MINUTES

REGULAR MEETING of the Energy Planning & Resources Committee

of the Clean Power Alliance of Southern California

Wednesday, March 23, 2022, 12:15 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

Committee Member Maloney called the meeting to order at 12:19 p.m. and Clerk of the Board, Gabriela Monzon, conducted roll call.

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

All votes are unanimous, unless otherwise stated.

GENERAL PUBLIC COMMENT

There was no public comment.

CONSENT AGENDA

1. Approve Minutes from February 23, 2022, Energy Committee Meeting
2. Receive and File February 2022 Risk Management Team Report

Motion: Committee Member Mallory, Oxnard
Second: Committee Member Cox, Thousand Oaks
Vote: The consent agenda was approved by a roll call vote.

REGULAR AGENDA

3. Review PCIA Voluntary Allocation & Market Offer (VAMO)
Natasha Keefer, Vice President, Power Supply, and Ted Tardif, Senior Portfolio Manager, Environmental Products & Compliance, provided a presentation on the item. CPA can secure voluntary allocations (VA) of Power Charge Indifference Adjustment (PCIA) eligible renewable resources from Southern California Edison (SCE) in May 2022 for deliveries beginning in 2023. Available allocations include short-term renewables as well as long-term (10+ years) contracts. Ms. Keefer provided a brief refresher of the workings of the PCIA and outlined the PCIA voluntary allocation processes. Ms. Keefer noted that SCE will remain the counterparty of the resource contracts, and CPA will receive the attributes of those

contracts transferred to CPA's portfolio. Load Serving Entities (LSEs) such as CPA may resell the elected VAMO renewable energy. Any remaining short-term and long-term allocations not elected by LSEs will be sold to the market through the market offer process. CPA may be able to secure additional RECs through this same process, although the price will be subject to a confidential price floor. Ms. Keefer highlighted several considerations for CPA moving forward, including that allocations help offset additional renewable energy demand of member agency default rate opt-ups; they effectively reduce CPA's demand for new-build renewables; and long-term allocations contribute to CPA's SB 350 long-term contracting obligations.

Mr. Tardif discussed the pros and cons of short-term and long-term voluntary allocations. Mr. Tardif commented that CPA has received an indicative forecast from SCE on the available resources and outlined those indicative allocations. Mr. Tardif advised the Committee of three options staff is considering for long-term voluntary allocation. Staff is recommending CPA take 50% of the long-term voluntary allocations. CPA's final action on the short-term voluntary allocations will be contingent on the California Public Utilities Commission's (CPUC) clarification on the treatment of out-of-state PCC0s. Ms. Keefer advised the Committee that CalCCA and CPA are currently seeking to clarify the treatment of out-of-state PCC0s with the CPUC. CPA will present a long-term allocation approach to the Board on April 7 and will finalize enrollment by May 13. Staff invited feedback from the Energy Committee's feedback on the voluntary allocation approach.

Committee Member Cox asked for clarification on the various PCC categories, time commitments for contracts, and if CPA will take over specific contracts with third-party generators. Ms. Keefer indicated PCC1 represents the highest quality renewable energy credit purchased generally from in-state renewable resources; PCC2 is a lower quality renewable energy credit purchased generally from out-of-state resources; PCC3 is a low value out-of-state renewable energy credit containing energy that is not required to be delivered into California (often called an unbundled renewable energy credit). Ms. Keefer explained that PCC0 is the grandfather designation for contracts that Investor-Owned Utilities (IOUs) have entered into prior to 2010 when these PCC classifications were established. PCC0s are treated as and priced as PCC1s, but there is some uncertainty if they will be transferred over as PCC1s or PCC3s. Ms. Keefer also explained that CPA will only be receiving a slice of SCE's overall portfolio and will not be rewriting any contracts. Ms. Keefer indicated that for short-term contracts the commitment would run through 2024 and for long-term contracts the commitment would run for the remainder of the individualized contract term. Chair Maloney asked about the timeline for the PCC0 transfer decision, and Ms. Keefer noted that CPA is asking the CPUC to make a decision prior to the May enrollment period but there is no timeline in place yet. Committee Member Kulcsar requested that a future Committee agenda item include a more detailed description and timeline of the PCIA. The Committee expressed support for the staff recommendation.

COMMITTEE MEMBER COMMENTS

None.

ADJOURN

Committee Member Maloney adjourned the meeting at 1:18 p.m.