

## **MINUTES**

REGULAR MEETING of the Energy Planning & Resources Committee  
of the Clean Power Alliance of Southern California  
Wednesday, February 23, 2022, 12:30 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 Energy Planning & Resources Committee conducted this meeting remotely.*

### **CALL TO ORDER & ROLL CALL**

Chair Parkhurst called the meeting to order at 12:30 p.m. and Interim Clerk of the Board, Raynette Tom, conducted roll call.

<b>ROLL CALL</b>			
<b>Alhambra</b>	Jeffrey Maloney	Committee Member	Remote
<b>Carson</b>	Reata Kulcsar	Committee Member	Remote
<b>Culver City</b>	Daniel Lee	Committee Member	Remote
<b>Oxnard</b>	Kathleen Mallory	Committee Member	Absent
<b>Sierra Madre</b>	Robert Parkhurst	Chair	Remote
<b>Thousand Oaks</b>	Helen Cox	Committee Member	Absent
<b>Ventura County</b>	Carmen Ramirez	Committee Member	Remote

All votes are unanimous, unless otherwise stated.

### **GENERAL PUBLIC COMMENT**

There was no public comment.

### **CONSENT AGENDA**

1. Approve Minutes from January 26, 2022, Energy Committee Meeting
2. Receive and File January 2022 Risk Management Team Report

In response to a question from Chair Parkhurst on the RMT, Ted Bardacke, Chief Executive Officer, stated that some exceedances of renewables purchases have been removed because a new load forecast has been incorporated that includes the default rate changes.

**Motion:** Committee Member Ramirez, Ventura County  
**Second:** Committee Member Maloney, Alhambra  
**Vote:** The consent agenda was approved by a roll call vote.

### **REGULAR AGENDA**

3. Oral Update on Mid-Term Reliability RFO  
Natasha Keefer, Vice President, Power Supply, provided an oral report on the item. CPA shortlisted five projects and waitlisted five projects in February. Several shortlisted projects have since dropped out and projects from the waitlist have

been invited to enter exclusivity. Ms. Keefer specified the current estimate is that 3-4 projects will enter PPA negotiations, including utility scale storage, geothermal, and long-duration storage resources. Staff intends to release another RFO later this year to procure additional resources for compliance.

4. Resource Adequacy Reform Update

CC Song, Director, Regulatory Affairs, provided a presentation on Resource Adequacy (RA) including background information, CPA principles for RA reform, and a summary of proposals. Although RA was designed to ensure sufficient capacity to meet system-wide gross peak, resources on the grid have become increasingly variable and energy-limited. The California Public Utilities Commission (CPUC) found a need to develop a better framework for the future. CalCCA and Southern California Edison (SCE) submitted a joint proposal where Load Serving Entities (LSEs) would provide a portfolio with sufficient energy to meet both its load and storage charging needs. The CPUC opted for an alternate proposal and directed working groups to develop implementation details around a “slice-of-day” framework for RA compliance in 2024. Ms. Song reviewed three principles that guided CPA’s engagement and evaluation process and presented two proposals: a 24-hourly slice proposal and a 2-slice proposal. Ms. Song reviewed pros and cons for each. The 24-hourly slice proposal requires each LSE to demonstrate each month that they have enough capacity to meet their load profile in all 24 hours on the CAISO’s worst day. The 2-slice proposal requires each LSE to demonstrate it has enough capacity to meet its share of CAISO gross peak and net peak. Ms. Song reviewed how each measures up to CPA’s guiding principles and noted that the 24-hour slice more accurately values renewable resources and provides visibility into an individual LSE’s resource mix’s ability to meet demand. The 2-slice proposal’s renewable resource valuation would be based on a methodology that heavily discounts solar and wind capacity contribution and does not appropriately value their contribution to the grid and will not be as durable. Ms. Song described the support for the two proposals. Amongst CalCCA membership, one group of CCAs supports the adoption of a 24-hourly slice proposal with a deferred implementation until 2025, because the CPUC’s decision does not provide sufficient time for thoughtful implementation. Another smaller group supports the 2-slice proposal as a temporary bridge while a more durable framework can be developed. CPA staff will continue to work with CalCCA to develop comments on the workshop report expected in March and will identify potential opportunities for engagement. The CPUC proposed decision is expected in early summer 2022.

In response to questions from Chair Parkhurst regarding the impact of the CPUC’s proposed decision on procurement strategy, staff explained that CPA’s short-term contracts for RA are very specific to the current RA framework and may need amendments to reflect a new RA program structure. However, the impacts will be better understood once a decision is issued. Committee Member Ramirez asked how the Ukraine crisis impacts the energy market and demand for renewables. Staff noted that renewables demand is highly driven by California environmental targets. As it pertains to natural gas, the United States is somewhat insulated from the Ukraine crisis, because it relies on the domestic production of gas. Mr. Bardacke added that building new transmission will eventually need to be a priority to expand the supply of renewables.

Chair Parkhurst asked how transmission planning is developed and how that impacts CPA’s Integrated Resource Plan. Staff clarified that in California, transmission planning happens at the CAISO; it presents some challenges

because transmission building might incorporate multiple jurisdictions. Transmission planning affects the IRP in how resources are incorporated based on CPUC and CAISO planning efforts.

#### **COMMITTEE MEMBER COMMENTS**

Chair Parkhurst and Committee Member Ramirez both expressed their gratitude for all the hard work accomplished by CPA staff. In response to Committee Member Maloney's question regarding billing issues, Mr. Bardacke noted that staff has been working closely with cities with the highest percentage of impacted customers, SCE sent out an email notice to all impacted customers who have an email address on file, and an informational banner was posted on CPA's website for further explanation. The banner was clicked on over 3,000 times and the number of calls and wait times at the call center have both normalized. Two holidays have passed without further issues, so the particular holiday synching issue between SCE and CPA's billing manager appears to have been addressed.

#### **ADJOURN**

Chair Parkhurst adjourned the meeting at 1:24 p.m.