



**REGULAR MEETING of the Energy Planning & Resources
Committee
of the Clean Power Alliance of Southern California
Wednesday, April 28, 2021**

12:15 p.m.

SPECIAL NOTICE: 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 COVID-19, the Energy Planning & Resources Committee will conduct this meeting remotely.

[Click here to view a Live Stream of the Meeting on YouTube](#)

*There may be a streaming delay of up to 60 seconds. This is a view-only live stream.

To Listen to the Meeting:

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or

Dial: (669) 900-9128 Meeting ID: 980 0279 7472

PUBLIC COMMENT: Members of the public may submit their comments by one of the following options:

- Email Public Comment: 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. Written public comments will be announced at the meeting and become part of the meeting record. Public comments received in writing will not be read aloud at the meeting.
- Provide Public Comment During the Meeting: Please notify staff via email to clerk@cleanpoweralliance.org at the beginning of the meeting but no later than immediately before the agenda item is called.
 - You will be asked for your name and phone number (or other identifying information) similar to filling out a speaker card so that you can be called on when it is your turn to speak.
 - You will be called upon during the comment section for the agenda item on which you wish to speak on. When it is your turn to speak, a staff member will unmute your phone or computer audio.
 - 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, you will be muted during the meeting.

If unable to connect by Zoom or phone and you wish to make a comment, you may submit written comments via email to: clerk@cleanpoweralliance.org.

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Clean Power Alliance Energy Planning & Resources Committee
April 28, 2021

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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. As with all public comment, members of the public who wish to address the Committee are requested to complete a speaker's slip and provide it to Clean Power Alliance staff at the beginning of the meeting but no later than immediately prior to the time an agenda item is called.*

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 & ROLL CALL

GENERAL PUBLIC COMMENT

CONSENT AGENDA

1. [Approve Minutes from February 24, 2021 Energy Committee Meeting](#)
2. [Receive and File February and March 2021 Risk Management Team Reports](#)

REGULAR AGENDA

3. [Approve Shortlist Projects as Recommended by the Review Team for the 2020 DAC Request for Offers \(RFO\)](#)

COMMITTEE MEMBER COMMENTS

ADJOURN – NEXT MEETING MAY 26, 2021

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. Those documents are available for inspection online at www.cleanpoweralliance.org/agendas.*

MINUTES

REGULAR MEETING of the Energy Planning & Resources Committee
of the Clean Power Alliance of Southern California
Wednesday, February 24, 2021, 12:15 p.m.

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			
Alhambra	Jeffrey Maloney	Committee Member	Remote
Arcadia	Tom Tait	Committee Member	Remote
Carson	Reata Kulcsar	Committee Member	Remote
Santa Monica	Kevin McKeown	Chair	Remote
Sierra Madre	Robert Parkhurst	Committee Member	Remote
Thousand Oaks	Helen Cox	Committee Member	Absent
Ventura County	Carmen Ramirez	Committee Member	Remote

All votes are unanimous, unless otherwise stated.

GENERAL PUBLIC COMMENT

There was no public comment.

CONSENT AGENDA

1. Approve Minutes from January 27, 2021 Energy Committee Meeting
2. Receive and File January 2021 Risk Management Team Reports

Motion: Committee Member Parkhurst, Sierra Madre
Second: Committee Member Ramirez, Ventura County
Vote: The consent agenda was approved by a roll call vote, with a correction to Item 1.

REGULAR AGENDA

3. Resource Adequacy (RA) Market and Regulatory Review

Natasha Keefer, Director of Planning & Procurement, and CC Song, Director of Regulatory Affairs, provided an overview of the item. Ms. Keefer briefly reviewed the RA program's history and noted that CPA met all RA requirements despite challenging supply/demand dynamics. Ms. Keefer explained that the California Public Utilities Commission (CPUC), the California Independent System Operator (CAISO), and the California Energy Commission (CEC), all participate in the RA program, and sometimes lack coordination of RA program design and guidelines, affecting how CPA complies with all three agencies. Ms. Keefer reviewed the general market outlook on supply, highlighting that storage additions are not expected to outpace retirements until the latter half of the decade. This means that tight supply conditions are expected through 2025, particularly with the remaining once-through cooling gas fleet and the Diablo Canyon nuclear facility expected to retire by 2024 and 2026, respectively. Ms. Keefer cautioned that storage and wind resources do not significantly contribute to RA because they are non-dispatchable intermittent resources.

Responding to Chair McKeown's question regarding the RA budget, Ms. Keefer clarified that the total RA budget will increase by 35%. In response to Committee Member Maloney's questions, Ms. Keefer explained that long-duration under RA compliance refers to conventional four-hour batteries; RA is a separate standalone product where actual capacity can be generated in any given period, and staff tracks renewable energy and energy storage differently to account for the difference in how energy storage is counted under RA. Chair McKeown asked if CPA plans to focus on 2024 where RA compliance will be significantly challenging and inquired as to any possible legislative advocacy. Ms. Keefer noted that RA compliance in 2024 is a statewide planning issue and Matt Langer, Chief Operating Officer, added that the state is addressing capacity in 2021-2023, but some of the capacity needed in the 2024-2026 period has not yet been contracted, which can worsen the outlook in 2024. Committee Member Ramirez expressed concern for the state's lack of preparation.

Ms. Keefer reviewed regulatory factors that have already impacted the supply of capacity resources, mostly due to differences in program rules between the CAISO and the CPUC. Additionally, the CPUC's June 2020 changes to import resources burden out-of-state suppliers, which have increased CPA's total cost for import RA by 120% from 2020 to 2021. Ms. Song also noted that a portion of the PCIA is based on the value of the RA in SCE's portfolio, and market price benchmarks are lagging indicators that understate the true cost of RA, allowing IOUs to have a competitive advantage by increasing the PCIA. Ms. Song discussed RA program changes that staff is monitoring closely, especially overall structural reform to meet evening peak hour needs, changes to valuation of resources that can be counted from each resource for RA requirements, further restrictions

on import RA, and more stringent accounting and reporting mechanisms. Lastly, Ms. Keefer discussed some key takeaways, noting that while regulatory reform of the RA program is necessary, anticipated changes are expected to make compliance more challenging and tightening supply will place upward pressure on prices; but, as storage resources proliferate to fill the capacity gap over the next decade, RA costs may decrease with new reliable supply.

Chair McKeown commented that CPA should be prepared to manage the public perception of the anticipated shortage of resources and asked if there is an existing media strategy. Ted Bardacke, Executive Director, responded that in the industry press, the CCA perspective is well represented, and although popular media is unpredictable, CPA can present a strong front by meeting compliance requirements and aggressively pursuing battery storage goals. Committee Member Ramirez noted that CPA should demonstrate that it is accountable and responsible in the role it plays in renewable energy and reliability.

Mr. Bardacke concluded with a brief update on Senate Bill 612, which will restore some equity to the PCIA; and encouraged members to bear in mind the PCIA and supply/demand challenges as CPA begins the budget process.

COMMITTEE MEMBER COMMENTS

Committee Member Ramirez called attention to several bills that propose setbacks for oil drilling from sensitive sites and noted that Ventura County has enacted a similar setback which is being challenged through a referendum.

ADJOURN

Chair McKeown adjourned the meeting at 1:10 p.m.

Staff Report – Agenda Item 2

To: Clean Power Alliance (CPA) Energy Planning & Resources Committee

From: Natasha Keefer, Director of Power Planning & Procurement

Approved by: Ted Bardacke, Executive Director

Subject: Risk Management Team Report

Date: April 28, 2021

FEBRUARY 2021 RMT REPORT

Key Actions

- Discussed February 2021 market performance and impacts of high market prices due to cold weather events.
- Discussed elevated forward price curves for Q3 2021.
- Reviewed short-term and long-term energy position and approved energy hedge solicitations for 2022 – 2023.
- Reviewed renewable energy and carbon free positions for 2020-2024 under Fiscal Year 2021-2022 budget scenarios.
- Reviewed 2021-2025 Resource Adequacy positions and discussed Q3 2021 pricing.

Policy Compliance

No policy deviations to report.

MARCH 2021 RMT REPORT

Key Actions

- Reviewed April 2021 load forecast update, which incorporates new improved historical use data from SCE.
- Reviewed short-term and long-term energy position and approved energy hedge solicitations for 2021 – 2024.
- Reviewed renewable energy and carbon free positions for 2020-2024 under Board-approved power content targets and discussed solicitation strategy.

- Reviewed 2021-2025 Resource Adequacy positions and discussed Q3 2021 compliance.

Policy Compliance

No policy deviations to report.

ATTACHMENT

None.

Staff Report – Agenda Item 3

To: Clean Power Alliance (CPA) Energy Planning & Resources Committee

From: Natasha Keefer, Director of Power Planning & Procurement

Approved by: Ted Bardacke, Executive Director

Subject: 2020 DAC Request for Offers (RFO) Shortlist Recommendation

Date: April 28, 2021

RECOMMENDATION

Approve shortlist projects as recommended by the RFO Review Team for the 2020 DAC RFO.

ATTACHMENT

- 1) [2020 DAC RFO Shortlist Recommendation Presentation](#)



Item 3

2020 DAC Request for Offers (RFO) Shortlist

Wednesday, April 28, 2021

Executive Summary

- Under two CPUC-approved programs (DAC-GT and CS-GT¹), CPA may procure energy from small-scale renewable projects within Disadvantaged Communities (DACs)² in order to provide 100% renewable energy to low-income customers at a 20% bill discount
- The CPUC will reimburse CPA on DAC program costs
- In December 2020, CPA became the first CCA to launch a DAC program RFO. Offers were due on March 15, 2021
- The RFO Review Team, which included three Board members, reviewed confidential offer information and developed a recommended shortlist
- CPA intends to fill its program cap of 12.19 MW for DAC-GT and 3.13 MW for CS-GT over multiple RFOs
 - The recommended shortlist will fill about 25% of each program's capacity cap

ACTION REQUESTED: The purpose of this meeting is to present the recommended shortlist to the Energy Committee for consideration and approval

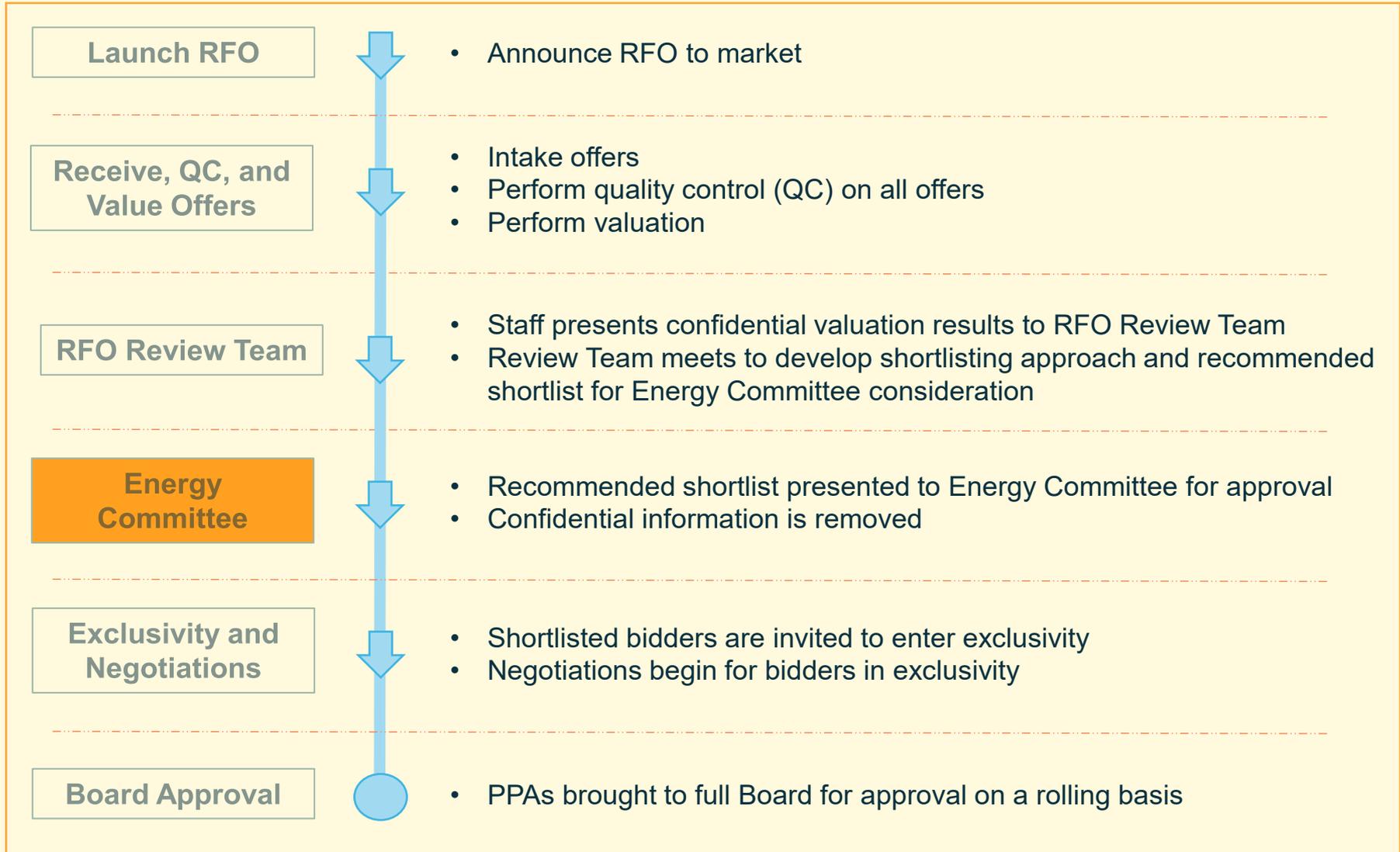
(1) Disadvantaged Community Green Tariff (DAC-GT) and Community Solar Green Tariff (CS – GT)

(2) DACs are defined as communities that are identified in the CalEnviroScreen 3.0 as among the top 25 percent of census tracts statewide, plus the census tracts in the highest five percent of CalEnviroScreen's Pollution Burden that do not have an overall CalEnviroScreen score because of unreliable socioeconomic or health data.

Agenda

- RFO Process Overview
- Program and RFO background
- Disadvantaged Community Green Tariff
 - Program Description
 - Offer Overview
- Community Solar Green Tariff
 - Program Description
 - Offer Overview
- Valuation
- Recommended Shortlist
- Next Steps

RFO Process Overview



DAC Programs (CPA Branded as “Power Share”)

- Two distinct programs that promote the development of renewable generation in and for underserved communities:

Disadvantaged Community Green Tariff (DAC-GT)

*Encourages the development
of clean energy resources
throughout the state*

Community Solar Green Tariff (CS – GT)

*Community-based projects
designed to serve local
communities*

Both programs allow eligible CPA customers who enroll in the Power Share program to receive 100% renewable energy and a 20% bill discount

Regulatory Background

- In June 2018, the CPUC approved D.18-06-027 which created the DAC-GT and CS-GT programs
- CPA was allocated a total of 12.19 MW for its DAC-GT program and 3.13 MW for its CS-GT program
 - This will provide ~6,700 income-qualified customers in disadvantaged communities with 100% renewable energy from new, DAC-located renewable energy resources
- The CPUC will reimburse CPA on program costs
 - CPUC funds the above-market procurement cost for these resources, the 20% discount on customers' total electric bill, and CPA's program implementation costs (administration, marketing, education, and outreach)
- CPA must implement the programs consistent with CPUC guidelines
 - Customer and project eligibility
 - CPUC-approved program design and RFO solicitations, including power purchase agreement (PPA) approval
 - PPA price must fall under the CPUC-designated price cap

RFO Overview

- CPA expects to fill its eligible program capacity over multiple RFOs. The 2020 DAC RFO was the first of CPA's DAC-GT and CS-GT program RFOs
- The 2020 DAC RFO for DAC-GT and CS-GT resources was released in December 2020, with offers due on March 15, 2021
- CPA received 3 offers for projects with 15-year PPAs (fixed price):
 - **1 DAC-GT**
 - **2 CS-GT**
- The low response rate to the RFO is largely due to the nascent nature of the program and lack of project pipeline, particularly for community solar projects
 - CPA marketed the RFO to potential developers, community sponsors, and community-based organizations (CBOs)
 - CPA will continue to market the programs ahead of the next RFO to encourage participation (discussed further at the end of this presentation)

Evaluation Criteria

- Individual projects received a rank for each of the following criteria (see Appendix for details on Evaluation Criteria):



- In addition, CPA included the following **workforce development requirements** for all projects:
 - Prevailing wage requirements and targeted hire commitments for all projects, with a preference for Project Labor Agreements (PLAs)

(1) Other Preferences – CPA will prioritize projects that leverage other government funding, or that provide evidence of support or endorsements from local climate initiatives

DAC-GT

Disadvantaged Community Green Tariff

DAC-GT Program Description

- DAC-GT customers will receive energy from new Renewable Portfolio Standard (RPS)-eligible projects located within a DAC in Southern California Edison (SCE) territory
- Project eligibility:
 - In-front-of-the meter and 500 kW - 13 MW in size
 - New solar, wind, hydroelectric, or biomass/biogas generating facility
- Eligible customers are CPA customers eligible for the CARE or FERA low-income programs and live within a DAC in CPA territory
 - Enrolled customers will receive 100% renewable energy based on their monthly usage at a 20% bill discount

Offer Description: DAC-GT “Project A”

- **Project:** 3.0 MW-AC solar PV generating facility
- **Location:** within a DAC in Newberry Springs, a few miles east of Barstow in San Bernardino County
- **Online Date:** 12/31/2023

Qualitative Scoring Category	Score
Environmental Stewardship	Neutral
Benefits to DACs	High
Workforce Development	High (PLA Commitment)
Project Location	Medium
Development Score	Medium

- **Land Use/Permitting:** Sited on vacant, undeveloped land, zoned as Rural Living; permitting has not yet begun, however the project qualifies as preferred “Community Oriented Renewable Energy” development
- **Interconnection:** Generator Interconnection Agreement is already executed
- **Developer:** the developer is a Special Purpose Entity made up of the three renewable energy veterans who are now focused on smaller-scale, distributed projects in California

CS-GT

Community Solar Green Tariff

CS-GT Program Description

- CS-GT customers will receive a portion of the renewable energy output from a local community solar project sized at 3 MW or less
- Project eligibility:
 - Projects located within a DAC that is within 5 miles of benefitting customers' DAC census tract
 - New, RPS-eligible solar, front-of-the-meter generating facility
 - CS-GT projects require a **Community Sponsor**¹ who assists with customer enrollment and ensures project development is consistent with community priorities
- Eligible customers must live within a DAC in CPA territory and be within 5 miles of the project location
 - Enrolled customers will subscribe to a portion of the CS-GT project capacity based on their historical energy usage

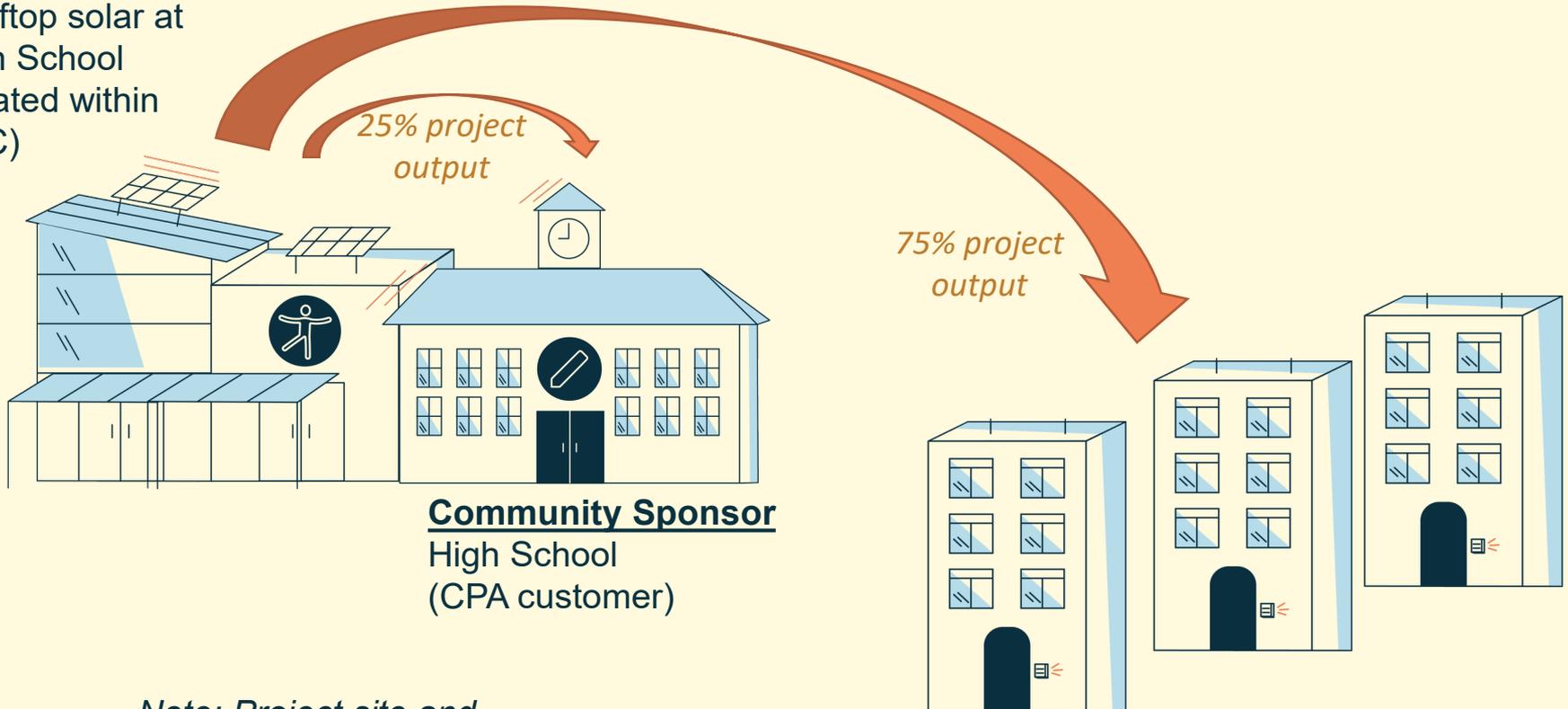
(1) Community sponsors must be a non-profit community-based organization (CBO) or local government entity



Community Solar Program - Example

Project Site

Rooftop solar at
High School
(located within
DAC)



Community Sponsor
High School
(CPA customer)

Enrolled CPA residential customers
Located within DACs within 5 miles of
High School; at least 50% customers
are low income

*Note: Project site and
Community Sponsor do not
have to be the same*

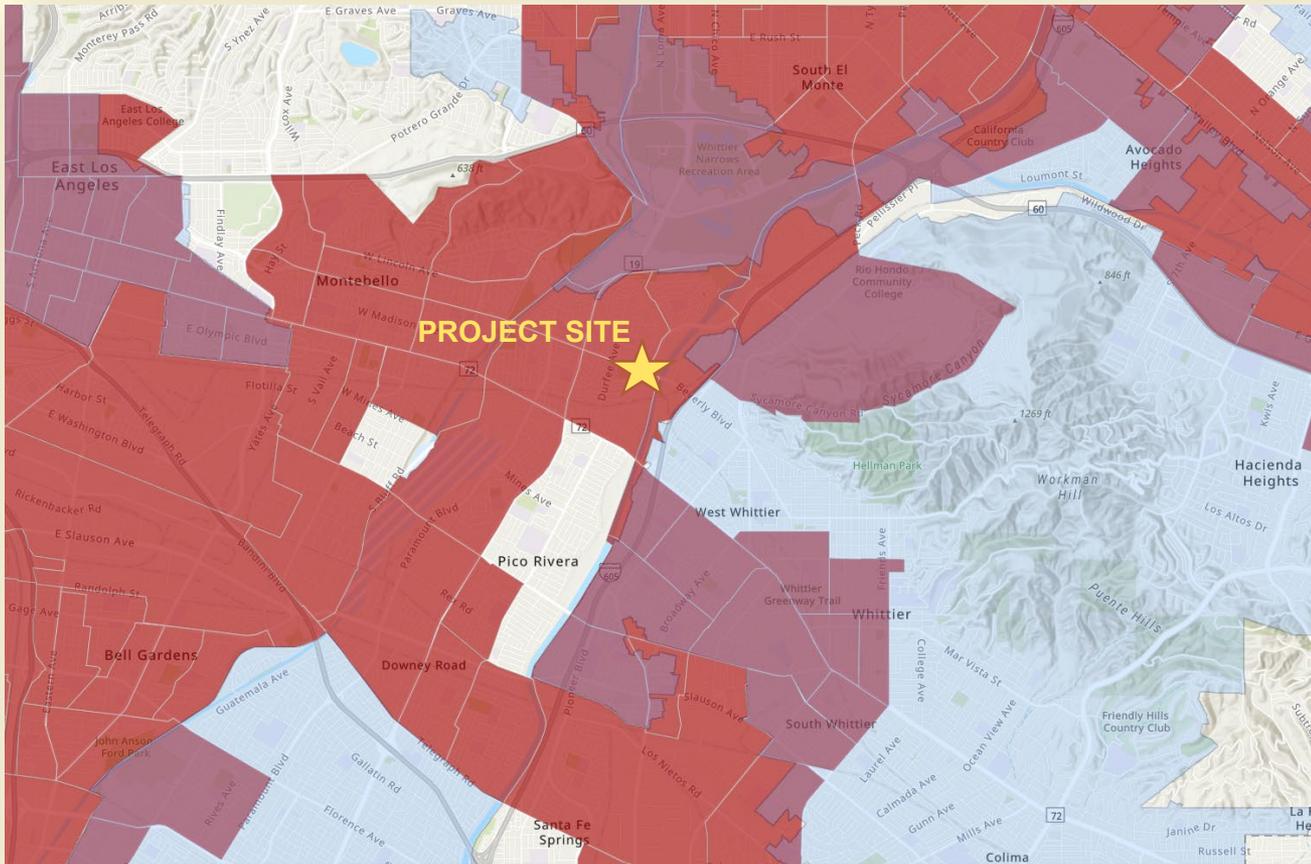
CS-GT Offer Descriptions – “Project B” and “Project C”

- **2 Projects:** B is a 350 kW-AC solar project and C is a 450 kW-AC solar project
- **Location:** both projects are located on a commercial storage facility rooftop in Pico Rivera, CA
- **Online Date:** 9/30/2022
- **Community Sponsor:** Bassett Unified School District (CPA customer)
- **Land Use/Permitting:** As rooftop solar, the projects require no land use permitting; building and electrical permits will be requested upon construction start
- **Interconnection:** The interconnection process has not yet begun; however, the developer has provided a detailed projects schedule incorporating the interconnection timeline
- **Developer:** The developer has deep experience in community solar, with more than 50 MW of capacity previously completed or under development in other states
- **Other Preferences:** The project was awarded over \$9 million dollars in grant funds from the California Energy Commissions’ EPIC challenge

Qualitative Scoring Category	Score
Environmental Stewardship	High
Benefits to DACs	High
Workforce Development	High (PLA Commitment)
Project Location	High
Development Score	Low

Projects B and C - Eligible Communities

- The projects are located adjacent to CPA's service territory, within a 5-mile radius of approx. 38,000 potentially eligible CPA customers



- Blue denotes CPA's service territory;
- Red denotes DAC communities
- Purple (blue and red overlap) denotes DAC communities in CPA's service territory

Valuation

Quantitative Evaluation

- CPA conducted quantitative evaluation for the RFO in-house
- Data provided by bidders in the Offer Form Template were used to model proposals. All submissions were reviewed for compliance and completeness, including vetting of generation profiles
- Projects were valued for the revenue from energy sales in the market against the PPA payments
 - Resource Adequacy (RA) value was excluded because RA value from solar is already limited and there is regulatory uncertainty related to how solar will be counted
 - Ancillary services are not applicable for these projects
- Offer prices were evaluated against pricing from CPA's 2019 Distributed Track RFO and determined to be competitive
- All three offers' PPA prices are under the CPUC-designated price cap
 - CPA will be reimbursed for all above-market costs by the CPUC

Shortlist Recommendation

Shortlist Recommendation

Project	Online	Technology	kW Gen	Env. Stewardship	Benefits to DACs	Workforce Development	Project Location	Development Score	County
DAC-GT A	Q4 2023	Solar	3,000	Neutral	High	High	Medium	Medium	San Bernardino
CS-GT B	Q2 2022	Solar	350	High	High	High	High	Low	Los Angeles
CS-GT C	Q2 2022	Solar	450	High	High	High	High	Low	Los Angeles

Review Team recommends shortlisting all three projects:

- All three projects are compliant with the RFO and program eligibility guidelines
- All three projects have reasonable valuation results
- PPA execution with all three projects will make incremental progress towards filling CPA’s program allocation and allow for continued Power Share customer enrollment:

	CPA’s Total Allocation	CPA’s Remaining Allocation After Recommended Awards	CPA’s Remaining Allocation (%)
DAC-GT	12.19 MW	9.19 MW	75.4%
CS-GT	3.13 MW	2.33 MW	74.4%

Next Steps

Strategies to Improve Participation

- Market to:
 - CPA current contacts (developers, organizations who registered for the last RFO webinar)
 - Newly researched contacts (organizations that operate within DACs)
 - Utilize Member Agencies to contact organizations in their communities
- Separate outreach strategies:
 - Developers
 - Host Sites/Community Sponsors
- Provide Pairing Resource (facilitating partnerships)
 - Obtain permission to share information with other parties
 - Provide a link on the RFO site to access info of interested parties
 - Make it clear that pairing cannot occur through CPA; parties must take initiative and enter into their own agreements

Considerations for Future RFOs

- Based on feedback from the RFO Review Team, CPA is evaluating changes to the project location criteria for future RFOs
- May change RFO eligibility for Community Solar projects only or both DAC-GT and CSGT programs
 - Pros: Encourages local clean energy development
 - Cons: Limits project eligibility/customer enrollment and may exclude attractive projects
- Before making a decision, CPA will look for feedback from its market development efforts, including level of member agency engagement on community sponsorship and small-scale developer interests in front-of-the-meter projects
- The Energy Committee will re-evaluate project location criteria ahead of launching the next RFO

Next Steps

Date	Action
April 28	Energy Committee shortlist consideration
May	Bidders notified of shortlist status
May – June	PPA negotiations
June – July	Board consideration of PPAs
No later than November	Executed PPAs submitted to CPUC for approval*
<i>TBD</i>	Next Power Share RFO Release

Review Team recommends Energy Committee approval of the 2020 DAC RFO shortlist at today's meeting

*CPA is required to submit PPAs for CPUC approval within 180 of bidders' receipt of shortlist notification

Appendix

DAC-GT and CS-GT Eligibility Comparison

	DAC-GT	CS-GT
Online Date	No later than December 31, 2023	No later than December 31, 2023
Locational Eligibility	Projects located within a DAC in SCE territory	Projects located within a DAC that is within 5 miles of benefitting customers' DAC census tract*
Project Size	500 kW – 13 MW	No Minimum; Maximum 3 MW
Generation Type	New solar, wind, hydroelectric, or biomass/biogas RPS-eligible FTM generating facility	New, RPS-eligible solar, FTM generating facility
Interconnection	Must have completed a Phase I Interconnection Study	N/A
Community Sponsor	N/A	Projects require a Community Sponsor

*Bidders were provided with a mapping tool that allowed them to estimate # of CPA customers within a 5-mile radius

Development Score

Projects will be ranked as High, Medium, or Low

- The development score is a composite score based on a number of factors impacting project risk:
 - Site control
 - Interconnection status
 - Environmental screens
 - Land use and permits
 - Project financing
 - Developer Experience

Environmental Stewardship

Projects are ranked high, medium, neutral, and low based on the following prioritization:

HIGH

- Demonstrates multiple benefits (provides additional societal, health, economic, water saving, or environmental benefits beyond the climate and GHG reduction benefits of renewable energy)

MEDIUM

- Located in an area designated as a preferred renewable energy zone and received required land use entitlement permits

NEUTRAL

- Project does not demonstrate either preference or avoidance criteria

LOW

- Project is located in a high conflict area

Workforce Development

Projects will be ranked high, medium, and low based on the following prioritization:

HIGH

- The project will use targeted-hire, union labor, or multi-trade project labor agreements (including requirements for state-apprenticeship graduates)

MEDIUM

- The project does not have a labor agreement, but can demonstrate prevailing wage, union labor, and targeted hire commitments

LOW

- The project does not demonstrate prevailing wage, union labor, and targeted hire commitments

Grey denotes rank that would not meet RFO eligibility criteria

Project Location

Projects will be ranked high, medium, and low based on the following prioritization:

HIGH

- In Los Angeles and Ventura counties

MEDIUM

- Other counties within California

LOW

- Out of state projects

Grey denotes rank that would not meet RFO eligibility criteria

Benefits to Disadvantaged Communities (DACs)

Projects will be ranked high, medium, and low based on the following prioritization:

HIGH

- Located within a DAC and demonstrates DAC workforce and community development benefits

MEDIUM

- Project not located within a DAC but can demonstrate DAC benefits and has completed community outreach

NEUTRAL

- Project does not demonstrate DAC benefits

LOW

- Project is inconsistent with community priorities

Grey denotes rank that would not meet RFO eligibility criteria