

MINUTES

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

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	Absent
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

All votes are unanimous, unless otherwise stated.

GENERAL PUBLIC COMMENT

There was no public comment.

CONSENT AGENDA

1. Approve Minutes from October 26, 2022, Energy Committee Meeting
2. Receive and File October 2022 Risk Management Team Report

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

REGULAR AGENDA

Action Items

3. a. Approve Six (6) Shortlist and Three (3) Waitlist Projects as Recommended by the Review Team for the 2022 Mid-Term Reliability (MTR) RFO as Described Herein
b. Approve Entering into Negotiations with One (1) Standalone Storage Bilateral Offer for a Power Purchase Agreement as Recommended by the Review Team, as Described Herein

John McNamara, Director, Structured Contracts, provided a presentation on the 2022 Midterm Reliability (MTR) RFO and the recommended shortlist and waitlist, including a bilateral offer.

At Chair Parkhurst's request, Mr. McNamara clarified that the overall goal of the MTR is to provide reliability and new incremental capacity to California's grid; staff is recommending this RFO solicitation to meet the compliance requirement at the best available price. Responding to Chair Parkhurst's compliance question, Mr. McNamara stated that the shortlisted project from the RFO would allow CPA to meet all procurement compliance for 2024 except for the baseload requirement. In response to Committee Member Mahmud's question, Matt Langer, Chief Operating Officer, stated that the bill authorizing the extension of Diablo Canyon specifically forbade the CPUC from including the extension as a reason to justify a decrease in capacity procurement moving forward, cementing the need to meet the CPUC compliance obligations. Committee Member Mahmud inquired about the development of new biomass conversion facilities to meet SB 1383 compliance. Natasha Keefer, Vice President, Power Supply, indicated that there are few biomass facilities that can comply with the regulations set forth in SB 1383, limiting the number of new facilities planned. Ted Bardacke, CEO, added that the new development of biodigesters has generally been for the transportation market and not for electricity generation. In response to Committee Member Mahmud's inquiry about recently granted commercial operation date (COD) extensions, Mr. McNamara specified that it was made very clear to existing counterparties during the price refresh process that the COD extension was an exceptional circumstance not to be expected in the future. Committee Member Mahmud opined that there should be continual discussion emphasizing the one-time-only extension and that any uncertainty on the part of the counterparties should be built into project schedules. Mr. McNamara verified that there is one counterparty that participated in CPA's price refresh process that is on the shortlist. Responding to Committee Member Mahmud's question concerning coordinating RFOs with other Community Choice Aggregations (CCAs), staff indicated active coordination is not allowed, and required exclusivity policies vary among CCAs; the CPUC set up compliance milestones in such a way that many CCAs are actively running RFO's simultaneously.

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

4. Ratify the Final 2022 Integrated Resource Plan filed with the California Public Utilities Commission on November 1, 2022

Natasha Keefer, Vice President, Power Supply, shared that a final quality control review of the 2022 Integrated Resource Plan (IRP) identified several items that needed correction, and those corrections were made to the final IRP submitted on November 1. Chair Parkhurst and Committee Member Mahmud thanked staff for their thoroughness and forthrightness in finding and outlining errors and providing helpful comments to the Committee.

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

Information Item

5. Receive Power Purchase Agreements (PPAs) Update

Mr. McNamara provided a presentation update on five long-term Renewable PPAs and one amendment that will be presented to the Board in December. Mr. McNamara reviewed details of the five PPAs, including Arlington, Incremental Geysers, Existing Geysers, the San Gabriel project, and the Beverly project. Staff will also be seeking the Board's approval of an amendment to an existing Disadvantaged Communities Green Tariff (DAC-GT) contract, Radiant. Mr. Bardacke added that this is a no-risk cost amendment for CPA because if the CPUC approves the amendment, the CPUC will reimburse the full above-market procurement cost of the amended Radiant PPA; this was not included in the price refresh process as it was unknown at the time whether the CPUC would reimburse the additional cost.

Committee Member Mahmud asked if the Arlington PPA would have been placed in the first quartile if it had included a Right of First Offer (ROFO); Mr. Bardacke responded that the Arlington PPA was considered within the context of the price refresh and compared to those prices, and it ranked high at the time of the price refresh. Committee Member Mahmud asked how that compares to prices of PPAs that staff recommended be shortlisted, and Mr. Bardacke indicated that prices were higher with the most recent MTR RFO than they were in the price refresh process. Responding to Committee Member Kulcsar's question regarding the Radiant project, staff indicated that even if the PPA amendment is approved by the Board, the price adjustment is still contingent upon CPUC approval. Chair Parkhurst inquired whether Southern California Edison has been able to enroll customers in the Power Share program, and Mr. Bardacke indicated they have not. Responding to Chair Parkhurst's question concerning allocation, Mr. Langer indicated that CPA has taken on additional allocation in the Community Solar portion.

COMMITTEE MEMBER COMMENTS

Committee Member Mahmud complimented staff for their clear presentation of the MTR RFO and expressed appreciation for Ms. Keefer's diligent work on behalf of CPA. Committee Member Mallory thanked Ms. Keefer for her easily digestible presentations of complicated topics. Chair Parkhurst echoed those sentiments, thanking the Committee for their diligent work over the past year.

ADJOURN

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