



**MEETING of the Executive Committee of the
Clean Power Alliance of Southern California
Wednesday, September 18, 2019
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 Rigoberto Garcia at rgarcia@cleanpoweralliance.org or (213) 269-5870. 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.

PUBLIC COMMENT POLICY: *The General Public Comment 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 Consent Agenda and Regular Agenda shall be heard at the time the matter is called. Comments on items on the Consent Agenda are consolidated into one public comment period. 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 at the beginning of the meeting but no later than immediately prior to the time an agenda item is called.*

Each speaker is customarily limited to two (2) minutes (in whole minute increments) per agenda item with a cumulative total of five (5) minutes to be allocated between the General Public Comment, the entire Consent Agenda, or individual items in the Regular Agenda. Please refer to Clean Power Alliance Policy No. 8 – Public Comments for more information.

In addition, members of the Public are encouraged to submit written comments on any agenda item to PublicComment@cleanpoweralliance.org. To enable an opportunity for review, written comments should be submitted at least 72 hours but no later than 24 hours in advance of the noticed Committee meeting date. Any written materials submitted thereafter will be distributed to the Committee at the Committee meeting. Any written submissions must specify the Agenda Item by number, otherwise they will be considered General Public Comment.

Clean Power Alliance Executive Committee Meeting
September 18, 2019

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. GENERAL PUBLIC COMMENT

III. CONSENT AGENDA

1. Approve Minutes from August 21, 2019 Executive Committee Meeting

IV. REGULAR AGENDA

2. Receive Report from the Executive Director
3. Review Draft Agenda for October 3, 2019 Board of Directors Meeting

V. COMMITTEE MEMBER COMMENTS

VI. ADJOURN

Public Records: Public records that relate to any item on the open session agenda for a 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 has designated Clean Power Alliance, 555 W. 5th Street, 35th Floor, Los Angeles, CA 90013, as the location where those public records will be available for inspection. The documents are also available online at www.cleanpoweralliance.org.

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

MINUTES

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I. WELCOME AND ROLL CALL

Chair Diana Mahmud called the meeting to order.

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



Staff Report – Agenda Item 2

To: Clean Power Alliance (CPA) Executive Committee
From: Ted Bardacke, Executive Director
Subject: Report from the Executive Director
Date: September 18, 2019

The Executive Director will provide an oral report on current CPA operations.



Staff Report – Agenda Item 3

To: Clean Power Alliance (CPA) Executive Committee
From: Ted Bardacke, Executive Director
Subject: Review Draft Agenda for October 3, 2019 Board of Directors Meeting
Date: September 18, 2019

Staff will provide an overview of the proposed agenda items for the October 3, 2019 Board of Directors (Board) meeting for review and feedback from the Executive Committee. The Draft Board agenda is attached to this staff report. A discussion of pertinent items for Board consideration is provided below.

REGULAR AGENDA

Presentation on Local Programs Strategic Plan

In May, CPA launched a strategic planning process to develop a five-year strategic plan that will guide its future suite of local programs. Throughout May, June and July, staff and CPA's local programs strategic planning consultant, ARUP, conducted an intensive stakeholder engagement process that included a workshop with the Board, open public meetings, several consultations with the Community Advisory Committee, one-on-one stakeholder interviews, and an on-line survey.

Building off the results of this outreach, ARUP has developed some broad categories in which future CPA programs could be bucketed. In parallel a valuation tool has been built, which evaluates potential programs across a wide variety of criteria, ranging from ROI for CPA to building community resilience to customer value and acceptance. Testing of the evaluation tool using some sample programs is underway.

Staff plans to have ARUP present a progress status report focused on what we've learned from stakeholders, how we are using that knowledge to guide our program possibilities and to solicit feedback. This presentation will also be context for the DER pilot services agreement to be considered at the same October 3 Board meeting.

The next step in the strategic planning process is to refine program categorization, continue evaluating potential programs, and then present options to the Community Advisory Committee for review. A final proposal is expected to come to the Board in December or January.

Distributed Energy Resources (DER) Services Agreement

In July 2018, the Board approved a 4-year contract with Calpine Energy Solutions for data management services. Included in the contract scope was the planning and implementation of a Distributed Energy Resources (DER) pilot, in partnership with subcontractor Olivine, Inc., to commence no later than January 2020. Planning task for the DER pilot was specified in the July 2018 contract with Calpine and the intention to enter into a more detailed tripartite DER Services Agreement with CPA, Calpine, and Olivine in order to implement the DER pilot program was also specified.

DERs are local, geographically dispersed energy resources or technologies that enable customers to shift or reduce their load during certain times of the day. They can also include a generation component. DER programs support both customer energy cost reduction, help CPA reduce costly energy purchases and potentially earn revenue from wholesale market participation. The intention of the DER pilot program is to gather valuable data and experience in how to implement these types of programs, which in turn can guide the selection of specific program types that emerge from CPA's local programs strategic planning process.

At the October 3rd Board meeting, CPA staff will be presenting the DER Services Agreement for approval. This DER Services Agreement will outline the scope of work, operational roles, clarify market risk provisions, and include a detailed program budget.

Work performed by Calpine and most of Olivine's scope under the DER Services Agreement will be provided to CPA at no cost. The FY 18/19 budget approved by the Board in June 2018 included \$1.49M for the implementation of the DER pilot program. These funds are earmarked for customer incentives, CPA-incurred implementation costs, and some enhanced marketing and implementation activities performed by Olivine.

CPA staff, the Energy Committee and the Community Advisory Committee have been engaged in an evaluation and planning process with Calpine and Olivine for the past 5 months. First, a review and analysis of CPA system load curves and customer class load profiles was performed to identify target customer classes. Program options for these customer classes were evaluated based on how well they met certain criteria such as maximizing benefits to the customer and CPA, scalability, and opportunities for wholesale market participation. Detailed use case and cost/benefit analysis was then conducted for the top-ranking options.

The proposed program options were presented in three pillars¹, based on the customer segments they are targeting:

- Smart Home: Residential customers, including Disadvantaged Communities, with existing or new equipment
- Solar + Storage: Commercial and residential customers with existing or new equipment
- EV Charging: Commercial customers with existing equipment

Each of these customer segments will be offered incentives to allow CPA to use their existing equipment for demand response and/or wholesale market participation. Funds are also available for the purchase/installation of new equipment on a limited basis.

¹A fourth pillar/use case for Community Solar, especially in Disadvantaged Communities, was also identified but will be implemented separately by CPA using funds dedicated for this purpose by the California Public Utilities Commission.

Since July, an implementation planning process has been underway to develop customer marketing and acquisition strategy and finalize operational aspects of the pilot. Upon Board approval, the pilot will kick off with a targeted marketing and customer acquisition effort, will officially go live in January 2020. It is expected to run through the end of 2020 with an option to extend or expand the pilot to the end of term of the original Calpine contract, e.g. July 2022.

Presentation on Long Term Power Contracting Status and Process

Staff will provide an informational update to the Board on regarding CPA's procurement of long-term power contracts. This item will include a look back at CPA's 2018 Clean Energy Request for Offers (RFO), topics driving current procurement priorities, and a status update on the development of CPA's 2019 Clean Energy RFO. The Energy Committee received a similar presentation on September 4, 2019 and it will provide context for the two Power Purchase Agreements (PPAs) potentially being presented to the Board.

CPA's first Long Term Clean Energy RFO launched in October 2018. CPA received bids from 230 separate projects. The Energy Committee shortlisted 11 projects, 7 projects entered into exclusive negotiations, two PPAs were approved by the Board, and two others are currently under negotiation.²

In September the Board selected Ascend Analytics to provide administration and support services and valuation assistance for CPA's 2019 RFO, which CPA plans to launch in in October. Bids will be due in mid-November. For 2019, however, staff is proposing to shortlist more projects to account for higher-than-anticipated shortlist attrition and run a two-track RFO to enhance competitiveness of smaller local projects. The first track will be for Utility-Scale Procurement of projects 10 MW or larger; the second track will be for local/distributed projects of less than 10 MW and located in Los Angeles and Ventura counties.

² The Board has also approved two PPAs – one for wind and one for hydropower – through a bilateral processes. PPAs to be negotiated through a bilateral process are brought to the Energy Committee for review prior to entering in to detailed negotiations with project developers.

The Utility-Scale Procurement Track will use the same six evaluation criteria as the 2018 RFO,³ and specific criteria for the Distributed Procurement Track are in development and will be discussed by the Energy Committee on September 25.

There are a number of factors driving CPA's long-term procurement efforts, including compliance requirements, cost savings potential, load-resource balance and portfolio diversity considerations, and desire to invest in new renewable energy development. SB 350 requires CPA to secure at least 65% of its Renewables Portfolio Standard (RPS) obligations through long-term (10+ years) contracts over the 2021-2024 compliance period. Within this time period, it is advantageous for CPA to secure projects with earlier online dates to help reduce its procurement costs and reduce the need to "catch up" with additional procurement in later years. In addition, CPA's current portfolio primarily consists of solar resources, therefore diversification and selection of other types of renewable energy resources will be an important consideration during CPA's contracting decisions.

Solar Plus Storage Power Purchase Agreement

Staff plans to present this 123 MW solar plus 31 MW battery storage Power Purchase Agreement (PPA) for consideration. This project is a portion of a larger 144 MW solar facility located in San Bernardino County, CA. This project was selected as part of the 2018 Clean Energy RFO and approved by the Energy Committee for shortlisting on March 27, 2019.

This solar plus storage opportunity represents CPA's highest value project from the 2018 Clean Energy RFO (from a pricing perspective) and an opportunity to secure storage capacity, which will be critical to balancing CPA's renewable supply portfolio. The project is repurposing a retired power plant site within a Disadvantaged Community. The developer has committed to a multi-party Project Labor Agreement.

³ Value, development risk, location, environmental stewardship, workforce development, and benefits to Disadvantaged Communities.

Wind Resource Power Purchase Agreement

CPA has been approached by a developer regarding a time-sensitive opportunity to secure a 20-year PPA with a 300 MW wind project located in Arizona with expected output of approximately 830,000 MWh/year. The PPA offered to CPA is part of a larger 350 MW wind project with a Commercial Online Date (COD) of December 31, 2020. Staff presented this Wind PPA opportunity to the Energy Committee on September 4, and the Committee was supportive in moving forward with negotiations for this project given the near-term COD, attractive pricing – CPA would save \$8 million annually compared to short-term pricing through this project – and the ability to diversify CPA’s resource portfolio.

This project is a late-stage development and highly de-risked, has already completed its environmental review process, and secured right-of-way. The developer committed to using IBEW labor for the electrical work, and will invest \$1 million in workforce development in Los Angeles and Ventura Counties together with CPA over the next four years.

Staff continues to negotiate with the developer and conduct additional due diligence. If negotiations are successful, staff may present this Wind PPA opportunity for consideration by the Board at its October 3 meeting.

CONSENT AGENDA**The Energy Authority (TEA) Task Order TEA-#4**

Discussions on a new nine-month Task Order (TEA-#4) with TEA for Power Procurement and Advisory Services are ongoing. Proposed changes are designed to lower costs in conjunction with CPA’s in-sourcing of key power procurement staff as well as moving many services from hourly based to fixed fee based. Staff plans to bring this new Task Order with TEA to the October 3 Board meeting for consideration. The current Task Order (TEA-#3) expires at the end of September.

Community Advisory Committee Appointment

The CAC has one remaining seat to be filled in the South Bay Region. Staff reached out to various individuals and received applications from potential candidates. On October 3, staff will be recommending the Board appoint Emmitt Hayes to fill the seat for the South Bay Region. As business owner of a realty firm, Mr. Hayes brings experience from the private sector and unique community perspective, as he routinely works with low and moderate-income families to achieve their goals of homeownership. If Mr. Hayes' appointment is approved, the CAC will be full with no vacant positions.

Bylaws Amendment – Closed Session Revision

On March 7, 2019, the Board adopted the CPA Bylaws, which contained a provision (Art. IV, Section 3.d.) which precludes an Alternate Director from participating in CPA closed session discussions unless that Alternate Director is a member of the member agency's legislative body. This provision of the Bylaws was adopted in order to comply with Government Code Section 54956.96. At the same meeting, the Board voted to sponsor and support SB 355 which would remove this limitation from the Government Code.

On September 5, 2019, Governor Newsom signed SB 355 into law, which authorizes CPA to adopt a bylaw to allow a non-elected Alternate Director to attend a properly noticed closed session when attending in place of a Regular Director. The law takes effect on January 1, 2020.

Pursuant to section 4.11.1, subdivision (d), of the Joint Powers Agreement (Agreement), staff is required to provide thirty (30) days advance notice of the intent to amend the Bylaws. This agenda item would provide that advance notice on October 3 and seek approval of the amendment. At the following Board meeting in November, staff will present a Resolution adopting the amendment to the Bylaws and specifying that the amendment to the Bylaws is effective January 1, 2020.

Staff proposes the following substantive amendment to Article IV, Section 3.d. of the Bylaws:

d. Alternate Directors Participation. Any designated Alternate Director of the legislative body of a Local Agency ~~who is also a member of the legislative body of a Local Agency and~~ who is attending a properly noticed meeting of the Alliance in lieu of a Local Agency Regular Director may participate in a closed session meeting of the Alliance.

Consistent with SB 355, staff also proposes a clean up of Article IV, Section 3.b of the Bylaws as follows:

b. Discussions with Local Agency Governing Bodies and Local Agency Legal Counsel. A Director may disclose information obtained in a closed session that has direct financial or liability implications for the Director's Local Agency, to the following individuals: i) Legal counsel of the Director's governing body for purposes of obtaining advice on whether the matter has direct financial or liability implications for that Local Agency; and ii) ~~Other M~~members of the governing body of the Local Agency present in a closed session of that Local Agency.

Net Energy Metering (NEM) Policy Amendment – Unclaimed Returned Checks

In February 2019, the Board of Directors approved Policy No. 7 Net Energy Metering (NEM Policy). In March 2019, the Board approved revisions to the NEM Policy that incorporated clarifications and updates.

The NEM Policy governs operation of CPA's NEM Program and includes the calculation and application of credits and payments to customers for excess generation from customer sited, behind the meter, and primarily roof top solar facilities.

CPA issues NEM cash out checks to customers that no longer receive service from CPA ("inactive customers") to whom funds are owed in accordance with the NEM policy. Since January 1, 2019, CPA has issued 242 NEM cash out checks to inactive customers of which approximately 75, or 30%, have expired or been returned to CPA. The average NEM cash out check amount is \$20.50 and the average returned or expired NEM cash out check amount is \$18.49.

Staff propose to update the NEM Policy to clarify that: i) checks will be mailed to addresses on file; ii) checks expire after 90 days; and iii) former customers eligible to receive NEM cash out checks may request the reissuance of an expired or returned check at any time.

The Finance Committee members reviewed the proposed changes to the NEM Policy at its August meeting and support the proposed changes. Staff propose that the Finance Committee again review NEM Policy provisions dealing with the expiration or return of checks made out to active customers eligible to receive an annual cash out following the first annual cash out process which will occur in May 2020.

Non-Energy Procurement Policy

The limits of CPA's procurement authority are set forth in Government Code section 6509 and Section 3.4 of the Agreement. Section 6509 restricts a JPA's power to that exercised by one of the JPA's contracting parties and that contracting party must be designated in the joint powers agreement. Section 3.4 of CPA's Agreement designates the County of Los Angeles ("LA County") as that party. CPA has been following LA County policies until it adopts its own and the same is true for CPA's procurement approach.⁴

Staff is now proposing a Non-Energy Procurement Policy within the parameters set forth in the Government Code and the Agreement. In addition to legal compliance, staff is proposing to adopt a non-energy procurement practice that advances the goals of facilitating efficient CPA business operations, offering fair compensation, enhancing transparency and accountability, and providing local workforce opportunities within a framework of high quality, competitive offerings whenever practical.

Given these parameters, staff reviewed the Government Code applicable to LA County's procurement authority and consulted with LA County staff. Staff also reviewed the procurement policies of other CCAs, MWD, LA County, and Metro in order to identify best practices that may be leveraged.

Based on this review, Staff is proposing to maintain some of CPA's current procurement practices while changing or adding others. A highlight of those current or additional practices is provided below.

⁴ In other words, CPA is not required to follow LA County's procurement policy so long as CPA has its own procurement policy and that policy does not exceed LA County's legal authority as specified in statutes or case law.

Current Practices

1. Maintain the Request for Qualification (RFQ), Preferred Qualified Provider (PQP), Master Agreement, and Task Order process but include additional areas of specialization. This would be an expansion of the existing RFQ process adopted by the Board on May 7, 2018. A contractor will not have the ability to negotiate the Master Agreement. Staff appreciates the efficiency, flexibility, and nimbleness of the RFQ/Task Order process and recommends maintaining it going forward.
2. Keep the Request for Proposal (RFP) process and provide increased information concerning the RFP's typical purpose, contents, and the contracting vehicle.
3. Establish the "best value" standard for award of contracts that are competitively bid.
4. Preserve CPA's authority to contract with legal counsel without a competitive solicitation as specified and discussed under Specialized Services, below.

Additional Practices

1. Cooperative / Piggyback / Joint procurements. Establish the authority for CPA to take advantage of leveraged, prior (Piggyback), or joint procurements when CPA would benefit from, for example, volume purchases, reduction of administrative time and expenses, delivery or supply chain advantages, or some combination of these factors.⁵
2. Specify the Executive Director's authority to competitively solicit any good or service even if a competitive solicitation is not required, when the Executive Director finds, in the Executive Director's discretion, that a competitive solicitation will be beneficial to CPA.

Staff Requests Input On Scope of CPA Authority

Because CPA's procurement authority is limited by LA County's legal procurement authority, staff is proposing that CPA be authorized to procure goods or services in a manner that is more restrictive than what LA County could be authorized to do under the

⁵ LA County Procurement Policy currently allows for "Cooperative" and "Piggyback" procurements.

statutes. The question is the extent to which CPA should be more restrictive than LA County.

Staff requests input regarding scope on the following issues:

1. Delegation of Authority to the Executive Director or the Executive Director's designee. Government Code allows for the retention of a purchasing agent or a purchasing agent's assistant to fulfill the duties of a purchasing agent. (Government Code Section 25501) The purchasing agent may (i) purchase all materials, supplies, furnishings, equipment, and other personal property; (ii) rent furnishings and equipment; and (iii) contract for services as specified in the Government Code or public works projects (pursuant to the Public Contract Code).⁶
 - a. Staff Proposal. Staff proposes that the Executive Director or the Executive Director's designee be named as effectively the purchasing agent for CPA.
2. Services. Pursuant to Government Code Section 25502.5, the Board may delegate authority to the Executive Director or the Executive Director's designee the authority to engage independent contractors to perform services, with or without furnishing material, when the aggregate cost does not exceed two hundred thousand dollars (\$200,000). This may be done without a competitive solicitation.
 - a. Staff Proposal. Although the Board may delegate authority up to \$200,000 for services, staff proposes that the Executive Director be given authority to directly contract for services when those services and any related material costs have an aggregate not to exceed cost of \$50,000. Anything above \$50,000 would need to be competitively procured.
3. Specialized Services, including consulting. Government Code Section 31000 allows the Board (which can be delegated to the Executive Director) the ability to contract for special services with persons specially trained, experienced, expert and competent to perform the special services. The special services would consist of services, advice, education or training in areas like financial, economic, accounting (including the preparation and issuance of payroll checks or warrants),

⁶ Notably, contracts for public works projects are the only ones that are subject to the California Public Contract Code.

engineering, legal, therapeutic, administrative, architectural, building security matters. For these services, no competitive solicitation is required.

- a. Staff Proposal. Staff proposes that the Board authorize the Executive Director to contract for Specialized Services up to an anticipated contract value of \$50,000 in a 12-month period without a competitive solicitation. Any Specialized Services contract with an aggregate contract value exceeding \$50,000 would need to be competitively procured.

4. Goods.

- a. Establish a Purchase Account. Government Code Section 25509 allows the Board to determine and maintain a purchase account for the purchase and maintenance of general supplies and materials. No competitive solicitation is required when using funds in the purchase account so long as there is proper documentation. Staff understands that LA County has established an account limit of up to \$200,000 provided that the purchase is documented through a purchase order and any purchases that exceed that amount must be approved by the Board.

- i. Staff Proposal. CPA proposes to establish an account of \$150,000 in each fiscal year for the purchase of general supplies and materials, like office supplies (e.g., pens, paper, binders, etc.) provided that the Executive Director or the Executive Director's designee approves such purchases and finds the purchases to be necessary; such purchases are made using CPA's corporate credit card; and, the receipt for those purchases are maintained and reconciled with CPA's corporate credit card statement.

- b. Informal Bids for Goods. Government Code Section 25508 allows the purchasing agent to use informal bids in connection with the purchase of materials, supplies, furnishings, equipment, and other personal property. Staff understands that LA County requires the use of informal bids for any procurement of goods whose value exceeds \$200,000.

- i. Staff Proposal. Staff proposes that the Board authorize the Executive Director to contract for the purchase of materials, supplies, furnishings, equipment, and other personal property (e.g., office

furniture, computers or other IT hardware) up to the Executive Director's signing authority as established in Resolution No. 19-05-009 without a competitive solicitation. Any contract with an aggregate contract value exceeding the Executive Director's authority will go through an informal bid process provided that the Executive Director or the Executive Director's designee approves such purchases and finds the purchases necessary; staff receive quotes from at least three (3) separate vendors for the goods needing to be procured; and, CPA purchases from the vendor offering the best value based on CPA's need.

CPA Current Approach	Proposed Change
Request for Qualification (RFQ)/PQP, Master Agreement, Task Order process	Maintain but only needed if services contract value exceeds \$50,000.
Request for Proposal (RFP)	Maintain but only needed if services contract value exceeds \$50,000.
Specialized Services Agreements without competitive solicitation	Maintain but only needed if services contract value exceeds \$50,000.
Legal Services Agreements without competitive solicitation	Maintain.
"Best value" standard used when evaluating RFP, Task Order, or Informal Bid responses	Maintain and apply to new procurement process. (see Informal Bids).
<p>Criteria for requiring competitive solicitations</p> <p>None</p>	<p>New.</p> <p><u>Services</u>: Anticipated contract value exceeding \$50,000 in a 12-month period.</p> <p><u>Specialized Services</u>: Anticipated contract value exceeding \$50,000 in a 12-month period.</p> <p><u>Goods</u>:</p> <ul style="list-style-type: none"> a. General supplies and materials: establish an account of up to \$150,000. b. Materials, furnishings, equipment, etc.: contract value exceeding \$125,000 for a 12-month period

Cooperative / piggyback / joint procurement None	New. Establish explicit authority for cooperative / piggyback / joint procurements
Scope of delegated authority of Executive Director Not explicit.	New. Detailed delegation of authority to Executive Director or the Executive Director's designee
Process for purchase of general supplies None.	New. Require (i) the Executive Director or the Executive Director's designee to approve purchases and find the purchases to be necessary; (ii) the purchases to be made using CPA's corporate credit card; and, (iii) the receipt for those purchases to be maintained and reconciled with CPA's corporate credit card statement.
Informal Bids for Goods None.	New. Establish informal bid process which includes a requirement that staff secures quotes from at least three (3) vendors.

In addition, staff provides a copy of an attachment to the Executive Director's Management Report from the September 5 Board meeting which shows a list of non-energy contracts that are executed under the Executive Director's signing authority on a rolling 12-month basis. It is not a full list of all contracts and their respective contract values but this attachment can provide a frame of reference for the potential contracts that would fall inside or outside of the competitive solicitation requirement.

Attachments:

- 1) Draft October 3, 2019 Board Agenda
- 2) Non-Energy Procurement Policy: attachment to the Executive Director's Management Report.



**REGULAR MEETING of the Board of Directors of the
Clean Power Alliance of Southern California**

DRAFT

Thursday, October 3, 2019

2:00 p.m.

TBD

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 Rigo Garcia at least two (2) working days before the meeting at rgarcia@cleanpoweralliance.org or (213) 713-5995. 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.

PUBLIC COMMENT POLICY: *The General Public Comment item is reserved for persons wishing to address the Board on any Clean Power Alliance-related matters not on today's agenda. Public comments on matters on today's Consent Agenda and Regular Agenda shall be heard at the time the matter is called. Comments on items on the Consent Agenda are consolidated into one public comment period. 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 Clean Power Alliance staff at the beginning of the meeting but no later than immediately prior to the time an agenda item is called.*

Each speaker is limited to two (2) minutes (in whole minute increments) per agenda item with a cumulative total of five 5 minutes to be allocated between the General Public Comment, the entire Consent Agenda, or individual items in the Regular Agenda. Please refer to Policy No. 8 – Public Comment for additional information.

In addition, members of the Public are encouraged to submit written comments on any agenda item to PublicComment@cleanpoweralliance.org. To enable an opportunity for review, written comments should be submitted at least 72 hours but no later than 24 hours in advance of the noticed Board meeting date. Any written materials submitted thereafter will be distributed to the

Board at the Board meeting. Any written submissions must specify the Agenda Item by number, otherwise they will be considered General Public Comment.

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

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

I. WELCOME AND ROLL CALL

II. GENERAL PUBLIC COMMENT

III. CONSENT AGENDA

1. Approve Minutes from September 5, 2019 Board of Directors Meeting.
2. Appoint Rigoberto Garcia as Board Secretary for Clean Power Alliance.
3. Receive and file the Risk Management Team (RMT) Quarterly Report from July through September 2019.
4. Authorize the Executive Director to execute Task Order TEA-#4 between CPA and The Energy Authority (TEA) for power procurement and advisory services.
5. Appoint one member to the Community Advisory Committee for 2019-20 representing the South Bay Region.

6. Bylaws Amendment No. 1
 - a) Approve the Bylaws amendment regarding participation of non-elected Alternate Directors in Closed Session;
 - b) Provide 30-day notice of CPA's intent to amend the Bylaws; and
 - c) Direct staff to return with an implementing resolution for adoption of the amended Bylaws.
7. Approve an amendment to Policy No. 7 Net Energy Metering (NEM), regarding procedures for processing unclaimed returned checks.
8. Approve Policy No. 12 Non-Energy Procurement, setting business operation practices and standards for procurement of non-energy goods and services.
9. Receive and file an update from the September 12, 2019 Community Advisory Committee Meeting.

IV. REGULAR AGENDA

10. Presentation on Local Programs Strategic Plan status and process.
11. Approve and authorize the Executive Director to execute an agreement with Calpine and Olivine, Inc. for Distributed Energy Resources (DER) implementation services.
12. Presentation on Long-Term Power Contracting status and process.
13. Approve and authorize the Executive Director to execute a 15-year Purchase Power Agreement with XXX for a 123MW Solar + 31MW Storage project.
14. Approve and authorize the Executive Director to execute a 20-year Purchase Power Agreement with XXX for a XXMW Wind project.

V. MANAGEMENT UPDATE

VI. COMMITTEE CHAIR UPDATES

Director Lindsey Horvath, Chair, Legislative & Regulatory Committee

Director Julian Gold, Chair, Finance Committee

Director Carmen Ramirez, Chair, Energy Planning & Resources Committee

VII. BOARD MEMBER COMMENTS

VIII. REPORT FROM THE CHAIR

IX. ADJOURN – TO REGULAR MEETING NOVEMBER X, 2019

Public Records: 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, or a majority of, the members of the Board. The Board has designated Clean Power Alliance, 555 W. 5th Street, 35th Floor, Los Angeles, CA 90013, as the location where those public records will be available for inspection. The documents are also available online at www.cleanpoweralliance.org.

Clean Power Alliance					
Non-energy contracts executed under Executive Director authority					
Rolling 12 months -- Open contracts shown in Bold					
Vendor	Purpose	Month	NTE Amount	Status	Notes
Abbot, Stringham and Lynch	2018 CEC Power Source Disclosure Audit	August 2019	\$ 12,400	Active	
West Coast Mailers	Bulk Mailing Services	August 2019	\$ 20,000	Active	
InterEthnica	Written Translation Services, Typesetting, and Graphic Design in Spanish, Chinese, and Korean.	August 2019	\$ 10,000	Active	
Holland and Hart	NTE increase for NextEra PPA	August 2019	\$ 19,800	Active	10% increase of original contract NTE of \$18,000
Baker Tilly	FY 2018/2019 Financial Audit	August 2019	\$ 30,000	Active	
Bill Gurnsey	Subset Customer Outreach	June 2019	\$ 15,000	Active	
E3	TOU Rate Analysis	June 2019	\$ 125,000	Active	
Manatt Phelps	Legal Services (JPA governance research)	May 2019	\$ 15,000	Active	
Abbot, Stringham and Lynch	Green-E Certification - 100% Green Power Product	May 2019	\$ 6,200	Completed	
Abbot, Stringham and Lynch	AMI Data Audit	April 2019	\$ 13,500	Completed	
SHI International	VPN and SQL Database (IT)	April 2019	\$ 6,500	Active	
Polsinelli	Legal services (Employment Law)	March 2019	\$ 18,000	Active	
Chapman	Legal services (Credit Agreement)	March 2019	\$ 10,000	Completed	
Mustang Marketing	Communications and outreach to commercial and institutional customers and business groups in the Conejo Valley and Ventura County	February 2019	\$ 7,500	Completed	Amount increased in May 2019 by additional \$7,500 for an additional two months
LOACOM	Social media services and messaging to residential customers	February 2019	\$ 10,500	Completed	
NKE Strategies	Communications and media relations related to SCE undercollection	November 2018	\$ 10,000	Completed	
Corepoint 1, Inc.	Preparation of Implementation Plan Addendum No. 3 (Westlake Village)	November 2018	\$ 19,500	Completed	Reimbursed by City of Westlake Villiage
Karen Schmidt	Staff work for CPA prior to full time employment	October 2018	\$ 30,000	Completed	
M.CUBED (Richard McCann)	Financial review of SCE's proposed early termination agreement with the Coso geothermal plant	July 2018	\$ 15,000	Active	
Sustento Group (David Hodgins)	Communications and outreach for key commercial accounts	March 2018	\$ 17,000	Completed	Increased NTE to \$17,000 in May 2019 to assist with Phase 4 large customers