

MEETING of the Energy Planning & Resources Committee
of the Clean Power Alliance of Southern California
Wednesday, August 26, 2020, 12:15 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.

CALL TO ORDER & ROLL CALL

Committee Chair McKeown called the meeting to order at 12:15 p.m. and Clerk of the Board, Gabriela Monzon, conducted roll call.

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

All votes are unanimous, unless otherwise stated.

GENERAL PUBLIC COMMENT

There was no public comment.

CONSENT AGENDA

1. Approve Minutes from June 24, 2020 Energy Committee Meeting
2. Receive and File June and July 2020 Risk Management Team Report

Motion: Committee Member Ramirez, Oxnard

Second: Committee Member Tait, Arcadia

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

REGULAR AGENDA

3. Oral Update from Staff on CPA Operations

Ted Bardacke, Executive Director, provided a brief update on the state-wide rotating outages affecting CPA. Matt Langer, Chief Operating Officer, discussed CPA's internal net position and energy pricing during evening peak hours and pointed out that the financial outcome was decent, given the organization's hedging strategy. Mr. Langer noted that on average, CPA paid more for energy, but millions of dollars less than it would have if it had not implemented a hedging strategy.

Chair McKeown asked how the outages will inform any modification of the hedging strategy and if staff had a response for those questioning the reliability of renewable energy. Committee Member Capoccia similarly asked if staff identified any vulnerability that may affect the hedge strategy and if TOU rates could be used during peak hours to mitigate the use of energy. Mr. Langer explained that staff was not considering any significant modifications, as the hedge strategy had been effective during the outages; clarified that CPA's Demand Response and Peak Management Pricing optional programs aimed to encourage customers to conserve energy during peak times by way of charging premiums for energy during those peak hours; and lastly, clarified that there was no monocausal explanation for the outages but staff was prepared to speak in favor of renewable energy if necessary. Natasha Keefer, Director of Power Planning and Procurement, added that CPA's hedging strategy would change over time as it entered long-term renewable energy contracts into the portfolio, and particularly, energy storage is a resource that could mitigate the effects of volatile pricing in the future.

Committee Member Ramirez expressed concern for any publicity questioning the efficacy of renewable energy.

4. Approve the 2020 Integrated Resource Plan for Submission to the California Public Utilities Commission as Presented or in a Substantially Similar Form

Natasha Keefer, Director of Power Planning and Procurement, provided an overview of the item and summarized the conforming IRP plan requirements, noting that each of the Load Serving Entities (LSEs) were required to meet statewide targets of the 46 million metric ton (MMT) statewide greenhouse gas (GHG) emissions by 2030 and were allowed to submit a 38 MMT conforming plan. Ms. Keefer stated that CPA intended to present the 38 MMT conforming plan as the preferred case on the IRP narrative because it most closely reflected CPA's procurement objectives and directives from the Board. Ms. Keefer reviewed the modeling results and elaborated on the Request for Information (RFI) issued jointly by several CCAs for long-duration storage resources and based on those results, CPA was unwilling to commit to procurement of long-duration storage in 2026, but will ensure the 2020 Clean Energy RFO is inclusive of

long-duration storage resources. Lastly, Ms. Keefer discussed the cost impacts of both conforming plans, noting that the 38 MMT plan offered a higher reduction in GHG reductions with a minimal increase in cost; and reviewed the system reliability results, ultimately indicating that the analysis did not identify any system reliability or systemic supply/demand balance insufficiencies.

Chair McKeown asked how the 46 MMT may have compromised some of CPA's internal policy goals and Committee Member Ramirez asked for information on other CCA's IRP submissions. Ms. Keefer explained that the cases within the conforming plans looked largely similar because they were both based on CPA's internal targets but that the 46 MMT case had fewer new renewables in the later years of the IRP; and clarified that the participating CCAs decided to work together to ensure all their respective IRP plans were accepted by the CPUC, however, each CCA's portfolio differed, reflecting their diverse policy objectives.

In response to Committee Member Capoccia's question, Ms. Keefer noted that staff did not conduct a detailed rate analysis, but indicated that as the Board approves long-term contracts, CPA will transition away from short-term contracts, which will lower costs and reduce upward pressure on rates.

Community Advisory Committee Member Steve Nash asked if CPA was privy to the U.S. Navy's concerns about energy infrastructure compromising missions. Mr. Bardacke clarified that the Navy has steered away from California, and although offshore wind has been successful elsewhere, permitting, and technological challenges still pose a barrier.

Committee Members thanked staff for their preparation of the 2020 IRP; Committee Member Ramirez added that there should be more publicity about the work CPA is doing to deal with climate change and meet renewable energy goals. CPA Board Chair Diana Mahmud requested that the IRP Narrative be shared with the full CPA Board of Directors.

Motion: Committee Member Tait, Arcadia
Second: Committee Member Ramirez, Oxnard
Vote: Item 4 was approved by a roll call vote.

COMMITTEE MEMBER COMMENTS

Committee Members Ramirez expressed support for California Governor's statement to address oil drilling and fracking within the state.

ADJOURN

Chair McKeown adjourned the meeting at 1:32 p.m.