



**MEETING MINUTES
BOARD OF DIRECTORS MEETING
THURSDAY, AUGUST 5, 2021
8:45 A.M.**

******GOVERNOR'S EXECUTIVE ORDER N-08-21******

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

CONSISTENT WITH THE PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDER N-08-21 WHICH SUSPENDED CERTAIN REQUIREMENTS OF THE BROWN ACT, MEMBERS OF THE BOARD OF DIRECTORS PARTICIPATED IN THE AUGUST 5, 2021 MEETING BY TELECONFERENCE.

CALL TO ORDER

Chair Bagby called the meeting to order at approximately 8:48 am.

Board Members present: Chair Bagby, Vice Chair King, and Directors Landman, Peters, Elward, Slayter, Fudge, Gjerde, and Hopkins.

Staff present: Geof Syphers, Chief Executive Officer; Michael Koszalka, Chief Operating Officer; Stephanie Reynolds, Director of Internal Operations; Neal Reardon, Director of Regulatory Affairs; Rebecca Simonson, Director of Planning & Analytics; Chad Asay, Program Manager; Scott Salyer, Program Manager; Ryan Tracey, Senior Energy Analyst; Carole Hakstian, Senior Risk Officer; and Joshua Nelson, Special Counsel.

BOARD OF DIRECTORS CONSENT CALENDAR

1. Approve July 1, 2021 Draft Board of Directors Meeting Minutes
2. Approve an Extension of Customer Service Policy A.6a - 2020 COVID-19 Emergency Consumer Protection Policy

Public Comment: None

Motion to Approve the August 5, 2021 Board of Directors Consent Calendar by Director Peters

Second: Director Fudge

Motion passed by roll call vote: 9 - 0 - 0

BOARD OF DIRECTORS REGULAR CALENDAR

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

Geof Syphers, Chief Executive Officer, led off the report with an update that the Mendocino County Board of Supervisors voted on and passed the Carbon Free Mendocino resolution; Director Gjerde provided additional details. The resolution sets aside money for funding carbon reduction projects in Mendocino County.

CEO Syphers announced the impending retirement of Cordel Stillman, Director of Programs, whose final day with SCP will be August 31st. Mike Koszalka, Chief Operating Officer, provided staffing updates. The Advanced Energy Center was separated from the Programs Department and Chad Asay, one of SCP's Program Managers, accepted the role of Director of the Advanced Energy Center. Rebecca Simonson, formerly Director of Planning & Analytics, accepted the role of Director of Programs, starting September 1st.

CEO Syphers commended Ryan Tracey, Senior Energy Analyst, for his work in helping to identify local resources to help phase out reliance on natural gas and look into an opportunity for adding more geothermal power in the region. Staff will bring forward more information on the topic in the future.

Director Reynolds reminded the Board that Staff is still recruiting to fill vacancies on the Community Advisory Committee.

Rebecca Simonson, Director of Planning & Analytics, provided information on the Site Leasing Interest Program (SLIP) which resulted as part of the EverGreen Local Resource Plan (LRP) to engage with certain industrial, municipal, and commercial customers that have previously developed but currently unused sites that could be used for renewable energy development. Sites must meet certain criteria to qualify for the program which will be kept open through December 31, 2021, or until the need is fulfilled.

COO Koszalka gave an update on behalf of the Marketing team on the Mendonoma Campaign, the influencer campaign using Surf Market and its owner, Steve May, to help promote EverGreen among businesses along an area of the Sonoma & Mendocino coasts. Staff recently engaged with 4th Street Social Club, a downtown Santa Rosa restaurant, to expand the EverGreen campaign. He continued with an update that while events have been impacted due to the pandemic, some events have been taking place in a scaled-down manner, including the Sonoma County Fair where staff had a photo booth and provided over 500 free photos to visitors.

Director Reynolds continued with updates on the Advanced Energy Center -

the Center is hitting the visitor goals that were set earlier in the year. Events and meetings are permitted to take place in the Center and a variety of groups are scheduled over the coming months. A local chef and culinary arts teacher, Derek Corsino, visited the Center and an induction cooking class was filmed in the Advanced Energy Center's kitchen.

Due to the program's popularity, the Bike Electric program reopened, and staff contacted waitlisted customers. Notices will also go out to CARE/FERA customers informing them of additional voucher availability.

Vice Chair King asked about the geothermal opportunity that CEO Syphers introduced, specifically if there are any other locations in the United States or in the world that have used some of the technologies that we would be researching. CEO Syphers answered that locations are limited, and this would be a "new frontier" which means that SCP would likely seek grant funding, for example, from the Department of Energy, to cover the above-market costs. Ryan Tracey gave additional details on where the research has been focused in the United States and highlighted the fact that the Geysers is the largest geothermal resource in the world and is optimal for a lot of the planned research.

Director Slayter commented on a recent tour of the Advanced Energy Center that was given to the Sebastopol Climate Action and asked if Mr. Asay received their letter with constructive feedback. Mr. Asay replied that he reviewed the letter together with the Advanced Energy Center team and explained that some recommendations mentioned in the letter are already in development.

COO Koszalka gave a brief update on SCP's financial status and documents contained in the packet.

Public Comment: None

4. Integrated Resource Planning (IRP) Portfolio Scenario Modeling

Ryan Tracey, Senior Energy Analyst, gave a presentation on the second part of the Integrated Resource Planning (IRP) process which covers Portfolio Scenario Modeling. Slides from the presentation were included in the meeting packet materials. This presentation was a condensed version of that given at a Community Advisory Committee meeting, which served as a public input portion of this process. He also gave some information on the modeling tool being used, PowerSimm, that will be further discussed in item #5. At the end of the presentation, CEO Syphers highlighted the value of this type of planning.

Director Peters asked if it's possible to enter new emerging technologies into these models. Mr. Tracey answered yes and further explained some of the options that can be tested.

Director Slayter posed questions about grid reliability and the potential for forecasting the grid structure and operations. CEO Syphers responded with information about the line undergrounding efforts that PG&E is working on.

Director Hopkins thanked Mr. Tracey and Staff for the presentation and asked how elasticity of demand and cost sensitivity play into the modeling factors. Mr. Tracey, CEO Syphers, and COO Koszalka all provided answers about the modeling possibilities.

Chair Bagby complimented Director Simonson and Mr. Tracey on the amount of outreach and public input that was sought for this process. Director Simonson thanked additional staff members across various SCP departments who contributed to these efforts as well.

Public Comment: None

5. Delegate Authority to the Chief Executive Officer to Execute a Three-Year Software License, Maintenance, and Support Agreement with Ascend Analytics, LLC for a Contract Total of \$557,479 and an Additional \$67,481 Spending Authority Under the Agreement

Rebecca Simonson, Director of Planning & Analytics, presented this item to the Board. The agreement with Ascend Analytics, LLC is for the PowerSimm software tool that was introduced during item #4 which Staff has been using already as part of a 90-day trial period that began on May 1, 2021. CEO Syphers also explained that this kind of modeling tool is beneficial from a risk management standpoint.

Director Landman asked: what is the likelihood that the tool will pay for itself? CEO Syphers responded that it's 100% because it has already happened. Director Simonson and Mr. Tracey explained how use of the modeling tool during the trial period helped CC Power make informed decisions on long-duration storage, and that there have been other instances of this as well.

Director Peters asked about the \$67,481 in additional spending authority being requested under the agreement. Director Simonson explained that it's a pre-authorization to spend up to that amount without the need to seek Board approval each time an add-on node is desired.

Public Comment: None

Director Gjerde left the meeting at approximately 10:24 a.m.

Motion to Delegate Authority to the Chief Executive Officer to Execute a Three-Year Software License, Maintenance, and Support Agreement with Ascend Analytics, LLC for a Contract Total of \$557,479 and an Additional \$67,481 Spending Authority Under the Agreement by Director Landman

Second: Director Elward

Motion passed by roll call vote: 8 - 0 - 0

Chair Bagby called for a 5 minute recess before continuing with the next item.

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

Neal Reardon, Director of Regulatory Affairs, began the report with a callback to a topic that Director Hopkins asked about during the last meeting on PG&E's General Rate Case application, the third item in the written report. SCP is submitting a protest to the application with a request for hearings.

One additional update that was not included in the meeting packet was in regard to the joint rate mailer. Director Reardon shared that a group of CCA's planned to file a petition to modify the joint rate mailer which is the postcard that customers receive comparing SCP's rates against PG&E's, along with portfolio information, that's required each year. The petition seeks to change the requirement to allow a CCA to put the information online after three continuous years of operation instead of sending a paper mailer. CEO Syphers further explained that the required format of the postcard is confusing, and the changes being requested will allow customers to see all of the information and in a more useful format.

Vice Chair King asked about SB 18 and if any entity is producing green hydrogen at this time. CEO Syphers said yes, but not on a commercial scale, and gave some additional background on the topic.

Chair Bagby asked about the PG&E distribution rates increases and the impacts on municipalities and direct access customers. Director Reardon answered that direct access customers would be impacted the same way CCA's would be, but he would have to consider the impact on municipalities further.

Public Comment: None

7. Approve Performance-Based Salary Increase and Annual Contract Goals for CEO Syphers

Special Counsel for Sonoma Clean Power, Josh Nelson from BBK Law, introduced this item as presented in the meeting packet, which sought a performance-based salary increase for CEO Syphers as well to establish annual contract goals. Chair Bagby added that the contract goals came out of a prior closed-session meeting discussion. Mr. Nelson read through each of the goals and then CEO Syphers shared that he is happy with each of these goals before giving additional information pertaining to goal #8:

“Provide the Board with options for aggressive long-term climate goals, including an option for achieving 24/7 carbon-free energy by 2030.”

Director Peters left the meeting at approximately 10:56 a.m.

Director Landman suggested to move goal #8 to goal #1 and shift the rest downward to indicate the Board’s interest and priority of the item.

Public Comment: None

Motion to Approve Performance-Based Salary Increase and Annual Contract Goals Amended to Move Goal #8 to #1 for CEO Syphers by Director Fudge.

Second: Director Landman

Motion passed by roll call vote: 7 - 0 - 0

Chair Bagby concluded the item by thanking the Board for their thoughtful discussion in establishing these goals for CEO Syphers. CEO Syphers echoed the sentiment.

BOARD OF DIRECTORS MEMBER ANNOUNCEMENTS

Chair Bagby announced a disaster preparedness event co-hosted by the City of Cloverdale and the Cloverdale Citrus Fair on Saturday, August 7, 2021.

PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

Public Comment: None

ADJOURN

Chair Bagby reminded the Board and the public that there will be no Board of Directors meeting in September and the next one will be held on October 7th before adjourning the meeting at approximately 11:04 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Beau Anderson". The signature is written in a cursive, flowing style.

Beau Anderson
Clerk of the Board