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50 Old Courthouse Square, Suite 605  
Santa Rosa, CA 95404

**SONOMA CLEAN POWER AUTHORITY  
BUSINESS OPERATIONS COMMITTEE  
SPECIAL MEETING MINUTES  
TUESDAY, JULY 31, 2014**

**I. CALL TO ORDER:**

Meeting called to order by BOC Chair Susan Briski at 4:29 P.M.

Committee Members Present:

Chair Briski, Mike Gogna, Bill Mattinson, Paul Brophy

Staff/Consultants Present: CEO Geof Syphers, Authority Counsel Kelly Foley, Executive Assistant Stephanie Reynolds

**II. BUSINESS OPERATIONS COMMITTEE SPECIAL CALENDAR:**

1. Report out from Business Operations Committee Chair - Findings from Power Ad Hoc Committee meeting on July 31, 2014, regarding a contract for the purchase of power

Chair Briski requested CEO Syphers and Counsel Foley brief the Committee on the current proposed power purchase.

CEO Syphers requested that it be recorded that the meeting was noticed as a "special meeting" due to the fact that Chair Briski was notified of the need to convene the BOC to review a contract, following a meeting of the Procurement Ad Hoc Committee meeting. SCP Clerk Reynolds noticed the special meeting via SCP website, an email to the Board, RAC/BOC and interested parties list, and by posting an agenda at the Sonoma County Board of Supervisors office at 575 Administration Drive, Santa Rosa, CA. CEO Syphers noted that Special Meetings are not called lightly and this was called due to fluctuations in the power market and the need to purchase power to continue to keep SCP customer rates stable.

With Chair Briski's permission, CEO Syphers responded to questions out of order that were posed via email by CM Mattinson regarding the open seat on the BOC Committee. Staff reviewed prior applications and received notice from the Board Chair stating Dick Dowd will be recommended as the person to fill the vacancy on the BOC. Due to the fact that this would create a vacancy on the RAC, the appointment would not be effective until September. Mattinson also requested clarification on how the Cloverdale vote will impact the Board. SCP staff were notified that Susan Gorin will remain on the Board representing Sonoma County and Julie Combs for the City of Santa Rosa. Gary Wysocky and Efren Carrillo will



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no longer be on the Board. Bob Cox has been appointed as SCP Director for the City of Cloverdale and will be seated on the 9/11 meeting.

CEO Syphers reviewed the proposed transaction with Constellation. He explained the background with Constellation and how the accounts were set up to establish a procurement process for Phase I. The current master agreement that had already been executed with Constellation had been used with changes of dates, volumes and resource adequacy (which can be completed later as new obligations are determined), changed on the confirmation. Staff reports were referenced with General Counsel Foley doing legal review, PEA checked for technical accuracy and CEO Syphers reviewing financial aspects of the contract.

CEO Syphers stated that this contract will not affect rates so will not need to be approved by the Ratepayer Advisory Committee before execution. Rates may be moderately adjusted in or around July, 2015.

Background was provided on new hire Nathanael Miksis, who will be providing services related to power procurement in the future.

CM Gogna discussed the issue of Category 3 renewables. CEO Syphers stated that no Category 3 purchases are included in the proposed contract.

A request was made by committee members that in the future, a redline version of contracts be provided for review prior to meetings.

Chair Briski recapped the PAHC meeting and communicated that the PAHC unanimously recommended that SCP go forward with the purchase. She did note that this purchase will reduce deposits to the reserves by approximately \$380,000, but that the savings on electricity purchased will benefit SCP customers and help the local economy.

Public Comment: Bob Williamson

## 2. Committee review and recommendation to staff on proposed contract.

CM Mattinson agreed to move forward and appreciated the move away from Category 3 RECs.

CM Brophy asked for clarification on pricing. The new contract will cover 100% of conservative estimates for current cities and customers at a fixed price for 2.5 years.

CM Gogna questioned how the purchase will affect our payment of debt. CEO Syphers stated the debt service ratio can still be maintained.



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It was noted that Exhibits A-D were not provided for review as most data remains confidential.

Public Comment: None

Motion to proceed with Constellation/Exelon power purchase by CM Brophy.  
Seconded by CM Mattinson

Action approved: 4-0-0

**III. Public Comment on Matters Not Listed on the Agenda:**

Bob Williamson

**IV. Adjournment:** 5:56 P.M.

Respectfully submitted,

Stephanie Reynolds  
Executive Assistant