



**MEETING of the Executive Committee of the
Clean Power Alliance of Southern California**

Wednesday, June 17, 2020

1:30 p.m.

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SPECIAL NOTICE REGARDING PUBLIC COMMENT: Pursuant to Paragraph 11 of Executive Order N-29-20, executed by the Governor of California on March 17, 2020, and as a response to mitigating the spread of Coronavirus known as COVID-19, the Executive Committee will allow members of the public to participate and address Committee Members during the meeting via teleconference only. Below are the ways to participate:

- Members of the public are encouraged to submit written comments on any agenda item to clerk@cleanpoweralliance.org up to four hours before the meeting.
- If you desire to provide public comment during the meeting, you must contact staff at (213) 269-5889 at the beginning of the meeting but no later than immediately before the agenda item is called.
 - You will be asked to provide a phone number to call you during the meeting. You will also be asked for your name (or other identifying information) similar to filling out a speaker card so that you can be called when it is your turn to speak.
 - You will be called during the comment section for the agenda item on which you wish to speak.
 - You may be put on hold until your name is called by CPA staff.
 - You will be able to speak to the Committee for the allotted amount of time. Please be advised that all public comments must otherwise comply with our Public Comment Policy.
 - Once you have spoken, or the allotted time has run out, the phone call will be discontinued.

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 the Clerk of the Board at clerk@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.

Clean Power Alliance Executive Committee Meeting
June 17, 2020

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.*

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.

CALL TO ORDER AND ROLL CALL

GENERAL PUBLIC COMMENT

CONSENT AGENDA

1. [Approve Minutes from May 20, 2020 Executive Committee Meeting](#)

REGULAR AGENDA

2. [Oral Update from Executive Director on CPA Operations](#)
3. [Review Draft Agenda for July 9, 2020 Board of Directors Meeting](#)
4. [Discuss 2020 Board of Directors Retreat](#)

COMMITTEE MEMBER COMMENTS

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. Public records are available for inspection online at www.cleanpoweralliance.org.*

MEETING of the Executive Committee of the
Clean Power Alliance of Southern California
Wednesday, May 20, 2020 1:30 p.m.

MINUTES

The Executive Committee conducted this meeting in accordance with California Governor Newsom's Executive Order N-29-20 and COVID-19 pandemic protocols.

WELCOME AND ROLL CALL

Chair Diana Mahmud called the meeting to order at 1:31 p.m. and Clerk of the Board Gabriela Monzon conducted roll call.

Roll Call			
Agoura Hills	Deborah Klein Lopez	Committee Member	Remote
Beverly Hills	Julian Gold	Committee Member	Remote
Los Angeles County	Sheila Kuehl	Vice Chair	Remote
Oxnard	Carmen Ramirez	Committee Member	Remote
Rolling Hills Estates	Steve Zuckerman	Committee Member	Remote
Santa Monica	Kevin McKeown	Committee Member	Remote
South Pasadena	Diana Mahmud	Chair	Remote
Ventura County	Linda Parks	Vice Chair	Remote
West Hollywood	Robyn Eason	Alternate Committee Member	Remote

All items are unanimously approved unless otherwise stated.

GENERAL PUBLIC COMMENT

There were no public comments.

CONSENT AGENDA

1. Approve Minutes from April 15, 2020 Executive Committee Meeting

Motion: Vice Chair Kuehl, Los Angeles County
Second: Committee Member Eason, City of West Hollywood
Vote: Item 1 was approved by a roll call vote.

REGULAR AGENDA

2. Oral Update from Executive Director on CPA Operations

Ted Bardacke, Executive Director, provided an oral update on CPA's actions to secure temporary office space and the organization's Customer Bill Assistance program, noting that there were two thousand new accounts for CARE/FARE/Medical Baseline programs since the Board's approval of the Customer Bill Assistance. Mr. Bardacke also highlighted the collaboration between member agencies to conduct community outreach and plans for larger marketing within the business community as only 1,000 businesses had applied for a discount.

Vice Chair Parks asked about the composition of the new CARE customers and Committee Member Gold inquired about CPA's capacity to continue the Customer Bill Assistance program and the option to revisit additional funding for it. Mr. Bardacke indicated that new CARE customers were reflective of the overall population, rather than being concentrated in areas where CPA already had CARE customers. In response to Committee Member Gold's inquiry, staff noted that funding was available for the following 8 to 10 weeks and that a reallocation of funds would be necessary in order to provide additional funding for the COVID-19 Customer Bill Assistance program in the new fiscal year. Vice Chair Kuehl and Committee Member Zuckerman expressed interest in exploring the availability of additional funds for bill assistance. Mr. Bardacke and David McNeil, Chief Financial Officer, indicated that they would bring a proposal to the Finance Committee for how additional funds could be provided while maintaining CPA's compliance with credit covenants.

At Chair Mahmud's request, Mr. Bardacke provided an update on the new office space, briefly touched on the Joint Rate Comparison Mailer and continued with a status update on the Integrated Resources Plan (IRP), emphasizing that the California Public Utilities Commission (CPUC) asked for the submission of two IRPs and had extended the submission date to September 1, 2020. , which no longer required the approval of the Board of Directors, therefore, staff would request input from the Board but not an approval.

Mr. McNeil provided an overview of customer payment status, accounts receivables, and COVID-19 adjustments. In response to Chair Mahmud's question, Mr. McNeil clarified that CPA was prepared to satisfy credit covenants, however, staff did not know how much of the accounts

receivable would result in eventual write-off yet. Staff noted that CPA was financially indifferent to the enrollment numbers of CARE customers and that there were multiple ways to enroll in the program.

3. Review Draft Agenda for June 4, 2020 Board of Directors Meeting

Mr. Bardacke discussed the consent and regular agenda items for the June 4th meeting. Mr. Bardacke highlighted that the SC/CRR item was being rescheduled in order to provide staff with additional time to conduct due diligence before it made a recommendation.

Matthew Langer, Chief Operating Officer, provided a brief report on the rate change item, noting that the rate change was exacerbated by the undercollection by SCE in 2019 and the recommendation was to adjust Phase 1 and 2 rates down.

Mr. Bardacke provided a summary of the Local Programs Strategic Plan, noting that staff was seeking Board approval of three broad program categories: resiliency and grid management, electrification, and local energy procurement. Staff was also seeking Board approval of seven initial program concepts within those categories.

Committee Member Lopez asked for clarification on the type of support CPA could provide to member agencies that may receive pushback for promoting building electrification codes. Mr. Bardacke noted that the program was still being designed and that the program would seek to add options resources, not eliminate existing ones. Chair Mahmud added that some cities have faced firm opposition from SoCalGas on electrification codes, and although PSPS events continued to be prevalent, electrification may face local resistance until a reliable grid was established. Lastly, Chair Mahmud inquired about feed-in tariffs and whether the Community Solar program could be described as a feed-in tariff. Mr. Bardacke clarified that staff had spoken with many stakeholders who have advocated for feed-in tariffs in the past to explain that CPA was committed to local distributed generation just not designed as a feed-in tariff.

4. Draft FY 2020/2021 Budget

Mr. McNeil provided an overview of the FY 2020/2021 budget, including budget priorities, staffing costs, and local program costs.

Committee Member Gold, also Chair of the Finance Committee, noted that the Finance Committee had asked for further context on the increases associated with staffing, legal, and technical services.

Vice Chair Parks asked if there were funding sources from the CARES Act that CPA could take advantage of and if there were assurances that new CARE/FARE participants were indeed in need of the program assistance. Mr. Bardacke explained that that income verifications were relaxed for CARE/FARE, but those signing up for it affirmed that they had indeed been affected by the COVID-19 pandemic. Mr. Bardacke also affirmed that government agencies were explicitly excluded from receiving funds from the CARES Act but that CPA would look into other forms of reimbursement for the Bill Protection program and other related COVID-19 costs.

Chair Mahmud inquired about the funds for repayment of the \$10 million loan from L.A. County, the eligibility of CPA to recoup direct expenses incurred in complying with the COVID-19 safety orders, and asked for an update on a salary survey to better understand compensation. Lastly, Chair Mahmud asked how programs that were identified as dependent upon CPUC approval would be handled, if approval did not occur.

Mr. McNeil clarified that there were sufficient reserves available to pay for the \$10 million loan from L.A. County without having to borrow. Mr. Bardacke stated that a salary survey would eventually be contracted for later this year. Regarding the CPUC approval of programs, staff indicated that funding had already been allocated, and that CPA was awaiting approval of its spending plan.

In response to Chair Mahmud's question on bad debt write off, Mr. McNeil stated that bad debt amounts to 1.25% of revenue and that no direct outreach was done to other CCA's as their service territories differ to those of CPA as well as their residential and commercial compositions. Chair Mahmud asked if there was undesignated money that could potentially be used to make supplemental allocations to address COVID-19 related issues. Staff noted that there were \$36 million in unrestricted net position, however, there were certain budget targets and covenant obligations to take into consideration. Chair Mahmud commented that the Finance Committee would be the best fit to assist in the formulation of a recommendation for an appropriate figure for Board consideration.

COMMITTEE MEMBER COMMENTS

Vice Chair Parks commented that Ventura County received state funds from the CARES Act.

Committee Member Zuckerman opined that a balance sheet would be helpful in the discussion of COVID-19 contributions.

Vice Chair Kuehl expressed content with staff's work during the Shelter-in-Place order and offered assistance should any Board or staff member need it.

CLOSED SESSION

5. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Potential initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code Section 54956.9: (1)

General Counsel Nancy Whang stated no reportable action was taken.

ADJOURN

Vice Chair Kuehl adjourned the meeting at 3:50 p.m.

DRAFT



Staff Report – Agenda Item 2

To: Clean Power Alliance (CPA) Executive Committee
From: Ted Bardacke, Executive Director
Subject: Oral Update from the Executive Director on CPA Operations
Date: June 17 , 2020

On June 17, 2020, the Executive Director will provide an oral report to the Executive Committee on current operational activities.



Staff Report – Agenda Item 3

To: Clean Power Alliance (CPA) Executive Committee
From: Ted Bardacke, Executive Director
Subject: Review Draft Agenda for July 9, 2020 Board of Directors Meeting
Date: June 17, 2020

Staff will provide an overview of the proposed agenda items for the July 9, 2020 Board of Directors (Board) meeting for review and feedback from the Executive Committee. The Draft Board agenda is attached to this staff report. Information on the main items for Board consideration is provided below.

CONSENT AGENDA

The following items are recommended for inclusion on the Consent Agenda of the July Board meeting.

Scheduling Coordinator and Congestion Revenue Rights Management Services Contract

CPA's three-year contract with The Energy Authority (TEA) for Scheduling Coordinator (SC) and Congestion Revenue Rights (CRR) Management Services is expiring on December 20, 2020. To participate in the California Independent System Operator (CAISO) market, a company must be a certified SC or retain the services of a certified SC to act on their behalf. On March 23, 2020, CPA issued a Request for Proposals (RFP) for CAISO SC Coordinator Services and CRR Portfolio Management for a term beginning in July 2020 until December 31, 2023, which includes a 3-month transition period between providers, if needed. The scope of services includes a 7-day, 24-hour CAISO market interface, resource optimization, CAISO settlement validation, several Middle Office functions, and CRR management.

Minimum qualifications include CAISO certification, experience with providing SC services for load-serving entities (LSEs) with loads greater than 1,000 GWh per year, experience with providing SC services for generating assets including intermittent renewable resources and storage assets, and experience with providing CRR portfolio management services for CAISO LSEs.

CPA received seven responses to the RFP, is currently conducting contract negotiations, and will present its proposed selection to the Board for consideration in July.

Energy Risk Management Policy (ERMP) Amendments

In its annual review of CPA's Energy Risk Management Policy (ERMP), staff will seek approval of the following revisions to the ERMP that reflect CPA's operating history:

- Clarify Board approvals related to long-term Power Purchase Agreements (PPAs)
 - Require that changes to a previously approved PPA that impact the project's selection criteria (e.g. price or major terms) be brought back to the Board for approval
 - Clarify that minor, non-core project amendments or agreements that are administrative in nature or related to effectuating a counterparty's contractual obligations under normal course of business, such as consent to collateral assignments, changes to progress reporting forms, etc. do not require approval from the Board
- Changes that reflect CPA's in-sourcing of Portfolio Manager functions
- Additional description related to CPA's credit obligations to energy suppliers
- Incorporating impacts of long-term contracts in hedging limits
- Update how Resource Adequacy hedge targets are calculated based on current market and regulatory conditions

In addition, the ERMP requires CPA representatives, including the Board, to sign, on an annual basis or upon any revision, an acknowledgement of their responsibilities, duties, obligations, and compliance under the ERMP. In tandem with the amendment to the ERMP, staff will request the Board complete their annual acknowledgement forms in July,

which will be emailed to the Directors in subsequent communication from the Clerk of the Board.

This item will be discussed in detail at the June 24 Energy Committee meeting.

Updated Position on SB 1215 to “Support if Amended”

At the July Board meeting, staff will notify the Board of CPA’s updated position on SB 1215 (Stern) from “Support” to “Support if Amended,” as recommended by the Legislative & Regulatory Committee. Following CPA’s Board-approved protocols, the position change was authorized by the Chair, Vice Chairs, Legislative & Regulatory Committee Chair, and the Executive Director in mid-June as CPA needed to update its position on SB 1215 in a timely manner in order for our new position to be reflected in recent Committee hearings on the bill.

On May 7, 2020, the Board had previously approved a “Support” position on SB 1215 by Senator Stern, which, as then written, would have appropriated an unspecified amount of money from the General Fund to provide grants to local governments, Joint Powers Authorities, and others, to deploy microgrids that maintain electricity during Public Safety Power Shutoff (PSPS) events. CPA changed its position on SB 1215 to “Support if Amended” because the author amended his bill to remove this funding, and instead focused the bill on: 1) expanding the definition of who can own a microgrid, and; 2) creation of a statewide database of critical facilities and critical infrastructure. CPA’s updated position reflects CPA’s potential support for the bill only if the database is accessible to CCAs.

REGULAR AGENDA

The following items are recommended for inclusion on the Regular Agenda of the July Board meeting.

Amended and Restated Power Purchase Agreement (PPA) with Arlington Solar + Storage Project

In October 2019, CPA launched its 2019 Reliability Request for Offers (RFO) to comply with its incremental capacity procurement obligations in the CPUC Integrated Resource Plan Procurement Track¹. CPA received a robust response to the RFO from 41 conforming standalone storage projects. On December 18, 2019, the Energy Planning & Resources Committee approved a shortlist of projects that were recommended by a team of reviewers, consisting of three Board members from the Energy Committee and senior CPA staff, to proceed with energy storage agreement (ESA) negotiations. CPA entered exclusive negotiations for six standalone storage projects for contracts 15 years in length or longer, including the Luna Storage project approved by the Board on April 2, 2020 and the Sanborn Storage project approved by the Board on May 7, 2020. One of these standalone storage projects was the 132 MW Arlington Storage project, which is located adjacent to the 233 MW Arlington Solar project that is already under contract with CPA, as was approved by the Board on June 28, 2019.

Rather than executing a separate standalone ESA for the 132 MW Arlington Storage project, CPA gets more value by adding storage to the planned Arlington Solar project, due to the cost savings associated with Investment Tax Credit (ITC) eligibility for storage projects that are charged by renewable energy. Staff is seeking Board approval for an Amended and Restated Arlington Solar + Storage PPA that would replace the existing Arlington Solar PPA. The Amended and Restated PPA will include additional contract provisions applicable to storage and the same terms for the solar portion of the project that has already been approved and contracted.

Power Purchase Agreement(s) – 2019 Clean Energy RFO

In October 2019, CPA launched its 2019 Clean Energy RFO targeting procurement of 1-2 million MWh of annual renewable energy. CPA received a robust response to the Utility Scale Track of the RFO from 59 conforming renewable and renewable plus storage

¹ D.19-11-016 orders CPA to procure, on a cumulative basis, 98.4 MW by 8/1/2021, 147.7 MW by 8/1/2022, and 196.9 MW by 8/1/2023.

projects. On January 22, 2020, the Energy Committee approved a shortlist of projects that were recommended by a team of reviewers, consisting of three Board members from the Energy Committee and senior CPA staff, to proceed with PPA negotiations. CPA entered exclusive negotiations for eight renewable or renewable plus storage projects for contracts 15 years in length or longer.

Per CPA's ERMP, any power purchase transactions greater than five years require approval by the Board. At the May Board meeting, two of the eight shortlisted Clean Energy contracts were approved. Staff may bring up to three of the remaining six shortlisted projects to the July Board meeting for consideration. These projects will help fulfill CPA's long-term contracting compliance obligation, lower CPA's renewable energy costs, and expand the overall supply of renewable energy and storage capacity in California.

Integrated Resource Plan (IRP) Preliminary Results and Delegation of Authority to the Energy Committee for Final Approval

Under SB 350, the CPUC conducts a two-year planning cycle to consider Integrated Resource Plan (IRP) filings from all Load Serving Entities (LSEs), including CPA. CPA's 2020 IRP submission is due on September 1, 2020 and requires Board approval. Because CPA does not have an August Board meeting scheduled, staff will be seeking the Board's delegation of authority to approve the 2020 IRP submission to the Energy Committee. This process was used successfully for CPA's 2018 IRP submission, which faced similar logistical constraints.

Since the last IRP update provided to the Board on March 18, 2020, the CPUC has revised their filing requirements and is requiring LSEs to submit two CPUC-compliance portfolios – one achieving the statewide 46 million metric ton (MMT) greenhouse gas (GHG) emissions target and one achieving the statewide 38 MMT target. CPA is conducting a joint modeling effort with three other CCAs. Staff will be providing preliminary modeling study results from this modeling effort for the 46 MMT and 38 MMT cases to the Board for feedback before finalizing the IRP submission.

Voyager Clean Energy Career Pathways Scholarship Update

In July, the Board will receive an update on CPA's \$150,000 four-year scholarship program approved in May 2019 as part of the 2018 Voyager Wind PPA. Working with the Community Advisory Committee, staff established guidelines for the scholarship and partnered with seven community colleges that serve CPA's territory to distribute \$1,000 awards to students pursuing studies in renewable energy, clean technology, and other career pathways to green jobs. To date, CPA has awarded 24 scholarships to students from five institutions: Antelope Valley College and Rio Hondo College in LA County, and Moorpark College, Oxnard College, and Ventura College in Ventura County. Compton College and East Los Angeles College are still in the process of distributing their first-round awards. Additionally, Oxnard College is matching CPA's scholarship funding dollar-for-dollar to enhance the impact of the Voyager Scholarship program on its campus.

ATTACHMENTS

- 1) [Draft July 9, 2020 Board Meeting Agenda](#)



**REGULAR MEETING of the Board of Directors of the
Clean Power Alliance of Southern California
Thursday, July 9, 2020
2:00 p.m.**

CALL TO ORDER AND ROLL CALL

GENERAL PUBLIC COMMENT

CONSENT AGENDA

1. Approve Minutes from June 4, 2020 Board of Directors Meeting
2. Approve Scheduling Coordinator/Congestion Revenue Rights (CRR) Management Services Contract
3. Approve Energy Risk Management Policy (ERMP) Amendments
4. Receive and File CPA's Updated Position on Senate Bill 1215 (Stern) from "Support" to "Support if Amended"
5. Receive and File Community Advisory Committee Monthly Report

REGULAR AGENDA

Action Items:

6. Approve Power Purchase and Energy Storage Agreements – 2019 Clean Energy RFO & 2019 Reliability RFO
7. Provide Input on 2020 Integrated Resource Plan (IRP) Preliminary Results and Delegate Authority to the Energy Planning & Resources Committee for Final Approval of the 2020 IRP

Information Items:

8. Receive Update on the Voyager Clean Energy Career Pathways Scholarship Program

MANAGEMENT UPDATE

COMMITTEE CHAIR UPDATES

Director Lindsey Horvath, Chair, Legislative & Regulatory Committee

Director Julian Gold, Chair, Finance Committee

Director Kevin McKeown, Chair, Energy Planning & Resources Committee

BOARD MEMBER COMMENTS

REPORT FROM THE CHAIR

ADJOURN – NEXT REGULAR MEETING ON SEPTEMBER 3, 2020

DRAFT



Staff Report – Agenda Item 4

To: Clean Power Alliance (CPA) Executive Committee
From: Ted Bardacke, Executive Director
Subject: 2020 Board of Directors Retreat
Date: June 17, 2020

BACKGROUND

CPA had intended to host the annual Board of Directors retreat in September 2020 as an in-person event at CPA's new offices. Considering the COVID-19 pandemic and the uncertainty about planning for in-person events with more than 10 people, staff is seeking input on two key logistical questions:

- 1) Should the retreat be postponed until an in-person event can be held?
- 2) If the retreat is held as scheduled but done virtually, what is the maximum time duration that staff should plan for using an on-line meeting platform?

Answers to these questions will help guide staff in the preparation of format and subjects to discuss. An initial list of potential topics is provided below.

DISCUSSION

Part of CPA's Board retreat planning process will take place during an upcoming staff retreat, to be conducted on-line over two 4-hour sessions in late June and mid-July. Staff is seeking feedback from the Executive Committee on timing and format of the Board retreat prior to discussing it internally at the staff retreat.

Staff has heard from several Board members that they miss the face-to-face interaction that occurs at Board meetings and that they have enjoyed the in-person nature of the Board retreats in the past.

Due to COVID-19 related design, permitting and foreseeable construction delays, CPA's new offices will not be ready by September. Targeted move-in date is now sometime in October. If an in-person retreat were desired in September, an alternative location would need to be secured. Availability of such a location is uncertain.

Unlike the 2018 and 2019 Board retreats, there are no foreseeable urgent business matters that need to be addressed at the 2020 retreat so the date can remain flexible. However, a decision to postpone the retreat until in-person meetings can be done safely and adhering to proper protocols could result in the retreat being postponed until 2021.

POTENTIAL TOPICS/QUESTIONS

The following are topics and corresponding discussion points that could be considered at the 2020 Board retreat. Staff is seeking feedback on these potential topics or other suggestions from the Executive Committee.

Grid Leadership – What long-term goals could CPA establish to carve out and maintain a leadership position on renewables integration statewide, while enhancing the role that individual customers play in that integration?

Ratemaking – Should CPA start to move towards a Cost of Service or other ratemaking model whereby our rate structure (not just our rate levels) more appropriately reflect the organization's values and policy priorities? If so, what is the right timing?

Transformative Projects – Should CPA seek out a couple of unique long-term projects that demonstrate examples of a transition to a resilient and just energy system?

The Future of Choice – What should CPA's position on "choice" be if the idea of an IOU exit from electricity supply services gain momentum in PG&E and SDG&E territory?

Governance – What enhancements to CPA's organizational structure might enable the organization to meet its goals more effectively?