



**MEETING MINUTES
BOARD OF DIRECTORS MEETING
THURSDAY, JUNE 2, 2022
8:45 A.M.**

******AB 361******

RE CORONAVIRUS COVID-19

CONSISTENT WITH THE PROVISIONS OF AB 361 WHICH SUSPENDED CERTAIN REQUIREMENTS OF THE BROWN ACT, MEMBERS OF THE BOARD OF DIRECTORS PARTICIPATED IN THE JUNE 2, 2022, MEETING BY TELECONFERENCE.

CALL TO ORDER

(8:48 a.m. - Video Time Stamp: 00:02:37)

Chair King called the meeting to order.

Board Members present: Chair King, and Directors Bagby, Landman, Peters, Rogers, Slayter, Felder, Gjerde, and Hopkins. Vice Chair Fudge and Director Elward were absent with prior notice.

Staff present: Geof Syphers, Chief Executive Officer; Michael Koszalka, Chief Operating Officer; Stephanie Reynolds, Director of Internal Operations; Rebecca Simonson, Director of Programs; Ryan Tracey, Director of Planning & Analytics; Deb Emerson, Director of Power Procurement; Hannah Rennie, Senior Energy Analyst; and Joshua Nelson, Special Counsel.

BOARD OF DIRECTORS CONSENT CALENDAR

(8:50 a.m. - Video Time Stamp: 00:03:45)

1. Approve May 5, 2022, Draft Board of Directors Meeting Minutes
2. Approve Three Year Professional Services Agreement with S2 Advertising for Comprehensive Media Consulting Services
3. Approve the Proposed Annual Budget for Fiscal Year 2022-2023
4. Receive Geothermal Opportunity Zone Update

Public Comment: None

Motion to Approve the June 2, 2022, Board of Directors Consent Calendar by Director Bagby

Second: Director Peters

Motion passed by roll call vote

AYES: Bagby, Landman, Peters, King, Rogers, Slayter, Felder, Gjerde, Hopkins

ABSENT: Elward, Fudge

BOARD OF DIRECTORS REGULAR CALENDAR

5. Authorize Extension of SCP Resolution 2021-05 Permitting Remote Teleconference Meetings of the Board of Directors and Community Advisory Committee Pursuant to AB 361

(8:51 a.m. - Video Time Stamp: 00:05:32)

Chair King requested this item be moved to the regular calendar, so the Board may discuss bringing in-person meetings back to SCP. He stated that his preference is a hybrid option.

Director Rogers stated that the City of Santa Rosa has been meeting in person for a year and inquired whether staff is prepared to go back to in-person meetings. Stephanie Reynolds, Director of Internal Operations, responded that SCP staff had been working on the transition to hybrid meetings and will be ready as soon as the Board gave direction.

Director Peters expressed wanting live, in-person meetings. He stated remote meetings lack the personal one-on-one rapport.

Director Hopkins said she supports returning to in-person meetings but supports the hybrid model and expressed an interest changing the Board meeting time to 9:00 a.m. Chair King expressed support for starting meetings at 9:00 a.m.

Director Felder stated that the City of Sonoma has gone to in-person meetings, but it is receiving some pushback and he would like SCP to reserve the right to move to hybrid meetings.

Director Bagby explained that hybrid meetings are "live" meetings and the idea of going to 100% in-person meeting only is not realistic. She explained

that outlying constituents appreciate the ability to call in and that society is shifting away from an in-person format. She said we should move forward with the hybrid format.

Director Landman explained he was for anything that worked if there was quality participation. He also warned that we should watch where COVID-19 numbers are and move into a hybrid format with flexibility.

Director Gjerde supported a hybrid model because it allows for the greatest flexibility.

Director Peters expressed that he is not opposed to the hybrid model but inquired if meetings could be held in service territories.

Public Comment: Denis Quinlan mentioned that the Community Advisory Committee would like to have their next meeting on June 16, 2022, via Zoom.

Motion to authorize the extension of SCP Resolution 2021-05 Permitting Remote Teleconference Meetings of the Board of Directors and Community Advisory Committee Pursuant to AB 361 by Director Bagby

Second: Director Peters

Motion passed by roll call vote

AYES: Bagby, Landman, Peters, King, Rogers, Slayter, Felder, Gjerde, Hopkins
ABSENT: Elward, Fudge

6. Receive Power Procurement Update

(9:17 a.m. - Video Time Stamp: 00:31:15)

CEO Geof Syphers introduced 3 new power supply procurements to the Board.

Hannah Rennie, Senior Energy Analyst, discussed the Tubbs Island Storage and Solar Project which will be operational on May 30, 2024, and will be a 20-year fixed price contract. She added that this is an EverGreen project and will be located near Sonoma Raceway.

Deb Emerson, Director of Power Procurement, announced the Fish Lake Project and the Ormat Portfolio Project. She said the Fish Lake Project will be operational in 2024 and the projects are both 20-year fixed price contracts.

Director Slayter asked for a historical prospective on fixed term costs. Director Emerson responded that it depends on technology and there are limited geothermal resources available.

Director Rogers asked what the importance of battery storage is. CEO Syphers responded that battery storage helps match SCP's supply with the load. Director Emerson also responded that while capacity value for solar alone is dwindling, with battery storage it is more valuable.

Director Bagby asked what level of investment is needed in material science and battery technologies. CEO Syphers answered that it is important to have diverse option and batteries are a very important part of that.

Director Landman requested that the slide presentation for this item be sent to the Board.

Public Comment: None

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

(9:38 a.m. - Video Time Stamp: 00:52:26)

Stephanie Reynolds, Director of Internal Operations, gave Advanced Energy Center updates and stated that the Energy Center has had 3,000 visitors, exceeding the goal previously set. She mentioned the Energy Center had hosted end of the year field trips from local schools and then pointed out SCP participation numbers.

CEO Syphers discussed SCP's staff receiving an update on energy poverty from Eric Scheier, SCP's new Department of Energy Fellow. CEO Syphers explained that the Integrated Resource Plan calendar had shifted due to new regulations, and he told the Board that Ryan Tracey, Director of Planning and Analytics, will bring an update in the future. He mentioned that an error was found in reporting on the reserve balances section, but the actual financial statements were correct. A report on actions to correct the error will be brought to the next meeting.

Director Gjerde asked about long-term balances and what are the benefits of those reserves. CEO Syphers explained that the benefits are related to sustaining strong credit to obtain lower cost supply contracts for customers and to mitigate against energy market volatility.

Public Comment: None

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

(9:50 a.m. - Video Time Stamp: 01:04:06)

CEO Syphers then gave a legislative update. He mentioned AB 881 (Min) was killed. He stated that SCP was continuing to work with the author on SB 1158 (Becker) and is hopeful many of SCP's issues can be worked out.

Director Slayter inquired about AB 3250 which would subsidize classic vehicles to become EVs. CEO Syphers replied he would confer with staff on the bill. Director Slayter mentioned that the EPA has opened the comment period on their cross-state pollution rule and CEO Syphers responded that SCP hasn't been following the issue, but SCP can review.

Chair King asked if there was any update on SB 1393 (Archuleta). CEO Syphers updated that the California State Association of Counties had asked the author to remove natural gas requirement portions and the bill may get pulled.

Public Comment: None

9. Approve the Recognition of Deferred Revenue in the Operating Account Fund

(10:00 a.m. - Video Time Stamp: 01:14:40)

Michael Koszalka, Chief Operating Officer, stated that there was \$26 million in deferred revenue. The reason for the deferral was PCIA risk and after the current fiscal year, the funds will be moved into reserves.

Motion to Approve the Recognition of Deferred Revenue in the Operating Account Fund by Director Bagby

Second: Director Rogers

Motion passed by roll call vote

AYES: Bagby, Landman, Peters, King, Rogers, Slayter, Felder, Gjerde, Hopkins
ABSENT: Elward, Fudge

BOARD OF DIRECTORS MEMBER ANNOUNCEMENTS

(10:04 a.m. - Video Time Stamp: 01:17:46)

Director Bagby thanked Deb Emerson and Hannah Rennie for bringing Item 6 to the Board.

Director Hopkins thanked departing staff member, Willy Linares, Marketing Coordinator, for all his service to SCP.

PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

(10:05 a.m. - Video Time Stamp: 01:19:48)

Public Comment: Dick Dowd stated that he was impressed with SCP's financial status.

ADJOURN

(10:07 a.m. - Video Time Stamp: 01:21:30)

The meeting was adjourned by unanimous consent.

Respectfully Submitted,



Darin Bartow, JD
Clerk of the Board