



**MEETING MINUTES
BOARD OF DIRECTORS MEETING
THURSDAY, MARCH 2, 2023
9:00 A.M.**

CALL TO ORDER

(9:04 a.m. - Video Time Stamp: 00:03:03)

Chair Fudge called the meeting to order.

Board Members present: Chair Fudge, Vice Chair Hopkins, and Directors Bagby, Ford, Barnacle, Elward, Rogers, Zollman, Farrar-Rivas, Strong, and Gjerde.

Staff present: Geof Syphers, Chief Executive Officer; Michael Koszalka, Chief Operating Officer; Stephanie Reynolds, Director of Internal Operations; Neal Reardon, Director of Regulatory Affairs; Ryan Tracey, Director of Planning and Analytics; Kate Kelly, Director of Public Relations & Marketing; Sylvia Magallanes, Senior Customer Service Representative; Leif Christiansen, Commercial Accounts Manager; and Carter Bell, Quantitative Analyst

BOARD OF DIRECTORS CONSENT CALENDAR

(9:05 a.m. - Video Time Stamp: 00:04:15)

1. Approve February 2, 2023, Draft Board of Directors Meeting Minutes

Director Elward made a statement that the Board of Directors along with all local governments should work hard at being inclusive to people of color and place them in leadership positions.

Motion to approve the March 2, 2023, Board of Directors Consent Calendar by Director Bagby

Second: Director Rogers

AYES: Bagby, Ford, Barnacle, Elward, Rogers, Zollman, Farrar-Rivas, Fudge, Gjerde, Hopkins

ABSENT: Strong

BOARD OF DIRECTORS REGULAR CALENDAR

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

(9:08 a.m. - Video Time Stamp: 00:07:54)

Stephanie Reynolds, Director of Internal Operations, discussed EV charging and the Advanced Energy Center (Energy Center) has reached out to local nonprofits and encouraged them to use the Energy Center as a resource. She discussed the Energy Education Program which trains teachers on how to present renewable energy topics to students. Geof Syphers, CEO, pointed out the map of census tract information in the packet which shows SCP's participation rates and discussed SCP's new telenovela "Por El Mañana." Director Reynolds discussed the December 2022 Financials.

9:14 a.m. Director Strong entered the meeting.

Vice Chair Hopkins mentioned that she was excited to see the work that the Energy Center does with students and education. Director Rogers discussed wastewater and the GeoZone.

Public Comment: None

3. Receive Legislative and Regulatory Updates and Provide Direction as Appropriate and Delegate Authority to the CEO to Take Positions on Bills Supporting Remote Meetings

(09:19 a.m. - Video Time Stamp: 00:18:23)

Neal Reardon, Director of Regulatory Affairs, gave an update on Diablo Canyon and the California Energy Commission's plan to extend the plant. He stated the Public Utilities Commission is set to vote on a procurement mandate on April 3, 2023. CEO Syphers discussed interconnecting new supply resources to the grid because it is becoming difficult to connect new homes in California. He stated he is working with lawmakers to address the issue. He gave an update on remote meeting legislation and requested the Board give him authority to act on bills that expand the ability to use remote meetings.

Director Bagby asked about the Net Energy Meeting (NEM) deadline for solar hookups in April and Director Reardon responded applications needed to be completed by that deadline. Director Rogers asked about PG&E's Fast Trip program and inquired if SCP knew where it is in use in SCP's service territory.

CEO Syphers explained that SCP is waiting on data on Fast Trip from PG&E, but that one PG&E representative said it is everywhere in Tier 2 and 3 high fire threat areas.

Public Comment: None

Motion to Receive Legislative and Regulatory Updates and Provide Direction as Appropriate and Delegate Authority to the CEO to Take Positions on Bills Supporting Remote Meetings by Director Rogers

Second: Director Bagby

AYES: Bagby, Ford, Barnacle, Elward, Rogers, Zollman, Farrar-Rivas, Strong, Fudge, Gjerde, Hopkins

4. Approve the Delegated Authority to the CEO or his Designee to Execute Geothermal Opportunity Zone (GeoZone) Cooperation Agreements with Chevron New Energies, Cyrq Energy Inc., and Eavor Inc. and Find that Approval of Each Agreement is Not a Project Subject to CEQA and Exempt under CEQA Guidelines §§15061(b)(3), 15262, and 15306

(09:40 a.m. - Video Time Stamp: 00:39:28)

This item was split into 3 separate presentations, comments, and votes.

Ryan Tracey, Director of Planning and Analytics, introduced the GeoZone Cooperation Agreements and the companies that SCP hoped to do business with including Chevron New Energies (Chevron), Cyrq Energy Inc. (Cyrq) and Eavor Inc. (Eavor) Director Tracey then introduced Srimonto Ghosh and Tanmay Chaturvedi of Chevron New Energies. Mr. Ghosh explained that the cooperation agreement with Chevron would include a \$10 billion investment in new technologies and explained that there had been a lot of progress across the globe in geothermal technologies. He explained that Chevron would be working closely with Eavor Inc. in the form of pilot programs. Mr. Chaturvedi added that when it comes to geothermal technologies some are more mature than others and the first step would be to assess the available properties.

Director Farrar-Rivas asked what the overall energy target was and Director Tracey explained that each agreement contemplates eventually reaching 200MW and CEO Syphers clarified that the expectation was to get 500-600MW of new capacity in of the GeoZone. Director Rogers asked how Chevron could reassure the Board that this project would be zero carbon. CEO Syphers clarified that some carbon would be released during the

construction, and possibly some small amounts during operation, but like other geothermal power it would be far below the emissions of natural gas power.

Director Barnacle expressed concern as Chevron had done \$17 Billion in exploratory drilling this year and he questioned whether it would be better to do business with a company that shares SCP's values. CEO Syphers answered that this issue has been raised since the beginning of the contracting period and further stated that Chevron is aware that they are not to use the GeoZone project to offset carbon for other Chevron projects. Director Tracey explained that the reason Chevron was a finalist was because it has a lot of expertise in the industry and a sophisticated team that can solve complex problems. Director Elward stated she shared the same concerns as Director Barnacle and explained that she was born in a nation that had seen the destruction that Chevron can cause.

Vice Chair Hopkins asked what conversations had been had about workforce make up and had there been discussions of meeting prevailing wage. CEO Syphers answered that each company had signed on for strong local hire protections, prevailing wage and he explained that this would be a conversation SCP would be having again before the pilot projects scale up. Director Bagby stated she did believe that Chevron had the technical skills required for these contracts but asked Mr. Ghosh to share the SCP Board's concerns with Chevron's executives.

Public Comment: Woody Hastings of the Climate Center asked for staff's full disclosure of connections with Chevron and Director Tracey explained his background in the oil and gas industry as a reservoir engineer for Chevron for 8 years and the reasons for wanting to leave that industry to work on clean power solutions.

Motion to Approve the Delegated Authority to the CEO or his Designee to Execute Geothermal Opportunity Zone (GeoZone) Cooperation Agreement with Chevron New Energies by Director Bagby

Second: Chair Fudge

AYES: Bagby, Ford, Rogers, Strong, Fudge, Gjerde, Hopkins

NOES: Barnacle, Elward, Zollman, Farrar-Rivas

Director Tracey introduced Matt Rosenfeld of Cyrq Energy Inc. Mr. Rosenfeld explained that Cyrq's technology is thermal storage and Cyrq is trying to

implement new technology. He discussed energy storage technology and gave an overview of the thermal energy storage system.

Director Farrar-Rivas asked if Cyrq's portfolio primarily focused on alternative energy and Mr. Rosenfeld explained that Cyrq is owned by Macquarie which is an infrastructure company and Cyrq is a member of their green fund.

Public Comment: None

Motion to Approve the Delegated Authority to the CEO or his Designee to Execute Geothermal Opportunity Zone (GeoZone) Cooperation Agreement with Cyrq Energy Inc., by Director Rogers

Second: Director Bagby

AYES: Bagby, Ford, Barnacle, Elward, Rogers, Zollman, Farrar-Rivas, Strong, Fudge, Gjerde, Hopkins

Director Tracey introduced Neil Ethier of Eavor. Mr. Ethier discussed the importance of geothermal energy. He stated that it is reliable and cost certain. He further explained that geothermal creates high paying domestic jobs, hardens the electrical grid, makes the grid resilient, it is the lowest GHG power source when all aspects of production are considered, the taxes go to local jurisdictions, and further moves SCP to energy autonomy. He explained that Eavor uses a closed loop scalable geothermal system that incorporates efficient land and water usage.

Chair Fudge asked how long the closed loop system lasts and Mr. Ethier stated that it is designed to last for 30 years with a .2% decline annually.

Public Comment: Woody Hastings asked if the technologies would be bound to the Geyser's area and CEO Syphers answered that the Cyrq proposal requires an existing geothermal power plant, but that Chevron and Eavor could work outside the existing Geysers area.

Motion to Approve the Delegated Authority to the CEO or his Designee to Execute Geothermal Opportunity Zone (GeoZone) Cooperation Agreement with Eavor Inc. by Director Rogers

Second: Director Bagby

AYES: Bagby, Ford, Barnacle, Elward, Rogers, Zollman, Farrar-Rivas, Strong, Fudge, Gjerde, Hopkins

5. Review Programs Strategic Action Plan and Provide Direction as Appropriate

(10:46 a.m. - Video Time Stamp: 01:45:42)

Carolyn Glanton, Programs Operations Manager, presented the Draft Strategic Action Plan (the Plan) and thanked the Programs Team. She stated that the Plan was intended for SCP customers and partners and combined the equity framework, near term actions, long term goals, and strategies to address the climate crisis. She stated that the next step was to create a metric for programs. She then invited the Board to share their ideas.

Director Roger's thanked the program team and stated that the document helps to educate the public. Director Barnacle stated that the Plan was a great overview for new Directors and would like to see contractors used as a spotlight. He also stated he would like to see information on mobile home electrification, health and indoor air quality, and how to get induction stoves to low-income constituents. Vice Chair Hopkins mentioned that programs that focus on equity are important, and she also would like battery backup systems discussed. Chair Fudge stated that it is important to bring programs directly to the consumer. Director Gjerde would like to see building energy efficiency programs discussed. Directors Zollman and Elward mentioned they would like to see an equity framework incorporated in the document.

CEO Syphers clarified that the equity framework was incorporated into the document but agreed that future versions would make sure the plan is more explicit about that.

Public Comment: June Brashares, stressed programs should be planned with equity in mind and encouraged the inclusion of the equity framework in the Strategic Action Plan.

6. Approve the Proposed Budget Adjustments for Fiscal Year 2022-2023

(11:25 a.m. - Video Time Stamp: 02:24:38)

Chris Golik, Finance Manager, discussed the proposed adjustments to the FY 22/23 Budget. He explained it included an increase to the fund balance but did not require an increase in rates.

Director Bagby asked about the Energy Center Marketing and Communications Line Item and how it was reclassified, and Finance Manager Golik responded that some community outreach sponsorships were moved from Programs and placed in the Marketing and Communications Line Item.

Public Comment: None

Motion to Approve the Proposed Budget Adjustments for Fiscal Year 2022-2023 by Director Ford

Second: Director Elward

AYES: Bagby, Ford, Barnacle, Elward, Rogers, Zollman, Farrar-Rivas, Strong, Fudge, Gjerde, Hopkins

BOARD OF DIRECTORS MEMBER ANNOUNCEMENTS

(11:29 a.m. - Video Time Stamp: 02:28:07)

Director Bagby discussed the recent snowfall event in Cloverdale. Director Rogers discussed the upcoming Energy and Natural Resource meeting with local governments. Chair Fudge mentioned that the Town of Windsor would be having a ribbon cutting ceremony for their new roundabout.

PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

(11:32 a.m. - Video Time Stamp: 02:31:29)

Public Comment: None

ADJOURN

(11:33 a.m. - Video Time Stamp: 02:33:13)

The meeting was adjourned by unanimous consent.

Respectfully Submitted,



Darin A. Bartow, JD
Clerk of the Board