REGULAR MEETING of the Energy Planning & Resources Committee of the Clean Power Alliance of Southern California Wednesday, May 26, 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:
https://zoom.us/j/98553986884
or
Dial: (669) 900-9128 Meeting ID: 985 5398 6884

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.

  o 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.

  o 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.

  o 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.

  o 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.

*While downloading the Zoom application may provide a better meeting experience, Zoom does not need to be installed on your computer to participate. After clicking the webinar link above, click “start from your browser.”
Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact the Clerk of the Board at clerk@cleanpoweralliance.org or (213) 713-5995. Notification in advance of the meeting will enable us to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it.

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 April 28, 2021 Energy Committee Meeting
2. Receive and File April 2021 Risk Management Team Report

REGULAR AGENDA

3. A. Receive 2020 Request for Offers (RFO) Status Update
   B. Approve Replacement of One 2020 Clean Energy RFO Shortlisted Project as Recommended by the Review Team

COMMITTEE MEMBER COMMENTS

ADJOURN – NEXT MEETING JUNE 23, 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.

Agenda Page 2
REGULAR MEETING of the Energy Planning & Resources Committee
of the Clean Power Alliance of Southern California
Wednesday, April 28, 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.

<table>
<thead>
<tr>
<th>ROLL CALL</th>
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<tbody>
<tr>
<td>Alhambra</td>
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<tr>
<td>Arcadia</td>
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<tr>
<td>Carson</td>
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<tr>
<td>Santa Monica</td>
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<tr>
<td>Sierra Madre</td>
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<tr>
<td>Thousand Oaks</td>
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<td>Ventura County</td>
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All votes are unanimous, unless otherwise stated.

GENERAL PUBLIC COMMENT
There was no 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

Motion: Committee Member Tait, Arcadia
Second: Committee Member Maloney, Alhambra
Vote: The consent agenda was approved by a roll call vote.

REGULAR AGENDA
3. Approve Shortlist Projects as Recommended by the Review Team for the 2020 DAC Request for Offers (RFO)

Natasha Keefer, Director of Planning & Procurement, and Erik Nielsen, Senior Manager of Structured Contracts, presented the item. In June 2018, the California Public Utilities Commission (CPUC) created the Disadvantaged Community (DAC) Green Tariff (DAC-GT) and Community Solar Green Tariff (CS-GT) programs that allow CPA to procure energy from small-scale renewable projects within
Disadvantaged Communities (DACs) in order to provide 100% renewable energy to low-income customers at a 20% bill discount. The programs are branded as Power Share. Ms. Keefer provided a regulatory background and reviewed evaluation criteria. The RFO Review Team, which included three Board members, reviewed confidential offer information and developed a recommended shortlist or the Energy Committee’s approval.

Mr. Nielsen discussed the DAC-GT and CS-GT programs in detail and reviewed project eligibility for each. Mr. Nielsen provided an overview of Project A, submitted for DAC-GT, noting that: the project is a 3.0 MW-AC solar PV generating facility located in Newbury; with an online date of December 31, 2024, sited on a vacant undeveloped land. Project B is a 350 kW solar project and Project C is a 450 kW solar project, both submitted for CS-GT. Both projects are located on a commercial storage facility with an online date of September 30, 2022 and the required community sponsor is Bassett Unified School District, which is a CPA customer. Mr. Nielsen continued with a brief review of the projects’ qualitative scores and discussed the valuation process, highlighting that CPA built and managed an in-house valuation tool that allowed CPA to model proposals. Offer prices were determined to be competitive when evaluated against pricing from CPA’s 2019 Distributed Track RFO.

Ms. Keefer discussed strategies to improve participation and acknowledged that the low response rate to the RFO is largely due to the nascent nature of the program. CPA will reach out to current and new contacts and facilitate partnerships between developers and site hosts. The RFO Review Team also provided feedback regarding project location criteria for future RFOs, specifically, limiting project eligibility only to CPA territories or only within Los Angeles and Ventura Counties. The Energy Committee will be consulted on re-evaluating the project location criteria ahead of launching the next RFO.

Chair McKeown asked why Projects B and C of the CS-GT were considered two separate projects. Ms. Keefer explained that the projects are separate stand-alone entities and Matt Langer, Chief Operating Officer, noted that the one or both projects could be marketed to someone else because they will be CAISO interconnected. Committee Member Parkhurst asked why projects were required to be front-of-the-meter (FTM) for community solar as it adds extra barriers. Mr. Langer responded that behind-the-meter is limited by site load and FTM projects allow CPA to serve the broader community.

Committee Member Ramirez commented that this RFP was one of the most complicated yet and more resources are needed to encourage bidders. Committee Member Cox asked if the projects required a niche developer market and how regular commercial developers could participate.

Ms. Keefer agreed and explained that the difficulty in attracting bidders for the RFO is the reasoning behind CPA’s intent to invest in marketing and outreach; Mr. Bardacke highlighted that moving the projects forward will help create the toolkit for other CCAs and RFPs in the future. Ms. Keefer described the developer market for these projects as niche due to the distinct requirements of community solar programs which are new to California and usually attract developers with experience.
Committee Member Parkhurst expressed support for the recommendation but opined that a drawback of the RFP is not being able to attract projects within CPA communities and would like to see that become part of the outreach. Committee Member Maloney noted that the RFO Review Team did provide direction to staff on the matter. Committee Member Kulcsar agreed and expressed preference for pursuing projects within CPA territory and her preference to make it a requirement for the next RFO.

Motion: Committee Member Ramirez, Ventura County
Second: Committee Member Tait, Arcadia
Vote: Item 3 was approved by a roll call vote.

Chair McKeown invited discussion on outreach in member jurisdictions and requested that staff share a list of the disadvantaged communities in each member jurisdiction. Committee Member Kulcsar reiterated the importance of engaging CPA communities and limiting project to within CPA territory; projects offer local benefits and cited warehouse buildings located in Carson as viable options; suggested a period before the release of an RFP that can allow for communication and coordination between city staff and potential site hosts.

Ms. Keefer emphasized that CPA must stay neutral throughout the RFP process and all bidders should have equal access to information. Chair McKeown noted that CPA and by extension Committee Members, cannot prejudice the RFO, but it would be permissible to identify potential sites and share the information through CPA to all bidders. Mr. Bardacke referenced Committee Member Kulcsar’s suggestion that a pre-RFO period can help facilitate partnerships, and staff will consider that an option moving forward; noted that there are pros and cons to limiting projects to CPA territory and staff will make recommendations at the policy level before issuance of the next RFO.

Chair McKeown noted that CPA can now reference an actual track record when conducting outreach to potential partners and developers; directed staff to share information that can help identify potential sites in each member’s jurisdiction but also draw parameters around permissible actions and communications. With respect to facilities, Committee Member Parkhurst asked for specificity in data that can help identify the best prospects. At Chair McKeown’s request, Santa Monica staff member Drew Johnstone confirmed that Santa Monica has conducted a solar rooftop survey in the past and UCLA has also created a community solar map that has mapped out and identified hosts for community solar projects.

COMMITTEE MEMBER COMMENTS
None.

ADJOURN
Chair McKeown adjourned the meeting at 1:23 p.m.
Staff Report – Agenda Item 2

To: Clean Power Alliance (CPA) Energy Planning & Resources Committee
From: Matthew Langer, Chief Operating Officer
Approved by: Ted Bardacke, Executive Director
Subject: Risk Management Team Report
Date: May 26, 2021

APRIL 2021 RMT REPORT
Key Actions

- Reviewed load forecast update, which reflects updated participation assumptions.
- Reviewed 2021-2025 Resource Adequacy positions and discussed the Q3 2021 procurement strategy. RMT approved a solicitation and several transactions.
- Reviewed renewable energy and carbon free positions for 2021-2024 and approved proposed purchase and sale transactions.

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 RFO Status Update and 2020 Clean Energy Request for Offers (RFO) Shortlist Recommended Replacement

Date: May 26, 2021

RECOMMENDATION

Approve replacement of one 2020 Clean Energy RFO shortlisted project as recommended by the RFO Review Team.

ATTACHMENT

1) 2020 RFOs Presentation
Item 3
Update on 2020 RFOs

May 26, 2021
Agenda

- CPA Current Long-term Portfolio
- Status of RFOs underway
  - DAC RFO (aka Power Share)
  - 2020 Clean Energy RFO
- Portfolio Considerations
- Action Requested: Clearway PPA Substitution
The Board of Directors has approved 15 long-term contracts to date with renewable and storage resources for terms of 10-20 years, for a total of 1,344.5 MW of renewables and 715 MW of storage*

The majority of contracted MW are solar and/or storage

5 projects are currently online and serving CPA’s load, with the remaining MW coming online in 2021-2023

*See Appendix for full project list
RFO Status
RFOs Currently Underway

- CPA has two RFOs underway:

1. 2020 DAC RFO (aka Power Share)
   - Disadvantaged Community Green Tariff (DAC-GT)
   - Community Solar Green Tariff (CS – GT)

2. 2020 Clean Energy RFO
2020 DAC RFO

• Objective: Secure supply for the CPA Power Share Program and enable enrollment
  – Comprised of the CPUC DAC-GT and CS-GT programs
• CPA launched the 2020 DAC RFO in December 2020, with bids due on March 15th
• On April 26, 2021, the Energy Committee shortlisted 3 projects from this RFO
  – All three projects have entered into exclusive negotiations
• CPA is planning to launch a second RFO to secure additional supply later this year, after it completes a stakeholder engagement and marketing process
2020 Clean Energy RFO

- Objective: Secure 1.5 – 2.0 million MWh of annual renewable generation supply to meet SB 350 compliance in 2021-2024 and meet other procurement objectives like portfolio diversification
- CPA launched the 2020 Clean Energy RFO in October 2020, with bids due on November 20\textsuperscript{th}
- On January 27, 2021, the Energy Committee approved a shortlist of 13 projects; 8 entered into exclusive negotiations
- To date, the Board has approved one long-term PPA (Heber South geothermal), with up to four additional PPAs for Board consideration on June 3\textsuperscript{rd}
- Today, the RFO Review Team is recommending an action by the Energy Committee related to one of these PPAs
Portfolio Considerations
Long-Term Procurement Requirement

- SB 350 requires CPA to secure at least 65% of its RPS obligations through long-term (10+ years) contracts over the 2021-2024 compliance period.
- Projects with earlier online dates will help CPA meet its compliance requirement early and reduce compliance risk.
- The 2020 Clean Energy RFO is intended to achieve CPA’s compliance for the 2021-2024 period.

### CPA SB 350 Long-Term Contracting Compliance Position by Compliance Period (% of Load)

- **CPA’s Long-Term RPS Mandate**
- **RPS Achieved with Existing Contracts**
- **RPS Achieved with 2020 Clean Energy RFO Projects (w/ RFO Review Team Recommendation)**
Portfolio Diversity is Critical

- CPA’s current portfolio is largely solar; therefore, resource diversity will be an important consideration in portfolio selection
- Solar is a low-cost and plentiful renewable resource, however it only generates during daylight hours
- Alternative technologies (e.g. wind and geothermal) provide renewable generation during non-daylight hours
- Storage is a critical resource to shift solar from mid-day to peak reliability hours

![Average Hourly Load-Resource Balance](chart1)

*Includes effects of storage*

![Average Hourly Profile Comparison (MW by Hour)](chart2)

- **Heber South**
- **14 MW Solar Example**
- **CPA Load**
Action Requested
Background on Action Requested

• The approved 2020 Clean Energy RFO shortlist included 13 projects, one of which being the Red Bluff renewable energy complex in Riverside County, developed by Clearway

• Clearway entered into exclusive negotiations with CPA in February, however, Clearway is no longer able to offer a portion of the Red Bluff project to CPA, and is instead offering replacement MWs from its Daggett 2 solar + storage project

• Daggett 2 is an extension of the Daggett solar + storage project already under contract with CPA and approved by the Board
  – The contracted Daggett is a 123 MW solar and 61.5 MW storage project, which will repurpose the site of a retired natural gas plant

• The RFO Review Team reconvened on May 18th to review the Daggett 2 offer, and recommends proceeding with the replacement
Overview of Revised Offer

• Clearway offered CPA two portions of the Red Bluff complex – Victory and Arica, both coming online December 1, 2023:

<table>
<thead>
<tr>
<th>Project</th>
<th>Victory</th>
<th>Arica</th>
<th>Combined</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solar MW</td>
<td>30</td>
<td>93.5</td>
<td>123.5</td>
</tr>
<tr>
<td>Storage MW</td>
<td>20</td>
<td>71</td>
<td>91</td>
</tr>
<tr>
<td>Annual Generation</td>
<td>90,995</td>
<td>283,601</td>
<td>374,596</td>
</tr>
</tbody>
</table>

• Clearway is no longer offering the Victory project to CPA; in order to make CPA whole on its offer, Clearway is offering Daggett 2 as a replacement to Victory
  – Clearway did not bid the Daggett 2 project into CPA’s RFO because Clearway was marketing the project to other offtakers, which was unsuccessful. The Daggett 2 project capacity recently became available

• **CPA can either take Daggett 2 as a replacement to Victory, or take Arica only**
## Clearway Victory vs Daggett 2

### Victory
- 30 MW Solar plus 20 MW Storage
- COD: 12/1/2023
- NPV Rank: Top 20
- Expected average annual generation: 90,995 MWh

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<th>Qualitative Scoring</th>
<th>Score</th>
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<tbody>
<tr>
<td>Environmental Stewardship</td>
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<tr>
<td>Benefits to DACs</td>
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<tr>
<td>Workforce Development</td>
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<td>Project Location</td>
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<tr>
<td>Development Score</td>
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### Daggett 2
- 65 MW Solar plus 52 MW Storage
- COD: 9/30/2023
- NPV Rank: Top 10
- Expected average annual generation: 197,156 MWh

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<thead>
<tr>
<th>Qualitative Scoring</th>
<th>Score</th>
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<tbody>
<tr>
<td>Environmental Stewardship</td>
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<td>Project Location</td>
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<tr>
<td>Development Score</td>
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</table>

The Daggett 2 project ranks higher than the original Victory offer on both quantitative and qualitative criteria, with an earlier online date.
Impact on Overall Portfolio

• The 2020 Clean Energy RFO targets procurement of 1.5 - 2.0 million MWh of renewable generation
  – CPA expects to contract for a total of 1.98 million MWh with Daggett 2; removing Daggett 2 would reduce procurement to 1.78 million MWh

• In addition, the 2020 Clean Energy RFO is intended to close CPA’s 2021-2024 compliance period gap for long-term contracting (referenced on page 22)
  – CPA expects to exceed its compliance target by 1.8% in the 2021-2024 compliance period with Daggett 2; removing Daggett 2 would only result in a 1.2% exceedance
  – Daggett 2 provides a 0.6% buffer to account for project delays or failures that could impact CPA’s compliance
Recommendation

2020 Clean Energy RFO Review Team Recommendation: Proceed with negotiations for Daggett 2

Rationale:

• Improved NPV and qualitative scores over original offer

• Earlier online date

• High likelihood of project success

• High concentration of 2023 online date projects may result in project delays/failures and Daggett 2 will help mitigate this risk
Next Steps

**Action Requested:** The RFO Review Team is recommending Energy Committee approve proceeding with PPA negotiations for Daggett 2 as a replacement to the originally shortlisted volume from Clearway

- Clearway PPA negotiations are in late stage; PPA Board consideration is expected on June 3 if Energy Committee approves
- Beyond Daggett 2, CPA will also be bringing up to three additional contracts to the Board in June:
  - 93.5 MW solar + 71 MW storage in Riverside County (Arica)
  - 48 MW solar + 40 MW storage in San Bernardino County
  - 50 MW existing geothermal
# CPA Executed Long-Term Contracts

<table>
<thead>
<tr>
<th>Project</th>
<th>Counterparty</th>
<th>Gen MW</th>
<th>Storage MW</th>
<th>Technology</th>
<th>Location</th>
<th>Status</th>
<th>Contract Start Date</th>
<th>Term Length</th>
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<tr>
<td>Voyager Wind II</td>
<td>Terra-Gen</td>
<td>21.60</td>
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<td>Wind</td>
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<td>Kaweah</td>
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<td>Mohave/White Hills</td>
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