MEETING of the Executive Committee of the

Clean Power Alliance of Southern California

Wednesday, November 18, 2020 1:30 p.m.

MINUTES

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

WELCOME AND ROLL CALL

Chair Diana Mahmud called the meeting to order at 1:35 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
Los Angeles County	Sheila Kuehl	Vice Chair	Remote
Oxnard	Carmen Ramirez	Committee Member	Remote
Rolling Hills Estates	Steve Zuckerman	Committee Member	Remote
Santa Monica	Kevin McKeown	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

There were no public comments.

CONSENT AGENDA

1. Approve Minutes from October 21, 2020 Executive Committee Meeting

Motion: Vice Chair Kuehl, Los Angeles County
Second: Committee Member Lopez, Agoura Hills
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, announced that the Cities of Agoura Hills and Manhattan Beach approved a transition to the 100% Green default rate and noted that staff continues to support other cities that expressed interest in pursuing a default rate change before the deadline, which has been extended to February. Additionally, Mr. Bardacke announced the hiring of Sherita Coffelt as the Director of External Affairs, who brings years of experience in the public affairs arena and noted that staff member, Karen Schmidt, would transition to leading strategic initiatives for the organization, including a membership expansion plan. Lastly, Mr. Bardacke explained that due to uncertainties related to the COVID-19 pandemic, staff will work remotely through at least July 1, 2021.

Committee Member Gold and Chair Mahmud asked staff to request a rent freeze or reduction from the landlord if possible.

Matt Langer, Chief Operations Officer, provided an update on the Southern California Edison (SCE) 2021 Energy Resource Recovery Account (ERRA) Forecast, which includes an updated data projection on SCE generation and PCIA rates for 2021. SCE proposed two options for recovery of the PCIA Undercollection Balancing Account (PUBA) balance in 2021: Option 1 would amortize the full PUBA balance on top of potentially capped 2021 PCIA rates and option 2 would amortize 80% of the PUBA balance as part of uncapped 2021 PCIA rates. Lastly, Mr. Langer explained that the PCIA rate increase relative to the SCE generation rate will likely lead to a reduction in 2021 revenue, but staff will present a full analysis to the Board in the coming months once SCE rates are filed.

Vice Chair Parks inquired about the required length of amortization and Committee Member Zuckerman asked for clarification on capped and uncapped PCIA rates. Mr. Langer noted that the default amortization is of one year and since SCE finances the amortization, they carry the balance if CPA is not paying it, thus disincentivizing SCE from proposing an amortization longer than one year. Additionally, Mr. Langer explained that the cap level of the PCIA rate is at a half-cent per year and that the forecast indicated that the cap would not come into effect in 2021.

In response to questions from Committee Member Gold regarding a cumulative balance, Mr. Langer noted that any amounts did not pay this year will roll into the next year.

Committee Member Lopez asked about the purpose of the cap if customers still experience a rate increase, and Committee Member Zuckerman asked for SCE interest rates on an unpaid balance. Mr. Langer clarified that the PCIA cap was meant to reduce rate volatility, but in practice that is not turning out to be the case and the California Public Utilities Commission (CPUC) is taking note of the structural flaws. Staff also noted that SCE interest rates are competitive due to their credit standing and ability to raise capital and that exploring a multiyear amortization to smooth the year-to-year PCIA movement will be beneficial to CPA; therefore, CPA and CalCCA are engaged in settlement discussions with SCE related to other PCIA options, but a best-case scenario is a 3-year amortization of equal portions.

3. Review Draft Agenda for December 3, 2020 Board of Directors Meeting

Mr. Bardacke noted that the December 3 agenda includes the launch of the first part of the CPA Power Share program and that CPA has acquired interim resources to launch that program potentially before the end of the year. To do that, a tariff or policy governing how the program discount is applied to customer bills will need Board approval. The second part of the program, Community Solar, will follow in the spring of 2021.

In response to Committee Member Zuckerman's question, Mr. Bardacke stated that the RFO bids can determine how many generating sources are acquired, but staff hopes to get 5-7 different smaller sources that will all be new build projects.

Mr. Bardacke also provided a contextual presentation of the workforce development program, noting that the Community Advisory Committee (CAC) provided feedback, and the options revolved around creating new green jobs or "greening" existing jobs, but the two options may eventually overlap.

Vice Chair Kuehl noted greening existing jobs makes more sense and L.A. County is exploring that option as well. Committee Member Zuckerman added that CAC input is important and inquired about union partnerships, and Mr. Bardacke noted that the CAC expressed interest in further developing union partnerships. Committee Member Ramirez expressed interest in furthering partnerships with community colleges and providing essential skills to students. Vice Chair Parks echoed support for partnerships with community colleges and added that partnerships with public agencies might also be of interest. Committee Member Eason commented that greening existing jobs aligns more closely with CPA's mission and noted that skilled workers can begin to see themselves as part of the solution, simultaneously empowering them to shift their skill set for electrification and other essential clean energy skills.

Vice Chair Kuehl agreed that there is a need for new skilled workers in the clean energy industry but expressed concern that there is not enough funding for that yet, and rather a focus on greening existing jobs may go a long way into creating stronger alliances with the community. Committee Member Zuckerman added that focusing on existing jobs is consistent with state policy and unions would be supportive of this, creating legislative partners for a future coalition. Committee Member McKeown added that while these options will likely overlap, greening existing jobs makes more sense in that younger people entering the workforce are already supportive of renewable energy, while focusing on those committed to their careers in the fossil fuel industry may need more help in dealing with a shifting industry.

Committee Member Lopez opined that creating new jobs for young people entering the workforce may have a greater impact in diversifying the workforce, and as seen with the COVID-19 pandemic, minorities are more deeply affected by job cuts and the economic downturns, therefore, it makes sense to harness the dedication and engagement of young people in renewable energy.

Chair Mahmud expressed a preference for greening existing jobs but also acknowledged that community college partnerships should continue to be a focus for CPA, and perhaps getting additional contributions from project developers may be a solution.

4. <u>2021 Board of Directors Retreat Update</u>

Mr. Bardacke invited input from Committee Members on the Board retreat, noting that feedback was needed on the timing, areas of focus, and the format of the event.

Committee Members Gold and McKeown expressed a strong preference for waiting to have a full Board retreat, as it is hard to develop relationships with board members virtually and it may not be the best time to build a strategic plan with substance, without having to speculate how the pandemic will affect the organization.

Vice Chair Kuehl proposed having an introductory event that will orient new members and help them to understand the ins and outs of the organization and exploring big picture concepts rather than diving into detailed business discussions right away. Committee Member Lopez expressed support for having a virtual event without delay, to provide new board members with an orientation and a big picture understanding of the importance of CPA. Committee Member Zuckerman agreed that an orientation would benefit new members.

Chair Mahmud added that a hybrid event could include a training session for new board members and an opportunity for them to get to know each other, then plan for a July in-person event if permitted.

Mr. Bardacke noted that staff has developed an extensive orientation for new board members and proposed a virtual reception for new board members that can also be open to other board members, which can provide an opportunity to mingle, and not dive into robust content until an in-person event can be held.

COMMITTEE MEMBER COMMENTS

None.

ADJOURN

Chair Mahmud adjourned the meeting at 3:10 p.m.