



**MINUTES
COMMUNITY ADVISORY COMMITTEE MEETING
THURSDAY, SEPTEMBER 27, 2018**

50 Santa Rosa Avenue, Fifth Floor, Santa Rosa, California

I. CALL TO ORDER

Chair Dowd called the meeting to order at 1:03 P.M.

Committee Members Present: Chair Dowd, CM Chaban, CM Como, CM Fenichel, CM Nicholls, CM Quinlan, and CM Wells

Staff Present: Geof Syphers, Chief Executive Officer; Stephanie Reynolds, Director of Internal Operations; and Jessica Mullan, General Counsel

II. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

Public Comment: None

III. COMMUNITY ADVISORY COMMITTEE CONSENT CALENDAR

1. Approve minutes from the July 24, 2018 meeting

Public Comment: None

Motion to approve the July 24, 2018 meeting minutes of the Community Advisory Committee as presented by CM Nicholls

Second: CM Fenichel

Motion Approved: 4-0-2 (with Chair Dowd and CM Quinlan abstaining)
CM Como arrived at 1:09 P.M.

IV. COMMUNITY ADVISORY COMMITTEE REGULAR CALENDAR

2. Receive operations report and provide input as appropriate

CEO Syphers introduced SCP's new General Counsel, Jessica Mullan, and SCP's new Administrative Services Officer, Beau Anderson.

Stephanie Reynolds, Director of Internal Operations, provided an update on current SCP enrollment rates in Sonoma & Mendocino counties, which

currently total approximately 87% of customers in those service areas. The 2017 Annual Power Content label mass mailer was recently sent out to all

current SCP customers as well as anyone that received service from SCP in 2017. In addition to describing SCP's power content portfolio, the mailer highlights some of SCP's achievements over the last year and the current DriveEV program.

CEO Syphers gave additional context on the 2017 mailer. He stated that in 2017 SCP provided 45% eligible renewable resources and that 87% of power provided was carbon free. SCP is well on track to reach goal of 50% qualifying renewables by 2020. CEO Syphers stated that these numbers are validated by the California Energy Commission (CEC) and reported to both the CEC and the California Public Utilities Commission (CPUC). In addition, SCP hires an independent auditor to verify the agency's numbers.

CM Quinlan asked why is it that large hydro is not considered a renewable resource. CEO Syphers detailed that when the renewable portfolio standard was enacted, there were concerns over including large hydro as "renewable" since it could be interpreted to encourage development of new large-scale hydro projects, which could have adverse environmental impacts through construction of dams.

CM Fenichel asked who the 3rd party verifier is for the power company. CEO Syphers responded that Pisenti & Brinker, a local accounting firm, is the 3rd party verifier.

Director Reynolds detailed the Annual CalCCA meeting in Monterey which featured SCP staff on several panels and provided valuable networking opportunities.

SCP Director of Public Affairs, Kate Kelly, provided an update on outreach initiatives to the Spanish-speaking and Hispanic communities of Sonoma & Mendocino Counties. SCP is working with a local Hispanic marketing company, Nexo Advertising, for translation services, events that SCP should be aware of, etc. Director Kelly thanked CM Nicholls for being at the Los Cien State of the Latino Union event with SCP staff. SCP has started social media outreach and Director Kelly described growth in use of SCP's new Spanish webpage, and that community outreach, programs, and billing are the most visited pages. Director Kelly detailed SCP's attendance events like the recent Fiesta de Independencia. Although additional outreach efforts are underway, SCP will continue to try and make strides in this area.

Director Kelly detailed how call local center staff are Spanish speaking as well as SCP's primary call taker. CM Fenichel asked what percentage of the customer base primarily speaks Spanish. CEO Syphers stated that Director of Customer Service would know that number and she is currently out of the

office on vacation. CM Nicholls asked whether DriveEV participants can be tracked by primary language spoken. Programs Manager Nelson Lomeli stated that this is not asked on the DriveEV application form, although it is an optional question on the application questionnaire and not every applicant answers. CM Chaban asked about providing the Annual Power Content Mailer in Spanish. CEO Syphers stated that State of California will not allow deviation from the provided template, and as a result, the Mailer cannot be provided in Spanish. Director Kelly detailed how the SCP website is likely the most common way that Spanish speakers access SCP's programs. In addition, Director Kelly described how many of SCP's promotional materials are available in both Spanish and English.

SCP Administrative Assistant Dora Barrera detailed a recent visit by Spanish speaking customers who wanted to check out an induction cooktop, and they shared how happy they were that the SCP website is available in Spanish, that SCP has bilingual staff, and SCP's overall efforts to provide services in Spanish.

Director Reynolds then gave a DriveEV program update. 340 applications are being processed as of this week. Staff continues to attend events and promote the program. She then provided an Energy Education Program update. The school year has started and the partnership continues with Sonoma Water.

The Advanced Energy Program (AER) is up to 120 applicants, with lots of walk-ins to the SCP office, and it is anticipated that these numbers will continue to increase. Program Manager Rachel Kuykendall detailed that over 20 AER trainings have taken place and roughly 1,000 people have been through the trainings.

The storefront lease still for the Lead Locally grant is under negotiation. The RFQ for design services went out and responses are currently under review.

CEO Syphers then provided an update on preliminary Year-End Financial Statements. SCP continues to build reserves, with approximately \$13 million in net income for the prior fiscal year, with about \$10 million available in cash that will go to reserves. Current projections are that reserves will reach \$60 million at end of the fiscal year and SCP is on track for reserve goals.

CM Como asked why only half of development & programs fund has been spent. CEO Syphers stated that budget was intentionally set high for DriveEV, with the knowledge that any excess from programs will flow to reserves.

Chair Dowd asked for how many accounts in Sonoma & Mendocino Counties were lost due to fires. CEO Syphers replied that approximately 5,800 accounts were lost, with a majority of those being residential customers.

CEO Syphers stated that SCP's service territory suffered both the costliest fire in CA history as well as the largest fire in CA history. He then highlighted that SCP was able to disburse \$1 million in funds to over 20 organizations for fire recovery.

Director of Power Services, Deb Emerson, detailed a new power contract with Proxima Solar in Stanislaus County for 50MW with 5MW of onsite battery storage. The project is scheduled to come online in 2023. CM Wells asked what type of storage and Director Emerson stated lithium ion.

Public Comment: None

3. Receive legislative and regulatory updates and provide input as appropriate.

CEO Syphers summarized the busy legislative season. He highlighted the success of SB 100 which was signed by the Governor. The bill calls for 100% renewable and carbon-free (e.g., hydropower) electricity by 2045, with a required date of 2026 for 50% renewable. The Governor also signed an Executive Order stating that by 2046 we need to remove more carbon than is placed into atmosphere.

He then detailed SB 1088 (Dodd). When the bill initially came out it contained language stating that only electric distribution utilities have the right to administer demand response programs if they provide a service to the distribution grid that's related to reliability. SCP asked to remove this language because it would have prevented both customers and CCAs from using smart-grid technologies and blocked the GridSavvy program. SCP later learned that the sponsor of the language was San Francisco's Local 1245 Electrical Union. The language wasn't removed but that version of bill was frozen and a new version (SB 901) was introduced without the harmful language. SB 901 passed and the Governor signed the bill.

SB 237 (Hertzberg) initially proposed an unlimited expansion of California's direct access program, to allow all large commercial and industrial customers to exit from both utilities like PG&E and CCAs like SCP. Those customers would have been allowed to buy power directly from private energy companies and exit from contributing to the state's climate goals or supporting local CCA programs. In addition to the serious environmental consequences of backsliding on the state's climate goals, the bill would have caused a major increase in rates for all the remaining residential and small business customers.

CEO Syphers then described the coalition-building effort to oppose SB 237. In the end the bill passed; but not before it was scaled back to a 20% increase in the current state program.

Director of Regulatory Affairs Neal Reardon provided an update on the PCIA exit fee and the two proposals currently under consideration by the CPUC. One proposal is from the presiding judge and the alternate proposed decision was issued from one of the Commissioner's offices. The meeting to vote on this was delayed and the Commissioners held a private rate-setting deliberative meeting. Following the Commissioner's meeting there was an announcement that they would not be voting on the PCIA. Director Reardon suggested that the Commissioners are most likely looking at the first proposed decision and the 2nd proposal as bookends, and evaluating the differences between them on where they want to land. As its scheduled now the deciding vote will be October 11th.

CEO Syphers summarized the process as follows: how costs get allocated will be determined on the 11th then how the utilities will be required to minimize costs as the 2nd phase. This will provide greater clarity on costs for forecasting financials, mitigating risks, and more.

Chair Dowd stated that in the committee report that other CCAs opposed, but there was no mention of CalCCA, and he requested to know their role in the process. Director Reardon detailed how CalCCA was opposed to the alternate proposed decision and led advocacy efforts.

Public Comment: None

4. Receive update on renovation project at 431 E Street

Director of Programs, Cordel Stillman stated EHDD was hired to perform full architectural services, as described in the RFQ. SCP ended up with a shorter-term contract to do schematic design at SCP's request, so SCP could develop a detailed cost estimate for the project before releasing a full-scope contract. However, staff have learned that it is now considered best practice to sign a full scope contract and negotiate budget adjustments to account for changes in scope rather than wait for a full cost estimate. As a result, an amended and restated agreement will come back to CAC at later meeting.

Chair Dowd stated his support for the process, and that its better to end up with the right facility as opposed to cheapest design.

Director of Programs Stillman detailed how EHDD looked at existing space, SCP's plans to grow, and applied that to the new building. This includes the number of offices, size of boardroom, etc. The schematic design will be completed shortly and presented at the next meeting of the CAC. Staff is in the process of developing construction budgets and will issue an RFQ for construction management. Director of Operations Stephanie Reynolds stated that the new building is almost double the size of SCP's existing office suite.

Public Comment: None

5. Receive report on potential EV Charging Infrastructure program and provide input as appropriate

Director of Programs, Cordel Stillman, provided an update on the program. He stated that the DriveEV program is ahead of last year's numbers and staff are trying to push this program harder. Next year, the focus will be on developing electric vehicle charging infrastructure now that vehicles are on the road. The residential EV charging station program has shipped over 2,100 level 2 chargers to customers in SCP's territory. The Workplace Charging program is ongoing, although it has proved tough to get commitments from large employers.

He then detailed some ideas to promote charging stations such as:

- Level 3 chargers: Given that there are not a lot of level 3 charging in SCP territory, go to each member jurisdictions and find sites that they own to facilitate installations.

- Streetlights: LED street lights create capacity opportunities to use light standards and existing power source to create on street charging. The City of Lancaster has a pilot program, and this could help with ADA requirements.

- Additional funding sources: Bay Area Air Quality Management, Mendocino Air Pollution District, etc. for funding opportunities

Public Comment:

Chris Meyer, asked if there were meeting materials for this agenda item, as she was having a hard time hearing everyone.

Jerry Glaser, Sebastopol Planning Commission Alternate Member, expressed support for the expanded charging program.

6. Review and make recommendation on the final 2018 SCP Integrated Resource Plan (IRP).

CEO Syphers introduced the item and gave background on IRP process. Power Services Manager Rebecca Simonson stated that the draft IRP was presented at the July CAC meeting for review and comment. Based on CAC comments and review, staff revised some items then presented to the Board of Directors for review. She stated that there was content added that detailed progress on GHG reductions, but overall, this version is very similar to the draft that was previously presented to the CAC. She then described how the IRP is an internal planning document on how SCP intends to reach its goals and serve customer's energy needs through 2030. Manager Simonson then

described how this is a concurrent filing to the compliance IRP that was recently filed with the CPUC.

CEO Syphers stated that this IRP is a complete document with SCP's best available data, as opposed to the CPUC filing which limits data because of required formulas and datasets.

CEO Syphers read comments from CM Brophy, which included a desire to see figure numbers on tables and the need to spell out acronyms.

Director of Regulatory Affairs, Neal Reardon, highlighted the work of Compliance Analyst CB Hall in completing the IRP, as other CCAs have hired outside consultants to complete.

CM Quinlan asked about page 68 of the document and the figure which shows GHG emissions and why is there an uptick of GHG. CEO stated the wet winter allowed greater use of hydro in that year.

CM Fenichel acknowledged staff's efforts on the IRP, as in her experience working at the CPUC, other IRPs were inferior by comparison. Chair Dowd echoed CM Fenichel's statements.

Motion to recommend approval of the final 2018 SCP Integrated Resource Plan with corrections by CM Nichols.

Second: CM Wells

Motion Passed: (6-0-0)

Public Comment: None

V. COMMITTEE MEMBER ANNOUNCEMENTS

None

VI. ADJOURN

Chair Dowd adjourned the meeting at 2:30 P.M.

Respectfully submitted,



Beau Anderson
Administrative Services Officer/Clerk