



**REGULAR MEETING of the Executive Committee of the
Clean Power Alliance of Southern California**

Thursday, September 20, 2018

1:30 p.m.

555 West 5th Street, 35th Floor
Los Angeles, CA 90013

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact Jacquelyn Betha, at least two (2) working days before the meeting at jbetha@cleanpoweralliance.org or (213) 269-5870, ext.1001.

Notification in advance of the meeting will enable us to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it.

Members of the public may also participate in this meeting remotely at the following addresses:

Beverly Hills City Hall
4th Floor, Conference Room 4B
455 N. Rexford Drive, Beverly Hills, CA 90210

Ventura County Government Center
Channel Islands Conference Room, 4th Floor Hall of Administration
800 South Victoria Avenue, Ventura, CA 93009

I. WELCOME AND ROLL CALL

II. PUBLIC COMMENT

This item is reserved for persons wishing to address the Committee on any Clean Power Alliance-related matters not on today's agenda. Public comments on matters on today's agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the Committee are requested to complete a speaker's slip and provide it to Clean Power Alliance staff. If you have anything that you wish to be distributed to the Board and included in the official record, please hand it to a member of the staff who will distribute the information to the Committee members and staff. Speakers are customarily limited to two minutes, but an extension can be provided at the discretion of the Chair.

III. CONSENT AGENDA

1. Approve Minutes from August 9, 2018 Executive Committee Meeting

IV. REGULAR AGENDA

2. Review Draft Agenda for October 4, 2018 Board of Directors Meeting
3. 2018-2019 CPA Membership Expansion Update
4. Marketing and Communications Update

V. COMMITTEE MEMBER COMMENTS

VI. ADJOURN

Public records that relate to any item on the open session agenda for a regular Committee Meeting are available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all, or a majority of, the members of the Committee. The Board of Directors has designated Clean Power Alliance, 555 W. 5th Street, 35th Floor, Los Angeles, CA 90013, for making those public records available for inspection. The documents are also available online at www.cleanpoweralliance.org.

REGULAR MEETING of the Executive Committee of the
Clean Power Alliance of Southern California
Wednesday, August 9, 2018, 2:00 p.m.

555 West 5th Street, 35th Floor
Los Angeles, CA 90013

*Beverly Hills City Hall, Conference Room 4B
455 N. Rexford Drive, Beverly Hills, CA 90210*

*Ventura County Government Center
Point Mugu Conference Room, 4th Floor Hall of Administration
800 South Victoria Avenue, Ventura, CA 93009*

MINUTES

I. WELCOME AND ROLL CALL

Chair Diana Mahmud called the meeting to order. Board Secretary Jacquelyn C. Betha conducted roll call.

Roll Call				
1	Beverly Hills	Julian Gold	Director	Remote
2	Hawthorne	Angie Reyes English	Director	Present
3	Los Angeles County	Sheila Kuehl	Vice Chair	Present
4	Oxnard	Carmen Ramirez	Director	Remote
5	Rolling Hills Estates	Steve Zuckerman	Director	Present
6	South Pasadena	Diana Mahmud	Chair	Present
7	Ventura County	Linda Parks	Vice Chair	Remote
8	West Hollywood	Lindsey Horvath	Director	Remote

II. PUBLIC COMMENT

There were no public comments from any of the locations.

III. CONSENT AGENDA

1. Approved Minutes from May 16, 2018 Executive Committee Meeting

Motion: Beverly Hills, Director Julian Gold. Second: Los Angeles County, Vice Chair Sheila Kuehl. Vote: Item 1 was approved by a unanimous roll call vote.

IV. CLOSED SESSION

3. PUBLIC EMPLOYMENT
(Government Code Section 54957)
Recruitment of General Counsel

There were no actions taken during Closed Session.

V. REGULAR AGENDA

4. Reviewed Draft Agenda for August 16, 2018 Board of Directors Meeting

The Committee discussed the proposed topics for the August 16 Board meeting, including an updated MOU with County of Los Angeles, the 2019 rate setting process, the long term power procurement RFO, an update on marketing and communications activities, and recent legislative and regulatory advocacy efforts.

5. Discussed Approach to 2018-2019 CPA Membership Expansion

Ted Bardacke, CPA Executive Director, updated the Committee on several jurisdictions that have reached out to staff expressing an interest in joining as a member of CPA. The Committee discussed the process of new members joining CPA, including the timeline requirements mandated by the CPUC, which establishes that any jurisdictions that join CPA in 2018 can begin receiving service in 2020, and jurisdictions that join in 2019 can receive service as early as 2021. The Committee discussed focusing on expanding CPA membership to groups of jurisdictions in 2019 to achieve economies of scale in feasibility analysis and planning efforts.

Clean Power Alliance Executive Committee Minutes
August 9, 2018

VI. COMMITTEE MEMBER COMMENTS

There were no Committee Member comments.

VII. ADJOURN

Chair Mahmud adjourned the meeting.



Staff Report – Agenda Item 2

To: Clean Power Alliance (CPA) Executive Committee
From: Ted Bardacke, Executive Director
Subject: Review Draft Agenda for October 4, 2018 Board of Directors Meeting
Date: September 20, 2018

Staff will provide an overview of the proposed agenda items for the October 4, 2018 Board of Directors meeting for review and feedback from the Executive Committee.

Attachments: 1) Draft October 4 Board Agenda
2) Memorandum – Outside Counsel Contracts
3) Memorandum – Community Advisory Committee
4) Memorandum – Voyager Wind Power Purchase Agreement



**REGULAR MEETING of the Board of Directors of the
Clean Power Alliance of Southern California
Thursday, October 4, 2018
2:00 p.m.**

Los Angeles County Hall of Administration
Room 739
500 West Temple Street
Los Angeles, CA 90012

Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact Jacquelyn Betha at least two (2) working days before the meeting at jbetha@cleanpoweralliance.org or (213) 269-5870, ext. 1001.

Notification in advance of the meeting will enable us to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it.

Members of the public may also participate in this meeting remotely at the following addresses:

Calabasas City Hall – Council Conference Room
100 Civic Center Way, Calabasas, CA 91301

Ventura County Government Center
Channel Islands Conference Room, 4th Floor Hall of Administration
800 South Victoria Avenue, Ventura, CA 93009

I. WELCOME AND ROLL CALL

II. PUBLIC COMMENT

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III. SPECIAL PRESENTATION

IV. CONSENT AGENDA

1. Approve Minutes from August 16, 2018 Board of Directors Meeting
2. Approve Scope of Work No. 3 with The Energy Authority
3. Approve Budget Increase in Amount of \$200,000 for Troutman Sanders LLC to Provide Specialized Legal Services for Energy Contracting in FY 2018-2019
4. Approve Budget Increase in the Amount of XX for Best Best & Krieger to Provide Regulatory Support before the California Public Utilities Commission in FY 2018-2019

V. REGULAR AGENDA

5. Appoint Community Advisory Committee Members for 2018-2020
6. Voyager Wind Power Purchase Agreement
7. Westlake Village Membership Request

- VI. LEGISLATIVE & REGULATORY UPDATE**
- VII. REPORT FROM THE EXECUTIVE DIRECTOR**
- VIII. BOARD MEMBER COMMENTS**
- IX. REPORT FROM THE CHAIR**
- X. ADJOURN – TO NOVEMBER 15, 2018**

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Memorandum

To: Clean Power Alliance (CPA) Executive Committee
From: Ted Bardacke, Executive Director
Subject: Outside Counsel Contracts
Date: September 20, 2018

SUMMARY

CPA has reached its not-to-exceed limits for its two largest outside counsel contracts, one for power procurement with Troutman Sanders and the other for regulatory support at the CPUC with Best Best & Krieger (BBK). At the October 4 Board of Directors meeting, staff will be seeking new spending authorities for these two contracts, though with a decidedly different approach for each of them in preparation for onboarding Nancy Whang, CPA's new in-house General Counsel.

For power procurement, staff is proposing spending authority of \$200,000 for the entire 2018-2019 Fiscal Year (FY) for services related to both short-term and long-term power procurement. For regulatory support staff is proposing spending authority of between \$50,000 and \$75,000, which is enough to cover costs through the end of the calendar year. These new spending authorities are within the FY 2018-2019 budget for legal services; however, staff does anticipate requesting a budget adjustment in early 2019 that will, among many other items, increase the amount of spending available for legal services.

POWER PROCUREMENT – TROUTMAN SANDERS

Steve Hall of Troutman Sanders has been representing CPA in power procurement activities since March 2018. His initial \$50,000 contract was increased to \$125,000 by the

Board in May 2018. Mr. Hall has assisted CPA in establishing the legal and commercial infrastructure necessary for power procurement, including lockbox and security arrangements with River City Bank and negotiating final master EEI agreements with 12 energy suppliers; 7 more enabling agreements are pending. He has also done legal review for more than 60 individual transactions worth over \$300 million and his approval is currently required on every power transaction CPA executes. Mr. Hall has also effectively represented CPA in complex supplier negotiations, including one that led to the return of \$2.7 million in collateral to CPA at a time when the organization's cash flow was extremely tight and another when CPA needed to complete multiple contract negotiations for Resource Adequacy (RA) just hours before its month-ahead RA filing deadline.

For 2018-2019, CPA expects Mr. Hall to continue to be an active member of the power procurement team and has hired an Associate at his firm to assist with some of the routine transactional work and help reduce costs. Mr. Hall is also reviewing Power Purchase Agreement (PPA) templates that will accompany the issuance of CPA's Request for Offers (RFO) for long-term power procurement in October as well as the PPA currently being negotiated for a wind project in Kern County. Mr. Hall may also be called upon to assist with negotiations on the final PPAs that emerge from the Long Term RFO; CPA's ultimate approach to legal services for those negotiations will be determined in conjunction with our new General Counsel.

REGULATORY ASSISTANCE – BBK

Ryan Barron of BBK has been representing CPA on matters before the CPUC and in negotiations with Southern California Edison (SCE) since late 2017 under a cost-sharing agreement with Western Riverside Council of Governments and Coachella Valley Association of Governments. CPA's authorized portion of that agreement is \$55,000. Since early summer, as the work on the CPUC proceeding regarding the timing of CCA commencement of operation slowed and CPA began relying on CalCCA for major regulatory work, BBK has been assisting CPA staff with regulatory filings such as the Integrated Resources Plan, Renewable Portfolio Standard compliance and plan, as well

as gaining party status to significant proceedings before the CPUC such as SCE's Energy Resource Recovery Account filing.

For 2018-2019, staff is proposing new authorization sufficient to cover these types of routine items through the end of the 2018 calendar year. Some of the work covered by BBK will start to be done in-house by CPA's new General Counsel. Where additional and more specialized work may be needed on the regulatory side, Ms. Whang will be coordinating those engagements. Having spending authorization to work with BBK through the end of the year will allow for a smooth transition to a new structure for regulatory counsel at CPA, which we anticipate will occur in early 2019.

LEGAL BUDGET AND OTHER OUTSIDE COUNSEL

Looking into the second half of FY 18-19, staff anticipates working with the Finance Committee to request a budget adjustment that will more properly reflect actual spending needs in the areas of scheduling costs, staffing, professional services (including legal), and general/administration. Most of these adjustments are expected to be reallocations among these categories, rather than an overall increase to CPA's overall non-energy budget.

However, one area where additional budget authorization is likely to be needed is for legal services, specifically for two important items. First, staff will need specialized legal assistance to assist with contract negotiations for the long-term PPAs that emerge from the upcoming RFO. It is difficult to estimate this cost until after the RFO closes in November and staff understands the number and type of contracts that CPA is looking to negotiate. Second, staff anticipates that, in the aftermath of the CPUC's Power Cost Indifference Adjustment decision later this month, SCE will engage in other rate and regulatory maneuvers that will seek to unfairly shift costs on to CPA customers. CPA will need to defend its customers vigorously and, since the issues at hand will be SCE-specific, CPA will not be able to rely on CalCCA for primary representation. CPA will seek to reduce legal costs by exploring the possibility of shared representation with Lancaster Choice Energy and other CCAs in SCE territory on issues of common concern.



Memorandum

To: Clean Power Alliance (CPA) Executive Committee

From: Jennifer Ward, CPA Head of Local Government Affairs

Approved By: Ted Bardacke, Executive Director

Subject: Appoint Community Advisory Committee Members for 2018-2020

Date: September 20, 2018

SUMMARY

On June 7, 2018, the Board of Directors approved a structure for the Community Advisory Committee (CAC), and directed staff to solicit applications from potential candidates across CPA service territory. Committee members are appointed two-year terms through an application process involving review by staff, evaluation and recommendation by the CAC Ad Hoc Committee, and confirmation by the Board. To move forward with the appointment process, staff, in consultation with the Ad Hoc Committee, is recommending a slight adjustment to the approved CAC structure that will achieve a more balanced applicant pool in terms of geographic distribution and representation on the Committee. Staff is seeking Executive Committee feedback on the proposed adjustment.

COMMITTEE APPOINTMENT PROCESS

Staff worked with member jurisdictions and stakeholders to solicit interest in the Committee through an outreach campaign through the duration of the application period, which concluded on August 23, 2018. CPA received a total of 42 applications.

The approved CAC structure provides for the appointment of 15 members to the Committee within seven distinct geographic categories to cover the entire CPA service territory. The applications received represent a broad cross section of demographic and

professional backgrounds. Given the number of applicants within each geographic subregion, CPA staff, in consultation with the CAC Ad Hoc Committee, is recommending a slight adjustment to the geographic categories to present a more balanced applicant pool for consideration. In addition, due to a lack of eligible applicants in the LA County Unincorporated category, staff is proposing to instead designate two CAC members as Los Angeles County At Large. CAC members filling the LA County at large positions still must have an electricity account within CPA service territory, but not necessarily live within LA County unincorporated jurisdiction. These “at-large” positions would be targeted for applicants representing county-wide interests in the areas of environment, public health, small business, workforce development, etc.

These proposed adjustments are shown below:

- **West/Unincorporated Ventura County (2 positions available)**

Ojai, Oxnard, Ventura, Unincorporated Ventura County

Applications received: 8

- **East Ventura/West LA County (3 positions available)**

Agoura Hills, Calabasas, Camarillo, Moorpark, Simi Valley, Thousand Oaks

Applications received: 12

- **Gateway Cities (2 positions available)**

Hawaiian Gardens, Downey, Paramount, Whittier

Applications received: 2

Proposed change: Redefine the Gateway subregion to include Carson, changing the number of applications received to 3.

- **South Bay (2 positions available)**

Carson, Redondo Beach, Rolling Hills Estates, Manhattan Beach, Hawthorne

Applications received: 6

Proposed change: Redefine the South Bay subregion to not include Carson, changing the number of applications received to 5.

- **San Gabriel Valley (2 positions available)**

Alhambra, Arcadia, Claremont, Sierra Madre, South Pasadena, Temple City

Applications received: 2

- **Westside (2 positions available)**

Beverly Hills, West Hollywood, Santa Monica, Culver City, Malibu

Applications received: 11

- **Unincorporated LA County (2 positions available)**

Unincorporated Los Angeles County

Applications received: 1

Proposed change: Eliminate the “Unincorporated LA County” definition and appoint 2 at large CAC members from the total applicant pool representing LA County CPA member jurisdictions.

Given these proposed adjustments, staff is seeking feedback from the Executive Committee in advance of the October 4, 2018 Board of Directors meeting at which the Board will be asked to appoint members to the CAC to serve an inaugural two-year term from 2018 to 2020. Also during this time period, CPA will be bringing on a Community Outreach Manager, whose duties will include providing staff support to the CAC.



Memorandum

To: Clean Power Alliance (CPA) Energy Committee
From: Natasha Keefer, Director of Power Planning & Procurement
Approved by: Ted Bardacke, Executive Director
Subject: Wind Energy Power Purchase Agreement (PPA) Opportunity
Date: September 20, 2018

OVERVIEW

CPA has been approached by a developer (the Seller) regarding a time-sensitive opportunity to secure a 15-year PPA with a 21.6 MW wind project, with expected output of approximately 71,500 MWh/year. The PPA offered to CPA is part of a larger wind project already under construction, with a commercial online date (COD) of December 31, 2018. The project would consist of 6 wind turbines added to the existing project of 48 turbines on a site located in Kern County, near the border with Los Angeles County. Other CCAs are among the purchasers of energy from the project.

On August 22, 2018, staff presented the opportunity to the Energy Committee for guidance on whether to enter negotiations with the Seller, which the Energy Committee recommended. To date, staff has submitted data requests to the Seller and has exchanged PPA terms and draft contract documents.

PROJECT BENEFITS

- The PPA price offers an immediate cost savings to CPA's currently projected renewables procurement costs, starting in 2019.

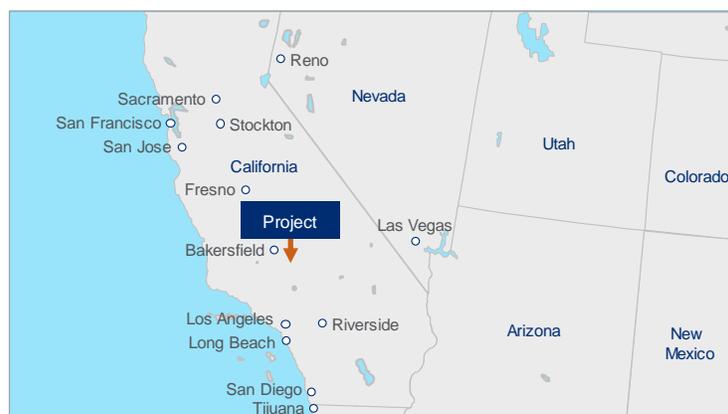
- The project is an opportunity to secure a new wind resource in California (which are limited), and wind offers CPA important renewable portfolio diversification.
- The project will help CPA meet its SB 350 long-term contracting compliance requirements.
- The Seller is not requiring CPA to post collateral, a significant benefit to CPA as a newly formed entity.
- The project is shovel ready, fully permitted, and construction on the larger portion has already begun, lowering its overall risk profile.
- The overall project is expected to create 16 new permanent operations and maintenance jobs located in Los Angeles County.
- The developer will fund a \$150,000 community college STEM education scholarship program to be co-administered by CPA and the developer over the first four years of the project's operation.

NEXT STEPS

To date, staff has not identified any fatal flaws related to the project, and it's likely that the PPA will be presented for the Board's consideration at its October 4 meeting, pending further review by the Energy Committee and subject to the following items:

- Finalizing all PPA negotiations
- Completing diligence on data requests
- Conducting a project site visit, tentatively planned for October 1, 2018, which will be open to Board members

FACILITY MAP



PROJECT SITE

