



**MEETING MINUTES  
BOARD OF DIRECTORS REGULAR MEETING  
THURSDAY, JUNE 4, 2020  
8:45 A.M.**

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**\*\*\*\*GOVERNOR'S EXECUTIVE ORDER N-25-20\*\*\*\***

**\*\*\*\*GOVERNOR'S EXECUTIVE ORDER N-29-20\*\*\*\***

\*\*RE CORONAVIRUS COVID-19\*\*

DUE TO THE PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDERS N-25-20 AND N-29-20 WHICH SUSPEND CERTAIN REQUIREMENTS OF THE BROWN ACT, AND THE ORDER OF THE HEALTH OFFICER OF THE COUNTY OF SONOMA TO SHELTER IN PLACE TO MINIMIZE THE SPREAD OF COVID-19, MEMBERS OF THE BOARD OF DIRECTORS PARTICIPATED BY TELECONFERENCE INTO THE BOARD OF DIRECTORS REGULAR MEETING FOR JUNE 4, 2020.

**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, King, Landman, Okrepkie, Tibbetts, and Torrez

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

Chair Slayter read a brief prepared statement on equality and social justice.

**II. BOARD OF DIRECTORS CONSENT CALENDAR**

1. Approve May 7, 2020 SCPA Board of Directors Draft Meeting Minutes
2. Authorization and Delegation for the CEO to Negotiate and Execute an Agreement, and Subsequent Amendments, with Enel X North America, Inc to Continue Providing SCP Customers with Smart Residential EV Charging Equipment Through the GridSavvy Community with a Total Not-to Exceed Amount of \$314,000 through June 30, 2021
3. Approve and Authorize the CEO or His Designee to Execute a Second Amendment with the County of Sonoma for Energy Audit Services for Commercial Customers for an Amount Not-to-Exceed \$60,000 through June 30, 2021

4. Approve and Delegate Authority to the CEO to Execute Second Amendment to Contract with Sixth Dimension LLC for an Amount Not-to-Exceed \$360,893 through December 31, 2020
5. Approval of a Professional Services Agreement with S2 Advertising for Comprehensive Media Consulting Services for an Amount Not-to-Exceed \$1,217,400 through June 30, 2022

Public comment: None

Motion to approve the June 4, 2020 Consent Calendar by Director Belforte

Second: Director King

Motion passed 9-0-0

### **III. BOARD OF DIRECTORS REGULAR CALENDAR**

6. Receive Internal Operations and Monthly Financial Report and Provide Direction as Appropriate

Chair Slayter and Vice Chair Bagby acknowledged the efforts of staff to ensure continuity of business operations during the Shelter in Place Order, and thanked staff for remaining productive under challenging circumstances. Chair Slayter then asked Board Members and staff for their assistance in drafting a statement on social equity for consideration by the Board at their next meeting.

Chief Executive Officer Geof Syphers introduced the Operations Report by noting that construction is now underway at the SCP Headquarters. He then described a recent GridSavvy event where smart EV chargers were dispatched to shave peak load usage to test their effectiveness in lowering SCP's required Resource Adequacy costs. CEO Syphers highlighted SCP's CALeVIP program which is targeting roughly doubling the number of public EV chargers throughout SCP's service territory over the next three years, along with specific outreach to target low-income, rural, disadvantaged, and coastal areas. He then thanked the Board for their unanimous rejection of PG&E's allocation of nuclear resources, as that action provided clear direction to staff; following this, he detailed upcoming regulatory changes affecting system power (power used by the balancing authority to regulate the grid) and changes to some imported energy (e.g., Asset Conforming Supply or "ACS"), and how future changes to reporting requirements may dictate that nominal amounts of nuclear energy begin to be shown on most electric supplier's Power Content Label, including SCP's label.

*Director Harrington joined the meeting at approximately 8:55 a.m.*

Public comment: None

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

Director of Regulatory Affairs Neal Reardon gave an update on the following regulatory items: CPUC approval of PG&E's restructuring plan to emerge from bankruptcy; a CPUC Resource Adequacy proposal that would allow PG&E to purchase this product on behalf of CCA's within their service territory; and a CPUC proposal which would require Investor Owned Utilities ("IOUs") such as PG&E to work with CCAs, local government agencies, and public safety partners when they develop and communicate plans for Public Safety Power Shutoff protocols.

CEO Syphers then updated the Board on a deal in the Legislature that would largely stave off the most catastrophic budgetary cuts. He noted that CPUC President Marybel Batjer was confirmed by the State Senate by a unanimous vote on May 27<sup>th</sup>, and subsequently voted on May 28<sup>th</sup> to approve the PG&E bankruptcy proceeding. CEO Syphers described a new bill, SB 350 by Hill and McGuire (not to be confused with the previous SB 350 around long-term procurement), which would stipulate a future process if PG&E's emergence from bankruptcy cannot be completed this year or if PG&E does not comply with certain safety requirements.

Public comment: Woody Hastings asked if the IOUs workshops referenced by Director Reardon in his Regulatory Report have been scheduled.

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

Chief Operating Officer Michael Koszalka introduced the item by highlighting SCP's Energy Resilience Audit Program and staff's efforts to engage with critical infrastructure businesses such as grocery stores in response to COVID-19; the upcoming launch of the Advanced Energy Build program which will incentivize all-electric home construction; the CALeVIP program; and the upcoming opening of the Advanced Energy Center.

COO Koszalka noted that SCP engaged with local economists to conduct a forecasting study and introduced Dr. Jon Haveman, Executive Director of the National Economic Education Delegation, who gave a presentation on the results of the study. The PowerPoint presentation for this item can be accessed [through this link](#).

Energy Analyst Ryan Tracey gave an update on energy usage, which has declined by approximately 5% when compared to pre-COVID levels based on most current usage data.

Public comment: None

9. Approve Budget for an On-bill Finance Assistance Pilot Program and Delegate Authority to the CEO to Negotiate, Execute, and Amend a Professional Services Agreement for an On-bill Finance Administrator for a Not-to-Exceed Amount of \$157,920 through June 30, 2021

Programs Manager Chad Asay introduced this item by providing background on the California Energy Commission EPIC that was awarded to SCP to speed the deployment of market-ready energy saving technologies, establish the Advanced Energy Center, and examine ways to reduce financial barriers to customers to aid in the adoption of energy saving technologies. He described how the proposed On-Bill Financing Pilot Program addresses those goals, especially reducing financial barriers, by providing zero percent interest, no-fee loans for up to \$10k with a maximum term of 10 years to eligible SCP customers. Programs Manager Asay then detailed staff's requested actions, including approving \$1 million in funding for the loans and approving a Professional Services Agreement with Frontier Energy for administration of the program.

Director King offered his support for the program, but expressed reservations about the requirement that customers be in good-standing (defined as having paid their bill on time for the previous three months) given the general economic climate due to COVID-19. CEO Syphers stated that he would take Director King's comments as direction to staff to evaluate the program parameter.

Public comment: Ben Peters provided the following written public comment:

*1. Please discuss the distinction between "on bill finance" and "on bill repayment", where multiple lenders can provide diverse finance options paid on the bill.*

*2. PG&E already has a 0% on bill finance for up to \$1m per project! Explain how SCP having it's own program can benefit the organization and customers, for example to diversify SCP revenues beyond electric sales.*

*For example- the Seattle City Light "MEETS" Program, with efficiency projects paid back to the utility on bill, maintaining revenues vs. Traditional revenue losses from ee measures.*

Motion to Approve Budget for an On-bill Finance Assistance Pilot Program and Delegate Authority to the CEO to Negotiate, Execute, and Amend a Professional Services Agreement for an On-bill Finance Administrator for a Not-to-Exceed Amount of \$157,920 through June 30, 2021 by Director King

Second: Director Okrepkie

Motion passed: 10-0-0

10. Approve the Proposed Fiscal Year 2020-2021 Annual Budget and Proposed Customer Rates Effective July 1, 2020

COO Koszalka introduced this item by noting changes in the Proposed Budget from the iteration that was previously brought to the Board, with the most substantive changes including: SCP deferring revenue into an Operating

Account Fund approved by the Board, and refined budgetary estimates due to impacts from COVID-19. He then noted that the Proposed Customer Rates are significantly lower than PG&E's bundled rates, but due to the PCIA fee, SCP customers pay a slightly higher total bill, hence the establishment of the Operating Account Fund to ensure that rates stay within 5% of PG&E's.

Public comment: Ben Peters provided the following written public comment: *Page 87. Municipal storage assistance needs to be expanded to ALL municipalities, not just those that have already gone solar." Assistance to commercial customers " should be expanded significantly. Energy audit services should be provided to all municipalities in SCP. This will help ensure public safety in HVAC systems for air Quality, as well as cost savings*

Director Belforte noted that the 5-year budget forecast provided by COO Koszalka notes no increase in reserves and asked whether reserves were in an interest-bearing account; COO Koszalka confirmed that reserves are in interest-bearing accounts and any earned interest is reflected as income (as opposed to increasing the amount of reserves).

Motion to Approve the Proposed Fiscal Year 2020-2021 Annual Budget by Director Landman.

Second: Director Tibbetts

Motion passed: 10-0-0

Motion to Adopt the Proposed Customer Rates Effective July 1, 2020 by Director Landman

Second: Director Belforte

Motion passed: 10-0-0

#### **IV. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA**

Ben Peters provided the following written public comment: *Please allow live public comments, sending written comments is not a best practice in public meetings.*

#### **V. BOARD MEMBER ANNOUNCEMENTS**

None

## VI. ADJOURN

Chair Slayter adjourned the meeting at approximately 10:47 a.m.

Respectfully submitted,

A handwritten signature in blue ink that reads "Beau Anderson". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Beau Anderson  
Clerk of the Board