



**MEETING MINUTES
BOARD OF DIRECTORS MEETING
THURSDAY, NOVEMBER 1, 2018**

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

I. CALL TO ORDER

The meeting was called to order at 8:45 a.m. by Vice-Chair Landman.

Present: Vice-Chair Landman and Directors Bagby, Harrington, Hopkins, Okrepkie, Peters, and Slayter.

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

II. BOARD MEMBER ANNOUNCEMENTS

Vice-Chair Landman announced that Beth Vaughan, Executive Director at California Community Choice Association (“CalCCA”) was in attendance to present CalCCA’s Environmental Leader Award to State Senator Mike McGuire (2nd Senate District— North Coast/North Bay).

Senator McGuire thanked Ms. Vaughan and acknowledged the work of the Board of Directors and SCP staff in lowering greenhouse gas emissions, providing cleaner & lower-cost energy, and reinvesting in local communities.

III. BOARD OF DIRECTORS CONSENT CALENDAR

1. Approve October 4, 2018, minutes of the SCPA Board of Directors Meeting

Motion to approve the October 4, 2018, minutes of the SCPA Board of Directors meeting by Vice-Chair Landman.

Motion not made. Minutes accepted : 4-0-2 (Directors Harrington and Hopkins abstained).

IV. BOARD OF DIRECTORS REGULAR CALENDAR

2. Receive Operations Report and Provide Direction as Appropriate

Director of Internal Operations, Stephanie Reynolds, gave an update on adjustments to customer accounts affected by the 2017 wildfires. To date, SCP has returned over \$230k in credits and issued another \$240k in checks to customers who may have moved out of the area or changed the name on the account.

Director of Public Affairs & Marketing, Kate Kelly, then announced that the Davey Awards has chosen SonomaCleanPower.org as a recipient of a Gold award for the best Government Website Experience of 2018, and Silver for Best Energy Website Experience. The Davey's are an international creative competition for independent agencies.

Director of Operations Reynolds then provided an update on SCP's 2018 Multi-County Biennial Notice with the Fair Political Practices Commission (FPPC). Under the Political Reform Act, each Multi-County agency is required to review their conflict of interest code biennially and notify the FPPC whether any amendments to the code are needed. SCP General Counsel and staff reviewed the code and determined no amendments were necessary.

CEO Syphers then stated that SCP's 2017 Emission Factors have been 3rd party validated and posted to The Climate Registry website. SCP is ahead of the agency's proposed targets outlined in SCP's Integrated Resource Plan.

Director of Internal Operations Reynolds reminded the Board that the Drive EV program ends on November 16th. SCP has provided incentives on 336 vehicles for the current program year, and that brings the 3-year program total to 1,109 vehicles.

Programs Manager Rachel Kuykendall then stated that the Advanced Energy Rebuild program is up to 131 participants and trainings for interested parties will continue at the North Coast Building Exchange.

Director of Internal Operations Reynolds provided an update on the Lead Locally grant, which included the first meeting of the Technical Advisory Committee and the executed storefront lease.

She stated that the final FY 17-18 financial audit will be presented to the CAC at their November 29th meeting and then brought to the Board in December. CEO Syphers advised the Board that although the financials included in the agenda packet were marked "preliminary," he does not expect any significant changes.

Director Slayter asked about PG&E's service fees which were included in the financials and why there was a deficit in this account category; CEO Syphers described how PG&E added an additional fee and the budget will be adjusted in the future to account for that.

Public comment: None

3. Receive Legislative and Regulatory Updates and Provide Direction as Appropriate

Katherine Brandenburg, SCPA Lobbyist, gave a legislative update. With the legislative session having ended on August 31st it has been very quiet at the Capitol.

CEO Syphers detailed how California State Senator Scott Weiner asked a number of lawmakers to meet with CalCCA and discuss proposals for the next legislative session. CEO Syphers then asked the BOD for any input on potential topics to pursue.

Director Harrington asked if PUC rules can be amended so financial disclosures and other information that SCP has sought in the past could be made available. Director Peters echoed his support for legislation that promotes increased transparency. Director Slayter suggested legislation that would allow for electing CPUC commissioners as opposed to having these be appointed positions. Director Hopkins then suggested proposing bills that target the PCIA fee as well as electing CPUC commissioners. Vice-Chair Landman spoke in support of legislation that would daylight the financials used to calculate the PCIA fee, and separately, prohibiting CPUC commissioners from working for or receiving funds from IOUs after leaving the CPUC.

Public comment: None.

Dick Dowd, CAC member, supports continued efforts for fair regulation of IOUs, CCAs, and Resource Adequacy.

CEO Syphers then gave a regulatory update on Resource Adequacy ("RA") compliance. For the 2019 Year-Ahead filing, SCP was unable to be compliant for every single month in 2019. This is largely due to additional RA requirements levied on all electricity providers to correct for forecasting errors made by just a few providers.

4. Receive Update and Discussion on 431 E Street; Authorize Delegation of Authority to CEO to Execute Amended and Restated Agreement with EHDD

Director of Programs Cordel Stillman introduced this item by reviewing the basic design elements of the building. He then outlined the contract amendment with EHDD for the remaining work at 431 E Street, which includes detailed design through construction. Director of Programs Stillman stated that the CAC unanimously approved this item and negotiations for construction management would be the next step.

Public comment: none

Motion by Director Okrepkie to authorize and delegate authority to the CEO to negotiate and execute an amended and restated Professional Services Agreement with EHDD; and delegate authority to the CEO to also execute other documents as necessary to administer the Agreement.

Second: Director Peters

Motion passed: 6-0-0

5. Approve an Amended and Restated Power Purchase Agreement with Cloverdale Solar Center, LLC under the ProFIT Program and Delegation of Authority to the CEO to Execute such PPA and Related Documents on Behalf of SCP.

Power Services Manager Rebecca Simonson introduced the item and provided the following background:

- The agreement was executed on January 31, 2018, with an expected commercial operation date of October 20, 2018;
- The agreement allows a 6-month extension on the commercial operation date if there are significant permitting delays; and
- The contractor requested the 6-month extension following reasonable efforts to meet the agreement milestones.

Public comment: None

Motion to approve Amended and Restated Power Purchase Agreement with Cloverdale Solar Center, LLC under the ProFIT Program; and delegation of authority to the CEO to execute such PPA and related documents on behalf of SCP by Director Peters.

Second: Director Harrington

Motion passed: 6-0-0

6. Adopt Resolution Supporting and Agreeing to Become a Signatory to the Bay Area Air Quality Management District Diesel-Free by '33 Statement of Purpose

Director of Internal Operations, Stephanie Reynolds, provided background on the item, which was requested by Director Slayter at the August BOD meeting. She noted that that this item was brought to the CAC and there was unanimous support in recommending that the Board sign the resolution. General Counsel Mullan drafted the resolution.

Public comment: None

Motion to adopt Resolution Supporting and Agreeing to Become a Signatory to the Bay Area Air Quality Management District Diesel-Free by '33 Statement of Purpose by Director Slayter.

Second: Director Harrington

Motion passed: 6-0-0

7. Discussion regarding the Power Charge Indifference Adjustment; Review, Comment and Provide Board Direction as Appropriate

CEO Syphers introduced the item by detailing the Power Charge Indifference Adjustment (PCIA) fee increase that SCP customers pay, which will likely take effect beginning January 1, 2019. In order to protect from rate shock and quickly adapt to any fee increases, staff proposed a conditional rate adjustment structure, which would likely take the following form:

- If on January 1, 2019 PG&E's increases in fees and changes to their rates cause any of SCP's four most common rate classes to have higher electric charges on the total electric bill; and,
- If SCP can remain compliant with Financial Policy B2, governing budgeting, rate-setting and planning for financial reserves; then,
- SCP shall adjust all of its rates for all rate class to provide 0.25% savings (or another percentage) on total electric charges; and,
- If cuts to planned budget expenditures or an exception to Financial Policy B2 are necessary to achieve the above rate adjustment, then staff

will bring a proposal for such a budget amendment and/or exception to the Board's adopted policy together with the rate adjustment proposal for concurrent review.

CEO Syphers then stated that a goal of the conditional rate adjustment is to maintain competitive rates and some level of customer savings, if possible, and to maintain these savings, he is also proposing budget reductions to SCP's various departments.

Vice-Chair Landman stated his preference for not spending reserves, that SCP staff should instead focus on limited reductions in programs and bring more than one option to the Board for reduction plans.

Director Harrington asked what abilities and rights the Board has to educate SCP customers about the PCIA fee and whether this could be included with customer bills. CEO Syphers detailed SCP's current efforts and resources, which include: educating call center staff, community outreach events, email newsletters, and traditional mailers.

Director Peters suggested that CEO Syphers go to each individual SCP member jurisdiction and speak on the implications of the PCIA fee for customers.

Public comment:

Mike Turgeon, Friends of the Climate Action Plan, spoke of increasing EverGreen enrollment, especially among participating jurisdictions, to bolster SCP revenues in light of the PCIA decision.

Director Hopkins detailed how she is working to mobilize support for adopting EverGreen by the County of Sonoma, and she suggested adding this discussion as a future agenda item.

Minutes
Sonoma Clean Power Authority
Board of Directors
November 1, 2018

V. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

Public Comment: Andy Ferguson, Friends of Climate Action Plan, spoke about his group's efforts to open a storefront for promoting electrification of house and commercial properties.

VI. ADJOURN

Vice-Chair Landman adjourned the meeting at 11:03 A.M.

Respectfully submitted,

A handwritten signature in blue ink that reads "Beau Anderson". The signature is fluid and cursive, with the first name "Beau" being more prominent than the last name "Anderson".

Beau Anderson
Clerk of the Board