



SONOMA CLEAN POWER AUTHORITY
BUSINESS OPERATIONS COMMITTEE
MEETING MINUTES
MONDAY, AUGUST 17, 2015

I. CALL TO ORDER:

Meeting called to order by BOC Chair Dick Dowd at 9:00 A.M.

Committee Members Present:

Chair Dick Dowd, Committee Members Paul Brophy, Bill Mattinson and George Beeler.

Staff/Consultants Present: CEO Geof Syphers, General Counsel Steve Shupe, Operations Manager Stephanie Reynolds

II. BUSINESS OPERATIONS COMMITTEE REGULAR CALENDAR:

1. Adopt Minutes for the Business Operations Committee meeting held June 29, 2015.

Public Comment: None

Motion to approve minutes by CM Mattinson.
Seconded by CM Brophy

Motion carried: 3-0-1 (Beeler abstained)

2. Appoint a Vice Chair to the Business Operations Committee (action)

Chair explained the duties and responsibilities on the vice chair position and asked for volunteers.

CM Mattinson nominated CM Brophy,
Seconded by CM Beeler.

Motion carried 4-0-0

3. Operations update and discussion

CEO Geof Syphers present.

Final phase customers have been receiving service and have received at least the first bills listing SCP as the electricity provider. Opt outs have leveled out at about 11%.



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-Mustang project: 70 megawatts of new solar, with a total of 100 megawatts of solar in project. Construction ahead of schedule, proposed to be operational towards the end of 2016.

-Committee vacancies – The Board of Directors met and discussed how committee seats would be filled and directed staff to work with a newly formed ad hoc committee on outreach to the community. The Ad hoc will review applicants, making a recommendation to the Board of Directors. The process should conclude in November.

-SCP staff are participating in a number of proceedings and rate cases that will affect our ratepayers and the solar industry. Also tracking the PG&E residential rate case which proposes a large increase in the Power Charge Indifference Adjustment (PCIA).

-Year-end financials are strong. A set amount for reserves has not been determined yet because the amount is based on cash that is uncommitted. Audited financials are anticipated to be out in November.

-Looking forward to expanding on community programs and exploring options, principals.

Time of Use rate (TOU) question. TOU periods have been shifting, two primary reasons are that solar has been taking over the mid-day peak and that residential customers are using more power at the end of the day because of an increased use in electronics. In 2016, there will be a shift on peak hours, depending on the plan chosen. CEO Syphers asked to bring an item to a future meeting to review and clarify rate structures.

Chair Dowd stated he appreciates looking and studying CCA expansions and would like to see a move forward to strengthen the CCA arena to deal with legislative issues and other proceedings. CM Mattinson stated the need to discuss taking a position at the CEC or CPUC on regulatory and rate issues. CEO Syphers stated that staff has responded is complex and creativity will be needed in dealing with these changes. Geof stated that we need to figure how to be responsive to changes that have already been approved by CPUC. CM Brophy asked for a clarifying change on the financial statements, including a column showing the previous month numbers, easier to compare than year to date numbers. CM Beeler noted the tremendous amount of work needed in regulatory arena and asked if it is possible to be proactive to ask for regulatory changes that would help instead of only dealing with fighting others' legislative efforts? He also expressed that the expansion of CCAs is a concern in that it may slow down programs and working towards more renewables.

Public comment:

Bob Williamson – Asked for clarification on PCIA changes and the TOU rate.

John Parry – Important to work on the awareness of PG&E's practice of pushing charges to distribution side. Wise to focus on local solar that does not need to be transmitted as far.



4. Resource Plan update

CEO Geof Syphers and Program Manager Amy Rider present.

Amy Rider gave background on the Resource Summary and Guidance Document. The goal for the upcoming Resource Plan would be to focus on load management, supply and setting a trajectory for SCP's portfolio. The Ad hoc committee for the Resource Plan has met and will continue to move forward (CMs Paul Brophy and Bill Mattinson agreed to continue in the capacity as members). CM Mattinson met with staff and presented ideas. He stated that he would like to see a timeline for the plan with outreach including public workshops so the RAC, public and Board will be able to have timely input. The plan should cover until 2020 and would like to see a description of long-term goals with comments on potential paths to achieve goals.

Public comment:

Bob Williamson – Finds volumetric important as a metric. Need to include volumes in financial reports.

5. Program updates (Energize, Negawatts, PAYS)

CEO Geof Syphers and Program Manager Amy Rider present.

CEO Syphers discussed the Windsor Pay as you Save (PAYS) program's good results and that the BAYREN program is looking to expand similar programs to other areas. The City of Cotati has expressed interest in a similar program and SCP staff is evaluating starting with one city and possibly expanding from there. Potential grant funding may be available. Committee members asked how the program could be modified for energy use and that SCP may be better its own program designed to better fit our goals.

Amy Rider spoke on the customer-engagement tool, now named Energize. Energize is an experimental platform that allows SCP to take advantage of market-based conditions. The pilot for Energize will be starting in the near future with hopes to launch to customers in early 2016. CM Mattinson requested more information on the project. CM Beeler considered if other things can be tracked for conservation efforts, possibly compare geographical areas, schools, etc.

The North Bay Electric Auto Association Ride and Drive event in Coddington was held with SCP staff in attendance. SCP will be working on more community based outreach efforts.

Chair Dowd met with Chris Cohn and Matt Golden re "negawatts" which interested him in the area of Resource Adequacy. CEO Syphers asked to have the item on a future agenda.



CM Mattinson asked about on-bill financing. If through the electric side of the bill, SCP would take over the billing process. Staff needs to explore what is allowed and operationally advisable. CM Mattinson asked the number of schools covered in the electric vehicle education program. Amy Rider responded that SCP only funded a percentage of the program, which covers 6 schools. The program administrator is still looking for more funding.

Public Comment:

Ned Orit – Responded to questions on Windsor PAYS Program

Bob Williamson – Looking at PAYS program, noting missing info on administrative costs, seems like it may be complicated.

Dory Estrella – With the County of Sonoma, addressed questions re energy/water nexus and how participants are educated on new fees on their bills.

John Rosenblum – Noted that Ned Orit would be a resource for SCP to work with.

6. Committee evolution and discussion of options for contracting process

CEO Syphers and General Counsel Shupe present.

Chair Dowd noted that all BOC members were present at the Board of Directors meeting where discussion was held regarding improving the JPA and possibly the committee process. CEO Syphers stated there were two topics for revising the JPA after being in business for 2 years. The items were the purchasing process and the overall function and responsibilities of the committees. CEO Syphers reviewed issues the committee has had with purchase process, such as reviewing identical contracts with information redacted. Staff also has concerns with regard to timeliness in purchasing power that would save SCP money. CEO Syphers proposed a standard track for committee approval and also a non-standard track. Chair Dowd stated that this appeared to be what the Board asked for. CM Mattinson stated that burdens would be eased and staff would be able to move forward in a timely manner without arduous changes to the JPA. CM Brophy stated that SCP staff was hired to do the job correctly and the new table will help, however, the BOC still has a fiduciary responsibility and purchases can affect rates, or not depending on what SCP decides to charge. He believes that there is still a value in having the BOC review the contracts, even after executed. It was noted that redlines and highlighted changes from previous contracts be shown on executed contracts.

Public comment:

John Rosenblum – Stated this is an issue of governance and it is extremely important for the public to be able to be part of the process.

Chair Dowd reflected on committee evolution from the SCP steering committee that formed the JPA. The separation of the two committees has been a frustration for him as a member. Separating finances and rates remains an issue. CM Brophy agrees with Chair



Dowd that the contrast between the two committees is flawed. The simplest way to fix would be to combine the two committees. This would also allow for more ad hoc committees to deal with other issues. CM Mattinson stated that he could see that the committees have overlap, but would like to be sure that the precepts in the JPA regarding a diverse representation for the community are retained. CM Beeler added he thinks the changes are part of the growth process and would like to retain community involvement.

Public Comment:

John Parry – Agrees with the growing consensus to form one committee. Encourages SCP to keep committee small. Important to keep public representation and input.

Bob Williamson – The public that attends meetings does not fully represent ratepayers and this is an issue to work on.

Peter Renfro – Agrees that ratepayers are underrepresented and that needs to be addressed. One committee makes sense with possible sub committees.

Art Deicke - Public participation issue is an item that needs to be addressed. Both committees have been attending the other's to stay abreast of issues. Committees need to be integrated. May be able to have more of a routine meeting time when contracting procedures are updated. Concerned about large committees and agrees with idea of subcommittees formed based on expertise and interest. Possibly a way to combine would just be by attrition.

General Counsel Shupe provided history on the formation of the two committees and that they were formed based on what various groups stated they wanted included in the JPA. He agreed that SCP needs to retain the aspect of ratepayers on the committee. If ratepayers are excluded, there may not be support in combining the committees. Staff time is impacted by the need to hold meetings that fall under the Brown Act.

7. Review and update of BOC Priority Table

Chair Dowd suggested that the table does not need to be a standing item, but can be added if items need to be amended. CM Mattinson suggested having as an informational item. CEO Syphers suggested that it can be included in the operations report.

Public Comment. None

III. COMMITTEE MEMBER ANNOUNCEMENTS

CM Beeler will be attending the Soil Not Oil conference in Richmond on Sept 4 & 5th.

IV. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

John Parry – Announced Solar Lobby Day in Sacramento, encouraged public support.



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Peter Renfro - Keep in mind disconnect between reducing greenhouse gas emissions and supporting local renewables during onslaught of regulatory decisions that go against local support.

V. ADJOURNMENT

The meeting was adjourned by Chair Dowd at 11:27 AM

Respectfully submitted,

Stephanie Reynolds
Internal Operations Manager