

MEETING of the Executive Committee of the  
Clean Power Alliance of Southern California  
Wednesday, August 21, 2019, 1:30 p.m.

**MINUTES**

555 West 5<sup>th</sup> Street, 35<sup>th</sup> Floor  
Los Angeles, CA 90013

*Beverly Hills City Hall*  
*4<sup>th</sup> 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**

Chair Diana Mahmud called the meeting to order.

<b>Roll Call</b>				
1	<b>Beverly Hills</b>	Julian Gold	Committee Member	Remote
2	<b>Los Angeles County</b>	Gary Gero	Alternate	Present
3	<b>Oxnard</b>	Carmen Ramirez	Committee Member	Remote
4	<b>Rolling Hills Estates</b>	Steve Zuckerman	Committee Member	Present
5	<b>Santa Monica</b>	Kevin McKeown	Committee Member	Present
6	<b>South Pasadena</b>	Diana Mahmud	Chair	Present
7	<b>Ventura County</b>	Linda Parks	Vice Chair	Remote
8	<b>West Hollywood</b>	Lindsey Horvath	Committee Member	Remote

**II. GENERAL PUBLIC COMMENT**

There were no general public comments.

**III. CONSENT AGENDA**

1. Approved Minutes from July 10, 2019 Executive Committee Meeting

Motion: Committee Member Parks, Ventura County

Second: Committee Member McKeown, Santa Monica

Vote: Item 1 was approved by a unanimous roll call vote of all voting members.

#### **IV. REGULAR AGENDA**

##### **2. Received Report from the Executive Director**

Ted Bardacke, Executive Director, reviewed the delayed Southern California Edison (SCE) billing situation. Mr. Bardacke notified the Committee that the missing CPA charges were resubmitted to SCE, so they can appear on the next billing cycle. Since the charges have been submitted and are now appearing on customer bills, there has been an increase in customer cash receipts on a five-day average, from \$3.2 million daily to \$4.7 million daily. There were 110,000 affected bill periods and CPA staff has been specifically monitoring opt-outs among this group. To date, 1,541 have opted-out, which is about a 1.4% rate among this group. However, 2,000 customers have taken this opportunity to change their rate plan, and of this group 7% opted up to 100% Green Power. Vice Chair Parks requested we send a letter to those customers welcoming them to 100%. Jennifer Ward, Director of External Affairs, notified the committee that both commercial and residential customers currently receive a letter when they opt-up to 100% Green Power, congratulating them on choosing more renewable energy and notifying customers about the Green-e certification program.

Mr. Bardacke reported that there are as many as 40,000 accounts that never had usage reported to Calpine by SCE. CPA staff is working to get this issue fixed and there remain 10,000 accounts to be cleared and should be cleared by the end of the month. He indicated there is also concern with auto-pay customers who will be getting larger bills that included the missing charges from recent months. Staff has taken proactive steps and is working with SCE to ensure these customers are notified of the larger anticipated bills and they are offered payment plans. There is a focus on reaching out to auto-pay customers who are also CARE customers that will be receiving

a bill larger than \$150. Committee member Zuckerman asked if additional staffing is needed at the call centers. Mr. Bardacke indicated that CPA has delayed moving call center from a 7 day a week operation to 5 day a week, until this issue is resolved. Committee member Gold asked if staff is keeping track of costs. Mr. Bardacke stated that CPA is tracking the financial impacts of the SCE delayed billing. Chair Mahmud requested that staff continue to track costs due to this issue in case we need to reference it later, if necessary.

Mr. Bardacke announced that CPA recently hired a new Board Secretary and Director of Regulatory Affairs.

Chair Mahmud asked if there would be a closed session for the upcoming Board meeting. Mr. Bardacke clarified that there is a place holder on the Board agenda for a closed session, however it may not be needed as direction from the Board is not needed at this time.

There were no public comments on this item. This item was for discussion purposes only.

3. Reviewed Draft Agenda for September 5, 2019 Board of Directors Meeting

Matt Langer, Chief Operating Officer, provided a brief presentation on the proposed rate adjustment. If approved, this rate adjustment would be effective on September 9. In July, SCE implemented a rate change as a result of its General Rate Case, which caused the average SCE generation rates to go down, however a new, lower PCIA caused CPA's rates to go down by even more than SCE rates. Chair Mahmud asked why the PCIA went down. Mr. Langer stated it was due in part to the tax bill, and because of the overall cost structure for generation.

Mr. Langer highlighted that at this time staff is recommending the Board align CPA rates with SCE rates, which will match June's bill comparisons and result in an additional expected \$4-\$5 million in revenue between September and December 2019.

Mr. Bardacke reviewed the proposed revisions to CPA Employee benefits. Staff is proposing an updated benefits package that would help retain current staff and remain attractive to potential incoming candidates. Mr. Bardacke also clarified that CPA does not provide a CalPERS type retirement plan, but is more like a 401(k). If the Board approves the benefits package, this will help in establishing defined salary ranges for employees as well.

Committee member Gold asked how staff arrived on the 6% direct and 4% matching contributions to retirement. Mr. Bardacke stated that staff reviewed what is currently offered at other CCAs and comparable agencies and felt a need to increase the employer contribution for CPA employees. The Committee reached consensus on staff's recommendation of option #3 for CPA retirement benefits.

Committee member McKeown encouraged that the Committee move to support option #2 for Health/Dental/Vision, which would cover staff and dependents. Committee member Gold stated he did have concern not knowing the total cost of health coverage and would like to fix the cost to a dollar amount, so the Board understands total cost to CPA. Mr. Bardacke clarified that fixing it to a dollar amount is an option, but the number could become higher. Mr. Bardacke suggested that we add language that employees and dependents would be covered at the 2019 Kaiser level rate, so it is clear what the intention is and revisit this in the future if adjustments are needed.

David McNeil, Chief Financial Officer, clarified that for health care, at the most expensive scenario, the cost to CPA would be just under \$300,000, which equates to 6% of equivalent staff salary. Mr. McNeil also suggested that including verbiage in the employee policy that these benefits are subject to adjustments would help.

Mr. Bardacke suggested, that if health care costs rise substantially, that it might be best to include a provision that there CPA could move to add an employee contribution in that case. Chair Mahmud asked if there is dental coverage through Kaiser Platinum. Ms. Edwards clarified that to her knowledge there is not, but she would check. Additionally, Ms. Edwards clarified that CPA uses a different provider other than Kaiser currently and we would expect to continue that, should Kaiser Platinum not include dental. Chair Mahmud, then asked the committee if dental coverage should be extended to dependents, as well. To which, the committee agreed that dependents should also be covered. The Committee reached consensus on option #2 for Health/Dental/Vision with the suggested provision by Mr. Bardacke.

Committee member McKeown asked if the \$200 amount to incentivize employees not to drive is enough. Mr. Bardacke stated the amount is meant to cover a significant amount cost for Metrolink and Metro rail. Committee member McKeown asked if the payment is made on the basis of submittals, to which responded yes, it would be. The Committee requested that staff develop an electric vehicle rebate plan and make it applicable to employees separate from this and provide the \$200 only for public transit. The Committee reached consensus on option #1 for transportation benefits.

Chair Mahmud asked the General Counsel to distribute the Employee handbook information to the Board with a redline copy. Additionally, Chair Mahmud requested that staff also add 4-5 days of floating holidays, since

currently CPA does not offer that. Ms. Edwards asked that we call it personal time-off, and the Committee agreed that would be appropriate.

There were no public comments on this item. This item was for discussion purposes only.

## **V. COMMITTEE MEMBER COMMENTS**

Committee member Zuckerman asked what the scope would be for the company who would administer the long-term energy RFO. Mr. Bardacke said it would be similar to what LevelTen provided, which is run the online platform, intake of documents, and compile the information for analysis.

Committee member McKeown announced that the first big blue bus that is fully electric and is running on 100% renewable electricity, is now in operation in Santa Monica.

Chair Mahmud announced that there might be a conflict for the October Executive Committee meeting, since it is the first day of the League of California Cities conference, therefore we should consider moving the Executive Committee to an alternate date.

## **VI. ADJOURN**

Chair Mahmud adjourned the meeting.