

MEETING of the Energy Planning & Resources Committee  
of the Clean Power Alliance of Southern California  
Wednesday, April 22, 2020, 12:30 p.m.

**MINUTES**

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

**I. CALL TO ORDER & ROLL CALL**

Committee Chair McKeown called the meeting to order at 12:23 p.m. and Clerk of the Board, Gabriela Monzon, called conducted roll call.

<b>ROLL CALL</b>			
<b>Arcadia</b>	Tom Tait	Committee Member	Absent
<b>Carson</b>	Reata Kulcsar	Committee Member	Remote
<b>Malibu</b>	Skylar Peak	Committee Member	Absent
<b>Oxnard</b>	Carmen Ramirez	Committee Member	Remote
<b>Santa Monica</b>	Kevin McKeown	Committee Chair	Remote
<b>Sierra Madre</b>	John Capoccia	Committee Member	Remote
<b>Thousand Oaks</b>	Helen Cox	Committee Member	Absent

**II. GENERAL PUBLIC COMMENT**

There was no public comment.

**III. CONSENT AGENDA**

1. Approve Minutes from February 26, 2020 Energy Committee Meeting
2. Receive and File January and February 2020 Risk Management Team Report

**Motion:** Committee Member Ramirez, Oxnard

**Second:** Committee Member Kulcsar, Carson

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

There were no public comments on the consent items.

#### IV. REGULAR AGENDA

##### 3. Update on COVID-19 Impacts to Demand

Natasha Keefer, Director of Power Planning and Procurement, and Sean Swe, Manager of Load Forecasting and Analysis, provided a presentation on short-term energy loads, long-term impact analysis, and staff's focus on monitoring market conditions that helped to develop load forecast scenarios. Ms. Keefer reviewed forecasting results with the committee, noting that the Shelter-in-Place (SIP) order reduced energy use in California, load reductions caused energy market prices to drop and stated that load reductions and depressed economic conditions caused forward prices to drop, particularly in the summer.

In response to Committee Member Ramirez's question, Ms. Keefer noted that electricity prices were set by all the supply resources that included gas, electricity, and nuclear.

Mr. Swe reviewed the load forecast scenarios in detail, noting the different monthly changes in load which would affect recovery.

Chair McKeown asked how the increase in proportion in residential as opposed to commercial rates projected into revenue and Committee Member Capoccia asked about expenses that affect revenue. Staff clarified that load and revenue were highly correlated, however, there were determining variables associated with expenses, such as energy commitments.

Committee Member Ramirez expressed concern over an increase in natural gas prices, and Ms. Keefer clarified that CPA forecasts indicated natural gas pricing was stable and not anticipated to increase.

Ms. Keefer continued to review CPA's procurement strategy and the Energy Risk Management Policy (ERMP) used when making decisions about purchasing electricity. Ms. Keefer noted that there was a slight deviation from the hedging strategy based on load reduction due to COVID-19, and therefore staff stopped reviewing load procurement to manage that deviation. Lastly, Ms. Keefer discussed CPA's short position, adding that more procurement was needed for the next few years, and staff continued that procurement cautiously while taking advantage of low market prices.

In response to Committee Member Capoccia's question, Ms. Keefer noted that there was a connection between oil and natural gas pricing, though fossil fuel prices did not impact the pricing of clean energy resources, therefore, CPA's contracting was based on the inherent costs of building those resources, but pricing placed some pressure on clean energy to be

more competitive. Matthew Langer, Chief Operating Officer, added that there was no short-term correlation between gas and oil, however, if oil prices remained depressed, less oil drilling could result in higher gas prices and a make a good case for renewable energy. Ms. Keefer continued to explain that CPA was closely monitoring market conditions and impacts to CPA load forecast scenarios that would feed into procurement strategies.

Chair McKeown thanked staff for their expertise.

There were no public comments for this item.

**V. COMMITTEE MEMBER COMMENT**

Committee Member Ramirez thanked Chair McKeown for his service on the Committee and expressed content for having served as the previous Committee Chair.

**VI. ADJOURN**

Chair McKeown adjourned the meeting at 1:01 p.m.