



**MEETING of the Executive Committee of the
Clean Power Alliance of Southern California
Wednesday, August 18, 2021
1:30 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 Executive 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://us06web.zoom.us/j/5031603657>

or

Dial: (253) 215 8782 Meeting ID: 503 160 3657

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 at 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 during the meeting 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."

Clean Power Alliance Executive Committee Meeting
August 18, 2021

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.*

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 AND ROLL CALL

GENERAL PUBLIC COMMENT

CONSENT AGENDA

1. [Approve Minutes from June 16, 2021 Executive Committee Meeting](#)

REGULAR AGENDA

2. [Oral Update from the Executive Director on CPA Operations](#)
3. [Review Draft Agenda for September 2, 2021 Board of Directors Meeting](#)

COMMITTEE MEMBER COMMENTS

ADJOURN – NEXT MEETING SEPTEMBER 15, 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. Public records are available for inspection online at www.cleanpoweralliance.org/agendas.*

MINUTES

MEETING of the Executive Committee of the
Clean Power Alliance of Southern California
Wednesday, June 16, 2021, 1:30 p.m.

The Executive Committee conducted this meeting in accordance with California Governor Newsom’s Executive Order N-29-20 and COVID-19 pandemic protocols.

CALL TO ORDER AND ROLL CALL

Chair Diana Mahmud called the meeting to order at 1:30 p.m. and Clerk of the Board, Gabriela Monzon, conducted roll call.

Roll Call			
Agoura Hills	Deborah Klein Lopez	Committee Member	Remote
Beverly Hills	Julian Gold	Committee Member	Remote
Camarillo	Susan Santangelo	Committee Member	Remote
Los Angeles County	Sheila Kuehl	Vice Chair	Remote
Rolling Hills Estates	Steve Zuckerman	Committee Member	Remote
Sierra Madre	Robert Parkhurst	Committee Member	Remote
South Pasadena	Diana Mahmud	Chair	Remote
Ventura County	Linda Parks	Vice Chair	Remote
West Hollywood	Robyn Eason	Alternate Committee Member	Remote

All items are unanimously approved unless otherwise stated.

GENERAL PUBLIC COMMENT

None.

CONSENT AGENDA

- 1. Approve Minutes from May 19, 2021, Executive Committee Meeting

Motion: Committee Member Gold, Beverly Hills
Second: Vice Chair Kuehl, Los Angeles County
Vote: Item 1 was approved by a roll call vote.

REGULAR AGENDA

- 2. Oral Update from the Executive Director on CPA Operations

Ted Bardacke, Executive Director, welcomed new Committee Member Robert Parkhurst and noted CPA is preparing for summer reliability, including resource

adequacy, and is heavily focused on rate implementation. In the aftermath of SCE's billing transition, a significant number of delayed bills has decreased CPA's projected cash flow into the summer season. Mr. Bardacke also noted that he, Committee Member Gold, and David McNeil, Chief Financial Officer, met with River City Bank to discuss an increase in CPA's credit loan limit. Committee Member Gold thanked staff for their efforts and favorable representation of CPA in the discussions with River City Bank. Lastly, Mr. Bardacke briefly discussed staffing matters, work from home status, and remote public meetings.

In response to Vice Chair Parks' request for further clarification on the status of CPA's finances, Mr. Bardacke explained that CPA was unable to accumulate as much cash as previously anticipated, and SCE's billing system conversion, have both impacted CPA's liquidity. SCE's billing issues created a delay for CPA to receive customer usage data. Without that customer data usage, Calpine cannot communicate billing information to SCE, therefore, CPA is unable to collect charges. In addition, cash flow is being impacted by high levels of accounts receivables. Although there is some anticipated state funding, it remains unknown when and how the money will reach utilities.

Committee Member Parkhurst asked how the energy crisis in Texas has affected the California energy grid and Committee Member Zuckerman asked if SCE customers are also experiencing billing delays. Mr. Bardacke explained that there are no reliability issues, but prices are high due to the energy situation in Texas; confirmed SCE customers are also experiencing billing delays.

3. Review Draft Agenda for July 1, 2021, Board of Directors Meeting

Mr. Bardacke reviewed the Board agenda, including the Energy Risk Management Policy (ERMP) amendment, in which CPA will propose more flexibility on the composition and process of the RFO review teams. As CPA starts generating more local projects the ERMP will minimize the risk of Board member(s) ranking projects in their respective jurisdictions. Mr. Bardacke also discussed expansion feasibility contracts, noting there are no firm candidates for an implementation plan amendment yet. It has been challenging to explore expansion with interested cities due to the high market volatility, the recent Western Community Energy bankruptcy, and many local cities are focused on recovering from the pandemic. Chair Mahmud agreed that the current energy market as well as the focus on recovery from the pandemic both internally at CPA and throughout its member agencies, call for a delay in any consideration of serious expansion contracts. The Executive Committee agreed.

Vice Chair Kuehl requested clarification on the ERMP's expansion of contract review and the supplier credit limit increase. Mr. Bardacke stated that the main objective of the expansion of contract review is to ensure there are processes in place to objectively vet any long-term contracts. Additionally, CPA has often needed to deviate from the policy's \$40 million exposure limit. David McNeil, Chief Financial Officer, added that the amendment would not result in a change of exposure to long-term letters of credit nor to any of CPA's counterparty's credit limits, which are approved separately by the Risk Management Team. One of the

impacts would be a potential increase in the credit limit up to \$50 million for CPA's best rated counterparties and allows CPA to contract more with these counterparties. Chair Mahmud concluded that the policy amendment increased some risk exposure, but to the best rated companies, as opposed to turning to lesser rated companies on a needed basis as a result of the best rated companies hitting the credit threshold. Committee Member Gold asked about the risk management strategy in balancing the best and highest credited counterparties with receiving the expected energy. Mr. McNeil clarified that it is a challenging strategy due to sharp price increases in the energy market resulting in high exposure to counterparties. A large number of contracts were executed prior to the run-up in prices, resulting in high exposure, but to very credit-worthy counterparties.

Mr. McNeil provided an overview of CPA's accounts receivable, with \$90 million tied up in accounts receivable as a direct result of customers not paying bills promptly. The moratorium on disconnections is expected to end on June 30, 2021, and the expectation is that customers will begin to pay; emerging bill relief programs may also bring down the accounts receivable sum. Consistent with industry practices, CPA plans to hire one or more collection agents to collect these unpaid accounts.

In response to Committee Member comments, Mr. McNeil proposed to do more research on SCE's policy and noted that the collections policy will not include late charges or interest fees. SCE currently collects its charges but is not required to collect CPA's charges, thus the need for a CPA collections policy. Committee Member Lopez asked for clarification of CPA's right to refuse service. Matt Langer, Chief Operating Officer, noted that CPA can return customers to bundled service with SCE under certain circumstances; the policy can address those circumstances. Chair Mahmud suggested the possibility of entering a contract with SCE to share their cost of collection, to avoid uncertainty in monies received by SCE; CPA can therefore avoid returning customers to SCE. Mr. McNeil clarified that SCE is CPA's billing and collection agent and following disconnection, SCE turns over the accounts to their contracted third-party collection agents. CPA is in discussions with those third-party agents to examine the possibility of collecting both components of the bill. The collections policy will address the collection of accounts that have been disconnected by SCE and are no longer receiving service from SCE nor CPA; in that instance, SCE may attempt to collect their own charges, but not CPA's. The collections policy would allow CPA to return customers to bundled service from SCE, but still allow for the collection of charges owed to CPA independently from SCE. Chair Mahmud opined that CPA needs to better understand SCE's collection processes; and requested that staff verify that there are no conflicts between a potential policy and Los Angeles County's approved emergency order, which provided for a 12-month payment period for past due rents. Vice Chair Kuehl stated that the eviction moratorium addressed rent payments but was unsure if it addressed utility bills. Responding to Vice Chair Park's inquiry regarding SCE's additional resources to collect effectively, Mr. McNeil indicated that SCE has access to customer dates of birth, social security numbers, and driver's license information, in addition to being able to disconnect service. Vice Chair Parks expressed interest in a more robust ability to get payments from customers and scenarios for returning customers to bundled service.

Mr. Bardacke discussed the Power Ready program progress, including the expected execution of several memorandums of understanding (MOUs), with cities that have identified local sites; 26 of 32 member agencies have voiced interest and identified preliminary sites that CPA staff and its consultant, EcoMotion, will physically visit. All MOUs will be placed under a single contract out to bid with a single developer; CPA will assume the risks of the contract and sign the long-term power purchase agreement. Vice Chair Kuehl expressed some concern that smaller cities are unable to participate because of a lack of suitable sites and asked if there is a way to consider L.A. County sites for those smaller cities. Mr. Bardacke agreed, adding that two member cities will actually be able to benefit from a county facility. Committee Member Parkhurst asked how CPA is providing assistance to those communities that have not previously had the resources to participate in a program like Power Ready. Mr. Bardacke explained that the six cities not participating have unique situations, with some cities already ahead of the Power Ready program, such as Simi Valley and Downey. Underserved communities in CPA's jurisdiction are participating in the Power Ready program. In response to Committee Member Zuckerman's statement regarding the Southern California Regional Energy Network, Mr. Bardacke explained that the organization focuses on energy efficiency, using funding from the California Public Utilities Commission (CPUC). There is some planning collaboration but there is not much possible overlap in the Power Ready program. Committee Member Gold inquired as to the process for identifying potential opportunities for collaboration with public or private entities to maximize the benefits of CPA's programs. Mr. Bardacke stated that CPA can explore the implementation of CPUC-funded programs, but it is not currently at operational capacity to do so and may reevaluate in the coming years.

Mr. Bardacke discussed the net energy metering presentation, noting that it will address AB 1139 and provide an update on the CPUC's action and how that may impact solar rooftop customers. The CPUC's actions will also set a competitive framework for modification of CPA's NEM policy in the next year. Committee Member Lopez wondered how much communication the author of AB 1139 had with Community Choice Aggregations (CCAs), noting that the bill exposed significant inequities in rooftop solar subsidies. Mr. Bardacke agreed that it is challenging to address the issues of equity in terms of subsidies; some CCAs were in support of, and others were opposed to the bill.

COMMITTEE MEMBER COMMENTS

None.

ADJOURN

Chair Mahmud adjourned the meeting at 2:52 p.m.

Staff Report – Agenda Item 2

To: Executive Committee

From: Ted Bardacke, Executive Director

Subject: Oral Update from the Executive Director on CPA Operations

Date: August 18, 2021

The Executive Director will provide an oral report on CPA operations.

Staff Report – Agenda Item 3

To: Executive Committee

From: Ted Bardacke, Executive Director

Subject: Review Draft Agenda for September 2, 2021 Board of Directors Meeting

Date: August 18, 2021

Staff will provide an overview of the proposed agenda items for the September 2, 2021, Board of Directors meeting for review and feedback from the Executive Committee. The Draft Board agenda is attached to this staff report. Information on the main items for Board consideration is provided below.

CONSENT AGENDA

The following items are recommended for inclusion on the Consent Agenda of the September Board meeting.

Annual Electricity Usage by Jurisdiction

Per CPA's Joint Powers Agreement, in the case of a voting shares (weighted) vote by the CPA Board of Directors, voting shares are based on the percentage of retail load served, by jurisdiction, in the previous year. The Board will be requested to Receive and File the percentage load by jurisdiction for fiscal year 2020/21.

Print & Mail Contract

On June 30, 2021, CPA released an RFP for Printing and Mailing Services. Throughout the year, CPA sends several types of notices to customers such as Move-In Mailers, Compliance Mailers, Default Change Notifications, Joint Rate Comparisons, Power Content Labels, and other forms of marketing and outreach that require the assistance of a printing and mailing service provider. In the past, much of CPA's printing and mailing services were provided, on a no mark-up pass-through basis, through a subcontract, with

Calpine. As part of the recently amended Calpine contract, CPA agreed to establish direct vendor relationship(s) for printing and mailing services.

CPA received a total of six proposals in response to the RFP; one proposal for mailing services only and five proposals for printing and mailing services combined. CPA will conduct interviews with all six proposers from August 9-13, 2021, and contract negotiations will occur August 16-19, 2021. If negotiations are successful, the final contract will be presented to the Board for approval on September 2, 2021.

REGULAR AGENDA

The following items are recommended for inclusion on the Regular Agenda of the September Board meeting.

2020 Clean Energy RFO Power Purchase Agreements (PPAs)

In October 2020, CPA launched its 2020 Clean Energy RFO targeting procurement of 1.5-2.0 million MWh of annual renewable energy. CPA received a robust response to the RFO from 105 conforming offers for renewable, renewable plus storage, and standalone storage long-term contracts. The Energy Planning & Resources Committee approved a shortlist of projects to proceed with PPA negotiations during its January 27th meeting. To date, the Board has approved five PPAs from the RFO, including a mix of geothermal and solar plus storage technologies; CPA is currently in exclusive negotiations with two more projects from the RFO.

Per CPA's Energy Risk Management Policy, any power purchase transactions greater than five years require approval by the Board. Staff may bring up to two additional shortlisted solar plus storage projects to the September Board meeting for consideration. These projects help fulfill CPA's long-term contracting compliance obligation, lower CPA's renewable energy costs, diversify CPA's clean energy portfolio, and expand the overall supply of renewable energy and storage capacity in California.

Power Share (DAC-GT and CS-GT RFO) PPA Approvals

In December 2020, CPA launched its 2020 DAC-GT and CS-GT¹ RFO targeting procurement of renewable energy projects that will fulfill its supply requirements for the Power Share program. Given the nascent nature of the program, CPA received a total of three responses to the RFO, including one DAC-GT and two Community Solar (CS-GT) offers. The Energy Planning & Resources Committee approved a shortlist of all three projects to proceed with PPA negotiations during its April 28th meeting. CPA is currently in exclusive negotiations with these three projects and may bring up to one shortlisted project to the September Board meeting for consideration. Per CPA's Energy Risk Management Policy, any power purchase transactions greater than five years require approval by the Board.

Power Response Contract

CPA's current Power Response demand response pilot program is scheduled to end in November 2021. CPA released an RFP in April 2021 to contract with an implementer to scale the Power Response program to full implementation. Five responses were received, and after conducting interviews with four of the five proposed implementers, staff elected to enter into negotiations with one of them. The selected implementer is a leading provider of flexible market capacity such as demand response and brings existing technological partnerships with many leading smart thermostats, energy storage, and EV Charging brands. Negotiations are proceeding and should they be successful, staff will bring forward a fully negotiated agreement for Board approval at the September meeting. The expected value of the contract is approximately \$3 million total for an initial 30-month term with options for two renewal terms, though the final amount may vary depending on the incentives expected to be paid to customers.

ATTACHMENT

- 1) [Draft September 2, 2021 Board Meeting Agenda](#)

¹ DAC-GT and CS-GT refer to the CPUC-approved Disadvantaged Community Green Tariff and Community Solar Green Tariff programs, respectively.



[Return to Agenda](#)

**REGULAR MEETING of the Board of Directors of the
Clean Power Alliance of Southern California**

Thursday, September 2, 2021

2:00 p.m.

CALL TO ORDER AND ROLL CALL

GENERAL PUBLIC COMMENT

CONSENT AGENDA

1. Approve Minutes from August 5, 2021 Special Board of Directors Meeting
2. Approve Printing and Mailing Services Contract
3. Receive and File Annual Electricity Usage by Jurisdiction
4. Receive and File Q4 Risk Management Team Report
5. Receive and File Quarterly Communications Report
6. Receive and File Community Advisory Committee Report

REGULAR AGENDA

Action Items

7. 2020 Clean Energy RFO Power Purchase Agreements
8. Power Share (DAC-GT and CS-GT RFO) Power Purchase Agreements
9. Power Response Contract

MANAGEMENT REPORT

COMMITTEE CHAIR UPDATES

BOARD MEMBER COMMENTS

REPORT FROM THE CHAIR

ADJOURN – NEXT REGULAR MEETING ON OCTOBER 7, 2021