



**AGENDA
SONOMA CLEAN POWER AUTHORITY
BOARD OF DIRECTORS
THURSDAY, JANUARY 7, 2016
8:45 A.M.**

Sonoma Clean Power
50 Santa Rosa Avenue, Fifth Floor, Santa Rosa, California

I. CALL TO ORDER

II. BOARD OF DIRECTORS CONSENT CALENDAR

1. Approve the December 3, 2015 meeting minutes of the Sonoma Clean Power Authority Board of Directors.

III. BOARD OF DIRECTORS REGULAR CALENDAR

2. Elect a Chair of the SCPA Board of Directors for 2016.
3. Elect a Vice Chair of the SCPA Board of Directors for 2016.
4. Appoint three SCPA Directors to serve on the Power ad hoc Committee for 2016 and select a Chair of the committee.
5. Receive Operations Update and provide direction as appropriate.
6. Receive State Legislative update and provide direction as appropriate
7. Adopt an ordinance establishing claim filing requirements for certain claims filed against the Authority. (ACTION; Second Reading, Ready for Adoption)

IV. BOARD MEMBER ANNOUNCEMENTS

V. PUBLIC COMMENT ON MATTERS NOT LISTED ON THE AGENDA

(Comments are restricted to matters within the Board jurisdiction. The Board will hear public comments at this time for up to thirty minutes. Please be brief and limit comments to three minutes.)

VI. ADJOURN

DISABLED ACCOMMODATION: If you have a disability which requires an accommodation, an alternative format, or requires another person to assist you while attending this meeting, please contact the Clerk of the Board at (707) 978-3467, as soon as possible to ensure arrangements for accommodation.

SONOMA CLEAN POWER
COMMONLY USED ACRONYMS/TERMS TO KNOW

- ❖ **BOC**- Business Operations Committee
- ❖ **CAISO**- California Independent Systems Operator
- ❖ **CAM**- Cost Allocation Mechanism
- ❖ **CCA**- Community Choice Aggregation (*aka Community Choice Programs (**CCP**) or Community Choice Energy (**CCE**).*)
- ❖ **CEC**- California Energy Commission
- ❖ **CleanStart**- SCP's basic service
- ❖ **CPUC**- California Public Utility Commission (*Regulator for state utilities*)
- ❖ **ERRA**- Energy Resource Recovery Account
- ❖ **EverGreen**- SCP's 100% renewable, 100% local energy product
- ❖ **Geothermal**- A very reliable, low-carbon baseload resource (meaning that it's available around the clock) that counts toward that state's renewable energy goals.
- ❖ **GHG** Greenhouse gas
- ❖ **iBank**- California Infrastructure & Economic Development Bank
- ❖ **IOU**- Investor Owned Utility (also may be referred to as Independently Owned Utility)
- ❖ **JPA**- Joint Powers Authority
- ❖ **MW**- Megawatt (Power)
- ❖ **MWh** – Megawatt-hour (Energy)
- ❖ **NEMA**- Net Energy Metering Aggregation (referred to as NetGreen Aggregation for SCP customers) allows customers to share electricity production from one generation system across multiple meters and properties.
- ❖ **NEMV**- Virtual Net Energy Metering (referred to as Virtual NetGreen for SCP customers) is allows customers to generate and share electricity production between multiple customers on the same property.
- ❖ **NetGreen**- A program offered by SCP which gives its customers financial credit for generating electricity.
- ❖ **NDA**- Non-Disclosure Agreement
- ❖ **PCIA**- Power Charge Indifference Adjustment (*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.*)
- ❖ **ProFit**- Our "Feed in Tariff" program
- ❖ **PV**- Photovoltaics
- ❖ **REC**- Renewable Energy Credit
- ❖ **RAC**- Ratepayer Advisory Committee
- ❖ **SCP**- Sonoma Clean Power
- ❖ **SCWA**- Sonoma County Water Agency
- ❖ **TOU RATES**- Time of Use Rates

**MEETING MINUTES
SONOMA CLEAN POWER AUTHORITY
BOARD OF DIRECTORS
THURSDAY, DECEMBER 3, 2015
50 Santa Rosa Avenue, Fifth Floor
Santa Rosa, California**

I. CALL TO ORDER

Meeting called to order by Chair Mark Landman at 8:45 A.M.

Directors Present: Landman, Cox, Wysocky, Cook, Slayter, Schwartz, Okrepkie, King.
Director Gorin absent with notice, all others present

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

II. CLOSED SESSION

The Board of Directors recessed at 8:45 A.M. for the following item: PUBLIC EMPLOYMENT: General Counsel [Government Code § 54957].

Reconvened from Closed Session at 9:08 A.M.

Report out by Chair Landman that Steve Shupe was unanimously appointed as SCP internal General Counsel and that the Board directed CEO Syphers to complete negotiations

III. BOARD OF DIRECTORS CONSENT CALENDAR

2. Approve the October 22, 2015 meeting minutes of the Sonoma Clean Power Authority Board of Directors. (9:10 A.M.)

Director King requested additional language to Item #6. Add direction from the board to staff to include in the new policy regarding governance that each city council have time to consider expansion item and advise/direct their individual representative to bring back concerns or support to a future SCP Board meeting

Motion to approve minutes as amended by Director King.
Seconded by Director Wysocky

Motion carried: 7-0-1 (Schwartz abstained)



IV. BOARD OF DIRECTORS REGULAR CALENDAR

3. Receive Operations Update and provide direction as appropriate (9:11 A.M.)

Present: CEO Syphers

SCP Annual Report provided and discussed. The estimation for greenhouse gas savings in the report was based on 2013 PG&E data, as 2014 data had not been released, yet.

SCP serving more customers in the past month than ever. Increase numbers based on returning opt outs and new Sonoma County residents.

Review of the Power Charge Indifference Adjustment (PCIA) from PG&E that CCA and Direct Access customers are charged. PCIA is rising dramatically in January. The increase does not affect SCP directly, but will affect SCP customers. The average SCP customer would normally pay between \$5-10 in PCIA fees. With the increase, fees will almost double. If SCP had been aware of the increase more than a year in advance, rates could have been adjusted to offset the effect on customers. Director Wysocky asked about a decrease in fees over time. CEO Syphers stated there is an offset based on the vintage or startup date of each customer. The process is currently not as transparent at the CPUC as SCP would like. Director Schwartz asked how our customers' percentage of savings compared to PG&E change. CEO Syphers stated that the exact difference in rates is unknown, as PG&E does not publish their January 1, 2016 rates until December 31, 2015. SCP staff is unable to anticipate, but the percentage of savings will decline for everyone.

A deposit for Reserves was made to a new interest-bearing account at Bank of Marin in the amount of \$7,380,000. The amount is divided between Program Reserves (\$1,107,000) and Operational Reserves (\$6,273,000). CEO Syphers stated that SCP's accountant will track the balances of each portion and that no funds from the account can be spent without Board approval, except for the ability to use up to 50% of the operating reserves for collateral.

The ProFIT program has projects that will be under construction in 2016 in Petaluma, totaling 2 megawatts. SCP is looking for in-state wind power to provide diversity in SCP's portfolio. Director Slayter asked about purchases of energy from out of the Country. CEO Syphers stated there is no current policy restricting purchases to inside the U.S. Director Slayter expressed concern from a global perspective as other countries may not have strict environmental guidelines.

Program Manager Amy Rider answered questions on the Energize customer-engagement tool. The tool will be usable by customers with Smart Meters and can be accessed by a simple internet connection.

Public Comment: None



4. Receive recommendations from the Ad Hoc Committee formed to oversee the Business Operations and Ratepayer Advisory Committee recruitment process.

Chair Landman reported on the process followed to review applications for the Ratepayer Advisory Committee (RAC) and Business Operations Committee (BOC) openings and the experience and talents looked for in the applicants. For the BOC, the Ad Hoc committee recommended Paul Brophy and Bill Mattinson, who volunteered to serve another term. The third candidate recommended was Ken Wells.

For the RAC, Susan Amato, Chris Romo and Chair John Parry were stepping down. Three vacancies needed to be filled, along with an appointment as Chair. Recommendations were for Joseph Como, Mike Nicholls and Anita Fenichel. The current Vice Chair, Art Deicke, was recommendation as Chair.

Director Schwartz questioned the process for rate setting and asked how much the RAC concerned themselves with ratepayer interests. He also stated concern with balance of the BOC having interest in the solar industry. He asked to divide committee appointments into two separate votes. Director Wysocky shared concern of weighted interest from the solar community and the need to maintain impartiality. He stated to be clear that he was not stating impropriety, just the need for transparency. CEO Syphers stated that to his knowledge, no current or proposed BOC members are currently involved in the solar industry. Chair Landman added that conflicts of interest were assessed for each candidate.

Public Comment: None

Vote on appointments to the RAC: Anita Fenichel, Mike Nicholls, and Joe Como.
Motion to approve appointments by Director King
Seconded by Director Cox
Appointments approved: 8-0-0

Vote on appointments to BOC: Paul Brophy, Bill Mattinson, and Ken Wells
Motion to approve appointments by Director King
Seconded by Director Cox Motion king, second Cox
Appointments approved 7-1-0

Vote to appoint Art Deicke Chair of the RAC Committee

Pub Comment: None

Motion to approve appointment by Director Cox
Seconded by Director King
Appointment approved: 8-0-0



New appointees present were asked by Chair Landman to introduce themselves to the Board and public. Joe Como, Mike Nicholls, Bill Mattinson, and Paul Brophy were present and spoke.

Chair Landman requested to hear items 9 and 10 out of order due to time constraints of a board member needing to depart early. No objections noted.

9. Approve proposed policy governing application process for new regions (9:51 A.M.)

CEO Syphers reviewed the process of defining the policy and restated that the policy does nothing but clarify how SCP would go through the decision making process of expansion. Significant changes from previous versions included sureness that non-contiguous regions are not excluded, as long as regions are in the area of SCP and members would be able to attend BOD meetings. Also the step was added that a non-committal letter of acknowledgement would go to regions that have formally requested coverage.

Director Wysocky expressed concern about the risk that SCP is taking, offering a seat on the board to new applicants. He expressed no objection to offering service separately. CEO Syphers stated the policy states SCP can offer everything from providing service only, limited representation, or a full member with a seat on the board. The policy clarifies that the board retains the right to decide which path to take.

Director King stated a recommendation to include a step, between numbers 4 and 5, including the opportunity for each city and county representative to go back to individual councils or boards to receive full vetting by those entities and including time for a presentation by an SCP staff member. Secondly have the presentations at the city councils and add adequate time for city staff to agendize the item, make recommendations to their councils and the councils to provide their representatives with the authority to vote on the item. Director King also stated that current SCP customers should not be paying for the process of evaluating regions requesting service.

Director Schwartz stated concern with the governance issue and expressed support of expansion if it benefits existing SCP customers. CEO Syphers stated that if the structure of the Board was changed, or services offered to regions without a seat on the Board, the JPA would need to be amended. He stated that expansion needed to be viewed as a major program of SCP with large GHG savings and benefits. Switching a community to a CCA would save a larger amount of GHGs than most programs and that costs can be offset on future program costs. Director Schwartz suggested a 3 month minimum for review.

Public Comment: None

Director Wysocky stated he would like to bring any changes to the JPA to his council before deciding. Director Cook asked if there would be a time limit between steps 4 and



5. (Amendment 1) A 60-day time frame for review after presented to the SCP Board was agreed to during the discussion. (Amendment 2) Director King stated that language stating results of analysis are for information only during step 5, not an action item. It was also agreed upon (Amendment 3) that number 2 in the policy should have language to indicate types of governance and that JPA goals should be included in the policy

Motion to pass with amendments made and recorded by staff by Director Cox

Seconded by Director Okrepkie

Motion passed: 7-1-0

Director Wysocky clarified his NO vote by stating he wanted to bring the policy to his council before voting.

10. Receive preliminary analysis of the impacts of serving Lake and Mendocino Counties. (10:38 A.M.)

CEO Syphers presented data on the amount of energy and range of options for numbers of new directors, if the program is expanded. Staff has not come to a firm conclusion whether or not to expand. Three options were presented. (1) Development assistance - being materially helpful with communities to launch on their own, similar to how the Water Agency was with SCP. (2) Limited Service - Offer service to a region that forms its own JPA and administers its own local programs, receiving their program income as a proportional share of SCPA's program expenditures while directing its own local programs and hiring staff to administer programs. Limited or no board representation at this level. (3) Full service - and full representation and program benefits. Regardless of the approach, staff recommends standard rates that are uniform over entire service area for ease of billing. All three options benefit community choice expansion.

Protecting current customers is a high priority. Expansion includes a risk that the affect would not be known until after service has begun.

Director Cox left meeting 10:58 A.M.

Recess for break at 11:01 A.M. Reconvened at 11:10 AM

Director Cook asked if Mendocino and Lake Counties have contacted MCE for service. CEO Syphers stated that Marin is not currently interested and that Mendocino and Lake would not likely be able to start a CCA on their own due to financial restraints and a small tax base. Director Wysocky stated to avoid the risk to current ratepayers it would be good to have reimbursement costs included in contracts.



Chair Landman asked if other service options are a good option. CEO Syphers stated that Lake and Mendocino counties are looking for service, but SCP does not have clarification yet if they would accept other than full service.

Public Comment: None.

Director Okrepkie stated it is SCP's fiduciary responsibility to expand CCA programs and reduce gHgs. The two proposed areas are struggling financially so it needs to be determined how SCP can provide a CCA program provided while protecting current assets.

Director Schwartz recommended waiting for the Lake and Humboldt County RFP responses to allow for a better point of view.

Director Cook approved of the limited service model, but does not want to close the door on any advancement.

Director Slayter asked if SCP was responding to the RFPs. CEO Syphers stated SCP should respond with a status update on offering service, not a proposal.

Chair Landman stated he liked the idea of one set of programs everywhere, but regions may have interests in local projects. Anything that decreases gHg reductions would be a success. He would like to go to next step and ask staff to research service options more completely and that these two particular counties may not be the best fit for SCP expansion.

5. Adopt resolution introducing, reading the title of, and waiving further reading of an ordinance establishing claim filing requirements for certain claims filed against the Authority. (11:38 A.M.)

General Counsel Shupe reviewed the proposed resolution and ordinance. Director King asked if this was similar to the County of Sonoma Ordinance. GC Shupe stated it was an exact model.

Public Comment: None

Director Wysocky left the meeting.

Motion to approve resolution by Director Cook
Seconded by Director Schwartz
Resolution passed: 6-0-0

Director Wysocky returned to the meeting

6. Receive State Legislative update and provide direction as appropriate (11:43 A.M.)



Public Affairs and Marketing Director Kate Kelly reviewed the October and November reports from SCP Lobbyist Kate Brandenburg.

Director Slayter asked about possible impacts of the closure of the Diablo Nuclear Plant, CEO Syphers stated the example set by closure of San Onofre. It would have a large impact on California energy markets. With sufficient warning, there should be less impact. Director King asked for a brief on the California electrical utility district initiative and how it would impact SCP and CCAs in the state. Chair Landman would like a report back on the likelihood of the current legislation passing.

Public Comment: None

7. Approve contract for Electric Vehicle Consumer Tools (11:47 A.M.)

Program Manager Amy Rider reported on this item. The contract is essentially setting groundwork for future electric vehicle (EV) work. It was a result of 3 bids given after an RFP. The firm chosen has delivered on a program of this type. The program will be largely focused on assessing the market and defining what types of education needs to be done in the market place. The proposed contract was presented to the BOC and approved to recommend to the Board.

Public Comment:

Ken Wells - Commented on support of the proposal. .

Dick Dowd – Stated the BOC voted in favor of program concepts and contract.

Andy Ferguson - Supports initiative. Need to appeal to business community who can get an infusion locally, showing the economic advantage to Sonoma County.

Director Schwartz reviewed the benefits to SCP. CEO Syphers stated that fuel switching achieves all of SCP's objectives faster due to the dramatic automatic reductions. Also balancing the charging times with the grid fluctuations will save energy and money.

Motion to approve by Director King

Seconded by Director Wysocky

Motion approved: 7-0-0

8. Accept audited Financial Statements for Fiscal Years ending June 30, 2014 and June 30, 2015 (12:06 P.M.)

Public Comment: None

Motion to accept by Director Wysocky

Second Okrepkie

Motion approved: 7-0-0

V. BOARD MEMBER ANNOUNCEMENTS



None

VI. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

None

VII. ADJOURN

Meeting adjourned at 12:08 P.M.

Respectfully submitted,

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

Stephanie Reynolds
Internal Operations Manager



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50 Santa Rosa Avenue, 5th Floor
Santa Rosa, CA 95404

Staff Update – Item 2

To: Sonoma Clean Power Authority Board of Directors
From: Stephanie Reynolds, Internal Operations Manager
Issue: Elect a Chair of the SCPA Board of Directors for 2016
Date: January 7, 2016

No written materials for this agenda item.



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Santa Rosa, CA 95404

Staff Update – Item 3

To: Sonoma Clean Power Authority Board of Directors
From: Stephanie Reynolds, Internal Operations Manager
Issue: Elect a Vice Chair of the SCPA Board of Directors for 2016
Date: January 7, 2016

No written materials for this agenda item.

Staff Update – Item 4

To: Sonoma Clean Power Authority Board of Directors

From: Geof Syphers, CEO
Steve Shupe, General Counsel

Issue: Appointment of Procurement Ad Hoc Committee for 2016

Date: January 7, 2016

Requested Action:

Appoint three SCP Directors to serve on an ad hoc committee through June 30, 2016 to review power procurement transactions.

Background:

Sonoma Clean Power Authority (SCPA) must procure sufficient electric energy to meet customer usage or “load.” Procurement is undertaken on a forecasted basis, using best practices to determine load over annual, seasonal and monthly periods. SCPA’s procurement in 2015 covered most of SCPA’s needs through 2020. However, there are three reasons why additional purchases exceeding the CEO’s \$5 million authority may occur in 2016:

1. Long-term renewable energy contracts are likely to become available during this period, including a wind energy contract that is in negotiation;
2. A decision to serve an expanded geographic territory and increased load; and
3. Adjustments to our existing portfolio to take advantage of new opportunities.

Procurement of energy involves confidential negotiations with counterparties, and often also includes execution of contracts with the commercial terms remaining confidential for up to three years. This practice helps ensure that SCPA’s customers



enjoy the financial benefits of a robust competitive market, involving a large number of bidders.

To maintain the financial benefits to customers accruing from respecting suppliers' requests for confidentiality, while meeting the requirements of the SCPA Joint Powers Agreement and California open-meetings laws during SCPA's initial start-up phase, staff implemented, with Board of Directors approval, a temporary process for negotiating, reviewing, and approving power procurement transactions. Now that Sonoma Clean Power is emerging from its start-up phase, staff recommends that the SCPA Joint Powers Agreement be updated in the first half of 2016 to establish a permanent method for approval of procurement transactions. The process would do away with the need for an ad hoc committee, while retaining the agency's ability to transact business in the real-time market, conduct highly competitive solicitations, and ensure strong risk management and public transparency.

Staff Proposal

Staff recommends that the Board form a three-member procurement ad hoc committee (PAHC) for a limited period of time, pending the adoption of a permanent procurement process. Staff will draft language for amending the JPA for discussion by the Board in March and April with adoption in May or June. In the interim period, the PAHC will review proposed procurement transactions for energy, resource adequacy, schedule coordination and other related energy products to verify that certain parameters are met.

Nomination of all three PAHC members and the designation of one member as the PAHC Chair would be by Board vote.

Per Section 4.5.3.3 of the SCPA Joint Powers Agreement (JPA), the Business Operations Committee (BOC) must review contracts in excess of \$250,000. The BOC has already reviewed and approved the parameters to be used by staff in considering whether to enter into procurement transactions. To continue the BOC's involvement, staff recommends that a member of the BOC should have an advisory role on the PAHC. Because procurement costs are the single largest drivers of rates, staff also recommends that a member from the Ratepayer Advisory Committee



(RAC) should have an advisory role on the PAHC as well. This will also ensure that the RAC will have sufficient information to determine if it should consider exercising its rights to investigate and raise issues about the transaction to the Board, pursuant to Sections 4.5.2.2 and 4.5.2.3 of the JPA.

Staff recommends that the PAHC be created for a limited period of time (June 30, 2016). The PAHC members would review specific procurement agreements and advise the Board Chair and the CEO on whether they meet the procurement criteria and should be finalized. If any PAHC member disagrees with a proposed transaction, the transaction would not go forward. Otherwise, the Board Chair would be authorized to execute the procurement contracts. This process ensures that the procurement criteria specified by the Board and the BOC have been met, and that agreement specifics are reviewed by Board, BOC, and RAC representatives, while maintaining the confidentiality of sensitive commercial terms that is necessary to provide SCPA customers with the lowest-cost power.

Two members of the BOC and the RAC should be appointed by the Board to serve in advisory roles. In the past, the Chairs of the two committees served in this role. Prior to the Board Chair executing any procurement contract, a BOC meeting will be called to present the non-confidential elements of the contract or contracts. The BOC will issue a recommendation on the contract or contracts that will inform the Board Chair prior to contract execution.

Staff recommends that the Board limit procurement transactions to contracts that will not cause an increase to the current adopted fiscal year budget. This limitation provides an additional check and balance on the power procurement process and ensures that no contract that causes procurement expenses to exceed the amount contained in the adopted annual budget will be approved without discussion by the full Board of Directors.



Procurement Procedure (until the JPA is updated with a new procurement process in 2016)

Staff solicit bids and negotiate contracts that are consistent with SCPA's adopted Resource Plan. The next step is based on the contract amount.

Less than \$250,000: Staff may execute at its discretion.

\$250,000 to \$5 million: The form of the contract is shown to the Business Operations Committee for review. The BOC may view volumes, length of contract and product types, with the commercial terms redacted (generally these consist of the counterparty's name, price, collateral, damages). The BOC votes to recommend or not recommend the contract. Staff may then execute after receiving this input from the BOC.

Over \$5 million: The BOC reviews the redacted contract (as described above) and votes to recommend or not. The Power ad hoc Committee (PAHC) then reviews the full unredacted contract. If the three-member PAHC is in unanimous agreement, the PAHC Chair asks the SCPA Board Chair to execute the contract.



AGENDA ITEM 4 PARAMETERS

The PAHC shall:

- 1) Review Staff power procurement efforts through updates from Staff;
- 2) Provide Staff with feedback on power procurement efforts and strategies;
- 3) Consult with the BOC and RAC Chair advisors;
- 4) Advise the Board Chair as to whether all procurement criteria have been met with respect to a particular proposed procurement contract; unless one or more PAHC members oppose a contract, the Board Chair is authorized to execute the contract;
- 5) Report back to the Board at the next available Board meeting regarding executed procurement contracts.

The PAHC is subject to the following limits:

- 1) The PAHC shall dissolve on June 30, 2016;
- 2) The Board Chair shall only execute power procurement contracts that do not cause power procurement expenses to exceed the adopted budget in the current fiscal year;
- 3) The Board Chair shall only execute contracts that are:
 - a. consistent with all adopted Board policies
 - b. unanimously approved by all PAHC members
 - c. reviewed by BOC and RAC Chair advisors
 - d. referred back to the PAHC by the BOC after BOC review

Staff Update – Item 5

To: Sonoma Clean Power Authority Board of Directors

From: Geof Syphers, CEO
Stephanie Reynolds, Internal Operations Manager
Nelson Lomeli, NEMja Warrior

Issue: Operations Report

Date: January 7, 2015

Milestones

Solar victories: Net Metering is spared at the CPUC, and the federal tax credit is extended

Beta testing has begun on Energize, SCP's customer engagement tool

Customer participation remains at 89%.

Solar Victories

Congress recently passed an extension to the Solar Energy Investment Tax Credit (ITC) and Production Tax Credit (PTC) for wind projects as part of the "Omnibus Bill" that were signed into law December 19, 2015. The ITC was set to be eliminated for residential customers and decrease to 10% for commercial customers from its current 30% credit at the end of 2016. With the extension, the ITC is in place through the end of 2019 for projects that commence construction prior to 2019 and are in service by 2024. Projects that commence construction after 2019 will have the credit percentage reduced.

The PTC is now extended through 2019 as well with the credit being phased out through the end of 2019 (the value decreases by 20% each year starting in 2017).

In another victory, the CPUC has issued a proposed decision to preserve net metering for 20 years. Certain details of the decision add various fees and, when considered together with the residential rate reform, will still tend to reduce the value of solar due to retail peak rates shifting to later times of day. However, overall it is a big win.

Details of the CPUC proposed decision follow:

On December 15, 2015, the California Public Utilities Commission (CPUC) released their Proposed Decision (14-07-002) for the successor Net Energy Metering tariff (commonly referred to as NEM 2.0). The successor tariff was set forth by AB 327 and tasked the CPUC with setting new rules to replace the current NEM rules. In August of 2015, the three Investor-Owned Utilities (PG&E, SDG&E, SCE) submitted their proposals that made significant changes to the structure of NEM.

PG&E had proposed compensating any energy exported to the grid at their energy generation price (no distribution credits received), implement a residential demand charge, move to monthly true-ups and require all customer to go on a Time-of-Use rate. They proposed only having Virtual Net Energy Metering (VNEM) for low-income properties and Net Energy Metering Aggregation (NEMA) for agricultural customers only. Other parties proposed paying all energy exported to the grid at wholesale rates, charging a "Grid Access Charge" and installed capacity charges, eliminating VNEM and NEMA, and imposing interconnection fees.

The CPUC's Proposed Decision strikes a balance between the IOUs proposals and the proposals from solar and consumer advocacy groups¹. The CPUC proposed decision:

- Keeps retail rate credits for all power produced and sent to the grid;
- Declines residential demand charges, grid access charges, installed capacity charges, standby fees, or other fixed charges on residential customers;

¹ This includes: CALSEIA, SEIA, Vote Solar, Sierra Club, TASC, NRDC, ORA, TURN, et al.

- Requires customer to pay nonbypassable charges² on all energy consumed from the utility regardless of the overall monthly net amount;
- Requires new installations to pay a “reasonable” interconnection fee³ (estimated between \$75-\$150 one-time payment);
- Expands Virtual Net Energy Metering by allowing properties with multiple service drops to qualify so long as it’s one site (VNEM currently requires all meters to be served by one service drop to the property)
- All new NEM customers coming online on or after January 1, 2018 will have to take service under a Time-of-Use rate;
- Adopts a Phase 2 to the proceeding that will explore “neighborhood VNEM” for disadvantaged communities (similar to community solar);
- Allow facilities larger than 1MW in size to interconnect under NEM 2.0 as long as the project pays all interconnection fees for studies and system upgrade under Electric Rule 21, with no cap in size so long as they have “no significant impact on the grid;”
- Finally, it established the NEM 2.0 tariff for 20 years and protects the customers that come online under the new tariff, or switch to the new tariff, from any NEM related changes in the future but NOT rate design changes.
 - Proposed revisiting CPUC policies in 2019 again.

The Proposed Decision may be heard before the CPUC January 28, 2016, at the earliest. The comment period is in effect for 30 days from the date the decision was issued.

PG&E Rate and Fee Increases

On the same day this board packet was finalized and released, PG&E submitted a revised advice letter “Advice 4696-E-A” providing additional updates and details for its planned rates and fees effective January 1, 2016.

² Non-bypassable charges support important statewide low-income and efficiency programs

³ The Interconnection Fee is to be based on the following cost: NEM processing and administrative cost, distribution engineering cost, metering installation and inspection cost, and commissioning cost.

The PG&E fee called "Power Charge Indifference Adjustment" or PCIA will be increasing by between 75% and 100%, with the higher increase going to residential customers. E1 residential customers will see a fee increase of about \$0.012/kWh, or about 5% of total charges. A small decrease in PG&E's generation rates for their bundled service customers will also go into effect, though the impact of that change is small compared with PCIA increase at about 0.3%. A combination of these changes and significant increases in PG&E's distribution charges to all customers mean that most electric customers will see bills go up between 7% and 10%.

A detailed analysis of SCP's rates relative to PG&E's rates will be jointly produced by SCP and PG&E by February for publication on both websites. The effect of these PG&E rate and fee changes on specific customers will not be reported in detail until this study is completed, but the approximate effect is that effective total rates between SCP and PG&E will be very close in January.

Budget Update

Expenses are tracking about 5.5%, and revenues are tracking about 5% above budget after the expected winter shortfall is covered, making the overall outlook strong. One category that will need a budget adjustment is Legal, because staff have found that advocacy at the CPUC is requiring a greater involvement of outside counsel than originally forecast. A proposed increase for Legal will be provided at the next board meeting, but the amount will be small enough that no adjustments to other categories or to rates is expected.

MONTHLY COMPILED FINANCIAL STATEMENTS

November marks the first month of the winter rate season for Sonoma Clean Power, where aggregate rates are lower than in the summer season. Despite the planned drop in revenues for the month, SCP added to a strong net position, with projections of continued growth in net position over the remainder of the year. Year-to-date

revenue from electricity sales reached \$74,474,000, with the full Phase 3 rollout in effect. SCP is in the first month of its winter rate season that extends through April 2016, so the magnitude of growth in net position will be at lower levels during that period.

Electricity sales (as reported on the Statement of Revenues, Expenses and Changes in Net Assets) is being offset by our estimate of uncollectible accounts, which is currently set at 0.5% of electricity sales. As historical data is gathered on the collection patterns specific to SCP customers, this rate will be revisited and adjusted as necessary. Note that the accounts receivable line on the Statement of Net Position is also decreased by this allowance for uncollectibles.

SCP continues to procure electricity from multiple sources. The total cost for the year is slightly below projections. This is primarily due to the lower than expected cost of energy. The effect of this is seen by an excess of electricity sales over cost of electricity for the year-to-date of \$22,484,000. You will notice a total net position of positive \$32,651,000, which indicates healthy growth as SCP continues to make progress towards its reserve goals.

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

We continue to incur interest and make payments on a loan agreement with SCWA. We expect cash flows from customers to reduce the need for future borrowing.

BUDGETARY COMPARISON SCHEDULE

The accompanying budgetary comparison includes the 2015/16 budget approved by the Board of Directors in June 2015.

The budget is formatted to make comparisons for both the annual and the year-to-date perspective. The first column, 2015/16 YTD Budget, allocates the Board approved annual budget at expected levels throughout the year with considerations 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 is about 109% of budget. This variance may be partially explained by greater volume usage by certain customer types than planned, combined with the effect of Phase 3 opt out rates.

The cost of electricity is around 96% of amended budget to date. Some of this variance is caused by the fluctuating market cost of energy on open position purchases.

Major operating categories of Data Management and PG&E Service fees costs are closely aligned to the annual budgeted amount. These costs are tied to the customer account total, which increased with the implementation of Phase 3.

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

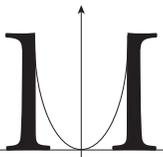
Principal and interest payments are being made on the balance of the loan with the Sonoma County Water agency.

FUTURE BOARD MEETING DATES:

FEBRUARY 4, 2016

MARCH 3, 2016

APRIL 4, 2016



ACCOUNTANTS' COMPILATION REPORT

Management
Sonoma Clean Power Authority

We have compiled the accompanying statement of net position of Sonoma Clean Power Authority (a California Joint Powers Authority) as of November 30, 2015, and the statement of revenues, expenses, and changes in net position, and the statement cash flows for the period then ended. We have not audited or reviewed the accompanying statements and, accordingly, do not express an opinion or provide any assurance about whether the statement of net position, the statement of revenues, expenses, and changes in net position, and the statement of cash flows are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the 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.

Certain accounting functions provided by Maher Accountancy are considered management functions by the American Institute of Certified Public Accountants. Accordingly, we are not independent with respect to Sonoma Clean Power Authority.

Maher Accountancy

December 30, 2015

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF NET POSITION

As of November 30, 2015

ASSETS

Current assets	
Cash and cash equivalents	\$ 33,544,917
Accounts receivable, net of allowance	14,836,320
Accrued revenue	6,991,003
Prepaid expenses	333,981
Total current assets	<u>55,706,221</u>
Noncurrent assets	
Capital assets, net of depreciation	170,540
Deposits	574,866
Total noncurrent assets	<u>745,406</u>
Total assets	<u>56,451,627</u>

LIABILITIES

Current liabilities	
Accounts payable	533,189
Accrued cost of electricity	17,714,808
Other accrued liabilities	143,658
User taxes and energy surcharges due to other governments	423,017
Loan payable to Sonoma County Water Agency	257,344
Total current liabilities	<u>19,072,016</u>
Noncurrent liabilities	
Loan payable to Sonoma County Water Agency	1,278,295
Supplier security deposits	3,450,000
Total noncurrent liabilities	<u>4,728,295</u>
Total liabilities	<u>23,800,311</u>

NET POSITION

Net investment in capital assets	170,540
Unrestricted	<u>32,480,776</u>
Total net position	<u>\$ 32,651,316</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
July 1, 2015 through November 30, 2015

OPERATING REVENUES

Electricity sales, net	\$ 74,373,170
Evergreen electricity premium	100,025
Total operating revenues	<u>74,473,195</u>

OPERATING EXPENSES

Cost of electricity	51,989,316
Staff compensation	588,147
Data manager	1,365,985
Service fees - PG&E	431,688
Consultants	364,867
Legal	172,259
Communications	419,895
General and administration	127,100
Total operating expenses	<u>55,459,257</u>
Operating income	<u>19,013,938</u>

NONOPERATING REVENUES (EXPENSES)

Interest income	80
Interest expense	(19,717)
Total nonoperating revenues (expenses)	<u>(19,637)</u>

CHANGE IN NET POSITION

Net position at beginning of period	13,657,015
Net position at end of period	<u>\$ 32,651,316</u>

SONOMA CLEAN POWER AUTHORITY

STATEMENT OF CASH FLOWS July 1, 2015 through November 30, 2015

CASH FLOWS FROM OPERATING ACTIVITIES

Cash receipts from customers	\$ 73,823,047
Cash payments to purchase electricity	(49,188,168)
Cash payments for staff compensation	(572,392)
Cash payments for contract services	(2,410,281)
Cash payments for communications	(349,627)
Cash payments for general and administration	(103,199)
Net cash provided (used) by operating activities	<u>21,199,380</u>

CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES

Principal payments on loan	(104,898)
Deposits and collateral paid	(240,200)
Deposits and collateral returned	5,100
Interest income received	80
Interest expense payments	(20,102)
Net cash provided (used) by non-capital financing activities	<u>(360,020)</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

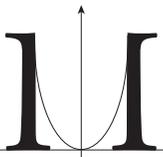
Acquisition of capital assets	<u>(20,849)</u>
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Net change in cash and cash equivalents	20,818,511
Cash and cash equivalents at beginning of year	12,726,406
Cash and cash equivalents at end of period	<u>\$ 33,544,917</u>

SONOMA CLEAN POWER AUTHORITY
STATEMENT OF CASH FLOWS (continued)
July 1, 2015 through November 30, 2015

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

Operating income	\$ 19,013,938
Adjustments to reconcile operating income to net cash provided (used) by operating activities	
Depreciation expense	14,903
(Increase) decrease in net accounts receivable	(2,657,361)
(Increase) decrease in accrued revenue	1,249,558
(Increase) decrease in prepaid expenses	345,525
Increase (decrease) in accounts payable	(76,304)
Increase (decrease) in accrued cost of electricity	2,532,414
Increase (decrease) in accrued liabilities	763,802
Increase (decrease) in user taxes and energy surcharges due to other governments	12,905
Net cash provided (used) by operating activities	<u>\$ 21,199,380</u>



ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Sonoma Clean Power Authority

We have compiled the accompanying special purpose budgetary comparison statement for Sonoma Clean Power Authority (a California Joint Powers Authority) for the period ended November 30, 2015. We have not audited or reviewed the accompanying financial statement and, accordingly, do not express an opinion or provide any assurance about whether the financial statement is in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statement and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statement.

The accompanying special purpose budgetary comparison statement was prepared to allow for the comparison of actual financial results to budgeted results as approved by the board of directors of Sonoma Clean Power Authority, and is not intended to be a presentation in conformity with accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included with the special purpose budgetary comparison statement, they might influence the user's conclusions about the Authority's results of operations. Accordingly, this special purpose budgetary comparison statement is not designed for those who are not informed about such matters.

Certain accounting functions provided by Maher Accountancy are considered management functions by the American Institute of Certified Public Accountants. Accordingly, we are not independent with respect to Sonoma Clean Power Authority.

Maher Accountancy

December 30, 2015

**SONOMA CLEAN POWER AUTHORITY
OPERATING FUND
BUDGETARY COMPARISON SCHEDULE
July 1, 2015 through November 30, 2015**

	<u>2015/16 YTD Budget</u>	<u>2015/16 YTD Actual</u>	<u>2015/16 YTD Budget Variance (Under) Over</u>	<u>2015/16 YTD Actual/Budget %</u>	<u>2015/16 Annual Budget</u>	<u>2015/16 Budget Remaining</u>
REVENUE AND OTHER SOURCES:						
Revenue - Electricity (net of allowance)	\$ 68,235,713	\$ 74,373,170	\$ 6,137,457	109%	\$ 164,824,000	\$ 90,450,830
Revenue - Evergreen Premium (net of allowance)	277,788	100,025	(177,763)	36%	671,000	570,975
Revenue - Interest income	-	80	80	-	-	-
Total revenue and other sources	<u>68,513,501</u>	<u>74,473,275</u>	<u>5,959,774</u>	<u>109%</u>	<u>165,495,000</u>	<u>91,021,805</u>
EXPENDITURES AND OTHER USES:						
CURRENT EXPENDITURES						
Cost of energy and scheduling	54,291,324	51,989,316	(2,302,008)	96%	130,110,000	78,120,684
Data management	1,376,279	1,365,985	(10,294)	99%	3,208,000	1,842,015
Service fees- PG&E	433,750	431,688	(2,062)	100%	1,041,000	609,312
Personnel	790,000	588,147	(201,853)	74%	2,033,000	1,444,853
Outreach and communications	325,833	259,136	(66,697)	80%	782,000	522,864
Required noticing	233,778	160,759	(73,019)	69%	352,000	191,241
Legal	91,667	172,259	80,592	188%	220,000	47,741
Accounting and auditing	68,750	68,500	(250)	100%	165,000	96,500
Technical consultants	325,000	46,639	(278,361)	14%	780,000	733,361
Legislative consultants	97,917	36,500	(61,417)	37%	235,000	198,500
Other consultants	66,667	50,610	(16,057)	76%	160,000	109,390
Program development	550,568	162,902	(387,666)	30%	1,350,000	1,187,098
General and administration	203,333	111,913	(91,420)	55%	488,000	376,087
Total current expenditures	<u>58,854,866</u>	<u>55,444,354</u>	<u>(3,410,512)</u>	<u>94%</u>	<u>140,924,000</u>	<u>85,479,646</u>
OTHER USES						
Collateral deposit payments	2,333,333	240,000	(2,093,333)	10%	7,000,000	6,760,000
Capital outlay	156,000	14,401	(141,599)	9%	282,000	267,599
DEBT SERVICE	159,167	124,921	(34,246)	78%	382,000	257,079
Total expenditures, Other Uses and Debt Service	<u>61,503,366</u>	<u>55,823,676</u>	<u>(5,679,690)</u>	<u>91%</u>	<u>148,588,000</u>	<u>92,764,324</u>
Net increase (decrease) in available fund balance	<u>\$ 7,010,135</u>	<u>\$ 18,649,599</u>	<u>\$ 11,639,464</u>	<u>266%</u>	<u>\$ 16,907,000</u>	<u>\$ (1,742,519)</u>

SONOMA CLEAN POWER AUTHORITY
OPERATING FUND
BUDGET RECONCILIATION TO STATEMENT OF
REVENUES, EXPENSES AND CHANGES IN NET POSITION
July 1, 2015 through November 30, 2015

Total revenues and other sources over (under) total expenditures, debt service and other uses per budgetary comparison schedule:	\$ 18,649,599
Adjustments needed to reconcile to the changes in net position in the Statement of Revenues, Expenses and Changes in Net Position:	
Subtract depreciation expense	(14,903)
Add back capital asset acquisitions	14,401
Add back principal payments on debt	105,204
Add back Recurrent Energy deposit	<u>240,000</u>
Change in net position	<u><u>\$ 18,994,301</u></u>

Staff Update – Item 6

To: Sonoma Clean Power Authority Board of Directors

From: Kate Kelly/Director, Public Affairs & Marketing

Issue: Legislative Update

Date: January 7, 2016

Attached, please find Sonoma Clean Power's (SCP's) Legislative Report for the month of December, as prepared by SCP's Sacramento lobbyist, Kate Brandenburg.

Sonoma Clean Power Monthly Legislative Report December 2015

Assemblyman Henry Perea (Fresno) recently announced he would be stepping down rather than serving out the remaining year of his term. He has accepted a political advocacy position with Pharmaceutical Research and Manufacturers of America (PHRMA). Assemblyman Perea was the leader of the moderate Democrats and accumulated significant clout in the Legislature during his term. He played a key role in shaping major bills such as the \$7.5 billion water bond and this year's climate change bill (SB 350 – de Leon). Assemblyman Perea is taking the same path into the private sector, as did former state Senator Michael Rubio and former Senator Bill Emmerson. You will recall, Rubio gave up his seat to take a position with Chevron and Emmerson gave up his seat to join the California Hospital Association.

The moderate Democrats chose Assembly Members Jim Cooper of Elk Grove and Rudy Salas of Bakersfield to lead the moderate charge.

It is almost certain that the Republicans will make this a targeted seat since the demographics suggest that it is neither a Republican or Democratic district.

Legislative Deadlines

The Legislature will be returning to Sacramento on January 4th for the second year of a two-year session. The legislative deadline to pass any bills still in the House of Origin is January 31st. The last day for introducing new legislation is February 19th.

The Governor has until January 10th to present the budget to the Legislature.

Staff Update – Item 7

To: Sonoma Clean Power Authority Board of Directors

From: Steve Shupe, General Counsel

Issue: Claims Ordinance (Second Reading, Ready for Adoption)

Date: January 7, 2016

Requested Action

Adopt ordinance establishing claim filing requirements for certain claims filed against the Authority.

Background

As described at the Board's meeting of December 3, 2015, claims against the Sonoma Clean Power Authority are subject to the provisions of California's Government Claims Act. Under the Act, before an individual can file a lawsuit against a local public agency, the individual must first file a claim with the local public agency, and allow the agency to determine whether to pay the claim. Certain types of claims are not subject to the Act, but the Act allows a local public agency to adopt an ordinance requiring that such excepted claims be subject to a claim presentation process.

Staff Proposal

Staff recommends that the Board adopt the attached ordinance establishing a claim filing requirement for claims against the Authority that not directly covered by the Government Claims Act. This will benefit the Authority by allowing it to consider and act upon such claims before any litigation on the claim is filed. If the Authority denies a claim, the claimant is then free to file a lawsuit, but must do so within a short, six-month timeframe. The claim procedures also require each individual claimant to execute the claim form, thus reducing the Authority's risk of being subjected to a class action lawsuit.



The Government Claims Act also allows the Board of a local public agency to delegate to an employee the ability to allow, compromise, or settle any claim made against the agency, provided the amount paid is \$50,000 or less. Consistent with the general authority granted to the Chief Executive Officer to enter into contracts up to this amount, the ordinance would also grant the Chief Executive Officer the authority to compromise, settle, and pay claims of \$50,000 or less, following consultation with the General Counsel.

The proposed ordinance was introduced at the Board's meeting of December 3, 2015 and is now ready for adoption. If adopted, it will be published in the *Press Democrat* and become effective 30 days from today.

ORDINANCE OF THE BOARD OF DIRECTORS OF THE SONOMA CLEAN
POWER AUTHORITY ESTABLISHING PROCEDURES FOR FILING CLAIMS
OTHER THAN CLAIMS SUBJECT TO THE GOVERNMENT CLAIMS ACT

The Board of Directors of the Sonoma Clean Power Authority hereby ordains as follows:

Section 1. *Statement of Purpose.* The California Government Claims Act, Government Code sections 900 et seq., establishes a procedure that must be followed for presenting certain claims to a local public entity. Government Code section 935 authorizes local government entities to adopt procedures for the processing of claims not governed by the Government Claims Act or other specific state laws. This ordinance is adopted pursuant to Government Code section 935 to establish the same procedures for filing other claims against the Sonoma Clean Power Authority as are mandated by law for the filing of claims under the Government Claims Act.

Section 2. (a) *Claim required; time for filing claim.* Any claim against the Sonoma Clean Power Authority for money or damages not otherwise subject to the procedures set out in the Government Claims Act, California Government Code sections 900 et seq., or any other state law imposing a specific claim or refund process, must be presented within the time and in the manner prescribed by Part 3 of Division 3.6 of Title 1 of the Government Code (commencing with section 900 thereof), as those provisions now exist or may hereafter be amended, and as further provided in this ordinance. Claims shall be determined according to the process established in Government Code sections 900 et seq., unless otherwise specified in this ordinance.

(b) *Contents of claim.* All claims must be made in writing and verified by the claimant or by his or her guardian, conservator, executor, or administrator. No claim may be filed on behalf of a class of persons unless verified by every member of that class. All claims filed must contain, for each person or entity on whose behalf the claim is filed, all of the information required by California Government Code section 910, and, as attachments, any and all documents on which the claimant relies to support his or her claim.

(c) *Claim prerequisite to suit.* In accordance with Government Code sections 935 and 945.6, all claims shall be presented as provided in this ordinance and must be acted upon, or deemed denied by, the Board of Directors prior to the filing of any legal action on such claim. No action at law or in equity may be maintained unless the person or entity bringing such action has complied with the requirements of this ordinance.

(d) *Suit.* Any action brought against the Sonoma Clean Power Authority upon any claim or demand shall conform to the requirements of sections 940-949 of the Government Code. Any action brought against any employee of the Sonoma Clean Power Authority shall conform to the requirements of sections 950-951 of the Government Code.

(e) *Existing Claims.* Claims that have already accrued as of the effective date of this ordinance, and could be timely filed but for this ordinance, shall be considered timely if filed within the time limits imposed by this ordinance for a right of action accruing on the effective date of this ordinance, or within the otherwise applicable statute of limitation, whichever ends first. Any claim filed as timely under this provision shall include a statement identifying the statute of limitation upon which the claim would otherwise be based.

Section 3. *Delegation to Chief Executive Officer.* Following consultation with the General Counsel, the Chief Executive Officer is hereby delegated, and is authorized to exercise, the power and duties of the Board of Directors described in Section 2(c) above with respect to any claim against the Authority in an amount of \$50,000 or less, and may act upon, compromise, settle, pay, or deny any such claim.

Section 4. *Severability.* If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be unconstitutional and invalid, such decision shall not affect the validity of the remaining portion of this ordinance. The Board of Directors hereby declares that it would have passed this ordinance and every section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional or invalid.

Section 4. *Effective Date.* This ordinance shall be and the same is hereby declared to be in full force and effect from and after thirty (30) days after the date of its passage and shall be published once before the expiration of fifteen (15) days after said passage, with the names of the Directors voting for or against the same, in the *Santa Rosa Press Democrat*, a newspaper of general circulation published in the County of Sonoma, State of California. This ordinance shall apply to all claims filed on or after its effective date.

In regular session of the Board of Directors of the Sonoma Clean Power Authority introduced on the 3rd day of December, 2015, and finally passed and adopted this 7th day of January, 2016, on regular roll call of the members of said Board by the following vote:

DIRECTORS:

CITIES	NAME	AYE	NO	Abstain
Cloverdale	Director Cox			
Cotati	Chair Landman			
County of Sonoma	Director Gorin			
Petaluma	Director King			
Rohnert Park	Director Schwartz			
Santa Rosa	Director Wysocky			
Sebastopol	Vice Chair Slayter			
Sonoma	Director Cook			
Windsor	Director Okrepkie			

In alphabetical order by city

SO ORDERED.