

REGULAR MEETING of the Board of Directors of the
Clean Power Alliance of Southern California
Thursday, March 7, 2019 2:00 p.m.

MINUTES

Los Angeles Hall of Administration, Room 864
500 W. Temple Street, Los Angeles, CA 90012

*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*

*Whittier City Hall – Admin Conference Room
13230 Penn Street, Whittier, CA 90602*

I. WELCOME AND ROLL CALL

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

Roll Call				
1	Agoura Hills	Deborah Klein Lopez	Director	Remote
2	Alhambra	Jeff Maloney	Director	In-Person
3	Arcadia	Sho Tay	Director	In-Person
4	Beverly Hills			Absent
5	Calabasas	John Bingham	Alternate	Remote
6	Camarillo	Tony Trembley	Director	In-Person
7	Carson	Reata Kulcsar	Alternate	In-Person
8	Claremont	Corey Calaycay	Director	In-Person
9	Culver City	Meghan Sahli Wells	Director	In-Person

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10	Downey	Sean Ashton	Director	In-Person
11	Hawaiian Gardens	Ramie Torres	Alternate	Remote
12	Hawthorne	Alex Monteiro	Director	In-Person
13	Los Angeles County	Sheila Kuehl	Vice Chair	In-Person
14	Malibu	Skylar Peak	Director	In-Person
15	Manhattan Beach	Nancy Hersman	Director	In-Person
16	Moorpark	Janice Parvin	Director	Remote
17	Ojai	Johnny Johnston	Director	Remote
18	Oxnard	Carmen Ramirez	Director	In-Person
19	Paramount			Absent
20	Redondo Beach	John Gran	Alternate	In-Person
21	Rolling Hills Estates	Steve Zuckerman	Director	In-Person
22	Santa Monica	Kevin McKeown	Director	In-Person
23	Sierra Madre	John Harabedian	Director	In-Person
24	Simi Valley	Ruth Luevanos	Director	Remote
25	South Pasadena	Diana Mahmud	Chair	In-Person
26	Temple City			Absent
27	Thousand Oaks	Claudia Bill-de la Peña	Director	Remote
28	Ventura	Joe Yahner	Alternate	Remote
29	Ventura County	Linda Parks	Vice Chair	In-Person
30	West Hollywood	Lindsey Horvath	Director	In-Person
31	Whittier	Henry Bouchot	Director	Remote

II. GENERAL PUBLIC COMMENT

The following individuals provided general public comments: Freeman Hall (Solar Electric Solutions), Mike Stern, and Harvey Eder (Public Solar Power Coalition).

III. CONSENT AGENDA

1. Approved minutes with stated amendments from February 7, 2018 Board of Directors meeting

Chair Mahmud stated the following amendments to the Board meeting minutes from February 7, 2019: the roll call should reflect that both Director Bill-de la Peña and Alternate Director Figueroa participated from a remote location; and on Item 12, the minutes should reflect that Neil Fromer was the individual appointed to the Community Advisory Committee representing unincorporated LA County. In addition, Alternate Director Ramie Torres (Hawaiian Gardens), also indicated that the minutes should reflect that she participated from a remote location.

2. Approved Amendment No. 3 to the Clean Power Alliance Joint Powers Agreement revising Sections 4.10.1, and 5.1 and authorized the Chair to execute Amendment No. 3
3. Adopted Resolution No. 19-03-002 adopting the Clean Power Alliance Bylaws and superseding prior Closed Session Policy
4. Approved revisions and clarifications to Policy No. 7 for Net Energy Meeting (NEM)

Item 4 was pulled for further discussion, by Director Harabedian, who asked for staff to explain how the net surplus compensation payment works for customers.

Mathew Langer, Chief Operating Officer, reported that CPA has worked with our data manager to estimate how much net surplus compensation we should expect to pay out at the end of the year, and that any individual customer's payment that is under \$100 is rolled over to the next year as a credit, and that the Board has set a maximum payout of \$10,000 per customer. Staff indicated that it would follow up with more details on the total amount of net surplus compensation expected to be paid by CPA.

Motion: Director Harabedian, Sierra Madre

Second: Director Peak, Malibu

Vote: Item 4 was approved by a unanimous roll call vote.

5. Approved Policy No. 8 regarding Public Comment
6. Adopted a sponsor role and position of support on Senate Bill SB 355 (Portantino) and authorized CPA staff to communicate that role and position of support to State Legislators, the Governor, and other interested stakeholders
7. Received report from the Community Advisory Committee February 14, 2019 meeting

Motion: Director McKeown, Santa Monica

Second: Vice Chair Kuehl, Los Angeles County

Vote: Items 1 through 3 and 5 through 7, with stated amendments, passed by a unanimous roll call vote.

IV. REGULAR AGENDA

Action Items

8. Adopted, with stated amendments, Resolution 19-03-003 to approve adjusted rates for Phases 1 and 2 non-residential customers and new preliminary rates for Phase 4 non-residential customers, and Resolution 19-03-004 to approve adjusted 2019 rates for Phase 3 residential customers

Chair Mahmud stated the following amendments to Resolution 19-03-003:

- After the 4th paragraph in the Recitals, add the following sentence:
“WHEREAS, SCE rate changes are effective on March 1, 2019; and”
- In the concluding Paragraph, add at the end of the sentence after
“hereby approved,” the following text: “effective on March 1, 2019.”

Chair Mahmud also stated the following amendments to Resolution 19-03-004:

- After the 4th paragraph in the Recitals, add the following sentence:
“WHEREAS, SCE’s rate changes are effective on March 1, 2019.”
- In the concluding Paragraph, add at the end of the sentence after
“hereby approved,” the following text: “effective on March 1, 2019.” And
change: “Attachment 2” to “Attachment 1”

Matthew Langer, Chief Operating Officer, presented the proposed and upcoming rate changes to CPA's rates for the Board's consideration.

Director Ramirez asked if the PUC decision on the Brown Power True Up was unanimous. Mr. Langer responded that the Administrative Law Judge initially sided with SCE but then Commissioner Guzman-Aceves put forth an Alternate Proposed Decision that was voted out 4-1 by the PUC. Director Ramirez asked how we are advising people about the changes coming to their SCE bill. Mr. Langer responded that yes, CPA is doing publicity on this, including a note on the post-enrollment notice that SCE rates are increasing for all customers.

Vice Chair Parks expressed positive comments on the post enrollment notice.

Director McKeown asked about critical peak pricing (CPP). Mr. Langer responded that there are about 300 non-residential customers for which this applies, and CPA is sending them specific letters and reaching out directly to large customers, to determine the level of interest so that CPA can explore whether to look into developing its own CPP program.

Vice Chair Kuehl asked if we can anticipate when CPA can begin to establish rates independently of SCE in the future. Mr. Langer responded that is CPA's longer term goal and Ted Bardacke, Executive Director, mentioned that SCE will be defaulting residential customers to time of use, which will also be a topic of future discussion for the CPA Board on how its rates could potentially be decoupled from SCE. Chair Mahmud remarked that the Board should expect interest from other jurisdictions to join CPA this year and will have to consider how that impacts rates as well.

Mr. Bardacke reported that the next regularly scheduled Board meeting of April 4 will now be the next meeting, there will be no meeting on March 28.

John Bingham asked for staff to clarify the difference between the 100% Green

and 100% Green Default rates. Mr. Langer responded that is to allocate for the CARE/FERA/Medical Baseline discount in 100% Green Power default jurisdictions.

Director Bouchot asked what increase a typical customer could expect with the new TOU changes. Mr. Langer responded that it really depends on the individual customer's behavior, but over the course of the year it is intended to be revenue neutral because customers respond to new price signals.

Director Kulcsar asked if SCE is phasing CPP out. Mr. Langer responded that CPA customers would be excluded, but SCE is moving towards defaulting all customers into CPP.

Director Trembley asked what the anticipated general, cumulative total increase customers should expect. Mr. Langer said that its expected to be in the 5-7% overall bill increase range, but we are awaiting final numbers. Director Trembley added this is good information to push out via our website and other channels to member agencies and constituencies.

Vice Chair Parks asked if the CARE/FERA/Medical Baseline subsidy comes from each individual city, or if it is all of the ten 100% Green default jurisdictions. Mr. Bardacke responded that it comes from all ten jurisdictions.

The following individual provided public comments on Item 8: Harvey Eder (Public Solar Power Coalition).

Motion: Director Ramirez, Oxnard

Second: Vice Chair Kuehl, Los Angeles County

Vote: Item 8, with the stated amendments, passed by a unanimous roll call vote.

9. Approved Fiscal Year 2018/2019 Budget Amendment

David McNeil, Chief Financial Officer, presented the requested amendment to CPA's FY 2018/19 annual budget.

Motion: Director Zuckerman, Rolling Hills Estates

Second: Vice Chair Kuehl, Los Angeles County

Vote: Item 9 passed by a unanimous roll call vote.

10. Approved Policy No. 9 for Financial Reserves

David McNeil, Chief Financial Officer, presented a final proposed Financial Reserve Policy to the Board. Mr. McNeil reported that the proposed Policy incorporates feedback received from the Board at its prior meeting as well as from further discussion with the Finance and Executive Committees.

Director McKeown asked for further detail why the Finance Committee recommended a range for the reserve target rather than a specific amount. Mr. McNeil responded that we are a long way away from our percentage target, so the range is a way of signaling to the market that we are closer to achieving our target while keeping a top end of the range that is still consistent with the market as well.

Director Ramirez remarked that CPA does not have pension obligations and unfunded liabilities, and Mr. McNeil reported that is correct.

Motion: Director McKeown, Santa Monica

Second: Director Trembley, Camarillo

Vote: Item 10 passed by a unanimous roll call vote.

V. EXECUTIVE COMMITTEE ELECTIONS

Nancy Whang, General Counsel, indicated that today the Board is conducting an election to fill the vacancy on the Executive Committee for the Los Angeles County at large position. CPA staff will be opening the ballots received for this position within the publicly accessible Board meeting room and certifying the results. The two candidates

for this position are Director Sho Tay (Arcadia) and Director Kevin McKeown (Santa Monica).

Upon completion, Chair Mahmud reported that Director Kevin McKeown was the majority vote getter and is elected to serve on the Executive Committee as the Los Angeles County At Large representative.

Chair Mahmud also reported that the election for the Ventura County At Large representative to the Executive Committee would take place at a future Board meeting.

VI. MANAGEMENT UPDATE

Ted Bardacke, Executive Director, directed the Board to the Management Update included in the agenda packet, but that highlighted that recently CPA has experienced, as of currently, a 98.5% success rate in transitioning over 900,000 customers. Mr. Bardacke also reported that CPA held its first Sustainable Energy Incubator event this past month, and as part of this initiative, the Local Government Commission is available to provide technical assistance and support to our member agencies.

VII. GENERAL COUNSEL UPDATE

Nancy Whang, General Counsel, provided a report to the Board regarding recent discussions on communications with vendors and indicated that CPA staff would be working with the Executive Committee to develop further guidance around this topic. She also reminded the Board to keep in mind Brown Act requirements around serial meetings.

VIII. COMMITTEE CHAIR UPDATES

Director Lindsey Horvath reported that the Legislative & Regulatory Committee did not meet last month due to lack of quorum.

Director Sahli-Wells reported that the Communications & Ad Hoc Committee recently met to discuss lessons learned from customer engagement activities during Phase 3 mass enrollment and how CPA is working to enhance the outreach effort for upcoming

Phase 4 customer enrollment.

IX. BOARD MEMBER COMMENTS

Director Calaycay expressed a desire that given the new CPA policy regarding public comments that we remind members of the public that they can submit written comments, and that CPA consider developing a general email address to accommodate this. Staff responded that this accommodation can certainly be made as the intent is not to limit public engagement.

Vice Chair Kuehl remarked that what CPA is doing is quite remarkable and thanked and commended her fellow Board members and staff for the progress.

X. REPORT FROM THE CHAIR

Chair Mahmud congratulated Directors Lindsey Horvath and Director Christian Horvath for the recent successful elections. She also welcomed letters of support on SB 355. Chair Mahmud also thanked staff for the first successful Sustainable Energy Incubator event and expressed her appreciation for Director Sho Tay who attended.

XI. ADJOURN

Chair Mahmud adjourned the meeting.