

1. Affirm the findings of the Western Community Energy Board of Directors in Resolution Number 2022-03, adopted on April 13, 2022, which are:
 - a. The Governor proclaimed a State of Emergency on March 4, 2020, related to the COVID-19 pandemic, which State of Emergency continues to exist today; and
 - b. State or local officials have recommended measures to promote social distancing.

Purpose:

The purpose of this item is to authorize virtual Committee meetings pursuant to Assembly Bill (AB) 361.

Background:

Since the onset of the COVID-19 in early 2020, California government agencies have been able to continue to discharge their legal responsibilities through the use of virtual teleconferencing platforms such as Zoom to hold public meetings that enabled agencies to meet and conduct business, comply with social distancing orders, and most importantly, provide access to the public. WCE has been meeting on Zoom since March of 2020, when many Executive Orders were issued by Governor Newsom in response to the pandemic. One such order altered Brown Act requirements to allow for virtual meetings.

Although transmission, hospitalization, and death rates from COVID-19 have sharply declined since the original onset of the pandemic and subsequent Delta and Omicron Variant surges, an air of uncertainty remains regarding the pandemic and many counties continue to recommend masking inside and social distancing. Given that environment and a desire to continue allowing for the flexibility of holding virtual meetings, the Legislature recently approved, and Governor Newsom signed, AB 361 to temporarily allow for virtual meetings under proscribed circumstances.

AB 361 amends the Brown Act to allow local legislative bodies to continue using teleconferencing and virtual meeting technology in certain circumstances. Under the Bill, legislative bodies can continue to meet remotely as long as there is a "proclaimed state of emergency" and the Board of Directors can make either of the following findings: (a) state or local officials have imposed or recommended measures to promote social distancing, or (b) whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees. Even though cases have dropped, AB 361 is

expressly intended "to protect the health and safety of civil servants and the public and does not preference the experience of members of the public who might be able to attend a meeting in a physical location over members of the public who cannot travel or attend that meeting in a physical location" because of physical status.

The Governor proclaimed a State of Emergency on March 4, 2020, related to the COVID-19 pandemic, which continues to exist to this day.

AB 361 requires specific procedural safeguards for the public. To accommodate individuals during these teleconferences and virtual meetings, a public comment period will be offered where the public can address the legislative body directly in real time. Additionally, public comments will be allowed up until the public comment period is closed at the meetings. The agenda will include information on the manner in which the public may access the meeting and provide comments remotely. If technical problems arise that result in the public's access being disrupted, the legislative body will not take any vote or other official action until the technical disruption is corrected and public access is restored.

The attached Resolution allows the Board of Directors to implement AB 361 by making the findings discussed above. These findings will be in effect for 30 days or until the Board of Directors makes findings that the conditions listed therein no longer exist, whichever is shorter. The findings can be extended by the Board of Directors upon a finding that conditions supporting the findings included in the Resolution still exist. The authorization to meet remotely will also apply to any Committees that meet during the 30-day effective period.

AB 361 will allow for virtual meetings during other state-proclaimed emergencies, such as earthquakes or wildfires, where physical attendance may present a risk. AB 361 is scheduled to sunset January 1, 2024.

Prior Action(s):

April 13, 2022: The Board of Directors adopted Resolution Number 2022-03; A Resolution of the Board of Directors of Western Community Energy Authorizing Virtual Committee Meetings Pursuant to AB 361.

December 8, 2021: The Board of Directors adopted Resolution Number 2021-16; A Resolution of the Western Community Energy Board of Directors authorizing virtual Committee meetings pursuant to Assembly Bill 361. The resolution included the following findings:

- a. The Governor proclaimed a State of Emergency on March 4, 2020, related to the COVID-19 pandemic, which state of emergency continues to exist today; and
- b. State or local officials have recommended measures to promote social distancing.

Fiscal Impact:

This item is for informational purposes only; therefore, there is no fiscal impact.

Attachment(s):

[Attachment 1 - Resolution Number 2022-03 AB 361 findings](#)


RESOLUTION NO. 2022-03

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF WESTERN COMMUNITY ENERGY
AUTHORIZING VIRTUAL COMMITTEE MEETINGS PURSUANT TO AB 361**

WHEREAS, the Western Community Energy (“WCE”) is committed to preserving and nurturing public access and participation in meetings of the Board of Directors and Technical Advisory Committee; and

WHEREAS, all meetings of WCE’s legislative bodies, including its Board of Directors and Technical Advisory Committee, are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend and participate in WCE’s meetings; and

WHEREAS, starting in March 2020, in response to the spread of COVID-19 in the State of California, the Governor issued a number of executive orders aimed at containing the COVID-19 virus; and

WHEREAS, among other things, these orders waived certain requirements of the Brown Act to allow legislative bodies to meet virtually; and

WHEREAS, pursuant to the Governor’s executive orders, WCE has been holding virtual meetings during the pandemic in the interest of protecting the health and safety of the public, WCE staff, and WCE’s Board of Directors and Technical Advisory Committee members; and

WHEREAS, the Governor’s executive order related to the suspension of certain provisions of the Brown Act expired on September 30, 2021; and

WHEREAS, on September 16, 2021, the Governor signed AB 361 (in effect as of October 1, 2021 – Government Code Section 54953(e)), which allows legislative bodies to meet virtually provided there is a state of emergency, and either (1) state or local officials have imposed or recommended measures to promote social distancing; or (2) the legislative body determines by majority vote that meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in WCE, specifically, a state of emergency has been proclaimed related to COVID-19 and state or local officials are recommending measures to promote social distancing.

NOW, THEREFORE, THE WESTERN COMMUNITY ENERGY BOARD OF DIRECTORS DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Findings. Consistent with the provisions of Government Code Section 54953(e), the Board of Directors finds and determines that (1) a state of emergency related to COVID-19 is currently in effect and (2) state or local officials have recommended measures to promote social distancing in connection with COVID-19.

Section 3. Remote Teleconference Meetings. Based on the findings and determinations included herein, the Board of Directors authorizes and directs any of its legislative bodies, including, without limitation, its Board of Directors and Technical Advisory Committee, to conduct remote teleconference meetings under the provisions of Government Code Section 54953(e) and that such bodies shall provide public access to their meetings as provided in Section 54953(e).

Section 4. Effective Date of Resolution. This Resolution shall take effect upon adoption and shall be effective for 30 days unless extended by a majority vote of the Board of Directors in accordance with Section 5 of this Resolution.

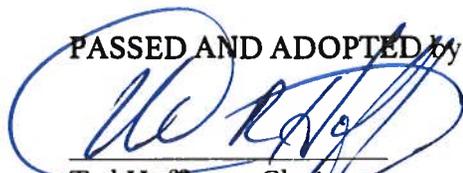
Section 5. Extension by Motion; Supersede. The Board of Directors may extend the application of this Resolution by motion and majority vote by up to 30 days at a time, provided that it makes all necessary findings consistent with and pursuant to the requirements of Section 54953(e)(3). Any such extension may be made before or after the expiration of the preceding 30-day period. This Resolution supersedes Resolution Number 2021-16.

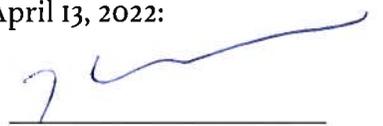
Section 6. Full and Fair Access. In making the findings included herein, the Board of Directors specifically relies on Section 8(b) of Statutes 2021, c.165 (AB 361, § 3, effective September 16, 2021) which provides as follows:

- (b) The Legislature finds and declares that [the changes made by AB 361 to] Section 54953 of the Government Code, all increase and potentially limit the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:
 - (1) By removing the requirement that public meetings be conducted at a primary physical location with a quorum of members present, this act protects the health and safety of civil servants and the public and does not preference the experience of members of the public who might be able to attend a meeting in a physical location over members of the public who cannot travel or attend that meeting in a physical location.

- (2) By removing the requirement for agendas to be placed at the location of each public official participating in a public meeting remotely, including from the member's private home or hotel room, this act protects the personal, private information of public officials and their families while preserving the public's right to access information concerning the conduct of the people's business.

PASSED AND ADOPTED by the Board of Directors on April 13, 2022:


 Ted Hoffman, Chairperson
 Western Community Energy


 Dr. Kurt Wilson, Secretary
 Western Community Energy

Approved as to form:


 Steven DeBaun
 Western Community Energy Legal Counsel

AYES: 6 NAYS: 0 ABSENT: 1 ABSTAIN: 0

WCE Board of Directors

Minutes

1. CALL TO ORDER

The Joint Meeting of the WCE Board of Directors and Technical Advisory Committee was called to order by Chair Ted Hoffman at 1:16 p.m., on April 13, 2022, on the Zoom platform.

2. PLEDGE OF ALLEGIANCE

Chair Hoffman led members and guests in the Pledge of Allegiance.

3. ROLL CALL

Board of Directors:

- City of Eastvale - Todd Rigby
- City of Hemet - Russ Brown
- City of Jurupa Valley - Chris Barajas
- City of Norco - Ted Hoffman (Chair)
- City of Perris - Rita Rogers
- City of Wildomar - Ben Benoit

Technical Advisory Committee Members:

- City of Eastvale - Marc Donohue
- City of Jurupa Valley - Rod Butler
- City of Perris - Clara Miramontes

4. PUBLIC COMMENTS

There were no public comments.

5. CONSENT CALENDAR – (Perris / Wildomar) 6 yes; 0 no; 0 abstention. Items 5.A and 5.B were approved.

A. Assembly Bill 361 Findings

Action:

1. Adopted Resolution Number 2022-03; A Resolution of the Board of Directors of Western Community Energy Authorizing Virtual Committee Meetings Pursuant to AB 361.

B. Summary Minutes from the February 22, 2022, Special Joint Meeting of the WCE Board of Directors and Technical Advisory Committee

Action:

1. Approved the Summary Minutes from the February 22, 2022, Special Joint Meeting of the WCE Board of Directors and Technical Advisory Committee.

6. CLOSED SESSION

- Conference with Legal Counsel - Existing Litigation pursuant to Government Code Section 54956.9(d)(1):
Case numbers: 6:21-12821, 6:21-12821-SY (U.S. Bankruptcy Court, Central Division)

There were no reportable actions.

7. REPORT FROM THE EXECUTIVE DIRECTOR

Dr. Kurt Wilson, Executive Director, had no report.

8. ITEMS FOR FUTURE AGENDAS

There were no items for future agendas.

9. GENERAL ANNOUNCEMENTS

There were no general announcements.

8. NEXT MEETING

The next Joint Meeting of the WCE Board of Directors and Technical Advisory Committee is scheduled for Wednesday, May 11, 2022, at 1:15 p.m., on the Zoom platform with the option to attend in-person at the WRCOG office.

8. ADJOURNMENT

The Joint Meeting of the WCE Board of Directors and Technical Advisory Committee adjourned at 1:52 p.m.



Western Community Energy Joint Meeting of the Board of Directors and Technical Advisory Committee

Staff Report

Subject: Approval of Second Receivable Assignment Agreement Between WCE and SCE
Contact: Chris Gray, Deputy Executive Director, cgray@wrcog.us, (951) 405-6710
Date: May 11, 2022

Requested Action(s):

1. Adopt Resolution No. 2022-04; A Resolution of the Board of Directors of Western Community Energy approving a second Receivable Assignment Agreement between Western Community Energy and Southern California Edison Company.
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Purpose:

The purpose of this item is to adopt a resolution authorizing the second assignment of receivables to Southern California Edison (SCE).

Background:

On January 18, 2022, the Board of Directors approved a Settlement Agreement with SCE, that was filed with the Bankruptcy Court on January 20, 2022 and later approved by the Bankruptcy Court in February 2022.

The Settlement Agreement included a release of claims brought by SCE as a creditor to the bankruptcy proceeding, a settlement amount of \$6M to be transferred from WCE to SCE; a transfer of certain arrearage payments and account receivables to SCE; as well as a robust release of claims between the parties that would satisfy the civil codes for procedures for releases. Since approval of the Settlement Agreement, WCE has worked with SCE to implement the agreement including the necessary payments and other actions.

During the implementation of the Settlement Agreement, SCE has requested WCE provide resolutions documenting the Board's approval of the transfer of receivables. A first resolution corresponding to the transfer of account receivables was approved by the WCE Board during a previous closed session as part of an approval of the overall agreement. SCE is requesting a second resolution approving the transfer of the remaining amount of WCE receivable accounts for remaining account receivables received on or after November 2, 2021.

The second Receivables Assignment Agreement Resolution (Attachment 1) addresses the transfer of the remaining receivable accounts to SCE.

Prior Action(s):

January 18, 2022: The WCE Board of Directors adopted Resolution 2022-02; A Resolution of the Board of Directors of Western Community Energy approving a receivable assignment agreement between Western Community Energy and Southern California Edison.

Fiscal Impact:

This resolution calls for the assignment of receivable accounts to SCE, per the Settlement Agreement between WCE and SCE. This assignment will transfer certain assets of WCE to SCE in the amount of approximately \$3M. Since a majority of these accounts are more than 365 days past due, these receivable accounts are expected to have a nominal value.

Attachment(s):

[Attachment 1 - Resolution 2022-04; Approval of Second Receivable Assignment Agreement between WCE and SCE](#)

RESOLUTION NO. 2022-04

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF WESTERN COMMUNITY ENERGY
APPROVING A SECOND RECEIVABLE ASSIGNMENT AGREEMENT BETWEEN
WESTERN COMMUNITY ENERGY AND
SOUTHERN CALIFORNIA EDISON COMPANY**

WHEREAS, Western Community Energy (“WCE”) was formed on August 23, 2018, pursuant to the Western Community Energy Joint Powers Agreement (“JPA”); and

WHEREAS, WCE filed for bankruptcy on May 24, 2021; and

WHEREAS, WCE filed to deregister as a Community Choice Aggregation (CCA) on June 10, 2021; and

WHEREAS, all WCE customers were returned to Southern California Edison (SCE) on June 15, 2021; and

WHEREAS, SCE has agreed to the transfer of all WCE account receivables; and

WHEREAS, on January 18, 2022, WCE approved a first Receivable Assignment Agreement to transfer Account Receivables to SCE.

NOW, THEREFORE, THE WESTERN COMMUNITY ENERGY BOARD OF DIRECTORS DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Approve the Second Receivable Assignment Agreement between WCE and SCE for remaining Account Receivables received on or after November 2, 2021.

Ted Hoffman, as Chairman of the Board of Directors for Western Community Energy, a Joint Powers Authority, is authorized to sign the Agreement between WCE and SCE.

PASSED AND ADOPTED by the Board of Directors on May 11, 2022:

Ted Hoffman, Chairperson
Western Community Energy

Dr. Kurt Wilson, Secretary
Western Community Energy

Approved as to form:

Ryan Baron
Western Community Energy Legal Counsel

AYES: _____ NAYS: _____ ABSENT: _____ ABSTAIN: _____



Western Community Energy Joint Meeting of the Board of Directors and Technical Advisory Committee

Staff Report

Subject: NEM Customers Notice Update
Contact: Tyler Masters, Program Manager, tmasters@wrcog.us (951) 405-6732
Date: May 11, 2022

Requested Action(s):

1. Receive and file.

Purpose:

The purpose of this item is to provide an update on the Net Energy Meter (NEM) notice sent to WCE's former customers in April 2022.

Background:

In June 2021, WCE deregistered as a Community Choice Aggregator and provider of electrical services. Subsequently, WCE worked with Southern California Edison (SCE) and the California Public Utilities Commission (CPUC) to transition customers to SCE services without any lapse in service. At the time of transition, staff identified 4,751 customers who have renewable systems, also called NEM customers, that had a positive NEM balance. This positive NEM balance means their systems produced more electricity than the customer used. These customers are owed a credit for that difference. Through bankruptcy, however, these customers are considered unsecured creditors and WCE was not allowed to provide them their credit due without going through the proper bankruptcy procedures.

Staff and legal counsel developed three items for distribution to inform NEM customers about the process and their NEM balance: 1) a draft letter acknowledging each individual NEM customers' balance owed at the time of WCE deregistration; 2) notice of hearing on debtor's motion to assume and assign the NEM contracts, which explains WCE's motion to seek an order from the court for approval to assume and assign NEM contracts to SCE; and 3) a Frequently Asked Questions (FAQ) document answering some anticipated common questions including but not limited to how the NEM balance is calculated, when customers can expect to receive the credit, and who they can contact if they have any additional questions. At the point of assignment, the outstanding NEM balances owed to the aforementioned NEM customers will be provided them as a credit on their bill.

This letter and notice was provided to each customer in advance of the hearing, providing each the information and opportunity to contest the amount owed them.

On February 22, 2022, the WCE Board of Directors approved a letter from WCE to each NEM customer

with an outstanding NEM credit notifying each customer of the amount of their credit.

The information was printed and distributed to customers by April 14, 2022. Staff continue to operate an internal call center and have responded to 30 calls related to NEM credit calculations, timing of the delivery of credit, and how the credit will be received. As discussed at the February Board Meeting, the WCE NEM outstanding balance will be provided on the customer's SCE bill as a credit roughly 3 - 4 months after the notice was issued, estimated July / August bill.

Prior Action(s):

February 22, 2022: The WCE Board of Directors approved a letter from WCE to each NEM customer with an outstanding NEM credit notifying each customer of the amount of their credit.

Fiscal Impact:

There will be printing and mailing costs associated with the letters that will be mailed to former NEM customers. Printing, postage, and mailing costs will not exceed \$15,000. These costs will be paid as a post-petition administrative expense. The Bankruptcy Court authorized up to \$3 million for WCE post-petition administrative expenses, of which \$1.4 million remains.

Attachment(s):

None.