

MINUTES

SPECIAL MEETING of the Energy Planning & Resources Committee
of the Clean Power Alliance of Southern California
Wednesday, December 16, 2021, 1:00 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 will conduct this meeting remotely.

CALL TO ORDER & ROLL CALL

Chair Parkhurst called the meeting to order at 12:16 p.m. and Interim Clerk of the Board, Raynette Tom, conducted roll call.

ROLL CALL			
Alhambra	Jeffrey Maloney	Committee Member	Remote
Carson	Reata Kulcsar	Committee Member	Remote
Culver City	Daniel Lee	Committee Member	Remote
Oxnard	Kathleen Mallory	Committee Member	Remote
Sierra Madre	Robert Parkhurst	Chair	Remote
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.

Chair Parkhurst welcomed Kathleen Mallory as the newest member of the Energy Committee and congratulated Dr. Lee for becoming the new Mayor of Culver City.

CONSENT AGENDA

1. Approve Minutes from October 27, 2021, Energy Committee Meeting
2. Receive and File November 2021 Risk Management Team Report

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

REGULAR AGENDA

3. Mid-Term Reliability RFO Longlist
Natasha Keefer, Vice President, Power Supply, provided a presentation on the item. In 2021, the California Public Utilities Commission (CPUC) issued a decision requiring all Load Serving Entities to undertake new procurement to address mid-term reliability; this decision ordered CPA to procure a total of 679 MW of new reliable capacity between 2023-2026, of which a portion must be Long-Lead Time

(LLT) resources. The capacity is intended to replace the capacity retiring from the Diablo Canyon Power Plant and other power plants, including two in CPA territory. CPA released an RFO to address this additional requirement, which closed in November 2021; CPA received a robust response to the Renewable Energy plus Storage and Standalone Storage product categories and a limited response to the Baseload/Firm product category. Ms. Keefer reviewed CPA's compliance position in years 2023-2025, noting that in 2026, CPA must also procure 118 MW LLT resources. Ms. Keefer discussed the availability of baseload resources, which include firm, zero-emitting generation resources, generally referring to biomass and geothermal. Both of these technologies are expensive compared to other sources of renewable power and may have other adverse environmental impacts. Furthermore, geothermal capacity is limited by geography, and no new biomass resources are in the CAISO interconnection queue, which is indicative of the number of projects being developed. The CPUC designed the procurement mandate to be resource-neutral to encourage the development of a diverse set of storage technologies, however, the RFP results indicate that CPA will likely meet long duration storage requirements with lithium-ion batteries. Ms. Keefer summarized the RFO requirements, noting that CPA sought three types of eligible resources: (1) renewable generation plus storage; (2) standalone storage; and, (3) baseload/firm renewable energy. Ms. Keefer provided an overview of the offers submitted; then reviewed the offers received by technology and resource type, location and county, commercial online date, and ranked offers by generation capacity. Ms. Keefer also discussed pricing trends, noting that for storage, pricing is nearly the same as last year and baseload/firm continues to be expensive. Lastly, Ms. Keefer provided a summary of the RFO schedule and the takeaways from the RFO, specifically that opportunities to procure geothermal resources is limited; pricing on power purchase agreements is slightly higher compared to last year, largely due to global supply chain challenges, commodities, and labor; staff will continue to focus on conducting procurement in a way that protects CPA from too much exposure in any one year; and, opportunities to procure early online date projects by 2023 or sooner are very limited.

In response to Committee Member questions, Ms. Keefer clarified the following: CPA will have enough resources to meet its June 2025 compliance requirement; the CPUC defines baseload/firm category as requiring an 80-capacity factor, which solar plus storage does not meet. Additionally, hydropower could potentially qualify if it reached at least 80% capacity, but the opportunity to build new hydro in California is very limited. Other resources like biogas-fired plants could be considered if they qualified as renewable portfolio standard eligible technologies and run at 80% capacity. Ms. Keefer also explained that CPA is technology-neutral and hopes to see diversity in storage technologies, but there are still limited alternative technologies to lithium-ion batteries. Due to the tight timeframe, CPA has to contract for what is technologically viable in the 2023-2026 timeframe. Ted Bardacke, Executive Director, added that alternate technologies could be developed, and CPA will procure for it in the future, but currently had to focus on the compliance mandates. Ms. Keefer also noted that it is important for CPA to have geographic diversity to minimize market risk, hence why CPA has imposed project size limits.

Chair Parkhurst congratulated the procurement team for their efforts in launching an effective RFO with 88 out of 92 conforming offers.

4. Power Share/Community Solar RFO Schedule

Ms. Keefer reminded the Committee that the 2021 Power Share RFO was launched on December 8, 2021, and briefly reviewed the RFO schedule and staff activities leading up to the end of the RFO on June 1, 2022.

Responding to Chair Parkhurst's request, Jack Clark, Director of Customer Programs, explained that multiple CPA departments has been involved in doing outreach to stakeholders, city staff, developers, and CAC members.

COMMITTEE MEMBER COMMENTS

None.

ADJOURN

Chair Parkhurst adjourned the meeting at 2:02 p.m.