



**Joint Meeting Minutes
BUSINESS OPERATIONS (BOC) and RATEPAYER ADVISORY (RAC)
COMMITTEES
Thursday, June 30, 2016**

I. CALL TO ORDER

The meeting was called to order at 9:00 A.M. by RAC Chair Art Deicke

BOC Members Present: Chair Dick Dowd, Paul Brophy, Ken Wells, Bill Mattinson, George Beeler

RAC Members Present: Chair Art Deicke, Anita Fenichel, Peter Renfro, Joe Como, Mike Nicholls (Margaret Spaulding and Bob Williamson absent with notice.)

II. REGULAR CALENDAR

1. (RAC) Approve the April 12, 2016 meeting minutes of the Sonoma Clean Power Ratepayer Advisory Committee

Motion to approve as presented by CM Nicholls

Seconded by CM Fenichel

Public Comment: None

Motion approved: 5-0-0

2. Receive update and provide comments to staff regarding proposed amendments to Joint Powers Agreement (9:02 A.M.)

CEO Syphers present:

An overview of proposed JPA changes by CEO Geof Syphers was given. One core change centers on merging into one committee, the Community Advisory Committee (CAC). Discussion continues with the Board of Directors on the size and exact role of the new committee. General Counsel Steve Shupe stated that the goal is to combine functions of two committees, keeping customer ratepayers in mind, while using good business strategies. Another significant change is in the purpose of the JPA. The main interest of SCP would not be clarified that reducing the use of electricity is a secondary goal to reducing GHG emissions and supporting the local economy. Outdated language on unbundled RECs and startup financing have been removed, along with element of JPA that could have been interpreted as setting rates at a level to recover 100% of rates. CEO Syphers stated that in the future we may need to utilize reserves to cover costs to offset rates, and the new language allows flexibility. Voting shares were also updated.



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The Board indicated that they wanted to change the JPA to reflect members of the Board be elected officials, not staff. Any current non-elected staff serving on the Board would be allowed to remain for a designated period of time.

Chair Deicke asked about a schedule for the amendments. CEO Syphers responded that SCP staff is presenting to cities and the County in July and August and expects to bring a final draft to the Board in August, asking for further changes and a timeline for approval. Chair Deicke requests that if any major changes are made to the committee structure that an updated version come back to the committees for discussion.

(BOC Comments) BOC Chair Dowd commented that the elected official requirement may be an issue for smaller communities joining in future. He also stated it is important to keep diversity on the new CAC committee, but not to overlook the need for expertise when looking for new members. CM Brophy commented that he has concerns with item “c” of the JPA purposes and feels that given our major program is one that will increase energy usage, the statement needs a qualifier to state clearly that programs may conflict. General Counsel Shupe added that the goal is to make the JPA as broad as possible to allow for flexibility over time. CM Wells stated there is a need to state clearly that we are working to lower “fossil” fuel energy consumption. CM Mattinson stated combining the committees is a positive move, allowing more opportunities to engage in other areas. He encourages the language in the amendment reflect that the committee meet bi-monthly, as quarterly is not frequent enough. CM Beeler also agreed with the combining of the two committees and suggested the voting structure be changed to reflect conservation efforts or general population.

(RAC Comments) CM Fenichel, agrees with combining committees. Discussion on removal of language related to unbundled RECs and why SCP no longer uses them. SCP goals are tied to reduction in GHGs. CM Renfro stated he had no specific issues or recommendations, but agrees with the overall direction of changes, bi-monthly meetings vs. quarterly. CM Como stated he was in favor of evolving into one committee. Appropriate to allow committees to have a more powerful advisory function and it would be hard to affect rates if the business as a whole is not understood. Sec 4.5.1, he would like to see some language that seeks to retain diversity on the CAC. CEO Syphers discussed having a Board policy or resolution to have the practice of doing outreach for diverse applicants to the CAC. Under Section C.c. (recitals), he suggested adding the word “total” in front of energy to be



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clear that the intent is to reduce different types of fuels, not just electricity. CM Nicholls agrees with synergies of combining committees and streamlining input efforts. Chair Deicke expressed concern with the composition of the CAC. It may be ineffective if too large. He stated it would be good to have placeholders to keep positions open to represent all areas of the County. Discussion held on weighted voting and the use of energy as a basis for the number of votes a jurisdiction is allotted. Chair Deicke suggested an ad hoc committee be formed with the Chairs of both committees and SCP staff to work out issues.

Public Comment:

Woody Hastings had 3 comments: 1- If SCP requires the CAC be made of SCP customers, it may limit someone out of our service area with expertise that is needed; 2-Agrees with the idea of having the number of votes determined by population instead of energy use; 3- Diversity is important and should also include gender.

Cary Chris Jaener SCP needs to make the distinction that the state policy is rooftop solar, which is currently classified as unbundled RECs. Important to make the distinction when aligning policy with the IOUs and to take credit for where energy is used.

CEO Syphers asked for recommendations from the committee on the recommendations made. Chair Deicke reviewed the points made:

1-Continue to carry out programs to reduce energy consumption with the addition to “C.c” adding “fossil fuel” or “total” energy consumption. (Agreed by both committees)

2-Add geothermal to example types of renewable energy production (Agreed by both committees)

3-Notion of shifting weighted voting. This may be an issue due to fewer businesses but more residential accounts. The committees did not determine a specific recommendation on how to calculate the votes. CEO Syphers to bring the idea to the board instead of a specific direction on how to calculate the votes.

4-Remind the Board that there needs to be an operational committee at the time of dissolution of the current committees and to reach out to current BOC and RAC chairs for assistance during transition. (Agreed by both committees)

5- Discussion on broadening prohibition of committee members not



as just no Board members, but to also to exclude elected officials. After discussion, this item was dropped as a recommendation.

6-Discussion on the requirement that committee members be SCP customers. CM Brophy stated it should be allowed only if someone is not able to be an SCP customer, outside of our service area. Chair Dowd strongly encourages recommendation to BOD that all committee members be SCP customers. CM Como stated that he agreed with the principle of encouraging SCP customers to apply, but it should not be a requirement. It remains more important that they meet other areas of expertise and diversity. CM Beeler stated the requirement should be left out. CM Mattinson understands value of having SCP customers on the committee they represent. On the issue of diversity, it is important to embrace and state the issue, but he would be hesitant to specify a list as it may cause us to lose a qualified person. General Counsel Shupe stated it may be best to add under Board appointment rules/policies under recommendations. CEO Syphers to let Board know that the committee members are not in agreement on the issue of restricting appoints to SCP customers.

7-Bi-monthly regularly scheduled meetings should be the minimum. (Agreed by both committees).

8-Support for combination of two committees (Agreed by both committees)

9-Request that if significant changes are proposed regarding the committee structure at the next Board meeting, bring items back to current committees for discussion. (Agreed by both committees)

III. COMMITTEE MEMBER ANNOUNCEMENTS 1035AM

CM Mattinson noted that Peninsula Clean Energy voted to go with 75% carbon free as its base.

CM Wells made staff aware that he is an owner of VW, and there will be a settlement that includes millions for CA with a specific mitigation fund towards electric issues.

IV. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

Carrie Chris Jaener, - continuation from last comment, pointing out initiatives at State level and promoting goals of local renewable energy. She announced a



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meeting to discuss grid needs and how to mitigate load curves and work on resources that will be a benefit to the grid.

Kate Kelly offered tickets to the 7/3 Sebastopol fireworks event.

Shelly Browning stated the need to include renters when looking for diversity.

Bruce Niden – visited Maui jump start, working on feeding energy from Nissan Leafs back into the grid to stabilize grid.

V. ADJOURN at 10:44 A.M.

Respectfully submitted,

Stephanie Reynolds,
Internal Operations Manager