

**1. CALL TO ORDER**

The Joint Meeting of the Board of Directors and Technical Advisory Committee was called to order at 1:05 p.m. by Chairman Ben Benoit on the Zoom virtual platform.

**2. PLEDGE OF ALLEGIANCE**

Chairman Benoit led members and guests in the Pledge of Allegiance.

**3. ROLL CALL**

**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  
Ben Benoit, City of Wildomar (Chairman)

**Technical Advisory Committee Members present:**

Bryan Jones, City of Eastvale  
Rod Butler, City of Jurupa Valley  
Andy Okoro, City of Norco

**4. PUBLIC COMMENTS**

There were no public comments.

**5. CONSENT CALENDAR** – (Norco / Perris) 6 yes; 0 no; 0 abstention. Items 5.A through 5.E were approved. A representative from the City of Canyon Lake was not present.

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

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

**B. Regulatory and Legislative Activities Update**

**Action:**            *I.        Received and filed.*

**C. Non-Residential Client Engagement and Outreach Update**

**Action:**            *I.        Received and filed.*

**D. Marketing and Outreach Activities Update**

**Action:**            *I.        Received and filed.*

## E. Inland Regional Energy Network Update

- Action:** I. *Adopted Resolution No. 2020-22; A Resolution of the Board of Directors of Western Community Energy supporting submittal of a proposal to the California Public Utilities for support of the I-REN Business Plan.*

## 6. REPORTS / DISCUSSION

### A. Discussion of Fiscal Year 2020/2021 Financial Impact

Tyler Masters, Director of WCE, reported that a few weeks before the launch of WCE, COVID-19 was declared a global pandemic, impacting numerous public and private services across the country. A few months after launch a series of extreme weather events occurred that impacted much of the country, including California. Shifts in energy markets occurred in addition to statewide policy changes regarding Resource Adequacy requirements. These activities have collectively impacted WCE through an increase in unpaid utility bills, an increase in energy costs above pre-launch projections, higher Resource Adequacy (RA) prices, and the cost of potential penalties for not securing RA at a specified time.

Andrew Ruiz, WRCOG Chief Financial Officer, reported that the impacts of COVID-19 on WCE caused staff to amend the Bad Debt Policy by 4%. COVID-19 impacts have also effected other utility providers who are also experiencing increases in delinquencies, as well as the mortgage and auto loan industries. There continues to be impacts of COVID-19, and moving forward, staff will analyze WCE's programs, such as the Arrearage Management Plan, and the potential impacts to WCE. Staff are also paying close attention to whether moratoriums on payments will continue.

Mr. Masters indicated that in response to recent record breaking weather events, in addition to impacts of COVID-19, staff will be updating proformas, looking multi-years in advance.

Denis Vermette, President and Chief Financial Officer of Pilot Power, discussed energy costs compared against demand and usages for August 2020. The data obtained for this year will be taken into account next year.

Mr. Masters indicated that a recent shift in the RA market occurred due to changes in the California Public Utilities Commission's RA Policy, as well as the fact that various gas and power stations across the state have recently been decommissioned. This removed a great amount of RA supply from the market. This has caused the RA market to become unstable and increased RA costs by approximately \$2M. This in turn caused WCE to be deficient in its RA, creating a potential penalty of between \$10k and \$3.5M. WCE has since procured some its required RA, reducing its potential penalty by 50%.

WCE has released several Request for Offers for RA and has participated in two public solicitations to procure RA. In future years, WCE will go out early to seek RA in the future.

The Board discussed the lack of information provided regarding the problems with securing RA.

Mr. Ruiz shared a summary of financial impacts to the current budget. Staff anticipates an increase of expenditures to approximately \$103.6M due to penalties and delinquent accounts due to COVID-19, against anticipated revenues of approximately \$102.4M. This leaves WCE in the red at approximately \$1.7M.

Staff will continue to confirm and validate projections moving forward and will then return with a revised budget for adoption. Staff will also continue to provide the Board with information on delinquent accounts.

- Action:** I. *Received and filed.*

## 7. REPORT FROM THE EXECUTIVE DIRECTOR

Rick Bishop reported that staff will continue to monitor the situation and staff will return with a budget report. Staff will also reach out to local Legislators regarding the lack of RA and to CalCCA to determine if there are opportunities to address some of the issues that have occurred that have put WCE and others in this position.

**8. ITEMS FOR FUTURE AGENDAS**

There were no items for future agendas.

**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, January 13, 2021, at 1:00 p.m., on the Zoom platform.**

**11. ADJOURNMENT:**       **The Joint Meeting of the Board of Directors and Technical Advisory Committee adjourned at 2:03 p.m.**