

**Board of Directors Meeting Action Agenda**

December 17, 2020, 2 p.m.

City of Carlsbad | Virtual Meeting

Per State of California Executive Order N-29-20, and in interest of public health and safety, we are temporarily taking actions to prevent and mitigate the effects of the COVID-19 pandemic by holding Clean Energy Alliance Joint Powers Authority meetings electronically or by teleconferencing. All public meetings will comply with public noticing requirements in the Brown Act and will be made accessible electronically to all members of the public seeking to observe and address the Clean Energy Alliance Joint Powers Authority Board of Directors. Members of the public can watch the meeting live at: [www.carlsbadca.gov](http://www.carlsbadca.gov). You can participate in the meeting by e-mailing your comments to the Secretary at [secretary@thecleanenergyalliance.org](mailto:secretary@thecleanenergyalliance.org) 1 hour prior to commencement of the meeting. If you desire to have your comment read into the record at the meeting, please indicate so in the first line of your e-mail and limit your e-mail to 500 words or less. These procedures shall remain in place during the period in which state or local health officials have imposed or recommended social distancing measures.

**SWEARING IN OF NEW BOARD MEMBER:** Interim Board Clerk administered the Oath of Office to incoming Member David Druker.

**CALL TO ORDER:** 2:00 p.m.

**ROLL CALL:** Member Schumacher, Member Druker, Vice Chair Becker

**FLAG SALUTE:** Led by Member Schumacher.

**BOARD COMMENTS & ANNOUNCEMENTS:**

**Item 1:** Declare Clean Energy Alliance Board Chair Position Vacant and Elect Board Chair for term through June 30, 2021

**RECOMMENDATION**

Declare the Board Chair position vacant and elect a Board Chair to fill term through June 30, 2021, pursuant to Section 5.2 of the Clean Energy Alliance Joint Powers Agreement.

**ACTION:** Motion by Member Druker, second by Member Schumacher to nominate Vice Chair Becker as Board Chair; motion by Vice Chair Becker, second by Member Druker to nominate Member Schumacher as Vice Chair. Motion carried unanimously, 3/0.

**PRESENTATIONS:** Interim CEO Barbara Boswell made introductory comments and Sara Madsen of Tripepi Smith presented an update of the Clean Energy Alliance Website Refresh.

Alternate CEA Board Member Worden presented an update from the inaugural meeting of the Community Advisory Committee (CAC) and requested consideration of an additional meeting of the CAC in February be placed on the CEA agenda for January.

Chair Becker requested that CAC be placed on the distribution list for CEA Agendas.

**PUBLIC COMMENT:** None

**APPROVAL OF MINUTES:** Minutes of the Regular Meeting held November 19, 2020

**ACTION:** Approved 3/0

**Consent Calendar**

**Item 2: Clean Energy Alliance Treasurer’s Report**

**RECOMMENDATION**

Receive and File Clean Energy Alliance Treasurer’s Report.

**Item 3: Ratify Execution of Letter of Credit in Satisfaction of California Public Utilities Commission Resolution E-5059 Setting an Update Financial Security Requirement**

**RECOMMENDATION**

Ratify execution of a Letter of Credit, in the amount of \$147,000, with U.S. Bank, in satisfaction of the California Public Utilities Commission Resolution E-5059 setting an updated Financial Security Requirement.

**Item 4: Fiscal Year 20/21 Budget Amendment for CCA Operations**

**RECOMMENDATION**

Approve Fiscal Year 20/21 Budget Amendment for CCA Operations, increasing revenue by \$9,643,500 and expenditures by \$9,459,000.

**ACTION: Motion by: Member Druker, second by Member Schumacher to approve the Consent Calendar. Motion carried unanimously, 3/0.**

**New Business**

**Item 5: Clean Energy Alliance Interim Chief Executive Officer Report & Regulatory Affairs Update**

**RECOMMENDATION**

- 1) Receive and file Clean Energy Alliance Interim Chief Executive Officer Report.
- 2) Receive and file Clean Energy Alliance Regulatory Affairs Update Report.

Special Regulatory Counsel Ty Tosdal highlighted the following new developments from the California Public Utilities Commission hearing: 1) a favorable proposed decision was received in SDG&E's ERRR forecast proceeding and the item was held over to the January 14 meeting allowing time to work with SDG&E directly to resolve the issue and explained the interlinking of ERRR, rate setting and pro forma, and how that may affect programs that CEA may be thinking of and commented on the work being done to ensure that the CPUC approves a rate that is not artificially low and reflects the cost for service; 2) CPUC adopted a decision in the PCIA Trigger Application to amortize the amount that exceeded the amount with the Trigger Application over 36 months and will not affect CEA; 3) Customer refunds for bundled customers that will be moving from SDG&E to CEA were granted as a transfer to CEA; 4) and also as part of stipulation, support removing PCIA Trigger and CAP mechanism from future petition for modification as it does not achieve its intended purpose to keep limits on PCIA volatility, which it has not done, and any amount that exceeds the CAP will be collected through a 12-month amortization period in 2022.

Interim CEO Barbara Boswell clarified that the Trigger Application does apply to Solana Energy Alliance customers that will be moving to CEA and that they are part of a different PCIA Vintage which will impact those customers.

**ACTION: Reports received.**

**Item 6: Clean Energy Alliance Pro-Forma Update**

**RECOMMENDATION**

Receive presentation on the updated Clean Energy Alliance Pro-Forma.

**ACTION: Motion by Member Schumacher, second by Chair Becker, to continue this item to the February meeting to allow for the most updated information.**

**Motion carried unanimously, 3/0.**

**Item 7: Approve Terms and Conditions and Product Branding of Clean Energy Alliance Initial Default Energy Product Options and Programs**

Interim CEO Barbara Boswell gave the presentation providing an overview of the options and recommended names and related icons available.

Board Member comments and questions included inquiry regarding the default SEA programs being available as CEA options; the number of CCAs that offer opt-down provisions to customers; the financial impacts of alternative options as PCC1 renewable and carbon-free energy and opt-down provisions; inquiry to match SDG&E rate offering; minimum default renewable rates; and equity impact.

Public comment from Micah Mitrosky on behalf of IBEW Local 569 was read into the record.

The Board requested that each city's Council as well as the Community Advisory Committee be presented with the information for feedback.

### **RECOMMENDATION**

- 1) Approve energy product options to offer at launch, or other alternatives as determined by the Clean Energy Alliance Board:
  - \* 50% Renewable Energy Product – Minimum Default Energy Product
  - \* 100% Renewable Energy Product – Alternative Default Energy Product Option for Member Agencies; Voluntary Opt-Up Product for customers at a rate premium
  - \* Minimum State Renewable Portfolio Standards Product – Voluntary Opt-Down for Customers at a reduced rate
  
- 2) Approve Product Names, or other alternatives as determined by the CEA Board:
  - Green Impact – 50% Renewable Energy Product
  - Clean Impact – 100% Renewable Energy Product
  - Local Impact – Meets State Required Renewable Energy Standards (If Approved by Board)
  - Personal Impact – Net Energy Metering Program
  
- 3) Approve CEA Terms and Conditions – General Service and Net Energy Metering

**ACTION: Motion by Chair Becker, second by Member Druker to adopt the CEA Terms and Conditions – General Service and Net Energy Metering.**

**Motion carried unanimously, 3/0.**

**Motion by Member Druker, second by Member Schumacher, to take the product options and the addition of a 75% carbon free option to the CEA JPA City Councils for feedback.**

**Motion carried unanimously, 3/0.**

**Item 8: Authorize Credit Solution with JPMorgan for Clean Energy Alliance Start-up and Work Capital**

Member Druker recused himself from participating on this item due to financial interest in JPMorgan.

Interim CEO Barbara Boswell gave the presentation highlighting the various aspects of the solution options offered by each of the banks.

### **RECOMMENDATION**

Authorize Interim Chief Executive Officer to Execute All Documents and take all necessary actions to secure CEA's financing with JPMorgan, subject to General Counsel Approval, for the following amounts, or other alternatives as determined by the CEA Board:

- a) \$5,000,000 for start-up and working capital costs;
- b) \$5,000,000 (subject to credit approval and CEA Board Authorization) for liquidity via Standby Letters of Credit or cash postings for power contracts;
- c) \$5,000,000 (subject to credit approval and CEA Board Authorization) available upon launch for additional working capital or liquidity support for power purchase agreements.

Member Schumacher expressed gratitude for staff's work in getting the best possible rates.

**ACTION: Motion by Member Schumacher, second by Chair Becker, to authorize Interim Chief Executive Officer to Execute All Documents and take all necessary actions to secure CEA's financing with JPMorgan, subject to General Counsel Approval, for the following amounts, or other alternatives as determined by the CEA Board:**

- a) \$5,000,000 for start-up and working capital costs;
- b) \$5,000,000 (subject to credit approval and CEA Board Authorization) for liquidity via Standby Letters of Credit or cash postings for power contracts;
- c) \$5,000,000 (subject to credit approval and CEA Board Authorization) available upon launch for additional working capital or liquidity support for power purchase agreements.

Motion carried unanimously, 3/0.

**BOARD MEMBER REQUESTS FOR FUTURE AGENDA ITEMS:** Member Schumacher requested that a future item discussing potential expansion of local legislative advocacy to provide more stability in rate forecasting; and Member Druker requested the following three items be placed on a future agenda 1) an item discussing historic usage 2) the status of the San Diego Community Power and what their future is looking like and 3) reaching out to the County of San Diego and Oceanside to gauge interest in joining CEA.

**ADJOURN:** Chair Becker adjourned the meeting at 4:02 p.m.

**NEXT MEETING:** January 21, 2021, 2 p.m., hosted by City of Del Mar (Virtual Meeting)

**Reasonable Accommodations**

*Persons with a disability may request an agenda packet in appropriate alternative formats as require by the Americans with Disabilities Act of 1990. Reasonable accommodations and auxiliary aids will be provided to effectively allow participation in the meeting. Please contact the Carlsbad City Clerk's Office at 760-434-2808 (voice), 711 (free relay service for TTY users), 760-720-9461 (fax) or [clerk@carlsbadca.gov](mailto:clerk@carlsbadca.gov) by noon on the Monday before the Board meeting to make arrangements.*

**Written Comments**

*To submit written comments to the Board, please contact the Carlsbad City Clerk's office at [secretary@thecleanenergyalliance.org](mailto:secretary@thecleanenergyalliance.org). Written materials related to the agenda that are received by 5:00 p.m. on the day before the meeting will be distributed to the Board in advance of the meeting and posted on the Authority webpage. To review these materials during the meeting, please contact the Board Secretary.*