



**MINUTES  
SONOMA CLEAN POWER AUTHORITY  
BOARD OF DIRECTORS MEETING  
THURSDAY, MARCH 2, 2017**

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Director of Customer Service, Erica Torgerson swore in new SCPA directors Lindy Peters (Mendocino cities), Jack Tibbetts (alternate for Santa Rosa) and Amy Harrington (City of Sonoma).

**I. CALL TO ORDER**

The meeting was called to order at 8:45A.M. by Chair Okrepkie

Present: Chair Okrepkie, Vice Chair Hamburg, Directors Peters, Bagby, Tibbetts, Harrington, Gore, Schwartz, Slayter and Kearney

Staff: CEO Geof Syphers, General Counsel Steve Shupe, Internal Operations Manager Stephanie Reynolds,

**II. BOARD OF DIRECTORS CONSENT CALENDAR**

1. Approve the minutes of the February 2, 2017 meeting of the SCPA Board of Directors.

Motion to approve by Director Slayter  
Second: Chair Okrepkie  
Motion approved: 10-0-0

**III. BOARD OF DIRECTORS REGULAR CALENDAR**

2. Receive Operations Update and provide direction as appropriate.

General Counsel Steve Shupe updated the Board on Diablo Canyon news. He stated that SCP received an email from PG&E withdrawing their application to seek replacement sources of energy and the clean energy charge that customers would have to pay. He stated the proceeding is ongoing and PG&E is still requesting approval of energy efficiency to offset some of the loss of Diablo power.

Internal Operations Manager Stephanie Reynolds stated that SCP is getting into its early budgeting cycle and preparing for public meetings that are held to review the budget and rates for the next fiscal year and intend to bring a completed draft budget to the Board by May for adoption. She stated that SCP will be presenting to the CAC on March 30 and April 18 and bringing back to the Board on May 11. She

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stated that rates changed on March 1. She stated there is a lot of activity for the Mendocino County outreach and thanked staff for great work.

Director Harrington asked about delivery rates, are there interveners and how long the PCIA will be in place. Counsel Shupe stated that the PCIA is one of the biggest pieces in the bill that customers have to pay and unless changes are made, it will exist until all contracts terminate.

Director Bagby asked if PG&E power contracts will be renegotiated. CEO Syphers stated SCP currently does not take ownership of these contracts and that PG&E sells excess energy into the market day by day. He stated that this is an issue and one of our complaints because PG&E is selling power at the lowest possible value rather than a long-term contract.

Director Harrington asked if there is an action that can be taken to request an audit or demand that PG&E follow best practices. Counsel Shupe stated there is a work group assigned by the CPUC and these issues are part of the discussions. He stated that we are hopeful the CPUC will take up a rulemaking, as CCAs have been requesting for some time.

Public Comment:

Woody Hastings: asked about Diablo and if there is a formal announcement. He stated the CPUC is holding a voting meeting on April 6 and asked if efforts been made to get CCAs on the agenda.

Counsel Shupe stated that PG&E filed testimony in support of their application and the parties in opposition had filed opposition testimony. He stated the PG&E does not want to withdraw the application because they still want to get CPUC approval to retire Diablo and for energy-efficiency resources. CEO Syphers stated Regulatory Affairs Manager Neal Reardon looked into getting an item on the CPUC voting meeting agenda but the window had passed.

Director Schwartz asked for SCP's opinion on PCIA costs. CEO Syphers stated that he does not think SCP can evaluate further until there is more transparency in the process and hopes the recommendations from the CPUC meeting on April 6 will advance that further. He stated his concern about the time-of-use rates which appear to cause a shift in cost from generation to transmission and distribution. He stated that this can lead to IOUs making a profit off of things that should be in generation.

3. Receive Regulatory and State Legislative Update and provide direction as appropriate.

Katherine Brandenburg gave the Board an update on legislation. She stated that the legislature has introduced over 2,600 pieces of legislation and they have been trying to identify the bills that could affect CCAs. She spoke of two senate bills: SB 584 which will accelerate CA's RPS goal and SB 618 which could have some

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negative consequences to CCAs because it would require approval of Integrated Resource Plans by the CPUC. CEO Syphers stated that one of the important concerns about this bill is that it has the potential to reverse choices and that is the reason why community choice exists. He stated that this bill potentially proposes transferring contracting and program authority back to the CPUC.

Public Comment:

Woody Hastings: stated that AB 649 is a bill to keep an eye on.

CEO Syphers stated staff met with Assembly Member Dahle on Tuesday to discuss this bill and his interest is to have a placeholder so that there can be conversation about the cost that is being shifted between the IOUs bundled customers and CCA customers. He stated that Dahle is concerned about the cost-shifting for two reasons: one, he has a CCA that is emerging in his district of Placer and two, he wants to ensure that customers that might never have a CCA are protected.

Paul Brophy: asked if given the situation with the coal industry, what can we assume about the EPA's clean power plan. CEO Syphers stated that people are acting as if it has been suspended and possibly rejected.

On SB 584 (De Leon), CEO Syphers stated the bill is exciting and that is why SCP was formed. He stated locally our EV and charging programs are designed to work backwards from the goal of 100% renewable and that someday, in our integrated plan about supply and usage, we will need to help modulate how fast people are using electricity in a way that people will accept. He stated that we have a huge opportunity in EVs and supporting the grid.

Director Schwartz asked if there is any provision in legislative conversations about EVs paying something comparable to gas taxes. Ms. Brandenburg stated she has seen legislation and heard discussions about creating a tax for EVs.

4. Review Draft Program Evaluation Process and provide direction as appropriate.

CEO Syphers stated that this item is an early draft regarding the methodology for budgeting for customer programs. He stated the draft shows how staff are interpreting the JPA, prior direction received from the Board, and the best available knowledge we have in the industry about how to value investments and how to approach trade-offs. He explained the kinds of programs that SCP would be working on and stated staff is not asking for a vote or a decision, but asking for feedback.

Director Schwartz stated that a lot of ratepayer money is being spent that concentrates the benefits on a small number of people and it continues to bother him that purchasers of BMWs are being subsidized. He asked how much money has been put into EverGreen marketing and what has happened to the EverGreen enrollment rates.

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CEO Syphers stated the actual marketing expenditures on EverGreen are low and will increase with the Mendocino roll out. He stated the EverGreen customers are slowly increasing and the problem with the design of EverGreen is that when anyone moves, they are kicked out of the program when reassigned a new meter number and need to reapply. He stated that there are two reasons why customers might leave the program: one is their concern about the 1-year commitment and he recommends SCP doesn't have that commitment and two, price and agreeing to an extra charge. He stated that staff is working on how to improve the value of EverGreen and encouraged the Board to try EverGreen.

Director Schwartz asked about supporting the notion of the expansion of all renewable energy to all local governments and its benefits. CEO Syphers stated that research is being done around the acronym RES-BCT (Renewable Energy Self-Generation Bill Credit Transfer) which is a tariff that municipal governments use to produce solar energy or wind in one location and use it in another. He stated that currently community choice customers are not allowed to participate in this program and SCP is working hard on trying to change this as only bundled service PG&E customers can benefit from RES-BCT right now.

Public Comment:

Jay Golden asked about the ProFIT Program and if storage is a separate program that might be considered.

CEO Syphers stated that there has been a slow start-up process and no completed projects have been seen yet. He stated that a feed-in tariff model is difficult to scale, in part because it is a high price and it does not offset load. He stated that the feed-in tariff has a cap of \$600,000 per year on any above-market costs and that is how the subscription is limited. He stated that SCP has hired a grid expert and that SCP is open to storage being a program component.

Bob Williamson stated that we have defined where we are now and wants to see more emphasis on GHG reduction per dollar spent. He stated that there should be differentiation.

John Bidwell stated that he has been tracking East Bay community energy planning efforts and they are including local business development plans as part of their recruitment. He stated that a local business component might have benefit in terms of community support.

Woody Hastings stated the concept of engaging with member jurisdictions more and having a deliberate approach to member jurisdictions.

Chair Okrepkie read Vice Chair Landman's email in his absence. Vice Chair Landman expressed that he is supportive of the Draft Program Evaluation Process as outlined and his only caveat is on #3 and trying to prioritize one over the other would be divisive and remove BOD flexibility. He wrote that he prefers the Board assess opportunities as they present themselves.

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Director Gore stated aspects of land use and citizen lawsuits and he encouraged staff to utilize directors' authorities. He stated that he is hoping future projects will create local jobs.

Director Peters asked if SCP has approached transportation districts and if the cost of electric busses has come down. CEO Syphers stated that Sonoma County has been approached but SCP has not yet in reached out to Mendocino County.

Director Slayter stated that the language on Page 25, #1e should be changed to read "promote change" not "change". He asked about the long-term lease programs of rooftop solar and if there is a connection to the FIT program. CEO Syphers stated that a FIT system would never occur on a home, due to size.

**IV. BOARD MEMBER ANNOUNCEMENTS**

Director Gore mentioned the Cloverdale project and its jurisdiction. He stated he received a note from Calpine regarding storm damage and they are remediating the problems. He stated that there is a public meeting in Ukiah on March 9 regarding the Potter Valley Project.

**V. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA**

Bob Anderson: provided information on the AB1 registration fee.

**VI. ADJOURN (10:31A.M.)**

Respectfully Submitted,

*Braiden Gugel*

Braiden Gugel  
Executive Assistant