MEETING of the Executive Committee of the
Clean Power Alliance of Southern California
Wednesday, January 19, 2022
1:30 p.m.

SPECIAL NOTICE: Pursuant to the Proclamation of the State of Emergency by Governor Newsom on March 4, 2020, AB 361, and enacting Resolutions, and as a response to mitigating the spread of COVID19, the Executive Committee will conduct this meeting remotely.

To Listen to the Meeting:
https://us06web.zoom.us/j/86842423936
or
Dial: (720) 707-2699 Meeting ID: 868 4242 3936

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.”

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 you wish to make a comment other than by Zoom or phone, you may submit written comments during the meeting via email to: clerk@cleanpoweralliance.org.
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 (323) 640-7664. 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 November 17, 2021 Executive Committee Meeting

REGULAR AGENDA

2. Oral Update from the Executive Director on CPA Operations

3. Review Draft Agenda for February 3, 2022 Board of Directors Meeting

4. Review Draft Amendments to CPA By-laws

CLOSED SESSION

5. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
   Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: 1

COMMITTEE MEMBER COMMENTS

ADJOURN – NEXT MEETING FEBRUARY 16, 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, November 17, 2021, 1:30 p.m.

Pursuant to the Proclamation of the State of Emergency by Governor Newsom on March 4, 2020, AB 361, and enacting Resolutions, and as a response to mitigating the spread of COVID19, the Executive Committee conducted this meeting remotely.

CALL TO ORDER AND ROLL CALL
Chair Mahmud called the meeting to order at 1:30 p.m. and Raynette Tom, Interim Board Clerk, conducted roll call.

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All items are unanimously approved unless otherwise stated.

GENERAL PUBLIC COMMENT
None.

CONSENT AGENDA
1. Approve Minutes from October 20, 2021, Executive Committee Meeting

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, provided a report on the 2022 Power Charge Indifference Adjustment and the Southern California Rate Projections. Additionally, Mr. Bardacke discussed options for a 2022 Board Retreat and invited feedback from the Committee.
The Executive Committee expressed preferences for an in-person retreat held at an appropriate outdoor location.

Matt Langer, Chief Operating Officer, provided a presentation on the 2022 Energy Resource Recovery Account (ERRA) forecast, which Southern California Edison (SCE) filed on November 9, 2021. The November update provides a detailed look at SCE’s 2022 generation rate and the Power Charge Indifference Adjustment (PCIA). The initial analysis conducted by staff indicates that the PCIA is dropping by approximately 63% in 2022 and CPA customers will see a bill reduction of around 5% beginning in March 2022. The PCIA decrease is due primarily to the historically high energy market forward prices in 2022, which reduce above-market costs for SCE’s PCIA portfolio. SCE’s generation rates will increase by around 20% beginning in March 2022, and combined with the decreased PCIA, it will improve CPA’s competitive position. Mr. Langer reviewed some factors contributing to SCE’s increased generation rates, including the 2021 undercollection or $700+ million; elevated forward energy process; and a lower PCIA which increases bundled customers’ costs. Staff is planning CPA’s 2022 rate setting strategy. Early considerations include the use of cost of service principles in rate setting; the unlikely reoccurrence of undercollection in 2022, meaning potentially lower SCE rates and a higher PCIA in 2023; lower than anticipated energy prices; and CPA’s contributions to the reserves and/or fiscal stabilization fund in anticipation of a more challenging rate environment in 2023.

3. Review Draft Agenda for December 2, 2021, Board of Directors Meeting
   Mr. Bardacke briefly reviewed items on the consent agenda and discussed several regular agenda items.

4. Presentation and Discussion of CPA’s Long-Term Product Content Strategy
   Mr. Bardacke provided a presentation on CPA’s portfolio content, noting that long-term planning is needed as staff prepares the 2022 Integrated Resources Plan (IRP). Mr. Bardacke reviewed the current default levels and renewable content; in 2021 and 2022, CPA’s renewable portfolio content fell short of its 2020 IRP targets. Mr. Bardacke explored CPA’s competitive dynamic and explained that if in 2023, CPA reverted to its 2020 product content levels, SCE would catch up to CPA’s Clean product and renewables within 5 years. Currently, the price difference of the Lean and Clean rates is small, and the Lean rate would have to be significantly lower than SCE’s to integrate with CPA’s mission. Mr. Bardacke presented four approaches for long-term strategy: (1) climate leadership, where CPA sets escalating targets over time; (2) competitive targets to meet or beat SCE; (3) compliance, with a minimum floor of renewables/GHG compliance at the product level; and (4) low cost product available only upon customer request. Mr. Bardacke discussed how the four approaches would impact the three different rate products. The Lean product would not align with CPA’s climate leadership position, and should CPA decide to maintain a competitive Lean product compared with SCE’s renewable content, it must be acceptable that there will be years when it is more expensive than SCE’s base rate. Additionally, if CPA aims to maintain a compliant product or low cost price-sensitive product, rate savings remain uncertain and it may put CPA at risk of compliance if too many customers elect this option. Options for the Clean product include climate leadership, where Clean reaches 100% Green level by 2030 or 2035, ensuring progress towards statewide targets; but can come at a higher cost than SCE’s rate. Under the competitive approach, Clean
always beats SCE in environmental targets; however, it’s more difficult to forecast SCE’s portfolio content and long-term cost impact. Under the compliance approach, Clean would be a low cost RPS/GHG compliant product, but this may lower the environmental performance of Clean over time. For the 100% Green product, CPA can maintain the status quo, which would make the product consistent with best-in-class product offerings but may be undermined by legislative/regulatory changes. CPA can also choose to innovate the product by aggressively removing GHG from its’ portfolio, but this is currently not feasible or cost-effective. Mr. Bardacke invited feedback on how CPA wants to pursue the increase of renewable content to meet statewide 2030 GHG reductions over the next decade; CPA’s leadership vs. compliance with SCE; customer transitions from Lean to Clean; low cost request approach for Lean; and other ideas. Staff will collect input while also preparing the IRP and plans to make a recommendation by early 2022, before budget and rate-setting.

Several Committee Members opined that the request-only approach is impractical; CPA should aim to delink from SCE’s rate setting, however, still track SCE rates and be able to compare when needed.

In response to questions from Committee Members, Mr. Bardacke explained that staff has yet to reach out to communities in the Lean rate product but plans to gather their input.

The Executive Committee expressed a strong consensus to delink CPA’s rates to those of SCE; consider merging the Lean and Clean products, while also considering for a transition period before a merge can occur to provide communities in the Lean default rate some time to plan ahead. The Committee also opined that the Lean product should, at a minimum, be at the compliance level and Clean should be at the competitive level with regard to renewable energy. Chair Mahmud emphasized that the unambiguous existence and acceleration of climate change is where CPA can distinguish itself as an impactful organization. Mr. Bardacke noted that this topic may also be discussed at the Board retreat.

**COMMITTEE MEMBER COMMENTS**

Director Zuckerman asked about the status of bill relief for CPA; Mr. Bardacke explained that pursuant to state law, utility bill relief must be distributed by the end of January 2022, so customers are likely to see credits on their bills beginning in February and CPA is finalizing its application.

In response to Director Parkhurst’s inquiry regarding staffing, Mr. Bardacke noted that attrition had slowed in the recent months but that hiring remained slow, with CPA still having approximately a dozen open positions.

**ADJOURN**

Chair Mahmud adjourned the meeting at 3:35 p.m.
Staff Report – Agenda Item 2

To: Clean Power Alliance (CPA) Executive Committee

From: Ted Bardacke, Chief Executive Officer

Subject: Oral Update from the Chief Executive Officer on CPA Operations

Date: January 19, 2021

The Executive Director will provide an oral report on CPA operations, including the following:

- Staffing Updates
- First half 2022 Look-Ahead
Staff will provide an overview of the proposed agenda items for the February 3, 2022 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 February Board meeting.

**Workforce Development Memorandum of Understanding**

Staff may propose a memorandum of understanding (MOU) to fund part of the Phase 1 Workforce Development Investment plan that the Board approved at the November 2021 meeting. The MOU would be between CPA and the Los Angeles Electrical Training Institute (LAETI) for $225,500 to fund 11 training boards that apprentices will use as part of the Western Electrical Cybersecurity Training for Smart Buildings & Smart Cities. Phase 1 of the Workforce Development Investment plan will also include MOUs with the Ventura County Electrical Joint Apprenticeship Training Committee (VCEJATC) and with the Los Angeles Clean Tech Incubator (LACI), however because their funding levels are within the Executive Director’s contract signing authority, these MOUs would not need Board approval.
REGULAR AGENDA
The following items are recommended for inclusion on the Regular Agenda of the February Board meeting.

Proposed Amendments to CPA By-laws (Public Noticing and Discussion)
The Executive Committee will receive a presentation on this item, which is included in this agenda package. Any changes to CPA By-laws require 30 days of advance public notice. At the February meeting the public noticing requirement would be met and the Board would discuss the content of the proposed changes. A vote on the proposed changes would be taken at the March 3, 2022 Board meeting.

ATTACHMENT
1) Draft February 3, 2022 Board Meeting Agenda
REGULAR MEETING of the Board of Directors of the Clean Power Alliance of Southern California

Thursday, February 3, 2022
2:00 p.m.

CALL TO ORDER AND ROLL CALL

GENERAL PUBLIC COMMENT

CONSENT AGENDA

1. Adopt Resolution Finding the Continuing Need to Meet by Teleconference Pursuant to Government Code Section 54953 (e)

2. Approve Minutes from December 2, 2021 Board of Directors Meeting

3. Approve Minutes from January 6, 2022 Board of Directors Meeting

4. Approve Work Force Development MOU (LA Electrical Training Institute)

5. Receive and File Community Advisory Committee Monthly Report

REGULAR AGENDA

Information Items

6. Public Noticing and Discussion of Proposed Amendments to CPA By-laws

CLOSED SESSION

7. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
   Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: 1

MANAGEMENT REPORT

COMMITTEE CHAIR UPDATES

BOARD MEMBER COMMENTS

REPORT FROM THE CHAIR

ADJOURN – NEXT REGULAR MEETING ON MARCH 3, 2022
To: Clean Power Alliance (CPA) Executive Committee  
From: Nancy Whang, General Counsel  
Approved by: Ted Bardacke, Chief Executive Officer  
Subject: Revision to Bylaws  
Date: January 19, 2022

BACKGROUND

Per Clean Power Alliance’s Bylaws, adopted by the Board on March 7, 2019¹, Board Officer elections are to be held in the coming months in time for the Chair and Vice-Chairs to take office for a new two-year term beginning on July 1, 2022. For a variety of reasons – termed out of local elective office or choosing not to run for local elective office in November 2022 – the current Chair and Vice-Chairs will not be able to stand for Officer elections for the July 2022 – June 2024 time period.

To organize an orderly transition to a new Chair and Vice-Chairs and adhering to the current Bylaws, CPA would hold elections according to the following schedule:

- March 2022: Announcement of election of New Chair
- April 2022: Election of New Chair; Announcement of election of New Vice-Chairs
- May 2022: Election of Vice-Chairs; New Chair names Chairs of the three Standing Committees; Announcement of election of at-large Executive Committee members
- June 2022: Election of at-large Executive Committee members
- July 2021: First Board and Committee meetings with new Officer leadership

Subject to the potential resolution of some of the items described in this staff report and bearing in mind the 2022 local and state election calendar, this schedule could be pushed

¹ On October 3, 2019, the Board approved amendments to the Bylaws authorizing non-elected Alternate Directors to participate in closed session.
back by one or two months, as the Bylaws allow for Board Officers and the then-current Executive Committee members, including Standing Committee Chairs, to continue to serve in their position until an election is held at a meeting of the Board.

In adopting the Bylaws, the Board expressed a policy goal for CPA’s Board leadership to be represented by Directors who have a demonstrated commitment to CPA’s mission and who would remain directly accountable to CPA’s customers. Accordingly, the Bylaws established eligibility criteria for Board Officers, Standing Committee Chairs, and Executive Committee members that were intended to represent this policy objective. These eligibility criteria are as follows:

- The potential candidate must be a Regular Director, e.g. an elected official;
- The potential candidate must have attended at least 50% of the Alliance’s Regular Meetings in the prior 12 months; and,
- The potential candidate must affirm that he/she intends to serve a full term as a Board Officer, a Standing Committee Chair, and/or an Executive Committee member.

**DISCUSSION**

In most respects the eligibility criteria met the Board’s goal. For example, the Bylaws only allow a Regular Director, who must be an elected member of a Member Agency’s governing body, to hold a leadership position. Meanwhile, the requirement that the potential candidate intends to serve a full term is important for stability as uncertainty about who is committed to run in local elections in 2022 means without this provision CPA could go through a leadership transition process in the spring of 2022 and then have to reshuffle again six months later should any of the new Board Officers, Executive Committee members or Chairs of the Standing Committees no longer be eligible to be CPA Regular Directors. While some of this uncertainly is normal and acceptable with a large Board of local elected officials like that of CPA, the issue is particularly acute in 2022 with approximately half of our eligible Board members running for existing seats, new offices, or termed out.
In other respects, the impact that these criteria would have at a time of leadership transition were not fully anticipated. One particular issue concerns CPA’s two current Vice-Chairs, both of whom are County Supervisors who will vacate their Supervisorial seats at the end of 2022. The Bylaws were adopted during CPA’s start up phase as CPA was in the process of fully enrolling its 1 million customer accounts. Since that time, CPA has faced and overcome a spectrum of challenges ranging from rate and energy market uncertainty to a worsening climate crisis and the COVID-19 pandemic. CPA depended on its leadership, particularly its County Member Agencies, during this time and the County Directors have demonstrated commitment to CPA at critical moments. For example, the County of Los Angeles provided start-up funding in the amount of $10 million and authorized a $30 million loan in August 2021 as CPA weathered multiple storms. CPA’s Vice-Chair from Ventura County has provided regional leadership and coordination particularly during CPA’s enrollment period when negative press peaked, as well as demonstrated commitment and leadership to set initial default levels at 100% Green in 5 of the 8 Ventura County jurisdictions. The uncertainties related to the energy markets, climate change, and COVID remain unabated, and CPA will continue to benefit from leadership from our County Member Agencies into the foreseeable future.

Under the current version of the Bylaws, two current Vice-Chairs are ineligible to run for a Board Officer or Executive Committee At-Large seat because they are unable to affirm that they intend to serve a full term. At the same time, if a newly appointed Supervisor wanted to run for Vice-Chair that Supervisor must have attended 50% of Regular Meetings in the prior 12 months. So as a practical matter, Supervisors who are current Board Alternates would have had to start attending every Board meeting several months ago in order to establish an attendance record prior to the anticipated election of Board Officers, while the other Supervisor also attended as a Regular Director and served as Vice-Chair. This is impractical.

Another option for a County Supervisor to have established an attendance record would have been for the Vice-Chairs to have left the Board a few months ago, prior to their term as Vice-Chair expiring and be replaced by a new Supervisor, who would not serve in a leadership position. In this case and during these 6 months, CPA could be without a Vice
Chair and would not benefit from the Vice Chairs’ insight and knowledge. Nor would the organization gain from the institutional benefits of a Supervisor serving in a leadership position.

Lastly, in adding the immediate past Chair to the Executive Committee, the policy goal was to retain CPA-specific institutional knowledge and experience and it was assumed that the immediate past chair would remain a Regular Director. However, that may not be the case as the immediate past Chair could end up being an Alternate Director, which does not erase their institutional knowledge and experience but as an Alternate Director would be precluded from joining the Executive Committee as immediate past Chair under the current Bylaws.

**PROPOSED CHANGES TO BYLAWS**

Based on the foregoing issues, CPA staff is seeking Executive Committee feedback on the following changes:

1. With regard to the Vice Chair position:
   a. the County Supervisor for each county Member Agency automatically serve as Vice Chairs. This is in keeping with the policy objectives and is a continuation of the current structure where the Regular Directors of the County member agencies serve as the Vice Chairs.
   b. in the event that a Vice Chair seeks to run for Chair, is otherwise eligible to run in a manner consistent with CPA’s policy objectives, and wins, a process for elections of a Vice Chair among the remaining Regular Directors is specified.

2. With regard to the immediate past Chair, a minor edit is proposed to correct the oversight and allow the immediate past Chair to also be an Alternate Director.

3. Clean up and other minor edits for internal consistency.

**PROCESS**

A draft of the revisions is attached to this staff report. If the Executive Committee is in agreement, this draft would be presented to the Board for discussion at its February 3, 2022 Board meeting. This presentation would satisfy the 30-day public noticing
requirement for Bylaw changes and then, subject to any revisions, a Resolution adopting the new Bylaws would be presented to the Board for approval at the March 3, 2022 Board meeting.

**ATTACHMENT**

1. Revised Bylaws (clean)
2. Revised Bylaws (comparison)
PREAMBLE

The Clean Power Alliance of Southern California1 ("CPA") was established on June 27, 2017, pursuant to the execution of the Joint Powers Agreement ("JPA"). The members of CPA are referred to individually as “Party” or “Local Agency” or collectively, as “Parties” or “Local Agencies” in these Bylaws. The JPA and any Amendments to the JPA shall collectively be referred to as the “Agreement.”

ARTICLE I

PURPOSE AND DEFINITIONS

Section 1. Purpose of Bylaws. The Agreement authorizes the Board of Directors to develop Operating Policies and Procedures, including but not limited to Bylaws, to implement the affairs of CPA. By approving these Bylaws, the Board intends to provide additional definition concerning governance, internal organization, Board committees, and other matters addressed in these Bylaws.

Section 2. Definitions. Unless specifically defined in these Bylaws, all defined terms shall have the same meaning ascribed to them in the Agreement.

Section 3. Precedence. If any provision of these Bylaws conflicts with any provision of the Agreement, the Agreement shall prevail, and these Bylaws shall be amended to eliminate such conflict.

ARTICLE II

BOARD OF DIRECTORS

Section 1. Board of Directors. CPA shall be governed by a Board of Directors composed of one representative of each of the Parties ("Board").

Section 2. Appointment of Directors by Party. Consistent with Section 4.2 of the Agreement, the governing body of each Party shall appoint and designate in writing to CPA one regular Director ("Regular Director") and up to two alternate Directors ("Alternate Director") who may vote on matters when the Regular Director is absent for a Board meeting.

Section 3. Resignation. In addition to meeting a Party’s requirements concerning resignation, a

1 CPA was originally established and known as The Los Angeles Community Choice Energy Authority (“LACCE”). LACCE’s name was changed in Amendment No. 2 to the original JPA on April 5, 2018.
Director may resign at any time by giving written notice to the Chair and the Board Secretary. Any resignation is effective upon receipt of the written notice or at a time designated in the written notice. A vacancy shall be filled as specified in Article IX.

Section 4. Removal for Cause.

a. Grounds for Removal. A Director may be removed for cause. Cause shall be defined for the purposes of this section as follows:

   i. Unexcused absences by a Regular Director from three (3) consecutive Board meetings except an “unexcused absence” shall not be applied against a Regular Director if any one of the Alternate Directors from a Party attends a Board meeting in place of that Regular Director. An unexcused absence shall not include an absence due to vacation, illness or medical appointment, family emergency, jury duty, religious observance, or some other unavoidable conflict, if the Regular Director notifies CPA of the conflict in writing;

   ii. Unauthorized disclosure of confidential information or documents from a closed session or the unauthorized disclosure of information or documents provided to the Director on a confidential basis and whose public disclosure may be harmful to the interests of CPA;

   iii. Willful violation of any of CPA’s Operating Policies and Procedures;

   iv. Has been found by a final order or judgment of any court to be of unsound mind;

   v. Has been convicted of a felony while serving as a Director; or,

   vi. Fails or ceases to meet any required qualification that was in effect at the beginning of that Director’s current term of office.


   i. If a Director is considered to have met any of the Grounds for Removal specified in Article II, Section 4.a., above, the matter shall be referred to the Executive Committee for investigation and consideration of removal of such Director.

   ii. Prior to considering the removal, the Executive Committee shall provide written notice to the Director proposed for removal and the governing body that appointed such Director at least thirty (30) days prior to the meeting at which the proposed removal will be considered by the Executive Committee. The notice shall state the grounds for removal, a brief summary of the supporting facts, and the date of the scheduled hearing on the removal (“Removal Notice”). The Director proposed for removal shall be given an opportunity to be heard and to submit any supporting oral or written evidence at the meeting. Upon consideration of the evidence presented, the Executive Committee shall issue a written recommendation to the Board concerning the removal of such Director within ten (10) business days after the removal matter is heard by the Executive Committee, unless the Chair determines that additional time is needed. A copy of the recommendation shall be sent to the Director proposed for removal and the governing
body that appointed such Director within three (3) business days of the issuance of the written recommendation.

iii. If the Executive Committee recommends a Director’s removal, this recommendation shall be considered by the full Board at the next Regular Meeting following the issuance of the Executive Committee’s written recommendation. A copy of the Removal Notice and any evidence presented to the Executive Committee shall be provided to the Board. A Director shall not be removed for cause from the Board unless two-thirds of all present Directors (excluding the Director subject to removal) vote in favor of the removal.

ARTICLE III

INTERNAL ORGANIZATION

Section 1. Chair.

a. The Board shall elect from among themselves a Chair. The current Chair shall announce the nomination period for Chair elections at a Regular Meeting. The election shall occur at the next Regular Meeting or as soon thereafter at a Regular Meeting following the Chair’s announcement.

b. Eligibility. The following minimum eligibility requirements must be met in order for a Regular Director to be elected as Chair.

i. The potential candidate must be a Regular Director;

ii. The potential candidate must have attended at least 50% of CPA’s Regular Meetings in the prior 12 months; and,

iii. The potential candidate must affirm that the candidate intends to serve a full term as Chair.

c. Extension of Term of Office. If, for any reason, the election of a new Chair is not made, the then current Chair shall continue to serve in his/her position until an election is held at a Regular Meeting of the Board.

Section 2. Vice-Chairs.

a. There shall be two Vice-Chairs. One of the Vice-Chairs shall be a Supervisor for the County of Los Angeles, and the other Vice-Chair shall be a Supervisor for the County of Ventura.

b. Eligibility. The following minimum eligibility requirements must be met in order for a Regular Director to be named as a Vice Chair.

i. The Vice Chair must be a Regular Director; and,
In the event of a vacancy specified in this Section 2.c., below, the candidate must have attended at least 50% of CPA’s Regular Meetings in the prior 12 months and affirm that the candidate intends to serve a full term as Vice Chair.

c. In the event a Vice Chair runs for and wins election as Chair, any such vacancy of the Vice Chair shall be filled as specified in Article IX, Section 3.b.

Section 3. Term of Board Officers. The Chair and the two Vice Chairs shall constitute the “Board Officers.” The Chair shall serve a two-year term commencing on the first day of the Fiscal Year (as defined in Section 7.1 of the Agreement) and ending on the last day of the following Fiscal Year two years later and Vice Chairs terms will run concurrent thereto as reasonably practical.

A Chair or a Vice-Chair elected pursuant to Article IX, Section 3.b. shall not serve in that position for more than two consecutive full two-year terms.

Section 4. Removal of Board Officers. The Board may remove any of the Board Officers, with or without cause, by a two-thirds vote of the present Directors of the Board at a Regular Meeting of the Board, excluding the Board Officer subject to removal. If removal is being considered, three or more Directors must provide written notice of the proposed removal to the affected Director and to the Executive Director. Thirty (30) days after the receipt of the notice, the Executive Director shall place the removal vote on the agenda at the next Regular Meeting of the Board.

Section 5. Appointment of Treasurer. The Chief Financial Officer (“CFO”) of CPA shall act as the Treasurer of CPA. In the event of a vacancy, the Board Chair shall appoint a qualified person to act as the interim Treasurer within ninety (90) days of the date the position becomes vacant, and the interim Treasurer shall remain in that role until a new CFO is named. The Treasurer shall:

a. Possess the powers of, and shall perform any functions required by applicable law, including those duties described in the Government Code Section 6505.5 and the Agreement, and which may be prescribed by the Board or these Bylaws.

b. Prepare, maintain, and update as needed reserve and investment policies governing CPA’s building of reserves and management of investments respectively.

c. Prepare any other reports or policies that the Board or the Finance Committee requires.

Section 6. General Counsel. The General Counsel shall be the attorney for the Board and CPA and shall represent the Board and CPA in all actions, hearings, and proceedings for or against CPA, or when CPA may be legally interested. The General Counsel shall also be the legal advisor to the Board and by extension, to CPA’s officers and employees in their official capacity. When requested, the General Counsel shall give written legal advice or opinions to the Board or to any CPA officer or employee.

The General Counsel may delegate her/his authority by designating other attorney(s) on a limited or temporary basis to assist in the performance of her/his duties.
ARTICLE IV

BOARD MEETINGS

Section 1. Regular Meetings. The regular meetings of the Board (“Regular Meeting”) shall be held on the first Thursday of each month at 2 PM, unless the Chair and the Executive Director agree that a Regular Meeting should be held on another day and time.

Section 2. Closed Session.

a. Confidentiality. All information presented to the Board in closed session shall be confidential. No person attending a closed session may disclose any matter discussed in the session except as provided below.

b. Discussions with Local Agency Governing Bodies and Local Agency Legal Counsel. A Director may disclose information obtained in a closed session that has direct financial or liability implications for the Director’s Local Agency, to the following individuals: i) Legal counsel of the Director’s governing body for purposes of obtaining advice on whether the matter has direct financial or liability implications for that Local Agency; and ii) Members of the governing body of the Local Agency present in a closed session of that Local Agency.

Prior to disclosing any information obtained in a closed session to legal counsel of the Director’s Local Agency or other members of the legislative body of the Director’s Local Agency, the Director shall notify the General Counsel of the intention to discuss the matter with their Local Agency’s legal counsel or other members of the legislative body. This notification shall provide the General Counsel with an opportunity to discuss with the Local Agency’s legal counsel whether the matter has direct financial or liability implications for the Director’s Local Agency.

c. Procedure.

i. The General Counsel and Executive Director shall designate staff members and others who shall remain in the closed session to assist the Board in its deliberations.

ii. Any Director who has not attended a closed session and wishes to be advised of the content of the session may inquire of any Director who attended the closed session. The person contacted may advise the inquiring Director of the content of the session. The advised Director shall not disclose the matter for which the session was held.

iii. The General Counsel shall be consulted before an item is placed on the ClosedSession agenda.

d. Alternate Directors Participation. Any designated Alternate Director of the legislative body of a Local Agency who is attending a properly noticed meeting of CPA in lieu of a Local Agency Regular Director may participate in a closed session meeting of CPA.
ARTICLE V

RULES GOVERNING COMMITTEES

Section 1. Establishment of Committees. Section 5.9 of the Agreement establishes the Executive Committee, the Finance Committee, and the Community Advisory Committee, and authorizes the Board to establish additional policy committees. The Finance Committee and the policy committees identified in Article VII shall collectively be referred to as “Standing Committees.” The duties and authority of all Committees shall be subject to the approval and direction of the Board.

Section 2. Committee Voting. Action by a Committee on matters shall require an affirmative vote of a majority of the Director members who are present at the meeting unless otherwise specified in these Bylaws.

Section 3. Ad Hoc Committees. The Board may create Ad Hoc Committees from time to time, to undertake special assignments on behalf of the Board. An Ad Hoc committee shall exist for a specified term or until its special assignments are completed, whichever comes first, but its existence may be extended for an added term or added assignments by action of the Board. The Board Chair shall appoint the Chair of any Ad Hoc Committee. Any Ad Hoc Committee membership shall be governed by Article VII, Section 2.

Section 4. Removal of a Committee Member. Except as otherwise provided in Article II, Section 5, the Board may remove any Committee member from office, including any At-Large member of the Executive Committee or a Standing Committee Chair, with or without cause, by a two-thirds vote of the present Directors of the Board at a Regular Meeting of the Board.

Section 5. Open Meeting Requirements. The meetings of the committees established by the Board shall be governed by the provisions of the Ralph M. Brown Act (Government Code Section 54950 et seq.).

ARTICLE VI

EXECUTIVE COMMITTEE

Section 1. Executive Committee. The duties of the Executive Committee shall be to review and provide advice to the Executive Director and the entire Board on policy, operation, and organizational matters, and perform such other responsibilities, tasks, or activities as delegated to it by the Board.

The Executive Committee shall consist of the following ten (10) Directors:

a. The Chair of the Board, who shall serve as Chair of the Executive Committee;

b. The two Vice-Chairs of the Board, who shall serve as the Vice-Chairs of the Executive Committee;

c. The Chair from each of the Standing Committees;
d. The immediate past Chair of the Board;

e. Two (2) At-Large Directors, each of which represent a Party located in the County of Los Angeles; and,

f. One (1) At-Large Director, who represents a Party located in the County of Ventura.

Section 2. At-Large or Standing Committee Chair Eligibility Requirements. The following minimum eligibility requirements must be met in order for a Director to be elected as an At-Large member of the Executive Committee or appointed as a Standing Committee Chair.

a. The potential candidate must be a Regular Director;

b. The potential candidate must have attended at least 50% of CPA’s Regular Meetings in the prior 12 months; and,

c. The potential candidate must affirm that the candidate intends to serve a full term as an Executive Committee member or a Standing Committee Chair.

Section 3. Election of At-Large Executive Committee Members. The Regular Directors of Parties located in the County of Los Angeles shall elect from among themselves two At-Large members subsequent to the election of the Board Officers. The Regular Directors of Parties located in the County of Ventura shall elect from among themselves one At-Large member subsequent to the election of the Board Officers.

The Chair shall announce the nomination period for the At-Large members at a Regular Meeting. The election shall occur at the next Regular Meeting following the Chair’s announcement.

Section 4. Term of At-Large Executive Committee Members and Immediate Past Chair. The At-Large Executive Committee members and when applicable, the immediate past Chair shall serve a two-year term, concurrent with the term of the Board Officers.

Section 5. Extension of Term of Executive Committee Members. If, for any reason, the election of new At-Large Directors is not made, the then current Directors shall continue to serve in his/her position until an election is held at a Regular Meeting of the Board.

Section 6. Alternate Directors in Executive Committee. Except as otherwise provided in Section 5.1 of the Agreement, in the event a Regular Director member of the Executive Committee is unavailable to attend a duly-noticed meeting of the Executive Committee, an Alternate Director representing the same Party may attend the Executive Committee meeting in place of that Regular Director provided that an Alternate Director shall not vote on any matter requiring Executive Committee action.

Section 7. Tie-Break in Executive Committee Vote. In the event of a tie vote of the Executive Committee, the matter shall be referred to the Board for a percentage vote in accordance with Section 4.10.1 of the Agreement.
ARTICLE VII

STANDING COMMITTEES

Section 1. Appointment and Term of Standing Committee Chairs. The Board Chair shall appoint the Chairs of each Standing Committee after the Board Chair is elected. The Chairs of each Standing Committee shall be Regular Directors and appointed to a two-year term concurrent with the term of the Board Officers. If, for any reason, the appointment of new Committee Chairs is not made, the then-current Committee Chair shall continue to serve in his/her position until an appointment is made by the Chair at a meeting of the Board.

Section 2. Standing Committee Membership. Any Director or Alternate Director who wishes to join a Standing Committee may become a member of that Committee. A Director or Alternate Director who wishes to join a Committee shall notify the Board Chair and the Board Secretary in writing of their intention to join. In no event shall the number of Directors in any one Standing Committee constitute a quorum of the Board and in no event shall a Party be represented on any one Standing Committee by more than one Director member.

Section 3. Alternate Directors in Standing Committees. Except as otherwise provided in Article VI, Section 5 of the Bylaws, in the event a Director member of a Standing Committee is unavailable to attend a duly-noticed meeting of that Committee, an alternate Director representing the same Party as the absent Director may attend and if applicable, vote in the Committee meeting in place of the absent Director.

Section 4. Finance Committee. The Standing Finance Committee’s duties shall include but not be limited to reviewing and recommending to the Executive Director and the Board:

a. Fiscal year budgets;

b. Financial policies and procedures including a reserve and investment policy; and,

c. Other measures ensuring the sound financial management of CPA or as similarly directed by the Board.

The Finance Committee shall select an Independent Auditor who shall perform a financial audit of accounts of CPA on an annual basis. The Independent Auditor shall be accredited in the State of California and provide independent, accurate, and timely assessments of CPA’s financial activities in compliance with generally accepted government auditing standards.

The Finance Committee shall recommend to the Board an Internal Auditor. The Internal Auditor may assess compliance with CPA’s financial policies and procedures; review CPA’s internal processes or the adequacy of financial controls; make recommendations for improvement; and any similar duties as the Board may direct.

Section 5. Energy Planning & Resources Committee (“Energy Committee”). There shall be a Standing Energy Committee whose duties shall be to review and provide advice to the Executive Director, the Executive Committee, and the Board on policy, operation and organizational matters related to CPA’s procurement and development of electric power supplies; the identification and quantification of risk within the energy market; promotion of renewable energy projects and programs; and any similar duties as the Board may direct.
Section 6. Legislative and Regulatory Committee. There shall be a Standing Legislative and Regulatory Committee whose duties shall be to review and provide advice to the Executive Director and the Board on policy, operation and organizational matters related to CPA’s legislative and regulatory principles, priorities, and strategies; to promote CPA’s interests by protecting local control and autonomy; to ensure fair treatment of CPA’s customers by regulatory bodies; and any similar duties as the Board may direct.

ARTICLE VIII

COMMUNITY ADVISORY COMMITTEE (“CAC”)

Section 1. Purpose. Pursuant to Section 5.9.1(c) of the Agreement, the CAC shall be an advisory committee formed to advise the Board on community outreach and engagement issues; to outreach to key stakeholder communities; and to undertake any assignments as directed by the Board. The CAC is not a Standing Committee.

Section 2. CAC Member Selection Process. On an ongoing basis, CPA’s staff shall accept and solicit applications from customers that reside or work within CPA’s territory to become a member of the CAC. A list of all CAC member applicants by geography, skills and association, along with copies of all completed applications, shall be provided to the Board and the Board shall select CAC members from this list of CAC applicants.

Section 3. CAC Membership. The CAC shall be comprised of a total of 15 members representing customers or key stakeholders residing or working in the seven (7) geographical regions, as follows:

a. Three (3) members from the East Ventura/West Los Angeles County Region.
b. Two (2) members from the West/Unincorporated Ventura County.
c. Two (2) members from the Westside region in Los Angeles County.
d. Two (2) members from the South Bay region in Los Angeles County.
e. Two (2) members from the Gateway Cities region in Los Angeles County.
f. Two (2) members from the San Gabriel Valley region in Los Angeles County.
g. Two (2) members from the Unincorporated Los Angeles County.

Section 4. CAC Officers. The CAC shall appoint from among themselves by majority vote one Chair and two Vice-Chairs. At least one of the Vice Chairs shall be a member residing in the jurisdiction of a Party located in the County of Ventura. The CAC may establish Bylaws of the CAC (“CAC Bylaws”) governing the operation of the CAC. Any CAC Bylaws shall be drafted by the seated CAC members. Prior to becoming effective, any CAC Bylaws, including any amendments thereto, must be approved by a majority of the seated CAC members who are present at a meeting. The CAC Chair, or designee, shall be the liaison between the Board and the CAC and to the extent requested by each Board subject to the limits of the Agreement and applicable law.
Section 5. CAC Term. The term of service of each CAC member will be two years commencing at the Board Meeting in May and expiring in April two years later. There shall be no limit to the number of terms a CAC member may serve.

Section 6. CAC Quorum and Voting. Fifty percent (50%) of the seated CAC members shall constitute a quorum for the transaction of business. Action of the CAC on all matters shall require an affirmative vote of a majority of all members who are present at the subject meeting.

Section 7. CAC Member Removal. A CAC member may be removed by a majority vote of the Board, with or without cause.

Section 8. CAC Vacancies.

a. Whenever a vacancy occurs among the CAC Officers during that officer’s term of office, the CAC shall hold an election to fill such vacancy within 90 days of the date of the vacancy if there are 90 days or more in the term at the time the vacancy occurs.

b. Whenever a vacancy occurs for a CAC member during that member’s term of office, the Board shall fill such vacancy.

Section 9. Reimbursements. CAC members may seek reimbursement of expenses incurred to attend a duly-noticed CAC meeting or a Board authorized meeting in compliance with “CPA Reimbursements for Board of Directors” policy, Policy No. CPA2018-05.

ARTICLE IX

DIRECTOR VACANCIES

Section 1. Vacancy Definition. A vacancy shall exist in the case of death; resignation; expiration of term; termination or withdrawal of membership from CPA; removal of a Director by the governing body of a Party that designated and appointed the member Director; removal of a Director by the Board; or when a Director, who is an elected member of a Party, ceases to be an elected member, including term limits.

Section 2. Vacancy of a Director. Whenever a vacancy occurs for a Regular Director or Alternate Director representing a Party, the affected Party shall comply with Section 4.3 of the Agreement and the appointment and designation shall occur in a manner consistent with each Party’s rules, regulations, bylaws, policies, or procedures. In addition, the affected Party shall notify the Executive Director in writing no later than five (5) business days after a replacement Director is appointed or elected by the governing body.

Section 3. Vacancy of a Regular Director serving as a Board Officers.

a. Chair. Whenever a vacancy occurs of a Regular Director serving as Chair during the Chair’s term of office, the Board shall hold an election to fill such vacancy within 90 days of the date of the vacancy if there are 90 days or more in the term at the time the vacancy occurs. The election of a Chair shall be consistent with Article III, Section 1.

b. Vice Chair. In the event of a Vice Chair vacancy due to Article III, Section 2.c., the
Regular Directors of the Parties representing Member Agencies located in the County where the Vice Chair vacancy occurred shall elect a Vice Chair. The election of Vice Chair shall be consistent with Article III, Section 2.

Section 4. Vacancy of At-Large Executive Committee Member. Whenever a vacancy occurs for an At-Large Executive Committee member, during that member’s term of office, the Board shall hold an election to fill such vacancy within 90 days of the date of the vacancy if there are 90 days or more in the term at the time the vacancy occurs. The election of an At-Large Executive Committee Member shall be consistent with Article VI, Sections 1.e and f., and Article VI, Section 2.

Section 5. Vacancy of Standing Committee Chairs. Whenever a vacancy occurs for a Standing Committee Chair, during that Standing Committee Chair’s term of office, the Board Chair shall fill such vacancy within 90 days of the date of the vacancy if there are 90 days or more in the term at the time the vacancy occurs.

Section 6. Remaining Term. Any Director appointed or elected to fill a vacancy before the expiration of the term for which her or his predecessor was appointed shall serve for the remainder of such term.

ARTICLE X

ELECTIONS

When an election is required as specified in these Bylaws, the candidate who receives the greatest number of votes among voting Regular Directors or in the event that two of the same position are being filled, the top two candidates with the greatest number of votes among voting Regular Directors shall be elected. In the event of a tie, a roll call vote shall be held until a winner is selected.

ARTICLE XI

VOTING

Voting on any other CPA matters shall be held in accordance with the requirements of Sections 4.10 and 4.11 of the Agreement and these Bylaws.
PREAMBLE

The Clean Power Alliance of Southern California\(^1\) (the “Alliance” (“CPA”)) was established on June 27, 2017, pursuant to the execution of the Joint Powers Agreement (“JPA”). The members of the AllianceCPA are referred to individually as “Party” or “Local Agency” or collectively, as “Parties” or “Local Agencies” in these Bylaws. The JPA and any Amendments to the JPA shall collectively be referred to as the “Agreement.”

ARTICLE I

PURPOSE AND DEFINITIONS

Section 1. Purpose of Bylaws. The Agreement authorizes the Board of Directors to develop Operating Policies and Procedures, including but not limited to Bylaws, to implement the affairs of the AllianceCPA. By approving these Bylaws, the Board intends to provide additional definition concerning governance, internal organization, Board committees, and other matters addressed in these Bylaws.

Section 2. Definitions. Unless specifically defined in these Bylaws, all defined terms shall have the same meaning ascribed to them in the Agreement.

Section 3. Precedence. If any provision of these Bylaws conflicts with any provision of the Agreement, the Agreement shall prevail, and these Bylaws shall be amended to eliminate such conflict.

ARTICLE II

BOARD OF DIRECTORS

Section 1. Board of Directors. The AllianceCPA shall be governed by a Board of Directors composed of one representative of each of the Parties (“Board”).

Section 2. Appointment of Directors by Party. Consistent with Section 4.2 of the Agreement, the governing body of each Party shall appoint and designate in writing to the AllianceCPA one regular Director (“Regular Director”) and up to two alternate Directors (“Alternate Director”) who may vote on matters when the Regular Director is absent for a Board meeting.

Section 3. Resignation. In addition to meeting a Party’s requirements concerning resignation, a

\(^1\) The Alliance was originally established and known as The Los Angeles Community Choice Energy Authority (“LACCE”). LACCE’s name was changed in Amendment No. 2 to the original JPA on April 5, 2018.
1 CPA was originally established and known as The Los Angeles Community Choice Energy Authority (“LACCE”). LACCE’s name was changed in Amendment No. 2 to the original JPA on April 5, 2018.
Director may resign at any time by giving written notice to the Chair and the Board Secretary. Any resignation is effective upon receipt of the written notice or at a time designated in the written notice. A vacancy shall be filled as specified in Article IX.

Section 4. Removal for Cause.

a. Grounds for Removal. A Director may be removed for cause. Cause shall be defined for the purposes of this section as follows:

i. Unexcused absences by a Regular Director from three (3) consecutive Board meetings except an “unexcused absence” shall not be applied against a Regular Director if any one of the Alternate Directors from a Party attends a Board meeting in place of that Regular Director. An unexcused absence shall not include an absence due to vacation, illness or medical appointment, family emergency, jury duty, religious observance, or some other unavoidable conflict, if the Regular Director notifies the Alliance CPA of the conflict in writing;

ii. Unauthorized disclosure of confidential information or documents from a closed session or the unauthorized disclosure of information or documents provided to the Director on a confidential basis and whose public disclosure may be harmful to the interests of the Alliance CPA;

iii. Willful violation of any of the Alliance’s CPA’s Operating Policies and Procedures;

iv. Has been found by a final order or judgment of any court to be of unsound mind;

v. Has been convicted of a felony while serving as a Director; or,

vi. Fails or ceases to meet any required qualification that was in effect at the beginning of that Director’s current term of office.


vii.i. If a Director is considered to have met any of the Grounds for Removal specified in Article II, Section 4.a., above, the matter shall be referred to the Executive Committee for investigation and consideration of removal of such Director.

ii. Prior to considering the removal, the Executive Committee shall provide written notice to the Director proposed for removal and the governing body that appointed such Director at least thirty (30) days prior to the meeting at which the proposed removal will be considered by the Executive Committee. The notice shall state the grounds for removal, a brief summary of the supporting facts, and the date of the scheduled hearing on the removal (“Removal Notice”). The Director proposed for removal shall be given an opportunity to be heard and to submit any supporting oral or written evidence at the meeting. Upon consideration of the evidence presented, the Executive Committee shall issue a written recommendation to the Board concerning the removal of such Director within ten (10) business days after the removal matter is heard by the Executive Committee, unless the Chair determines that additional time is needed. A copy of the recommendation shall be sent to the Director proposed for removal and the governing
body that appointed such Director within three (3) business days of the issuance of the written recommendation.

viii.iii. If the Executive Committee recommends a Director’s removal, this recommendation shall be considered by the full Board at the next Regular Meeting following the issuance of the Executive Committee’s written recommendation. A copy of the Removal Notice and any evidence presented to the Executive Committee shall be provided to the Board. A Director shall not be removed for cause from the Board unless two-thirds of all present Directors (excluding the Director subject to removal) vote in favor of the removal.

ARTICLE III

INTERNAL ORGANIZATION

Section 1. Election of Board Officers. The Board shall elect from among themselves one Chair and two Vice-Chairs (“Board Officers”). One of the Vice-Chairs shall be a Director representing a Party located in the County of Los Angeles, and the other Vice-Chair shall be a Director representing a Party located in the County of Ventura. Vice-Chairs shall be elected by a vote of the Regular Directors of Parties located in their respective Counties. The candidate who receives the greatest number of votes from voting Regular Directors shall be elected. In the event of a tie, a roll-call vote shall be held until a winner is selected.

Commencing in 2020, the

Section 1. Chair.

a. The Board shall elect from among themselves a Chair. The current Chair shall announce the nomination period for Board OfficerChair elections at a Regular Meeting. The election shall occur at the next Regular Meeting or as soon thereafter at a Regular Meeting following the Chair’s announcement.

Section 2-

b. Eligibility Requirements for Board Officers. The following minimum eligibility requirements must be met in order for a Regular Director to be elected as Chair or Vice-Chair of the Board.

i. The potential candidate must be a Regular Director;

ii. The potential candidate must have attended at least 50% of the Alliance’s CPA’s Regular Meetings in the prior 12 months; and,

iii. The potential candidate must affirm that he/she intends to serve a full term as a Board OfficerChair.

Section 3-

c. Extension of Term of Office. If, for any reason, the election of a new Board OfficerChair is not made, the then current officerChair shall continue to serve in his/her position until an election is held at a meeting Regular Meeting of the Board.

Section 2. Vice-Chairs.
a. There shall be two Vice-Chairs. One of the Vice-Chairs shall be a Supervisor for the County of Los Angeles, and the other Vice-Chair shall be a Supervisor for the County of Ventura.

b. Eligibility. The following minimum eligibility requirements must be met in order for a Regular Director to be named as a Vice Chair.

i. The Vice Chair must be a Regular Director; and,

ii. In the event of a vacancy specified in this Section 2.c., below, the candidate must have attended at least 50% of CPA’s Regular Meetings in the prior 12 months and affirm that the candidate intends to serve a full term as Vice Chair.

c. In the event a Vice Chair runs for and wins election as Chair, any such vacancy of the Vice Chair shall be filled as specified in Article IX, Section 3.b.

Section 3. Term of Board Officers. The Chair and the two Vice Chairs shall constitute the “Board Officers.” The Chair shall serve a two-year term commencing on the first day of the Fiscal Year (as defined in Section 7.1 of the Agreement) and ending on the last day of the following Fiscal Year two years later except that the term of office for current Board Officers shall end on March 31, 2020. Commencing in 2020, a Regular Director shall not serve in the same Board Officer position for more than two consecutive full two-year terms and Vice Chairs terms will run concurrent thereto as reasonably practical.

A Chair or a Vice-Chair elected pursuant to Article IX, Section 53.b. shall not serve in that position for more than two consecutive full two-year terms.

Section 4. Removal of Board Officers. The Board may remove any of the Board Officers, with or without cause, by a two-thirds vote of the present Directors of the Board at a Regular Meeting of the Board (excluding the Board Officer subject to removal). If removal is being considered, three or more Directors must provide written notice of the proposed removal to the affected Director and to the Executive Director. Thirty (30) days after the receipt of the notice, the Executive Director shall place the removal vote on the agenda at the next Regular Meeting of the Board.

Section 65. Appointment of Treasurer. The Chief Financial Officer (“CFO”) of the Alliance CPA shall act as the Treasurer of the Alliance CPA. In the event of a vacancy, the Board Chair shall appoint a qualified person to act as the interim Treasurer within ninety (90) days of the date the position becomes vacant, and the interim Treasurer shall remain in that role until a new CFO is named. The Treasurer shall:

a. Possess the powers of, and shall perform any functions required by applicable law, including those duties described in the Government Code Section 6505.5 and the Agreement, and which may be prescribed by the Board or these Bylaws.

b. Prepare, maintain, and update as needed reserve and investment policies governing the Alliance CPA’s building of reserves and management of investments respectively.
c. Prepare any other reports or policies that the Board or the Finance Committee requires.

Section 26. General Counsel. The General Counsel shall be the attorney for the Board and the AllianceCPA and shall represent the Board and the AllianceCPA in all actions, hearings, and proceedings for or against the AllianceCPA, or when the AllianceCPA may be legally interested. The General Counsel shall also be the legal advisor to the Board and by extension, to the Alliance’s CPA’s officers and employees in their official capacity. When requested, the General Counsel shall give written legal advice or opinions to the Board or to any AllianceCPA officer or employee.

The General Counsel may delegate her/his authority by designating other attorney(s) on a limited or temporary basis to assist in the performance of her/his duties.

ARTICLE IV

BOARD MEETINGS

Section 1. Regular Meetings. The regular meetings of the Board (“Regular Meeting”) shall be held on the first Thursday of each month at 2 PM, unless the Chair and the Executive Director agree that a Regular Meeting should be held on another day and time.

Section 32. Closed Session.

a. Confidentiality. All information presented to the Board in closed session shall be confidential. No person attending a closed session may disclose any matter discussed in the session except as provided below.

b. Discussions with Local Agency Governing Bodies and Local Agency Legal Counsel. A Director may disclose information obtained in a closed session that has direct financial or liability implications for the Director’s Local Agency, to the following individuals: i) Legal counsel of the Director’s governing body for purposes of obtaining advice on whether the matter has direct financial or liability implications for that Local Agency; and ii) Members of the governing body of the Local Agency present in a closed session of that Local Agency.

Prior to disclosing any information obtained in a closed session to legal counsel of the Director’s Local Agency or other members of the legislative body of the Director’s Local Agency, the Director shall notify the General Counsel of the intention to discuss the matter with their Local Agency’s legal counsel or other members of the legislative body. This notification shall provide the General Counsel with an opportunity to discuss with the Local Agency’s legal counsel whether the matter has direct financial or liability implications for the Director’s Local Agency.

c. Procedure.
i. The General Counsel and Executive Director shall designate staff members and others who shall remain in the closed session to assist the Board in its deliberations.

ii. Any Director who has not attended a closed session and wishes to be advised of the content of the session may inquire of any Director who attended the closed session. The person contacted may advise the inquiring Director of the content of the session. The advised Director shall not disclose the matter for which the session was held.

iii. The General Counsel shall be consulted before an item is placed on the ClosedSession agenda.

d. Alternate Directors Participation. Any designated Alternate Director of the legislative body of a Local Agency who is attending a properly noticed meeting of the AllianceCPA in lieu of a Local Agency Regular Director may participate in a closed session meeting of the AllianceCPA.

ARTICLE V

RULES GOVERNING COMMITTEES

Section 1. Establishment of Committees. Section 5.9 of the Agreement establishes the Executive Committee, the Finance Committee, and the Community Advisory Committee, and authorizes the Board to establish additional policy committees. The Finance Committee and the policy committees identified in Article VII shall collectively be referred to as “Standing Committees.” The duties and authority of all Committees shall be subject to the approval and direction of the Board.

Section 2. Committee Voting. Action by a Committee on matters shall require an affirmative vote of a majority of the Director members who are present at the meeting unless otherwise specified in these Bylaws.
Section 3. Ad Hoc Committees. The Board may create Ad Hoc Committees from time to time, to undertake special assignments on behalf of the Board. An Ad Hoc committee shall exist for a specified term or until its special assignments are completed, whichever comes first, but its existence may be extended for an added term or added assignments by action of the Board. The Board Chair shall appoint the Chair of any Ad Hoc Committee. Any Ad Hoc Committee membership shall be governed by Article VII, Section 2.

Section 4. Eligibility Requirements. The following minimum eligibility requirements must be met in order for a Director to be elected to as an At-Large member of the Executive Committee or appointed as a Standing Committee Chair.

a. The potential candidate must be a Regular Director;

b. The potential candidate must have attended at least 50% of the Alliance’s Regular Meetings in the prior 12 months; and,

b. The potential candidate must affirm that he/she intends to serve a full term as an Executive Committee member or a Standing Committee Chair.

Section 5. Removal of a Committee Member. Except as otherwise provided in Article III, Section 5, the Board may remove any Committee member from office, including any At-Large member of the Executive Committee or a Standing Committee Chair, with or without cause, by a two-thirds vote of the present Directors of the Board at a Regular Meeting of the Board.

Section 6. Open Meeting Requirements. The meetings of the committees established by the Board shall be governed by the provisions of the Ralph M. Brown Act (Government Code Section 54950 et seq.).

ARTICLE VI

EXECUTIVE COMMITTEE

Section 1. Executive Committee. The duties of the Executive Committee shall be to review and provide advice to the Executive Director and the entire Board on policy, operation, and organizational matters, and perform such other responsibilities, tasks, or activities as delegated to it by the Board.

The Executive Committee shall consist of the following ten (10) Regular Directors:

a. The Chair of the Board, who shall serve as Chair of the Executive Committee;

b. The two Vice-Chairs of the Board, who shall serve as the Vice-Chairs of the Executive Committee;

c. The Chair from each of the Standing Committees;

d. The immediate past Chair of the Board;
e. Two (2) At-Large Directors, each of which represent a Party located in the County of Los Angeles; and,

f. One (1) At-Large Director, who represents a Party located in the County of Ventura.

Section 2. At-Large or Standing Committee Chair Eligibility Requirements. The following minimum eligibility requirements must be met in order for a Director to be elected as an At-Large member of the Executive Committee or appointed as a Standing Committee Chair.

a. The potential candidate must be a Regular Director;

b. The potential candidate must have attended at least 50% of CPA’s Regular Meetings in the prior 12 months; and,

c. The potential candidate must affirm that the candidate intends to serve a full term as an Executive Committee member or a Standing Committee Chair.

Section 3. Election of At-Large Executive Committee Members. The Regular Directors of Parties located in the County of Los Angeles shall elect from among themselves two At-Large members subsequent to the election of the Board Officers. The Regular Directors of Parties located in the County of Ventura shall elect from among themselves one At-Large member subsequent to the election of the Board Officers. The candidate who receives the greatest number of votes among voting Regular Directors, or in the event that two positions are being filled, the top two candidates with the greatest number of votes among voting Regular Directors shall be elected. In the event of a tie, a roll call vote shall be held until a winner is selected.

The Chair shall announce the nomination period for the At-Large members at a Regular Meeting. The election shall occur at the next Regular Meeting following the Chair’s announcement.

Section 34. Term of At-Large Executive Committee Members and Immediate Past Chair. The At-Large Executive Committee members and when applicable, the immediate past Chair shall serve a two-year term, concurrent with the term of the Board Officers.

Section 45. Extension of Term of Executive Committee Members. If, for any reason, the election of new At-Large Directors is not made, the then current Directors shall continue to serve in his/her position until an election is held at a Regular Meeting of the Board.

Section 56. Alternate Directors in Executive Committee. Except as otherwise provided in Section 5.1 of the Agreement or Article IV, Section 3 of the Bylaws, in the event a Regular Director member of the Executive Committee is unavailable to attend a duly-noticed meeting of the Executive Committee, an Alternate Director representing the same Party may attend the Executive Committee meeting in place of that Regular Director provided that an Alternate Director shall not vote on any matter requiring Executive Committee action.

Section 67. Tie-Break in Executive Committee Vote. In the event of a tie vote of the Executive Committee, the matter shall be referred to the Board for a percentage vote in accordance with Section 4.10.1 of the Agreement.
ARTICLE VII

STANDING COMMITTEES

Section 1. Appointment and Term of Standing Committee Chairs. Commencing in 2020, the Board Chair shall appoint the Chairs of each Standing Committee after the Board Chair is elected. The Chairs of each Standing Committee shall be Regular Directors and appointed to a two-year term concurrent with the term of the Board Officers. If, for any reason, the appointment of new Committee Chairs is not made, the then-current Committee Chair shall continue to serve in his/her position until an appointment is made by the Chair at a meeting of the Board.

Section 2. Standing Committee Membership. Any Director or Alternate Director who wishes to join a Standing Committee may become a member of that Committee. A Director or Alternate Director who wishes to join a Committee shall notify the Board Chair and the Board Secretary in writing of their intention to join. In no event shall the number of Directors in any one Standing Committee constitute a quorum of the Board and in no event shall a Party be represented on any one Standing Committee by more than one Director member.

Section 3. Alternate Directors in Standing Committees. Except as otherwise provided in Article IV, Section 35 of the Bylaws, in the event a Director member of a Standing Committee is unavailable to attend a duly-noticed meeting of that Committee, an alternate Director representing the same Party as the absent Director may attend and if applicable, vote in the Committee meeting in place of the absent Director.

Section 4. Finance Committee. The Standing Finance Committee’s duties shall include but not be limited to reviewing and recommending to the Executive Director and the Board:

a. Fiscal year budgets;

b. Financial policies and procedures including a reserve and investment policy; and,

c. Other measures ensuring the sound financial management of the Alliance CPA or as similarly directed by the Board.

The Finance Committee shall select an Independent Auditor who shall perform a financial audit of accounts of the Alliance CPA on an annual basis. The Independent Auditor shall be accredited in the State of California and provide independent, accurate, and timely assessments of the Alliance’s financial activities in compliance with generally accepted government auditing standards.

The Finance Committee shall recommend to the Board an Internal Auditor. The Internal Auditor may assess compliance with the Alliance’s financial policies and procedures; review the Alliance’s internal processes or the adequacy of financial controls; make recommendations for improvement; and any similar duties as the Board may direct.

Section 5. Energy Planning & Resources Committee (“Energy Committee”). There shall be a
Standing Energy Committee whose duties shall be to review and provide advice to the Executive Director, the Executive Committee, and the Board on policy, operation and organizational matters related to the Alliance’s CPA’s procurement and development of electric power supplies; the identification and quantification of risk within the energy market; promotion of renewable energy projects and programs; and any similar duties as the Board may direct.

Section 6. Legislative and Regulatory Committee. There shall be a Standing Legislative and Regulatory Committee whose duties shall be to review and provide advice to the Executive Director and the Board on policy, operation and organizational matters related to the Alliance’s CPA’s legislative and regulatory principles, priorities, and strategies; to promote the Alliance’s CPA’s interests by protecting local control and autonomy; to ensure fair treatment of the Alliance’s CPA’s customers by regulatory bodies; and any similar duties as the Board may direct.

ARTICLE VIII

COMMUNITY ADVISORY COMMITTEE (“CAC”)

Section 1. Purpose. Pursuant to Section 5.9.1(c) of the Agreement, the CAC shall be an advisory committee formed to advise the Board on community outreach and engagement issues; to outreach to key stakeholder communities; and to undertake any assignments as directed by the Board. The CAC is not a Standing Committee.

Section 2. CAC Member Selection Process. On an ongoing basis, the Alliance’s CPA’s staff shall accept and solicit applications from customers that reside or work within the Alliance’s CPA’s territory to become a member of the CAC. Commencing in 2020, a list of all CAC member applicants by geography, skills and association, along with copies of all completed applications, shall be provided to the Board and the Board shall select CAC members from this list of CAC applicants.

Section 3. CAC Membership. The CAC shall be comprised of a total of 15 members representing customers or key stakeholders residing or working in the seven (7) geographical regions, as follows:

a. Three (3) members from the East Ventura/West Los Angeles County Region.

b. Two (2) members from the West/Unincorporated Ventura County.

c. Two (2) members from the Westside region in Los Angeles County.

d. Two (2) members from the South Bay region in Los Angeles County.

e. Two (2) members from the Gateway Cities region in Los Angeles County.

f. Two (2) members from the San Gabriel Valley region in Los Angeles County.

g. Two (2) members from the Unincorporated Los Angeles County.

Section 4. CAC Officers. The CAC shall appoint from among themselves by majority vote one Chair and two Vice-Chairs. At least one of the Vice Chairs shall be a member residing in the jurisdiction of a Party located in the County of Ventura. The CAC may establish Bylaws of the
CAC (“CAC Bylaws”) governing the operation of the CAC. Any CAC Bylaws shall be drafted by the seated CAC members. Prior to becoming effective, any CAC Bylaws, including any amendments thereto, must be approved by a majority of the seated CAC members who are present at a meeting. The CAC Chair, or designee, shall be the liaison between the Board and the CAC and to the extent requested by each Board subject to the limits of the Agreement and applicable law.

Section 5. CAC Term. The initial term of service for current CAC members shall expire at the Board Meeting in April 2020. Thereafter, the term of service of each CAC member will be two years commencing at the Board Meeting in May and expiring in April two years later. There shall be no limit to the number of terms a CAC member may serve.

Section 6. CAC Quorum and Voting. Fifty percent (50%) of the seated CAC members shall constitute a quorum for the transaction of business. Action of the CAC on all matters shall require an affirmative vote of a majority of all members who are present at the subject meeting.

Section 7. CAC Member Removal. A CAC member may be removed by a majority vote of the Board, with or without cause.

Section 8. CAC Vacancies.

a. Whenever a vacancy occurs among the CAC Officers during that officer’s term of office, the CAC shall hold an election to fill such vacancy within 90 days of the date of the vacancy if there are 90 days or more in the term at the time the vacancy occurs.

b. Whenever a vacancy occurs for a CAC member during that member’s term of office, the Board shall fill such vacancy.

Section 9. Reimbursements. CAC members may seek reimbursement of expenses incurred to attend a duly-noticed CAC meeting or a Board authorized meeting in compliance with “CPA Reimbursements for Board of Directors” policy, Policy No. CPA2018-05.

**ARTICLE IX**

**DIRECTOR VACANCIES**

Section 1. Vacancy Definition. A vacancy shall exist in the case of death; resignation; expiration of term; termination or withdrawal of membership from the AllianceCPA; removal of a Director by the governing body of a Party that designated and appointed the member Director; removal of a Director by the Board; or when a Director, who is an elected member of a Party, ceases to be an elected member, including term limits.

Section 2. Vacancy of a Director. Whenever a vacancy occurs for a Regular Director or Alternate Director representing a Party, the affected Party shall comply with Section 4.3 of the Agreement and the appointment and designation shall occur in a manner consistent with each Party’s rules, regulations, bylaws, policies, or procedures. In addition, the affected Party shall notify the Executive Director in writing no later than five (5) business days after a replacement Director is appointed or elected by the governing body.
Section 3. Vacancy of a Regular Director serving as a Board Officer.

a. Chair. Whenever a vacancy occurs of a Regular Director serving as a Board Officer during that officer’s term of office, the Board shall hold an election to fill such vacancy within 90 days of the date of the vacancy if there are 90 days or more in the term at the time the vacancy occurs. The election of a Board Officer shall be consistent with Article III, Section 1.

b. Vice Chair. In the event of a Vice Chair vacancy due to Article III, Section 2.c., the Regular Directors of the Parties representing Member Agencies located in the County where the Vice Chair vacancy occurred shall elect a Vice Chair. The election of Vice Chair shall be consistent with Article III, Section 2.

Section 4. Vacancy of At-Large Executive Committee Member. Whenever a vacancy occurs for an At-Large Executive Committee member, during that member’s term of office, the Board shall hold an election to fill such vacancy within 90 days of the date of the vacancy if there are 90 days or more in the term at the time the vacancy occurs. The election of an At-Large Executive Committee Member shall be consistent with Article VI, Sections 1.e and f., and Article VI, Section 2.

Section 5. Vacancy of Standing Committee Chairs. Whenever a vacancy occurs for a Standing Committee Chair, during that Standing Committee Chair’s term of office, the Board Chair shall fill such vacancy within 90 days of the date of the vacancy if there are 90 days or more in the term at the time the vacancy occurs.

Section 6. Remaining Term. Any Director appointed or elected to fill a vacancy before the expiration of the term for which her or his predecessor was appointed shall serve for the remainder of such term.

ARTICLE X

ELECTIONS

When an election is required as specified in these Bylaws, the candidate who receives the greatest number of votes among voting Regular Directors or in the event that two of the same position are being filled, the top two candidates with the greatest number of votes among voting Regular Directors shall be elected. In the event of a tie, a roll call vote shall be held until a winner is selected.

ARTICLE XI

VOTING

Voting on Alliance any other CPA matters shall be held in accordance with the requirements of Sections 4.10 and 4.11 of the Agreement and these Bylaws.