

MINUTES

REGULAR MEETING of the Energy Planning & Resources Committee
of the Clean Power Alliance of Southern California
Wednesday, May 25, 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

Chair Parkhurst called the meeting to order at 12:15 p.m. and Raynette Tom, Clerk, conducted roll call.

ROLL CALL			
Alhambra	Jeffrey Maloney	Committee Member	Remote
Carson	Reata Kulcsar	Committee Member	Absent
Culver City	Daniel Lee	Committee Member	Absent
Oxnard	Kathleen Mallory	Committee Member	Remote
Sierra Madre	Robert Parkhurst	Chair	Remote
Thousand Oaks	Helen Cox	Committee Member	Absent
Ventura County	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 April 27, 2022 Energy Committee Meeting
2. Receive and File April 2022 Risk Management Team Report

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

REGULAR AGENDA

3. 2022 Integrated Resource Plan (IRP) Introduction and Rate Product Content Discussion

Natasha Keefer, Vice President, Power Supply, provided a summary of the Integrated Resource Plan (IRP), noting that CPA must file by its 2022 IRP by November 1st. All Load Serving Entities (LSEs) must submit their IRPs every two years, reflecting their individual procurement preferences and submission requirements. The IRP is an important forum for statewide planning and may result in procurement orders for CPA. Ms. Keefer discussed the CPUC preferred system plan, adopted on February 15, 2022, establishing a 38MMT GHG target by 2030.

CPA is on track to meet compliance obligations under SB 350 and the IRP procurement track; has an open position on the mid-term reliability mandate and will be meeting this obligation with projects under contract and in negotiation from the 2021 MTR RFO and a second MTR RFO in 2022. Ms. Keefer explained that the 2022 IRP allows LSEs to determine resources to be added to their portfolios; requires planning information through 2035; LSEs are required to adopt conforming portfolios consistent with the 38MMT buildout. The 2022 IRP will be optimized around CPA's goals and conforming portfolios will achieve CPUC GHG benchmarks. Ted Bardacke, CEO, explained that based on Board feedback, expansion plans, and the changing energy/regulatory landscape, staff developed four scenario options for future rate product targets. Ms. Keefer explained that in Scenario 1, Clean customers will reach 100% renewable by 2030 and Lean by 2035, but there is a risk that Lean may become less competitive with SCE. Scenario 2 will place the Clean rate on a pathway to 100% renewable by 2030, Lean will get to 90% GHG free by 2035, becoming a compliance product, but can cause the Clean rate to become less competitive with SCE. In Scenario 3, Lean rate is still a compliance product but Clean is targeting 100% renewable by 2035, allowing Lean to be a more compliance-driven low-cost option for customers to opt-down to. In Scenario 4, the Lean and Clean products will merge towards a compliance-focused product that meets SB 1020 targets and an emissions intensity less than SCE. Ms. Keefer reviewed the comparison of rate product scenarios and noted that Board direction will assist in the IRP analysis. Due to the highly compressed schedule to complete the IRP submissions, CPA staff is seeking to delegate final IRP approval to the Energy Committee, consistent with the previous IRP submissions. Staff requested feedback from the Energy Committee on the scenarios.

In response to Committee Member questions concerning CARE customer impacts, and hydro resources, staff explained the following: the default rate for CARE customers will remain the same, and only product content will change; however, Scenario 1 may lead to a more expensive Lean product than Southern California Edison (SCE). In addition, CPA has two sources of carbon-free procurement though an election from SCE's Power Charge Indifference Adjustment (PCIA) proceeding or via short-term annual market purchases for hydro.

Committee Member Ramirez expressed a preference for the cleanest option, while also providing as much economic relief as possible to customers. Committee Member Mallory commented that financial implications are an area of concern for her city, including the financial implications of increasing the renewable percentage on disadvantaged communities; how the Power Share Program could offset financial impacts to communities; financial implications on municipal budgets, specifically with the timing of Capital Improvement Projects (CIP) increases, and CARE/FERA rate impacts. Committee Member Maloney commented that Alhambra joined at the Clean rate as it presented an easier transition, but expressed a preference for a scenario that continues to push sustainability goals and provides options for cities with low-income customers that may join in the future. Chair Parkhurst echoed Committee Member Maloney and expressed an inclination towards Scenario 2 because it still allows for a fallback for budget-conscious customers. Director Gold posed questions to staff regarding the forecast of available green energy to achieve CPA goals and the reliability of out-of-state resources and their impact on rates. Director Zuckerman added that in the future, CPA could use budget surpluses to adjust the CARE/FERA rates if necessary. Mr. Bardacke thanked the Committee for its feedback, adding that the requested pricing analysis is forthcoming. In every scenario that any LSE is looking at, out-

of-state resources will be in the mix as land availability in California is constrained. Ms. Keefer offered that the upcoming IRP analysis will generate scenarios depicting what the future procurement portfolio will look like, providing an opportunity to refresh CPA's long-term planning analysis.

COMMITTEE MEMBER COMMENTS

There were no Committee Member comments.

ADJOURN

Chair Parkhurst adjourned the meeting at 1:40 p.m.