



Local. Renewable. Ours.

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

**MEETING MINUTES
SONOMA CLEAN POWER AUTHORITY
BOARD OF DIRECTORS
THURSDAY, JUNE 4, 2015
575 Administration Drive, Room 102A,
Santa Rosa, California**

I. CALL TO ORDER

The meeting was called to order by Chair Landman at 8:48 A.M. with Directors Schwartz, Slayter, Cook, Wysocky, King and Cox present. Directors Gorin and Okrepkie absent with prior notice.

Staff Present: CEO Geof Syphers, Authority Counsel Steve Shupe, Program Manager Amy Rider, and Internal Operations Manager Stephanie Reynolds

II. BOARD OF DIRECTORS CONSENT CALENDAR

1. Approve the May 7, 2015 meeting minutes of the Sonoma Clean Power Authority Board of Directors (8:48 A.M.)

Public Comment: None

Motion to approve Consent Calendar item by Director Schwartz
Seconded by Director Wysocky
Motion carried 7-0-2 (Gorin and Okrepkie absent)

III. BOARD OF DIRECTORS REGULAR CALENDAR

2. Chief Executive Officer's Report (8:49 A.M.)

Present: CEO Syphers

Director Gorin arrived at meeting (8:53 A.M.)

CEO Syphers reported on the business office move, updated financials through April 30, 2015, program updates and summer billing rates. The remaining bank loan with First Community Bank was paid in full. SCP has one remaining debt, a \$1.7M loan from the Sonoma County Water Agency, with favorable terms. Discussion was held on the potential for fuel switching programs in Sonoma County.

Public Comment: None



3. Annual Report to the California Energy Commission: Power Source Disclosure Program (information) (9:01 A.M.)
Present: CEO Syphers, Director of Power Services Deb Emerson

Deb Emerson gave the background on the California Public Utilities Commission (CPUC) and California Energy Commission (CEC) reports, which are required for compliance. Copies of the reports were shown to the Board and public via slides. The difference between the two reports was described. The CPUC report includes data for 2014, 2015 and 2016, while the CEC report reflects 2014 information and lists everything transferred to SCP in 2014. The information was compiled by reviewing all power contracts, work with Western Renewable Energy Generation Information System (WREGIS) and reviewed by outside counsel for verification.

The joint rate comparison mailer reflects a mix of 36% renewables. The use of unbundled Renewable Energy Credits (RECs) was voluntarily removed from the calculations. The amount of greenhouse gas emissions saved will be available after PG&E produces its own data for comparison later in 2015.

Supervisor Gorin asked about the 0% of solar reflected on the reports. CEO Syphers clarified that until SCP's contracted new solar projects start producing at the end of 2016, the number will not change. Net Green and FIT program producers do not generate enough solar to be reflected on the reports. Director King asked for a description of "unspecified" sources. Deb Emerson stated that when power is purchased using a contract that does not specify what type of energy, or power is purchased directly from the California Independent System Operator (CAISO) that the direct source is not known, however, the majority is natural gas at this time and is reported as such. Discussion held on public messaging on the difference between renewable and carbon-free.

Public Comment:

Bob Williamson: Commended SCP on not using RECs for the calculations.

4. Switch Vehicle Program (action) (9:26 A.M.)
Present: CEO Syphers, Program Manager Amy Rider

Amy Rider presented information on the electric vehicle education program. The program is provided to local schools by a competitive grant. SCP asked for approval from the board to be the lead sponsor and provide funds for marketing. Susan Briski, chair of the Business Operations Committee, stated that the BOC had met and voted 4-1-0 in favor of the sponsorship.



Public Comment:

Kathy Goodacre: from Career Tech Education Fund, spoke about the benefits of the program.

Peter Oliver: Spoke about the vehicles.

Motion to approve sponsorship of \$150,000 plus \$25,000 for materials, development and marketing, by Director Wysocky

Second: Director Gorin

Motion approved 8-0-1 (Okrepkie absent)

5. Amendment to contract for services with Sonoma County Water Agency for work on agricultural floating solar program (action) (9:54 A.M.)
Present: CEO Syphers, Counsel Shupe, Program Manager Amy Rider, BOC Chair Susan Briski

Director Gorin abstained from comments and voting on the item, as a member of the Sonoma County Water Agency Board of Directors.

CEO Syphers spoke to clarify the scope of work in the amendment to the contract between SCP and the Sonoma County Water Agency. Susan Briski stated that the BOC Committee voted in favor to recommend approval of the scope and amendment. CEO Syphers stated that SCP is actively working to meet with local solar contractors to work on more ideas for projects in Sonoma County. Board members stressed the need to focus on projects that will support local solar contractors. A needed correction was noted in the scope that SCP will not provide construction oversight.

Public Comment:

John Rosenblum: Stated that the floating solar projects should be used as research and that true collaboration with water agency is in winter water storage expansion.

Motion to approve contract amendment with correction to title of #5 in scope to "Information During Construction" and addition of a firm 5% preference to local bidders by Director Cox.

Seconded by Director King

Motion approved: 6-1-1-1 (Wysocky, no), (Okrepkie, absent), (Gorin, abstain)

6. Amendment to Financial Policy B.2 (action) (10:19 A.M.)
Present: CEO Syphers and CPA Michael Maher



An amendment was requested to Financial Policy B.2, due to the increased need for reserves and collateral to help build a better credit rating for purchasing power. The Ratepayer Advisory Committee voted to approve the amendment to the policy and to revisit next fiscal year to see if another change would be needed. CPA Mike Maher clarified how collateral deposits are presented on the budget. The current goal remains to have \$50M available in reserves, separate from collateral postings. Discussion was held on how to balance reserves while focusing on local projects, jobs and lower rates. CEO Syphers stated that the Board can approve a budget adjustment moving funds from reserves mid-year if there is a need.

Public Comment:

Bob Williamson: Commented on discussions held at 5/19/15 Ratepayer Committee Meeting. The approval of the change in Financial Policy B.2 was grouped with other items. He stated that his opinion is that the language presented does not represent an actual policy and the policy needs to be adjustable depending on the market.

Motion to approve amendment to Financial Policy B.2 by Director Gorin.
Seconded by Director Schwartz

Motion approved 8-0-1(Okrepkie, absent)

10:54 Recess for break, Director Slayter left meeting

11:06 Reconvene meeting

7. Approve 2015/2016 Fiscal Year Budget (action) (11:06 A.M.)
Present: CEO Syphers

At the request of Chair Landman, discussion for items 7 and 8 were combined, with the vote taken separately.

CEO Syphers gave updates from the draft budget that was presented at the May Board meeting. Clarification was given on positions that would work on regulatory advocacy for SCP. A new rate, titled Option R was added to match a new rate offered by PG&E. No changes were made to the bottom line when compared to the first draft presented. Rates for the next fiscal year would not change.

Public Comment: None

Motion to approve 2015/2016 Fiscal Year Budget by Director Wysocky.
Seconded by Director Cook:

Motion approved: 8-0-1 (Okrepkie, absent)



8. Approve 2015/2016 Fiscal Year Rates (action) (11:06 A.M.)
(See discussion under Item 7)

Motion to approve 2015/2016 Fiscal Year Rates by Director King.
Seconded by Director Gorin.

Motion approved: 8-0-1 (Okrepkie, absent)

IV. BOARD MEMBER ANNOUNCEMENTS

(11:20 A.M.)

Director Schwartz recommended that SCP staff connect with the Economic Development Board and Sonoma State University to discuss green energy clusters.

V. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

(11:21 A.M.)

None

VI. ADJOURN

11:22 A.M.

Respectfully submitted,

A handwritten signature in blue ink that reads "Stephanie Reynolds".

Stephanie Reynolds
Internal Operations Manager