

REGULAR MEETING of the Board of Directors of the
Clean Power Alliance of Southern California
Thursday, June 4, 2020, 2:00 p.m.

MINUTES

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

I. WELCOME AND ROLL CALL

Chair Diana Mahmud called the meeting to order at 2:02 and Clerk of the Board Gabriela Monzon conducted roll call.

Roll Call				
1	Agoura Hills	Deborah Klein Lopez	Director	Remote
2	Alhambra	Jeff Maloney	Alternate	Remote
3	Arcadia	Sho Tay	Director	Remote
4	Beverly Hills	Julian Gold	Director	Remote
5	Calabasas	John Bingham	Alternate	Remote
6	Camarillo	Susan Santangelo	Director	Remote
7	Carson	Cedric Hicks	Alternate	Remote
8	Claremont	Corey Calaycay	Director	Remote
9	Culver City	Meghan Sahli-Wells	Director	Remote
10	Downey	Sean Ashton	Director	Remote
11	Hawaiian Gardens			Absent
12	Hawthorne	Alex Monteiro	Director	Remote
13	Los Angeles County	Sheila Kuehl	Vice Chair	Remote
14	Malibu	Skylar Peak	Director	Remote
15	Manhattan Beach	Dana Murray	Alternate	Remote
16	Moorpark	Janice Parvin/ Roseann Mikos	Director / Alternate	Remote
17	Ojai	Johnny Johnson	Director	Remote
18	Oxnard	Carmen Ramirez	Director	Remote
19	Paramount	Vilma Cuellar Stallings/ Adriana Figueroa	Director/ Alternate	Remote
20	Redondo Beach	Christian Horvath	Director	Remote

21	Rolling Hills Estates	Steve Zuckerman	Director	Remote
22	Santa Monica	Kevin McKeown	Director	Remote
23	Sierra Madre	John Capoccia	Director	Remote
24	Simi Valley	Ruth Luevanos	Director	Remote
25	South Pasadena	Diana Mahmud	Chair	Remote
26	Temple City			Absent
27	Thousand Oaks	Bob Engler	Director	Remote
28	Ventura	Joe Yahner	Alternate	Remote
29	Ventura County	Linda Parks	Vice Chair	Remote
30	West Hollywood	Lindsey Horvath	Director	Remote
31	Westlake Village	Kelly Honig	Director	Remote
32	Whittier	Vicki Smith	Alternate	Remote

All votes are unanimous unless otherwise stated.

GENERAL PUBLIC COMMENT

Harvey Eder provided public comment.

CONSENT AGENDA

1. Approve Minutes from May 7, 2020 Board of Directors Meeting
2. Authorize the Executive Director to Execute a Task Order TEA-#5 with The Energy Authority for Power Procurement and Advisory Services for the period of July 1, 2020 to December 20, 2020 for a Not-To-Exceed Contract Value of \$175,000
3. Receive and File Community Advisory Committee Monthly Report

Motion: Director Peak, Malibu

Second: Director Gold, Beverly Hills

Vote: The consent agenda was approved by a roll call vote, with one abstention by Director Hicks.

REGULAR AGENDA

4. Adopt Resolution No. 20-06-009 to Approve Rate Change for Phases 1 & 2 Non-Residential Customers

Matthew Langer, Chief Operating Officer, provided an oral report. Mr. Langer noted that since the last Board meeting on June 4, Southern California Edison (SCE), made another rate change to increase transmission & delivery (T&D) rates, in addition to an increase in the Power Charge Indifference Adjustment (PCIA) for

Phase 1 and 2 customers, which include unincorporated Los Angeles County, South Pasadena, and Rolling Hills Estates, due to the effects of the Energy Resource Recovery Account (ERRA) trigger, a retroactive cost recovery from 2019. Mr. Langer continued to explain that the ERRA trigger was removed from the PCIA in April 2020, but the credit for Phase 1 and 2 customers remained. Since the full amount of the credit was paid to customers at the end of May, Mr. Langer said staff was recommending an adjustment to Phase 1 and 2 rates so customers can continue to pay the same overall rate, despite the PCIA increase, essentially lowering generation rates to compensate for that increase. Mr. Langer noted the fiscal impact was approximately \$2.5 million less in revenue for the next 12 months.

Motion: Director Horvath, West Hollywood
Second: Vice Chair Kuehl, Los Angeles County
Vote: Item 4 was approved by a roll call vote.

5. Approve FY 2020/21 Budget

David McNeil, Chief Financial Officer, provided a presentation of the proposed budget and reviewed specific line items. Mr. McNeil stated that the budget provided authorization to collect revenues and incur expenses, it allowed for managerial prioritization within budget and policy limits, engagement in competitive solicitations, and guides reporting and transparency for the organization, including financial dashboards, contract updates, and annual audits. Mr. McNeil noted that load, revenue, cost of energy, and bad debt expense reflected CPA's base case energy use and economic forecasting; and discussed budget priorities, including systems to enhance risk management, cost control, and local program design, staffing needs, and program commitments. Lastly, Mr. McNeil discussed CPA's net position and reserves, which solidified the organization's financial strength and satisfying expectations of stakeholders.

Director Gold, Chair of the Finance Committee, thanked Finance Committee members for their dedication to developing and approving a comprehensive budget that also included COVID-19 customer assistance.

Director Hicks thanked the Finance Committee and staff for addressing COVID-19 assistance in the budget and asked for clarification on the impact of solar energy on load forecasting and revenues. Mr. McNeil clarified that the reduced load of that self-generation was included in the load forecast.

Director Lopez expressed content with the conservative budget and the reduced reserves that were used to assist customers and thanked staff and the Finance Committee for their work on the budget.

Motion: Director Gold, Beverly Hills
Second: Director Lopez, Agoura Hills
Vote: Item 5 was approved by a roll call vote.

6. Authorize up to an Additional \$1 million Expense for Bill Assistance for Residential and Small Business Customers Impacted by COVID-19 and Approve Budget Amendment to FY 2019/20 Budget

Ted Bardacke, Executive Director, provided a review detailing the status of the previously approved funds allocated for COVID-19 bill assistance. Mr. Bardacke noted that CPA was using this year's budget funds to continue paying for bill assistance, up to another \$1 million additional funding if CPA beat its fiscal targets and remained compliant with its credit covenants. If so, then the \$250,000 in the new fiscal year budget would be held as a contingency in the local program budget.

Director Hicks inquired about customer bill assistance statistics, to which Mr. Bardacke clarified that usage of the COVID-19 Relief Credits has been consistent across the service territory as compared to the population, socio-economic demographics, and reflective of the outreach, but also noted that staff planned on sharing specific bill assistance statistics for each member agencies' jurisdiction.

Director Luevanos commended staff for the bill assistance program that reflected both a responsible budget and assistance for those in need. Vice Chair Kuehl echoed support for the item.

There was no public comment for this item.

Motion: Director Monteiro, Hawthorne
Second: Vice Chair Kuehl, Los Angeles County
Vote: Item 6 was approved by a roll call vote.

7. Approve Three CPA Local Program Categories for 2020-2025; Approve a Local Procurement Target for 2020-2025; and Direct Staff to Focus Implementation Efforts on Seven Local Program Concepts

Mr. Bardacke provided an oral report on the Local Program categories, noting that in May 2019, CPA launched a nine-month strategic planning process to guide the development of the local programs and included public stakeholder engagement, input from the board, and several rounds of input from the Community Advisory Committee and the Executive Committee. Mr. Bardacke explained that some program concepts were being implemented already, while others required more time for planning and refinement, however, program spending came from an annual budget expenditure or a long-term cost obligation aiming to reduce overall renewable energy cost.

Mr. Bardacke continued to review the three program categories: resiliency and grid management; electrification of transportation and building; and local procurement. Within these three program categories are seven program concepts: (1) Clean Back-Up Power for Essential Facilities, (2) Demand Response – Energy Storage, (3) Peak Management Pricing, (4) Public Electric Vehicle Charging, (5) Building Electrification Code Incentives, (6) Community Solar, (7) 100% Green Discount. Mr. Bardacke discussed the program comparison tool, discussed programs not chosen for implementation, the range of target markets, and cost considerations. Lastly, Mr. Bardacke discussed the local procurement goal of 175 MW for new energy and storage resources in Los Angeles and Ventura Counties, amplification

efforts, including public agency set-aside for incentive programs, the innovation fund, and the statewide program funding strategy, and provided a brief status description for each of the chosen programs.

In response to Chair Mahmud's question, Mr. Bardacke explained that the California Public Utilities Commission (CPUC) had already approved a megawatt allocation for two of the local programs, therefore, the approval of the CPUC is for program implementation plans, and in the case, those are not approved, CPA would rely on its existing 100% Green subsidy framework and evaluate the feasibility of a scaled-down community solar program.

David Haake, Chair of the Community Advisory Committee, Luis Amezcua of The Sierra Club, and Joe Sullivan of the International Brotherhood of Electrical Workers (IBEW), provided public comment in support of the item.

Motion: Director Horvath, West Hollywood
Second: Director Ashton, Downey
Vote: Item 7 was approved by a roll call vote.

MANAGEMENT UPDATE

Mr. Bardacke briefly reviewed COVID-19 bill assistance, customer programs, and staffing. Chair Mahmud thanked Director Tay, Arcadia, who facilitated COVID-19 outreach to Mandarin speaking communities in CPA's jurisdiction.

COMMITTEE CHAIR UPDATES

Legislative & Regulatory Committee Chair Horvath reported that the Committee reviewed pertinent legislation

Finance Committee Chair Gold thanked staff and members of the Finance Committee for their work on the budget.

Energy Committee Chair McKeown indicated that the Energy Committee did not meet in May and therefore did not provide a report.

BOARD MEMBER COMMENTS

Director Calaycay expressed support for those board members dealing with challenges in their communities.

Director Ramirez shared support for community protests to commemorate and address historic injustice, shared an update on leadership at the Southern California Association of Governments, and offered condolences to board members.

Vice Chair Kuehl discussed the actions of those elected officials, community leaders, and members of the media that have focused on peaceful protests and offered thanks and condolences to all board members dealing with protests in their communities.

REPORT FROM THE CHAIR

Board Chair Mahmud reflected on the recent protests in the communities in response to systemic racism.

CLOSED SESSION

8. 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, reported a vote of 23 ayes and 0 noes, approving a settlement agreement of \$4.25 million dollars with SCE and authorizing the Executive Director to countersign the settlement agreement. Ms. Whang noted that the settlement will be available within 24 hours of the meeting.

ADJOURN

Chair Mahmud adjourned the meeting at 4:36 p.m.

In Memory of George Floyd and Breonna Taylor.