

Board of Directors Meeting

Thursday, March 5, 2020
2:00 p.m.

I. Welcome & Roll Call

II. General Public Comment

III. Consent Agenda

Item 1

Approve Minutes from February 6, 2020 Board of Directors Meeting

Item 2

Appoint Gabriela Monzon as Board Secretary

Item 3

Approve Policy No. 14 – Investment Policy

Item 4

Approve Amendment to Financial Policy No. 1 –
Credit Card Policy and Procedures

Item 5

Approve Rules of Decorum at Public Meetings
and Policy No. 15 – Civility at Workplace
Premises

Item 6

Receive and file Report from the February 20,
2020 Community Advisory Committee

IV. Regular Agenda

Item 7

Presentation on Integrated Resource Plan

2020 Integrated Resource Plan Overview

March 5, 2020

Agenda

- Proceeding Background
- 2017-2018 IRP and Procurement Track
- 2019-2020 IRP
- Conforming IRP Requirements
- CPUC Reference System Plan
- Current Long-Term Portfolio
- Modeling Objectives
- Draft Joint IRP Schedule
- Next Steps

Proceeding Background

- Under SB 350, the CPUC conducts a two-year planning cycle to consider Integrated Resource Plan (IRP) filings from Load Serving Entities (LSEs)
- The IRP is a planning exercise at the LSE and statewide levels to estimate reliability and environmental outcomes of hypothetical future portfolios, focusing on:
 - Transitioning from centralized, monopoly IOU service to a disaggregated new paradigm with the proliferation of CCAs
 - Moving from dependence on California's 30-40% natural gas resources to 100% clean energy
 - Planning for a diverse portfolio of resources that maintains overall system grid reliability

2017-2018 IRP

- In August 2018, CPA submitted its Board-approved Conforming Portfolio plan as part of the 2017-2018 IRP cycle
- In May 2019, the CPUC issued a decision on the 2017-2018 IRP cycle, which evaluated individual LSE plans and adopted the CPUC's original plan versus the aggregation of the individually submitted IRPs
- The CPUC also opened a procurement track in the proceeding
 - What was intended to be a trial run has now emerged as the CPUC's method for addressing actual or perceived resource deficiencies through procurement mandates for LSEs
- While the 2017-2018 proceeding continues, the CPUC has launched the next 2019-2020 IRP cycle

2017-2018 Procurement Track

- On Nov. 13, 2019, the CPUC issued a Decision Requiring Electric System Reliability Procurement for 2021-2023 (D.19-11-016)
- The decision requires all LSEs to procure new capacity in 2021-2023 to address a purported system shortfall
- CPA was ordered to procure the following cumulative amounts¹:
 - 98.4 MW by 8/1/2021
 - 147.7 MW by 8/1/2022
 - 196.9 MW by 8/1/2023
- The IRP is becoming a vehicle for the CPUC to increase its authority over CCA procurement planning and contracting decisions

(1) CPA is meeting this need via its current executed contracts for new renewable resources and additional resources selected in the CPA 2019 Reliability RFO

2019-2020 IRP

- The 2019-2020 IRP Cycle activities have begun, with LSEs' plans due on July 1, 2020
 - IRP filings must be Board-approved; CPA will be bringing its IRP for Board consideration in June
- Four CCAs¹, including CPA, have banded together to conduct IRP modeling jointly for the 2019-2020 IRP Cycle (referred to as the “Joint IRP”)
 - The Joint CCAs represent ~10% of statewide load; ~50% of CCA load
- The effort is intended to minimize inefficiencies, comprehensively plan for future resource needs, and ensure that individual IRPs integrate well to achieve statewide GHG and reliability goals

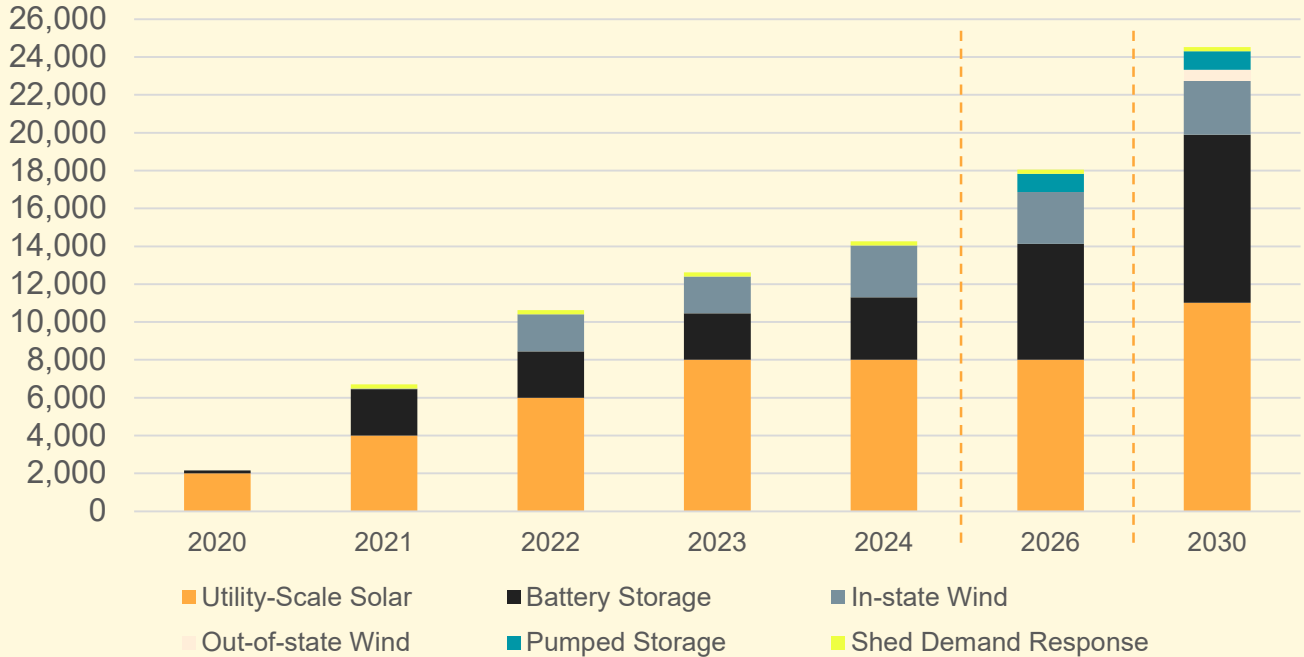
(1) The Joint CCAs include CPA, East Bay Community Energy, Peninsula Clean Energy, and San Jose Clean Energy

Conforming IRP Plan Requirements

- The CPUC requires all LSEs to submit a Conforming Plan that must be consistent with the CPUC's Reference System Plan (RSP)
- The RSP requires CA's electric sector to meet a 46 million metric ton (MMT) greenhouse gas emissions target by 2030
 - 46 MMT is the target set for the state by the CA Air Resources Board
 - Various parties have advocated for more aggressive GHG targets, including a 38 MMT and 30 MMT case
- The CPUC also prescribes other portfolio assumptions:
 - Assigned load forecast, including electric vehicle and behind-the-meter generation penetration assumptions
 - Representative resources recommended to be procured and associated resource costs
 - Other financial assumptions, e.g. gas and carbon price forecasts

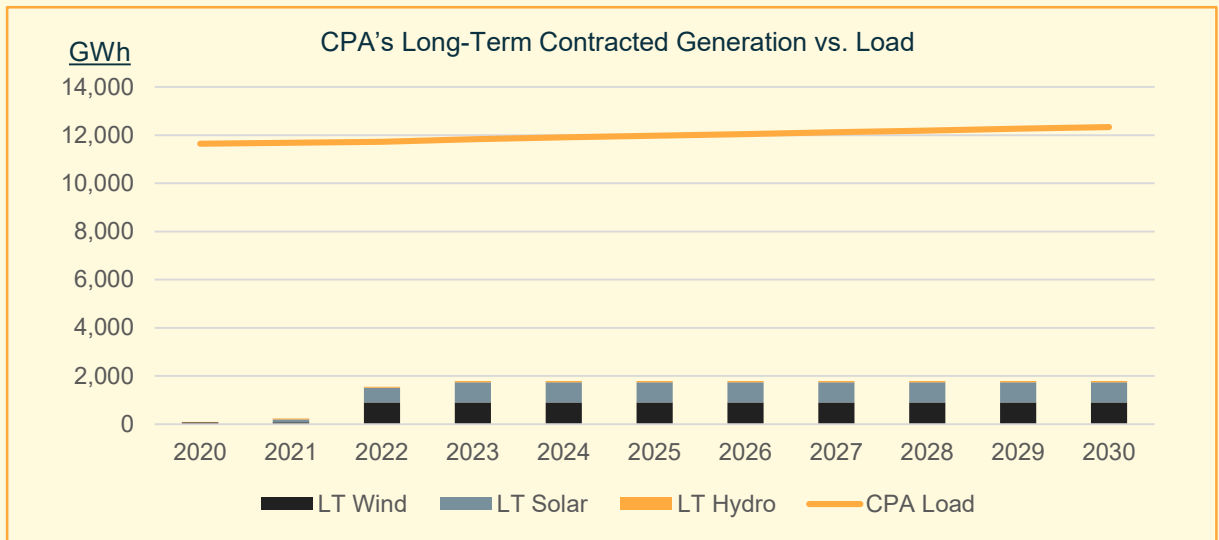
CPUC Reference System Plan (California-wide)

CPUC California-wide New Resource Buildout (Cumulative MW)



Current Long-Term Portfolio

Project	Type	MW	Online Date	New / Existing
Arlington	Solar	233	12/31/2021	New
White Hills	Wind	300	12/31/2020	New
Voyager	Wind	21.6	Operational	New
Golden Fields	Solar	40	3/31/2021	New
Isabella	Hydro	11.95	Operational	Existing



Modeling Objectives

- Evaluate CPA's current portfolio and a range of alternative future portfolios to meet customers' electrical energy needs in an affordable, system-wide manner
- The IRP must balance the following procurement priorities: affordability, GHG reductions, and system reliability/operability
- The IRP modeling effort will focus on answering the following questions:
 - What tradeoffs are associated with various GHG reduction strategies?
 - How much renewable energy and renewable integration resource (e.g. storage) is needed to achieve CPA's targets?
 - What is the ideal mix of resources for CPA to achieve the goals of both the state and its community?

Draft Joint IRP Schedule (subject to change)

Date	Action
Jan - March	Formulate Joint Conforming and Alternate IRPs; disaggregate into individual IRPs
March - April	Consultation with internal and external stakeholders ¹
May	Update Board on initial IRP modeling results
June	Finalize IRP submission and bring to Board for consideration
July 1	IRP submissions due

(1) Stakeholders include CPA's Community Advisory Committee, Energy Committee, and environmental advocates, environmental justice advocates, renewable energy trade groups, and community organizations that intervene in the CPUC IRP process

Next Steps

- The Joint IRP group is finalizing modeling tools and developing preliminary scenarios
- CPA plans to engage with internal and external stakeholders, including the Board, Energy Committee, and Community Advisory Committee, once initial modeling results are complete
- Key assumptions and trends will be presented to the Board in May, with the final IRP presented to the Board for consideration in June

Item 8

Presentation on Resiliency and Public Safety Power Shutoff

Regulatory and Program Matters Related to Resiliency

March 5, 2020

Agenda

- Overview of regulatory matters related to resiliency and PSPS
- Update on CPA's regulatory engagement related to resiliency and PSPS issues at the CPUC
- Update on CPA's resiliency program to address reliability of certain critical facilities at member agencies

Regulatory Proceedings Related to Resiliency/PSPS

- Investor Owned Utilities Wildfire Mitigation Plan Implementation
 - SCE General Rate Case
 - Rule 20 Updates
- De-energization of Power Lines
 - Microgrids and Resiliency Strategies

De-energization of Power Lines/Public Safety Power Shutoff

- Phase 1
 - Scope: Adopt PSPS notification and communication protocols
 - Status: Completed, IOUs directed to issue pre-event notifications to public safety partners and post-event reports during the 2019 wildfire season
- Phase 2
 - Scope: Amend and augment existing notification protocols related to communicating PSPS events to vulnerable populations, and ensure critical facilities are supported
 - Status: Finalizing protocols for the 2020 wildfire season
- CPA participation: Joint CCA/CalCCA collaboration, focus on receiving service-account level information that can be used to identify customers who were impacted by PSPS events

Microgrid and Resiliency Strategies

- Scope: Deploying resiliency strategies and infrastructure in wildfire-prone areas by Summer 2020; focus on streamlining interconnection and facilitating coordination between IOUs and local government
 - CPUC staff proposal: Require IOUs to inform local governments about projects to minimize PSPS impact, and hold workshops twice a year to inform local governments about T&D infrastructure
 - IOUs submitted microgrid resiliency proposals to be implemented by Spring/Summer 2020
 - SCE's proposals included microgrids in CPA service territory, likely powered by fossil fuel resources in the short-term
 - CPA is coordinating with SCE on long-term strategy to replace fossil fuel resources with clean resources
 - Status: Ongoing

CPA Resiliency Program Update

- In January, CPA released a Resiliency RFI to member agencies
 - The Resiliency Program will identify one critical facility at each member agency to install clean energy back-up power systems (energy storage or solar plus storage)
- Current status:
 - Staff has received responses from most member agencies
 - Staff is reviewing responses to gauge member interest and to help identify issues that should be considered in design the program
- Next Steps:
 - Work with member agencies to further understand resiliency needs
 - Discussions with potential suppliers and industry experts to develop scope and parameters of the program
 - Launch RFP for full program implementation (likely Q3 2020)

V. Nomination Period for At Large Positions and Committee Chair Appointments

VI. CLOSED SESSION

Closed Session Item 1

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Potential initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9: (1)

VII. Management Update

VIII. Committee Chair Updates

Legislative & Regulatory Committee Chair

Finance Committee Chair

Energy Planning & Resources Committee Chair

IX. Board Member Comments

X. Report from the Chair

XI. Adjourn

Next Meeting – April 2, 2020

