

MEETING of the Executive Committee of the
Clean Power Alliance of Southern California
Wednesday, December 18, 2019, 1:30 p.m.

MINUTES

555 West 5th Street, 35th Floor
Los Angeles, CA 90013

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

Chair Diana Mahmud called the meeting to order and Interim Board Secretary Christian Cruz conducted roll call.

| Roll Call | | | |
|------------------------------|-----------------|------------------|---------|
| Beverly Hills | Julian Gold | Committee Member | Absent |
| Los Angeles County | Sheila Kuehl | Vice Chair | Present |
| Oxnard | Carmen Ramirez | Committee Member | Remote |
| Rolling Hills Estates | Steve Zuckerman | Committee Member | Absent |
| Santa Monica | Kevin McKeown | Committee Member | Present |
| South Pasadena | Diana Mahmud | Chair | Present |
| Ventura County | Linda Parks | Vice Chair | Remote |
| West Hollywood | Lindsey Horvath | Committee Member | Remote |

II. GENERAL PUBLIC COMMENT

There were no public comments.

III. CONSENT AGENDA

1. Approved Minutes from November 13, 2019 Executive Committee Meeting

Motion: Committee Member McKeown, Santa Monica

Second: Vice Chair Kuehl, Los Angeles County

Vote: Item 1 was approved unanimously by roll call vote, Vice Chair Parks, Committee Member Gold, and Committee Member Zuckerman were absent.

IV. REGULAR AGENDA

Vice Chair Parks joined the meeting at the start of the Regular Agenda.

1. Discuss Greenhouse Gas Free Resource Allocation

Mr. Bardacke provided a brief summary to the committee on CPA's overall GHG approach consistent with CPA's JPA. Mr. Bardacke stated that CPA does not currently have nuclear energy in its portfolio. However, CPA customers are currently paying for nuclear through the Power Charge Indifference Adjustment (PCIA). CPA has been presented with the option of taking a portion of SCE's electric and nuclear load at no additional cost. CPA now has two options (1) To accept the SCE electric load from nuclear (2) To continue to accept the large hydro and not accept the nuclear from SCE. To accept the additional SCE electric load from nuclear would mean that it would show up in the lean power content only. CPA would continue to use the large hydro for 50% renewables and 100% would remain pure renewables only.

Committee Member McKeown expressed that nuclear energy in CPA's portfolio is not advisable. Vice Chair Kuehl questioned the fiscal impact to CPA customers and advised Staff to take the item to the Board. Vice Chair Parks expressed that incorporating nuclear into its portfolio sends the wrong message and it is against CPA's environmental goals and the goal of

mitigating climate change. Committee Member Horvath agreed with Vice Chair Parks and stated that it's CPA's job to be fiscally responsible and it would be helpful to sufficiently inform the Board on this item. Committee Member Ramirez agreed with Vice Chair Parks and mirrored Committee Member Horvath's comments to take the item to the Board for discussion. Chair Mahmud explained that this is a policy item for the Board to consider.

Committee Member McKeown motioned to direct staff to bring this item to the Board of Directors for discussion.

Motion: Committee Member McKeown, Santa Monica

Second: Vice Chair Kuehl, Los Angeles County

Vote: The motion was approved by roll call vote, as follows.

| | |
|-----------------|--|
| AYES: | Los Angeles County, Oxnard, Santa Monica, South Pasadena, West Hollywood , |
| NOES: | |
| ABSTAIN: | Ventura County |
| ABSENT: | Beverly Hills, Rolling Hills Estates |

Committee Member McKeown motioned to recommend to the Board of Directors that CPA decline the nuclear power option.

Motion: Committee Member McKeown, Santa Monica

Second: Committee Member Ramirez, Oxnard

Vote: The motion was approved by roll call vote, as follows:

| | |
|-----------------|---|
| AYES: | Los Angeles County, Oxnard, Santa Monica, Ventura Country, West Hollywood |
| NOES: | South Pasadena |
| ABSTAIN: | |
| ABSENT: | Beverly Hills, Rolling Hills Estates |

2. Discuss California Electric Vehicle Incentive Program (CALeVIP)

Mr. Bardacke explained to the committee that CPA is potentially committing funds in the future that haven't been budget for yet. Mr. Bardacke stated that those type of situations should be presented to the Board. The recommendation is that Staff will submit a non-binding letter of intent to the California Energy Commission to support EV chargers, incentives, and rebates for use in Ventura County. Funding distribution includes a partner

distribution, which helps the State determine where allocations will go based on partnerships. Additionally, the level of local match has impacted the level match by the state.

The Committee recommended that this be taken to the Board on the consent calendar. Committee Member McKeown stated that the consent item should authorize a letter of intent with the understanding that the letter of intent would obligate us later.

Committee member Gold, Beverly Hills, joined the meeting at 2:35.

3. Review Draft Agenda for January 9, 2020 Board of Directors Meeting

Mr. Bardacke introduced the January 9th Board of Directors agenda. Mr. Bardacke pointed out that there is one consent item addressing a small technical matter on one of our PPAs regarding the qualification of a bank. There are two significant items that will be brought before the Board: the first is would be a residential Time-of-Use rate (TOU) default. Matt Langer, Chief Operating Officer, provided a brief overview. He indicated that non-residential customers have been on TOU for several years. At this time, SCE will start transition to TOU in October. However, CPA has a choice on whether we want CPA customers to be defaulted into TOU and what terms and conditions we would implement. Mr. Langer highlighted that for the delivery portion of the bill, that SCE controls, CPA customers would still automatically be enrolled. The decision on TOU would just be for the CPA portion. This decision can be broken up into three segments. First, should CPA move their customers to TOU. Second, should CPA mirror the same peak periods as SCE or create our own. Third, should CPA offer bill protection to help protect against a higher bill if this affects what a customer would pay. It is important to note that there is State funding for messaging for customers that CPA could leverage if we move to TOU at the same time as SCE.

Committee Member McKeown asked how CPA can protect from any system issues that SCE could have so customers won't associate those mistakes with CPA. Mr. Langer stated that if there are issues with the billing, which customers would have to work with SCE on. Chair Mahmud asked, that if there is a default does that imply that customers can revert to a flat rate. Mr. Langer stated that is correct. Committee Member McKeown commented that if we move to TOU we need to make it simple for customers. Mr. Langer expanded on the bill protection. CPA staff proposes that if we move to TOU that we offer 12-month bill protection, which is in line with what SCE offers. Mr. Bardacke indicated the fiscal impact ranges from \$75,000 to \$1.5 million.

Mr. Bardacke highlighted the second item of note for the January 9 meeting, which is the policy around a member agency changing the default rate. The core item around the policy has to do with advance notices. This policy would set a six month notice that a change in a member default will likely happen. Mr. Bardacke stated this will help with messaging and would allow for ample time for customers to make decisions. Additionally, this policy would establish any change in default would happen in October of each year. Chair Mahmud commented that we provide the option, to cities that are considering changing their default, to change their default for new customers only, versus changing it for all existing customers. Additionally, because CPA will incur administrative costs and messaging costs, CPA should limit the frequency of each city changing defaults too often. Vice-Chair Kuehl noted that there should be adequate notice that customers can still opt-down anytime. Chair Mahmud commented that if a default is changed by a city it might be best to apply a period of three years, where they could not change their rate again, to ensure any negative impacts on customers and high administrative costs to CPA. Monique Edwards, Director of Technology Integration & Data Analytics, highlighted that there isn't a requirement on noticing for change in default. It might be best to follow a similar noticing process, as we did for mass enrollment process.

This process spans about 5 months and should be considered, as an administrative impact.

Mr. Bardacke suggested to the Committee that we put this item on the Board of Directors February agenda to allow staff time to incorporate Committee comments. The Committee concurred with this and directed staff to bring this item to the February Board of Directors meeting for discussion.

V. COMMITTEE MEMBER COMMENTS

There were no Committee Member comments

VI. ADJOURN

Chair Mahmud adjourned the meeting.