



**AGENDA
COMMUNITY ADVISORY COMMITTEE MEETING
THURSDAY, FEBRUARY 18, 2021
1:00 P.M.**

*****GOVERNOR'S EXECUTIVE ORDER N-25-20*****

*****GOVERNOR'S EXECUTIVE ORDER N-29-20*****

RE CORONAVIRUS COVID-19

CONSISTENT WITH THE PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDERS N-25-20 AND N-29-20 WHICH SUSPEND CERTAIN REQUIREMENTS OF THE BROWN ACT, AND THE ORDER OF THE HEALTH OFFICER OF THE COUNTY OF SONOMA TO SHELTER IN PLACE TO MINIMIZE THE SPREAD OF COVID-19, MEMBERS OF THE COMMUNITY ADVISORY COMMITTEE WILL PARTICIPATE IN THE FEBRUARY 18, 2021, MEETING BY TELECONFERENCE. DUE TO THE EXECUTIVE ORDERS, IN-PERSON PARTICIPATION BY THE PUBLIC WILL NOT BE PERMITTED AND NO PHYSICAL LOCATION FROM WHICH THE PUBLIC MAY ATTEND THE MEETING WILL BE AVAILABLE. REMOTE PUBLIC PARTICIPATION DETAILS ARE LISTED BELOW.

Members of the public who wish to participate in the Community Advisory Committee Meeting may do so via the following webinar link or teleconference call-in number and meeting code:

- Webinar link: <https://zoom.us/j/92495399268>
 - Telephone number: 1 (669) 900-9128
 - Meeting ID: 924 9539 9268

PLEASE NOTE: The Sonoma Clean Power Business Office is closed and this meeting will be conducted entirely by teleconference.

How to Submit Public Comment During the Teleconference Meeting:

The Chair will request public comment during the Public Comment period for all items on the agenda. Comments may be submitted in writing (preferred) to meetings@sonomacleanpower.org or during the meeting via the webinar "raise your hand" feature. For detailed public comment instructions, [please visit this page](#).

For written comments, state the agenda item number that you are commenting on and limit to 300 words. Written comments received prior to the meeting and/or the agenda item you wish to comment on will be read into the record up to 300 words.

Staff recommendations are guidelines to the Committee. On any item, the Committee may take action which varies from that recommended by staff.

I. CALL TO ORDER

II. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

(Comments are restricted to matters within the Committee's jurisdiction. Please be brief and limit spoken comments to three minutes, or 300 words if written.)

III. COMMUNITY ADVISORY COMMITTEE CONSENT CALENDAR

1. Approve January 21, 2021 Draft Community Advisory Committee Meeting Minutes (Staff Recommendation: Approve) - pg. 5
2. Recommend that the Board Approve and Delegate Authority to the CEO to Execute Fourth Amendment to Contract with Sixth Dimension LLC to Increase the Not-to-Exceed Amount by \$33,805 to \$393,979 through April 1, 2021 for the Advanced Energy Center (Staff Recommendation: Approve) - pg. 13
3. Recommend that the Board Delegate Authority to the Chief Executive Officer to execute the Second Amended Agreement for Professional Services with Sixth Dimension, LLC. to increase the Not-to-Exceed Amount by \$330,277 to \$927,390 through August 31, 2021 for the SCP Headquarters Project (Staff Recommendation: Approve) - pg. 19
4. Recommend that the Board Delegate Authority to the CEO to Amend and Extend a Professional Services Agreement with TRC Engineers for the Advanced Energy Build Program to Increase the Not-to-Exceed Contract by \$31,500 to \$2,848,000 and Extend the Term through December 31, 2022 (Staff Recommendation: Approve) - pg. 21

IV. COMMITTEE MEMBER ANNOUNCEMENTS

V. COMMUNITY ADVISORY COMMITTEE REGULAR CALENDAR

5. Nominations and Selection of Chair and Vice Chair for One-Year Terms (Staff Recommendation: Approve) - pg. 27
6. Receive Internal Operations and Monthly Financial Report and Provide Feedback as Appropriate (Staff Recommendation: Receive and File) - pg. 47
7. Receive Legislative and Regulatory Updates and Provide Feedback as Appropriate (Staff Recommendation: Receive and File) - pg. 63
8. Receive Draft Programs Equity Plan and Provide Feedback as Appropriate (Staff Recommendation: Receive and File) - pg. 73

VI. ADJOURN

DISABLED ACCOMMODATION: If you have a disability which requires an accommodation or an alternative format, please contact the Clerk of the Board at (707) 890-8491, or by email at meetings@sonomacleanpower.org as soon as possible to ensure arrangements for accommodation.

COMMONLY USED ACRONYMS AND TERMS

CAC	Community Advisory Committee
CAISO	California Independent Systems Operator
CCA	Community Choice Aggregation
CEC	California Energy Commission
CleanStart	SCP's standard service
CPUC	California Public Utility Commission
DER	Distributed Energy Resource
DR	Demand Response
ERRA	Energy Resource Recovery Account
EverGreen	SCP's 100% renewable, 100% local energy service
Geothermal	A locally-available, low-carbon baseload renewable resource
GHG	Greenhouse gas
GRC	General Rate Case
GridSavvy	The GridSavvy Community is SCP's demand response program which offers incentives on smart devices like electric vehicle chargers, smart thermostats, and heat pump water heaters. These devices can then be controlled via a signal to respond to grid needs.
IOU	Investor Owned Utility (e.g., PG&E)
IRP	Integrated Resource Plan
JPA	Joint Powers Authority
MW	Megawatt (Power = how fast energy is being used at one moment)
MWh	Megawatt-hour (Energy = how much energy is used over time)
NEM	Net Energy Metering
NetGreen	SCP's net energy metering program
PCIA	Power Charge Indifference Adjustment (<i>This fee is intended to ensure that customers who switch to SCP pay for certain costs related to energy commitments made by PG&E prior to their switch.</i>)
ProFIT	SCP's "Feed in Tariff" program for larger local renewable energy producers - Fully subscribed
RA	Resource Adequacy - a required form of capacity for compliance
RPS	The Renewables Portfolio Standard (RPS) is a California regulatory program that sets continuously escalating renewable energy procurement requirements for the state's electricity suppliers. Electricity suppliers must procure a verified percentage of total electricity through RPS-certified renewable facilities.
REC	Renewable Energy Credit - process used to track renewable energy for compliance in California.
SCP	Sonoma Clean Power
TOU	Time of Use, used to refer to rates that differ by time of day and by season

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**DRAFT MEETING MINUTES
COMMUNITY ADVISORY COMMITTEE MEETING
THURSDAY, JANUARY 21, 2021
1:00 P.M.**

******GOVERNOR'S EXECUTIVE ORDER N-25-20******

******GOVERNOR'S EXECUTIVE ORDER N-29-20******

RE CORONAVIRUS COVID-19

CONSISTENT WITH THE PROVISIONS OF THE GOVERNOR'S EXECUTIVE ORDERS N-25-20 AND N-29-20 WHICH SUSPEND CERTAIN REQUIREMENTS OF THE BROWN ACT, AND THE ORDER OF THE HEALTH OFFICER OF THE COUNTY OF SONOMA TO SHELTER IN PLACE TO MINIMIZE THE SPREAD OF COVID-19, MEMBERS OF THE COMMUNITY ADVISORY COMMITTEE PARTICIPATED IN THE JANUARY 21, 2021, MEETING BY TELECONFERENCE.

I. CALL TO ORDER

Chair Dowd called the January 21, 2021 meeting of the Community Advisory Committee to order at 1:04 pm.

Committee Members Present: Chair Dowd, Vice Chair Baldwin, and Members Brady, Chaban, Fenichel, Mattinson, Morris, Nicholls, Sizemore, Quinlan, and Wells

Staff Present: Geof Syphers, Chief Executive Officer; Mike Koszalka, Chief Operating Officer; and Stephanie Reynolds, Director of Internal Operations

II. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

None

III. COMMUNITY ADVISORY COMMITTEE CONSENT CALENDAR

1. Approve December 16, 2020 Draft Community Advisory Committee Meeting Minutes

Public Comment: None

Motion to approve the December 16, 2021 Community Advisory Committee Consent Calendar by Vice Chair Baldwin

Second: Member Nicholls.

Motion Passed by Roll Call Vote: 10-0-1

IV. COMMUNITY ADVISORY COMMITTEE REGULAR CALENDAR

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

Chief Operating Officer Michael Koszalka provided details regarding COVID-19 impacts to SCP. He stated that staff will bring forward a budget adjustment and sales forecasts soon and that the FY21/22 budget review will begin in April. He then advised that development of the Integrated Resource Plan will start in spring and continue through fall, and it will have more detailed forecasts and modeling to plan out the next several years.

Director of Internal Operations Stephanie Reynolds provided construction updates on the new SCP headquarters project, which is expected to be completed this summer, and noted that the Advanced Energy Center is slated to open later in spring. She then provided an overview of the monthly financial statements.

Member Morris asked about the situation with customers not paying bills; COO Koszalka responded that SCP has been monitoring the 30-, 60- and 90-day delinquent payment reports, and while customers have been slower to pay than typical, they are still paying. He then stated that SCP's write off for bad debt budget is at 1.2% and that the upcoming budget update will ask to increase that amount because staff expects bad debt to go up due to COVID-19.

Public Comment: None.

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

Director of Regulatory Affairs Neal Reardon covered regulatory updates, beginning with PG&E's Mailer on Bill Increases. He then gave an update on the Power Charge Indifference Adjustment proceedings and that a decision is expected in the second quarter of this year. Director Reardon then detailed a proposed CPUC microgrid decision which is positive for customers and citizens; the three areas of proposed changes: 1) Microgrids controlled by state & local entities can now serve an adjacent parcel; 2) The Commission is removing the cap of five critical facility microgrids per utility territory; and, 3) The Commission clarified that storage devices eligible under Net Energy Metering would also be eligible to serve microgrids.

CEO Geof Syphers provided the legislative portion of the report. In the last 24 hours, President Biden made a number of decisions including rejoining the

Paris Climate Accord and revoking the permit for the Keystone Pipeline; his appointments would likely have a positive impact on the climate agenda. He then updated the Board on several new appointments to SCP's Board of Directors: for Santa Rosa, Mayor Chris Rogers with Victoria Fleming as alternate; Windsor selected Deb Fudge with Esther Lemus as alternate; Rohnert Park selected Vice Mayor Jackie Elward with alternate Susan Adams. The seat shared by the cities of Ft. Bragg, Pt. Arena, and Willits is pending appointment.

CEO Syphers stated that there are a number of bills that are still under review and one of particular interest is SB 99 (Dodd) Community Energy Resilience Act. He then stated that CAISO released their final report about the root causes of the August heat wave and outages; some providers estimated their loads too low, there was an extreme heat wave, extreme humidity, combined with cloud cover which caused solar output to drop substantially. Combined with these factors were also some natural gas power plant failures.

Chair Dowd posed a question to CEO Syphers about SB 45 by Portantino regarding the concern about protection from wildfires. CEO Syphers replied that he does not have an analysis yet but will have it soon.

Member Mattinson posed a comment that was raised at the last Board meeting regarding the natural gas bans and Windsor reversing their ban because they could not afford a legal fight. He noted that the litigant in that case is a director at a bank where SCP has funds deposited and he asked if action being taken on this with the Board or staff level. CEO Syphers replied that staff is working on a response that will go to the Board and an update on this issue will also be presented to the CAC.

Member Brady requested CEO Syphers or Director Reardon to provide any updates from CEC regarding renewable energy requirements for indoor and greenhouse cannabis cultivators; CEO Syphers replied he is not aware of any updates on this issue. Chair Dowd requested staff follow up on the issue.

Public comments: None

4. Receive Annual Report

Director of Public Relations & Marketing Kate Kelly presented this item and noted the efforts of Brand Manager April Varellas. Director Kelly covered each page of the annual report with a brief summary of the contents presented.

Public comments: None

5. Receive Programs Strategic Action Plan and Provide Feedback as Appropriate

Director of Programs Cordel Stillman provided a brief overview of some of the highlights contained in the Plan as a bi-annual report of SCP programs. He highlighted GridSavvy, CALeVIP, and the Advanced Energy Build Program. Director Stillman then detailed proposed programs such as the Programs Equity Framework and the Electrification Equity. He then described programs that have been completed such as the school bus electrification study, and those that have been discontinued like the residential battery incentive program.

Member Quinlan expressed appreciation for the programs update and stated that these presentations are among his favorites. He also asked for more information on Program Equity Framework; Director Stillman replied that it is in progress with a draft that will be taken to the Board of Directors in February. The Committee will also see it at the next meeting and have an opportunity to weigh in and advise. Member Quinlan asked why the PermaGreen program enrollments are paused; CEO Syphers responded that the program is paused due to legislative concerns and potential compliance issues surrounding jurisdictional concerns while the CEC weighs a decision. Director Stillman concluded the report by expressing gratitude for program managers and senior program managers.

Public Comment:

John Rosenblum commented on the analysis of 17 municipal facilities to determine the feasibility of adding battery storage and expressed concerns about the cost-effectiveness of sophisticated power purchase agreements.

6. Discuss EverGreen Local Resource Public Workshop #2 and Provide Feedback as Appropriate

Director of Planning & Analytics Rebecca Simonson provided a verbal presentation of the written report. She highlighted an item not included in the report - a 1 MW ProFIT solar project outside of Petaluma, named Bodega Energy West, that began commercial operation on December 31, 2020. Director Simonson then described another 1 MW project that is expected to begin operation within the next several months; it is also located in the Petaluma area. Director Simonson detailed that feedback received on the Local Resource Plan Workshop #2 is provided in the report.

Chair Dowd commented about jurisdictional requirements to comply with State mandates to reduce GHG emissions and stated that was one of the reasons the City of Santa Rosa upgraded to EverGreen. Additionally, he mentioned that the Town of Windsor put the solar array on a wastewater pond and is surprised that other jurisdictions have not taken these or similar actions. Chair Dowd suggested that it may be a cost-effective way of meeting the GHG

reduction mandates. Director Simonson replied that the cost-effectiveness of a project is determined on a case-by-case basis and that EverGreen is also a cost-effective option for many. Part of SCP's plan will include outreach to the local jurisdictions to improve the utilization of renewable energy resources on municipal sites.

Member Morris noted that Petaluma City Council adopted an impressive framework for climate action put together by new Climate Action Commission. One priority action item is to have the city join EverGreen. Member Sizemore watched the LRP Workshop #2 presentation and commented that while it was technical, Director Simonson did a good job of explaining those technicalities. She expressed understanding of the biomass concerns but agrees that staff's idea to address biomass on a case-by-case basis is a good plan.

Member Sizemore left the meeting at approximately 2:39 pm.

Member Wells spoke about the marketing of EverGreen and suggested that the local element should be a primary focus over the GHG emissions. Per The Climate Registry, SCP is the only public agency who has published 2019 GHG emissions so far. He stated that per the report, CleanStart had lower GHG emissions than EverGreen which may present a marketing issue. He went on to ask if SCP will be able to maintain these CleanStart GHG emissions and if EverGreen will be able to reduce GHG emissions. Director Simonson explained that the GHG emissions report is a long process and others may still report. Regarding CleanStart being cleaner she stated that it is about methodology - while it appears CleanStart is cleaner than EverGreen, it's not necessarily so. The Climate Registry uses an annual methodology whereas the CPUC and others are moving toward an hourly methodology. SCP does intend to reduce the GHG emissions of EverGreen going forward however it depends on how much of the supply is provided by the Geysers geothermal.

CEO Syphers added that SCP has been advocating for more accurate reporting of GHG emissions using EverGreen as an example. He also answered Member Wells' question about whether CleanStart can maintain the current low level of emissions - not quickly but the goal over time will be to keep it as low as possible. CEO Syphers also stated that this topic should be addressed again going forward, especially during the Integrated Resource Plan.

Member Wells commented about a state law change regarding the reporting requirements of power content labels which currently only include percentages of the sources, but in the future GHG emissions will also be included. Director Simonson confirmed that change is happening this year to cover 2020 reporting.

Member Baldwin asked about the process SCP will implement regarding biomass. Director Simonson explained that SCP will look at the net benefit. For example, if it is a waste product, the cost savings, emission savings, where it came from, etc., will be determined on a case-by-case basis. She emphasized that no biomass projects are currently proposed.

Public comment:

John Rosenblum expressed appreciation for Director Simonson and Senior Energy Analyst Ryan Tracy for the handling of public comments during the LRP process. He also reiterated his previous questions and comments about the cost-effectiveness of solar and storage and the lack of public input to that study.

7. Discuss Proposed Process for Nominations and Selection of a Chair and Vice Chair in Advance of Open Nominations and Vote at February Meeting

To commence the discussion, Chair Dowd encouraged other Committee Members to speak up if they have interest in being Chair or Vice Chair.

Member Brady left the meeting at approximately 2:58 p.m.

Director of Internal Operations Stephanie Reynolds advised that this item is for discussion and staff can offer suggestions, but this item is for the Committee to decide. CEO Syphers detailed that the Authority's JPA establishes that the Board of Directors to appoints Committee members, but the Committee itself selects its own Chair and Vice Chair.

The Committee agreed to establish a two-part process which would begin each year in December where the Members would express their interest in serving as Chair or Vice Chair with a vote held the following month.

Vice Chair Baldwin commented that all committee members should present a statement with member interest, background, biography, qualifications, etc. She also stated that the agenda review call which takes place prior to CAC meetings is very helpful and suggests that in addition to the Chair, another Member sits in on that call on a rotating basis. Member Mattinson expressed preference to allow flexibility in the scheduling of nominations and votes to ensure newly appointed Members can participate. Member Nicholls expressed interest in having a CAC retreat to allow for members to meet outside of a meeting.

Member Morris agreed with Vice Chair Baldwin's suggestion to have Members present a written statement. Member Morris went on to ask if Members can self-nominate in addition to being nominated by others. Director Reynolds replied that has been the practice, yes.

COO Koszalka clarified direction for this year's process - by Monday, staff will send out a statement form to members. Members will have to return the statements within two weeks so they can be included in the next packet.

Public comments: None

V. COMMITTEE MEMBER ANNOUNCEMENTS

Chair Dowd looks forward to when the Committee can gather again in person. Member Mattinson commented that the Committee previously had a youth student member and encourages staff to consider it again when possible.

VI. ADJOURN

Chair Dowd adjourned the meeting at approximately 3:28 p.m.

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Staff Report - Item 02

To: Sonoma Clean Power Authority Community Advisory Committee

From: Chad Asay, Programs Manager

Issue: Recommend that the Board Approve and Delegate Authority to the CEO to Execute Fourth Amendment to Contract with Sixth Dimension LLC to Increase the Not-to-Exceed Amount by \$33,805 to \$393,979 through April 1, 2021 for the Advanced Energy Center

Date: February 18, 2021

Requested Committee Action:

Staff requests that the Community Advisory Committee ("CAC") recommend that the SCP Board of Directors ("Board") Delegate Authority to the Chief Executive Officer ("CEO") to execute a fourth amendment to the contract with Sixth Dimension LLC to add \$33,086 to the not-to-exceed amount over the term to include additional constructional management services due to the buildings electrical panel replacement, permitting delays, the general contractors performance, and additional lead time needed for materials that extended schedules of construction at the Advanced Energy Center ("AEC").

Background:

SCP's initial contract with Sixth Dimension was approved by the Board on March 7, 2019 for construction management services to complete remodel of the leased, vacant space into a new marketplace and demonstration space. The initial term of the contract was through January 31, 2020.

A first amendment to the Sixth Dimension LLC contract to expand services to include specialty materials testing, industrial hygienist services, Cal green inspection services and Commissioning Services that extended the term to June 30, 2020 and increased the not-to-exceed amount to \$253,584.

A second amendment to the Sixth Dimension LLC contract to add \$107,309 to the not-to-exceed amount to include additional constructional management services due to bid protests, permitting delays, the general contractor's performance that extended the term to December 31, 2020 and increased the not-to-exceed amount to \$360,893.

A third amendment to the Sixth Dimension LLC contract to extend the term to April 1, 2021 was made due to COVID, fires, and other delays due to the electrical panel replacement that led to additional constructional management services past 2020.

Discussion:

This is the fourth amendment to the Sixth Dimension LLC contract to expand the scope to include additional constructional management services due to the delays, testing, and commissioning needed for the electrical panel replacement. The fourth amendment would increase the not-to-exceed amount under the contract by thirty-three thousand and eighty-six dollars (\$33,086), which increases the not-to-exceed amount under the Agreement to three hundred ninety-three thousand nine hundred seventy-nine dollars (\$393,979).

Sixth Dimension spent additional time coordinating construction services preparing engineers, city officials and PG&E for work to replace the buildings main electrical panel. While the contractor and team are working to improve the schedule, the additional scope is required to complete the administration of the project.

Fiscal Impact:

In FY 19/20 SCP budgeted \$4.2M dedicated to CEC grant administration, labor and tenant improvements. Additionally, there are \$509K in grant funds dedicated to the AEC tenant improvements. SCP will dedicate the full \$509,000 in grant funds to the AEC construction project and then makeup for the difference with SCP funds. Even with the additional funds allocated to this contract, no budget adjustment will be needed for this amendment.

Attachments:

- Fourth Amendment to the Professional Services Agreement for the Sonoma Clean Power Authority with Sixth Dimension LLC for the Sonoma Clean Power Authority Energy Marketplace

Related Items "On File" with the Clerk of the Board:

- First Amendment to the Professional Services Agreement for the Sonoma Clean Power Authority with Sixth Dimension LLC for the Sonoma Clean Power Authority Energy Marketplace
- Second Amendment to the Professional Services Agreement for the Sonoma Clean Power Authority with Sixth Dimension LLC for the Sonoma Clean Power Authority Energy Marketplace
- Third Amendment to the Professional Services Agreement for the Sonoma Clean Power Authority with Sixth Dimension LLC for the Sonoma Clean Power Authority Energy Marketplace

**FOURTH AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL SERVICES
BETWEEN THE SONOMA CLEAN POWER AUTHORITY
AND SIXTH DIMENSION, LLC - ADVANCED ENERGY CENTER**

This Fourth Amendment (“Fourth Amendment”) to the Agreement for Professional Services (the “Agreement”) is entered into between the Sonoma Clean Power Authority (“SCPA”), a California Joint Powers Authority, and Sixth Dimension, LLC, a California limited liability company (“Consultant”) as of March 4, 2021 (“Fourth Amendment Effective Date”). SCPA and Consultant are, at times individually referred to herein as “Party” and collectively as “Parties”.

WHEREAS, the Parties entered into the Agreement dated March 7, 2019 for Consultant to provide construction management services during the construction of SCPA’s Advanced Energy Center Project; and

WHEREAS, the Parties subsequently updated and revised the Original Agreement, entering into a First Amendment to the Agreement (the “First Amendment”) dated November 14, 2019, in order to extend the Term of the Agreement to June 30, 2020 and increase the not-to-exceed amount of two hundred and fifty three thousand, five hundred and eighty four dollars (\$253,584) to (a) expand and revise the Services provided by Consultant to include specialty materials testing, industrial hygienist services, Cal Green inspection services and Commissioning Services as Additional Services, (b) update Consultant’s list of subconsultants under the Agreement; and

WHEREAS, the parties subsequently updated and revised the First Amendment, entering into a Second Amendment to the Agreement (the “Second Amendment”) dated June 4, 2020, in order to increase the total not-to-exceed amount by one hundred seven thousand and three hundred and nine dollars (\$107,309), which increases the not-to-exceed amount under the Agreement from two hundred and fifty three thousand, five hundred and eighty four dollars (\$253,584) to three hundred sixty thousand and eight hundred and ninety three dollars (\$360,893); and to extend the term of the Agreement to December 31, 2020 to include additional constructional management services due to the permitting delays, a bid protest, the general contractors performance, and additional lead time needed for materials that extended schedules from 12 weeks of construction to an estimated 33 weeks; and

WHEREAS, the parties subsequently updated and revised the Second Amendment, entering into a Third Amendment to the Agreement (the “Third Amendment”) dated December 18, 2020, in order to extend the term of the Agreement from December 31, 2020 to April 1, 2021 to include additional constructional management services due to additional lead time needed for materials that extended schedules from the main building’s switchgear replacement project; and

WHEREAS SCPA now also desires to increase the total not-to-exceed amount by thirty-three thousand and eighty-six dollars (\$33,086), which increases the not-to-exceed amount under the Agreement from three hundred sixty thousand and eight hundred and ninety-three dollars (\$360,893) to three hundred ninety-three thousand and nine hundred and seventy-nine dollars (\$393,979), to include additional constructional management services due to delays, testing, and commissioning needed for the electrical panel replacement ; and

WHEREAS, in accordance with section 27 all changes to the Agreement must be in writing and signed by all Parties.

NOW, THEREFORE, the Parties agree as follows:

1. Section 4 (Not to Exceed Amount) of the Agreement is hereby superseded and replaced as follows:

4. NOT TO EXCEED AMOUNT. IN NO EVENT SHALL THE AMOUNT PAYABLE FOR SERVICES PERFORMED DURING THE TERM OF THIS AGREEMENT EXCEED three hundred ninety-three thousand and nine hundred and seventy-nine dollars (\$393,979). This dollar amount is not a guarantee that SCPA will pay that full amount to Consultant, but is merely a limit of potential SCPA expenditures under the Agreement.

2. Except as set forth above, all terms and conditions of the Agreement remain in full force and effect.

By signing below, the signatories warrant that each has authority to execute this Fourth Amendment on behalf of their respective Parties, and that this Agreement is effective as of the Fourth Amendment Effective Date.

SONOMA CLEAN POWER AUTHORITY

SIXTH DIMENSION, LLC

BY: _____
Geof Syphers
Chief Executive Officer

BY: _____

TITLE: _____

DATE: _____

DATE: _____

APPROVED AS TO FORM

BY: _____
General Counsel

DATE: _____



Sonoma Clean Power Authority
Headquarters - 431 E Street & N

4. FEE PROPOSAL -

2/8/2021

Project Name	2019					2020					2021					Total Project
	Total Through 2019	Rate	J	F	M	A	M	J	J	A	S	O	N	D	Total Hours	
ADVANCED ENERGY CENTER																
Design																
Construction			Construction					Close-out								
Principal in Charge	\$ -	0														
Project Director	\$ -	232														
Construction Manager	\$ -	180													112	\$ 20,720
Project Engineer	\$ -	124													0	\$ -
Constructability Review	\$ -	175													0	\$ -
Subconsultants¹																
Estimating Support	\$ -	175													0	\$ -
MEP Constructability Review	\$ -	-													0	\$ -
Industrial Hygienist Services															0	\$ -
Commissioning															0	\$ -
Cal Green															0	\$ -
Consolidated Testing															0	\$ -
Contingency															0	\$ -
Reimbursables																
Collaboration Software																
Outreach - Social Media Content																
General Reimbursables																
Sub Markup																\$ 599
TOTAL	222,765															\$ 33,289
CUMULATIVE TOTAL	222,765															\$ 393,925
Current Contract Amount																\$ 360,636
Contract Variance																\$ (33,086)

* - average composite rate.

¹ - Subconsultant fees include 5% markup with the exception of Industrial Hygienist. Industrial Hygienist fees have been marked up 10% due to the additional liability of the Work. Reimbursable expenses include a markup of 5%.

² - Allowance. Proposal will be provided following initial survey of HAZMAT



Staff Report - Item 03

To: Sonoma Clean Power Authority Community Advisory Committee

From: Cordel Stillman, Director of Programs

Issue: Recommend that the Board Delegate Authority to the Chief Executive Officer to execute the Second Amended Agreement for Professional Services with Sixth Dimension, LLC. to Increase the Not-to-Exceed Amount by \$330,277 to \$927,390 through August 31, 2021 for the SCP Headquarters Project

Date: February 18, 2021

Recommendation:

Recommend that the Board of Directors give the Chief Executive Officer authority to execute the Second Amended Agreement for Professional Services with Sixth Dimension, LLC.

Background:

On December 6, 2018, Sonoma Clean Power Authority (SCPA) executed a professional services agreement with Sixth Dimension, LLC to provide construction management services for the Headquarters Project. These services included assistance during the design phase as well as monitoring the construction of the building. On November 14, 2019 SCPA executed the First Amendment to this agreement. The First Amendment extended the term of the agreement to March 31, 2021, added the services of a commissioning agent, an industrial hygienist, a materials testing lab and a CALGreen certification agent. These necessary services were not included in Sixth Dimensions original contract proposal. The First Amendment also increased the cost of the contract by \$49,630 for a new not to exceed amount of \$597,113.

Discussion:

The Second Amended Agreement being considered in this item is the result of several delays to the project as well as additional work that has been added. Delay in the initial award of the contract, delays due to COVID 19 restrictions, and delays encountered during the construction itself have pushed out the completion of construction significantly. Construction was anticipated to be complete in January 2021 and is now projected to be complete in July 2021. In addition, investigation of on-site conditions has necessitated adding sub-consultants to Sixth Dimension's team to address geo-technical and tree issues. Finally, the complexity of commissioning the micro-grid was not accounted for in the agreement.

This Second Amended Agreement increases the contract amount by \$330,277, revising the not to exceed amount to \$927,390 as well as extending the contact till August 31, 2021. Additional sub-contractor work accounts for \$36,355 of this increase, while the remainder is for Sixth Dimension's management of on-site construction activities.

Sixth Dimension has been managing construction activities at both the Headquarters Project and the Advanced Energy Center and to date we have been able to split the cost of their on-site personnel between the two projects. With the imminent completion of the Advanced Energy Center, the full cost of on-site personnel will be borne by the Headquarters Project.

Staff are requesting that the Committee recommend to the Board that the Chief Executive Officer be given authority to execute the Second Amended Agreement with Sixth Dimension, LLC.

Fiscal Impact:

This contract amendment increases the total construction cost for the headquarters by \$330,277 above the original project budget, and this increase will be reflected in an Authority-wide budget adjustment in the near future. Costs that carry over into the next fiscal year will be budgeted appropriately.

Attachments:

Second Amended Agreement for Professional Services Between Sonoma Clean Power Authority and Sixth Dimension, LLC - SCP Headquarters Project

[The attachment for this item can be accessed through this link or by request from the Clerk of the Board.](#)



Staff Report - Item 04

To: Sonoma Clean Power Authority Community Advisory Committee

From: Scott Salyer, Programs Manager

Issue: Recommend that the Board Delegate Authority to the CEO to Amend and Extend a Professional Services Agreement with TRC Engineers, Inc. for the Advanced Energy Build Program to Increase the Not-to-Exceed contract by \$31,500 to \$2,848,000 and Extend the Term through December 31, 2022

Date: February 18, 2021

Recommendation:

Recommend to the Board of Directors that they delegate authority to the Chief Executive Officer or his designee to amend and extend a Professional Services Agreement ("PSA") with TRC Engineers, Inc. ("TRC") to implement the Advanced Energy Build program, with the attached Second Amendment to the agreement.

Background:

In November 2019, staff recommended that unspent funds from the Advanced Energy Rebuild program be reallocated to the Advanced Energy Build (AEB) program, an effort to encourage all-electric and resilient new construction in SCP's service territory. At that time, the Community Advisory Committee and Board of Directors approved a program that could serve up to 500 homes.

The approved aggregate not-to-exceed amount for the 500-home Program is currently \$2,816,500, inclusive of \$2,250,000 in incentives and \$566,500 for third-party program management.

Since that time, staff added increased incentives for all-electric low-income single family and multifamily (MF) developments, without the need to increase the overall program budget. This includes \$5,000 per low-income single-family home, \$2,500 per qualifying multifamily unit, and up to \$25,000 for MF battery resilience. To date, 170 units of housing have applied for the program, with the vast majority being low-income multifamily projects.

Discussion:

A one-year contract was entered into with TRC to gauge local market interest in Advanced Energy Build, with the initial contract period ending on March 31, 2021. To facilitate the completion of existing projects and the enrollment of new projects, staff now requests that the Community Advisory Committee recommend to the Board of Directors that they delegate authority to Sonoma Clean Power’s Chief Executive Officer or his designee to amend and extend a Professional Services Agreement (“PSA”) with TRC Engineers, Inc. to implement the Advanced Energy Build program with the attached Second Amendment to the Agreement, which includes an additional \$31,500 in program administration costs and increases the total not-to-exceed amount to \$2,848,000.

Fiscal Impact:

Staff is requesting an additional \$31,500 and to extend the contract with TRC Engineers, Inc. through December 31, 2022. No budget adjustment will be needed for the current FY.

Attachments:

- Second Amendment to the Advanced Energy Build Implementation Agreement between Sonoma Clean Power and TRC Engineers, Inc.

SECOND AMENDMENT TO THE ADVANCED ENERGY BUILD IMPLEMENTATION AGREEMENT BETWEEN SONOMA CLEAN POWER AUTHORITY AND TRC ENGINEERS, INC.

This Second Amendment ("Second Amendment") to the Advanced Energy Build (AEB) Implementation Agreement ("Agreement") was entered into between the Sonoma Clean Power Authority ("SCPA"), a California Joint Powers Authority, and TRC Engineers, Inc. ("Consultant"), a California corporation, as of March 1, 2021 ("Effective Date"). SCPA and Consultant are, at times individually referred to herein as "Party" and collectively as "Parties".

WHEREAS, the Parties entered into the Agreement dated April 22, 2020, for Consultant to provide contracted services for select Sonoma Clean Power Authority customers; and

WHEREAS the parties entered into the First Amendment with the Effective Date of August 1, 2020 for the purpose of increasing Section 4 (Not to Exceed Amount) from \$1,200,400 to \$2,816,500;

NOW, THEREFORE, the Parties agree as follows:

1. Section 4 (Not to Exceed Amount) of the Agreement is hereby superseded and replaced as follows:

"4. NOT TO EXCEED AMOUNT. IN NO EVENT SHALL THE AMOUNT PAYABLE FOR SERVICES PERFORMED DURING THE TERM OF THIS AGREEMENT EXCEED \$2,848,000 DOLLARS. This dollar amount is not a guarantee that SCPA will pay that full amount to Consultant, but is merely a limit of potential SCPA expenditures under the Agreement. This not to exceed amount is inclusive of \$598,000 in administrative costs and \$2,250,000 in incentives as described in Section 31."

2. Section 5 (Term of the Agreement) of the Agreement is hereby superseded and replaced as follows:

Term of the Agreement: The initial term of this Agreement shall be from the Effective Date to December 31, 2022, unless terminated pursuant to Section 6 or amended by a written, executed amendment to the Agreement. Consultant understands and agrees that funding for costs under this Agreement after June 30, 2021 is subject to approval by SCPA's Board of Directors of a budget including such funding, and that

SCPA may terminate this Agreement pursuant to Section 6 below if such funding is not approved.

3. Exhibit B (Fee Schedule) of the Agreement is hereby superseded and replaced as follows:

Job Classification	2020 Rate	2021 Rate	2022 Rate	TRC Personnel
Vice President	\$265	\$273	\$281	Catherine Chappell, Julieann Summerford, Carl Teter
Associate Vice President	\$255	\$263	\$271	Abhijeet Pande
Senior Program Manager	\$233	\$240	\$247	Sophia Hartkopf
Program Manager	\$191	\$197	\$203	Matthew Christie, Elizabeth McCollum, Nic Dunfee
Senior Project Manager	\$170	\$175	\$180	Melissa Buckley
Project Manager	\$164	\$169	\$174	Nicole Allen, Rob Geltner, Connie Malone-Jones, Ritesh Nayyar, Mayra Vega
Associate Project Manager II	\$138	\$142	\$146	Parul Gulati
Associate Project Manager I	\$127	\$131	\$135	Yamini Arab, Matthew Flores, Paige Wenzel, Kristen Bellows
Project Associate II	\$117	\$121	\$124	Lorenzo Pagano
Project Associate I	\$101	\$104	\$107	Allison Wittwer, Yolanda Beesemyer, Maura Cardenas, Brandon Faris, Sean Jones, Mariah Wills, Shari Mullen
Project Assistant II	\$95	\$98	\$101	Anna Grimes
Project Assistant I	\$85	\$88	\$90	Jude LaCoste , Colleen Santistevan, Connor Shields, Wendy Young

4. Except as set forth above, all terms and conditions of the Agreement remain in full force and effect.

By signing below, the signatories warrant that each has the authority to execute this Second Amendment on behalf of their respective Parties, and that this Second Amendment is effective as of the Second Amendment Effective Date.

SONOMA CLEAN POWER AUTHORITY

By: Michael Koszalka, COO

Date _____

CONSULTANT

By: _____

Date _____

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Staff Report - Item 05

To: Sonoma Clean Power Authority Community Advisory Committee

From: Stephanie Reynolds, Director of Internal Operations

Issue: Nominations and Selection of a Chair and Vice Chair for 2021

Date: February 18, 2021

Requested Committee Action:

Accept nominations for and appoint the Chair and Vice Chair of the Community Advisory Committee for the 2021 Calendar Year

Background:

At the January meeting, the Committee members reviewed past practice for annual nominations and determined a more organized process for the current calendar year and going forward.

The process agreed upon by the members present was for staff to draft a short form for all current members to complete with a brief bio of themselves and goals for the committee. On the same form, there would be a section asking if that member intended to continue through the end of the current term and if there was interest in serving as Chair or Vice Chair for the upcoming year. The forms would be completed by all members each year to provide not only a statement of interest for serving as Chair or Vice Chair, but also to provide backgrounds to new committee members and the public.

For the current year, all committee members were to submit completed forms prior to the February meeting. These forms are attached to this report, in alphabetical order by last name. In subsequent years, the forms would be submitted in advance of

the December CAC meeting, followed by nominations, discussion and appointments of the Chair and Vice Chair at the January meeting.

Attachment:

2021 CAC Member Statement Forms (in alphabetical order by last name)

Click or tap to enter a date.

1. Name: Karen S. Baldwin
2. Please provide a brief bio:

I am a recently retired attorney living in Sonoma, California. My experience with renewable energy includes an unsuccessful tax-exempt financing for a Contra Costa County waste-to-energy plant during the 1980s. Most of my experience with renewable energy came as in-house counsel and later as a member of the Board of Kauai Island Utility Cooperative. During my tenure KIUC went from 3% to 87% renewable energy. KIUC implemented a biomass project, solar projects that eventually included a battery storage system and most recently a pumped storage hydro project.
Question #6 I am interested in acting as Vice Chair only in order to increase my understanding of SCP and its issues.

3. Current term dates: January, 2018 to December, 2021
4. I intend to continue with the CAC through my current term.

Yes

No

If no, please explain:

Click or tap here to enter text.

5. 2021 Goals for the Community Advisory Committee:

Overall my goal for CAC is to continue to provide thoughtful guidance and support to the very capable staff. Personally my goal is to become more knowledgeable of the CPUC workings and priorities and to champion the use of the new JPA that includes other CCAs.

6. I am interested in serving as Chair or Vice Chair of the Committee for the next 11 months* (March 2021 to until the meeting in February 2022).

Yes

No

*The formal nominations and appointments of Chair and Vice Chair for 2022 will take place in February 2022.

1. Name: Shivawn Brady
2. Please provide a brief bio:

Shivawn is the Executive Vice President of California Operations and the Vice President of Regulatory Affairs and Compliance for Justice Grown, a U.S. based national cannabis company.. Her unique expertise has supported growers, business owners, and investors in making efficient and sustainable business decisions within the cannabis/hemp industry for over a decade. A long time cannabis legalization activist, she's worked in top positions driving sensible and sustainable public policy development. Shivawn speaks internationally as well as throughout the U.S. on cannabis issues. Shivawn served on the Sonoma County Cannabis Advisory Group and was appointed to the Sonoma County Agricultural Commissioner's Hemp Advisory Council in 2019. She currently serves on the Sonoma Conservation Action Fund for Education board and is a student in the 2020-2021 Daily Acts Leadership program.

3. Current term dates: Term ends 12/2023
4. I intend to continue with the CAC through my current term.

Yes No

If no, please explain:

Click or tap here to enter text.

5. 2021 Goals for the Community Advisory Committee:

Work with the community to build resilience, engagement and equity in carbon reduction and renewal energy efforts. Support the dialogue among cannabis & hemp industry operators and Sonoma Clean Power by identifying opportunities to strategize on carbon reduction goals.

6. I am interested in serving as Chair or Vice Chair of the Committee for the next 11 months* (March 2021 to until the meeting in February 2022).

Yes No

*The formal nominations and appointments of Chair and Vice Chair for 2022 will take place in February 2022.

Comments:

1. Name: Joel Chaban
2. Please provide a brief bio:

Joel Chaban lives with his wife, Pat, in Gualala, California. He was born and raised in San Francisco, graduated from Lowell High School and attended University of Southern California. He taught for 14 years at Golden Gate University in San Francisco and wrote several textbooks on information systems in the food service industry.

Early in his career, Joel opened twelve restaurants around the San Francisco Bay Area and in Beverly Hills. Before retirement, he spent 35 years as a business, accounting, and web application software developer. He designed and developed a high-end general ledger for SBT Accounting Systems and specialized in custom web/accounting system integration for his clients.

He has been an environmental and climate change activist since 1968. Past board of director memberships include Golden Gate Restaurant Association, Food Service Executives Association, and San Francisco Hearing Dog Program. He works with Redwood Coast Land Conservancy (RCLC) in their acquisition and restoration of Mill Bend, a 113-acre land conservation property on the Gualala River estuary. For many years Joel has been RCLC's steward for Cooks Beach on the south coast of Mendocino.

In 2020, Joel was named one of "Mendonoma's Hometown Superheros" for his "...dedication as an environmentalist serving as treasurer for Friends of Gualala River, organizer of Global Climate Strike Day, secretary of Redwood Coast Land Conservancy, representative for Mendocino County on the Sonoma Clean Power Community Advisory Committee, creator of the Independent Coast Observer column, "The Government in Action," past board member with Arena Theater, and numerous other volunteer activities benefitting our coastal communities."

In addition to community service, Joel enjoys gardening, reading and hiking.

3. Current term dates: January 2018 to December 2021
4. I intend to continue with the CAC through my current term.

Yes No

If no, please explain:

Click or tap here to enter text.

5. 2021 Goals for the Community Advisory Committee:

To continue in my capacity as a committee member.

6. I am interested in serving as Chair or Vice Chair of the Committee for the next 11 months* (March 2021 to until the meeting in February 2022).

Yes

No

*The formal nominations and appointments of Chair and Vice Chair for 2022 will take place in February 2022.

Comments:

I would be happy to see Dick Dowd continue as President unless there is another committee member who is confident about assuming this position...same for Karen Baldwin as VP.

1. Name: Richard A. ("Dick) Dowd

2. Please provide a brief bio:

- a. I worked for two (2) contracting/development companies, located in Santa Rosa, over 40+ years including serving as the President/CEO of each during a portion of that time.
- b. I served as a Director of AltaPacific Bank, headquartered in Santa Rosa, from 2005 to 2019 until it was sold.
- c. I served on the City of Santa Rosa Board of Public Utilities (BPU) for 25 years including 16 years as its Chairman.
- d. I served as a Councilman for the City of Santa Rosa in 2020.
- e. I have served as a Chairman of several different advisory committees of SCPA since its inception in 2013.

3. Current term dates: Current term ends at the end of 2021.

4. I intend to continue with the CAC through my current term.

Yes

No

If no, please explain:

Click or tap here to enter text.

5. 2021 Goals for the Community Advisory Committee:

- a. Complete the formation of the JPA with the other interested Community Aggregation entities allowing SCPA to increase access to more competitively priced renewable energy.
- b. Coordinate with other Community Aggregation entities (incl. CALCCA) our efforts with the CA Public Utilities Commission (CPUC) to achieve more reasonable PCIA charges for the customers of SCPA.
- c. Work with SCPA staff to diversify the makeup of the SCPA BOD, CAC, and Staff.
- d. Continue to provide energy to SCPA customers which is competitively priced and significantly renewable.

6. I am interested in serving as Chair or Vice Chair of the Committee for the next 11 months* (March 2021 to until the meeting in February 2022).

Yes

No

*The formal nominations and appointments of Chair and Vice Chair for 2022 will take place in February 2022.

I marked that I would still be interested in serving as Chair of the Committee, if needed. However, since I have been the Chair of one of the Advisory Committees since the formation of SCPA, I welcome other committee members, if interested, to apply for the Chair and/or Vice Chair positions, and, if deemed qualified, then I would totally support their appointment to one of those roles.

1. Name: Anita Fenichel

2. Please provide a brief bio:

Anita has a wealth of experience from the financial and energy industries. She developed and marketed various conservation and energy efficiency programs at the Solar Energy Industries Association, The Alliance to Save Energy, and also reviewed energy and conservation programs of Maryland's utilities while serving in the Rate Research and Economics Department at Maryland Public Service Commission.

In addition to serving as a current member of the CAC, Anita has also served on several other boards and committees, including the Analy Education Foundation.

Her commitment to renewable energy carries through to her home which is equipped with both solar panels for electricity and solar panels for pool water heating.

3. Current term dates: through Dec. 2023

4. I intend to continue with the CAC through my current term.

Yes

No

If no, please explain:

N/A

5. 2021 Goals for the Community Advisory Committee:

N/A

6. I am interested in serving as Chair or Vice Chair of the Committee for the next 11 months* (March 2021 to until the meeting in February 2022).

Yes

No

*The formal nominations and appointments of Chair and Vice Chair for 2022 will take place in February 2022.

1. Bill Mattinson
2. Please provide a brief bio:

I arrived in Sonoma County in the mid-70s, enrolled at SSU and received a BA in Environmental Studies with a special major in Solar Energy. Started SOLDATA, my consulting business in 1978 and ran it until retirement in 2013. We worked with architects, builders, schools, nonprofit housing and homeowners to create buildings that were more energy efficient, healthy and affordable.

I served as an advisor to the California Energy Commission on both residential and nonresidential building energy codes as well as the International Energy Conservation Code.

In the early 2000's I developed training material and presented countless training workshops for the building industry in California and Texas.

I joined the Business Operations Committee at the inception of SCP and transitioned to the Community Advisory Committee. I continue to be concerned about our community and our future.

3. Current term dates: 12/2023
4. I intend to continue with the CAC through my current term.

No X

If no, please explain: I will be resigning soon as we will be moving out of the area.

Click or tap here to enter text.

5. 2021 Goals for the Community Advisory Committee:

The CAC provides a diverse resource of experience and expertise to the Board and to staff. With our combined input we offer direction from both inside and outside the box without the constraints of electoral or personnel issues.

I hope this committee can continue to promote clean energy and education to our community, especially to the underserved and disadvantaged.

I hope we can continue to work with our CCA neighbors to expand the benefits of choice and reduce the power and profits of those opposed to it.

If possible I would like to see regular and brief updates to the Committee from staff on the status of projects underway and in planning. No more than a sentence or two in a semi-regular email to committee members is needed to follow and advise beyond our current ability.

I would like to see inclusion of a youth member on our committee who might help us look forward long term at the needs and options for survival of our community and our planet.

6. I am interested in serving as Chair or Vice Chair of the Committee for the next 11 months* (March 2021 to until the meeting in February 2022).

Yes

No

*The formal nominations and appointments of Chair and Vice Chair for 2022 will take place in February 2022.

Comments:

Click or tap here to enter text.

1. Name: Patricia Morris

2. Please provide a brief bio:

Grew up on a family farm in Northern Illinois.
B.S., Sociology/Anthropology, Illinois State University.
J.D., Southern Illinois University.
11 years as an attorney in Illinois: 7 years as a public defender, 4 years as Sr. Asst. Attorney General for the State of Illinois handling complex civil and environmental litigation.
Moved to San Francisco in 1989. Completed a certificate in Organization Development and Transformation at the California Institute of Integral Studies.
4 years as in-house counsel and team leader at an environmental consulting firm specializing in the cleanup of hazardous waste.
18 years as an organization development consultant with the Kaiser Permanente San Francisco Medical Center leadership team. Retired in 2016 as Director of Organization and Leadership Development.
Have lived in Petaluma since 1999.

3. Current term dates: 2020-2024

4. I intend to continue with the CAC through my current term.

Yes

No

If no, please explain:

Click or tap here to enter text.

5. 2021 Goals for the Community Advisory Committee:

Bring ideas and offer feedback to SCP staff and Board of Directors to:

1. Increase diversity in the membership of the CAC; identify ways to gather input and feedback from SCP customers who are minorities and people of color; and consider equity and social justice issues in programs, rates, policies, operations, and budget.
2. Identify ways to support and enhance resiliency for customers given the ongoing failures of PG&E.
3. Keep rates competitive with PG&E and protect customers from spikes in their bills.
4. Increase enrollment in Evergreen.
5. Further reduce greenhouse gas emissions in the cities and counties within SCP's jurisdiction.

6. I am interested in serving as Chair or Vice Chair of the Committee for the next 11 months* (March 2021 to until the meeting in February 2022).

Yes

No

*The formal nominations and appointments of Chair and Vice Chair for 2022 will take place in February 2022.

Comments:

Click or tap here to enter text.

1. Name: Michael Nicholls

2. Please provide a brief bio:

Nicholls' 50 year business career in the food industry included positions of Plant Manager for a food processing firm, Asst Regional Plant Production Manager for a tri-state area, Divisional Sales Manager for a major food processing cooperative, purchasing agent for a foodservice distributor and partner in a food brokerage firm. International assignments included work in Canada, Mexico, Spain, Chile, Japan and Korea. Nicholls was appointed by Governor Warren Knowles of Wisconsin to the State Vocational Training Curriculum Committee responsible for developing a Food Processing Technical Degree program.

Since retirement, he has been involved in numerous community programs, including current appointments to the Economic Development Board, Cazadero Community Services District Board, Access Sonoma Broadband, North Bay/North Coast Broadband Consortium Oversight Committee, Sonoma/Mendocino Economic Development District Board, Lower River Municipal Advisory Council, Russian River Rotary and the Wavecrest Molokai HOA Board. Past volunteer efforts included River Area Shelter and Downtown Task Group (Guerneville), River to Coast Childrens Services Board and West County Community Services Board.

3. Current term dates: ending December 2023

4. I intend to continue with the CAC through my current term.

Yes

No

If no, please explain:

Click or tap here to enter text.

5. 2021 Goals for the Community Advisory Committee:

1. To continue as directed, to analyze and make recommendations to SCP's Board of Directors.
2. To act as a conduit between community and SCP with regard to energy issues, greenhouse gas reduction and advancement of the Evergreen generation option.
3. To promote the Advanced Energy Center and encourage ratepayers to take advantage of programs and rebates offered through the AEC and it's associates.
4. To encourage CAC members to develop and maintain a close relationship with all staff members to better understand the mission and goal of each SCP department.

6. I am interested in serving as Chair or Vice Chair of the Committee for the next 11 months* (March 2021 to until the meeting in February 2022).

Yes

No

*The formal nominations and appointments of Chair and Vice Chair for 2022 will take place in February 2022.

1. Name: Denis J. Quinlan

2. Please provide a brief bio:

I am a husband, the father of two college students, and a long-time resident of Sebastopol.

Professionally, I am an attorney with over 35 years of experience, primarily as in-house counsel to a number of companies in clean energy, technology, and consumer products businesses. I was previously General Counsel to Enphase Energy, a California-based innovator of solar energy generation, storage and management solutions. Most recently, I served as Associate General Counsel to CannaCraft, one of California's largest producers of cannabis products.

My volunteer activities have included serving as a coach and referee with youth sports organizations Sebastopol Little League and WESCO Soccer, Delivery Angel for Ceres Community Project, and Chair of the board of the Sonoma County Repertory Theatre.

My family and I are proud to live in a solar-powered home, recently enhanced with a battery backup system that enables us to operate our home as a microgrid in the event of power outages. When I'm not able to bike to where I need to be, I drive a fully electric vehicle (2017 Chevrolet Bolt).

I earned a B.A. in English (with a minor in Italian) from Loyola University of Chicago, and a J.D. from the University of Illinois.

In non-Covid times, my family and I also enjoy theater and travel.

3. Current term dates: through December 2021

4. I intend to continue with the CAC through my current term.

Yes

No

If no, please explain:

Click or tap here to enter text.

5. 2021 Goals for the Community Advisory Committee:

In concert with other fellow CAC members who are willing and able – and with the advice and input of SCPA staff – I would like to investigate possible expansion of the role of the CAC to include more direct forms of advocacy on behalf of SCPA with elected representatives, regulatory agencies, community members, and other appropriate individuals and organizations.

I would also like to explore ways in which CAC members might become more directly involved in activities at the soon-to-launch Advanced Energy Center.

In addition, I would propose reaching out to the leaders of similar committees at other CACs to learn how their committees operate and to share information and best practices.

6. I am interested in serving as Chair or Vice Chair of the Committee for the next 11 months* (March 2021 to until the meeting in February 2022).

Yes

No

*The formal nominations and appointments of Chair and Vice Chair for 2022 will take place in February 2022.

1. Name: Helen Sizemore
2. Please provide a brief bio:

I am so honored and grateful to serve as a member of the Citizen Advisory Committee. I have an electric car and solar on my roof.

My professional life was spent in the Human Resources industry where I was a certified professional with the Society of Human Resources (SHRM).

I worked at the large non profit in Mendocino County - North Coast Opportunities for 15 years, when we had over 250 employees, working under ten different grant programs.

I have been politically active since the early 80's, when I was a grassroots organizer for the first recycling / bottle deposit bill and have continued to be active in local campaigns, the Democrats of Mendocino County, the Inland Democratic Club, and as a delegate to the state party from our district (AD2).

Previously I worked for the State in the Ukiah district office of our Assemblyman Dan Hauser.

3. Current term dates: January 2018-2022
4. I intend to continue with the CAC through my current term.

Yes

No

If no, please explain:

Click or tap here to enter text.

5. 2021 Goals for the Community Advisory Committee:

Increased hi speed electric chargers along highway routes. Promotion of advanced energy systems for all neighborhoods (marketing).

Possible grant monies for educational outreach. Increased SCPA involvement in Mendocino County schools and transit.

6. I am interested in serving as Chair or Vice Chair of the Committee for the next 11 months* (March 2021 to until the meeting in February 2022).

Yes

No

*The formal nominations and appointments of Chair and Vice Chair for 2022 will take place in February 2022.

Comments:

Click or tap here to enter text.

1. Name: Ken Wells

2. Please provide a brief bio:

Ken grew up in Calaveras County in the Sierra foothills and went to Humboldt State University, receiving degrees in Environmental Economics and Environmental Resources Engineering. After 10 years as an environmental engineering consultant, he was hired in 1992 as the first Executive Director of the Sonoma County Waste Management Agency (now known as Zero Waste Sonoma) and the County of Sonoma's Integrated Waste Manager, where, among other projects, he lead renewable energy development at the County's Central Landfill. After retiring from the County position in 2008, he has returned to consulting, providing greenhouse gas analyses and similar environmental services. Also following retirement, he took on the position of Executive Director for the Sonoma County Trails Council, a non-profit that builds and maintains trails on local parklands, has obtained a General Contractors license and now spends most of his time outdoors working on trails.

3. Current term dates: 12/2023

4. I intend to continue with the CAC through my current term.

Yes

No

If no, please explain:

Click or tap here to enter text.

5. 2021 Goals for the Community Advisory Committee:

In general, provide a range of perspectives and feedback to the Board and staff on policies and projects to assist in their decision-making. Specifically in 2021, with a new Federal approach to climate change and the possibility for more national support, the SCP (and CAC) should be ready to act quickly to take advantage of potential opportunities. And the top priority should be the infrastructure for electrifying our entire transportation system, in whatever manor is available to SCP and is most time-effective.

6. I am interested in serving as Chair or Vice Chair of the Committee for the next 11 months* (March 2021 to until the meeting in February 2022).

Yes

No

*The formal nominations and appointments of Chair and Vice Chair for 2022 will take place in February 2022.

Comments:



Staff Report - Item 06

To: Sonoma Clean Power Authority Community Advisory Committee

From: Stephanie Reynolds, Director of Internal Operations
Mike Koszalka, Chief Operating Officer

Issue: Receive Internal Operations and Monthly Financial Report and Provide Feedback as Appropriate

Date: February 18, 2021

COVID-19 IMPACTS TO SCP

This fiscal year to date we are tracking 8% above budgeted MWh in electricity sales through December. This translates to 18% above budgeted revenue. We are still tracking 18% above budgeted energy costs through December due to increased sales and the August heat storm driving up market prices for several weeks.

We are experiencing near normal opt outs on a weekly basis for this time of year. Each year, some customers react to high bills from December and January usage and often call to opt out even though their high energy bills are often caused by increased gas usage for heating in the winter. The good news is that our total customer count has grown to 228,521 (as of 1/6/2021) which is a 0.7% increase over February 1, 2020.

COVID-19 Protections for Customers:

On November 16, 2020, the Community Advisory Committee recommended the Board of Directors' approve an extension of SCP's 2020 COVID-19 Emergency Consumer Protection Policy until March 3, 2021 to match the expiration of PG&E's Emergency Consumer Plan. Primarily, SCP's policy protects customers, otherwise eligible to be transferred to PG&E's service for non-payment of SCP charges, from being transferred.

There are currently two proceedings at the Commission to require the IOUs to continue these protections but have not been voted on. The first is Resolution M-4842, which requires the utilities to extend residential and small business customers protections through June 30, 2021 and create transition plans detailing how they will prepare customers for the expiration of the customer protections. This is calendared to be voted on by the Commission on February 11th. The second is Rulemaking 18-03-011, which would extend consumer protections for medium-large commercial and industrial customers for one year. CalCCA, the IOUs, and others have requested the Commission match these protections to the end date of the residential and small business customers from Resolution M-4842 (June 30, 2021). A vote on this item is expected on March 4th, but we do not have confirmation yet.

Due to the uncertainties of what exact protections the Commission will authorize, staff is not requesting an action by the Committee at this time. More information will be presented at the next Committee meeting.

SCP HEADQUARTERS PROJECT UPDATE

Construction on the Headquarters building is proceeding on pace for completion in summer of 2021. The windows and skylights have been installed, sheetrock work in the building has been completed, and painting will begin soon.

ADVANCED ENERGY CENTER UPDATE

Construction

PG&E and the City of Santa Rosa approved the main electrical panel replacement which was completed on February 5th. Currently we are in the final punch walk and commissioning phase of construction and should soon receive our certificate of occupancy. The soft opening of the Advanced Energy Center will follow 6-8 weeks of design installations, vendor bay installations, and COVID safety practices before we can open publicly.

Store Operations

AEC staff are working through a list of 24 online trainings they can do remotely which allows them to stay engaged prior to our first open day at the center. Most classes are SCP sponsored trainings, while the remainder are PG&E Energy Education classes. A first aid and safety vendor has been identified and SCP operations staff are following up.

Education/Training

The Educational Program has a priority to recruit contractors in order to provide a viable referral list in the Advanced Energy Center website. SCP held contractor certification courses in February for installing grid integrated heat pump water heaters and phase change materials. On-Bill Finance Loan Program webinars for both customer and contractors were also held. A calendar of upcoming education and training opportunities [is available through this link.](#)

February Webinar Stats

Webinar Name	Number of Registrations
Smart and Efficient, Electric Water Heating for Homes: Everything You Need to Know	101
On-Bill Financing: 0% Financing. 100% Easy.	39
Battery Storage Basics: Building Resiliency	69

Upcoming Events

2/25, 12pm - Electric Bikes 101

3/2, 5pm - Energy Saving Opportunities for Renters

3/4, 6:30pm - How Climate Change Impacts Health

3/8, 12pm - Advanced Energy Center Overview for Contractors

3/9, 7:30am - Advanced Energy Center Contractor Course: Grid Interactive Heat Pump Water Heater

3/10, 12pm, Advanced Energy Center Contractor Course: On-Bill Financing

3/23, 5pm - Home Remodeling for Resiliency and Fuel Switching

PROGRAM UPDATES:

Self-Generation Incentive Program (SGIP)

The SGIP Assistance Program will be reopening on March 1, 2021 to accept applications for General Market Small Residential Storage and Large-Scale Storage. More information at: www.sonomacleanpower.org/programs/sgipassistance.

School Storage and Solar Study

SCP and TerraVerde Energy are currently collecting data for interested school sites. Staff will develop a path to determine the final 20 sites to receive the no-cost analysis based on SCP's goals, including, but not limited to

- Sites that serve high amounts of free and reduced lunch
- Sites that have a high number of students experiencing homelessness
- Sites that have experienced past PSPS events
- Sites that are likely to experience future PSPS events using updated information from PG&E
- Sites that serve as emergency centers
- Sites that are geographically distributed across SCP territory
- Sites that are in urban locations and rural locations
- Sites that span different campus sizes (based on number of students)

Electric Bike Program

This equity-focused program, launching on March 8th, will provide incentives on up to 200 electric bicycles to income-qualified customers. Staff will work with local retailers to provide \$1,000 point-of-sale incentives on a range of electric bike brands and models. In addition, SCP is partnering with local community-based organizations to conduct outreach, offer electric bike safety classes, and coordinate free helmet giveaways.

Advanced Energy Build

The Advanced Energy Build (AEB) program has a goal of supporting construction of 500 electric-ready and all-electric homes. Staff recently increased the incentive amount for low-income housing to \$5,000 per home and expanded eligibility for battery storage incentives on multifamily housing. To date, the program has received applications for 170 units, the vast majority of which are affordable multifamily housing.

GridSavvy Community

Work continues on building out the next offerings of the GridSavvy Community—Sonoma Clean Power’s demand response umbrella of programs. Staff recently issued an RFQ for community donation partners to participate in the GridSavvy Community’s behavioral demand response offering, currently in development. The behavioral demand response offering will offer SCP customers to earn cash rewards for participating in and reducing energy use during demand response events. These cash rewards can be kept by the customer or donated to community donation partners identified through this RFQ. Staff seek the Committee’s assistance in identifying potential partners for this effort.

Sonoma Coast Incentive Project - CALeVIP

The Sonoma Coast Incentive Project, which provides incentives for the installation of electric vehicle charging infrastructure, has been accepting applications since July 8, 2020. As of February 2021, a total of 430 applications were received, with 29 applications moving into a “Funds Reserved” stage (construction can begin), 196 cancelled, and 205 applications in the queue. These applications are being processed by the Center for Sustainable Energy (CSE), the statewide project implementer.

The total value of all applications submitted is at over \$27 million, exceeding the \$6.75 million project budget. To date, \$5.65 million has been reserved, with \$4,891,500 in Funds Reserved stage. The table below shows applications that have moved to a “Funds Reserved” stage. Combo applications are where a Direct Current Fast Charger (DCFC) and a Level 2 chargers (L2) are installed on the same site.

Jurisdiction	COMBO	DCFC	L2	Grand Total
Mendocino County	1	1	5	7
Elk			1	1
Fort Bragg	1	1		2
Laytonville			1	1
Point Arena			1	1
Ukiah			2	2
Sonoma County	8	6	8	22
Geyserville		1		1
Healdsburg		1		1
Kenwood	1			1
Monte Rio	1			1
Petaluma		2	6	8
Rohnert Park	3			3
Santa Rosa		1	1	2
Sebastopol	1		1	2
Sonoma	1	1		2
Windsor	1			1
Grand Total	9	7	13	29

PERMITTING OLYMPICS

In September 2020, Governor Newsom signed Executive Order N-79-20 setting a target that 100 percent of in-state sales of new passenger vehicles will be zero-emission by 2035. To help meet the challenge, the Governor’s Office of Business (GO-Biz) launched the Permitting Olympics to streamline zero emission vehicle infrastructure permitting. The first competition focused on streamlining permits for electric vehicle charging stations as required by AB 1236.

Like the real Olympics, medals were awarded to counties that streamlined permitting. The medals are based on the percent of jurisdictions within that county that had complied with AB 1236.

- Gold = 100% of the jurisdictions in compliance
- Silver = 75% of the jurisdictions in compliance
- Bronze = 50 of the jurisdictions in compliance.

Drumroll... Sonoma County took home Bronze!



Permitting Olympics: Streamlined Counties		
<p>Gold:</p> <p>Alpine County</p> <p>San Francisco City and County</p> <p>Tuolumne County</p>	<p>Silver:</p> <p>Alameda County</p> <p>Napa County</p> <p>San Luis Obispo County</p> <p>Santa Barbara County</p>	<p>Bronze:</p> <p>Marin County</p> <p>Sacramento County</p> <p>Sonoma County</p>

Back in September 2020, SCP sent the City Managers of Sonoma and Mendocino County’s out-of-compliance jurisdictions a letter with resources to example ordinances and checklists. The Regional Climate Protection Authority is working with Sonoma County and the cities of Santa Rosa, Cloverdale and Petaluma to streamline permitting and publish their checklist in order to achieve Gold by Earth Day! All other jurisdictions in Sonoma County have streamlined.

GO-Biz has developed the [Permit Streamlining Map](#), [Permit Scorecard](#), and [Best Practices](#) to help jurisdictions streamline.

MONTHLY COMPILED FINANCIAL STATEMENTS

The year-to-date growth in net position is better than projections due primarily to greater than expected revenues. Revenue from electricity sales is greater than projections by approximately 18%, and cost of energy is over expectations by approximately 18%. Management anticipates the percentage overage in cost of energy to decrease as the fiscal year continues. Year-to-date electricity sales reached \$110,817,000.

SCP maintains a balanced portfolio by procuring electricity from multiple sources. Net position reached a positive \$110,030,000, which indicates healthy growth. In addition to Net Position, SCP maintains an Operating Account Fund of \$22,000,000 at the end of the period. Approximately \$72,318,000 is set aside for reserves (Operating Reserve: \$59,244,000; Program Reserve: \$10,848,000; and Collateral Reserve: \$2,226,000).

Overall, other operating expenses continued near or slightly below planned levels for the year.

BUDGETARY COMPARISON SCHEDULE

The accompanying budgetary comparison includes the 2020/21 budget amendment approved by the Board of Directors in June 2020.

The budget is formatted to make comparisons for both the annual and the year-to-date perspective. The first column, 2020/21 YTD Budget, allocates the Board approved annual budget at expected levels throughout the year with consideration for the timing of additional customers, usage volumes, staffing needs etc. This column represents our best estimates, and this granular approach was not part of the Board approved budget.

Revenue from electricity sales to customers is greater than the year-to-date budget by approximately 18%.

The cost of electricity is greater than to the budget-to-date mostly due to market price volatility. SCP anticipates this cost category to normalize throughout the year. Variation in this account is typically due to fluctuating market cost of energy on open position purchases.

Major operating categories of Data Management fees and PG&E Service fees are based on the customer account totals and are closely aligned to budget.

In addition to the items mentioned above, SCP continues its trend of remaining near or under budget for most of its operating expenses.

UPCOMING MEETINGS:

Board of Directors - March 4, 2021

Community Advisory Committee - March 18, 2021

Board of Directors - April 1, 2021

Community Advisory Committee - March 18, 2021

ATTACHMENTS

December Financial Reports



ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Sonoma Clean Power Authority

Management is responsible for the accompanying special purpose statement of Sonoma Clean Power Authority (a California Joint Powers Authority) which comprise the budgetary comparison schedule for the period ended December 31, 2020, and for determining that the budgetary basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statement nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any assurance on this special purpose budgetary comparison statement.

The special purpose statement is prepared in accordance with the budgetary basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. This report is intended for the information of the Board of Directors of Sonoma Clean Power Authority.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. Sonoma Clean Power Authority's annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

Maher Accountancy

San Rafael, CA
February 8, 2021

**SONOMA CLEAN POWER AUTHORITY
OPERATING FUND
BUDGETARY COMPARISON SCHEDULE
July 1, 2020 through December 31, 2020**

	2020-21 YTD Budget	2020/21 YTD Actual	2020/21 YTD Budget Variance (Under) Over	2020/21 YTD Actual / Budget %	2020/21 Budget	2020/21 Budget Remaining
REVENUE AND OTHER SOURCES:						
Electricity (net of allowance) *	\$ 93,391,002	\$ 110,123,592	\$ 16,732,590	118%	\$ 161,517,700	\$ 51,394,108
Evergreen Premium (net of allowance)	285,355	694,156	408,801	243%	582,000	(112,156)
Inflow from Operating Account Fund Reserves	-	-	-	0%	15,433,300	15,433,300
CEC Grant	1,915,000	1,261,223	(653,777)	66%	3,830,000	2,568,777
BAAQMD grant	50,000	34,000	(16,000)	0%	50,000	16,000
Interest income	382,500	444,614	62,114	116%	750,000	305,386
Miscellaneous Income	-	7,009	7,009	0%	80,000	72,991
Total revenue and other sources	<u>96,023,857</u>	<u>112,564,594</u>	<u>16,540,737</u>	<u>117%</u>	<u>182,243,000</u>	<u>69,678,406</u>
EXPENDITURES AND OTHER USES:						
CURRENT EXPENDITURES						
Cost of energy and scheduling	75,547,530	89,506,258	13,958,728	118%	149,468,000	59,961,742
Data management	1,590,953	1,593,834	2,881	100%	3,182,000	1,588,166
Service fees- PG&E	483,986	482,726	(1,260)	100%	968,000	485,274
Personnel	2,660,000	2,350,143	(309,857)	88%	5,680,000	3,329,857
Outreach and communications	565,002	279,364	(285,638)	49%	1,130,000	850,636
Customer service	283,165	208,257	(74,908)	74%	383,000	174,743
General and administration	289,998	229,169	(60,829)	79%	580,000	350,831
Legal	180,000	174,576	(5,424)	97%	360,000	185,424
Regulatory and compliance	198,500	75,214	(123,286)	38%	397,000	321,786
Accounting	108,498	119,250	10,752	110%	217,000	97,750
Legislative	14,000	-	(14,000)	0%	28,000	28,000
Other consultants	79,998	97,496	17,498	122%	160,000	62,504
CalCCA Trade Association	190,002	174,481	(15,521)	92%	380,000	205,519
Program implementation	2,575,000	953,093	(1,621,907)	37%	5,150,000	4,196,907
Program - CEC grant	4,160,000	2,718,893	(1,441,107)	65%	5,660,000	2,941,107
Total current expenditures	<u>88,926,632</u>	<u>98,962,754</u>	<u>10,036,122</u>	<u>111%</u>	<u>173,743,000</u>	<u>74,780,246</u>
OTHER USES						
Capital outlay	4,250,000	4,660,950	410,950	110%	8,500,000	3,839,050
Total Expenditures, Other Uses and Debt Service	<u>93,176,632</u>	<u>103,623,704</u>	<u>10,447,072</u>	<u>111%</u>	<u>182,243,000</u>	<u>78,619,296</u>
Net increase (decrease) in available fund balance	<u>\$ 2,847,225</u>	<u>\$ 8,940,890</u>	<u>\$ 6,093,665</u>	<u>314%</u>	<u>\$ -</u>	<u>\$ (8,940,890)</u>

* Represents sales of approximately 1,214,000 MWh for 2020/21 YTD actual.

	Current Balance	% of Long-Term Term Target	Long-Term Target Balance
RESERVES			
Operating Cash Reserve	\$ 59,244,000	65%	\$ 91,121,500
Program Cash Reserve	10,848,000	60%	18,224,300
Collateral Cash Reserve	2,226,000	15%	14,946,800
	<u>\$ 72,318,000</u>	<u>58%</u>	<u>\$ 124,292,600</u>

SONOMA CLEAN POWER AUTHORITY
OPERATING FUND
BUDGET RECONCILIATION TO STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN NET POSITION
July 1, 2020 through December 31, 2020

Net increase (decrease) in available fund balance per budgetary comparison schedule:	\$	8,940,890
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position:		
Subtract depreciation expense		(38,167)
Add back capital asset acquisitions		<u>6,142,442</u>
Change in net position	\$	<u><u>15,045,165</u></u>



ACCOUNTANTS' COMPILATION REPORT

Management
Sonoma Clean Power Authority

Management is responsible for the accompanying financial statements of Sonoma Clean Power Authority (a California Joint Powers Authority) which comprise the statement of net position as of December 31, 2020, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the period then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. Sonoma Clean Power Authority's annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

MAHER ACCOUNTANCY

San Rafael, CA
February 8, 2021

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of December 31, 2020

ASSETS

Current assets	
Cash and cash equivalents	\$ 73,015,990
Accounts receivable, net of allowance	21,669,982
Other receivables	2,104,481
Accrued revenue	10,124,027
Prepaid expenses	1,504,300
Deposits	487,079
Total current assets	<u>108,905,859</u>
Noncurrent assets	
Unrestricted cash in Rate Stabilization Fund	22,000,000
Land and construction-in-progress	14,026,219
Capital assets, net of depreciation	287,263
Deposits	6,430,922
Total noncurrent assets	<u>42,744,404</u>
Total assets	<u>151,650,263</u>

LIABILITIES

Current liabilities	
Accrued cost of electricity	16,365,674
Accounts payable	1,606,091
Advanced from grantors	154,875
Other accrued liabilities	889,122
User taxes and energy surcharges due to other governments	604,942
Total current liabilities	<u>19,620,704</u>

DEFERRED INFLOWS OF RESOURCES

Rate Stabilization Fund	22,000,000
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NET POSITION

Investment in capital assets	14,313,482
Unrestricted	95,716,077
Total net position	<u>\$ 110,029,559</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2020 through December 31, 2020

OPERATING REVENUES

Electricity sales, net	\$ 110,123,592
Evergreen electricity premium	694,156
Grant revenue	1,295,223
Total operating revenues	<u>112,112,971</u>

OPERATING EXPENSES

Cost of electricity	89,506,258
Contract services	4,929,629
Staff compensation	2,350,143
General and administration	568,957
Program rebates and incentives	126,275
Depreciation	38,167
Total operating expenses	<u>97,519,429</u>
Operating income	<u>14,593,542</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	444,614
Other nonoperating revenue	7,009
Nonoperating revenues (expenses), net	<u>451,623</u>

CHANGE IN NET POSITION

Net position at beginning of period	<u>94,984,394</u>
Net position at end of period	<u>\$ 110,029,559</u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2020 through December 31, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 112,301,593
Receipts from grantors	2,720,953
Other operating receipts	428,320
Payments to electricity suppliers	(89,541,091)
Payments for other goods and services	(5,381,846)
Payments for staff compensation	(2,335,800)
Tax and surcharge payments to other governments	(1,392,642)
Payments for program rebates and incentives	(1,183,940)
Net cash provided (used) by operating activities	<u>15,615,547</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Payments to acquire capital assets	<u>(6,557,579)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest income received	575,863
Proceeds from certificates of deposit matured	20,291,718
Net cash provided (used) by investing activities	<u>20,867,581</u>

Net change in cash and cash equivalents	29,925,549
Cash and cash equivalents at beginning of year	65,090,441
Cash and cash equivalents at end of year	<u>\$ 95,015,990</u>

Reconciliation to the Statement of Net Position

Cash and cash equivalents (current)	\$ 73,015,990
Cash and cash equivalents (noncurrent)	22,000,000
Cash and cash equivalents	<u>\$ 95,015,990</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2020 through December 31, 2020

**RECONCILIATION OF OPERATING INCOME TO NET
CASH PROVIDED BY OPERATING ACTIVITIES**

Operating income	\$ 14,593,542
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	38,167
Revenue adjusted for allowance for uncollectible accounts	1,402,756
(Increase) decrease in:	
Accounts receivable	(1,418,785)
Other receivables	582,693
Accrued revenue	71,431
Prepaid expenses	(426,053)
Deposits	(701,680)
Increase (decrease) in:	
Accrued cost of electricity	(169,772)
Accounts payable	373,316
Advance from grantors	(34,000)
Accrued liabilities	1,268,131
User taxes due to other governments	35,801
Net cash provided (used) by operating activities	<u>\$ 15,615,547</u>



Staff Report - Item 07

To: Sonoma Clean Power Authority Community Advisory Committee

From: Neal Reardon, Director of Regulatory Affairs
Geof Syphers, Chief Executive Officer

Issue: Receive Legislative and Regulatory Updates and Provide Feedback as Appropriate

Date: February 18, 2021

Requested Board Action:

Receive Legislative and Regulatory Updates and Provide Feedback as Appropriate.

Regulatory Update

COVID-19 Protections

On February 11th, the California Public Utilities Commission voted to adopt Resolution M-4849, which extends emergency customer protections through June 30, 2021. These protections, aimed at alleviating the economic impact of COVID on essential services, were initially put granted at the outset of the pandemic. Specifically, they suspend disconnections for non-payment of electric and gas bills, implement payment plans, and increase outreach to enroll customers on CARE and FERA rates. The Resolution provides similar protections for water and telecommunications customers. SCP customers will be afforded equivalent protections as those offered to bundled utility customers.

Expedited Resource Procurement for the Summer of 2021

Following the electricity outages experienced across the State last August, the CPUC convened stakeholders to evaluate how to best improve reliability in the near-term. A

central part of that discussion was based on the California grid operator's analysis of the root causes. Those causes included a conflux of factors including limited availability of generators, underperformance of certain resource types, market inefficiencies, and outdated regulatory constructs. All of these coincided with an extreme weather event to produce two days of outages.

On February 11th, the CPUC took the first action aimed at preventing future outages. They issued a Decision ordering the three investor-owned utilities to immediately contract for resources that can be available in time to serve peak demand in the summer of 2021. With those procurement orders underway, the Commission will begin to more closely evaluate how demand-side resources can reduce electrical load during critical times. SCP staff will continue to recommend clean supply resources and enhanced load management programs as favored solutions.

On February 15th, the utilities must submit proposed contracts to the CPUC for review and approval. The costs of these contracts will be spread evenly across all ratepayers.

Legislative Update

President Biden continues to press for a \$2 trillion economic stimulus plan that would include support for clean energy, cut carbon emissions from the electric power sector and achieve net-zero emissions by 2050. The plan now called for replacing the federal government's 645,000 vehicles with electric vehicles with a strong emphasis on buying from U.S. manufacturers.

On February 9, Governor Newsom filled all of the vacancies on the CPUC, CEC and CAISO, naming:

Darcie Houck to the California Public Utilities Commission. Houck has served as Chief Counsel for the California Energy Commission since 2019. She was an Administrative Law Judge at the California Public Utilities Commission from 2016 to 2019, a Partner at Fredericks Peebles & Morgan from 2005 to 2016 and Staff Counsel and Policy Advisor at the California Energy Commission from 2000 to 2005. Houck is a member of the California Indian Law Association, California Lawyers Association, Schwartz-Levi Inn of Court, Women Lead and the Association of Women in Water, Energy, and Environment. Houck earned a Juris Doctor degree from the University of California, Davis School of Law and a Master of Science degree in community development from the University of California, Davis.

Siva Gangadhar Gunda has been appointed to the California Energy Commission. Gunda has served as Deputy Director of the Energy Assessments Division at the California Energy Commission since 2018 and was Office Manager for the Demand Analysis Office at the Commission from 2017 to 2018. He held multiple positions at the University of California, Davis Energy and Efficiency Institute, including Director of Research & India Initiatives from 2016 to 2017, Director of Research from 2015 to 2017 and Program Manager from 2011 to 2015. Gunda earned a Master of Science degree in mechanical and aeronautical engineering from Utah State University.

Mary Leslie has been reappointed to the California Independent System Operator Board of Governors, where she has served since 2019. Leslie has been President of the Los Angeles Business Council since 2001. She was Founder of Leslie and Associates from 1999 to 2019, served as a Commissioner of the Los Angeles Department of Water and Power from 2001 to 2003 and was President at the Hugh O'Brian Youth Leadership organization from 1995 to 1999. Leslie served as Deputy Mayor of Economic Development to Mayor Richard Riordan for the City of Los Angeles from 1994 to 1996, Deputy Director for the U.S. Small Business Administration from 1993 to 1994 and California Finance Director for Bill Clinton for President in 1992. Leslie earned a Master of Public Policy degree from the University of Southern California.

Jan Schori has been appointed to the California Independent System Operator Board of Governors. Schori was a member of the Board of Trustees of the North American Electric Reliability Corporation from 2009 to 2021. She was Of Counsel at Downey Brand LLP from 2008 to 2012. She held multiple positions at the Sacramento Municipal Utility District from 1984 to 2008, including Chief Executive Officer and General Manager, General Counsel, Assistant General Counsel and Attorney. Schori earned a Juris Doctor degree from the University of California, Davis School of Law.

CalCCA is sponsoring the Fair Access to Legacy Energy Resources bill this year.

This bill adds new sections to the Public Utilities Code that are designed to ensure fair and equal access to the benefits of legacy resources held in IOU portfolios and management of these resources to maximize value for all customers.

- Provides IOU, CCA, and ESP customers equal right to receive legacy resource products that were procured on their behalf in proportion to their load share if they pay the full cost of those products.

- Requires the CPUC to recognize the value of GHG-free energy and any new products in assigning cost responsibility for above-market legacy resources, in the same way value is recognized for renewable energy and other products.
- Requires IOUs to offer any remaining excess legacy resource products not taken by IOU, CCA, or direct access customers to the wholesale market in an annual solicitation.
- Requires each IOU to transparently solicit interest from legacy resource contract holders in renegotiating, buying out, or otherwise reducing costs from these contracts.

The bill’s Author is Senator Portantino, and he now has a number of coauthors, including: Levine, Boerner-Horvath, Mullin, Wiener and McGuire. We are currently waiting for a bill number, but that should be available by the time of this meeting.

CalCCA has met with the CPUC Energy Division, staff to Commissioner Martha Guzman-Aceves (the assigned commissioner on PCIA), SCE, PG&E, SDG&E, TURN, and IBEW 1245 to brief them on the bill and ask for feedback. Additional stakeholder meetings are underway and will continue through February and into March. Any amendments to the initial bill language would happen on or after March 22nd.

A background paper on the bill is attached.

SCP and CalCCA are reviewing the following bills:

Bill	Author	Description	Status	Position
AB 11	Ward	Creates regional climate change coordinating groups to coordinate and implement activities to reduce GHG emissions. Activities include reducing energy consumption and energy efficiencies.	Referred to Assembly Committee on Natural Resources	TBD
AB 33	Ting	Bans natural gas connections in new school buildings.	Referred to Assembly Committee on Utilities and Energy	TBD
AB 64	Quirk	Requires CPUC, CEC, and ARB to develop a strategy on how to achieve SB 100 goals in a cost-effective manner. The strategy must include plans to develop the technologies that will help achieve this goal.	Referred to Assembly Committee on Utilities and Energy	TBD

Bill	Author	Description	Status	Position
AB 75	O'Donnell	Kindergarten-Community Colleges Education Facilities Bond Act of 2022. We will monitor this bill should provisions for decarbonization, resiliency, and energy efficiency be considered. Senate version is SB 22.	Referred to Assembly Committee on Education	TBD
AB 96	O'Donnell	Extends the sunset for the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program from 2021 to 2026 and dedicates 20% of funds to be used for commercial deployment heavy-duty trucks.	Referred to Assembly Committee on Transportation	TBD
AB 113	Boerner-Horvath	Spot bill language amending PUC section 740.16 (created by SB 772, Bradford, in 2019, that CalCCA initially opposed).	Referral pending	TBD
AB 322	Salas	Requires the Energy Commission to allocate at least 20% of EPIC funds to bioenergy projects for biomass conversion.	Referral pending	TBD
AB 427	Bauer-Kahan	Requires the CPUC to establish rules that aggregated customer resources (such as with GridSavvy) could be used by SCP and other electric providers to meet resource adequacy requirements.	Referral pending	TBD
SB 18	Skinner	Requires the ARB in its AB32/SB32 scoping plan to develop a strategy accelerating the development of green hydrogen. Encourages green hydrogen to be used for storage in meeting portfolio diversity requirements.	Referral pending	TBD
SB 22	Glazer	Public Preschool, K-12, and College Health and Safety Bond Act of 2022. CalCCA will monitor this bill should provisions for decarbonization, resiliency, and energy efficiency be considered. Assembly version is AB 75.	Referral pending	TBD
SB 30	Cortese	Prohibits design and construction of state facilities connected to natural gas after Jan 1, 2022. Also requires a plan to make all state facilities carbon neutral by 2035.	Referral pending	TBD

Bill	Author	Description	Status	Position
SB 31	Cortese	Authorizes the CEC to use federal Covid relief funds for building decarbonization programs and requires that EPIC funds be made available for building decarbonization programs.	Referral pending	TBD
SB 32	Cortese	Requires cities and counties to update their general plans to account for how they will decarbonize their building stock.	Referral pending.	TBD
SB 44	Allen	Provides environmental leadership transit projects (AB 900, statutes of 2011) expedited review.	Referral pending	TBD
SB 45	Portantino	Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Floor Protection Bond Act of 2022	Referral pending	TBD
SB 52	Dodd	Adds deenergization events to the definition of "sudden and severe energy shortage" for purposes of classifying deenergization events as natural disasters.	Referral pending	TBD
SB 67	Becker	Spot bill language to accelerate the state's progress toward having 100% of electricity provided by renewable or other zero-carbon sources on a 24-hour, 7-day basis.	Referral pending	TBD
SB 68	Becker	Spot bill language to help the state achieve its climate and air pollution reduction goals in the building sector through actions such as reducing barriers to upgrading electrical service panels.	Referral pending	TBD
SB 99	Dodd	Community Energy Resiliency Act of 2021. Requires the commission to develop and implement a grant program for local governments to develop energy resilience plans.	Referral pending	TBD
SB 204	Dodd	Clarifies that an IOU can allow anyone in their service territory regardless of who their energy provider is, to participate in the Base Interruptible Program (BIP). Directs other changes to expand the program.	Referral pending	TBD



ENSURING FAIR AND EQUAL ACCESS TO BENEFITS OF LEGACY ENERGY RESOURCES
Internal Fact Sheet for Proposed Legislation

SUMMARY

Over the last ten years, millions of utility customers have transitioned from investor-owned utility (IOU) electric service to Community Choice Aggregators (CCAs), local government-owned utilities providing electricity over the existing power grid. As part of this transition, CCA customers continue to share with IOU customers cost responsibility for legacy energy resources purchased by IOUs prior to their departure for CCA service.

While all customers bear responsibility for these legacy resources, only IOU customers can meaningfully access the benefits. This bill solves that inequity by ensuring all customers have equal access, through an allocation process, to the benefits of the resources that were purchased on their behalf, such as renewable and greenhouse-gas free (GHG-free) energy and resource adequacy. Additionally, it implements other consensus measures designed to maximize the value and utility of legacy resources held in IOU portfolios.

EXISTING LAW

Existing law (AB 117, Statutes of 2003 and SB 350, Statutes of 2015) provides that the California Public Utilities Commission (CPUC) must ensure overall cost minimization and prevent cost shifts between IOU and departing-load customers (e.g., CCAs and ESPs). AB 117, SB 790, and related legislation have been implemented by the CPUC in the form of the Power Charge Indifference Adjustment (PCIA), a surcharge on all customers intended to collect above-market costs of the IOUs legacy resources. SB 790 requires that the cost responsibility of CCA customers shall be reduced by the value of any benefits that remain with bundled service customers, unless the CCA customers are allocated a fair and equitable share of those benefits.

THIS PROPOSAL

This proposal would add new sections to the Public Utilities Code that are designed to ensure fair and equal access to the benefits of legacy resources and ensure resources held in IOU portfolios are managed to maximize value for all customers.

Specifically, this proposal:

- 1) Provides IOU, CCA, and direct access customers equal right to receive legacy resource products that were procured on their behalf in proportion to their load share if they pay the full cost of those products.
- 2) Requires the CPUC to recognize the value of GHG-free energy and any new products in assigning cost responsibility for above-market legacy resources, in the same way value is recognized for renewable energy and other products.

- 3) Requires IOUs to offer any remaining excess legacy resource products not taken by IOU, CCA, or direct access customers to the wholesale market in an annual solicitation.
- 4) Requires each IOU to transparently solicit interest from legacy resource contract holders in re-negotiating, buying out, or otherwise reducing costs from these contracts.

BACKGROUND

Overview

Early procurement of renewable energy generation resources by California's IOUs resulted in a rapid transition to renewable energy. As renewable resources have grown to scale, both prices and market value for renewable energy have declined, leaving a significant portion of the IOU legacy resource portfolio underwater. Likewise, utility-owned generation operates at costs that are significantly above market, further increasing the PCIA. These parallel trends have produced billions of dollars of above-market costs needed to be recovered through the PCIA.

While these resources produce high costs, they also produce valuable products such as renewable energy, hydroelectric energy, and resource adequacy, products needed by all energy providers to meet their clean energy goals and remain in compliance with reliability requirements. However, under the current structure, all of these products are retained by the IOU for its own compliance purposes. While CCA and direct access customers continue to pay a significant share of the costs for these resources, their ability to access the benefits depends on the willingness of the IOU – at its sole discretion – to sell.

This inequity has been long recognized by regulators and stakeholders. In 2017, the CPUC opened a proceeding intended to address PCIA-related issues and included addressing portfolio management and portfolio optimization. The CPUC deferred on this in its October 2018 decision, instead directing CalCCA, SCE, and Commercial Energy (co-chairs of the Working Group) to work together on a consensus solution. That solution – reflected in this bill proposal and developed through months of hard work by the co-chairs – was formally provided in February 2020, but has not been given any procedural consideration since.

What is the PCIA?

The Power Charge Indifference Adjustment (PCIA) is a mechanism adopted by the Commission as part of a ratemaking methodology to ensure that when electric customers of an investor-owned utility (IOU) depart from IOU service and receive their electricity from a non-IOU provider, such as a CCA, those customers remain responsible for costs previously incurred on their behalf by the IOUs.

Status of the PCIA

The concept of allowing a utility to recover above market costs through a nonbypassable charge (NBC) has been around since restructuring of the electric sector in the mid-90s. The PCIA surcharge is a form of NBC that has been updated and revised several times. The PCIA, or 'stranded costs', is the total IOU portfolio costs for the eligible resources minus their portfolio value. In 2017, the CPUC opened a rulemaking to revise the PCIA and identified one of the issues to be addressed was optimization of IOU portfolio management (e.g., contract extensions and contract renegotiation) to minimize stranded costs.

Parties advanced numerous proposals for optimization in Phase 1 (e.g., securitization, buy-out/buy-down, voluntary allocation and auction) but the final decision in October 2018 limited its scope to market price benchmark reform and deferred optimization issues to Phase 2.

The Phase 2 scoping memo issued in February 2019 identified three areas in need of resolution, including identifying the “structures, processes, and rules governing portfolio optimization that the Commission should consider in order to address excess resources in the utility portfolios” and how to improve “management of the utilities’ portfolios in response to departing load in the future in order to minimize further accumulation of uneconomic costs.”

A Working Group process was established at the CPUC with three co-chairs representing the affected load serving entities (CCAs, IOUs, and direct access providers): California Community Choice Association (CalCCA), Southern California Edison (SCE), and Commercial Energy (CE).

After 10 months of collaborative and extensive resource investment that included four workshops and two progress reports, the co-chairs filed a final consensus report in February 2020. The Commission final decision was expected by June 2020. As of February 1, 2021, the Commission has taken no action towards adoption of the final consensus report.

The delay by the CPUC to issue a decision impacts the procurement plans of the load serving entities (LSEs). The delay creates uncertainty and may lead to duplicative procurement as IOUs, CCAs, and ESPs are forced to guess what resources, if any, their customers may have access to in the future.

Benefits of Bill Proposal

- Maximize the value of the portfolio and provide equitable access to all LSEs required to pay above-market costs
- Minimize stranded costs by increasing sales revenues and reducing costs in the PCIA-eligible resource portfolio
- Prevent “double procurement” of Resource Adequacy (RA) and Renewable Portfolio Standard (RPS) compliance resources thereby reducing ratepayer costs
- Provide greater transparency for IOU optimization efforts

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Staff Report - Item 08

To: Sonoma Clean Power Authority Community Advisory Committee

**From: Nelson Lomeli, Programs Manager
Carolyn Glanton, Programs Manager**

Issue: Receive Draft Programs Equity Plan and Provide Feedback as Appropriate

Date: February 18, 2021

Recommendation: No action. Receive draft Programs Equity Plan and provide feedback as appropriate.

Background: The Programs Team is seeking to support diversity, equity, and inclusion in our customer programs to serve all SCP customers, especially in historically underserved, underinvested, and marginalized communities.

Due to a long history of systemic oppression, Environmental and Social Justice (ESJ) Communities, defined by the California Public Utilities Commission as predominantly disadvantaged, low-income, and communities of color, have been underrepresented in the policy setting and decision-making process. ESJ Communities are being left out of California's transition toward a clean energy future, and yet, are the most susceptible to the devastating effects of the climate crisis.

To date, SCP has taken a number of efforts to help address inequities in our programs, including:

- Providing increased incentive amounts for low-income customers in Drive EV;
- Providing incentives for low-cost used electric vehicles (EVs);
- Providing incentives to non-profit organizations to purchase or lease EVs;
- Conducting target, on location Ride & Drive events for low-income customers
- Providing up-front incentives to lower the barriers to program participation for batteries installed for SGIP Equity Resiliency customers;

- Providing larger incentive amounts for low-income homeowners rebuilding through the Advanced Energy Rebuild program;
- Providing larger incentive amounts for affordable homes being built through the Advanced Energy Build program;
- Providing increased rebate amounts to low-income, disadvantaged, and rural locations in the Sonoma Coast Incentive Project to encourage infrastructure investments in these communities;
- Providing free Do-It-Yourself Energy & Water Saving Toolkits through the two library systems to help renters and homeowners decrease energy and water usage and costs; and
- Providing bilingual marketing and collateral materials, among other outreach efforts by the SCP Marketing Team.

We recognize that while these are good initial efforts, more is needed to achieve equitable outcomes and benefits in our communities, as we work to fulfill our mission of turning the tide on the climate crisis.

With this in mind, Programs Staff is undertaking the development of a Programs Equity Framework that is intended to define the methods in which programs will be considered and developed with the inclusion of ESJ communities. This is intended to be the blueprint for the development and implementation of programs. It is not intended to be a static document or intended to be a program itself.

In the development of the Framework, Staff are grateful for the Greenlining Institute's [*"Equitable Building Electrification - A Framework for Powering Resilient Communities"*](#) and we have used this valuable paper as a basis for this framework. The Greenlining Institute has a decades long history of working for racial and economic justice in California, including with utilities at the California Public Utilities Commission.

The Framework is broken into five steps:

1. Assessing the Communities' Needs
2. Establishing Community-Led Decision-Making
3. Developing Metrics and a Plan for Tracking
4. Ensuring Funding and Program Leveraging
5. Improving Outcomes

We start by providing an overview of the steps and what we are trying to accomplish, before considering important questions. Lastly, we have drafted some

recommendations that Staff can consider and leverage in program development and implementation.

These questions and recommendations are only the start of the conversation. True to the Framework, we want to ensure that the community is included in the development of the Framework. With this meeting, we will be starting a robust public input process. The public process will be as followed:

Date	Time	Event
February 18, 2021	1:00 PM	Community Advisory Committee Monthly Meeting
March 4, 2021	8:45 AM	Board of Directors Monthly Meeting
March 9, 2021	11:30 AM - 1:30 PM	Public Input Workshop #1
March 18, 2021	5:30 - 7:30 PM	Public Input Workshop #2 in Spanish
18 de marzo del 2021	(17:30 - 19:30)	Taller de aportes públicos en español
March 25, 2021	5:30 - 7:30 PM	Public Input Workshop #3
April 15, 2021	1:00 PM	Community Advisory Committee Monthly Meeting
May 6, 2021	8:45 AM	Board of Directors Monthly Meeting

In addition to the public meetings, Staff will invite written public comment to be submitted on our website starting March 9, 2021, and last through April 1, 2021.

We value all feedback and want to provide the opportunities to have the public be heard, engage with SCP, and influence the actions we take.

Discussion: Staff is interested in receiving feedback from the Committee on the following questions:

- What are we missing from the Framework? What steps have we not considered?
- What Community Based Organizations should staff work with?
- How can we reach “not yet reached” populations?
- How can we best engage and hear from people who are very different from the people who usually attend and comment in SCP public meetings? Is there a better way to engage than the proposed workshops?
- Who do we need to reach out to and invite to the workshops?
- How can the Committee help us share the workshop invitations?

Fiscal Impact: None

Attachments:

Draft Programs Equity Framework



Programs Equity Framework

Draft February 2021

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Acronyms

CBO	Community Based Organization
CEC	California Energy Commission
CPUC	California Public Utilities Commission
ESJ	Environmental and Social Justice Community
EV	Electric Vehicle (includes battery electric and plug-in hybrid vehicle)
LIFT	Low-Income Family and Tenants
PG&E	Pacific Gas & Electric
SCP	Sonoma Clean Power

Acknowledgements:

Sonoma Clean Power would like to acknowledge that the base for this plan was created by the Greenlining Institute in their document entitled [*"Equitable Building Electrification - A Framework for Powering Resilient Communities"*](#).

We greatly appreciate the foundational work that the Greenlining Institute is doing in this space.

Programs Equity Mission Statement:

Sonoma Clean Power's (SCP) customer programs shall be designed, implemented, and evaluated with the goal of being practical and inclusive of Environmental and Social Justice (ESJ) Communities.

Environment and Social Justice Communities

The California Public Utilities Commission (CPUC) defines ESJ Communities as communities where residents are:

- predominantly people of color or living on low incomes; (or fixed incomes?)
- underrepresented in the policy setting or decision-making process;
- subject to disproportionate impact from one or more environmental hazards; and
- likely to experience disparate implementation of environmental regulations and socioeconomic investments.

Executive Summary:

Due to a long history of systemic oppression, ESJ Communities have been underrepresented in the policy setting and decision-making process. ESJ Communities are being left out of California's transition toward a clean energy future, and yet, are the most susceptible to the devastating effects of climate change.

This document is intended to define a methodology for the inclusion of ESJ communities in SCP's customer programs to ensure they are not left behind. SCP seeks to offer customer programs that serve all our customers and also seeks to invest additional time and funds to ensure that our programs create equity.

Three-Dimensional Approach:

1. Prioritize investments that close historic equity gaps in a way that will improve access to workforce training and jobs for the benefit of the local economy and improve environmental health for underinvested communities.
2. Create authentic partnerships that focus on vulnerable communities, support community-based participation, and result in shared decision-making, while also strengthening the health and well-being of the entire region.
3. Mitigate disparities likely to emerge in the future by leveraging funding for long-term community health and organizational capacity. Also, by incorporating metrics and evaluation to promote adaptable and effective implementation.

Early Equity Actions Taken to Date:

- Providing increased incentive amounts for the lease or purchase of new and used electric vehicles (EVs) as part of the Drive EV program;
- Providing incentives to non-profit organizations to purchase or lease EVs;
- Conducting target, on location Ride & Drive events in partnership with low-income employers;
- Providing up front incentives to lower the barriers to program participation;

- Providing larger incentive amounts for low-income homeowners rebuilding through the Advance Energy Build;
- Working directly with grassroots organizers and participating in fire recover events to encourage rebuilding energy-efficient or all-electric homes;
- Providing increased rebate amounts to low-income, disadvantaged, and rural locations in the Sonoma Coast Incentive Project to encourage infrastructure investments in these communities’;
- Providing free Do-It-Yourself Energy & Water Saving Toolkits through the two library systems to help decrease energy and water usage; and
- Providing bilingual marketing and collateral materials, among other outreach efforts by the SCP Marketing Team.

We recognize that while these are good initial efforts, more is needed to be done as we work to fulfill our mission of turning the tide on the climate crisis.

This Framework outlines the steps we will take to ensure that equity is taken into account when developing new programs.

Step 1 - Assess Community Needs and Set Goals

Prior to designing programs, staff will conduct community needs assessments to identify communities' unique needs, the underlying reasons or causes of issues, existing barriers, and the types of resources that are already available to address issues. Keeping in mind that various communities, even neighborhoods, should not be treated the same as they have different characteristics and needs, a community needs assessment is necessary so that stakeholders can conduct a meaningful inquiry into the possible benefits that programs can deliver to ESJ communities and the challenges that residents will face in switching from fossil fuels to clean energy, improving energy-efficiency, and reducing cost. Assessing the needs and barriers of renters since many bear the higher cost burden of inefficient buildings and appliances and lack of authority to participate in programs.

Questions that should be considered in this step include:

- What kind of existing resources does this community have (this includes community-based or faith-based organizations that serve the community, free or low-cost social services programs, after-school programs for kids, energy-related programs for low-income or disadvantaged communities, or workforce development programs for unemployed adults)?
- What are the Community's perspectives on Sonoma Clean Power and how does the community engage with Sonoma Clean Power now? Is Sonoma Clean Power a trusted organization?
- What barriers prevent residents in this community from participating in programs?
- What do people care about and which issues do they want to prioritize?
- What is the benefit for this community to be associated with SCP? Where is the relevancy?
- How much do people already know about programs offered? Who has access to this information and who does not?
- Who do people in this community trust? Where do they get their information? Where do they go when they have questions?
- Who has participated in other energy programs and who has not? Of those who have not, why haven't they?
- Which communities should be prioritized and what would it take to ensure that they benefit from a program?
- Which data must be collected and considered for this assessment?
- What would a community needs assessment look like? Will it reach the intended audience?
- How can Sonoma Clean Power programs strengthen the broader North Bay community?

Equity indicators must also be established to ensure that investments that close historic wealth and environmental gaps are targeted for ESJ residents. Equity indicators can be used in two ways:

1. They can be used to identify specific communities where program investments should be prioritized.
2. They can be used to measure the impacts of investment in ESJ communities.

For example, the California Energy Commission's (CEC) [Energy Equity Indicators](#) report identifies a set of equity indicators that the agency may use to track and measure investment, access, and resilience resulting from clean energy programs.

The community assessment will lead to a greater understanding and creation of equity-driven goals. The goals must be broad enough to encompass an issue or address a need within a community but also narrow enough to help determine the appropriate equity indicators, timing and level of funding, and metrics needed to track impacts.

Recommendations

- Leverage the **Community Engagement and Education Program** from SCP's Marketing Department to partner with locally trusted community-based organizations (CBOs) and local government to engage residents of ESJ communities and to make engagement opportunities as accessible as possible.
 - Collaborate with a diverse group of CBOs, local governments, and other partners,
 - Identify how SCP can help CBOs and local governments achieve their goals and objectives.
 - Identify what SCP can offer to help the community in exchange for their time.
- Coordinate with other SCP Department on outreach and engagement and leverage the work they are doing to inform programs.
- Identify the most pressing community needs, including determining the residents' fuel source(s), access to clean energy and energy efficiency programs, and non-energy issues such as housing, health, food, and transportation needs and identify how those needs intersect with energy and climate change.
- Identify the historical structural, economic, and logistical barriers of the communities in general, as well as barriers to upgrading homes to be resilient, efficient, electric, and affordable. Identify strategies to overcome these barriers while keeping residents in their homes.
- Establish equity-driven goals that address the communities' needs.

Step 2 - Establish Community Led Decision Making.

Community leaders and advocates face an exceptional challenge to get the attention of decision-makers and help them understand the unique needs of their families or communities. At the same time, decision-makers (*e.g., government, PG&E, SCP*) create new programs that directly affect the lives of impacted communities without their voices being heard. At the heart of community-driven decision-making lies the key environmental justice principle that those closest to the problem are those closest to the solution. Robust community input and engagement improves local buy-in and makes programs better at reaching the communities they intend to reach. Further, bringing community voices to the table helps to demystify the linkages between energy bills, indoor and outdoor air quality, health, local jobs, and community resilience. Developing partnerships with local agencies and CBOs will take time. It is important to build trust with community leaders and advocates, understanding that it may take time given the history of not being heard.

Questions that should be considered in this step include:

- Which CBOs that have been serving the residents should be contacted to support this effort (this may include social services organizations, energy efficiency providers, and workforce development organizations)?
- What kind of resources or support do the CBOs need?
- When, where, and in what context should we engage residents on the issue of equitable program design?
- Are all the relevant stakeholders at the table?
- What level of technical assistance do the CBO reps and residents need in order to fully engage in the program topic?
- What should decision-making processes look like?
- How can SCP support the mission of CBOs?

Recommendations

- Develop trust by making time to talk to people early and often and leveraging their feedback. Effective and rooted community organizing is very slow work.
- Be Inclusive. Meet communities where they are. Attend existing meetings, workshops, and opportunities for engagement in accessible places, at convenient times, with appropriate accommodations, including Spanish language. Create meeting opportunities where they do not already exist.
- Seek to minimize the burden of engagement on community members. Investigate providing compensation to community members for their significant contributions of time, whether monetary or other in-kind value.
- Partner with trusted and experienced local community workers, especially community-based organizations. Stretch and work with new players and foster unexpected partnerships.
- Be Innovative. Other issues may be identified that SCP may be able to help address.

- Listen actively. Trust that community members are experts on their stories, histories, challenges, and priority solutions. Listen first before approaching community members with any solutions. Listen for needs and not for program ideas/feedback.
- Be Practical. Make improving people's actual lives (air, health, home, family, community) the central priority. Technical expertise should respond to community needs and priorities.
- Develop a decision-making process with community members and work with the community during program design.

Step 3 - Develop Plan and Metrics for Tracking

Metrics are essential for assessing the effectiveness of equitable program efforts in meeting established program goals. Metrics should be used for all three activities involved in advancing programs.

1. **Policy adoption:** Metrics should articulate the principles being embraced and set target benchmarks or expectations for what progress is desired.
2. **Program Design:** Metrics should help specify program objectives, decide program parameters, and target audiences, and determine the necessary data collection schemes to inform evaluation.
3. **Post-implementation:** Metrics should largely support program evaluation, execution effectiveness, and expenditure value—as feedback to policy and program oversight.

Because equitable program efforts focus on reducing energy and non-energy hardships that affect ESJ communities, metrics cannot just measure energy savings monetarily or by greenhouse gas emissions. Stakeholders must also be open to both quantitative and qualitative metrics. Without qualitative measures there will be no consideration of quality-of-life type of improvements in program design. Lastly, tracking the metrics' progress is a significant programmatic tool that must be designed and planned at this early stage. Tracking will allow stakeholders to reach a deeper understanding of the challenges and successes of programs. Tracking also identifies areas for improvement and allows for regular and transparent reporting to the public to improve accountability.

Questions that should be considered in developing metrics and a tracking plan include:

- What quantitative and qualitative benefits can a program deliver to ESJ communities?
- What kind of baseline data is needed to compare against our metrics?
- Who should conduct tracking?
- How and at what interval should data be collected and reported? Are certain communities or individuals excluded by the data collection method chosen.

Recommendations

- Identify metrics, including baseline or control group, that will be tracked and measured based on the goals and indicators.
- Identify and establish both quantitative (*e.g., pounds of greenhouse gas saved*) and qualitative (*e.g., increased comfort*) metrics.
- Develop a plan to track metrics. Ensure that this plan maximizes the best feedback loop to improve current and future program design and provides transparency.
- Be aware that data collection may raise trust issues. Be flexible with collecting data and ensure data privacy and protection.

- When appropriate, utilize trusted outside entities to measure, audit and/or report metrics.

Step 4 - Ensure Funding and Program Leverage

Funding for energy efficiency and clean energy programs shall be directed to ESJ communities. Low-income energy programs struggle to maximize benefits to all qualifying households. Additionally, barriers to program integration and lack of information on how to leverage funding limit opportunities to streamline services and lock complementary funding sources into silos. We must encourage coordination which combines low-income and non-low-income energy programs along with public health and climate programs. California needs to incentivize building owners to invest in energy efficiency and electrification, without the risk of increasing costs and displacing ESJ renters. We also need to determine how many ESJ residents do not qualify for low-income energy programs and identify ways to meet their needs.

Questions to consider in this step:

- What other programs or funds exist to serve the same community and meet similar needs?
- Are there other organizations that are already doing work in the community we can partner with to augment their work and implement solutions?
- Will a new program align with other programs and make leveraging easy, or will it become yet another silo?
- How can non-low-income programs expand their reach and services to low-income populations?
- What other kinds of programs, like MCE's Low-Income Family and Tenants (LIFT) pilot, exists that leverage various programs and agencies?
 - How can a public agency like SCP leverage these programs?
- What role does financing have in increasing building electrification in ESJ communities, especially for households that do not qualify for free upgrades?
- Are there existing SCP services or programs that can be leveraged to financially support ESJ communities?

MCE Low-Income Family and Tenants (LIFT) Pilot Program

In 2017, the CPUC awarded \$3.5 million to MCE to conduct a two-year pilot program to better serve income-qualified multifamily communities.

Qualified properties received:

- \$1,200 per unit in addition to rebates provided by MCE's Multifamily Energy Savings Program to lower the cost of common area upgrades in deed-restricted buildings.
- Referrals to other programs to enable additional savings
- Low-cost high efficiency heat pump water heating and space conditioning

Recommendations

- Establish research funding and conduct effective research.
- Identify available sources of funding for energy-related or building-related programs.
- Identify gaps in funding for needs that should be addressed, including tenants (renters) and commercial and business owners.
- Create a new program that integrates new and current energy, climate, and health programs available to ESJ communities to maximize benefits.
- Find ways to support ESJ households through alternative financing such as tariffed on-bill financing.

Step 5 - Improve Outcomes

Performance of any given program must be measured to ensure that it is delivering the intended impact. To determine the equitable impacts of programs, measurement and evaluation efforts must be based on three principles:

Document and assess the energy and non-energy impacts of the program on ESJ communities.

Provide programmatic transparency to hold both programs and program administrators accountable to achieving the goals the program was set to meet, using equity metrics; and

Ensure that there is a continuous feedback loop to improve current and future programs' reach and impact in ESJ communities.

Questions to consider in this step:

- Are there improvements post-program participation? How much progress has been made between the baseline data and the post-implementation data?
- Are the results on track for achieving short and long-term goals? What factors could have influenced the change between the baseline and post-implementation metrics?
- Has the program reached all the communities it was intended to reach? If not, what adjustments need to be made so that the next program cycle is more effective?
- Has the program delivered all the benefits it was intended to deliver? If not, why not, and what can be improved?
- Does the program mitigate unintended consequences like displacement?
- How should the evaluation results be framed and communicated in order to reach important stakeholders?

Recommendations

- Create a calendar of scheduled updates on tracking and evaluation.
- Ensure that the right people receive the evaluation results. Provide time to solicit the audience's input because they may lead to further clarity and improvement in the tracking, evaluation, and reporting process.
 - Ensure that the community feels heard and understood when feedback is not incorporated.
- Develop an immediate feedback loop for lessons learned and adjust existing programs and a longer and more comprehensive feedback process to change and inform the implementation and evaluation of future programs.
- Highlight and share important data relevant for strategic and budget planning processes.
- Collaborate with community organizations and local government to share results that may be connected to achieving their goals.