

## MINUTES

REGULAR MEETING of the Board of Directors of the  
Clean Power Alliance of Southern California  
Thursday, September 1, 2022, 2:00 p.m.

*The Board of Directors conducted this meeting remotely, pursuant to the Proclamation of the State of Emergency by Governor Newsom on March 4, 2020, AB 361, enacting CPA Resolutions, and as a response to mitigating the spread of COVID-19*

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

Chair Julian Gold called the meeting to order at 2:00 p.m. and Gabriela Monzon, Clerk of the Board, conducted roll call.

<b>Roll Call</b>				
1	<b>Agoura Hills</b>	Deborah Klein Lopez	Director	Remote
2	<b>Alhambra</b>	Jeff Maloney	Director	Remote
3	<b>Arcadia</b>	Sho Tay	Director	Remote
4	<b>Beverly Hills</b>	Julian Gold	<b>Chair</b>	Remote
5	<b>Calabasas</b>	Mary Sue Maurer	Director	Remote
6	<b>Camarillo</b>	Susan Santangelo	Director	Remote
7	<b>Carson</b>	Cedric Hicks Reata Kulcsar	Alternate Alternate	Remote
8	<b>Claremont</b>	Jennifer Stark	Alternate	Remote
9	<b>Culver City</b>	Yasmine-Imani McMorrin Joe Susca	Alternate Alternate	Remote
10	<b>Downey</b>	Donald LaPlante	Alternate	Remote
11	<b>Hawaiian Gardens</b>	Ramie L. Torres	Alternate	Remote
12	<b>Hawthorne</b>	Alex Monteiro	Director	Remote
13	<b>Los Angeles County</b>			Absent
14	<b>Malibu</b>	Mikke Pierson	Director	Remote
15	<b>Manhattan Beach</b>	Joe Franklin	Alternate	Remote
16	<b>Moorpark</b>	Jessica Sandifer	Alternate	Remote
17	<b>Ojai</b>	Michelle Ellison	Alternate	Remote
18	<b>Oxnard</b>	Bert Perello	Director	Remote
19	<b>Paramount</b>	Vilma Cuellar Stallings	Director	Remote

20	<b>Redondo Beach</b>	Christian Horvath	Director	Remote
21	<b>Rolling Hills Estates</b>	Steve Zuckerman	Director	Remote
22	<b>Santa Monica</b>	Gleam Davis	Director	Remote
23	<b>Sierra Madre</b>	Robert Parkhurst	Director	Remote
24	<b>Simi Valley</b>	Ruth Luevanos	Director	Remote
25	<b>South Pasadena</b>	Diana Mahmud	Director	Remote
26	<b>Temple City</b>	Fernando Vizcarra	Director	Remote
27	<b>Thousand Oaks</b>	Kevin McNamee	Director	Remote
28	<b>City of Ventura</b>	Joe Yahner	Alternate	Remote
29	<b>Ventura County</b>	Linda Parks	<b>Vice Chair</b>	Remote
30	<b>West Hollywood</b>	Lindsey Horvath	Director	Remote
31	<b>Westlake Village</b>	Ned Davis	Director	Remote
32	<b>Whittier</b>	Vicki Smith	Alternate	Remote

All votes are unanimous unless otherwise stated.

**GENERAL PUBLIC COMMENT**

A written public comment was received.

**PLEDGE OF ALLEGIANCE**

Director Mahmud led the pledge of allegiance.

The Board of Directors dedicated a moment of silence in honor of Ventura County Supervisor Carmen Ramirez.

**CONSENT AGENDA**

1. Adopt Resolution 22-09-038 Finding the Continuing Need to Meet by Teleconference Pursuant to Government Code Section 54953 (e)
2. Approve Minutes from July 7, 2022, Board of Directors Meeting
3. Receive and File Q2 2022 Risk Management Report
4. Receive and File Annual Electricity Usage by Jurisdiction
5. Receive and File Quarterly Communications Report (June - July 2022)
6. Receive and File Community Advisory Committee Monthly Report

**Motion:** Director Horvath, West Hollywood

**Second:** Director Vizcarra, Temple City

**Vote:** The consent agenda was approved by a roll call vote.

**REGULAR AGENDA**  
**Action Items**

7. (a) Adopt Resolution 22-09-039 Authorizing the Offer of Membership to the Cities of Hermosa Beach, Monrovia, and Santa Paula to Join CPA with Service to Customers in those Communities to Begin in 2024; and (b) Direct Staff to Prepare an Implementation Plan Addendum and any related Documents as Required by the California Public Utilities Commission (CPUC) and for Consideration by the Board at a Public Hearing on December 1, 2022

Karen Schmidt, Director of Strategic Initiatives, provided a presentation on the proposed expansion of CPA's service territory. Staff recommends extending an invitation to the three new cities of Hermosa Beach, Monrovia, and Santa Paula to join CPA for service to begin in 2024, all three of which are well-aligned with CPA Board priorities for expansion. Ms. Schmidt explained that a feasibility study was completed for each candidate with a \$10,000 cost contribution by each city; specified the benefits and impacts of the proposed 2022 candidates to CPA; and reviewed the process and timeline.

Vice Chair Parks suggested that CPA's invitation letter include the benefits of defaulting to the 100% Green rate upon joining CPA and enrolling customers. Director Parkhurst thanked staff for their outreach efforts; expressed that cities should join at the default rate that best suits their community; and pointed out that several cities have successfully transitioned from a lower tier to 100% Green. Ted Bardacke, CEO, clarified that as the cities move through the process of joining and the default rate discussion, CPA staff could share past city experiences to assist them with deciding what is best for their communities. Director McNamee expressed that cities should decide their default rate without any recommendation from the Board; noted that several Thousand Oaks customers have faced some challenges in opting down to a different rate. Director Perello opined that a suggestion steering the default rate one way or another may be perceived as a recommendation. Director Lopez expressed support for the expansion, emphasizing that CPA provides customer choice and has an excellent customer service center; although Agoura Hills went from the Lean to 100% Green rate, it was challenging, and it's best to reach 100% Clean as soon as possible. Director Mahmud expressed support for Vice Chair Parks' suggestion, adding that it would be helpful for impending cities to hear experiences of predecessors; encouraged fellow Board members to be advocates for and representatives of CPA to other cities. Director Luevanos expressed agreement with Vice Chair Parks, adding that giving low-income community residents the option of 100% clean renewable energy at a subsidized cost would be advantageous. Director Santangelo expressed support for Vice Chair Parks' suggestion, adding that sharing experiences adds value to the process for new customers and noted that the opt-down and opt-out options are easily accessible on the CPA website. Director Monteiro expressed a desire to see cities join CPA at a level they are comfortable with before moving to 100% Green, noting that CPA should not set a standard to join at 100% Clean. Director Franklin opined that in a market-driven economy, rate options are best left to the consumers. Director Maloney added that the challenges his city experienced going from Clean to 100% Green may illuminate the option of joining at 100% Green as the most effective way to reach climate change and carbon reduction goals; specified that while the Board must decide to invite the

cities to join CPA, it may also share other cities' previous experiences and benefits of starting at 100% Green, while offering the opportunity to join CPA. Director Lindsey Horvath opined that CPA empowers cities to achieve their goals on their own terms and that all Board members will serve as resources for new cities. Director Torres asked about preliminary data on CPA's energy capacity with the additional three cities. Mr. Bardacke specified that the three cities would add about 3.7% to CPA's load, and CPA would begin to procure additional resources as soon as the cities vote to join.

**Motion:** Director Horvath, Redondo Beach  
**Second:** Director Mahmud, South Pasadena  
**Vote:** Item 7 was approved by a roll call vote.

8. (a) Review 2022 Integrated Resource Plan ("IRP"); and,  
(b) Delegate Approval Authority of CPA's 2022 IRP to the Energy Resources & Planning Committee

Natasha Keefer, Vice President, Power Supply, provided a presentation on the 2022 Integrated Resource Plan (IRP), a California Public Utilities Commission (CPUC) planning proceeding. Ms. Keefer reviewed the background, purpose, and importance of the IRP and provided information on the forecast model (PLEXOS) and its inputs and outputs. CPA's plans will be optimized to achieve the three goals of reliability, GHG reduction, and least-cost procurement. Ms. Keefer identified the issues the IRP is intended to address and identified three scenarios (base, low, and high) that CPA staff will be running prior to IRP submission. Ms. Keefer shared preliminary capacity buildout scenario results, adding that due to CPA's large number of 100% Green customers, the base case is anticipated to meet and exceed the 2035 30 MMT GHG case target; graphically compared the 2022 IRP results with those of 2020. Lastly, Ms. Keefer stated that staff seeks to delegate final IRP approval to the Energy Committee due to the compressed submission schedule.

Chair Gold commented that the IRP provides the framework and structure for future planning. Director Parkhurst asked about the impact, if any, of the recent five-year extension of Diablo Canyon on the IRP and its forecasts. Ms. Keefer indicated that to date, the CPUC has included the Diablo Canyon retirement in its assumptions and will continue to do so. Mr. Bardacke added that the legislation authorizing the extension of Diablo Canyon explicitly states that it cannot be used in long-term planning so that all official planning going forward will not include Diablo Canyon.

**Motion:** Director Mahmud, South Pasadena  
**Second:** Director Parkhurst, Sierra Madre  
**Vote:** Item 8 was approved by a roll call vote.

9. Approve a 15-year Renewable Power Purchase Agreement with Cape Generating Station 2 LLC (Cape Station Geothermal) and Authorize the Chief Executive Officer to Execute the Agreement

Ms. Keefer provided a presentation on the Cape Station power purchase agreement (PPA), an energy contract from CPA's 2021 MTR Request for Offers

(RFO). Ms. Keefer explained that this project is being procured to meet MTR compliance, which requires CPA to procure a total of 678 megawatts (MW) of new reliable capacity between 2023-2026. Ms. Keefer provided an overview of the 2021 RFO valuation; identified various factors impacting the availability of incremental baseload renewables. Ms. Keefer provided an overview of the Cape Station project, noting that the project was the best-priced geothermal offer submitted into the solicitation. Ms. Keefer discussed the project rationale and evaluation summary, adding that CPA maintains a termination right if the CPUC does not grant a compliance extension, minimizing compliance risk. The project will allow CPA to make progress towards meeting its 59 MW baseload renewable procurement requirement and staff is seeking Board approval for the 33 megawatts Cape Station long-term renewable energy contract.

Director Mahmud inquired whether the fourth quartile ranking reflects the fact that the project is baseload and has 24/7 operating capabilities. Ms. Keefer confirmed it does, adding that staff evaluates a project according to the value of the energy; this project will provide high-value energy at a cost similar to other geothermal resources. In response to Director Mahmud's additional questions, Ms. Keefer clarified that the area surrounding Cape Station is a known geothermal area with existing operating geothermal plants. Ms. Keefer noted that this project will be interconnecting to the Milford wind line which connects to the Intermountain Switcher. Director Parkhurst expressed strong support for this contract, adding that the project will be critically important to meet compliance requirements, as baseload renewables are scarce. Responding to Director Zuckerman's question, Ms. Keefer clarified that a bilateral offer is one that comes to CPA outside of the RFO process and that Cape Station did not come through a bilateral offer. Mr. Bardacke added that CPA usually only considers resource-specific bilateral offers. Director Perello inquired whether the changing nature or federal land designation in Utah will affect this project and staff indicated that the Cape Station project will be on Bureau of Land Management land that is not in the area where there have been shifting boundaries.

**Motion:** Director Mahmud, South Pasadena  
**Second:** Director Hicks, Carson  
**Vote:** Item 9 was approved by a roll call vote.

## **MANAGEMENT REPORT**

Mr. Bardacke enumerated significant impacts of the Federal Climate Bill and Inflation Reduction Act on CPA, including the addition and extension of the Renewable Energy Investment Tax Credits and Production Tax Credits for standalone storage. CPA may now work with developers who can access tax credits for standalone storage which can help keep procurement costs and rates down. Staff is working with developers who have pledged to start supplying their solar and battery storage projects with domestically produced panels; bonus tax credits are available for projects including domestic content. The bill also includes provisions that allow public power agencies to consider new ownership models through direct pay that may significantly reduce the cost of new projects. Mr. Bardacke indicated that two large battery storage projects came online in the past several weeks; when the two batteries are fully discharged, they can power over 150,000 homes in Southern California for four hours. Mr. Bardacke stated that the Power Share Program, which provides 100% renewable energy and 20% discounts to low-income customers in disadvantaged communities, is nearing its enrollment cap of about

6,200 customers. Mr. Bardacke recognized the City of Carson's dedicated marketing efforts where almost 10% of eligible customers have signed up.

**COMMITTEE CHAIR UPDATES**

Director Parkhurst, Energy Committee Chair, advised the Board that the Committee is moving forward with the IRP and will continue to review shortlists that may move contracts forward to the Board.

**BOARD MEMBER COMMENTS**

None.

**REPORT FROM THE CHAIR**

Chair Gold announced that the Board of Directors retreat will be postponed until the early spring. Chair Gold opined that the later date would allow new Board members to become better acquainted with CPA discussions and Board meetings.

**ADJOURN**

Chair Gold adjourned the meeting at 3:58 p.m.