

To: Board of Directors
From: Norma J. Camacho, CEO

Chief Executive Officer Bulletin Week of September 21 – September 27, 2018

Board Executive Limitation Policy EL-7:

The Board Appointed Officers shall inform and support the Board in its work. Further, a BAO shall 1) inform the Board of relevant trends, anticipated adverse media coverage, or material external and internal changes, particularly changes in the assumptions upon which any Board policy has previously been established and 2) report in a timely manner an actual or anticipated noncompliance with any policy of the Board.

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District Recognized as Bay Area Healthiest Employer

On Thursday, September 6, 2018, the district was recognized as the “Healthiest Employer in the San Francisco Bay Area” by Healthiest Employers, LLC and Sequoia Consulting Group for the district’s commitment to employee health and wellbeing. The competitive award placed the district first among companies with 500 to 1,999 employees. Selection and placement was based on a variety of criteria, including culture and leadership commitment, foundational components, strategic planning, communication and marketing, programming and interventions, and reporting and analysis.

In addition, the district was also identified as one (1) of the 100 Healthiest Workplaces in America, placing 55th. On September 20, 2018, Michal Rinkevich, Wellness Director with the district’s benefits broker BB&T, accepted the award on the district’s behalf at the annual Fitbit Captivate conference awards dinner in Chicago, IL.

For further information, please contact Tina Yoke at (408) 630-2385.

Anderson Hydroelectric Facility to Transition to New Energy Tariff

The district is transitioning the Anderson Hydroelectric Facility (Hydro Facility) to the PG&E Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) tariff as reported to the board at the April 24, 2018, board meeting. This transition follows an assessment of the Hydro Facility conducted in 2015, and recent discussions with Silicon Valley Clean Energy (SVCE) and San Jose Clean Energy.

The transition will allow the district to export renewable energy generated at the Hydro Facility to the grid and receive generation credits to be used towards up to 50 of the District's PG&E electrical services. The transition is expected to be a cost effective short-term solution for the district during the upcoming construction activities at Anderson Dam. Hydroelectric generation is expected to be reduced due to lower storage levels until the Anderson Dam construction is completed and no generation is anticipated to occur during construction.

The existing PG&E Qualifying Facilities (QF) power purchase agreement (PPA) will expire on November 30, 2018, and by transitioning to the new program with PG&E, the district will avoid significant utility interconnection costs. The RES-BCT program also provides a flexible and cost effective approach to maximize revenue during the anticipated periods of variable generation over the upcoming five-year Anderson Dam Seismic Retrofit Project. There are no long-term commitments to participate in this program and the District can transition to other arrangements at any time.

Prior to selecting PG&E's RES-BCT program, the District also evaluated potential opportunities through Silicon Valley Clean Energy (SVCE) and the City of San Jose, however, both had significant up-front costs and uncertain generation in the short term, the district will re-evaluate these options after the completion of Anderson Dam construction. The district can achieve greater financial and environmental benefits from the Hydro Facility through participation in PG&E's RES-BCT program. As the Anderson retrofit project progresses, the district will continue to evaluate the long-term plan for the Hydro Facility to maximize system generation and corresponding revenue.

For further information, please contact Kurt Arends at (408) 630-2284.

Department of Water Resources Benefit-Cost Analysis: California WaterFix

On September 20, 2018, Karla Nemeth, Director of the Department of Water Resources released a memorandum to the Joint Legislative Budget Committee regarding the benefit-cost analysis of the California WaterFix. The memorandum from Ms. Nemeth can be found in the September 28, 2018, board Non-Agenda packet.

For further information, please contact Nina Hawk at (408) 630-2736.
