

**Clean Energy Alliance – Board of Directors
Meeting Minutes
December 17, 2020 – 2:00 p.m.
City of Carlsbad City Hall
1200 Carlsbad Village Drive, Carlsbad, CA 92008
Teleconference Locations per State of California Executive Order N-29-20**

SWEARING IN OF NEW BOARD MEMBER: Interim Board Clerk Susan Caputo administered the Oath of Office to incoming City of Del Mar Board Member David Druker.

CALL TO ORDER: Vice Chair Becker called to order the regular meeting of the Clean Energy Alliance at 2:00 p.m.

ROLL CALL: Schumacher, Druker, Becker

FLAG SALUTE: Board Member Schumacher led the flag salute.

BOARD COMMENTS & ANNOUNCEMENTS: Board Member Schumacher commented and commended staff for work on the Energy Resource Recovery Account (ERRA) proceedings and stated comment would be forthcoming on Item 6.

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.

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.

**Motion by Member Schumacher, second by Chair Becker, to approve the minutes as submitted.
Motion carried unanimously, 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.

**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**

Interim Chief Executive Officer Barbara Boswell inquired if the Board had any questions regarding her report and introduced Special Regulatory Counsel Ty Tosdal who highlighted the following new developments from the California Public Utilities Commission hearing: 1) a favorable proposed decision was received in SDG&E's ERRA 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 ERRA, 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.

RECOMMENDATION

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

CEA Board received reports.

Item 6: Clean Energy Alliance Pro-Forma Update

RECOMMENDATION

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

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

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 present 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.

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, 2/0.

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.

DocuSigned by:
Susan Caputo
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Susan Caputo, MMC
Interim Board Clerk