

MINUTES

REGULAR MEETING of the Energy Planning & Resources Committee
of the Clean Power Alliance of Southern California
Wednesday, July 27, 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 COVID-19, 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, Gabriela Monzon, Board Clerk, 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	Remote
South Pasadena	Diana Mahmud	Committee Member	Remote
Thousand Oaks	Helen Cox	Committee Member	Absent
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 June 22, 2022, Energy Committee Meeting
2. Receive and File June 2022 Risk Management Team Report

Motion: Committee Member Mahmud, South Pasadena

Second: Committee Member Maloney, Alhambra

Vote: The consent agenda was approved by a roll call vote, with minor edits to Item 1. Committee Member Kulcsar abstained from Item 1.

REGULAR AGENDA

3. Approve the Shortlisted Projects as Recommended by the Review Team for the 2021 Power Share RFO

Natasha Keefer, Vice President, Power Supply, provided a presentation on the 2021 Power Share Request for Offers (RFO) shortlist recommended by the RFO Review Team. Under the Disadvantaged Community Green Tariff (DAC-GT) and the Community Solar Green Tariff (CS-GT), CPA may procure energy from small-

scale renewable projects within disadvantaged communities (DACs), in order to provide 100% renewable energy to low-income customers at a 20% bill discount. Ms. Keefer provided background on the Power Share Program and an overview of CPA's progress in fulfilling the program requirements. CPA received 8 offers for projects, and each received a rank for six criteria. The valuation results indicate that offers are priced under the CPUC-designated price cap and the RFO Review Team evaluated the offer prices and deemed them reasonable. Ms. Keefer described the DAC-GT program, outlined project and customer eligibility details, and provided an overview of the six project offers received. The RFO Review Team recommends shortlisting five of the projects because they are priced under the price cap, they are all local projects, and all have strong qualitative scores. Ms. Keefer reviewed development risks and experience. In particular, she explained that the projects are sited on rooftops of industrial properties owned by the developers, which is advantageous from a site control perspective. The projects have also received fast track eligibility from SCE, meaning they are able to interconnect.

In response to Committee Member Mahmud's questions, Ms. Keefer noted that the CPUC approved CPA's executed Power Share contract and that CPA's solicitation expresses preference for projects located in the CPUC's service area. Responding to Chair Parkhurst's question about the omission of Project A from the shortlist, Ms. Keefer explained that CPA utilizes a tool that screens areas for development and renewable energy projects. Project A did not pass the screening process and was deemed harmful to the local habitat.

Ms. Keefer provided background on the Community Solar Program project eligibility and reviewed the two offers received. The RFO Review Team recommends shortlisting both offers since their Power Purchase Agreement (PPA) prices are beneath the CPUC price cap and have good qualitative scores. Ms. Keefer listed the development risks and developer experience, noting that the projects have begun the interconnection process. CPA also confirmed there are numerous eligible customers within the vicinity of the projects for program enrollment. Ms. Keefer concluded with a review of the recommendations for DAC-GT and Community Solar projects and next steps.

Committee Member Mahmud inquired about the one-year delay for Commercial Operation Date (COD) for the Community Solar Program project in Pico Rivera. Staff clarified that CS-GT projects have more components to develop, such as customer enrollment, securing community sponsors, and going through the elaborate interconnection process with the California Independent System Operator (CAISO), which can all affect the project timeline. Committee Member Mallory inquired if CPA has a process for diversifying project locations; Ms. Keefer indicated that CPA does not have direct control over sites because it is not responsible for the development. However, Ms. Keefer noted that CPA has been working with member agencies in the service territory within disadvantaged communities to educate, encourage community sponsorship, and conduct outreach to increase the number of bids from projects in DACs. Alex Ricklefs, Program Manager, Community Solar, indicated that staff sees community sponsorship as the major barrier to solar interest and hopes to address this for the next RFO cycle. Mr. Ricklefs explained that staff is working on a communication plan to share with the Committee. Chair Parkhurst commented that would be helpful to include it as part of the RFO presentation. Committee Member Mahmud thanked the staff for their hard work and expressed a preference for a focused effort during the next solicitation to secure DAC-GT projects within Ventura County.

Committee Member Kulcsar concurred with Committee Member Mahmud's comment.

Motion: Committee Member Mahmud, South Pasadena
Second: Committee Member Mallory, Oxnard
Vote: Item 3 was approved by a roll call vote.

4. Approve Entering into Bilateral Negotiations for Power Purchase Agreements for Two (2) Geothermal Resources as Recommended by the Review Team

Ms. Keefer provided a presentation on the two bilateral offers received for long-term geothermal resources. CPA can enter into two bilateral power purchase agreements with an in-state geothermal project. Ms. Keefer provided background on CPA's procurement needs, discussed the availability of incremental baseload renewables, and detailed import geothermal resource risks and challenges. Per CPA's Energy Risk Management Policy, CPA evaluates and negotiates bilateral offers for long-term PPAs. The first offer is for the purchase of 18MW of new, incremental geothermal capacity from an in-state geothermal resource located in a well-developed and reliable geothermal area. The offer comes by way of another CCA that is unable to take full offtake of the available incremental resources. Ms. Keefer noted that the limited transmission into CAISO and the high demand have created scarcity pricing; forecasting indicates much higher geothermal pricing for the 2022 Midterm Reliability (MTR) RFO. The same seller of the first offer is also offering CPA a second offer to purchase 100MW of existing capacity, which is not contingent on approval of the first offer. Ms. Keefer provided background on the second offer, adding that the capacity will be available to CPA on 6/1/2027. The capacity will not count towards CPA's MTR compliance requirements but will benefit CPA's technology diversity. Ms. Keefer summarized the project evaluation and noted that pricing is in line with current market pricing. Lastly, Ms. Keefer outlined the RFO Review Team's recommendations for both the incremental and the existing geothermal offers.

Responding to Chair Parkhurst's question, Ms. Keefer indicated that these offers are priced higher than offers received for out-of-state projects in the 2021 MTR RFO, adding that the current unique market conditions make it difficult to predict out-of-state pricing for the 2022 MTR RFO. Committee Member Mahmud expressed a desire to include discussions in the upcoming Integrated Resource Plan (IRP) regarding the difficult position Load Serving Entities (LSEs) are placed in by the procurement mandates of scarce resources.

Motion: Committee Member Mahmud, South Pasadena
Second: Committee Member Maloney, Alhambra
Vote: Item 4 was approved by a roll call vote.

COMMITTEE MEMBER COMMENTS

Chair Parkhurst announced that the first draft of the IRP results will be presented at the August or September meeting; the Committee will be discussing the process related to CPA's long-term PPA portfolio during the August meeting.

ADJOURN

Chair Parkhurst adjourned the meeting at 1:30 p.m.