

REGULAR MEETING of the Board of Directors of the  
Clean Power Alliance of Southern California  
Thursday, September 3, 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.*

**WELCOME AND ROLL CALL**

Chair Diana Mahmud called the meeting to order at 2:04 p.m. and Clerk of the Board Gabriela Monzon conducted roll call.

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

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

All votes are unanimous unless otherwise stated.

#### **GENERAL PUBLIC COMMENT**

There was no public comment.

#### **CONSENT AGENDA**

1. Approve Minutes from July 9, 2020 Board of Directors Meeting
2. Approve Task Order No. 2 with Ascend Analytics for Long-Term RFO Support Services
3. Authorize the Executive Director to Execute Amendment No. 3 to the Professional Legal Services Agreement with (a) Keyes & Fox and (b) Clean Energy Counsel
4. Receive and File Quarter 2 Risk Management Team Report
5. Receive and File Community Advisory Committee Monthly Report

**Motion:** Director McKeown, Santa Monica

**Second:** Vice Chair Kuehl, Los Angeles County

**Vote:** The consent agenda was approved by a roll call vote.

#### **REGULAR AGENDA**

6. Approve Power Purchase Agreement(s) and Authorize the Executive Director to Execute a 15-Year Renewable Power Purchase Agreement with 20SD 8me, LLC and a 15-Year Renewable Power Purchase Agreement with Chalan CA Solar Storage, LLC

Natasha Keefer, Director of Power Planning & Procurement, discussed the 2019 Clean Energy RFO, noting that it secured 1.5 million MW hours that will help CPA meet customers' renewable energy demands, capture better value than short-term renewable energy contracts, and meet regulatory obligations. Ms. Keefer briefly

reviewed projects currently under contract with CPA and described the organization's compliance position relative to long-term contract requirements, adding that overall, CPA is closing its' compliance gap. Ms. Keefer reviewed the RFO valuation results, project overviews, rationales, and evaluation summaries of both projects, noting that both were selected for their high qualitative evaluation and economic value. Lastly, Ms. Keefer discussed next steps, including the finalization of two additional projects in late-stage negotiations from the 2019 Clean Energy RFO, the launch of the 2020 Clean Energy RFO for long-term renewable and storage resources, and the 100% Green Discount Program RFO and Community Solar RFO/RFI that are pending approval from the California Public Utilities Commission (CPUC).

In response to Director Zuckerman's questions, Ms. Keefer provided more detail on the 100% Green Discount Program RFO and Community Solar RFO/RFI, emphasizing that both programs target disadvantaged communities (DACs) and encourage the development of renewable energy resources within such communities, offering residents a 20% bill discount; and noted that the Green Discount program allowed the procurement of small resources located in DACs and the Community Solar program allowed CPA to contract with community solar projects within CPA service territory in a DAC, with both programs being eligible for reimbursement for above market costs from the CPUC. Ms. Keefer also clarified that pricing information in contracts are confidential and allow CPA to maintain leverage during negotiations, however, the LevelTen PPA Price Index provides a publicly accessible benchmark of market prices for reference.

Chair Mahmud asked if completion of the 2019 Clean Energy RFO would secure enough resources for the 2021-2024 compliance requirements, to which Ms. Keefer explained that the open position gap will likely be closed with the 2020 Clean Energy RFO and hoped to exceed the compliance target. Director McKeown, Chair of the Energy Committee, commended staff for their work and expressed support for the approval of the item.

**Motion:** Director Gold, Beverly Hills  
**Second:** Director McKeown, Santa Monica  
**Vote:** Item 6 was approved by a roll call vote.

7. Adopt Resolution No. 20-09-011 to Establish a Fiscal Stabilization Fund and Approve Policy No. 16 - Fiscal Stabilization Fund

David McNeil, Chief Financial Officer, provided a background of stabilization funds that are used to defer revenues in good years for use in years when results fall short of the organizations' objectives and noted the Finance Committee unanimously supported the item as a tool for sound financial management. Mr. McNeil added that a future amendment may be needed to the reserve policy to include stabilization fund balances and explained that the stabilization fund followed the Government Accounting Standards Boards' guidance; was viewed positively by banks and credit agencies, and CPA's auditor reviewed and supported the proposed fund. Mr. McNeil clarified that this fund would ensure compliance with credit covenants and other fiscal objectives and emphasized that most bond covenants require the generation of some surpluses, which stabilization funds allow for, even in negative years. Mr. McNeil reviewed key features of the

fund, including the deferral of revenues into the fund, when CPA surpasses a 4% threshold in net position, and a withdrawal trigger when CPA is short 4% in annual revenues, however, the fund balance may not exceed 10% of annual revenues. Mr. McNeil reviewed various scenarios where CPA may exceed a 4% in net position, such as rate increases, settlements, lower opt-out rates, strong demands for electricity, and scenarios in which CPA may use the fund to mitigate adverse impacts of bad debt, volatile costs of energy, PCIA increases, and rate competitiveness, where the fund will allow to prudently manage those risks.

Director Gold, Chair of the Finance Committee, noted the flexibility the fund provided to maintain a balance sheet and competitiveness in the market and expressed support for approval of the item. In response to questions from Directors Zuckerman and Monteiro about lower thresholds and the impact on customer programs if any, Mr. McNeil clarified that a lower percentage trigger was indeed considered, but the 4% was a healthy threshold and stated that the previously presented revenues accounted for the COVID-19 pandemic and the Shelter-in-Place orders and that the stabilization fund was not part of the budgeting process, therefore, staff does not anticipate for it to affect programmatic objectives that are approved through the budgeting process.

Chair Mahmud commented that the creation of this fund reflected the growing maturity of the organization and helped to soften the volatility of the energy market.

**Motion:** Director Gold, Beverly Hills  
**Second:** Director Johnston, Ojai  
**Vote:** Item 7 was approved by a roll call vote.

## MANAGEMENT UPDATE

Ted Bardacke, Executive Director, briefly discussed CPA's role in the successful acquisition of state matching funds for the California Electric Vehicle Infrastructure Project (CALeVIP) in Ventura County and additional matching funds for electric vehicle chargers in Los Angeles County. Mr. Bardacke also reviewed recent and upcoming customer communications from CPA regarding rotating outages and conservation; and reported the anticipated debt repayment of \$10 million to Los Angeles County.

Vice Chair Kuehl expressed gratitude for the work of the organization to pay back the debt and noted former L.A. County Board Supervisor Don Knabe's role in securing funding for the organization in its' infancy; and hoped that Board Members could engage their respective constituents via social media to create a unified message about energy conservation; and lastly thanked beach cities for helping families cool down in a safe and appropriate way.

Director Zuckerman suggested a thank you letter be sent to Don Knabe and asked for a brief update on new CCA creations or CPA membership expansion, particularly that of Rancho Palos Verdes (RPV). Mr. Bardacke explained that the Cities of Baldwin Park and Pomona worked through the Lancaster Community Choice Aggregation program to launch their respective services in October, and noted that RPV had voted not to express interest in joining CPA at the moment and that discussions continued with several cities. However, no expansion activity

was anticipated in 2021. Chair Mahmud added that the current circumstances provided a challenge for cities to consider making any moves towards joining a CCA.

### **COMMITTEE CHAIR UPDATES**

Director McKeown, Chair of the Energy Committee, reported that the Committee approved the 2020 Integrated Resource Plan to be submitted to the CPUC.

### **BOARD MEMBER COMMENTS**

Vice Chair Parks reported that the Ventura County Board of Supervisors had approved the nation's first-ever 2500 ft. health and safety setbacks for oil and gas wells as part of its General Plan Update that also included clean energy features, and thanked Directors Ramirez and Johnston, from Oxnard and Ojai respectively, for speaking in favor of the item.

Director Ramirez discussed cooling plant closure extensions in Oxnard and Redondo Beach and highlighted Southern California Edison's Strata Solar Ventura Clean project as an indicator of CPA's ability to foment competition in clean energy, especially at a time when natural gas utilities question the efficiency of renewable energy due to the recent outages.

Director Sahli-Wells discussed the importance of commitments to racial justice and requested that CPA explore the incorporation of racial equality commitments into the organizational goals and offered to lead that effort if needed. Vice Chair Kuehl expressed support for the request and noted that the Board of Supervisors had similarly adopted an action plan. In response, Chair Mahmud asked if the Community Advisory Committee may be a good starting point and Mr. Bardacke agreed to explore the necessary next steps for the request.

### **REPORT FROM THE CHAIR**

Board Chair Mahmud requested that a report be provided to the Board of Directors on the results of investigations by the CPUC and the California Energy Commission on the recent rotating outages.

### **ADJOURN**

Chair Mahmud adjourned the meeting at 3:39 p.m.