MEETING MINUTES
BOARD OF DIRECTORS REGULAR MEETING
THURSDAY, MAY 7, 2020
8:45 A.M.

***GOVERNOR’S EXECUTIVE ORDER N-25-20****
***GOVERNOR’S EXECUTIVE ORDER N-29-20****
**RE CORONAVIRUS COVID-19**


I. CALL TO ORDER

Chair Slayter called the meeting to order at 8:45 a.m.

Board members present: Chair Slayter, Vice Chair Bagby, and Directors Belforte, Gjerde, Harrington, Hopkins, King, Okprekie, Tibbetts, and Torrez

Staff members present: Geof Syphers, Chief Executive Officer; Michael Koszalka, Chief Operating Officer; Stephanie Reynolds, Director of Internal Operations; and Harriet Steiner, Special Counsel

II. BOARD OF DIRECTORS CONSENT CALENDAR

1. Approve April 2, 2020 SCPA Board of Directors Draft Meeting Minutes

2. Delegate Authority to the CEO to Negotiate and Execute an Agreement, and Subsequent Amendments, with Cadmus Group, LLC to Conduct an All-Electric, Zero-Emission School Bus Planning and Engineering Study Subject to the Conditions Set forth in the Staff Report

3. Delegate Authority to the CEO to Negotiate and Execute an Amendment to the Professional Services Agreement with TRC Engineers, Inc. for Continuation
of the Advanced Energy Rebuild Program and Delegation of Authority for the CEO to Further Amend the Professional Services Agreement as Needed Subject to the Conditions Set Forth in the Staff Report

4. Approve Additional Budget Request in the amount of $750,000 for Self-Generation Incentive Program (SGIP) Assistance Program

5. Ratify Continued Use of New Residential Time-of-Use Rate E-TOU-D (Residential Time-of-Use Peak Pricing 5 - 8 p.m. Non-Holiday Weekdays) Effective May 1, 2020

Public comment: None

Motion to adopt the May 7, 2020 Sonoma Clean Power Authority Board of Directors Consent Calendar by Vice Chair Bagby

Second: Director Belforte

Motion passed: 10-0-0

III. BOARD OF DIRECTORS REGULAR CALENDAR


Chief Operating Officer Michael Koszalka introduced the item with a short video detailing the Town of Windsor’s installation of a large-scale floating solar array at their wastewater treatment pond; Director Okrepkie noted that this project is the second largest floating solar array in North America. COO Koszalka highlighted that the California Energy Commission, after deliberation with SCP staff, will allocate funding for electric vehicle charging infrastructure in unincorporated areas within SCP’s service territory through the CALeVIP program. He stated that the funding was previously assigned on a first-come-first-served basis, and this dedicated funding will allow SCP to promote charging infrastructure in low income and/or rural areas.

Director Landman joined the teleconference meeting at approximately 8:56 a.m.

Public comment: None

7. Receive Legislative and Regulatory Update and Provide Direction as Appropriate

Director of Regulatory Affairs Neal Reardon provided an update on a proposed plan by PG&E where they would collect any underpaid or partially
paid bills for their charges prior to distributing any remaining funds to CCAs; he stated that SCP & CalCCA advocacy efforts led to a May 1st filing by PG&E where any partial payments will be allocated on a pro rata & equitable basis to CCAs. He then advised the Board that the CPUC put a hold on a central buyer proposal for Resource Adequacy products. CEO Syphers gave an update on the CPUC’s Proposed Decision for PG&E’s restructuring plan, which was made available for public comment on April 20th prior to the item being placed on the May 21st CPUC calendar. He noted that PG&E is on track for the Governor’s June 30th deadline for emerging from bankruptcy. CEO Syphers advised the Board that although the Legislature is returning, due to COVID-19 it is not likely that many of the bills that SCP is currently monitoring will move forward this year.

Public comment: None

8. Receive update on Impacts of COVID-19 to SCP

COO Koszalka updated the Board on SCP staff successfully adapting to remote work, the launch of the new Self Generation Incentive Program, design work at the Advanced Energy Center, and other initiatives to ensure business continuity with a physical office closure. He noted that SCP has engaged with two noted local economists-- Dr. Robert Eyler from Sonoma State University and Dr. Jon Haveman from Marin Economic Consulting-- to evaluate the potential economic impacts to SCP due to COVID-19. Energy Analyst Ryan Tracey updated the Board on load impacts due to COVID-19, which, to-date, are down by 17% across commercial classes and up 3% in residential usage. He noted that financial impacts for March are relatively negligible, whereas the month of April may reflect up to a 5% decrease from previous forecasts.

Public comment: None


COO Koszalka recapped the Board’s previous approval of a Customer Stabilization Fund to maintain competitive rates due to the significant increase in the Power Charge Indifference Adjustment (“PCIA”) fee, and the need to establish an Operating Account Fund as an accounting mechanism to use any funding approved by the Board for stabilizing customer bills through the fund. Director Okrepkie noted his support for staff’s requested action, especially considering any potential financial impacts from COVID-19.

Public comment: None
Motion to Approve Resolution 2020.02 Establishing an Operating Account Fund under Government Accounting Standard Board (GASB) Standard 62 for the Purpose of Stabilizing Customer Bills by Director Harrington

Second: Director Landman

Motion passed: 11-0-0

10. Approve Allocation of PG&E’s Legacy Carbon-Free Resources

CEO Syphers introduced by describing advocacy efforts by SCP and CalCCA which led to a change in the PCIA methodology employed by the CPUC; due to the changes, CCAs now have the option to take allocations of resources such as Resource Adequacy, renewable energy, and GHG-free energy from the IOU portfolio that CCA customers are already paying for through the PCIA fee. He stated that PG&E is offering the GHG-free energy attributes, which would allow CCAs utilize the energy they have already purchased and report the GHG-free energy attributes on their Power Content Label.

CEO Syphers then described the following requested Board actions: 1) Should SCP accept its fair share of hydropower resources?; and 2) Should SCP accept its fair share of PG&E’s legacy nuclear resources? He noted that staff’s recommendation is to accept the hydropower resource as this has been employed in SCP’s power portfolio in the past, but he would defer to the Board regarding the legacy nuclear option. He noted that rejecting the nuclear allocation would preserve the status-quo wherein SCP customers would pay for the power but not use any of it, whereas accepting the allocation would require using the power, reporting it on the Power Content Label and reducing customer rates by approximately $3.1 million per year.

Director King asked if accepting the hydropower allocation would provide customer savings; CEO Syphers confirmed that it would, although savings for that resource are harder to quantify due to the variability of hydropower production because of wide variation in rainfall from year to year, and that the credit occurs after the fact.

Director Landman asked what would happen to PG&E’s Power Content Label should SCP not accept the allocation; CEO Syphers initially stated that their Label would not change regardless of SCP’s decision to accept or reject, but corrected that later in the meeting. CEO Syphers stated that for this first year of allocations PG&E’s Power Content Label would show the nuclear energy rejected by SCP, but that in later years that energy would be allocated to other CCAs which have agreed to accept nuclear allocations.

Directors Tibbetts and Belforte noted the reputational risks of accepting the nuclear allocation regardless of the cost-savings.
Chair Slayter called a recess at 10:03 a.m. and the Board reconvened at 10:14 a.m.

Public comment:

The Clerk of the Board first read comments from members of SCP’s Community Advisory Committee ("CAC") followed by public comment in the chronological order they were received; below is a list of speakers and a brief general summary of their comments. Public comments for this item can be accessed in their entirety through this link or by request from the Clerk of the Board.

Dick Dowd, CAC Chair; support for hydro and reject the nuclear allocation
Karen Baldwin, CAC Vice Chair; support the nuclear allocation
Bill Mattinson, CAC member; opposed the nuclear allocation
Michael Nicholls, CAC member; support hydro and opposed nuclear
Helen Sizemore, CAC member; suggested community education on this topic
Joel Chaban, CAC member; opposed the nuclear allocation
Terri Moon; opposed the nuclear allocation
Gary Pace; opposed the nuclear allocation
Ken Norton; opposed the nuclear allocation
Christina Meyer; opposed the nuclear allocation
James Freed; opposed the nuclear allocation
Ernie Carpenter; opposed the nuclear allocation
Gary Abreim; opposed the nuclear allocation
Cassandra Lista; opposed the nuclear allocation
Jeff Rooney; opposed the nuclear allocation
Willard MacDonald; opposed the nuclear allocation
Sunny Galbraith; opposed the nuclear allocation
Joan Birch; opposed the nuclear allocation
Judith Collins; opposed the nuclear allocation
Tracy Otsen; opposed the nuclear allocation
JoEllen DeNicola; opposed the nuclear allocation
Jan Weiner; opposed the nuclear allocation
Dianne Monroe; opposed the nuclear allocation
Caitlin Cornwall; opposed the nuclear allocation
Bo Svensson; opposed the nuclear allocation
Rachel Kaplan; opposed the nuclear allocation
Donna Warshaw; opposed the nuclear allocation
Carla Grady; opposed the nuclear allocation
Jennifer Palladini; opposed the nuclear allocation
Fred Allebach; opposed the nuclear allocation
Ray Willett; opposed the nuclear allocation
Anne Cummings Jacopetti; opposed the nuclear allocation
Kelsey Cummings; opposed the nuclear allocation
Emily Stock; opposed the nuclear allocation
Linda Sartor; opposed the nuclear allocation
Victoria Johnston; opposed the nuclear allocation
David Hoffman; opposed the nuclear allocation
Geoffrey Smith; opposed the nuclear allocation
Dana Davis; opposed the nuclear allocation
Jane Allan; opposed the nuclear allocation
Ellen Bicheler; opposed the nuclear allocation
Megan Coffey; opposed the nuclear allocation
Amy Atchley; opposed the nuclear allocation
Julia Hawkins; opposed the nuclear allocation
Greg Mitchell; opposed the nuclear allocation
Julie Jehly; opposed the nuclear allocation
Gabriel Graubner; opposed the nuclear allocation
Ixchel Tiffany Renee; opposed the nuclear allocation
Barbar Stebbins; opposed the nuclear allocation
Karen Nyhus; opposed the nuclear allocation

Following Board direction, and in concurrence with Special Counsel Harriet Steiner, the Clerk of the Board read comments in support of the nuclear allocation in non-chronological order to inform their decision on this matter.

Barbara Moulton; supported the nuclear allocation
Eric Meyer; supported the nuclear allocation
Richard Steeves; supported the nuclear allocation

Director Harrington noted the amount of public comment against accepting the nuclear allocation, and based on this, the Board should reject the nuclear allocation and accept the hydropower allocation. Director Okrepkie noted SCP’s strong financial position & the outpouring of public comment against the nuclear allocation, and based on these factors, he would not support the nuclear allocation. Director Landman expressed similar comments. Director King noted his concern about the reputational risk to SCP should the Board accept the nuclear allocation and that he would not support a vote in favor of
doing so. Chair Slayter noted the amount of comments against supporting nuclear that he received, and on behalf of his constituents in Sebastopol, he would not vote in favor of any nuclear allocation.

Motion to Direct Staff to Accept PG&E’s Hydropower Allocation into the Power Mix Portfolio and Reject the Nuclear Allocation into the Power Mix Portfolio for the Environmental and Economic Reasons Stated by the Board and Members of the Public by Director King

Second: Director Landman

Motion passed: 11-0-0

A complete copy of all public comments for this item can be found through this link or by request from the Clerk of the Board.

IV. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

None

V. BOARD MEMBER ANNOUNCEMENTS

None

VI. ADJOURN

Chair Slayter adjourned the meeting at 11:12 a.m.

Respectfully submitted,

Beau Anderson
Clerk of the Board