REGULAR MEETING of the Board of Directors of the Los Angeles Community Choice Energy Authority
Thursday, September 7, 2017

Los Angeles Cleantech Incubator, Room 402
525 S. Hewitt Street, Los Angeles, CA 90013
2:00 pm

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 Matt Skolnik, at least 2 working days before the meeting at mskolnik@ceo.lacounty.gov or (213) 893-0286. Notification in advance of the meeting will enable the LACCE to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it. Attendees to this meeting are reminded that other attendees may be sensitive to various chemical based products.

If you wish to speak to the Board, please fill out a speaker’s slip located on the tables as you enter the Board Chambers. 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 LACCE staff who will distribute the information to the Board members and other staff.

I. WELCOME AND ROLL CALL

II. REGULAR AGENDA

1. Appointment of Acting Chair and Vice Chair
2. Approval of the Minutes from the August 4, 2017 Board of Directors Meeting
3. Presentation: Electric Utility/CCA 101
4. Authorize Executive Director to approve expenditures of budgeted funds and payment of invoices

5. Approval of budget adjustment of up to $75,000 for LACCE membership into the California Community Choice Association

III. STAFF AND BOARD ANNOUNCEMENTS

IV. CLOSED SESSION

PUBLIC EMPLOYMENT
(Government Code Section 54957)

Recruitment of Executive Director

V. PUBLIC COMMENT

This item is reserved for persons wishing to address the Board on any LACCE-related matters that are as follows: 1) Not otherwise on this meeting agenda; 2) Executive Director's or Staff Report on the Regular Agenda; or 3) Board Members' Reports on the Regular Agenda. Public comments on matters not listed above shall be heard at the time the matter is called.

As with all public comment, members of the public who wish to address the Board are requested to complete a speaker's slip and provide it to LACCE staff. Speakers are customarily limited to two minutes, but an extension can be provided to you at the discretion of the Board Chair.

VI. ADJOURN – TO OCTOBER 2017 (TBD)

Public records that relate to any item on the open session agenda for a regular board 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 members, or a majority of the members of the Board. The Board has designated the County of Los Angeles, Chief Sustainability Office, Kenneth Hahn Hall of Administration, Room 493, 500 West Temple Street, Los Angeles, CA 90012, for the
purpose of making those public records available for inspection. The documents are also available on the LACCE's internet website. The website is located at: http://www.lacounty.gov/sustainability.
Staff Report – Item 1

To: Los Angeles Community Choice Energy Board of Directors
From: LACCE Staff

Item 1: Appoint Acting Chair and Vice Chair

Date: September 7, 2017

RECOMMENDATION:

Staff recommends that the Board select a Director to serve as Acting Chair, and another Director to serve as Acting Vice Chair for the September Board meeting.

BACKGROUND AND DISCUSSION:

Section 5.1 of the LACCE JPA specifies that the Directors shall elect, from among the members, a Chair who shall be the presiding officer of Board meetings, and a Vice Chair who shall serve in absence of the Chair. The duties of the Chair include presiding over Board meetings, signing all contracts on behalf of the Authority, and such other duties that may be determined by the Board.

At its August Meeting, the Board decided to rotate the Chair and Vice Chair positions for the duration of 2017 to give each member an opportunity to serve in those capacities. It was also decided that whomever was elected Vice Chair for a meeting would be expected to be elected as Chair for the subsequent meeting. As such, it is necessary to elect a Chair and Vice Chair to preside over the September Board meeting and to perform the other typical duties of a Board Chair.
Meeting of the Board of Directors of the
Los Angeles Community Choice Energy Authority (LACCE)

Friday, August 4, 2017
Los Angeles Cleantech Incubator
525 S. Hewitt Street, Los Angeles CA

MINUTES

I. Welcome and Roll Call

Gary Gero called the meeting to order at 10:30 a.m. Directors Kuehl, Zuckerman, and Hughes being present a quorum was established.

II. Regular Agenda

1. Appoint Acting Chair and Vice Chair

   Director Kuehl nominated Director Zuckerman as Vice Chair and Director Hughes seconded the nomination. The motion was unanimously approved.

   Vice Chair Zuckerman nominated Director Kuehl as Chair and Director Hughes seconded the nomination. The motion was unanimously approved.

2. Appointment of Secretary of the Board

   Because several speaker cards had been submitted for this and other items, the Chair indicated that those wishing to speak on multiple agenda items could address all their agenda items together at this time. Speakers were given three minutes total, and the following members of the public spoke:

   Vincent R. Garcia (Items 2, 7, 8, 9)
   Alejandro M. Carmona (Items 2, 7, 8, 9)
   Larry Porter (Items 2, 7, 8, 9)
   Abel V. Rivas (Items 2, 7, 8, 9)
   Robert Sierra (Items 2, 7, 8, 9)
   Jennifer J. Kropke (Items 2, 7, 8, 9)
   Joseph F. Sullivan (Items 2, 7, 8, 9)
   Alejandro Salazar (Items 2, 7, 8, 9)
   Chris T. Huntington (Items 2, 7, 8, 9)
   Jorge A. Hernandez (Items 2, 7, 8, 9)
   Joe Galliani (All Items)

   Following public comments, Director Hughes nominated Julie Gomez as Secretary and Vice Chair Zuckerman seconded the nomination. The motion was unanimously approved.
3. **Adopt Resolution 17-001 Approving the Conflict of Interest Code**

Gary Gero reported on the proposed Conflict of Interest Code. Vice Chair Zuckerman made a motion to approve the Conflict of Interest Code and Director Hughes seconded. The motion was unanimously approved.

4. **Approve the Assignment of the Contract for BD Carnahan Management Services, and Appoint Bill D. Carnahan as Interim Executive Director of the LACCE Authority**

Gary Gero reported on the contract with Bill Carnahan and recommended its assignment to the LACCE Authority and the naming of Mr. Carnahan as Interim Executive Director. Director Hughes made a motion to approve assignment of the contract and appointment of Mr. Carnahan as Interim Executive Director. Vice Chair Zuckerman seconded the motion and it was unanimously approved.

5. **Approve Memorandum of Understanding (MOU) with the County of Los Angeles**

Gary Gero described the proposed MOU between the LACCE Authority and the County of Los Angeles.

A member of the public, Jim Stewart, spoke on the item. Following public comment, Vice Chair Zuckerman made a motion to approve the MOU and Director Hughes seconded the motion. The motion was unanimously approved.

6. **Approve the Fiscal Year (FY) 17-18 Budget**

Gary Gero reviewed the proposed FY17-18 LACCE budget. Director Hughes made a motion to approve the budget and Vice Chair Zuckerman seconded the motion. The motion was unanimously approved.

7. **Public Hearing Item: Adopt Resolution 17-002 Approving the LACCE Implementation Plan and Authorize its Submittal to the CPUC**

Gary Gero described the Implementation Plan and noted that revisions to Tables 9 and 10 in the Implementation were needed prior to submission to the CPUC. Mr. Gero distributed the corrected tables to the Board and the public.
Following discussion, Vice Chair Zuckerman made a motion to approve the Implementation Plan, as amended by the corrected tables. Director Hughes seconded the motion which was then unanimously approved.

8. **Authorize the Executive Director to Release Request for Proposals (RFP) for Scheduling Coordination Services**

Interim Executive Director Carnahan described the RFP for Scheduling Coordination services.

Vice Chair Zuckerman made a motion to approve release of the RFP which was seconded by Director Hughes. The motion was unanimously approved.

9. **Authorize the Executive Director to Release Request for Proposals for Power Supply for Phase 1**

Bill Carnahan described the RFP for power supply products and services. During Board discussion, Director Hughes requested that preference be given to locally generated renewable power. Director Hughes made a motion to approve the RFP, as amended. Vice Chair Zuckerman seconded the motion and the motion was unanimously approved.

10. **Authorize the Executive Director to Execute a Contract for Communication and Outreach Services**

Bill Carnahan described the need for communication services related to branding, website design, and contact management. Following a brief discussion, Vice Chair Zuckerman made a motion to approve providing the Executive Director authority to enter into a contract for these services. Director Hughes seconded the motion and it was unanimously approved.

11. **Authorize the Executive Director to Execute Contracts for Necessary and Appropriate Legal Services**

Bill Carnahan described the need for legal services. Director Hughes made a motion to approve the execution of contracts for such services which as seconded by Vice Chair Zuckerman. The motion was unanimously approved.

**III. Board Member and Staff Announcements**

Chair Kuehl stated that the next meeting would be held on September 7, 2017 at a location to be announced and thanked everyone for participating in today’s meeting.
IV. Public Comments

There were no public comment on items not on agenda.

V. Adjourn

Chair Kuehl adjourned the meeting at 12:13 p.m.
LACCE: New Board Member Orientation
Electric Utility/CCA 101

Los Angeles Community Choice Energy
Bill Carnahan, Interim Executive Director

September 7, 2017
Agenda

- Electric Utility Structure
- Power Supply: Defining Local Power
- California Power Supply Operators: Scheduling Coordinator & Power Supply
- California Transmission Network
- Types of Electric Utilities in California
- Genesis of CCAs and How They Operate
- Challenges Facing CCAs
- Steps in Forming a CCA
- LACCE Schedule
- Operational Questions in Need of Policy Direction
- Wrap-Up/Q&A
Electric Utility Structure

**Power Supply**

**Transmission**

**Distribution**

- **High Voltage**
  - Primary (4,160 – 34,500 kV)
- **Substation**
- **Secondary (120/240 v)**
- **Secondary Transformers**

- **50-500 kV**

- **Large Light & Power**
- **Small Light & Power**
- **Residential**
Power Supply: Defining Local Power

Western Electric Coordinating Council

California

L.A. County

Distribution-Level
California Power Supply Operators
Scheduling Coordinator & Power Supply

Scheduling Coordinator
- Week-Ahead Load Schedules
- Day-Ahead Load Schedules
- Hour-Ahead Load Schedules
- Resource Schedules
- Reporting
- Settlement

Power Supplier
- Gas
- Coal
- Nuclear
- Solar
- Geothermal
- Wind
- DER
- EE
- Capacity
- Energy
- Resource Adequacy
- Ancillary Services

Balancing Authorities
- PacifiCorp
- California ISO
- Bonneville Power Administration (BPA)
- Balancing Authority of Northern California (BANC)
- Teufel Irrigation District (TID)
- NV Energy
- Los Angeles Department of Water and Power (LADWP)
- Western Area Lower Colorado (WALC)
- Imperial Irrigation District (IID)
California Transmission Network

California, 2016

- Imperial Irrigation District (IID)
- Los Angeles Department of Water & Power (LADWP)
- Pacificorp (PCORP)
- Pacific Gas & Electric (PG&E)
- Southern California Edison (SCE)
- San Diego Gas & Electric (SDG&E)
- Sacramento Municipal Utility District (SMUD)
- Western Area Power Administration (WAPA)
- Other Owners

Note: Electric transmission lines shown have a transmission capacity greater than 115 kV.

Source: California Energy Commission Cartography Unit, U.S. Census Bureau, Cal-Atlas.
# Types of Electric Utilities in California

<table>
<thead>
<tr>
<th>Investor-Owned Utilities (IOU)</th>
<th>Publicly-Owned Utilities (POU)</th>
<th>Community Choice Aggregation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pacific Gas &amp; Electric (PG&amp;E)</td>
<td>City of Redding San Francisco Roseville Biggs NCPA – JPA Alameda TID Merced</td>
<td>Marin Clean Energy Sonoma Clean Power CleanPower SF Peninsula Clean Energy Silicon Valley Clean Energy Redwood Coast Energy Authority East Bay Community Energy Monterey Bay Community Energy Valley Clean Energy Butte County King City</td>
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<tr>
<td>Southern California Edison (SCE)</td>
<td>Pasadena Riverside Colton Anaheim IID Glendale LADWP SCPPA - JPA</td>
<td>Lancaster Choice Energy Apple Valley Choice Energy WRCOG CVAG LACCE Tri-County</td>
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<tr>
<td>San Diego Gas and Electric (SDG&amp;E)</td>
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<td>Solana Beach City of San Diego Cities in San Diego County</td>
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Genesis of CCAs and How They Operate

- AB 1890
- 2000/2001 Energy Crisis
- AB 117 – Cities, Counties or Combination, Opt-Out Model, Stranded Cost Recovery
- Community Choice Aggregation (CCA)
  - Billing/metering/delivery – IOU
  - Market transaction/real time operations – CAISO
  - Power supply/local customer programs – CCAs
Genesis of CCAs and How They Operate (cont’d)

- CCAs in Existence or Being Studied
- Regulation of CCAs – By Local Elected/JPA Board
- Potential Benefits of CCA
  - Local control
  - Customer choice
  - Lower rates
  - More renewable/GHG-free
  - Local economic development & jobs
  - New local renewable resources
### How Does Customer Choice Work?

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<th>Energy Provider</th>
<th>Base Renewable</th>
<th>Opt-Up 1 Renewable</th>
<th>Opt-Up 2 Renewable</th>
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<td>SCE</td>
<td>28%</td>
<td>50%</td>
<td>100%</td>
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<tr>
<td>Lancaster Choice Energy</td>
<td>38%</td>
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<tr>
<td>Apple Valley Choice Energy</td>
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<td>50%</td>
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<tr>
<td>LACCE</td>
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<tr>
<td>PG&amp;E</td>
<td>33%</td>
<td>50%</td>
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<td>Sonoma Clean Power</td>
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<tr>
<td>CleanPowerSF</td>
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<td>Peninsula Clean Energy</td>
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<tr>
<td>Silicon Valley Clean Energy</td>
<td>50%</td>
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</table>
Challenges Facing CCAs

- Electric Utility Industry in Transition
- Some CCA Antagonists
  - Some ratepayer advocates and other special interest groups
  - Certain IOUs
  - Some legislators and regulators
- Stranded Cost Recovery (PCIA)
- Variable Commodity Market Can Govern 90% of Budget
- Start-Ups/Technical/New Business
- No Credit History
- Change from Business as Usual
## Steps in Forming a CCA

<table>
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<tr>
<th>Steps</th>
<th>LACCE Status</th>
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<tr>
<td>Feasibility Study</td>
<td>Done</td>
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<tr>
<td>Form CCA Structure/Governance</td>
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<tr>
<td>RFP for Data Manager</td>
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<tr>
<td>File Implementation Plan Filed at CPUC</td>
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<tr>
<td>RFP for Power Supply and Schedule Coordinator</td>
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<td>Finalize Power Supply Issues/Negotiate PPAs</td>
<td>October 2017</td>
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<td>Opt-Out Notice #1</td>
<td>November 2017</td>
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<tr>
<td>Opt-Out Notice #2</td>
<td>December 2017</td>
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<tr>
<td>Launch</td>
<td>January 2018</td>
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<td>Takes 18-24 Months Total</td>
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# LACCE Schedule

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<th>Cities Evaluate and Join LACCE for Phase 2</th>
<th>2017</th>
<th>2018</th>
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<tr>
<td></td>
<td>Aug</td>
<td>Sep</td>
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<tr>
<td>Implementation Plan Certification</td>
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<tr>
<td>Register with CPUC, Submit Surety Bond</td>
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<tr>
<td>RFPs for Scheduling Coordinator and Power Supply</td>
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<tr>
<td>Select Scheduler and Power Suppliers</td>
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<tr>
<td>Phase 1 Opt-Out Notifications</td>
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<td>Phase 2 Opt-Out Notifications</td>
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<tr>
<td>Phase 3 Opt-Out Notifications</td>
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Note: Phases 2 and 3 may be earlier if possible.
Operational Questions in Need of Policy Direction

- **Power Supply Risk Management**
  - Short vs. long-term power purchase agreements (PPAs)
  - Local vs. CA generation
  - Fixed vs. variable pricing

- **Financial Risk Management**
  - How to spend surplus
    - Rate reductions
    - Build financial reserves
    - Develop new programs
  - How much financial reserve is needed?

- **Power Supply Resource Portfolio Options**
  - RPS at a minimum
  - Match IOU on renewables and GHG reductions
  - More renewable and GHG-free resources
  - Other
Operational Questions in Need of Policy Direction (cont’d)

- **Retail Rate Form**
  - Across the board discount from IOU rates
  - Custom rate design for CCA

- **Customer Programs**
  - Innovative Rates
  - Solar Incentives (Net Energy Metering and Feed In Tariff)
  - Energy Efficiency and Demand Side Management (DSM)
  - Low Income
  - Distributed Energy Resources (DER)
    - How much?
    - Where?
    - How financed?
    - Offer same programs as SCE at outset then adjust over time
  - Electric Vehicles
  - Other

- **Staff Up Internally vs. Hire Consultants**
Wrap-Up/Q&A
Staff Report – Item 4

To: Los Angeles Community Choice Energy Board of Directors
From: LACCE Staff

Item 4: Delegation of authority to the Executive Director to authorize expenditures of budgeted funds to support LACCE operations

Date: September 7, 2017

RECOMMENDATION:

Approve the delegation of authority to the Executive Director to authorize expenditure of budgeted funds in support of LACCE operations.

BACKGROUND AND DISCUSSION:

On August 4, 2017, the LACCE Board of Directors approved a Memorandum of Understanding (MOU) with the County of Los Angeles for startup funding and support services provided by County staff and contractors.

Under the terms of the MOU, the County’s Treasurer Tax Collector (TTC) will provide LACCE with treasury and banking services, and the Auditor-Controller (AC) will act as fiscal agent. In order for the AC to issue checks from LACCE funds and pay invoices, the LACCE Board must delegate authority to an individual who can request that AC make payments on LACCE’s behalf.

Staff recommends that the Board delegate authority to the Executive Director to work with AC to make LACCE payments.

It should be noted that this item does not delegate spending authority to the Executive Director. It only designates the Executive Director as the individual who can authorize AC to make payments on behalf of LACCE within any limits specified by Board and within the annually adopted budget.
To: Los Angeles Community Choice Energy Board of Directors

From: LACCE Staff

Item 5: Approval of budget adjustment of up to $75,000 for LACCE membership into the California Community Choice Association

Date: September 7, 2017

RECOMMENDATION:

Approve a budget adjustment of up to $75,000 for LACCE membership into the California Community Choice Association (CalCCA), and instruct the Executive Director to submit the necessary membership forms.

BACKGROUND AND DISCUSSION:

CalCCA is the state-wide association of Community Choice Aggregation programs in California, whose primary function is to advocate for the interests of CCAs in the State legislature and relevant regulatory agencies, including the California Public Utilities Commission, California Energy Commission, and California Air Resources Board. Current members of CalCCA include all eight operational CCAs in the State, a list of which can be found in Attachment A.

Through CalCCA, CCAs pool their resources for the needed regulatory and legal services that enable CCAs to effectively participate in relevant state proceedings. Doing so not only reduces costs, but also facilitates vital information sharing, collaboration, and coordination among the CCAs in California. This allows CCAs to most impactfully interact with the State as it works through the various issues engendered by the emergence and proliferation of CCAs.

LACCE has been participating in CalCCA as a non-voting affiliate member for the past year. Having submitted its Implementation Plan, LACCE is now eligible to become a full member with a seat on the Board of Directors.

Fiscal Impact

The cost of LACCE membership into CalCCA is $75,000. Although this cost was not included as a line item in the initial budget adopted by the Board at its August meeting,
Los Angeles Community Choice Energy

its inclusion will only decrease LACCE’s estimated $43 million net year-end balance by $75,000.

A revised budget has been attached (Attachment B).

Attachments:
   Attachment A – CalCCA Information
   Attachment B – Revised Budget
Advocating for Community Choice in California

CalCCA is committed to protecting the interest of California’s community choice electricity providers

CalCCA represents the interests of California’s community choice electricity providers in the legislature and at the relevant regulatory agencies, including the California Public Utilities Commission, California Energy Commission and California Air Resources Board. Community choice programs are administered by local governments with a mission to provide competitive alternatives to investor-owned utility sources. CalCCA’s voting members are the operating programs in...
California. Local governments interested in community choice may join as affiliate members.

**Operational Members**

- **Barbara Hale**
  CleanPowerSF

- **Cathy DeFalco**
  Lancaster Choice Energy

- **Matthew Marshall**
  Redwood Coast Energy Authority

- **Tom Habashi**
  Silicon Valley Clean Energy

**Affiliate Members**

- **Central Coast Power** (Counties of Santa Barbara, San Luis Obispo, and Ventura)
- **City of Corona**
- **City of Hermosa Beach**
City of San Jacinto

City of San Jose

City of Solana Beach

Coachella Valley Association of Governments

County of Los Angeles

County of Placer

East Bay Community Energy Authority

Monterey Bay Community Power Authority

Pico Rivera Innovative Municipal Energy (PRIME)

Valley Clean Energy

Western Riverside Council of Governments
## LACCE FY17-18 BUDGET BY MONTH (Adjusted September 7, 2017)

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<td><strong>New JPA Staff</strong></td>
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<td>SCE Bond</td>
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<td>$ -</td>
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<td>Repayment to County</td>
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<td>$ 6,680,000</td>
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<td>$ 520,000</td>
<td>$ 77,960</td>
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<td><strong>Net Balance</strong></td>
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<td>$ 77,960</td>
<td>$ 81,228</td>
<td>$ 11,028,451</td>
<td>$ 980,698</td>
<td>$ 32,469</td>
<td>$ 102,296</td>
<td>$ 46,977,626</td>
<td>$ 6,703,223</td>
<td>$ 43,610,052</td>
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# LACCE Fiscal Year 2017-18 Budget (Adjusted September 7, 2017)

<table>
<thead>
<tr>
<th>BUDGET ITEM</th>
<th>AMOUNT</th>
<th>NOTES</th>
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<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LA County Loan</td>
<td>$6,000,000</td>
<td>For Phase I power purchases and to provide cashflow; additional funds up to a total of $10M are available as needed.</td>
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<tr>
<td>Program Revenues (rates)</td>
<td>$4,000,154</td>
<td>Revenues begin in March for January sales (4 months of revenue in FY17)</td>
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<tr>
<td>Phase 2-3 Loan</td>
<td>$47,000,000</td>
<td>Expect private sector loan to provide capital for Phase 2 and 3 power purchases and to repay County.</td>
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<tr>
<td>Total Revenues</td>
<td>$57,000,154</td>
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<td><strong>Expenses</strong></td>
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</tr>
<tr>
<td>New Staff</td>
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<tr>
<td>Executive Director</td>
<td>$150,000</td>
<td>Assume January 2018 start.</td>
</tr>
<tr>
<td>Assistant</td>
<td>$50,000</td>
<td>Assume January 2018 start.</td>
</tr>
<tr>
<td>Subtotal New JPA Staff</td>
<td>$200,000</td>
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<tr>
<td>Existing Contract Services</td>
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</tr>
<tr>
<td>Executive Support (BD Management)</td>
<td>$180,000</td>
<td>Assuming contract is assigned to LACCE in August 2017 and concludes in January 2018</td>
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<tr>
<td>Data Manager Consultant</td>
<td>$3,000</td>
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<td>Subtotal Existing Contract Services</td>
<td>$183,000</td>
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<tr>
<td>New Contract Services</td>
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<tr>
<td>Legal Services</td>
<td>$200,000</td>
<td>Legal services to provide regulatory, financial market, and general legal support.</td>
</tr>
<tr>
<td>Communications and Outreach</td>
<td>$150,000</td>
<td>Support for conducting outreach to residents and businesses, including assessment of best practices.</td>
</tr>
<tr>
<td>Power Procurement Consultant</td>
<td>$150,000</td>
<td>Scheduling coordination and power procurement services.</td>
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<td>Contingency</td>
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<tr>
<td>Subtotal New Contract Services</td>
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<td>Office Space and Equipment</td>
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<td>Memberships</td>
<td>$75,000</td>
<td>CalCCA membership</td>
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<tr>
<td>Power Procurement</td>
<td>$4,899,948</td>
<td>Six months of power purchases for Phase I. Includes non-bypassable charges.</td>
</tr>
<tr>
<td>Fees and Bonds</td>
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<tr>
<td>Utility Fees</td>
<td>$292,155</td>
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<tr>
<td>CPUC Bond</td>
<td>$100,000</td>
<td></td>
</tr>
<tr>
<td>SCE Bond</td>
<td>$260,000</td>
<td></td>
</tr>
<tr>
<td>Subtotal Fees and Bonds</td>
<td>$652,155</td>
<td></td>
</tr>
<tr>
<td>Repayment to County</td>
<td>$6,680,000</td>
<td>Includes initial loan and in-kind services provided by County staff and consultants.</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>$13,315,103</td>
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<tr>
<td>Net</td>
<td>$43,685,051</td>
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</table>
To: Los Angeles Community Choice Energy Board of Directors
From: LACCE Staff
Subject: Staff Update
Date: September 7, 2017

STAFF UPDATE:

LACCE Workplan
- Staff is developing a LACCE Workplan for Fiscal Year 17-18, which will highlight the timing of important Board actions and key milestones.

- Importantly, the Workplan will show that some important organizational and policy decisions will not be made until the close of the open enrollment period at the end of this year.

- Attachment A contains a draft Workplan, and staff will return the board in October with a presentation and review of the final Workplan.

LACCE Membership Update
- One of the top priorities of staff is to continue to provide information and presentations to cities and city councils who are considering joining LACCE.

- To date, staff has given over 60 presentations to various city councils, city commissions and committees, city staff, councils of governments, and the general public.

- As the open enrollment period to join LACCE comes to an end, staff anticipates a substantial increase in engagement with interested cities. We currently have 15 additional presentations scheduled over the next months with many others in process.

Community Advisory Committee
- The LACCE Joint Powers Agreement mandates the creation of a Community Advisory Committee (CAC), but contains no details as to its method of formation, its size, or its scope.
It is intended that the final decisions about the CAC will be made by the Board in December 2017 or January 2018, when the open enrollment period has closed and the LACCE Board is fully formed.

In the interim, staff is planning several community meetings at various locations throughout the County to discuss the CAC with the public and interested stakeholders.

After conducting these meetings and collecting input, staff will work with the Board to develop a final plan for CAC formation.

**Budget Update**
- The Board adopted its initial LACCE Budget at its August Board meeting.
- Staff is developing a method to provide monthly budget updates to the Board.
- August saw very minimal expenditures; therefore, staff will return to the Board in October with its first monthly budget update.

**RFP Updates**

- **Power Supply and Scheduling Coordinator**
  - At its August meeting, the Board approved the release of RFPs for Power Supply and for Scheduling Coordination Services.
  - Staff released the RFPs on August 14, and proposals are due back September 12.
  - Staff has organized an Evaluation Committee comprised of outside industry experts to evaluate the proposals, conduct interviews if necessary, and make recommendations to the Board.
  - It is anticipated that staff will return to the Board in October for approval of the contracts.

- **Legal Services**
  - At its August meeting, the delegated authority to the Executive Director to solicit and execute contracts for legal services.
  - Staff is currently developing an RFP for General Counsel, and expects the RFP to be released in early September.
  - Staff anticipates returning to the Board in November with potential candidates for LACCE General Counsel for the Board’s consideration.
• **Website Design and Program Branding**
  o At its August meeting, the Board delegated authority to the Executive Director to solicit and execute a contract for website design and program branding.
  
  o Staff issued an RFP for these services on August 30.
  
  o Proposals are due September 20, and staff anticipates executing a contract in October.
  
  o Staff will report the contract terms once executed, and provide monthly website status updates to the Board as the website and branding are developed.

**Events**

• September 6 – Smart CCA Conference, organized by Sustain OC.

• September 27-29 – Annual meeting of the Northern California Power Agency.

• October 2-3 – Annual meeting of the statewide association of CCAs, California Community Choice Association (CalCCA).
  
  o LACCE Board Members are strongly encouraged to attend this meeting, which will provide many educational and networking opportunities. The LACCE Authority will cover registration expenses for Board members and alternates.
  
  o A draft Agenda for annual CalCCA meeting is attached (Attachment B).
## LACCE Workplan

**August 2017 - July 2018**

<table>
<thead>
<tr>
<th>2017</th>
<th>2018</th>
</tr>
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<tbody>
<tr>
<td>Aug</td>
<td>Sep</td>
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<tr>
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</tbody>
</table>

### Administration and Policies
- Operating Rules and Procedures developed and adopted
- Office space leased
- Community Advisory Committee Development
- Community Advisory Committee Formed
- Appoint Permanent Officers of the Board
- Executive and Finance Committee Formed
- Strategic Plan and Integrated Resource Plan
- Executive Director Recruitment and Hiring

### Power Supply and Rates
- Approve RFP for power supply for Phase 1
- Approve RFP for power supply for Phase 1
- Approve contract for scheduling coordinator
- Approve contract for power supply for Phase 1
- Approve the assignment of data manager contract
- Adopt Rates for Phase 1 Accounts
- RFP for Phase 2 Power Supply Developed
- Approve RFP for power supply for Phase 2
- Approve Contract for power supply for Phase 2
- Adopt Rates for Phase 2 Accounts

### Finance
- Approve MOU with LA County
- Adopt Initial Budget
- Engagement with financial community
- Development of loan package
- Approval of commercial loan for phases 2 and 3
- Repayment of County Loan
- Board Discussion of Draft 18-19 Budget
- Adopt Fiscal Year 18-19 Budget

### Community Outreach and Service
- RFP approved for web design and program branding
- RFP released for web design and program branding
- Outreach plan for Phase 2 and 3 customers developed
- Outreach plan for Phase 2 and 3 customers executed
- RFP for marketing and outreach approved for phases 2 and 3
- Contract for marketing and outreach approved
- Outreach
- Phase 2 outreach notices and service commencement

### Service Begins
- Board Item
- Staff Work - Monthly updates provided to the Board

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End of open enrollment period for cities to join LACCE, December 27, 2017
DRAFT AGENDA
California Community Choice Association Annual Meeting
Education for Emerging CCAs
Tuesday, October 3, 2017

8:00-9:00 Registration and Breakfast Buffet

9:00-9:30 Welcome—Beth Vaughan, CalCCA & Rep, WRCOG

9:30-10:00 The Community Choice Movement: Past, Present, and Future
Dawn Weisz, President, CalCCA and Chief Executive Officer, MCE

10:00-10:45 Keynote: *Mayor R. Rex Parris, City of Lancaster

10:45-11:00 BREAK

11:00-12:00 The Art of Procurement: Securing Long Term Contracts and Meeting Compliance Obligations
Moderator: *Tom Habashi, Interim CEO, Monterey Bay Community Power
Panel:  *John Dalessi, President and CEO, Pacific Energy Advisors
       *Michael Avidan, Senior Director, Origination & Structuring, Recurrent Energy
       *Gustavo Luna, Senior Vice President, Wind & Solar Development, Terra Gen

12:00-1:00 LUNCH

1:00-1:45 Policy Challenges: Regulatory and Legislative Activities
*Shalini Swaroop, Deputy General Counsel, MCE
*Hilary Staver, Regulatory and Legislative Analyst, Silicon Valley Clean Energy
Q&A

1:45-2:45 Emerging CCAs: Who are the New Kids on the Block and What are their Challenges and Opportunities?
Moderator: *Barbara Hale, Assistant General Manager, Power, SFPUC
Panel:  *Gary Gero, Chief Sustainability Officer, County of Los Angeles (invited)
       Matthew Marshall, CEO, Redwood Coast Energy Authority
       *Joseph Moon, Asst. Director Energy & Environmental Services, Town of Apple Valley
       Jennifer Cregar, Energy & Sustainability Supervisor, County of Santa Barbara
       Katie Barrows, Director of Environmental Resources, Coachella Valley Association of Governments

2:45-3:00 BREAK

*speaker confirmed
3:00-3:50  The Role of Elected Officials
Moderator: *Dawn Weisz*, CEO, MCE and President, CalCCA
Panel:     Jan Pepper, CEO Peninsula Clean Energy & Los Altos City Council Member
         *Scott Nassif*, Mayor, Town of Apple Valley
         Bruce McPherson, Director, Monterey Bay Community Power Authority and
                        Santa Cruz County Supervisor *(invited)*
         Kate Sears, Chair; MCE and Napa County Supervisor

3:50-4:00 Closing Remarks—*Beth Vaughan*, CalCCA

4:00-6:00 Onsite Reception and Networking

@ 8-18-2017

*speaker confirmed*