



**MEETING MINUTES
BOARD OF DIRECTORS MEETING
THURSDAY, OCTOBER 6, 2022
9:00 A.M.**

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

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

****HYBRID MEETING (IN PERSON AND REMOTE ATTENDANCE)****

CONSISTENT WITH THE PROVISIONS OF AB 361 WHICH SUSPENDED CERTAIN REQUIREMENTS OF THE BROWN ACT, MEMBERS OF THE BOARD OF DIRECTORS PARTICIPATED IN THE OCTOBER 6, 2022, MEETING IN PERSON AND BY REMOTE ATTENDANCE.

CALL TO ORDER

(9:06 a.m. - Video Time Stamp: 00:06:21)

Chair King called the meeting to order.

Board Members present: Chair King, Vice Chair Fudge, and Directors Bagby, Landman, Peters, Elward, Rogers, Slayter, Felder, 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 Programs; Ryan Tracey, Director of Planning and Analytics; Joshua Nelson, Special Counsel and Katherine Brandenburg, the Brandenburg Group.

BOARD OF DIRECTORS CONSENT CALENDAR

(9:07 a.m. - Video Time Stamp: 00:07:35)

1. Approve August 4, 2022, Draft Board of Directors Meeting Minutes
2. Authorize Extension of Sonoma Clean Power Resolution 2021-05 Permitting Remote Teleconference Meetings of the Board of Directors and Community Advisory Committee Pursuant to AB 361
3. Adopt a Resolution Attesting to the Accuracy of Sonoma Clean Power Authority's 2021 Power Source Disclosure Annual Reports for CleanStart and EverGreen Products and 2021 Power Content Label

Public Comment: None

Motion to Approve the October 6, 2022, Board of Directors Consent Calendar by Director Landman

Second: Director Rogers

Motion passed by roll call vote

ABSTAIN: Hopkins, from Item 1.

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

BOARD OF DIRECTORS REGULAR CALENDAR

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

(9:10 a.m. - Video Time Stamp: 00:10:38)

Stephanie Reynolds, Director of Internal Operations, told the Board about a news clip on KPIX CBS News that discussed solar backup power system kits SCP provided to local Sonoma County firehouses. She mentioned that the Advanced Energy Center would be hosting its Grand Opening on Friday, October 7, 2022. Geof Syphers, CEO, discussed the SCP Headquarters being the world's first GridOptimal microgrid. He discussed the heat storm that hit California the week of Labor Day and the State's response to it. He discussed Southern Humboldt County getting notice from PG&E that all new construction needs to stop due to their transmission being overloaded. He mentioned the upcoming 2022 27th International Conference of Parties Climate Talks which Directors Rogers and Elward will be attending along with representatives from the Sonoma County Board of Supervisors and Sonoma Water. He added that SCP will help fill the funding gap for this trip with a \$35,000 donation.

Director Slayter asked where the participation numbers for EverGreen were, and CEO Syphers explained they would be added to the Operation Report at the next meeting.

Public Comment: None

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

(9:41 a.m. - Video Time Stamp: 00:42:03)

Neal Reardon, Director of Regulatory Affairs, discussed a proposal by PG&E to allow the utility to force customers off the bulk power grid in the interest of removing overhead power lines in areas with high fire threat. He stated that SCP provided limited authorization for so-called "remote grids" in 2020 when PG&E includes both SCP and the affected customers in making the decision to permanently disconnect them from the grid. Director Reardon pointed out that that giving PG&E unilateral power to make decisions that change SCP's eligible service territory and may negatively impact customers is not prudent, and that SCP will challenge this. CEO Syphers mentioned an example of a positive remote grid project at Pepperwood Preserve, in which PG&E engaged SCP and the customer, and ultimately led to a plan for PG&E to construct their first ever 100% renewable system.

Katherine Brandenburg of the Brandenburg Group gave a legislative update to the Board. She mentioned that Gov. Newsom has signed 42 climate related bills including SB 1020 (Laird). CEO Syphers discussed SB 1158 (Becker). Josh Nelson, Special Counsel, discussed AB 2449 (Rubio) which and SB 1100 (Cortese).

10:08 a.m. Director Rogers exited the meeting.

Chair King requested that the impact of the climate bills be sent to the Board.

Rebecca Simonson, Director of Programs, invited the Board Members and their respective agencies to electrify all municipal buildings by 2030 and offered SCP staff as a resource.

Chair King asked if there would be no change in rates related to Diablo Canyon and Director Reardon answered that he would come back with an item detailing the changes. Director Bagby requested an item looking into access to energy audits.

Public Comment: None

6. Approve Authorize the Chief Executive Officer or his Designee to Execute Memorandum of Understanding Agreements with GeoZone Private Partners and Initiate Negotiations of Public-Private Cooperation Agreements

(10:34 a.m. - Video Time Stamp: 01:33:48)

Ryan Tracey, Director of Planning and Analytics, introduced this item. He explained that SCP started their solicitation period in the spring to investigate

geothermal energy sources and had selected three companies to move forward with: Eavor, Chevron New Energies, and Cyrq Energy. He explained the goal of the GeoZone to add local geothermal capacity without reducing the output from existing geothermal operations, and recommended moving forward with all three companies.

10:45 a.m. Director Peters exited the meeting.

Directors Bagby and Elward expressed concerns about investments in oil companies. CEO Syphers added that Chevron is aware of SCP's concerns with their history.

Public Comment: Dick Dowd expressed appreciation for the GeoZone reports.

Motion to Approve Authorize the Chief Executive Officer or his Designee to Execute Memorandum of Understanding Agreements with GeoZone Private Partners and Initiate Negotiations of Public-Private Cooperation Agreements 2022 by Director Landman.

Second: Director Fudge

Motion passed by roll call vote

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

11:14 a.m. The Board entered recess.

11:24 a.m. The Board reconvened.

7. Adopt Staff's Preferred Portfolio for the 2022 Integrated Resource Plan Filing (11:24 a.m. - Video Time Stamp: 02:24:13)

Director Tracey introduced the Integrated Resource Plan (IRP) as an internal way to make meaningful differences in climate goals. He explained that the plan is informed by compliance obligations, internal SCP goals, and practical operational needs. He stated that the new goals in this IRP include 100% hourly carbon mitigation by 2026 and an 80% winter evening reliability by 2030. He explained that because solar and storage is not as effective in the wintertime, this is the new challenge. He said that SCP's preferred portfolio includes solar, wind, geothermal, and standalone storage, and that the IRP

plans it through 2040 while also phasing down reliance on biomass and hydropower.

Public Comment: None

Motion to Adopt Staff's Preferred Portfolio for the 2022 Integrated Resource Plan Filing by Director Slayter.

Second: Director Elward

Motion passed by roll call vote

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

ABSENT: Peters, Rogers

8. Direct Board Ad Hoc Committee to Review Board Policies and Procedures

(11:36 a.m. - Video Time Stamp: 02:33:35)

Chair King asked for volunteers to make up an Ad Hoc Committee to review SCP's Board Policies and Procedures. Directors Landman, Gjerde, and Elward volunteered.

Public Comment: None

The Ad Hoc to Review Board Policies and Procedures was created by acclamation from the Board.

9. Approve Salary Increase, an Amendment to the Chief Executive Officer's Employment Contract and Annual Contract Goals for Chief Executive Officer Syphers

(11:41 a.m. - Video Time Stamp: 02:41:05)

Chair King recommended approval of the 3% increase and a one-time increase of 7% due to inflationary pressures and expressed his gratitude to have CEO Syphers leadership at SCP.

Public Comment: None

Motion to Approve Salary Increase, an Amendment to the Chief Executive Officer's Employment Contract and Annual Contract Goals for Chief Executive Officer Syphers by Director Gjerde

Second: Director Bagby

Motion passed by roll call vote

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

ABSENT: Peters, Rogers

BOARD OF DIRECTORS MEMBER ANNOUNCEMENTS

(11:44 a.m. - Video Time Stamp: 02:44:27)

Director Slayter mentioned that the City of Sebastopol had adopted smart meters and asked for SCP's help in getting word to the people of Sebastopol about the benefits of using them.

PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

(11:46 a.m. - Video Time Stamp: 02:46:46)

Public Comment: Mike Nicholls asked about the press release regarding PG&E and Pacific Generation LLC and asked whether SCP could provide input and CEO Syphers responded that PG&E's stated purpose is to raise capital.

Madge Strong thanked CEO Syphers for speaking with members of the public in Mendocino County.

CLOSED SESSION

(11:50 a.m. - Video Time Stamp: 02:50:35)

10. Conference with Labor Negotiators - Agency Designated Representatives:
Chair King, Vice Chair Fudge Unrepresented Employee: Chief Executive Officer (Gov't Code Section 54957.6)
11. Public Employee Performance Evaluation - Chief Executive Officer (Gov't Code Section 54957)

ADJOURN

(11:50 a.m. - Video Time Stamp: 02:50:55)

Chair King adjourned the public meeting prior to convening Closed Session.

Respectfully Submitted,



Darin A. Bartow, J.D.
Clerk of the Board